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| <b>Form 5500</b><br><br>Department of the Treasury<br>Internal Revenue Service<br><br>Department of Labor<br>Employee Benefits Security<br>Administration<br><br>Pension Benefit Guaranty Corporation | <b>Annual Return/Report of Employee Benefit Plan</b><br><br>This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code).<br><br><p style="text-align: center;">▶ <b>Complete all entries in accordance with the instructions to the Form 5500.</b></p> | OMB Nos. 1210-0110<br>1210-0089<br><br><b>2013</b><br><br><b>This Form is Open to Public Inspection</b> |
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|----------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Part I</b>                                                                                            | <b>Annual Report Identification Information</b>                                                                                                                                                                                           |
| For calendar plan year 2013 or fiscal plan year beginning <u>01/01/2013</u> and ending <u>12/31/2013</u> |                                                                                                                                                                                                                                           |
| A This return/report is for:                                                                             | <input type="checkbox"/> a multiemployer plan; <input type="checkbox"/> a multiple-employer plan; or<br><input checked="" type="checkbox"/> a single-employer plan; <input type="checkbox"/> a DFE (specify) ____                         |
| B This return/report is:                                                                                 | <input type="checkbox"/> the first return/report; <input type="checkbox"/> the final return/report;<br><input type="checkbox"/> an amended return/report; <input type="checkbox"/> a short plan year return/report (less than 12 months). |
| C If the plan is a collectively-bargained plan, check here. . . . .                                      | <input type="checkbox"/>                                                                                                                                                                                                                  |
| D Check box if filing under:                                                                             | <input checked="" type="checkbox"/> Form 5558; <input type="checkbox"/> automatic extension; <input type="checkbox"/> the DFVC program;<br><input type="checkbox"/> special extension (enter description)                                 |

|                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                   |                                                              |                                                      |                                                      |  |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------|------------------------------------------------------|------------------------------------------------------|--|
| <b>Part II</b>                                                                                                                                                                                                      | <b>Basic Plan Information</b> —enter all requested information                                                                                                                                                                                                                                                    |                                                              |                                                      |                                                      |  |
| <b>1a</b> Name of plan<br>CINCINNATI BELL MANAGEMENT PENSION PLAN                                                                                                                                                   | <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;"><b>1b</b> Three-digit plan number (PN) ▶</td> <td style="width: 20%; text-align: center;">006</td> </tr> <tr> <td colspan="2"><b>1c</b> Effective date of plan<br/>10/01/1980</td> </tr> </table>                 | <b>1b</b> Three-digit plan number (PN) ▶                     | 006                                                  | <b>1c</b> Effective date of plan<br>10/01/1980       |  |
| <b>1b</b> Three-digit plan number (PN) ▶                                                                                                                                                                            | 006                                                                                                                                                                                                                                                                                                               |                                                              |                                                      |                                                      |  |
| <b>1c</b> Effective date of plan<br>10/01/1980                                                                                                                                                                      |                                                                                                                                                                                                                                                                                                                   |                                                              |                                                      |                                                      |  |
| <b>2a</b> Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan)<br><br>CINCINNATI BELL INC<br><br>221 EAST FOURTH STREET<br>ROOM 103-1170<br>CINCINNATI, OH 45202 | <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td><b>2b</b> Employer Identification Number (EIN)<br/>31-1056105</td> </tr> <tr> <td><b>2c</b> Sponsor's telephone number<br/>513-397-7772</td> </tr> <tr> <td><b>2d</b> Business code (see instructions)<br/>551112</td> </tr> </table> | <b>2b</b> Employer Identification Number (EIN)<br>31-1056105 | <b>2c</b> Sponsor's telephone number<br>513-397-7772 | <b>2d</b> Business code (see instructions)<br>551112 |  |
| <b>2b</b> Employer Identification Number (EIN)<br>31-1056105                                                                                                                                                        |                                                                                                                                                                                                                                                                                                                   |                                                              |                                                      |                                                      |  |
| <b>2c</b> Sponsor's telephone number<br>513-397-7772                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                   |                                                              |                                                      |                                                      |  |
| <b>2d</b> Business code (see instructions)<br>551112                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                   |                                                              |                                                      |                                                      |  |

**Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.**

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

|                                                                                                            |                                                   |            |                                                              |
|------------------------------------------------------------------------------------------------------------|---------------------------------------------------|------------|--------------------------------------------------------------|
| <b>SIGN HERE</b>                                                                                           | Filed with authorized/valid electronic signature. | 10/14/2014 | CHRISTOPHER C ELMA                                           |
|                                                                                                            | Signature of plan administrator                   | Date       | Enter name of individual signing as plan administrator       |
| <b>SIGN HERE</b>                                                                                           |                                                   |            |                                                              |
|                                                                                                            | Signature of employer/plan sponsor                | Date       | Enter name of individual signing as employer or plan sponsor |
| <b>SIGN HERE</b>                                                                                           |                                                   |            |                                                              |
|                                                                                                            | Signature of DFE                                  | Date       | Enter name of individual signing as DFE                      |
| Preparer's name (including firm name, if applicable) and address; include room or suite number. (optional) |                                                   |            | Preparer's telephone number (optional)                       |

|                                                                                                                                                                                                                   |                                                                                                                                                                  |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>3a</b> Plan administrator's name and address <input checked="" type="checkbox"/> Same as Plan Sponsor Name <input type="checkbox"/> Same as Plan Sponsor Address                                               | <b>3b</b> Administrator's EIN<br><br><b>3c</b> Administrator's telephone number<br><br><div style="background-color: #cccccc; height: 40px; width: 100%;"></div> |
| <b>4</b> If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report:<br><b>a</b> Sponsor's name | <b>4b</b> EIN<br><br><b>4c</b> PN                                                                                                                                |
| <b>5</b> Total number of participants at the beginning of the plan year                                                                                                                                           | <b>5</b> 3056                                                                                                                                                    |
| <b>6</b> Number of participants as of the end of the plan year (welfare plans complete only lines <b>6a</b> , <b>6b</b> , <b>6c</b> , and <b>6d</b> ).                                                            |                                                                                                                                                                  |
| <b>a</b> Active participants .....                                                                                                                                                                                | <b>6a</b> 885                                                                                                                                                    |
| <b>b</b> Retired or separated participants receiving benefits .....                                                                                                                                               | <b>6b</b> 1338                                                                                                                                                   |
| <b>c</b> Other retired or separated participants entitled to future benefits.....                                                                                                                                 | <b>6c</b> 622                                                                                                                                                    |
| <b>d</b> Subtotal. Add lines <b>6a</b> , <b>6b</b> , and <b>6c</b> .....                                                                                                                                          | <b>6d</b> 2845                                                                                                                                                   |
| <b>e</b> Deceased participants whose beneficiaries are receiving or are entitled to receive benefits .....                                                                                                        | <b>6e</b> 171                                                                                                                                                    |
| <b>f</b> Total. Add lines <b>6d</b> and <b>6e</b> .....                                                                                                                                                           | <b>6f</b> 3016                                                                                                                                                   |
| <b>g</b> Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) .....                                                                   | <b>6g</b>                                                                                                                                                        |
| <b>h</b> Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested .....                                                                       | <b>6h</b> 0                                                                                                                                                      |
| <b>7</b> Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item).....                                                                               | <b>7</b>                                                                                                                                                         |

**8a** If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:  
 1C 3F 3H

**b** If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:

|                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                               |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>9a</b> Plan funding arrangement (check all that apply)<br>(1) <input type="checkbox"/> Insurance<br>(2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts<br>(3) <input checked="" type="checkbox"/> Trust<br>(4) <input type="checkbox"/> General assets of the sponsor | <b>9b</b> Plan benefit arrangement (check all that apply)<br>(1) <input type="checkbox"/> Insurance<br>(2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts<br>(3) <input checked="" type="checkbox"/> Trust<br>(4) <input type="checkbox"/> General assets of the sponsor |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

**10** Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

|                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>a Pension Schedules</b><br>(1) <input checked="" type="checkbox"/> <b>R</b> (Retirement Plan Information)<br><br>(2) <input type="checkbox"/> <b>MB</b> (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary<br><br>(3) <input checked="" type="checkbox"/> <b>SB</b> (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary | <b>b General Schedules</b><br>(1) <input checked="" type="checkbox"/> <b>H</b> (Financial Information)<br>(2) <input type="checkbox"/> <b>I</b> (Financial Information – Small Plan)<br>(3) <input type="checkbox"/> <b>A</b> (Insurance Information)<br>(4) <input type="checkbox"/> <b>C</b> (Service Provider Information)<br>(5) <input checked="" type="checkbox"/> <b>D</b> (DFE/Participating Plan Information)<br>(6) <input type="checkbox"/> <b>G</b> (Financial Transaction Schedules) |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

|                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                    |                                                                                           |
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| <b>SCHEDULE SB</b><br><b>(Form 5500)</b><br><br>Department of the Treasury<br>Internal Revenue Service<br><br>Department of Labor<br>Employee Benefits Security Administration<br><br>Pension Benefit Guaranty Corporation | <b>Single-Employer Defined Benefit Plan</b><br><b>Actuarial Information</b><br><br>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).<br><br>▶ <b>File as an attachment to Form 5500 or 5500-SF.</b> | OMB No. 1210-0110<br><br><b>2013</b><br><br><b>This Form is Open to Public Inspection</b> |
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For calendar plan year 2013 or fiscal plan year beginning 01/01/2013 and ending 12/31/2013

▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

|                                                                                                                                           |                                                                                                                                                         |
|-------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>A</b> Name of plan<br><u>CINCINNATI BELL MANAGEMENT PENSION PLAN</u>                                                                   | <b>B</b> Three-digit plan number (PN) ▶ <u>006</u>                                                                                                      |
| <b>C</b> Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF<br><u>CINCINNATI BELL INC</u>                                    | <b>D</b> Employer Identification Number (EIN)<br><u>31-1056105</u>                                                                                      |
| <b>E</b> Type of plan: <input checked="" type="checkbox"/> Single <input type="checkbox"/> Multiple-A <input type="checkbox"/> Multiple-B | <b>F</b> Prior year plan size: <input type="checkbox"/> 100 or fewer <input type="checkbox"/> 101-500 <input checked="" type="checkbox"/> More than 500 |

|                                                                                                                                                                                                                |                                          |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------|
| <b>Part I</b>                                                                                                                                                                                                  | <b>Basic Information</b>                 |
| <b>1</b> Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2013</u>                                                                                                                              |                                          |
| <b>2</b> Assets:                                                                                                                                                                                               |                                          |
| <b>a</b> Market value .....                                                                                                                                                                                    | <b>2a</b> <u>181131385</u>               |
| <b>b</b> Actuarial value .....                                                                                                                                                                                 | <b>2b</b> <u>173760041</u>               |
| <b>3</b> Funding target/participant count breakdown:                                                                                                                                                           |                                          |
| <b>a</b> For retired participants and beneficiaries receiving payment.....                                                                                                                                     | <b>3a</b> <u>1484</u> <u>137050880</u>   |
| <b>b</b> For terminated vested participants.....                                                                                                                                                               | <b>3b</b> <u>539</u> <u>9829210</u>      |
| <b>c</b> For active participants:                                                                                                                                                                              |                                          |
| <b>(1)</b> Non-vested benefits .....                                                                                                                                                                           | <b>3c(1)</b> <u>3562248</u>              |
| <b>(2)</b> Vested benefits .....                                                                                                                                                                               | <b>3c(2)</b> <u>35700596</u>             |
| <b>(3)</b> Total active.....                                                                                                                                                                                   | <b>3c(3)</b> <u>1032</u> <u>39262844</u> |
| <b>d</b> Total.....                                                                                                                                                                                            | <b>3d</b> <u>3055</u> <u>186142934</u>   |
| <b>4</b> If the plan is in at-risk status, check the box and complete lines (a) and (b)..... <input type="checkbox"/>                                                                                          |                                          |
| <b>a</b> Funding target disregarding prescribed at-risk assumptions .....                                                                                                                                      | <b>4a</b>                                |
| <b>b</b> Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor..... | <b>4b</b>                                |
| <b>5</b> Effective interest rate .....                                                                                                                                                                         | <b>5</b> <u>6.47 %</u>                   |
| <b>6</b> Target normal cost .....                                                                                                                                                                              | <b>6</b> <u>1568121</u>                  |

**Statement by Enrolled Actuary**

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

|                                                                     |                               |                                        |
|---------------------------------------------------------------------|-------------------------------|----------------------------------------|
| <b>SIGN HERE</b>                                                    |                               | <u>10/06/2014</u>                      |
|                                                                     | Signature of actuary          | Date                                   |
| <u>SCOTT LANHAM</u>                                                 |                               | <u>14-06847</u>                        |
|                                                                     | Type or print name of actuary | Most recent enrollment number          |
| <u>BUCK CONSULTING, LLC</u>                                         |                               | <u>513-754-0005</u>                    |
|                                                                     | Firm name                     | Telephone number (including area code) |
| <u>720 E PETE ROSE WAY SUITE 300</u><br><u>CINCINNATI, OH 45202</u> |                               |                                        |
|                                                                     | Address of the firm           |                                        |

