

Form 5500 Department of the Treasury Internal Revenue Service Department 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). <p style="text-align: center;">▶ Complete all entries in accordance with the instructions to the Form 5500.</p>	OMB Nos. 1210-0110 1210-0089 <div style="font-size: 24pt; font-weight: bold;">2015</div> This Form is Open to Public Inspection
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Part I Annual Report Identification Information	
For calendar plan year 2015 or fiscal plan year beginning <u>01/01/2015</u> and ending <u>12/31/2015</u>	
A This return/report is for:	☐ a multiemployer plan; ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions); 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 <u>CINCINNATI BELL PENSION PLAN</u>	1b Three-digit plan number (PN) ▶	<u>005</u>
	1c Effective date of plan	<u>10/01/1980</u>
2a Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) <u>CINCINNATI BELL INC.</u> <u>221 EAST FOURTH STREET</u> <u>ROOM 103-1170</u> <u>CINCINNATI, OH 45202</u>	2b Employer Identification Number (EIN) <u>31-1056105</u>	2c Plan Sponsor's telephone number <u>513-397-7772</u>
	2d Business code (see instructions) <u>551112</u>	

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 HERE	Filed with authorized/valid electronic signature.	10/13/2016	CHRISTOPHER C. ELMA
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN 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)			Preparer's telephone number

3a Plan administrator's name and address ☒ Same as Plan Sponsor	3b Administrator's EIN 3c Administrator's telephone number <div style="background-color: #cccccc; height: 40px; width: 100%;"></div>
4 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: a Sponsor's name	4b EIN 4c PN
5 Total number of participants at the beginning of the plan year	5 2169
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d). a(1) Total number of active participants at the beginning of the plan year a(2) Total number of active participants at the end of the plan year b Retired or separated participants receiving benefits..... c Other retired or separated participants entitled to future benefits..... d Subtotal. Add lines 6a(2) , 6b , and 6c e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits..... f Total. Add lines 6d and 6e g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	6a(1) 568 6a(2) 510 6b 1860 6c 281 6d 2651 6e 142 6f 2793 6g 6h 0
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7
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:	

9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ 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)	
a Pension Schedules (1) ☒ R (Retirement Plan Information) (2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) ☒ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary	b General Schedules (1) ☒ H (Financial Information) (2) ☐ I (Financial Information – Small Plan) (3) ☐ A (Insurance Information) (4) ☐ C (Service Provider Information) (5) ☒ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)

Part III	Form M-1 Compliance Information (to be completed by welfare benefit plans)
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11a If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

If "Yes" is checked, complete lines 11b and 11c.

11b Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

11c Enter the Receipt Confirmation Code for the 2015 Form M-1 annual report. If the plan was not required to file the 2015 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

<div>SCHEDULE SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation</div>	<div>Single-Employer Defined Benefit Plan Actuarial Information</div> <div>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).</div> <div>File as an attachment to Form 5500 or 5500-SF.</div>	<div>OMB No. 1210-0110</div> <div>2015</div> <div>This Form is Open to Public Inspection</div>
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For calendar plan year 2015 or fiscal plan year beginning 01/01/2015 and ending 12/31/2015	
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.	
A Name of plan CINCINNATI BELL PENSION PLAN	B Three-digit plan number (PN) 005
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF CINCINNATI BELL INC.	D Employer Identification Number (EIN) 31-1056105
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B	F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500

Part I	Basic Information			
1	Enter the valuation date: Month 01 Day 01 Year 2015			
2	Assets:			
	a Market value	2a	240936597	
	b Actuarial value	2b	229118024	
3	Funding target/participant count breakdown	(1) Number of participants	(2) Vested Funding Target	(3) Total Funding Target
	a For retired participants and beneficiaries receiving payment	1267	166775329	166775329
	b For terminated vested participants	334	9089685	9089685
	c For active participants	568	50706962	51353711
	d Total	2169	226571976	227218725
4	If the plan is in at-risk status, check the box and complete lines (a) and (b) ☐			
	a Funding target disregarding prescribed at-risk assumptions	4a		
	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	4b		
5	Effective interest rate	5	6.13%	
6	Target normal cost	6	1681983	

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.

