

SPECIAL CONTRACT FOR SERVICE

Northern New England Telephone Operations LLC
d/b/a FairPoint Communications-NNE

WITH

RBS Citizens, N.A.

Northern New England Telephone Operations LLC
d/b/a FairPoint Communications-NNE

WITH

RBS Citizens, N.A.

SPECIAL CONTRACT
SUPPORTING MATERIAL

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SECTION 1

CONTRACT OVERVIEW

OVERVIEW OF CONTRACT

RBS Citizens, N.A.

The purpose of this filing package is to 1) provide supporting documentation for the Special Contract for Centrex Service between FairPoint Communications-NNE and RBS Citizens, N.A. and 2) request full approval of this Agreement from the New Hampshire Public Utilities Commission.

The Special Contract provides Digital Centrex Service with standard features for a 24-month term at a discounted line rate. The Services will revert to applicable tariff for the minimum service commitment period available at the time of expiration unless a new agreement is in place.

SECTION 2

COST STUDY DETAILS

SECTION 3

CONTRACT



SERVICE AGREEMENT

Customer Name:	RBS Citizens, N.A., on behalf of itself and its affiliates and subsidiaries	Main Billing Tel. No.	603-417-3153
Address:	One Citizens Drive Riverside, RI 02915 Attention: Thomas Bruzzese	Application Number:	N/A

Services.

(a) **Service Period.** Customer hereby applies for and agrees to purchase from Northern New England Telephone Operations LLC d/b/a FairPoint Communications-NNE ("FairPoint Communications-NNE") the services identified in each such Exhibit (the "Services") and as further described in FairPoint Communications-NNE'S applicable tariffs or guides, for a service period of twenty-four (24) consecutive months (the "Service Period"). Unless otherwise stated in the applicable Exhibit, the Service Period shall be scheduled to commence, after signature of this Agreement by both parties below subject to FairPoint Communications-NNE'S receipt of any necessary regulatory and other governmental approvals and completion of any work or installation of facilities needed to provide the Services. FairPoint Communications-NNE shall provide written notice to Customer when all Regulatory approvals are obtained.

(b) **Extension of Service Period.** At the end of the twenty-four (24) month Service Period, Customer may extend this Agreement twelve (12) months, by providing written notice to FairPoint Communications-NNE (as per the "Notices" paragraph herein) at least thirty (30) days prior to expiration of the applicable Service Period, unless Customer has exercised its extension right under Paragraph (h)(ii)(b)(iv).

(c) **Services.** Customer agrees to purchase its State minimum circuit and line quantities, as stated in the attached Exhibits to this Agreement, for the duration of this Agreement. Customer agrees that all PRI and Centrex Services shall be presubscribed to FairPoint Communications-NNE for local service.

Charges. Customer will pay the rates and charges and satisfy all other requirements set forth in each Exhibit. Customer shall also pay all applicable taxes and charges and surcharges, including federal End User Common Line Charges and Federal Universal Service Fund Charges that are required under applicable law, regulations, or tariffs in connection with the Services. FairPoint Communications-NNE shall not initiate any increases as to the rates and charges herein for the duration of this Agreement and any extension hereto. If Customer cancels or terminates this Agreement or any Services prior to expiration of the Service Period, Customer will promptly pay FairPoint Communications-NNE termination charges as set forth in the applicable Exhibit(s) for such Services.

Location(s). The Services will be provided under the terms of this Agreement to the Customer locations specified in the attached Exhibits. Other Customer locations may be added to this Agreement only upon mutual written agreement of the parties.

Notices. Notices under this Agreement shall be sent by certified or registered U.S. mail, postage prepaid, return receipt requested, to FairPoint Communications-NNE at 45 Forest Ave, Portland, ME 04101, Attn: Contracts Management, with a copy to FairPoint Communications, General Counsel 521 East Morehead Street, Ste 250 Charlotte, N.C. 28202 and to Customer at the address specified above and to RBS Citizens, N.A., One Citizens Drive, Riverside, Rhode Island 02915, Mail Code: RDC 360/Legal Department, Attention: Hollie Lussier, Esq.. Notices shall be deemed effective upon receipt.