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐

**For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500 or 5500-SF.**

**Schedule SB (Form 5500) 2013**  
**v. 130118**

| <b>Part II Beginning of Year Carryover and Prefunding Balances</b>                                                                         |                       |                        |
|--------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|------------------------|
|                                                                                                                                            | (a) Carryover balance | (b) Prefunding balance |
| <b>7</b> Balance at beginning of prior year after applicable adjustments (line 13 from prior year) .....                                   | 0                     | 6657146                |
| <b>8</b> Portion elected for use to offset prior year's funding requirement (line 35 from prior year) .....                                | 0                     | 0                      |
| <b>9</b> Amount remaining (line 7 minus line 8) .....                                                                                      | 0                     | 6657146                |
| <b>10</b> Interest on line 9 using prior year's actual return of <u>15.17</u> % .....                                                      |                       | 1009889                |
| <b>11</b> Prior year's excess contributions to be added to prefunding balance:                                                             |                       |                        |
| <b>a</b> Present value of excess contributions (line 38a from prior year) .....                                                            |                       | 0                      |
| <b>b</b> Interest on (a) using prior year's effective interest rate of <u>6.80</u> % except as otherwise provided (see instructions) ..... |                       |                        |
| <b>c</b> Total available at beginning of current plan year to add to prefunding balance .....                                              |                       | 0                      |
| <b>d</b> Portion of (c) to be added to prefunding balance .....                                                                            |                       | 0                      |
| <b>12</b> Other reductions in balances due to elections or deemed elections .....                                                          |                       | 0                      |
| <b>13</b> Balance at beginning of current year (line 9 + line 10 + line 11d – line 12) .....                                               | 0                     | 7667035                |

| <b>Part III Funding Percentages</b>                                                                                                                                        |           |         |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|---------|
| <b>14</b> Funding target attainment percentage .....                                                                                                                       | <b>14</b> | 89.22 % |
| <b>15</b> Adjusted funding target attainment percentage .....                                                                                                              | <b>15</b> | 86.70 % |
| <b>16</b> Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement ..... | <b>16</b> | 81.42 % |
| <b>17</b> If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage .....                                        | <b>17</b> | %       |

| <b>Part IV Contributions and Liquidity Shortfalls</b>                                    |                                   |                                 |                          |                                   |                                 |
|------------------------------------------------------------------------------------------|-----------------------------------|---------------------------------|--------------------------|-----------------------------------|---------------------------------|
| <b>18</b> Contributions made to the plan for the plan year by employer(s) and employees: |                                   |                                 |                          |                                   |                                 |
| (a) Date<br>(MM-DD-YYYY)                                                                 | (b) Amount paid by<br>employer(s) | (c) Amount paid by<br>employees | (a) Date<br>(MM-DD-YYYY) | (b) Amount paid by<br>employer(s) | (c) Amount paid by<br>employees |
| 04/15/2013                                                                               | 1377263                           | 0                               |                          |                                   |                                 |
| 07/15/2013                                                                               | 1377263                           | 0                               |                          |                                   |                                 |
| 10/15/2013                                                                               | 1377263                           | 0                               |                          |                                   |                                 |
| 01/15/2014                                                                               | 1377263                           | 0                               |                          |                                   |                                 |
| 04/15/2014                                                                               | 690071                            | 0                               |                          |                                   |                                 |
|                                                                                          |                                   |                                 | <b>Totals ►</b>          | <b>18(b)</b>                      | 6199123                         |
|                                                                                          |                                   |                                 |                          | <b>18(c)</b>                      | 0                               |

|                                                                                                                                                                                             |            |         |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|---------|
| <b>19</b> Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:                                                        |            |         |
| <b>a</b> Contributions allocated toward unpaid minimum required contributions from prior years .....                                                                                        | <b>19a</b> | 0       |
| <b>b</b> Contributions made to avoid restrictions adjusted to valuation date .....                                                                                                          | <b>19b</b> | 0       |
| <b>c</b> Contributions allocated toward minimum required contribution for current year adjusted to valuation date .....                                                                     | <b>19c</b> | 5922917 |
| <b>20</b> Quarterly contributions and liquidity shortfalls:                                                                                                                                 |            |         |
| <b>a</b> Did the plan have a "funding shortfall" for the prior year? ..... <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No                                              |            |         |
| <b>b</b> If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ..... <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |            |         |
| <b>c</b> If line 20a is "Yes," see instructions and complete the following table as applicable:                                                                                             |            |         |

| Liquidity shortfall as of end of quarter of this plan year |         |         |         |
|------------------------------------------------------------|---------|---------|---------|
| (1) 1st                                                    | (2) 2nd | (3) 3rd | (4) 4th |
| 0                                                          | 0       | 0       | 0       |

**Part V Assumptions Used to Determine Funding Target and Target Normal Cost**

|                                                                                                                                                                                              |                       |                       |                                                     |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|-----------------------|-----------------------------------------------------|
| <b>21</b> Discount rate:                                                                                                                                                                     |                       |                       |                                                     |
| <b>a</b> Segment rates:                                                                                                                                                                      | 1st segment:<br>5.23% | 2nd segment:<br>6.51% | 3rd segment:<br>7.16 %                              |
|                                                                                                                                                                                              |                       |                       | <input type="checkbox"/> N/A, full yield curve used |
| <b>b</b> Applicable month (enter code).....                                                                                                                                                  |                       |                       | <b>21b</b> 4                                        |
| <b>22</b> Weighted average retirement age .....                                                                                                                                              |                       |                       | <b>22</b> 63                                        |
| <b>23</b> Mortality table(s) (see instructions) <input type="checkbox"/> Prescribed - combined <input checked="" type="checkbox"/> Prescribed - separate <input type="checkbox"/> Substitute |                       |                       |                                                     |

**Part VI Miscellaneous Items**

|                                                                                                                                                                        |                                                                     |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------|
| <b>24</b> Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment. .... | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| <b>25</b> Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment. ....                                      | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| <b>26</b> Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment. ....                            | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| <b>27</b> If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment.....                                    | <b>27</b>                                                           |

**Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years**

|                                                                                                                                     |           |   |
|-------------------------------------------------------------------------------------------------------------------------------------|-----------|---|
| <b>28</b> Unpaid minimum required contributions for all prior years .....                                                           | <b>28</b> | 0 |
| <b>29</b> Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a)..... | <b>29</b> | 0 |
| <b>30</b> Remaining amount of unpaid minimum required contributions (line 28 minus line 29) .....                                   | <b>30</b> | 0 |

**Part VIII Minimum Required Contribution For Current Year**

|                                                                                                                                                                                      |                   |                     |               |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|---------------------|---------------|
| <b>31</b> Target normal cost and excess assets (see instructions):                                                                                                                   |                   |                     |               |
| <b>a</b> Target normal cost (line 6).....                                                                                                                                            |                   | <b>31a</b>          | 1568121       |
| <b>b</b> Excess assets, if applicable, but not greater than line 31a .....                                                                                                           |                   | <b>31b</b>          | 0             |
| <b>32</b> Amortization installments:                                                                                                                                                 |                   | Outstanding Balance | Installment   |
| <b>a</b> Net shortfall amortization installment.....                                                                                                                                 |                   | 20049928            | 6472033       |
| <b>b</b> Waiver amortization installment .....                                                                                                                                       |                   | 0                   | 0             |
| <b>33</b> If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount ..... |                   | <b>33</b>           |               |
| <b>34</b> Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)...                                                            |                   | <b>34</b>           | 8040154       |
|                                                                                                                                                                                      | Carryover balance | Prefunding balance  | Total balance |
| <b>35</b> Balances elected for use to offset funding requirement.....                                                                                                                | 0                 | 2117237             | 2117237       |
| <b>36</b> Additional cash requirement (line 34 minus line 35).....                                                                                                                   | <b>36</b>         |                     | 5922917       |
| <b>37</b> Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c).....                                                   | <b>37</b>         |                     | 5922917       |
| <b>38</b> Present value of excess contributions for current year (see instructions)                                                                                                  |                   |                     |               |
| <b>a</b> Total (excess, if any, of line 37 over line 36) .....                                                                                                                       |                   | <b>38a</b>          | 0             |
| <b>b</b> Portion included in line 38a attributable to use of prefunding and funding standard carryover balances .....                                                                |                   | <b>38b</b>          | 0             |
| <b>39</b> Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37) .....                                                                      | <b>39</b>         |                     | 0             |
| <b>40</b> Unpaid minimum required contributions for all years .....                                                                                                                  | <b>40</b>         |                     | 0             |

**Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)**

|                                                                                                |           |                                                                                                                                    |  |
|------------------------------------------------------------------------------------------------|-----------|------------------------------------------------------------------------------------------------------------------------------------|--|
| <b>41</b> If an election was made to use PRA 2010 funding relief for this plan:                |           |                                                                                                                                    |  |
| <b>a</b> Schedule elected .....                                                                |           | <input type="checkbox"/> 2 plus 7 years <input checked="" type="checkbox"/> 15 years                                               |  |
| <b>b</b> Eligible plan year(s) for which the election in line 41a was made .....               |           | <input type="checkbox"/> 2008 <input checked="" type="checkbox"/> 2009 <input type="checkbox"/> 2010 <input type="checkbox"/> 2011 |  |
| <b>42</b> Amount of acceleration adjustment .....                                              | <b>42</b> | 3786023                                                                                                                            |  |
| <b>43</b> Excess installment acceleration amount to be carried over to future plan years ..... | <b>43</b> | 23526121                                                                                                                           |  |

Department of the Treasury  
Internal Revenue Service

Department of Labor  
Employee Benefits Security Administration

## DFE/Participating Plan Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).

► **File as an attachment to Form 5500.**

OMB No. 1210-0110

# 2013

**This Form is Open to Public Inspection.**

|                                                           |            |            |            |
|-----------------------------------------------------------|------------|------------|------------|
| For calendar plan year 2013 or fiscal plan year beginning | 01/01/2013 | and ending | 12/31/2013 |
|-----------------------------------------------------------|------------|------------|------------|

**A** Name of plan  
CINCINNATI BELL MANAGEMENT PENSION PLAN

|                                            |     |
|--------------------------------------------|-----|
| <b>B</b> Three-digit<br>plan number (PN) ▶ | 006 |
|--------------------------------------------|-----|

**C** Plan or DFE sponsor's name as shown on line 2a of Form 5500  
CINCINNATI BELL INC

|          |                                                    |
|----------|----------------------------------------------------|
| <b>D</b> | Employer Identification Number (EIN)<br>31-1056105 |
|----------|----------------------------------------------------|

|               |                                                                                                                                                                                  |
|---------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Part I</b> | <b>Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs)</b><br>(Complete as many entries as needed to report all interests in DFEs) |
|---------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

**a** Name of MTIA, CCT, PSA, or 103-12 IE: CINCINNATI BELL TELEPHONE COMPANY

**b** Name of sponsor of entity listed in (a): BANK OF NEW YORK

|                                                |                                        |                                                                                                                               |
|------------------------------------------------|----------------------------------------|-------------------------------------------------------------------------------------------------------------------------------|
| <b>c</b> EIN-PN <a href="#">13-6044214-001</a> | <b>d</b> Entity code <a href="#">M</a> | <b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <a href="#">190581441</a> |
|------------------------------------------------|----------------------------------------|-------------------------------------------------------------------------------------------------------------------------------|

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

|                 |                      |                                                                                                     |
|-----------------|----------------------|-----------------------------------------------------------------------------------------------------|
| <b>c</b> EIN-PN | <b>d</b> Entity code | <b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|-----------------|----------------------|-----------------------------------------------------------------------------------------------------|

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

|                 |                      |                                                                                                     |
|-----------------|----------------------|-----------------------------------------------------------------------------------------------------|
| <b>c</b> EIN-PN | <b>d</b> Entity code | <b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|-----------------|----------------------|-----------------------------------------------------------------------------------------------------|

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

|                 |                      |                                                                                                     |
|-----------------|----------------------|-----------------------------------------------------------------------------------------------------|
| <b>c</b> EIN-PN | <b>d</b> Entity code | <b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|-----------------|----------------------|-----------------------------------------------------------------------------------------------------|

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

|                 |                      |                                                                                                     |
|-----------------|----------------------|-----------------------------------------------------------------------------------------------------|
| <b>c</b> EIN-PN | <b>d</b> Entity code | <b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|-----------------|----------------------|-----------------------------------------------------------------------------------------------------|

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

|                 |                      |                                                                                                     |
|-----------------|----------------------|-----------------------------------------------------------------------------------------------------|
| <b>c</b> EIN-PN | <b>d</b> Entity code | <b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|-----------------|----------------------|-----------------------------------------------------------------------------------------------------|

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

|                 |                      |                                                                                                     |
|-----------------|----------------------|-----------------------------------------------------------------------------------------------------|
| <b>c</b> EIN-PN | <b>d</b> Entity code | <b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|-----------------|----------------------|-----------------------------------------------------------------------------------------------------|

**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity  
code**e** Dollar value of interest in MTIA, CCT, PSA, or  
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity  
code**e** Dollar value of interest in MTIA, CCT, PSA, or  
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity  
code**e** Dollar value of interest in MTIA, CCT, PSA, or  
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity  
code**e** Dollar value of interest in MTIA, CCT, PSA, or  
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity  
code**e** Dollar value of interest in MTIA, CCT, PSA, or  
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity  
code**e** Dollar value of interest in MTIA, CCT, PSA, or  
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity  
code**e** Dollar value of interest in MTIA, CCT, PSA, or  
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity  
code**e** Dollar value of interest in MTIA, CCT, PSA, or  
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity  
code**e** Dollar value of interest in MTIA, CCT, PSA, or  
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity  
code**e** Dollar value of interest in MTIA, CCT, PSA, or  
103-12 IE at end of year (see instructions)

**Part II Information on Participating Plans (to be completed by DFEs)**

(Complete as many entries as needed to report all participating plans)

**a** Plan name**b** Name of  
plan sponsor**c** EIN-PN**a** Plan name**b** Name of  
plan sponsor**c** EIN-PN**a** Plan name**b** Name of  
plan sponsor**c** EIN-PN**a** Plan name**b** Name of  
plan sponsor**c** EIN-PN**a** Plan name**b** Name of  
plan sponsor**c** EIN-PN**a** Plan name**b** Name of  
plan sponsor**c** EIN-PN**a** Plan name**b** Name of  
plan sponsor**c** EIN-PN**a** Plan name**b** Name of  
plan sponsor**c** EIN-PN**a** Plan name**b** Name of  
plan sponsor**c** EIN-PN**a** Plan name**b** Name of  
plan sponsor**c** EIN-PN**a** Plan name**b** Name of  
plan sponsor**c** EIN-PN**a** Plan name**b** Name of  
plan sponsor**c** EIN-PN

|                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                              |                                                                                                          |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------|
| <b>SCHEDULE H</b><br><b>(Form 5500)</b><br><br><small>Department of the Treasury<br/>Internal Revenue Service</small><br><br><small>Department of Labor<br/>Employee Benefits Security Administration</small><br><br><small>Pension Benefit Guaranty Corporation</small> | <b>Financial Information</b><br><br>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).<br><br><b>► File as an attachment to Form 5500.</b> | <small>OMB No. 1210-0110</small><br><br><b>2013</b><br><br><b>This Form is Open to Public Inspection</b> |
| For calendar plan year 2013 or fiscal plan year beginning <u>01/01/2013</u> and ending <u>12/31/2013</u>                                                                                                                                                                 |                                                                                                                                                                                                                                                                              |                                                                                                          |
| <b>A</b> Name of plan<br><u>CINCINNATI BELL MANAGEMENT PENSION PLAN</u>                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                              | <b>B</b> Three-digit plan number (PN) <span style="float: right;">►</span> <u>006</u>                    |
| <b>C</b> Plan sponsor's name as shown on line 2a of Form 5500<br><u>CINCINNATI BELL INC</u>                                                                                                                                                                              |                                                                                                                                                                                                                                                                              | <b>D</b> Employer Identification Number (EIN)<br><br><u>31-1056105</u>                                   |