SIGN HERE		09/26/2016
	Signature of actuary	Date
LIVIA W. PAYLO	Type or print name of actuary	14-07469
		Most recent enrollment number
BUCK CONSULTANTS, LLC	Firm name	513-784-0005
		Telephone number (including area code)
720 E PETE ROSE WAY, SUITE 300 CINCINNATI, OH 45202	Address of the firm	

Part II Beginning of Year Carryover and Prefunding Balances		
	(a) Carryover balance	(b) Prefunding balance
7 Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	0	1793
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9 Amount remaining (line 7 minus line 8)	0	1793
10 Interest on line 9 using prior year's actual return of <u>11.30</u> %	0	203
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year)		1288179
b(1) Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of <u>6.35</u> %		81799
b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return		0
c Total available at beginning of current plan year to add to prefunding balance		1369978
d Portion of (c) to be added to prefunding balance		0
12 Other reductions in balances due to elections or deemed elections	0	0
13 Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	0	1996

Part III Funding Percentages		
14 Funding target attainment percentage	14	100.83 %
15 Adjusted funding target attainment percentage	15	100.83 %
16 Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	90.43 %
17 If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV Contributions and Liquidity Shortfalls					
18 Contributions made to the plan for the plan year by employer(s) and employees:					
(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
Totals ►			18(b)	0	18(c) 0

19 Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:		
a Contributions allocated toward unpaid minimum required contributions from prior years.	19a	0
b Contributions made to avoid restrictions adjusted to valuation date	19b	0
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	0
20 Quarterly contributions and liquidity shortfalls:		
a Did the plan have a "funding shortfall" for the prior year? ☒ Yes ☐ No		
b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☒ Yes ☐ No		
c 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
0	0	0
(4) 4th	0	

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

21 Discount rate:				
a Segment rates:	1st segment: 4.72 %	2nd segment: 6.11 %	3rd segment: 6.81 %	☐ N/A, full yield curve used
b Applicable month (enter code).....				21b 4
22 Weighted average retirement age				22 62
23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute				

Part VI Miscellaneous Items

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

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

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

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6)	31a	1681983	
b Excess assets, if applicable, but not greater than line 31a	31b	1681983	
32 Amortization installments:			
a Net shortfall amortization installment	Outstanding Balance	Installment	
b Waiver amortization installment	0	0	
33 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	33		
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)	34	0	
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement.....	0		0
36 Additional cash requirement (line 34 minus line 35)	36	0	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37	0	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	0	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	0	
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39	0	
40 Unpaid minimum required contributions for all years.....	40	0	

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

41 If an election was made to use PRA 2010 funding relief for this plan:			
a Schedule elected	☐ 2 plus 7 years ☐ 15 years		
b Eligible plan year(s) for which the election in line 41a was made	☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011		
42 Amount of acceleration adjustment	42		
43 Excess installment acceleration amount to be carried over to future plan years	43		

SCHEDULE D (Form 5500) 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 2015 This Form is Open to Public Inspection.
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For calendar plan year 2015 or fiscal plan year beginning 01/01/2015 and ending 12/31/2015

A Name of plan CINCINNATI BELL PENSION PLAN	B Three-digit plan number (PN) ▶ 005
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C Plan or DFE sponsor's name as shown on line 2a of Form 5500 CINCINNATI BELL INC.	D Employer Identification Number (EIN) 31-1056105
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Part I	Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs) (Complete as many entries as needed to report all interests in DFEs)
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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

c EIN-PN 13-6044214-001	d Entity code M	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 209609234
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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)
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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)
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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)
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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)
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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)
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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)
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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
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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
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plan sponsor**c** EIN-PN

SCHEDULE H (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Financial Information 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). ► File as an attachment to Form 5500.	<small>OMB No. 1210-0110</small> 2015 This Form is Open to Public Inspection
For calendar plan year 2015 or fiscal plan year beginning 01/01/2015 and ending 12/31/2015		
A Name of plan CINCINNATI BELL PENSION PLAN	B Three-digit plan number (PN) ►	005
C Plan sponsor's name as shown on line 2a of Form 5500 CINCINNATI BELL INC.	D Employer Identification Number (EIN) 31-1056105	