Miscellaneous.

(a) **Non-Disclosure:** Neither party will disclose the terms of this Agreement to any person, other than the party and its officers, employees, attorneys, accountants, and consultants, without the prior written consent of the other party, except as may be necessary to comply with applicable law, regulation, or filing requirements.

(b) **Choice of Law:** In the event of any claim or dispute, the laws of the jurisdiction in which FairPoint Communications-NNE provides to Customer the particular Service that is the subject of such claim or dispute shall apply.

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(c) Force Majeure: No liability shall result from Service failures caused by fires, floods, unusually severe weather, acts of government or third parties, strikes or labor disputes (FairPoint Communications-NNE shall, however, use commercially reasonable efforts to mitigate the effect of same on FairPoint Communications-NNE's performance), or other causes beyond such party's reasonable control.

(d) Survivability: If any provision of this Agreement or the provision of any Service under the terms hereof is illegal, invalid, or otherwise prohibited under applicable law or regulation in any State or jurisdiction, or does not receive any governmental or regulatory approval required by law in any State or jurisdiction, then this Agreement shall be construed as if not containing such provision or requiring the provision of such invalid, illegal, prohibited, or unapproved Service in such State or jurisdiction, except, however, that if such provision materially alters this Agreement, then FairPoint Communications-NNE shall have the right to present Customer with a substitute proposal which Customer may consider. If said substitute proposal is not acceptable to Customer, then Customer may terminate this Agreement in total, and without Termination of other Liability.

(e) Assignment. For Services provided in all FairPoint Communications-NNE jurisdictions, FairPoint Communications-NNE may assign or transfer part or all of this Agreement to any of its affiliates. Provided Customer provides FairPoint Communications-NNE with reasonable prior written notice, Customer may assign or transfer this Agreement to (i) any company that is the successor to substantially all of its assets in the case of an asset acquisition or equity ownership in the case of an equity acquisition or merger, or (ii) its parent, and any affiliates or subsidiaries, or (iii) a technology service company controlled by or under contract with Customer and whose sole purpose under the assignment is to service this Agreement for Customer.

(f) Business Downturn or Change. If, at any time after the twelfth (12th) month of this Agreement, Customer is unable, despite its commercially reasonable efforts, to meet its Services and Quantity Commitments set forth herein and such inability is the result solely of: (1) the sale, merger or other disposition of a subsidiary, division or other significant business unit, or (2) the outsourcing of business functions within any affiliate, subsidiary, division or other significant business unit of Customer that involves the loss of jobs by employees of Customer, or (3) a network optimization whereby Customer substitutes the Services with FairPoint Communications-NNE services other than those covered by this Agreement, and upon which Customer and FairPoint Communications-NNE have agreed in advance; or (4) a relocation of a major facility or facilities, or (5) a closing of a Branch(es), or (6) Business consolidation resulting from an acquisition, then FairPoint Communications-NNE will, if, and to the extent permitted by applicable legal and regulatory requirements, adjust Customer's Commitments for the affected Service(s). In the event of a requested adjustment under this provision, FairPoint Communications-NNE shall give reasonable consideration to Customer's request to adjust the rates provided under this Agreement consistent with the then-written notice (in accord with the provisions of the "Notices" paragraph hereto), of the sale, outsourcing or other disposition or action that has or will cause a shortfall. Where prior written notice is not practicable, Customer shall send written notice to FairPoint Communications-NNE, within sixty (60) days prior of a downturn event requesting an adjustment, for this paragraph to apply. This paragraph shall not apply to any reductions in Customer's Commitments if said downturn is due to FairPoint Communications-NNE's discontinuance of the said services. Any adjustment under this provision shall be done at the Annual Review referenced below, provided that, to the extent permitted by the Regulatory Authority under the state's regulations and laws, FairPoint Communications-NNE shall make the effective date of any adjustment the later of (i) the date of the downturn event that Customer reports shall occur in the future or (ii) the date of Customer's notice to FairPoint Communications-NNE of a past downturn event.