| Part I Asset and Liability Statement                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                 |                       |                  |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|-----------------------|------------------|
| <b>1</b> Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. <b>Round off amounts to the nearest dollar.</b> MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions. |                 |                       |                  |
| Assets                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                 | (a) Beginning of Year | (b) End of Year  |
| <b>a</b> Total noninterest-bearing cash .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | <b>1a</b>       |                       |                  |
| <b>b</b> Receivables (less allowance for doubtful accounts):                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                 |                       |                  |
| <b>(1)</b> Employer contributions.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | <b>1b(1)</b>    | <u>11115232</u>       | <u>2067334</u>   |
| <b>(2)</b> Participant contributions.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | <b>1b(2)</b>    |                       |                  |
| <b>(3)</b> Other.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | <b>1b(3)</b>    |                       |                  |
| <b>c</b> General investments:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                 |                       |                  |
| <b>(1)</b> Interest-bearing cash (include money market accounts & certificates of deposit).....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | <b>1c(1)</b>    |                       |                  |
| <b>(2)</b> U.S. Government securities .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | <b>1c(2)</b>    |                       |                  |
| <b>(3)</b> Corporate debt instruments (other than employer securities):                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                 |                       |                  |
| <b>(A)</b> Preferred .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <b>1c(3)(A)</b> |                       |                  |
| <b>(B)</b> All other .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <b>1c(3)(B)</b> |                       |                  |
| <b>(4)</b> Corporate stocks (other than employer securities):                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                 |                       |                  |
| <b>(A)</b> Preferred .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <b>1c(4)(A)</b> |                       |                  |
| <b>(B)</b> Common.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | <b>1c(4)(B)</b> |                       |                  |
| <b>(5)</b> Partnership/joint venture interests .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | <b>1c(5)</b>    |                       |                  |
| <b>(6)</b> Real estate (other than employer real property).....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | <b>1c(6)</b>    |                       |                  |
| <b>(7)</b> Loans (other than to participants) .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | <b>1c(7)</b>    |                       |                  |
| <b>(8)</b> Participant loans.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | <b>1c(8)</b>    |                       |                  |
| <b>(9)</b> Value of interest in common/collective trusts .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | <b>1c(9)</b>    |                       |                  |
| <b>(10)</b> Value of interest in pooled separate accounts .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | <b>1c(10)</b>   |                       |                  |
| <b>(11)</b> Value of interest in master trust investment accounts .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | <b>1c(11)</b>   | <u>170315121</u>      | <u>190581441</u> |
| <b>(12)</b> Value of interest in 103-12 investment entities.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | <b>1c(12)</b>   |                       |                  |
| <b>(13)</b> Value of interest in registered investment companies (e.g., mutual funds).....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <b>1c(13)</b>   |                       |                  |
| <b>(14)</b> Value of funds held in insurance company general account (unallocated contracts).....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | <b>1c(14)</b>   |                       |                  |
| <b>(15)</b> Other.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | <b>1c(15)</b>   |                       |                  |

|                                                                      |              | (a) Beginning of Year | (b) End of Year |
|----------------------------------------------------------------------|--------------|-----------------------|-----------------|
| <b>1d</b> Employer-related investments:                              |              |                       |                 |
| (1) Employer securities .....                                        | <b>1d(1)</b> |                       |                 |
| (2) Employer real property .....                                     | <b>1d(2)</b> |                       |                 |
| <b>e</b> Buildings and other property used in plan operation .....   | <b>1e</b>    |                       |                 |
| <b>f</b> Total assets (add all amounts in lines 1a through 1e) ..... | <b>1f</b>    | 181430353             | 192648775       |

**Liabilities**

|                                                                           |           |   |   |
|---------------------------------------------------------------------------|-----------|---|---|
| <b>g</b> Benefit claims payable .....                                     | <b>1g</b> |   |   |
| <b>h</b> Operating payables .....                                         | <b>1h</b> |   |   |
| <b>i</b> Acquisition indebtedness .....                                   | <b>1i</b> |   |   |
| <b>j</b> Other liabilities .....                                          | <b>1j</b> |   |   |
| <b>k</b> Total liabilities (add all amounts in lines 1g through 1j) ..... | <b>1k</b> | 0 | 0 |

**Net Assets**

|                                                           |           |           |           |
|-----------------------------------------------------------|-----------|-----------|-----------|
| <b>l</b> Net assets (subtract line 1k from line 1f) ..... | <b>1l</b> | 181430353 | 192648775 |
|-----------------------------------------------------------|-----------|-----------|-----------|

**Part II Income and Expense Statement**

**2** Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

**Income**

|                                                                                                            |                 | (a) Amount | (b) Total |
|------------------------------------------------------------------------------------------------------------|-----------------|------------|-----------|
| <b>a Contributions:</b>                                                                                    |                 |            |           |
| (1) Received or receivable in cash from: <b>(A)</b> Employers .....                                        | <b>2a(1)(A)</b> | 6199499    |           |
| <b>(B)</b> Participants .....                                                                              | <b>2a(1)(B)</b> |            |           |
| <b>(C)</b> Others (including rollovers) .....                                                              | <b>2a(1)(C)</b> |            |           |
| (2) Noncash contributions .....                                                                            | <b>2a(2)</b>    |            |           |
| (3) Total contributions. Add lines <b>2a(1)(A)</b> , <b>(B)</b> , <b>(C)</b> , and line <b>2a(2)</b> ..... | <b>2a(3)</b>    |            | 6199499   |
| <b>b Earnings on investments:</b>                                                                          |                 |            |           |
| (1) Interest:                                                                                              |                 |            |           |
| <b>(A)</b> Interest-bearing cash (including money market accounts and certificates of deposit) .....       | <b>2b(1)(A)</b> |            |           |
| <b>(B)</b> U.S. Government securities .....                                                                | <b>2b(1)(B)</b> |            |           |
| <b>(C)</b> Corporate debt instruments .....                                                                | <b>2b(1)(C)</b> |            |           |
| <b>(D)</b> Loans (other than to participants) .....                                                        | <b>2b(1)(D)</b> |            |           |
| <b>(E)</b> Participant loans .....                                                                         | <b>2b(1)(E)</b> |            |           |
| <b>(F)</b> Other .....                                                                                     | <b>2b(1)(F)</b> |            |           |
| (G) Total interest. Add lines <b>2b(1)(A)</b> through <b>(F)</b> .....                                     | <b>2b(1)(G)</b> |            | 0         |
| (2) Dividends: <b>(A)</b> Preferred stock .....                                                            | <b>2b(2)(A)</b> |            |           |
| <b>(B)</b> Common stock .....                                                                              | <b>2b(2)(B)</b> |            |           |
| <b>(C)</b> Registered investment company shares (e.g. mutual funds) .....                                  | <b>2b(2)(C)</b> |            |           |
| (D) Total dividends. Add lines <b>2b(2)(A)</b> , <b>(B)</b> , and <b>(C)</b> .....                         | <b>2b(2)(D)</b> |            | 0         |
| (3) Rents .....                                                                                            | <b>2b(3)</b>    |            |           |
| (4) Net gain (loss) on sale of assets: <b>(A)</b> Aggregate proceeds .....                                 | <b>2b(4)(A)</b> |            |           |
| <b>(B)</b> Aggregate carrying amount (see instructions) .....                                              | <b>2b(4)(B)</b> |            |           |
| <b>(C)</b> Subtract line <b>2b(4)(B)</b> from line <b>2b(4)(A)</b> and enter result .....                  | <b>2b(4)(C)</b> |            | 0         |
| (5) Unrealized appreciation (depreciation) of assets: <b>(A)</b> Real estate .....                         | <b>2b(5)(A)</b> |            |           |
| <b>(B)</b> Other .....                                                                                     | <b>2b(5)(B)</b> |            |           |
| (C) Total unrealized appreciation of assets. Add lines <b>2b(5)(A)</b> and <b>(B)</b> .....                | <b>2b(5)(C)</b> |            | 0         |

|                                                                                                 |        | (a) Amount | (b) Total |
|-------------------------------------------------------------------------------------------------|--------|------------|-----------|
| (6) Net investment gain (loss) from common/collective trusts .....                              | 2b(6)  |            |           |
| (7) Net investment gain (loss) from pooled separate accounts .....                              | 2b(7)  |            |           |
| (8) Net investment gain (loss) from master trust investment accounts .....                      | 2b(8)  |            | 27453463  |
| (9) Net investment gain (loss) from 103-12 investment entities .....                            | 2b(9)  |            |           |
| (10) Net investment gain (loss) from registered investment companies (e.g., mutual funds) ..... | 2b(10) |            |           |
| c Other income .....                                                                            | 2c     |            |           |
| d Total income. Add all <b>income</b> amounts in column (b) and enter total .....               | 2d     |            | 33652962  |

**Expenses**

|                                                                                      |       |          |          |
|--------------------------------------------------------------------------------------|-------|----------|----------|
| e Benefit payment and payments to provide benefits:                                  |       |          |          |
| (1) Directly to participants or beneficiaries, including direct rollovers .....      | 2e(1) | 22066647 |          |
| (2) To insurance carriers for the provision of benefits .....                        | 2e(2) |          |          |
| (3) Other .....                                                                      | 2e(3) |          |          |
| (4) Total benefit payments. Add lines 2e(1) through (3) .....                        | 2e(4) |          | 22066647 |
| f Corrective distributions (see instructions) .....                                  | 2f    |          |          |
| g Certain deemed distributions of participant loans (see instructions) .....         | 2g    |          |          |
| h Interest expense .....                                                             | 2h    |          |          |
| i Administrative expenses: (1) Professional fees .....                               | 2i(1) |          |          |
| (2) Contract administrator fees .....                                                | 2i(2) |          |          |
| (3) Investment advisory and management fees .....                                    | 2i(3) |          |          |
| (4) Other .....                                                                      | 2i(4) | 429585   |          |
| (5) Total administrative expenses. Add lines 2i(1) through (4) .....                 | 2i(5) |          | 429585   |
| j Total expenses. Add all <b>expense</b> amounts in column (b) and enter total ..... | 2j    |          | 22496232 |

**Net Income and Reconciliation**

|                                                          |       |  |          |
|----------------------------------------------------------|-------|--|----------|
| k Net income (loss). Subtract line 2j from line 2d ..... | 2k    |  | 11156730 |
| l Transfers of assets:                                   |       |  |          |
| (1) To this plan .....                                   | 2l(1) |  | 61692    |
| (2) From this plan .....                                 | 2l(2) |  | 0        |

**Part III Accountant's Opinion**

**3** Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

**a** The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☐ Unqualified (2) ☐ Qualified (3) ☒ Disclaimer (4) ☐ Adverse

**b** Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? ☒ Yes ☐ No

**c** Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: BARNES, DENNING & CO., LTD.

(2) EIN: 31-1119890

**d** The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. (2) ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

**Part IV Compliance Questions**

**4** CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

**a** Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.) .....

**b** Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.) .....

|    | Yes | No | Amount |
|----|-----|----|--------|
| 4a |     | X  |        |
| 4b |     | X  |        |

|                                                                                                                                                                                                                               | Yes | No | Amount   |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|----|----------|
| <b>c</b> Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.) .....                                          |     | X  |          |
| <b>d</b> Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.) .....                               |     | X  |          |
| <b>e</b> Was this plan covered by a fidelity bond? .....                                                                                                                                                                      | X   |    | 25000000 |
| <b>f</b> Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty? .....                                                                                       |     | X  |          |
| <b>g</b> Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser? .....                                                    |     | X  |          |
| <b>h</b> Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser? .....                                          |     | X  |          |
| <b>i</b> Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.) .....                                                                |     | X  |          |
| <b>j</b> Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.) ..... |     | X  |          |
| <b>k</b> Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC? .....                                                           |     | X  |          |
| <b>l</b> Has the plan failed to provide any benefit when due under the plan? .....                                                                                                                                            |     | X  |          |
| <b>m</b> If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.) .....                                                                                                  |     | X  |          |
| <b>n</b> If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3. ....                                      |     | X  |          |

**5a** Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?  
 If "Yes," enter the amount of any plan assets that reverted to the employer this year. .... ☐ Yes ☒ No Amount:

**5b** If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

| 5b(1) Name of plan(s) | 5b(2) EIN(s) | 5b(3) PN(s) |
|-----------------------|--------------|-------------|
|                       |              |             |
|                       |              |             |
|                       |              |             |
|                       |              |             |

**5c** If the plan is a defined benefit plan, is it covered under the PBGC insurance program (see ERISA section 4021)? .... ☒ Yes ☐ No ☐ Not determined

## Part V Trust Information (optional)

|                         |                       |
|-------------------------|-----------------------|
| <b>6a</b> Name of trust | <b>6b</b> Trust's EIN |
|                         |                       |

|                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                            |                                                                                            |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------|
| <b>SCHEDULE R</b><br><b>(Form 5500)</b><br><br>Department of the Treasury<br>Internal Revenue Service<br><br>Department of Labor<br>Employee Benefits Security Administration<br><br>Pension Benefit Guaranty Corporation | <b>Retirement Plan Information</b><br><br>This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).<br><br>▶ <b>File as an attachment to Form 5500.</b> | OMB No. 1210-0110<br><br><b>2013</b><br><br><b>This Form is Open to Public Inspection.</b> |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------|

For calendar plan year 2013 or fiscal plan year beginning 01/01/2013 and ending 12/31/2013

|                                                                                             |                                                                    |
|---------------------------------------------------------------------------------------------|--------------------------------------------------------------------|
| <b>A</b> Name of plan<br><u>CINCINNATI BELL MANAGEMENT PENSION PLAN</u>                     | <b>B</b> Three-digit plan number (PN) ▶<br><u>006</u>              |
| <b>C</b> Plan sponsor's name as shown on line 2a of Form 5500<br><u>CINCINNATI BELL INC</u> | <b>D</b> Employer Identification Number (EIN)<br><u>31-1056105</u> |

|               |                      |
|---------------|----------------------|
| <b>Part I</b> | <b>Distributions</b> |
|---------------|----------------------|

All references to distributions relate only to payments of benefits during the plan year.

|                                                                                                                                                                                                                                                                                                                                       |          |           |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|-----------|
| <b>1</b> Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....                                                                                                                                                                                                 | <b>1</b> | <u>0</u>  |
| <b>2</b> Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):<br><br>EIN(s): _____<br><br><b>Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.</b> |          |           |
| <b>3</b> Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....                                                                                                                                                                                                       | <b>3</b> | <u>35</u> |

|                |                                                                                                                                                                              |
|----------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Part II</b> | <b>Funding Information</b> (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part) |
|----------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

|                                                                                                                                                                                                                                                                                                                                                                           |                              |                                        |                                         |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|----------------------------------------|-----------------------------------------|
| <b>4</b> Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?.....                                                                                                                                                                                                                                                       | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | <input type="checkbox"/> N/A            |
| <b>If the plan is a defined benefit plan, go to line 8.</b>                                                                                                                                                                                                                                                                                                               |                              |                                        |                                         |
| <b>5</b> If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. <b>Date:</b> Month _____ Day _____ Year _____<br><b>If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.</b> |                              |                                        |                                         |
| <b>6 a</b> Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived).....                                                                                                                                                                                                                             | <b>6a</b>                    |                                        |                                         |
| <b>b</b> Enter the amount contributed by the employer to the plan for this plan year.....                                                                                                                                                                                                                                                                                 | <b>6b</b>                    |                                        |                                         |
| <b>c</b> Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount) .....                                                                                                                                                                                                                          | <b>6c</b>                    |                                        |                                         |
| <b>If you completed line 6c, skip lines 8 and 9.</b>                                                                                                                                                                                                                                                                                                                      |                              |                                        |                                         |
| <b>7</b> Will the minimum funding amount reported on line 6c be met by the funding deadline?.....                                                                                                                                                                                                                                                                         | <input type="checkbox"/> Yes | <input type="checkbox"/> No            | <input type="checkbox"/> N/A            |
| <b>8</b> If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?.....                                                                                                | <input type="checkbox"/> Yes | <input type="checkbox"/> No            | <input checked="" type="checkbox"/> N/A |

|                 |                   |
|-----------------|-------------------|
| <b>Part III</b> | <b>Amendments</b> |
|-----------------|-------------------|

|                                                                                                                                                                                                                            |                                   |                                              |                               |                             |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|----------------------------------------------|-------------------------------|-----------------------------|
| <b>9</b> If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box..... | <input type="checkbox"/> Increase | <input checked="" type="checkbox"/> Decrease | <input type="checkbox"/> Both | <input type="checkbox"/> No |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|----------------------------------------------|-------------------------------|-----------------------------|

|                |                                                                                                                                                   |
|----------------|---------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Part IV</b> | <b>ESOPs</b> (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part. |
|----------------|---------------------------------------------------------------------------------------------------------------------------------------------------|

|                                                                                                                                                                                             |                              |                             |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|-----------------------------|
| <b>10</b> Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? .....                                                     | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| <b>11 a</b> Does the ESOP hold any preferred stock? .....                                                                                                                                   | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| <b>b</b> If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.)..... | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| <b>12</b> Does the ESOP hold any stock that is not readily tradable on an established securities market? .....                                                                              | <input type="checkbox"/> Yes | <input type="checkbox"/> No |

