



# Special Service Price Proposal

## Little St James - Red Hook Virtual Circuit Internet Services

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### Introduction

Virtual Network Design and Quality Service Delivery is the business of Choice Communications. From a Global Enterprise to a home based business, Choice Communications helps clients keep critical information flowing and business running smoother.

For more than a decade, Choice Communications has delivered secure reliable Broadband Access to Government, business and residential clients. Our years of telecommunications networking experience make us uniquely qualified to help clients design flexible solutions to solve complex business communications problems.

Security and redundancy are embedded in the core of Choice Communications. Protected by State-of-the-Art encryption technology clients' critical information is transported at the speed of light. Choice Communications uses of self healing network design and mesh networking techniques ensures multi-route data switching and unsurpassed service availability.

Choice Communications is not just an access provider. We are a business partner our clients can depend on. We offer an array of data solutions designed to meet your critical business needs.

### Little St James Project Scope

Under the scope of this project, Choice Communications (Choice) proposes to provide broadband speed data connectivity between the island of Little St James (LSJ) via Choice facilities at Stalley tower and Red Hook, St Thomas USVI. Choice will provide the customer with broadband Internet service through our switch based wireless transport network and multi-path undersea fiber optic cables from the US Virgin Islands to the United States mainland.

### Point to Point Interconnectivity

Connectivity between LSJ and the customers' Red Hook office will be provided via Choices' licensed redundant microwave transport network. To provide service to LSJ, Choice will install a new secure licensed link between St Thomas Stalley tower and a customer defined location on Little St James Island. The service will enter Choices' existing managed network at Stalley Tower.

The Virtual Circuit will be installed, managed and maintained by Choice Communications and will provide sufficient capacity to deliver 10 Mbps of symmetrical service. Choice will provide all equipment and installation services required to establish the new circuit.

The customer will be responsible for providing a suitable location on LSJ that offers direct line of sight to Choices' Stalley tower. Customer will also provide stable AC current suitable for powering the Choice



provided equipment. Customer will provide their own interconnect from the LSJ end of Choice equipment to their customer provided equipment.

Choice proposes to provide "last mile" connectivity from Choices' Red Hook facility to customers' office. From preliminary discussions, Choice generally understands the location of customers' office. Based on that general understanding, Choice believes existing Choice services are currently available and no additional equipment will be required to complete the Virtual Circuit. However, a site survey will be performed prior to contract signing to verify service availability. Should it be determined that additional equipment will be required, Choice will provide customer with a non-recurring fixed price quote for the equipment.

Should customer decide to install their own last mile link, Choice will make secure co-location space and adequate power available for customers' equipment. A small co-location fee may apply.

### **Internet Access**

Choice will provide customer with 10 Mbps of non-dedicated burst rate internet access. Choice Communications internet service will be delivered through highly secure redundant egress points from ST Thomas and St Croix.

Choice Communications' long term agreements with AT&T in St Thomas and Global Crossing in St Croix ensure secure high reliability fiber optic connectivity directly to the United States mainland.

### **Contract Term**

The initial term of service will be 3 years with multi-year extension options. Choice Communications standard payment terms shall apply unless specifically modified in the final agreement.

### **Pricing**

Two separate pricing options are presented here for customer consideration.

**Option 1** provides the services detailed above with the virtual circuit being terminated at customers Red Hook office and LSJ.

**Option 2** provides for Choice to utilize customer provided space and power to extend a microwave link from LSJ to other service locations that may be of interest to Choice. This would include, but may not be limited to St John Island, USVI. Under Option 2, Choice will offer customer service credits and/or discounts to Monthly Recurring Charges (MRC) in exchange for the limited right to use customers land and facilities to house and operate additional equipment for Choice use.

#### **Option 1 - Non-Recurring Cost**

Non-Recurring Cost (NRC) reflects the fees for initial service set-up and implementation. These onetime costs are directly related to establishing a Virtual Circuit between Little St James and Choices' core network. The table below details the NRC for this project.



<b>Non-Recurring Cost - Option 1</b>	
Microwave link equip.	\$13,200
Power systems, equip. racks & installation materials	\$2,740
Installation Labor	\$2,400
<b>Total Non-recurring cost</b>	<b>\$18,340</b>

***Option 1 - Monthly Recurring Cost***

The table below details the Monthly Recurring Cost (MRC) for service delivery and Internet access to Little St James and the customers' Red Hook office. Choice is pleased to offer a service discount for a 3 year customer commitment.

Description	MRC	3 Year Service Discount	Discounted MRC
Red Hook to Little St James Virtual Circuit	\$5,990	10%	\$5,391
10 Mbps Internet Access	\$5,990	15%	\$5,092
Total MRC	11,980		\$10,483

***Option 2 - Non-Recurring Cost***

Non-Recurring Cost (NRC) in the table below reflect the fees for initial service set-up and implementation. These onetime costs are directly related to establishing a Virtual Circuit between Little St James and Choices' core network. Based on the limited use of customer facilities detailed above, Choice will provide a significant contribution to the NRC.

Description	Price	Choice Contribution	Customer Net NRC
Microwave link equip.	\$13,200		
Power systems, equip. racks & installation materials	\$2,740		
Installation Labor	\$2,400		
<b>Total Non-recurring cost</b>	<b>\$18,340</b>	<b>\$13,940</b>	<b>\$4,650</b>



### *Option 2 - Monthly Recurring Cost*

The table below details the Monthly Recurring Cost (MRC) for service delivery and Internet access to Little St James and the customers' Red Hook office. Choice is pleased to offer a service discount for a 3 year customer commitment.

Description	MRC	3 Year Service Discount	Discounted MRC
Red Hook to Little St James Virtual Circuit	\$5,990	10%	\$5,391
10 Mbps Internet Access	\$5,990	15%	\$5,092
Total MRC	11,980		\$10,483

### **Project Implementation Schedule**

Choice will work with the customer to establish a mutually agreeable project implementation schedule. Choice anticipates a schedule of 30 to 45 days from contract signing to initial service delivery.

### **Contract Terms and Conditions**

Choice Communications standard Terms and Conditions shall apply and will be provided to customer in a separate document.

### **Proposal Summary**

Choice Communications is the leading Broadband and Access Service Provider in the US Virgin Islands. As one of Atlantic Tel-Network (ATN) family of telecommunications companies our longevity and financial stability is assured.

Atlantic Tele-Network, Inc. (NASDAQ: ATNI) is a telecommunications company headquartered in Salem, Massachusetts. Its principal subsidiaries include: Guyana Telephone and Telegraph Company, Limited; Commnet Wireless, LLC; Sovernet Communications, Inc.; and Choice Communications, LLC. The Company also owns 58% of Bermuda Digital Communications Ltd., the largest provider of cellular voice and data services in Bermuda. For more on ATN, please visit <http://www.atni.com/index.php>.

Choice offers not only unsurpassed technical capabilities but a business relationship our clients depend on. We stand ready to serve. Please visit us at <http://www.choice.vi/index.html>