(g) Benchmarking. (1) If at any time after the fifteenth (15th) month of this Agreement, Customer receives a bona fide offer in writing from a FairPoint Communications-NNE competitor for services that are the same as the Services provided by this Agreement at rates for each of the Services that are at least ten percent (10%) less than FairPoint Communications-NNE'S then-effective rates for each of the Services provided by this Agreement, Customer may send FairPoint Communications-NNE a copy of such offer or any such other documentation necessary for FairPoint Communications-NNE to assess it. If Customer is unable to forward said information due to its proprietary and/or confidential nature, then Customer and FairPoint Communications-NNE shall mutually select a consultant who shall, under a non-disclosure agreement, assess and evaluate said offer, and report to Customer and FairPoint Communications-NNE within fourteen (14) days, said report to comply with the requirements of this Paragraph. Customer and FairPoint Communications-NNE shall equally split the fee for said evaluation, which fee shall not exceed fifteen thousand (\$15,000) dollars. This sum is expressly a maximum number and the parties agree to use reasonable commercial efforts to try to manage to a lower number through any or all of the following: agreeing in writing with the consultant on the specific tasks of the engagement, agreeing on the total estimated

hours, and that consultant must expressly give regular reports on the cost of the work to date relative to the total estimated cost in the consultancy contract. Following receipt of the consultant's report and any non-proprietary documentation, FairPoint Communications-NNE shall have thirty (30) days to lower its rates so that the average cost to Customer for the package of Services is within three percent (3%) of the competitor's rates. FairPoint Communications-NNE shall use commercially reasonable efforts to obtain requisite regulatory approvals from the respective jurisdiction for such 3% reductions or reductions as close to 3% as the regulatory commission for the jurisdiction permits, to the extent practicable within the said thirty (30) days. If 30 days is not practicable, then such period shall be extended to comply with the requirements of the respective regulatory jurisdiction. If FairPoint Communications-NNE does not so lower its rates as described in the prior sentence, within such thirty (30) day period, Customer may terminate this Agreement without liability under this Agreement, except as set forth below, by providing written notice of termination of this Agreement to FairPoint Communications-NNE within fifteen (15) days following the expiration of the thirty (30) day period referenced above. Termination shall be effective thirty (30) days following FairPoint Communications-NNE'S receipt of Customer's termination notice. Customer may utilize this Paragraph only once during the Service Period of this Agreement and then only after the first fifteen months.

(2) Upon such termination of this Agreement under this Benchmarking paragraph, Customer will pay FairPoint Communications-NNE as an alternative performance (not as a liquidated damage, penalty or payments for service rendered) the difference between both the Commitments herein and the Actual Purchases paid to FairPoint Communications-NNE for the Services up to the effective date of termination, and, Customer shall not be liable for any Termination charges set forth in Paragraph 2 of the State Exhibits attached hereto.

(h) Growth/Additions:

(i) During the Service Period and any Renewal period, Customer may add, in the jurisdictions referenced in the State Exhibits, unlimited growth at the rates, terms and conditions of this Agreement, subject to the terms and conditions set forth in Exhibit B Paragraph 2, Termination Charges.

(ii) Acquisitions.

(a) Subject to the conditions set forth below, in the event Customer acquires either a total or majority interest in another organization which is presently a customer of FairPoint Communications-NNE, at the option of Customer, the acquired company's existing Service(s) may be migrated under this Agreement (a "Migration").