**Part V Additional Information for Multiemployer Defined Benefit Pension Plans**

**13** Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

**a** Name of contributing employer

**b** EIN

**c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month \_\_\_\_\_ Day \_\_\_\_\_ Year \_\_\_\_\_

**e** Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): \_\_\_\_\_

**a** Name of contributing employer

**b** EIN

**c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month \_\_\_\_\_ Day \_\_\_\_\_ Year \_\_\_\_\_

**e** Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): \_\_\_\_\_

**a** Name of contributing employer

**b** EIN

**c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month \_\_\_\_\_ Day \_\_\_\_\_ Year \_\_\_\_\_

**e** Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): \_\_\_\_\_

**a** Name of contributing employer

**b** EIN

**c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month \_\_\_\_\_ Day \_\_\_\_\_ Year \_\_\_\_\_

**e** Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): \_\_\_\_\_

**a** Name of contributing employer

**b** EIN

**c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month \_\_\_\_\_ Day \_\_\_\_\_ Year \_\_\_\_\_

**e** Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): \_\_\_\_\_

**a** Name of contributing employer

**b** EIN

**c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month \_\_\_\_\_ Day \_\_\_\_\_ Year \_\_\_\_\_

**e** Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): \_\_\_\_\_

- 14** Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

|                                                                          |            |  |
|--------------------------------------------------------------------------|------------|--|
| <b>a</b> The current year .....                                          | <b>14a</b> |  |
| <b>b</b> The plan year immediately preceding the current plan year ..... | <b>14b</b> |  |
| <b>c</b> The second preceding plan year .....                            | <b>14c</b> |  |

- 15** Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

|                                                                                                       |            |  |
|-------------------------------------------------------------------------------------------------------|------------|--|
| <b>a</b> The corresponding number for the plan year immediately preceding the current plan year ..... | <b>15a</b> |  |
| <b>b</b> The corresponding number for the second preceding plan year .....                            | <b>15b</b> |  |

- 16** Information with respect to any employers who withdrew from the plan during the preceding plan year:

|                                                                                                                                                                        |            |  |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|--|
| <b>a</b> Enter the number of employers who withdrew during the preceding plan year .....                                                                               | <b>16a</b> |  |
| <b>b</b> If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers ..... | <b>16b</b> |  |

- 17** If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. .... ☐

**Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans**

- 18** If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment. .... ☐

- 19** If the total number of participants is 1,000 or more, complete lines (a) through (c)

- a** Enter the percentage of plan assets held as:

Stock: 65% Investment-Grade Debt: 27% High-Yield Debt: 0% Real Estate: 8% Other: 0%

- b** Provide the average duration of the combined investment-grade and high-yield debt:

☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☒ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

- c** What duration measure was used to calculate line 19(b)?

☒ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify):



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## **Independent Auditors' Report**

To the Administrator of the  
Cincinnati Bell Management Pension Plan  
Cincinnati, Ohio

### **Report on the Financial Statements**

We were engaged to audit the accompanying financial statements of the Cincinnati Bell Management Pension Plan, which comprise the Statements of Net Assets Available for Benefits as of December 31, 2013 and 2012, and the related Statements of Changes in Net Assets Available for Benefits for the years then ended, and the related notes to the financial statements.

### **Management's Responsibility for the Financial Statements**

Plan management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on conducting our audits in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

### **Basis for Disclaimer of Opinion**

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 10, which was certified by The Bank of New York Mellon, the trustee of the Plan, except for comparing the information with the related information included in the financial statements. We have been informed by the plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the trustee as of and for the years ended December 31, 2013 and 2012, that the information provided to the plan administrator by the trustee is complete and accurate.

### **Disclaimer of Opinion**

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient, appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

### **Report on Form and Content in Compliance with DOL Rules and Regulations**

The form and content of the information included in the financial statements, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under Employee Retirement Income Security Act of 1974.

October 10, 2014  
Cincinnati, Ohio

**Form 5500**Department of the Treasury  
Internal Revenue ServiceDepartment of Labor  
Employee Benefits Security  
Administration

Pension Benefit Guaranty Corporation

**Annual Return/Report of Employee Benefit Plan**

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code).

► **Complete all entries in accordance with the instructions to the Form 5500.**OMB Nos. 1210-0110  
1210-0089**2013****This Form is Open to Public Inspection****Part I Annual Report Identification Information**

For calendar plan year 2013 or fiscal plan year beginning 01/01/2013 and ending 12/31/2013

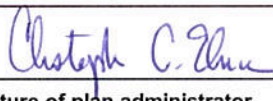
- A** This return/report is for: ☐ a multiemployer plan; ☐ a multiple-employer plan; or  
☒ a single-employer plan; ☐ a DFE (specify) \_\_\_\_\_
- B** This return/report is: ☐ the first return/report; ☐ the final return/report;  
☐ an amended return/report; ☐ a short plan year return/report (less than 12 months).
- C** If the plan is a collectively-bargained plan, check here. . . . . ► ☐
- D** Check box if filing under: ☒ Form 5558; ☐ automatic extension; ☐ the DFVC program;  
☐ special extension (enter description) \_\_\_\_\_

**Part II Basic Plan Information—enter all requested information****1a** Name of plan CINCINNATI BELL MANAGEMENT PENSION PLAN**1b** Three-digit plan number (PN) ► 006**1c** Effective date of plan 10/01/1980**2a** Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan)  
CINCINNATI BELL INC**2b** Employer Identification Number (EIN)  
31-1056105**2c** Sponsor's telephone number  
(513) 397-7772**2d** Business code (see instructions)  
551112221 EAST FOURTH STREET  
ROOM 103-1170  
CINCINNATI

OH 45202

**Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.**

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

|                                                                                                            |                                                                                     |          |                                                              |
|------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|----------|--------------------------------------------------------------|
| SIGN<br>HERE                                                                                               |  | 10-13-14 | Christopher C Elma                                           |
|                                                                                                            | Signature of plan administrator                                                     | Date     | Enter name of individual signing as plan administrator       |
| SIGN<br>HERE                                                                                               |                                                                                     |          |                                                              |
|                                                                                                            | Signature of employer/plan sponsor                                                  | Date     | Enter name of individual signing as employer or plan sponsor |
| SIGN<br>HERE                                                                                               |                                                                                     |          |                                                              |
|                                                                                                            | Signature of DFE                                                                    | Date     | Enter name of individual signing as DFE                      |
| Preparer's name (including firm name, if applicable) and address; include room or suite number. (optional) |                                                                                     |          | Preparer's telephone number (optional)                       |
|                                                                                                            |                                                                                     |          |                                                              |

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500.

Form 5500 (2013)  
v. 130118

**CINCINNATI BELL MANAGEMENT  
PENSION PLAN**

**FINANCIAL STATEMENTS  
DECEMBER 31, 2013 AND 2012**

CINCINNATI BELL MANAGEMENT PENSION PLAN  
INDEX TO FINANCIAL STATEMENTS

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| Financial Statements:                                                                                        |             |
| Statements of Net Assets Available for Benefits at December 31, 2013 and 2012                                | 3           |
| Statements of Changes in Net Assets Available for Benefits for the Years Ended<br>December 31, 2013 and 2012 | 4           |
| Notes to Financial Statements                                                                                | 5           |



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### **Independent Auditors' Report**

To the Administrator of the  
Cincinnati Bell Management Pension Plan  
Cincinnati, Ohio

#### **Report on the Financial Statements**

We were engaged to audit the accompanying financial statements of the Cincinnati Bell Management Pension Plan, which comprise the Statements of Net Assets Available for Benefits as of December 31, 2013 and 2012, and the related Statements of Changes in Net Assets Available for Benefits for the years then ended, and the related notes to the financial statements.

#### **Management's Responsibility for the Financial Statements**

Plan management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on conducting our audits in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

#### **Basis for Disclaimer of Opinion**

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 10, which was certified by The Bank of New York Mellon, the trustee of the Plan, except for comparing the information with the related information included in the financial statements. We have been informed by the plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the trustee as of and for the years ended December 31, 2013 and 2012, that the information provided to the plan administrator by the trustee is complete and accurate.

#### **Disclaimer of Opinion**

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient, appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

#### **Report on Form and Content in Compliance with DOL Rules and Regulations**

The form and content of the information included in the financial statements, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under Employee Retirement Income Security Act of 1974.

October 10, 2014  
Cincinnati, Ohio

CINCINNATI BELL MANAGEMENT PENSION PLAN  
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS  
(DOLLARS IN THOUSANDS)

|                                   | December 31,      |                   |
|-----------------------------------|-------------------|-------------------|
|                                   | <u>2013</u>       | <u>2012</u>       |
| ASSETS:                           |                   |                   |
| Interest in Master Trust          | \$ 190,581        | \$ 170,315        |
| Employer contributions receivable | <u>\$ 2,067</u>   | <u>\$ 11,115</u>  |
| Total assets                      | <u>\$ 192,648</u> | <u>\$ 181,430</u> |
| Net assets available for benefits | <u>\$ 192,648</u> | <u>\$ 181,430</u> |

The accompanying notes are an integral part of the financial statements.

CINCINNATI BELL MANAGEMENT PENSION PLAN  
STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS  
(DOLLARS IN THOUSANDS)

|                                                   | Year Ended December 31, |                   |
|---------------------------------------------------|-------------------------|-------------------|
|                                                   | 2013                    | 2012              |
| Interest in Master Trust investment income        | \$ 27,023               | \$ 22,698         |
| Employer contributions                            | 6,200                   | 15,328            |
| Transfers from other plans                        | 62                      | 504               |
| Total additions                                   | <u>33,285</u>           | <u>38,530</u>     |
| Benefits paid to participants and beneficiaries   | <u>22,067</u>           | <u>19,124</u>     |
| Total deductions                                  | <u>22,067</u>           | <u>19,124</u>     |
| Net increase in net assets available for benefits | 11,218                  | 19,406            |
| Net assets available for benefits:                |                         |                   |
| Beginning of year                                 | <u>181,430</u>          | <u>162,024</u>    |
| End of year                                       | <u>\$ 192,648</u>       | <u>\$ 181,430</u> |

The accompanying notes are an integral part of the financial statements.

CINCINNATI BELL MANAGEMENT PENSION PLAN  
NOTES TO FINANCIAL STATEMENTS

(1) Plan Description

The following Notes to Financial Statements give only a brief description of the Cincinnati Bell Management Pension Plan (“the Plan”) and are provided for general purposes only. Participants should refer to the Plan Document for further details. In the event of any conflicts between the Notes to Financial Statements and the Plan Document, the Plan Document shall control.

The Plan is a non-contributory defined benefit pension plan maintained for eligible management and certain hourly employees of Cincinnati Bell Inc. and its subsidiaries (collectively, the “Company”), who were hired prior to January 1, 2009, have reached age 21, and have at least one year of service. Subject to satisfaction of the Plan’s vesting requirements and (when applicable) to the Plan’s provisions reflecting the funding-based restrictions of Section 436 of the Internal Revenue Code (the “IRC”), benefits are payable generally in the form of an annuity or lump sum when a participant retires, dies, or separates from service.

In 2009, the Company made an amendment to the Plan that generally provided that all participants covered under the Plan ceased to earn pension credits based on any compensation earned after March 28, 2009 except for certain grandfathered participants (who would continue to be eligible for the applicable pension credits under the Plan until no later than December 31, 2018). Effective January 1, 2012, the Plan was amended to reduce pension service credits for grandfathered participants.

Effective July 1, 2013, the Plan was amended to provide that all grandfathered participants ceased to earn pension credits based on any compensation earned after June 30, 2013. As a result, no pension credits will be earned under the Plan for any period after June 30, 2013. All Plan participants will continue to earn interest credits as specified under Plan provisions.

The Company generally uses a cash balance formula to determine benefits. For a participant earning pension credits, a participant’s cash balance account is credited annually with a pension credit (based upon the participant’s covered compensation for the year and age attained at the end of the year) and an interest credit (4% for 2013 and 2012).

Effective March 1, 2012, the Company made an amendment to the Plan that generally provided that the assumed annualized interest rate used to calculate interest credits under the Plan for a participant who is a former employee is the assumed annualized interest rate used to calculate interest credits under the Plan for participants who are active employees, regardless of whether the former employee waives a certain pre-retirement death benefit provided by the Plan.

In general and subject to certain grandfathered vesting rules, a participant who completes at least one hour of service with the Company on or after January 1, 2008 will be fully vested in a Plan benefit upon completion of three years of vesting service (normally a year of vesting service is a calendar year with respect to which the participant is paid by the Company for at least 1,000 hours). In addition, a participant will be fully vested in a Plan benefit if still employed by the Company when normal retirement age is attained, which is the later of the participant’s 65th birthday or the fifth annual anniversary date of his or her becoming a participant in the Plan. Any amounts not vested at the time a participant’s employment terminates are forfeited.

(2) Summary of Significant Accounting Policies

- a. **Basis of Accounting:** The accompanying financial statements are prepared on the accrual basis of accounting.
- b. **Use of Estimates:** The preparation of financial statements in conformity with generally accepted accounting principles in the United States of America (“U.S. GAAP”) requires management to make significant estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the reporting period. These significant estimates include the accumulated plan benefits and market value of investments. Actual results could differ from those estimates.

CINCINNATI BELL MANAGEMENT PENSION PLAN  
NOTES TO FINANCIAL STATEMENTS

- c. **Fair Value Measurements:** Accounting Standards Codification Topic 820, "Fair Value Measurements," establishes a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value as follows:

Level 1 - Quoted market prices for identical instruments in an active market;

Level 2 - Quoted prices for similar assets and liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability (i.e., interest rates, yield curves, etc.), and inputs that are derived principally from or corroborated by observable market data by correlation or other means (market corroborated inputs); and

Level 3 - Unobservable inputs that reflect management's determination of assumptions that market participants would use in pricing the asset or liability. These inputs are developed based on the best information available, including our own data.