Part I	Asset and Liability Statement		(a) Beginning of Year	(b) End of Year
1 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. Round off amounts to the nearest dollar. 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 Total noninterest-bearing cash	1a			
b Receivables (less allowance for doubtful accounts):				
(1) Employer contributions	1b(1)	9920324		0
(2) Participant contributions	1b(2)			
(3) Other.....	1b(3)			
c General investments:				
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)			
(2) U.S. Government securities.....	1c(2)			
(3) Corporate debt instruments (other than employer securities):				
(A) Preferred	1c(3)(A)			
(B) All other.....	1c(3)(B)			
(4) Corporate stocks (other than employer securities):				
(A) Preferred	1c(4)(A)			
(B) Common	1c(4)(B)			
(5) Partnership/joint venture interests	1c(5)			
(6) Real estate (other than employer real property)	1c(6)			
(7) Loans (other than to participants)	1c(7)			
(8) Participant loans	1c(8)			
(9) Value of interest in common/collective trusts.....	1c(9)			
(10) Value of interest in pooled separate accounts.....	1c(10)			
(11) Value of interest in master trust investment accounts	1c(11)	231159914		209609234
(12) Value of interest in 103-12 investment entities	1c(12)			
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)			
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)			
(15) Other	1c(15)			

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	241080238	209609234

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j		
k Total liabilities (add all amounts in lines 1g through 1j)	1k	0	0

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	241080238	209609234
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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
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)		
(B) Participants	2a(1)(B)		
(C) Others (including rollovers)	2a(1)(C)		
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		0
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)		
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		0
(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)		
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		0
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		0
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		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)		-4987245
(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 income amounts in column (b) and enter total	2d		-4987245

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	25453484	
(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)		25453484
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)	1030275	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		1030275
j Total expenses. Add all expense amounts in column (b) and enter total	2j		26483759

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		-31471004
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		

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:

	Yes	No	N/A	Amount
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.)		X		
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.)		X		

	Yes	No	N/A	Amount
c 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		
d 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		
e Was this plan covered by a fidelity bond?	X			25000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X		
g 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		
h 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		
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)		X		
j 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		
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?		X		
l Has the plan failed to provide any benefit when due under the plan?		X		
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)		X		
n 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.				
o Did the plan trust incur unrelated business taxable income?				
p Were in-service distributions made during the plan year?				

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

6a Name of trust	6b Trust's EIN
6c Name of trustee or custodian	6d Trustee's or custodian's telephone number

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information 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). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 2015 This Form is Open to Public Inspection.
---	--	--

For calendar plan year 2015 or fiscal plan year beginning 01/01/2015 and ending 12/31/2015

A Name of plan <u>CINCINNATI BELL PENSION PLAN</u>	B Three-digit plan number (PN) ▶ <u>005</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>CINCINNATI BELL INC.</u>	D Employer Identification Number (EIN) <u>31-1056105</u>

Part I	Distributions
---------------	----------------------

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

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	1	<u>0</u>
2 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): EIN(s): _____ Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....	3	<u>99</u>

Part II	Funding Information (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)
----------------	--

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?	☐ Yes	☒ No	☐ N/A
If the plan is a defined benefit plan, go to line 8.			
5 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. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.			
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived)	6a		
b Enter the amount contributed by the employer to the plan for this plan year	6b		
c 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).....	6c		
If you completed line 6c, skip lines 8 and 9.			
7 Will the minimum funding amount reported on line 6c be met by the funding deadline?	☐ Yes	☐ No	☐ N/A
8 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?	☐ Yes	☐ No	☒ N/A

Part III	Amendments
-----------------	-------------------

9 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.	☐ Increase	☐ Decrease	☐ Both	☒ No
---	-----------------------------------	-----------------------------------	-------------------------------	--

Part IV	ESOPs (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.
----------------	---

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?	☐ Yes	☐ No
11 a Does the ESOP hold any preferred stock?	☐ Yes	☐ No
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.)	☐ Yes	☐ No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?	☐ Yes	☐ No

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

Schedule R (Form 5500) 2015
v. 150123

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:		14a	
	a The current year		14b	
	b The plan year immediately preceding the current plan year		14c	
	c The second preceding plan year			
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:			
	a The corresponding number for the plan year immediately preceding the current plan year		15a	
	b The corresponding number for the second preceding plan year		15b	
16	Information with respect to any employers who withdrew from the plan during the preceding plan year:			
	a Enter the number of employers who withdrew during the preceding plan year		16a	
	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		16b	
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: <u>65%</u> Investment-Grade Debt: <u>35%</u> High-Yield Debt: <u>0%</u> Real Estate: <u>0%</u> Other: <u>0%</u>
	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):

Part VII	IRS Compliance Questions
-----------------	---------------------------------