(b) A Migration which qualifies under this Paragraph will be implemented as follows:

(i) the services under the acquired company's contract shall be subject to the rates, terms and conditions of this Agreement;

(ii) Customer's volume and/or quantity commitments under this Agreement shall be increased by an amount equal to the volumes and/or quantities committed to by the acquired company ("Additional volumes and/or quantities"), as adjusted for prior usage by the acquired company;

(iii) these Additional volumes and/or quantities will be re-rated at the rates being charged under this Agreement;

(iv) the Service Period of this Agreement may be extended up to one year at the option of Customer in writing;

(v) the acquired company's contract with FairPoint Communications-NNE will be terminated without termination liability or cancellation charges under the acquired contract except as stated under the conditions set forth below in (e)(iii);

(vi) the effective date of the Migration shall be when authorized representatives of both parties have signed the attached Acquisition Migration Form, subject to FairPoint Communications-NNE'S receipt of any necessary regulatory approvals; and

(vii) the Migration will be subject to all applicable legal and regulatory requirements and FairPoint Communications-NNE will prepare and file any necessary tariff revisions or regulatory filings for approval of the Migration.

(c) After Migration, if Customer requests a reduction of volumes and/or quantities under the Business Downturn paragraph of this Agreement, then FairPoint Communications-NNE will review such request under the Terms and Conditions of that Paragraph.

(d) This provision does not constitute a waiver of any charges, prorated credits or shortfall charges, incurred by the Customer under this Agreement or the acquired company's contract prior to the time of the Migration.

(e) Additional conditions:

(i) This Paragraph only applies to requests for Migration of Centrex services, PRI services, T1 services or ICB Usage services. This Paragraph does not apply to Frame Relay or TLS services.

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- (ii) The acquired company's services must be in the same state(s) as Customer's service locations to qualify for Migration.
- (iii) Any special costs under the acquired company contract that would not be recovered under such a Migration will be invoiced by FairPoint Communications-NNE and must be paid before the Migration is effective, unless otherwise agreed by the parties in writing. This would include, but is not limited to, such costs as: special construction charges not yet paid, if applicable, and unrecovered investments that have not been recovered in a minimum Service Period or through the monthly-recurring charge under the acquired company contract up to the date of the Migration. In lieu of immediate payment at Migration of such unrecovered investment costs, the Customer may choose to combine the service life of the Migrated service under both contracts so that the Customer meets the minimum period necessary to recover such investment.

ACQUISITION MIGRATION FORM:

RBS Citizens hereby requests that the following services under the below described contract between FairPoint Communications-NNE and the XYZ Company be migrated to the Agreement dated _____, 2008 between FairPoint Communications-NNE and RBS Citizens and made subject to the rates, terms and conditions of such FairPoint Communications-NNE-Citizens Bank Agreement.

Acquired Company Contract: describe/date

Services to be migrated:

Quantities/Volumes:

Rates under this contract:

Service Period and remaining Service Period:

Location/State:

RBS CITIZENS, N.A.

By:

Authorized Representative

Date:

FAIRPOINT COMMUNICATIONS-NNE

By:

Authorized representative

Date:

(i) Annual Review of Shortfall and any Business Downturn Events. (a) FairPoint Communications-NNE shall conduct an annual review of Customer's actual purchases and Commitments to assess any shortfalls, including those due to business downturns, business relocation or other events set forth in (f) above. FairPoint Communications-NNE shall, at this time, determine if Customer has met its Commitments as to facilities, lines and circuits. If there is a Shortfall on any State minimum circuit quantity commitment, FairPoint Communications-NNE shall issue a Shortfall notice. Customer shall then have six (6) months after the date of the notice to increase its circuit quantities to the minimum circuit quantity commitment. If Customer does not do so, then FairPoint Communications-NNE will issue a Shortfall invoice and Customer shall pay same within twenty (20) days.

(j) Dispute Resolution:

In the event of a controversy or claim between the parties relating to or arising out of this Agreement, or the breach or interpretation thereof, representatives of the parties will meet promptly in an effort to resolve the controversy or claim amicably and in good faith. If the matter is not so resolved by the personnel directly involved within fifteen (15) business days, the dispute shall be referred to a Senior Vice President of the Customer and of FairPoint Communications-NNE who will seek to resolve the dispute through immediate discussions and negotiations.