The Plan invests in the Cincinnati Bell Pension Plans' Trust (the "Master Trust"), which holds only the assets of the Plan and the Cincinnati Bell Pension Plan. The Master Trust invests in a combination of mutual funds and real estate pooled funds. The fair values of Level 1 investments are based on quoted prices in active markets. The fair values of Level 2 investments, which consist of funds that hold securities in active markets, are determined based on the net asset value as reported by the fund manager. The Level 3 investments, which consist solely of real estate pooled funds, are valued at the net asset values disclosed by the fund managers which are based on estimated fair values of the real estate investments using independent appraisal.

Although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

- d. **Investment Valuation and Income Recognition:** Investments are reported at fair value. Fair value is the price that would be received to sell an asset or to transfer a liability in an orderly transaction between market participants at the transaction date. Investment income in the Master Trust is allocated between the Plan and the Cincinnati Bell Pension Plan based on the weighted average allocated investment balances between the plans throughout the year. Purchases and sales of securities in the Master Trust are reflected as of the trade date. Realized gains and losses on sales of securities are determined on the basis of average cost. Dividend income in the Master Trust is recorded on the ex-dividend date. Income from other investments is recorded as earned on an accrual basis. The Plan presents its portion of the Master Trust's realized gains or losses and the net unrealized appreciation or depreciation of investments in the Statements of Changes in Net Assets Available for Benefits under the caption "Interest in Master Trust investment income".
- e. **Actuarial Method and Contributions:** Contributions to the Plan are made by the Company into the Master Trust. The Company's contributions are equal to the current period cost of the Plan actuarially determined by the aggregate cost method. This method calculates a specific contribution such that the sum of future contributions, present trust investments and expected future investment earnings will be sufficient to pay all future benefits due. For the 2013 plan year, the Company contributed \$4,132,165 to the Plan in 2013 and the Plan recorded a receivable of \$2,067,334 that will be contributed in fiscal year 2014 by the Company. For the 2012 plan year, the Company contributed \$4,213,014 to the Plan in 2012 and the Plan recorded a receivable of \$11,115,232 that was contributed in fiscal year 2013 by the Company.
- The Plan is subject to the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). The Plan's minimum funding requirements under ERISA, as modified by the Pension Protection Act of 2006, have been met.
- f. **Actuarial Present Value of Accumulated Plan Benefits:** Accumulated plan benefits are those future periodic payments that are attributable under the Plan's provisions to the service employees have rendered. Accumulated plan benefits include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries, (b) beneficiaries of employees who have died and (c) present employees or their beneficiaries.
- g. **Payment of Benefits:** Benefit payments to participants are recorded upon distribution.

CINCINNATI BELL MANAGEMENT PENSION PLAN  
NOTES TO FINANCIAL STATEMENTS

- h. **Plan Expenses:** Trustee and investment management fees and administrative expenses are paid directly from the Master Trust and allocated to the Plan as a reduction of the Plan's interest in Master Trust investment income.
- i. **Transfer to/from Other Plans:** If a Plan participant becomes a participant of the Cincinnati Bell Pension Plan, or if a participant of the Cincinnati Bell Pension Plan becomes a participant of the Plan, or if a participant becomes or was previously employed by certain telecommunications companies that maintain defined benefit pension plans, the related assets and accrued benefits liabilities are generally transferred to and assumed by the recipient plan.

Effective January 1, 1985, companies which were former members of or affiliated with the pre-1985 Bell System, including the Company, entered into a Mandatory Portability Agreement (the "MPA") which among other things provides for the transfer of defined benefit plan assets and liabilities attributable to certain employees who change employment between any such companies. In 2013, the Plan received a transfer from another such company's defined benefit pension plan of \$61,692 (and accompanying liabilities) in accordance with the MPA's defined benefit plan transfer provisions. In 2012, the Plan received transfers from the Cincinnati Bell Pension Plan totaling \$504,000.

- j. **Uncertain Tax Positions:** U.S. GAAP requires Plan management to evaluate tax positions taken by the Plan and recognize a tax liability if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service (the "IRS"). There are no uncertain tax positions taken or expected to be taken that would require recognition of a liability or disclosure in the financial statements. The Plan is not currently under audit by any taxing jurisdictions.
- k. **Risks and Uncertainties:** Plan contributions and the actuarial present value of accumulated plan benefits are prepared based on certain assumptions, including interest rates, inflation rates, and employee demographics, all of which are subject to change. Due to uncertainties in the estimations and assumptions processes, it is possible that changes in these estimates and assumptions could be material to the financial statements.

The Master Trust holds investments in a combination of mutual funds and real estate pooled funds. The portfolio of mutual funds include: U.S. equity index funds, international equity index funds, fixed income long-term bond funds, and fixed income short-term money market funds. Investment securities are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with investment securities and the level of uncertainty related to changes in the value of the investment securities, changes in investment values could materially affect the amounts reported in the Statements of Net Assets Available for Benefits and the Statements of Changes in Net Assets Available for Benefits.

- l. **Subsequent Events:** The Plan has evaluated subsequent events through October 10, 2014, the date the financial statements were available to be issued.

CINCINNATI BELL MANAGEMENT PENSION PLAN  
NOTES TO FINANCIAL STATEMENTS

(3) Interest in Master Trust

The proportionate interests of the Plan and the Cincinnati Bell Pension Plan in the Master Trust were 47.7% and 52.3%, respectively, at December 31, 2013, and 49.5% and 50.5%, respectively, at December 31, 2012. The following table presents the fair value of all the investments held by the Master Trust in which the Plan participates:

| <u>(dollars in thousands)</u>   | December 31,      |                   |
|---------------------------------|-------------------|-------------------|
|                                 | 2013              | 2012              |
| Mutual funds                    |                   |                   |
| U.S. equity index fund          | \$ 201,409        | \$ 163,312        |
| Fixed income funds              | 109,729           | 102,970           |
| International equity index fund | 56,987            | 49,790            |
| Money market funds              | 316               | -                 |
| Real estate funds               | 30,832            | 27,760            |
| Total assets                    | <u>\$ 399,273</u> | <u>\$ 343,832</u> |
| Net assets                      | <u>\$ 399,273</u> | <u>\$ 343,832</u> |

Net appreciation on investments held by the Master Trust, including realized and unrealized gains and losses, were gains of \$46,372,573 and \$35,355,692 for 2013 and 2012, respectively. In 2013, net appreciation of \$3,072,059 and \$43,300,514 for real estate funds and mutual funds was recognized, respectively. In 2012, net appreciation of \$1,788,735 and \$33,566,957 for real estate funds and mutual funds was recognized.

Interest income, dividend income, and rental income on investments held in the Master Trust were as follows:

| <u>(dollars in thousands)</u> | Year Ended December 31, |                  |
|-------------------------------|-------------------------|------------------|
|                               | 2013                    | 2012             |
| Interest income               | \$ -                    | \$ 1             |
| Dividend income               | 9,845                   | 10,518           |
| Real estate income            | 937                     | 727              |
|                               | <u>\$ 10,782</u>        | <u>\$ 11,246</u> |

During 2013 and 2012, administrative expenses paid by the Master Trust were \$2,158,645 and \$2,362,628, respectively.

CINCINNATI BELL MANAGEMENT PENSION PLAN  
NOTES TO FINANCIAL STATEMENTS

(4) Fair Value Measurements

At December 31, 2013 and 2012, the fair value and its placement in the fair value hierarchy of the underlying assets of the Master Trust that are required to be measured at fair value on a recurring basis are as follows:

| <u>(dollars in thousands)</u>   | December 31,<br>2013 | Level 1           | Level 2      | Level 3          |
|---------------------------------|----------------------|-------------------|--------------|------------------|
| Mutual funds                    |                      |                   |              |                  |
| U.S. equity index fund          | \$ 201,409           | \$ 201,409        | \$ -         | \$ -             |
| Fixed income funds              | 109,729              | 109,707           | 22           | -                |
| International equity index fund | 56,987               | 56,987            | -            | -                |
| Money market funds              | 316                  | 316               | -            | -                |
| Real estate pooled funds        | 30,832               | -                 | -            | 30,832           |
|                                 | <u>\$ 399,273</u>    | <u>\$ 368,419</u> | <u>\$ 22</u> | <u>\$ 30,832</u> |

| <u>(dollars in thousands)</u>   | December 31,<br>2012 | Level 1           | Level 2      | Level 3          |
|---------------------------------|----------------------|-------------------|--------------|------------------|
| Mutual funds                    |                      |                   |              |                  |
| U.S. equity index fund          | \$ 163,312           | \$ 163,312        | \$ -         | \$ -             |
| Fixed income funds              | 102,970              | 102,947           | 23           | -                |
| International equity index fund | 49,790               | 49,790            | -            | -                |
| Real estate pooled funds        | 27,760               | -                 | -            | 27,760           |
|                                 | <u>\$ 343,832</u>    | <u>\$ 316,049</u> | <u>\$ 23</u> | <u>\$ 27,760</u> |

The Plan's Level 3 investments, which consisted solely of real estate pooled funds, had the following changes for the respective year:

| <u>(dollars in thousands)</u>                    | 2013             | 2012             |
|--------------------------------------------------|------------------|------------------|
| Balance, beginning of year                       | \$ 27,760        | \$ 25,438        |
| Realized gains, net                              | 1,077            | 1,009            |
| Unrealized gains, net                            | 2,740            | 1,788            |
| Purchases, sales, issuances and settlements, net | (745)            | (475)            |
| Balance, end of year                             | <u>\$ 30,832</u> | <u>\$ 27,760</u> |

The real estate pooled funds invest primarily in commercial real estate and include mortgage loans which are backed by the associated properties. These investments are sensitive to changes in commercial real estate market values and focus on properties that return both lease income and market appreciation of the buildings' value. In estimating fair value of the investments in level 3, the fund managers use independent appraisers. The generally accepted method used in the valuation of real estate are the income, cost and sales comparison approaches of estimating property value. Key inputs and assumptions used to determine fair value include among others, rental income and expected growth rates, terminal capitalization rates and discount rates. In the event that total withdrawal requests exceed the total cash available to honor such requests, available cash will be pro-rated among those contract-holders eligible for withdrawals. Withdrawal requests are subject to notice restrictions that require up to 90 days written notice.

(5) Tax Status

The IRS has issued a determination letter dated November 17, 2011 that concludes that the Plan meets the requirements of Section 401(a) of the IRC and is exempt from federal income taxes under Section 501(a) of the IRC. The Plan has been amended since receiving such determination letter and may need to be furthered amended in the future to maintain its tax-qualified status. The Plan administrator believes that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC.

CINCINNATI BELL MANAGEMENT PENSION PLAN  
NOTES TO FINANCIAL STATEMENTS

(6) Actuarial Present Value of Accumulated Plan Benefits

Pension benefits are generally determined under the Plan's cash balance formula for an active participant by the addition of pension credits (based upon age and compensation) and an annual interest credit to the participant's cash balance account. The accumulated Plan benefits as of January 1, 2013 presented below are based on census data and the Plan in effect as of that date. Benefits payable under retirement, death, disability, or withdrawal are included to the extent they are deemed attributable to employee service rendered through the valuation date.

Assumptions were made for the following factors used to determine the actuarial present values of the accumulated plan benefits as of January 1, 2013: (a) mortality rates using the IRS Regulation 1.430(h)(3)-1 tables for all participants, (b) withdrawal rates, (c) disability retirement rates, (d) service retirement rates, (e) qualified beneficiary ratios, and (f) a discount rate of 7.75% for 2013 and 2012, respectively, including a reduction of approximately 41 basis points to reflect anticipated administration expenses associated with providing benefits. These assumptions are based on the Company's experience as well as industry-wide trends modified as appropriate for the Company.

The following data is based on the actuarial valuation as of January 1, 2013:

|                                                      |                   |
|------------------------------------------------------|-------------------|
| <u>(dollars in thousands)</u>                        |                   |
| Vested benefits                                      |                   |
| Participants currently receiving payments            | \$ 125,952        |
| Other participants                                   | 47,446            |
|                                                      | <u>173,398</u>    |
| Non-vested benefits                                  | <u>3,677</u>      |
| Actuarial present value of accumulated plan benefits | <u>\$ 177,075</u> |

The change in the present value of accumulated plan benefits from January 1, 2012 to January 1, 2013 consists of:

|                                                                         |                   |
|-------------------------------------------------------------------------|-------------------|
| <u>(dollars in thousands)</u>                                           |                   |
| Actuarial present value of accumulated plan benefits at January 1, 2012 | <u>\$ 183,369</u> |
| Benefits paid                                                           | (19,124)          |
| Interest                                                                | 13,483            |
| Benefits accumulated and other                                          | <u>(653)</u>      |
| Net decrease                                                            | <u>(6,294)</u>    |
| Actuarial present value of accumulated plan benefits at January 1, 2013 | <u>\$ 177,075</u> |

(7) Termination Priorities

Currently, the Company has no intentions to terminate the Plan. In the event the Plan is terminated, subject to conditions set forth by ERISA:

- a. The Plan provides that its interest in the Master Trust shall be allocated among the participants and beneficiaries of the Plan in the order provided for by ERISA;
- b. To the extent the Plan's interest in the Master Trust exceeds the amounts needed to pay all Plan benefits, such amounts will revert to the Company; and

CINCINNATI BELL MANAGEMENT PENSION PLAN  
NOTES TO FINANCIAL STATEMENTS

- c. Certain benefits under the Plan may be insured by the Pension Benefit Guaranty Corporation ("PBGC"), a Federal corporation. Because of such insurance, if the Plan terminates when the amounts needed to pay all Plan benefits exceed the Plan's interest in the Master Trust and the Company is financially unable to contribute further amounts to the Plan, certain unfunded but insured benefits under the Plan may be provided by the PBGC. Generally, the PBGC guarantees most vested normal age retirement benefits, early retirement benefits, and certain disability and survivor's pensions. However, the PBGC does not guarantee all types of benefits under the Plan, and the amount of benefit protection is subject to certain limitations. Vested benefits under the Plan are guaranteed at the level in effect on the date of the Plan's termination. Further, there is a statutory ceiling, which is adjusted periodically, on the amount of a participant's monthly benefit that the PBGC guarantees.

(8) Related-Party Transactions

The Bank of New York Mellon ("Trustee") is the trustee for the Plan. Fees paid to The Bank of New York Mellon by the Master Trust and allocated to the Plan for the investment management services amounted to \$366,209 and \$385,727 for the years ended December 31, 2013 and 2012, respectively.

(9) Contingencies

In the normal course of administering pension benefits, the Plan is subject to various lawsuits, claims, and other matters. Such matters are subject to many uncertainties and outcomes that are not predictable with assurance. The Plan believes that the resolution of such matters would not likely have a material adverse effect on the Plan's financial condition.

(10) Information Certified by the Trustee

All investments, investment income and losses, and the net appreciation and depreciation in the fair value of investments included in the financial statements were obtained from data that has been prepared and certified as complete and accurate by the Trustee.