20a Is the plan a 401(k) plan?.....	☐ Yes	☐ No
20b If "Yes," how does the 401(k) plan satisfy the nondiscrimination requirements for employee deferrals and employer matching contributions (as applicable) under sections 401(k)(3) and 401(m)(2)?.....	☐ Design-based safe harbor method	☐ ADP/ACP test
20c If the ADP/ACP test is used, did the 401(k) plan perform ADP/ACP testing for the plan year using the "current year testing method" for nonhighly compensated employees (Treas. Reg sections 1.401(k)-2(a)(2)(ii) and 1.401(m)-2(a)(2)(ii))?	☐ Yes	☐ No
21a Check the box to indicate the method used by the plan to satisfy the coverage requirements under section 410(b):	☐ Ratio percentage test	☐ Average benefit test
21b Does the plan satisfy the coverage and nondiscrimination tests of sections 410(b) and 401(a)(4) by combining this plan with any other plans under the permissive aggregation rules?	☐ Yes	☐ No
22a Has the plan been timely amended for all required tax law changes?.....	☐ Yes	☐ No ☐ N/A
22b Date the last plan amendment/restatement for the required tax law changes was adopted ____/____/____. Enter the applicable code _____. (See instructions for tax law changes and codes).		
22c If the plan sponsor is an adopter of a pre-approved master and prototype (M&P) or volume submitter plan that is subject to a favorable IRS opinion or advisory letter, enter the date of that favorable letter ____/____/____ and the letter's serial number _____.		
22d If the plan is an individually-designed plan and received a favorable determination letter from the IRS, enter the date of the plan's last favorable determination letter ____/____/____.		
23 Is the Plan maintained in a U.S. territory (i.e., Puerto Rico (if no election under ERISA section 1022(i)(2) has been made), American Samoa, Guam, the Commonwealth of the Northern Mariana Islands or the U.S. Virgin Islands)?	☐ Yes	☐ No



Independent Auditors' Report

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

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of the Cincinnati Bell Pension Plan, which comprise the Statements of Net Assets Available for Benefits as of December 31, 2015 and 2014, 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.

Auditor's 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, 2015 and 2014, 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.

**Independent Auditors' Report
(Continued)**

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.

Barnes Dennig & Co. Ltd.

October 6, 2016
Cincinnati, Ohio

Form 5500Department 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**2015****This Form is Open to Public Inspection****Part I Annual Report Identification Information**For calendar plan year 2015 or fiscal plan year beginning 01/01/2015 and ending 12/31/2015

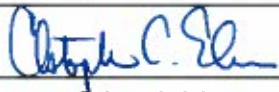
- A** This return/report is for: ☐ a multiemployer plan; ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions); or ☒ a single-employer plan; ☐ a DFE (specify) _____
- B** This return/report is: ☐ the first 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 Pension Plan	1b Three-digit plan number (PN) ▶ 005
	1c Effective date of plan 10/01/1980
2a Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) Cincinnati Bell Inc. 221 East Fourth Street Room 103-1170 Cincinnati OH 45202	2b Employer Identification Number (EIN) 31-1056105 2c Plan Sponsor's telephone number (513) 397-7772 2d Business code (see instructions) 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.

SIGN HERE		<u>10/13/16</u>	Christopher C. Elma
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN 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)			Preparer's telephone number

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

Form 5500 (2015)
v. 150123

Name of Plan: Cincinnati Bell Pension Plan
EIN / PN: 31-1056105 / 005
Plan Year: January 1, 2015 to December 31, 2015

Schedule SB - Statement by Enrolled Actuary

In preparing this Schedule SB, the actuary relied upon other parties for – and applied reasonability tests to – information on assets, contributions, plan provisions and data on people covered by the plan.

**SCHEDULE SB
(Form 5500)**Department of the Treasury
Internal Revenue ServiceDepartment of Labor
Employee Benefits Security Administration
Pension Benefit Guaranty Corporation**Single-Employer Defined Benefit Plan
Actuarial Information**

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).

▶ **File as an attachment to Form 5500 or 5500-SF.**

OMB No. 1210-0110

2015**This Form is Open to Public
Inspection**

For calendar plan year 2015 or fiscal plan year beginning 01/01/2015 and ending 12/31/2015

▶ **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.

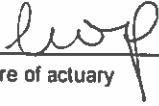
A Name of plan CINCINNATI BELL PENSION PLAN		B Three-digit plan number (PN) ▶ 005
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF CINCINNATI BELL INC		D Employer Identification Number (EIN) 31-1056105
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B ☐ Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500		

Part I Basic Information

1 Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2015</u>				
2 Assets:				
a Market value		2a	240,936,597	
b Actuarial value		2b	229,118,024	
3 Funding target/participant count breakdown		(1) Number of participants	(2) Vested Funding Target	(3) Total Funding Target
a For retired participants and beneficiaries receiving payment		1,267	166,775,329	166,775,329
b For terminated vested participants		334	9,089,685	9,089,685
c For active participants		568	50,706,962	51,353,711
d Total		2,169	226,571,976	227,218,725
4 If the plan is in at-risk status, check the box and complete lines (a) and (b) ☐				
a Funding target disregarding prescribed at-risk assumptions		4a		
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		4b		
5 Effective interest rate		5	6.13%	
6 Target normal cost		6	1,681,983	

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.