If the dispute cannot be resolved by the Senior Vice Presidents within thirty (30) days of referral of the dispute to them, the parties may, but are not required to, agree to submit the dispute to the respective Regulatory Authority within each affected jurisdiction Notice of the demand for the same shall be filed in writing with the other party, in accordance with the "Notices" provisions hereunder. The demand for submission to the Regulatory Authority shall be made within ninety (90) days after the date that the Senior Vice Presidents did not resolve the dispute.

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After any determination by said Regulatory Authority, or if either party initially opted to omit the Regulatory Authority process, then either party file a claim with a Court of competent jurisdiction, seeking an adjudication of the dispute involved.

Each party shall bear its own expense, including filing, witness, legal and accounting fees, if any, with respect to the proceeding(s), before a Regulatory Authority and any Court proceedings.

Migration of Services to New FairPoint Communications-NNE Services: Subject to applicable law and regulation, Customer may migrate to other/new/advanced FairPoint Communications-NNE services in accordance with the following Terms and Conditions:

For Centrex: In the event that Customer wishes to upgrade the Centrex Services or equivalent FairPoint Communications-NNE ILEC-provided product, if and when it becomes available, FairPoint Communications-NNE will negotiate in good faith to develop a mutually agreeable arrangement to address termination liability that would otherwise apply as a result of such transition.

For Primary Rate ISDN ("PRI"): Customer will be allowed to migrate the Service hereunder to a FairPoint Communications-NNE service with a higher speed or capacity with a new Service Period commitment, without incurring termination liability under the terms of this Agreement, if the following conditions are met: (i) the charges paid in the new Service Period commitment is equal to or greater than the remaining value of the current Service Period commitment, (ii) FairPoint Communications-NNE provides the new service via tariff or on an individual case basis (ICB), and (iii) the order to discontinue the existing service and the order for the new or upgraded service are received by FairPoint Communications-NNE at the same time.

For Superpath Service (aka DS1/T1): Customer will be allowed to migrate a Service provided hereunder to a FairPoint Communications-NNE service with a higher speed or capacity with a new Service Period commitment without incurring termination liability charges, if the following conditions are met: (i) the charges paid in the new Service Period commitment is equal to or greater than the remaining value of the current Service Period commitment; (ii) FairPoint Communications-NNE provides the new service via tariff or on an individual case basis (ICB), and (iii) the order to discontinue the existing service and the order for the new or upgraded service are received by FairPoint Communications-NNE at the same time.

Tariffs and Limitation of Liability:

(i) The terms and conditions that shall apply in connection with these Services, and the rights and liabilities of the parties, shall be as set forth herein and in all applicable tariffs and guides now or hereafter filed with the applicable state regulatory commission and/or the Federal Communications Commission. In the event of any conflict between the terms of this Agreement, the terms of any Exhibits or schedules hereto, any tariffs, or any other agreement between FairPoint Communications-NNE and Customer, the order of preference shall be: this Agreement, any Exhibits or schedules, any tariffs, and any other written agreement between FairPoint Communications-NNE and Customer (if any).

(ii) If any of the Services are detariffed during the Service Period or any extension thereof, FairPoint Communications-NNE agrees that the rates, terms and conditions of this Agreement shall continue to apply.

(iii) In no event shall FairPoint Communications-NNE nor Customer be liable for any special, indirect, incidental, or consequential damages arising in connection with this Agreement of the provision of any Services, whether claim is based in contract, tort (including negligence), strict liability or otherwise. (iv) This Agreement (including the Exhibits attached hereto) and all applicable tariffs and guides constitute the entire agreement between the parties and shall supersede all prior oral or written quotations, communications, understandings or agreements on the subject matter hereof, including that Application for Service dated March 3, 2005 as applicable to the States of Maine, Vermont and New Hampshire as such Application for Service was assigned to FairPoint Communications-NNE.

(v) This Agreement may not be modified or rescinded except by in writing signed by authorized representatives of each party.