(11) Other

The Plan also generally provides certain participants, on an unfunded and non-tax-qualified basis, benefits they do not receive under the Plan solely because of legal limits on the level of compensation or benefits able to be given on a tax-qualified basis ("excess benefits"). Such excess benefits are not funded through any trust or other funding media that is not subject to the claims of the Company's creditors and are not reflected in these financial statements for the Plan.

(12) Reconciliation of the Financial Statements to the Form 5500

The following is a reconciliation of the financial statements to the Form 5500 for 2013:

(dollars in thousands)

|                                                                         |                  |
|-------------------------------------------------------------------------|------------------|
| Interest in Master Trust investment income per the financial statements | \$ 27,023        |
| Add: Payments to insurance carriers for provision of benefits           | 430              |
| Net investment income per the Form 5500                                 | <u>\$ 27,453</u> |
| Administrative expenses per the financial statements                    | \$ -             |
| Add: Payments to insurance carriers for administrative expenses         | 430              |
| Administrative expenses per the Form 5500                               | <u>\$ 430</u>    |

|                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                    |                                                                                                          |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------|
| <b>SCHEDULE SB</b><br><b>(Form 5500)</b><br><br><small>Department of the Treasury<br/>Internal Revenue Service</small><br><br><small>Department of Labor<br/>Employee Benefits Security Administration<br/>Pension Benefit Guaranty Corporation</small> | <b>Single-Employer Defined Benefit Plan</b><br><b>Actuarial Information</b><br><br>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).<br><br><b>► File as an attachment to Form 5500 or 5500-SF.</b> | <small>OMB No. 1210-0110</small><br><br><b>2013</b><br><br><b>This Form is Open to Public Inspection</b> |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------|

For calendar plan year 2013 or fiscal plan year beginning 01/01/2013 and ending 12/31/2013

► Round off amounts to nearest dollar.

► Caution: A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

|                                                                                                                                                                          |                                                             |     |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------|-----|
| <b>A</b> Name of plan<br>CINCINNATI BELL MANAGEMENT PENSION PLAN                                                                                                         | <b>B</b> Three-digit plan number (PN) ►                     | 006 |
| <b>C</b> Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF<br>CINCINNATI BELL INC                                                                          | <b>D</b> Employer Identification Number (EIN)<br>31-1056105 |     |
| <b>E</b> Type of plan: <input checked="" type="checkbox"/> Single <input type="checkbox"/> Multiple-A <input type="checkbox"/> Multiple-B <input type="checkbox"/> Other |                                                             |     |
| <b>F</b> Prior year plan size: <input type="checkbox"/> 100 or fewer <input type="checkbox"/> 101-500 <input checked="" type="checkbox"/> More than 500                  |                                                             |     |

|                                                                                                                                                                                                          |                            |                    |           |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|--------------------|-----------|
| <b>Part I Basic Information</b>                                                                                                                                                                          |                            |                    |           |
| <b>1</b> Enter the valuation date:      Month <u>01</u> Day <u>01</u> Year <u>2013</u>                                                                                                                   |                            |                    |           |
| <b>2</b> Assets:                                                                                                                                                                                         |                            |                    |           |
| a Market value .....                                                                                                                                                                                     | <b>2a</b>                  | 181131385          |           |
| b Actuarial value .....                                                                                                                                                                                  | <b>2b</b>                  | 173760041          |           |
| <b>3</b> Funding target/participant count breakdown:                                                                                                                                                     |                            |                    |           |
|                                                                                                                                                                                                          | (1) Number of participants | (2) Funding Target |           |
| a For retired participants and beneficiaries receiving payment .....                                                                                                                                     | <b>3a</b>                  | 1484               | 137050880 |
| b For terminated vested participants .....                                                                                                                                                               | <b>3b</b>                  | 539                | 9829210   |
| <b>c</b> For active participants:                                                                                                                                                                        |                            |                    |           |
| (1) Non-vested benefits .....                                                                                                                                                                            | <b>3c(1)</b>               |                    | 3562248   |
| (2) Vested benefits .....                                                                                                                                                                                | <b>3c(2)</b>               |                    | 35700596  |
| (3) Total active .....                                                                                                                                                                                   | <b>3c(3)</b>               | 1032               | 39262844  |
| <b>d</b> Total .....                                                                                                                                                                                     | <b>3d</b>                  | 3055               | 186142934 |
| <b>4</b> If the plan is in at-risk status, check the box and complete lines (a) and (b) <input type="checkbox"/>                                                                                         |                            |                    |           |
| a Funding target disregarding prescribed at-risk assumptions .....                                                                                                                                       | <b>4a</b>                  |                    |           |
| b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor ..... | <b>4b</b>                  |                    |           |
| <b>5</b> Effective interest rate .....                                                                                                                                                                   | <b>5</b>                   | 6.47%              |           |
| <b>6</b> Target normal cost .....                                                                                                                                                                        | <b>6</b>                   | 1568121            |           |

**Statement by Enrolled Actuary**  
 To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

|                                                                                                                                                                    |                          |                                                                                         |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|-----------------------------------------------------------------------------------------|
| <b>SIGN HERE</b>                                                                                                                                                   | <br>Signature of actuary | <u>10/6/14</u><br>Date<br>1406847                                                       |
| Scott Lanham<br>Type or print name of actuary<br>BUCK CONSULTANTS, LLC<br>Firm name<br>720 E PETE ROSE WAY SUITE 300<br>CINCINNATI OH 45202<br>Address of the firm |                          | Most recent enrollment number<br>513-784-0005<br>Telephone number (including area code) |

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐

**Part II Beginning of Year Carryover Prefunding Balances**

|                                                                                                                                           | (a) Carryover balance | (b) Prefunding balance |
|-------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|------------------------|
| <b>7</b> Balance at beginning of prior year after applicable adjustments (line 13 from prior year) .....                                  | 0                     | 6657146                |
| <b>8</b> Portion elected for use to offset prior year's funding requirement (line 35 from prior year) .....                               | 0                     | 0                      |
| <b>9</b> Amount remaining (line 7 minus line 8) .....                                                                                     | 0                     | 6657146                |
| <b>10</b> Interest on line 9 using prior year's actual return of <u>15.17%</u> .....                                                      | 0                     | 1009889                |
| <b>11</b> Prior year's excess contributions to be added to prefunding balance:                                                            |                       |                        |
| <b>a</b> Present value of excess contributions (line 38a from prior year) .....                                                           |                       | 0                      |
| <b>b</b> Interest on (a) using prior year's effective interest rate of <u>6.80%</u> except as otherwise provided (see instructions) ..... |                       | 0                      |
| <b>c</b> Total available at beginning of current plan year to add to prefunding balance .....                                             |                       | 0                      |
| <b>d</b> Portion of (c) to be added to prefunding balance .....                                                                           |                       | 0                      |
| <b>12</b> Other reductions in balances due to elections or deemed elections .....                                                         |                       | 0                      |
| <b>13</b> Balance at beginning of current year (line 9 + line 10 + line 11d – line 12) .....                                              | 0                     | 7667035                |

**Part III Funding Percentages**

|                                                                                                                                                                            |           |         |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|---------|
| <b>14</b> Funding target attainment percentage .....                                                                                                                       | <b>14</b> | 89.22 % |
| <b>15</b> Adjusted funding target attainment percentage .....                                                                                                              | <b>15</b> | 86.70 % |
| <b>16</b> Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement ..... | <b>16</b> | 81.42 % |
| <b>17</b> If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage .....                                        | <b>17</b> | %       |

**Part IV Contributions and liquidity shortfalls****18** Contributions made to the plan for the plan year by employer(s) and employees:

| (a) Date<br>(MM-DD-YYYY) | (b) Amount paid by<br>employer(s) | (c) Amount paid by<br>employees | (a) Date<br>(MM-DD-YYYY) | (b) Amount paid by<br>employer(s) | (c) Amount paid by<br>employees |
|--------------------------|-----------------------------------|---------------------------------|--------------------------|-----------------------------------|---------------------------------|
| 04/15/2013               | 1377263                           | 0                               |                          |                                   |                                 |
| 07/15/2013               | 1377263                           | 0                               |                          |                                   |                                 |
| 10/15/2013               | 1377263                           | 0                               |                          |                                   |                                 |
| 01/15/2014               | 1377263                           | 0                               |                          |                                   |                                 |
| 04/15/2014               | 690071                            | 0                               |                          |                                   |                                 |
|                          |                                   |                                 |                          |                                   |                                 |
|                          |                                   |                                 |                          |                                   |                                 |
|                          |                                   |                                 |                          |                                   |                                 |
|                          |                                   |                                 |                          |                                   |                                 |
|                          |                                   |                                 |                          |                                   |                                 |
|                          |                                   |                                 |                          |                                   |                                 |
|                          |                                   |                                 |                          |                                   |                                 |
|                          |                                   |                                 |                          |                                   |                                 |
|                          |                                   |                                 |                          |                                   |                                 |
|                          |                                   |                                 |                          |                                   |                                 |
|                          |                                   |                                 |                          |                                   |                                 |
|                          |                                   |                                 |                          |                                   |                                 |
| <b>Totals ▶</b>          |                                   |                                 | <b>18(b)</b>             | 6199123                           | <b>18(c)</b> 0                  |

**19** Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:

|                                                                                                                         |            |         |
|-------------------------------------------------------------------------------------------------------------------------|------------|---------|
| <b>a</b> Contributions allocated toward unpaid minimum required contributions from prior years .....                    | <b>19a</b> | 0       |
| <b>b</b> Contributions made to avoid restrictions adjusted to valuation date .....                                      | <b>19b</b> | 0       |
| <b>c</b> Contributions allocated toward minimum required contribution for current year adjusted to valuation date ..... | <b>19c</b> | 5922917 |

**20** Quarterly contributions and liquidity shortfalls:

|                                                                                                                    |                                                                     |
|--------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------|
| <b>a</b> Did the plan have a "funding shortfall" for the prior year? .....                                         | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| <b>b</b> If 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ..... | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| <b>c</b> If 20a is "Yes," see instructions and complete the following table as applicable:                         |                                                                     |

## Liquidity shortfall as of end of quarter of this plan year

| (1) 1st | (2) 2nd | (3) 3rd | (4) 4th |
|---------|---------|---------|---------|
| 0       | 0       | 0       | 0       |

**Part V Assumptions Used to Determine Funding Target and Target Normal Cost**

|                                                                                                                                                                                              |                       |                       |                                                     |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|-----------------------|-----------------------------------------------------|
| <b>21</b> Discount rate:                                                                                                                                                                     |                       |                       |                                                     |
| <b>a</b> Segment rates:                                                                                                                                                                      | 1st segment:<br>5.23% | 2nd segment:<br>6.51% | 3rd segment:<br>7.16%                               |
|                                                                                                                                                                                              |                       |                       | <input type="checkbox"/> N/A, full yield curve used |
| <b>b</b> Applicable month (enter code).....                                                                                                                                                  |                       |                       | <b>21b</b> 4                                        |
| <b>22</b> Weighted average retirement age .....                                                                                                                                              |                       |                       | <b>22</b> 63                                        |
| <b>23</b> Mortality table(s) (see instructions) <input type="checkbox"/> Prescribed - combined <input checked="" type="checkbox"/> Prescribed - separate <input type="checkbox"/> Substitute |                       |                       |                                                     |

**Part VI Miscellaneous Items**

|                                                                                                                                                                       |           |                                                                     |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|---------------------------------------------------------------------|
| <b>24</b> Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment..... |           | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| <b>25</b> Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.....                                      |           | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| <b>26</b> Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.....                            |           | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| <b>27</b> If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment.....                                   | <b>27</b> |                                                                     |

**Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years**

|                                                                                                                                      |           |   |
|--------------------------------------------------------------------------------------------------------------------------------------|-----------|---|
| <b>28</b> Unpaid minimum required contributions for all prior years .....                                                            | <b>28</b> | 0 |
| <b>29</b> Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a) ..... | <b>29</b> | 0 |
| <b>30</b> Remaining amount of unpaid minimum required contributions (line 28 minus line 29) .....                                    | <b>30</b> | 0 |

**Part VIII Minimum Required Contribution For Current Year**

|                                                                                                                                                                                      |                   |                     |               |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|---------------------|---------------|
| <b>31</b> Target normal cost and excess assets (see instructions):                                                                                                                   |                   |                     |               |
| <b>a</b> Target normal cost (line 6) .....                                                                                                                                           |                   | <b>31a</b>          | 1568121       |
| <b>b</b> Excess assets, if applicable, but not greater than line 31a .....                                                                                                           |                   | <b>31b</b>          | 0             |
| <b>32</b> Amortization installments:                                                                                                                                                 |                   | Outstanding Balance | Installment   |
| <b>a</b> Net shortfall amortization installment.....                                                                                                                                 |                   | 20049928            | 6472033       |
| <b>b</b> Waiver amortization installment .....                                                                                                                                       |                   | 0                   | 0             |
| <b>33</b> If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount ..... |                   | <b>33</b>           | 0             |
| <b>34</b> Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33) ..                                                            |                   | <b>34</b>           | 8040154       |
|                                                                                                                                                                                      | Carryover balance | Prefunding balance  | Total balance |
| <b>35</b> Balances elected for use to offset funding requirement.....                                                                                                                | 0                 | 2117237             | 2117237       |
| <b>36</b> Additional cash requirement (line 34 minus line 35).....                                                                                                                   |                   | <b>36</b>           | 5922917       |
| <b>37</b> Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c).....                                                   |                   | <b>37</b>           | 5922917       |
| <b>38</b> Present value of excess contributions for current year (see instructions)                                                                                                  |                   |                     |               |
| <b>a</b> Total (excess, if any, of line 37 over line 36) .....                                                                                                                       |                   | <b>38a</b>          | 0             |
| <b>b</b> Portion included in line 38a attributable to use of prefunding and funding standard carryover balances .....                                                                |                   | <b>38b</b>          | 0             |
| <b>39</b> Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37) .....                                                                      |                   | <b>39</b>           | 0             |
| <b>40</b> Unpaid minimum required contributions for all years .....                                                                                                                  |                   | <b>40</b>           | 0             |

**Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)**

|                                                                                                |  |                                                                                                                                               |  |
|------------------------------------------------------------------------------------------------|--|-----------------------------------------------------------------------------------------------------------------------------------------------|--|
| <b>41</b> If an election was made to use PRA 2010 funding relief for this plan:                |  |                                                                                                                                               |  |
| <b>a</b> Schedule elected .....                                                                |  | <input type="checkbox"/> 2 plus 7 years <input checked="" type="checkbox"/> 15 years                                                          |  |
| <b>b</b> Eligible plan year(s) for which the election in line 41a was made .....               |  | <input type="checkbox"/> 2008 <input checked="" type="checkbox"/> 2009 <input type="checkbox"/> 2010 <input checked="" type="checkbox"/> 2011 |  |
| <b>42</b> Amount of acceleration adjustment .....                                              |  | <b>42</b> 3786023                                                                                                                             |  |
| <b>43</b> Excess installment acceleration amount to be carried over to future plan years ..... |  | <b>43</b> 23526121                                                                                                                            |  |