(vi) Each Party agrees to indemnify the other Party for any and all losses, claims, demands, damages, caused by and to the extent of the negligent and/or intentional misconduct of either Party and their respective employees or subcontractors. The limit of liability set forth in this Paragraph shall not apply to this indemnity.

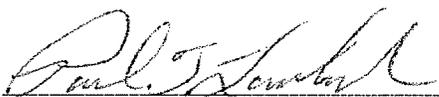
Regulatory Approval Process:

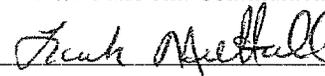
- (i) Whenever FairPoint Communications-NNE makes any filing to a Regulatory Authority for any approval, adjustment revision, or amendment of this Application for Service, FairPoint Communications-NNE will furnish Customer with a summary of the filing after submission (redacting all proprietary information). Second, FairPoint Communications-NNE will send Customer a written notice with a copy of the Regulatory Authority's decision or of approval as filed if there is approval without a formal Regulatory Authority decision (e.g., the regulation states that the filing is approved if the Regulatory Authority takes no action within a required period).
- (ii) It is the intent of both FairPoint Communications-NNE and Customer that both parties receive the benefit of their bargain and, as such, FairPoint Communications-NNE will file the necessary documents with the respective regulatory commissions. If a Regulatory Commission does not approve the Rates, Terms and Conditions of this Agreement as filed, or if FairPoint Communications-NNE made an error in the filing so that the Rates, Terms and Conditions of this Agreement were mistakenly presented for approval, then FairPoint Communications-NNE shall have a thirty (30) day period within which to re-file and again seek such Regulatory Approval. If FairPoint Communications-NNE is then unable to obtain Regulatory Approval after such a re-filing, then, FairPoint Communications-NNE shall notify Customer, in writing, within fifteen (15) days. Customer may then, upon fifteen (15) days written notice to FairPoint Communications-NNE, terminate this Agreement without Termination Liability or shortfall charges in the jurisdiction that did not approve the Agreement and without Termination Liability or Shortfall for that jurisdiction. The Parties shall, at all times, retain the right to renegotiate this Agreement so as to comply with the requirements of the Regulatory jurisdiction(s).

AGREED AND ACCEPTED:

RBS CITIZENS, N.A. (Customer)

Northern New England
Telephone Operations LLC
d/b/a FairPoint Communications-NNE

By 
 Name/title Paul T. Loveland SUP
 Date 3/31/2009

By 
 Name/title Director - Business Sales
 Date 3/27/2009

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CENTREX SERVICE DESCRIPTION (ALL STATES)**Exhibit A**

CENTREX FEATURES included in Monthly Rate (New Hampshire only):

Standard Features:

The following standard system features are available on all lines in the Centrex System.

Attendant Call Transfer
Attendant Camp On (Non Date-Link Console)
Attendant Conference
Attendant Control of Facilities
Attendant Direct Station Selection
Attendant Identification of Incoming Calls
Automatic Callback-Calling
Automatic Route-Selection (ARS)
Account Codes
Call Forwarding Busy Line
Call Forwarding Don't Answer to a Busy Line
Call Forwarding Don't Answer – All Calls
Call Forwarding Variable
Call Forwarding Variable for BRCS
Call Hold
Call Pickup (CPU)
Call Transfer Attendant
Call Transfer Individual-All Calls
Call Waiting for BRCS
Call Waiting Incoming Only
Call Waiting Origination
Call Waiting Terminating
Dial Call Waiting
Dial Through Attendant
Direct Inward/Outward Dialing (DID/DOD)
Directed Call Pickup with Barge-in
Directed Call Pickup without Barge-in
Dual Tone Multi-frequency (DTMF) Dialing
Hunting Features
Intercom Dialing
Multi-Line Hunt Service
Radio Paging Access
Selective Control of Facilities
Series Completion Service
Speed Calling
Three-Way Calling
Toll Diversion
Toll Diversion to Attendant
Toll Restricted Line Service
Trunk Answer Any Station
Uniform Call Distribution

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