**CINCINNATI BELL MANAGEMENT PENSION PLAN**

**EIN/PN: 31-1056105 / 006**

**PLAN YEAR: JANUARY 1, 2013 TO DECEMBER 31, 2013**

**SCHEDULE SB, LINE 22 — DESCRIPTION OF WEIGHTED AVERAGE RETIREMENT AGE**

This table calculates the weighted average retirement age for all active persons in the plan

| <b>(1)</b><br><b>Age</b>                                       | <b>(2)</b><br><b>Expected Active<br/>Headcount</b> | <b>(3)</b><br><b>Retirement<br/>Rate</b> | <b>(4)</b><br><b>Expected<br/>Retirements<br/>(2)*(3)</b> | <b>(5)</b><br><b>Weighted Age<br/>(1)*(4)</b> |
|----------------------------------------------------------------|----------------------------------------------------|------------------------------------------|-----------------------------------------------------------|-----------------------------------------------|
| 49                                                             | 533.3211                                           | 0.0000                                   | 0.0156                                                    | 0.7664                                        |
| 50                                                             | 553.3666                                           | 0.0007                                   | 0.4068                                                    | 20.3389                                       |
| 51                                                             | 575.1592                                           | 0.0016                                   | 0.9224                                                    | 47.0402                                       |
| 52                                                             | 602.2465                                           | 0.0023                                   | 1.3856                                                    | 72.0535                                       |
| 53                                                             | 627.1915                                           | 0.0032                                   | 2.0136                                                    | 106.7186                                      |
| 54                                                             | 644.6163                                           | 0.0043                                   | 2.7803                                                    | 150.1343                                      |
| 55                                                             | 665.2579                                           | 0.0101                                   | 6.7295                                                    | 370.1199                                      |
| 56                                                             | 676.6439                                           | 0.0116                                   | 7.8386                                                    | 438.9617                                      |
| 57                                                             | 688.3993                                           | 0.0129                                   | 8.9068                                                    | 507.6891                                      |
| 58                                                             | 702.3301                                           | 0.0143                                   | 10.0217                                                   | 581.2590                                      |
| 59                                                             | 704.2171                                           | 0.0156                                   | 10.9942                                                   | 648.6599                                      |
| 60                                                             | 701.1130                                           | 0.0339                                   | 23.7633                                                   | 1,425.7955                                    |
| 61                                                             | 686.1128                                           | 0.0487                                   | 33.4123                                                   | 2,038.1473                                    |
| 62                                                             | 659.2445                                           | 0.1952                                   | 128.6771                                                  | 7,977.9779                                    |
| 63                                                             | 534.9816                                           | 0.1952                                   | 104.4175                                                  | 6,578.3029                                    |
| 64                                                             | 431.2284                                           | 0.0977                                   | 42.1334                                                   | 2,696.5354                                    |
| 65                                                             | 387.0548                                           | 0.9898                                   | 383.1130                                                  | 24,902.3466                                   |
| 66                                                             | 3.9217                                             | 1.0000                                   | 3.9217                                                    | 258.8337                                      |
| 67                                                             | 2.0000                                             | 1.0000                                   | <u>2.0000</u>                                             | <u>134.0000</u>                               |
| <b>Total</b>                                                   |                                                    |                                          | <b>773.4533</b>                                           | <b>48,955.6809</b>                            |
| <b>Weighted Average Retirement Age = 48955.6809 / 773.4533</b> |                                                    |                                          |                                                           | <b>63.29</b>                                  |
| <b>Rounded Weighted Average Retirement Age</b>                 |                                                    |                                          |                                                           | <b>63</b>                                     |

**Note to Column 2:** The Expected Active Headcount for each age includes persons who are eligible to retire and persons who are not eligible to retire at each age.

**Note to Column 3:** At each age, these retirement rates are a weighted average of the rates shown in Attachment to Part V for active participants eligible to retire at the age and zero for all other active participants.

**General note:** The table presents values rounded to fewer significant digits than used in the calculation.

**CINCINNATI BELL MANAGEMENT PENSION PLAN**

**EIN/PN: 31-1056105/006**

**PLAN YEAR: JANUARY 1, 2013 TO DECEMBER 31, 2013**

**SCHEDULE SB, PART V — STATEMENT OF ACTUARIAL ASSUMPTIONS/METHODS**

***Prescribed Funding Assumptions and Methods***

---

**Funding interest rates**

|               |                                         |       |
|---------------|-----------------------------------------|-------|
| Current Year: | Segment Rates with four month lookback: |       |
|               | First Segment Rate                      | 1.75% |
|               | Second Segment Rate                     | 4.62% |
|               | Third Segment Rate                      | 5.72% |

In accordance with MAP-21 and HATFA, the first, second and third Segment Rates are constrained to a 90%-110% Corridor around the average Segment Rates for the 25-year period ending September 30, 2012, or **5.23%**, **6.51%** and **7.16%**, respectively for minimum funding and benefit restriction purposes but not maximum tax-deductible purposes. For the 2013 plan year, a plan sponsor can elect to not reflect the HATFA corridor for either i) minimum funding and benefit restrictions purposes, or ii) benefit restriction purposes only. For this plan, no such election was made.

|                         |       |
|-------------------------|-------|
| Effective Interest Rate | 6.47% |
| Based on HATFA rates    |       |

|             |                                         |       |
|-------------|-----------------------------------------|-------|
| Prior Year: | Segment Rates with four month lookback: |       |
|             | First Segment Rate                      | 2.06% |
|             | Second Segment Rate                     | 5.25% |
|             | Third Segment Rate                      | 6.32% |

In accordance with MAP-21, the first, second and third Segment Rates are constrained to a 90%-110% Corridor around the average Segment Rates for the 25-year period ending September 30, 2011, or **5.54%**, **6.85%** and **7.52%**, respectively for minimum funding but not for benefit restrictions or maximum tax-deductible purposes.

|                         |       |
|-------------------------|-------|
| Effective Interest Rate | 6.80% |
|-------------------------|-------|

**Mortality**

Mortality tables mandated by PPA as specified in IRS Regulation 1.430(h)(3)-1, applied on a static basis, projected 7 years from the valuation date for annuitants and 15 years for non-annuitants.

**Actuarial cost method**

The Funding Target is the present value of accrued benefits based on compensation and service to date. The Target Normal Cost is the present value of benefits expected to be accrued during the current plan year, reflecting the effect of expected compensation increases during the year and including expected plan administrative and investment related expenses to be paid from plan assets during the year.

**CINCINNATI BELL MANAGEMENT PENSION PLAN**

**EIN/PN: 31-1056105/006**

**PLAN YEAR: JANUARY 1, 2013 TO DECEMBER 31, 2013**

**SCHEDULE SB, PART V — STATEMENT OF ACTUARIAL ASSUMPTIONS/METHODS**

***Non-Prescribed Funding Assumptions and Methods***

---

**Salary increase assumption** 3.00% per annum

**Expenses**

Expected plan administrative and investment related expenses of \$819,585 were added to the Target Normal Cost.

**Frequency of optional payment forms**

Retirement — 90% elect lump sums, 10% elect annuities. All annuities were assumed to be life annuities due to immateriality of specifying additional annuity types.

Death and termination — 100% of participants elect lump sums.

Current vested terminations — 100% elect lump sums.

**Marital percentage**

100% of participants are assumed to be married at death. Husbands are assumed to be 3 years older than their wives.

**Mandatory Beneficiaries for Special Death Benefit**

|                 | Male | Female |
|-----------------|------|--------|
| Pre-Retirement  | 80%  | 50%    |
| Post-Retirement | 60%  | 15%    |

**Retirement rates**

Retirement rates are based on experience. Sample rates as follows:

| Age          | Retirement Rates |
|--------------|------------------|
| 54 & below   | 2.00%            |
| 55-59        | 4.00%            |
| 60-61        | 5.00%            |
| 62-63        | 20.00%           |
| 64           | 10.00%           |
| 65 and above | 100.00%          |

Current terminated vested participants are assumed to retire at age 65. Future terminated vested participants are assumed to retire at date of decrement.

**CINCINNATI BELL MANAGEMENT PENSION PLAN**

**EIN/PN: 31-1056105/006**

**PLAN YEAR: JANUARY 1, 2013 TO DECEMBER 31, 2013**

**SCHEDULE SB, PART V — STATEMENT OF ACTUARIAL ASSUMPTIONS/METHODS**

***Non-Prescribed Funding Assumptions and Methods (continued)***

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**Withdrawal rates<sup>1</sup>**

Withdrawal rates are based on the Actuary's Pension Handbook T-3 Turnover Rates. Sample rates as follows:

| Age | Withdrawal Rates |
|-----|------------------|
| 25  | 5.27%            |
| 30  | 4.83%            |
| 35  | 4.47%            |
| 40  | 3.84%            |
| 45  | 3.21%            |
| 50  | 1.52%            |
| 55  | 0.33%            |

**Asset valuation method**

The Actuarial Value of Assets is Market Value as of the valuation date, including discounted receivable contributions, reduced by 2/3 and 1/3 of the of the gain/(loss) in each of the prior 2 years, respectively. The gain/(loss) for each period is determined as the actual return on Market Value during the period less the expected return on Market Value based on an assumed earnings rate chosen by the actuary but required by PPA to be not greater than the applicable third segment rate. The resulting value is constrained to be within a corridor of 90% to 110% of Market Value, including discounted receivable contributions.

The expected return on plan assets is 7.75% per annum for 2012 and 8.25% per annum for 2011, limited by PPA to the applicable Third Segment Rate as follows:

|                          |       |
|--------------------------|-------|
| 2012 measurement period: | 7.52% |
| 2011 measurement period: | 6.57% |

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<sup>1</sup> For active participants not eligible for retirement.

# CINCINNATI BELL MANAGEMENT PENSION PLAN

EIN/PN: 31-1056105/006

PLAN YEAR: JANUARY 1, 2013 TO DECEMBER 31, 2013

## SCHEDULE SB, PART V — SUMMARY OF PLAN PROVISIONS

The Cincinnati Bell Management Pension Plan was established effective October 1, 1980. Effective December 30, 1993, the Plan was converted to a cash balance plan. Effective January 1, 1999, assets and liabilities for Convergy employees were spun-off from the Plan.

### Eligibility

All Management employees who have reached age 21 with one year of service participate in the Plan. Effective January 1, 2009, no employee hired on or after January 1, 2009 is eligible for participation.

### Cash Balance Accounts

#### *Initial Balance*

For all participants who were active as of December 30, 1993, an initial account balance was established equal to the present value of the benefit accrued as of December 30, 1993 under the previous benefit structure.

#### *Interest Credits*

Interest credits are added to all accounts annually. The interest crediting rate for active employees for 2005 and thereafter is 4%.

#### *Pension Credits*

Each year, pension credits will be added to the accounts of all active participants based on age, compensation and Social Security Wage Base. The total pension credit equals a percentage multiplied by compensation plus the same percentage multiplied by compensation in excess of the Social Security Wage Base (\$94,200 for 2006). Effective January 1, 2001, the percentages below age 45 were increased by 0.5%. The schedule of percentages is as follows:

| Age <sup>1</sup> | Percentage |
|------------------|------------|
| Under 30         | 3.00%      |
| 30 to 34         | 3.25%      |
| 35 to 39         | 3.75%      |
| 40 to 44         | 4.50%      |
| 45 to 49         | 5.25%      |
| 50 to 54         | 6.50%      |
| 55 and over      | 8.00%      |

---

<sup>1</sup> Age is determined as of December 31 of each calendar year.

# CINCINNATI BELL MANAGEMENT PENSION PLAN

EIN/PN: 31-1056105/006

PLAN YEAR: JANUARY 1, 2013 TO DECEMBER 31, 2013

## SCHEDULE SB, PART V — SUMMARY OF PLAN PROVISIONS

Effective January 1, 2012, the percentages were changed to the following schedule:

| Age <sup>2</sup> | Percentage |
|------------------|------------|
| Under 30         | 1.500%     |
| 30 to 34         | 1.625%     |
| 35 to 39         | 1.875%     |
| 40 to 44         | 2.250%     |
| 45 to 49         | 2.625%     |
| 50 to 54         | 3.250%     |
| 55 and over      | 4.000%     |

Effective March 28, 2009, pension credits are frozen for participants that were either (a) not at least age 50 by January 1, 2009, (b) was not eligible for the 2007 Early Retirement Offer (ERO) but declined, or (c) was not eligible for the 2007 ERO and accepted. For any participant that did not meet one of these three conditions, no amount shall be credited to the participant's Cash Balance Account based on any amount or portion of his Covered Compensation that is received by the participant after March 28, 2009 (other than for his Covered Compensation that is received by the participant by April 3, 2009 and that relates to services of the participant as a Covered Employee in the pay period that ended on March 28, 2009).

For any Participant that (a) was at least age 50 by January 1, 2009, (b) was eligible for the 2007 ERO but declined, or (c) was eligible for the 2007 ERO and accepted, no amounts shall be credited to the participant's Cash Balance Account based on any amount or portion of his Covered Compensation that is received by the participant after December 31, 2018.

### Compensation for Pension Credit

For all participants, pension credits are based on compensation including bonuses.

### Transition Benefits

#### *Eligibility*

Participants who have completed 20 years of service as of December 31, 1993 or whose sum of attained age and years of service as of December 31, 1993 equals at least 65 are eligible for transition benefits.

#### *Benefit*

The transition benefit is determined by multiplying the average annual base salary for the five-year period ending on the date of termination or retirement by the total number of years of service at that date and 1.6%. No future accruals will be granted under this formula beyond 1998. Bonuses are not included as pensionable compensation for this purpose.

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<sup>2</sup> Age is determined as of December 31 of each calendar year.

## CINCINNATI BELL MANAGEMENT PENSION PLAN

EIN/PN: 31-1056105/006

PLAN YEAR: JANUARY 1, 2013 TO DECEMBER 31, 2013

### SCHEDULE SB, PART V — SUMMARY OF PLAN PROVISIONS

There is also a frozen minimum accrued benefit as of March 31, 1995 under this transition benefit formula that added five years to the total number of years of service as of March 31, 1995 and five years to the actual attained age as of March 31, 1995 provided the employee would have been eligible to retire with such additions, was an active vested participant in the Plan as of April 1, 1995 and was a first, second or District level manager (or the equivalent).

#### Normal Retirement

##### *Eligibility*

A participant's normal retirement age is age 65, or the fifth anniversary for a participant who enters the Plan after age 60.

##### *Benefit*

The monthly retirement benefit payable to a participant at any retirement date is equal to the actuarial equivalent of his cash balance account as of such date or the transition annuity benefit, if greater.

##### *Forms of Benefit*

The normal form of benefit for non-married participants is a level life annuity. For married participants, the normal form of benefit is a qualified 50% joint and survivor annuity. In either case, the normal form of benefit is the actuarial equivalent of the participant's account balance or the transition annuity benefit, if greater. As an optional form of benefit, participants can receive their benefit as a lump sum distribution of an actuarial equivalent basis.

#### Disability and Service Pensions

##### *Eligibility*

Disability pensions are provided to employees who were active on December 31, 1993 and subsequently become disabled with at least 15 years of service. Service pensions are provided to a retired employee when the following conditions are met:

| Age <sup>3</sup> |     | Minimum Years of Service       |
|------------------|-----|--------------------------------|
| 60               | and | 10                             |
| 55               | and | 20 (transition employees only) |
| 50               | and | 25 (transition employees only) |
| Any age          | and | 30                             |

##### *Benefit*

The monthly retirement benefit payable to a participant at any retirement date is equal to the actuarial equivalent of his cash balance account as of such date or the transition annuity benefit (reduced for early retirement), if greater.

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<sup>3</sup> Age is determined as of December 31 of each calendar year.

## CINCINNATI BELL MANAGEMENT PENSION PLAN

EIN/PN: 31-1056105/006

PLAN YEAR: JANUARY 1, 2013 TO DECEMBER 31, 2013

### SCHEDULE SB, PART V — SUMMARY OF PLAN PROVISIONS

For transition benefit purposes, the benefit is reduced by 0.5% for each calendar month by which the employee's age at retirement is less than 55 years unless the employee has 30 or more years of service or is granted a disability pension. If the employee has 30 or more years of service, the pension amount is reduced by 0.25% for each calendar month by which the employee's age at retirement is less than 55. There is no reduction for employees on a disability pension. The early retirement reductions which apply to the frozen minimum accrued benefit as of March 31, 1995 are based on the greater of age and service at retirement, or age plus five as of March 31, 1995 and service plus five as of March 31, 1995.

#### **Vesting**

##### *Eligibility*

Effective January 1, 2001, the vesting schedule was changed from five years of service to 20% per year of service (up to 100% after five years).

Effective January 1, 2008, the vesting schedule was changed from 20% per year of service (up to 100% after five years) to 100% after three years of service.

##### *Benefit:*

Upon termination of employment, a vested participant may elect to receive an immediate benefit which is the actuarial equivalent of his cash balance account (adjusted for applicable transition benefits). If immediate distribution is not requested, the participant may elect to defer receipt of his benefit and receive interest credits on the cash balance account at a rate of 3.5% (4% if survivor coverage is waived).

#### **Death Benefits**

##### *Eligibility*

Effective January 1, 2008, eligibility was changed from 20% per year of service (up to 100% after five years) to three years of service.

##### *Benefit*

The greater of (a) or (b), plus (c)

- a) The actuarial equivalent of the participant's cash balance account as of the date of death.
- b) The transition benefit for a surviving spouse of an active employee who dies with at least 5 years but less than fifteen years of service is equal to 44% of the transition benefit amount accrued to the date of death with payments to the surviving spouse beginning at the time the deceased employee would have attained age 65. For a surviving spouse of an active employee who dies with at least fifteen years of service, the transition benefit is equal to 45% of the pension amount accrued to the date of death with payments commencing immediately without an early retirement discount.
- c) In addition, all participants hired before January 1, 1991 are entitled to a special preretirement death benefit. The benefit is payable to certain mandatory beneficiaries and is equal to one year's pay at the date of death based on pay rates in effect as of December 31, 1993. Upon service or disability retirement, these participants are entitled to a similar postretirement death benefit. For retired employees, the benefit is equal to one year's pay in effect that the earlier of December 31, 1993 or retirement.

**CINCINNATI BELL MANAGEMENT PENSION PLAN**

**EIN/PN: 31-1056105/006**

**PLAN YEAR: JANUARY 1, 2013 TO DECEMBER 31, 2013**

**SCHEDULE SB, PART V — SUMMARY OF PLAN PROVISIONS**

**Early Retirement Offer**

Eligible participants who elected to participate in the December 31, 2007 Early Retirement Offer will receive an additional lump sum (or equivalent annuity) of an amount up to 1.5 times their annual pay rate if they retire on their scheduled date (no later than December 31, 2010).

**CINCINNATI BELL MANAGEMENT PENSION PLAN**

**EIN/PN: 31-1056105 / 006**

**PLAN YEAR: JANUARY 1, 2013 TO DECEMBER 31, 2013**

**SCHEDULE SB, LINE 24 — CHANGE IN ACTUARIAL ASSUMPTIONS**

The expense component of the Target Normal Cost was increased from \$818,598 to \$819,585 to better reflect anticipated plan experience.

## CINCINNATI BELL MANAGEMENT PENSION PLAN

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PLAN YEAR: JANUARY 1, 2013 TO DECEMBER 31, 2013

## SCHEDULE SB, LINE 26 — SCHEDULE OF ACTIVE PARTICIPANT DATA

| Attained |                | Years of Credited Service |           |           |           |           |           |          |           |          |         |
|----------|----------------|---------------------------|-----------|-----------|-----------|-----------|-----------|----------|-----------|----------|---------|
| Age      |                | Under 1                   | 1 to 4    | 5 to 9    | 10 to 14  | 15 to 19  | 20 to 24  | 25 to 29 | 30 to 34  | 35 to 39 | 40 & up |
| Under 25 | Number         | 0                         | 5         | 0         | 0         | 0         | 0         | 0        | 0         | 0        | 0       |
|          | Avg. Comp.     | N/A                       | N/A       | N/A       | N/A       | N/A       | N/A       | N/A      | N/A       | N/A      | N/A     |
|          | Avg. Cash Bal. | N/A                       | N/A       | N/A       | N/A       | N/A       | N/A       | N/A      | N/A       | N/A      | N/A     |
| 25 to 29 | Number         | 0                         | 21        | 26        | 0         | 0         | 0         | 0        | 0         | 0        | 0       |
|          | Avg. Comp.     | N/A                       | \$65,670  | \$77,497  | N/A       | N/A       | N/A       | N/A      | N/A       | N/A      | N/A     |
|          | Avg. Cash Bal. | N/A                       | \$1,126   | \$4,184   | N/A       | N/A       | N/A       | N/A      | N/A       | N/A      | N/A     |
| 30 to 34 | Number         | 0                         | 22        | 71        | 18        | 0         | 0         | 0        | 0         | 0        | 0       |
|          | Avg. Comp.     | N/A                       | \$89,848  | \$88,321  | N/A       | N/A       | N/A       | N/A      | N/A       | N/A      | N/A     |
|          | Avg. Cash Bal. | N/A                       | \$1,550   | \$7,305   | N/A       | N/A       | N/A       | N/A      | N/A       | N/A      | N/A     |
| 35 to 39 | Number         | 0                         | 25        | 68        | 70        | 27        | 0         | 0        | 0         | 0        | 0       |
|          | Avg. Comp.     | N/A                       | \$99,667  | \$105,141 | \$114,337 | \$117,084 | N/A       | N/A      | N/A       | N/A      | N/A     |
|          | Avg. Cash Bal. | N/A                       | \$2,578   | \$9,900   | \$27,036  | \$37,058  | N/A       | N/A      | N/A       | N/A      | N/A     |
| 40 to 44 | Number         | 0                         | 29        | 60        | 76        | 38        | 11        | 0        | 0         | 0        | 0       |
|          | Avg. Comp.     | N/A                       | \$88,277  | \$103,589 | \$117,420 | \$94,463  | N/A       | N/A      | N/A       | N/A      | N/A     |
|          | Avg. Cash Bal. | N/A                       | \$2,516   | \$13,838  | \$35,411  | \$41,020  | N/A       | N/A      | N/A       | N/A      | N/A     |
| 45 to 49 | Number         | 0                         | 19        | 37        | 54        | 33        | 23        | 9        | 0         | 0        | 0       |
|          | Avg. Comp.     | N/A                       | N/A       | \$105,319 | \$118,878 | \$110,568 | \$111,763 | N/A      | N/A       | N/A      | N/A     |
|          | Avg. Cash Bal. | N/A                       | N/A       | \$17,267  | \$47,170  | \$48,659  | \$67,579  | N/A      | N/A       | N/A      | N/A     |
| 50 to 54 | Number         | 0                         | 20        | 30        | 37        | 18        | 13        | 16       | 22        | 2        | 0       |
|          | Avg. Comp.     | N/A                       | \$122,414 | \$97,552  | \$121,100 | N/A       | N/A       | N/A      | \$121,881 | N/A      | N/A     |
|          | Avg. Cash Bal. | N/A                       | \$12,366  | \$21,015  | \$67,956  | N/A       | N/A       | N/A      | \$159,604 | N/A      | N/A     |
| 55 to 59 | Number         | 0                         | 10        | 13        | 14        | 14        | 6         | 4        | 16        | 13       | 3       |
|          | Avg. Comp.     | N/A                       | N/A       | N/A       | N/A       | N/A       | N/A       | N/A      | N/A       | N/A      | N/A     |
|          | Avg. Cash Bal. | N/A                       | N/A       | N/A       | N/A       | N/A       | N/A       | N/A      | N/A       | N/A      | N/A     |
| 60 to 64 | Number         | 0                         | 3         | 7         | 8         | 2         | 0         | 2        | 5         | 4        | 6       |
|          | Avg. Comp.     | N/A                       | N/A       | N/A       | N/A       | N/A       | N/A       | N/A      | N/A       | N/A      | N/A     |
|          | Avg. Cash Bal. | N/A                       | N/A       | N/A       | N/A       | N/A       | N/A       | N/A      | N/A       | N/A      | N/A     |
| 65 to 69 | Number         | 0                         | 0         | 1         | 1         | 0         | 0         | 0        | 0         | 0        | 0       |
|          | Avg. Comp.     | N/A                       | N/A       | N/A       | N/A       | N/A       | N/A       | N/A      | N/A       | N/A      | N/A     |
|          | Avg. Cash Bal. | N/A                       | N/A       | N/A       | N/A       | N/A       | N/A       | N/A      | N/A       | N/A      | N/A     |
| 70 & up  | Number         | 0                         | 0         | 0         | 0         | 0         | 0         | 0        | 0         | 0        | 0       |
|          | Avg. Comp.     | N/A                       | N/A       | N/A       | N/A       | N/A       | N/A       | N/A      | N/A       | N/A      | N/A     |
|          | Avg. Cash Bal. | N/A                       | N/A       | N/A       | N/A       | N/A       | N/A       | N/A      | N/A       | N/A      | N/A     |
| Total    | Number         | 0                         | 154       | 313       | 278       | 132       | 53        | 31       | 43        | 19       | 9       |

Average compensation / cash balances are not shown for cells with less than 20 participants.

**CINCINNATI BELL MANAGEMENT PENSION PLAN**

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**PLAN YEAR: JANUARY 1, 2013 TO DECEMBER 31, 2013**

**SCHEDULE SB, LINE 32 — SCHEDULE OF AMORTIZATION BASES**

**Shortfall Amortization Summary**

| <b>Date Established</b> | <b>Type of Base</b> | <b>Remaining Installments</b> | <b>Shortfall Amortization Installment</b> | <b>Present Value of Remaining Installments as of January 1, 2013</b> |
|-------------------------|---------------------|-------------------------------|-------------------------------------------|----------------------------------------------------------------------|
| January 1, 2009         | Shortfall           | 7                             | \$ 1,850,955 <sup>1</sup>                 | \$ 10,997,585                                                        |
|                         |                     | 6                             | 1,291,121 <sup>1</sup>                    | 6,786,940                                                            |
| January 1, 2010         | Shortfall           | 4                             | 735,036                                   | 2,728,126                                                            |
| January 1, 2011         | Shortfall           | 10                            | 2,518,651 <sup>2</sup>                    | 19,532,916                                                           |
|                         |                     | 9                             | 210,141 <sup>2</sup>                      | 1,510,585                                                            |
| January 1, 2012         | Shortfall           | 6                             | (2,604,741)                               | (13,692,148)                                                         |
| January 1, 2013         | Shortfall           | 7                             | <u>(1,315,153)</u>                        | <u>(7,814,076)</u>                                                   |
| Total charge            |                     |                               | \$ 2,686,010                              | \$ 20,049,928                                                        |

Elections have been made under PRA 2010 to use the alternative 15-year amortization period for the bases established in 2009 and 2011.

**Acceleration Amounts**

| <b>Plan Year</b>                                                      | <b>2013</b>            | <b>2012</b>            |
|-----------------------------------------------------------------------|------------------------|------------------------|
| <b>Valuation Date</b>                                                 | <b>January 1, 2013</b> | <b>January 1, 2012</b> |
| Funding Relief with respect to 2009 Plan Year                         |                        |                        |
| A. Acceleration amount for 2009 funding relief                        | \$ 10,199,234          | \$ 7,435,105           |
| B. Accumulated funding relief at prior year-end                       | \$ (1,313,935)         | \$ 4,242,959           |
| C. Funding relief for current year                                    | \$ 1,878,211           | \$ 1,878,211           |
| D. Accumulated funding relief (carry over) at year-end [B. + C. - A.] | \$ (9,634,958)         | \$ (1,313,935)         |
| E. Maximum acceleration                                               | \$ 1,878,211           | \$ 6,121,170           |
| Funding Relief with respect to 2011 Plan Year                         |                        |                        |
| F. Acceleration amount for 2011 funding relief                        | \$ 10,549,524          | \$ 7,690,461           |
| G. Accumulated funding relief at prior year-end                       | \$ (5,249,451)         | \$ 533,198             |
| H. Funding relief for current year                                    | \$ 1,907,812           | \$ 1,907,812           |
| I. Accumulated funding relief (carry over) at year-end [G. + H. - F.] | \$ (13,891,163)        | \$ (5,249,451)         |
| J. Maximum acceleration                                               | \$ 1,907,812           | \$ 2,441,010           |

<sup>1</sup> Reflects Acceleration of 2009 Shortfall Amortization Base with original Amortization Installment of \$3,142,076.

<sup>2</sup> Reflects Acceleration of 2011 Shortfall Amortization Base with original Amortization Installment of \$2,728,792.

**CINCINNATI BELL MANAGEMENT PENSION PLAN**

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**SCHEDULE SB, LINE 15 – RECONCILIATION OF DIFFERENCES BETWEEN VALUATION RESULTS  
AND AMOUNTS USED TO DETERMINE AFTAP**

The most recent 2013 AFTAP Certification used MAP-21 assumptions, was signed on 9/30/2013 and showed Adjusted Funding Target Attainment Percentage for the 2013 plan year of **86.70%**.

The following plan values as of 1/1/2013 were taken into account for purposes of this certification:

|                                    |                |
|------------------------------------|----------------|
| Funding Target                     | \$ 191,553,582 |
| Actuarial Value of Assets          | \$ 173,760,041 |
| Adjusted Funding Target            | \$ 191,553,582 |
| Adjusted Actuarial Value of Assets | \$ 166,093,006 |
| Prefunding Balance                 | \$ 7,667,035   |

Use of HATFA assumptions would reduce the Funding Target to 186,142,934 and increase the AFTAP to **89.22%**.

Because HATFA assumptions produce an immaterial change in the AFTAP from that shown on the AFTAP Certification, the sponsor has not requested and the Enrolled Actuary has not produced a revised AFTAP Certification using HATFA assumptions.