SIGN HERE	LIVIA W. PAYLO 	09/26/2016
LIVIA W. PAYLO		Date
Type or print name of actuary		1407469
BUCK CONSULTANTS, LLC		Most recent enrollment number
Firm name		513-784-0005
720 E. PETE ROSE WAY, SUITE 300		Telephone number (including area code)
CINCINNATI OH 45202		
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) 2015
v. 150123

Part V Assumptions Used to Determine Funding Target and Target Normal Cost**21 Discount rate:****a Segment rates:**1st segment:
4.72%2nd segment:
6.11%3rd segment:
6.81%☐ N/A, full yield curve used**b Applicable month (enter code)****21b**

4

22 Weighted average retirement age**22**

62

23 Mortality table(s) (see instructions)☐

Prescribed - combined

☒

Prescribed - separate

☐

Substitute

Part VI Miscellaneous Items**24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment**☒

Yes

☐

No

25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment☐

Yes

☒

No

26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment☒

Yes

☐

No

27 If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment**27****Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years****28 Unpaid minimum required contributions for all prior years****28**

0

29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a)**29**

0

30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)**30**

0

Part VIII Minimum Required Contribution For Current Year**31 Target normal cost and excess assets (see instructions):****a Target normal cost (line 6)****31a**

1,681,983

b Excess assets, if applicable, but not greater than line 31a**31b**

1,681,983

32 Amortization installments:

Outstanding Balance

Installment

a Net shortfall amortization installment

0

0

b Waiver amortization installment

0

0

33 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**33****34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)****34**

0

Carryover balance

Prefunding balance

Total balance

35 Balances elected for use to offset funding requirement

0

0

0

36 Additional cash requirement (line 34 minus line 35)**36**

0

37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)**37**

0

38 Present value of excess contributions for current year (see instructions)**a Total (excess, if any, of line 37 over line 36)****38a**

0

b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances**38b**

0

39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)**39**

0

40 Unpaid minimum required contributions for all years**40**

0

Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)**41 If an election was made to use PRA 2010 funding relief for this plan:****a Schedule elected**☐ 2 plus 7 years☐ 15 years**b Eligible plan year(s) for which the election in line 41a was made**☐ 2008☐ 2009☐ 2010☐ 2011**42 Amount of acceleration adjustment****42****43 Excess installment acceleration amount to be carried over to future plan years****43**

Name of Plan: Cincinnati Bell Pension Plan
EIN / PN: 31-1056105 / 005
Plan Year: January 1, 2015 to December 31, 2015

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:

(1)	(2)	(3)	(4)	(5)
Age	Expected Active Headcount	Retirement Rate	Expected Retirements (2) x (3)	Weighted Age (1) x (4)
48	186.9121	0.0001	0.0223	1.0685
49	206.7567	0.0020	0.4180	20.4827
50	223.5948	0.0113	2.5315	126.5764
51	240.4809	0.0182	4.3809	223.4260
52	253.1676	0.0201	5.0913	264.7476
53	266.3152	0.0214	5.7117	302.7209
54	275.8260	0.0240	6.6104	356.9602
55	295.3059	0.0320	9.4575	520.1607
56	311.4901	0.0365	11.3622	636.2804
57	330.0299	0.0370	12.2165	696.3381
58	334.6914	0.0374	12.5262	726.5179
59	333.0307	0.0383	12.7421	751.7812
60	332.2985	0.0480	15.9445	956.6708
61	333.4561	0.0484	16.1447	984.8295
62	328.4908	0.1937	63.6158	3,944.1813
63	267.8574	0.1936	51.8559	3,266.9223
64	212.7073	0.0961	20.4321	1,307.6551
65	189.8870	0.9761	185.3434	12,047.3213
66	8.5210	1.0000	8.5210	562.3839
67	0.0000	1.0000	0.0000	0.0000
68	2.0000	1.0000	2.0000	136.0000
69	0.0000	1.0000	0.0000	0.0000
70	0.0000	1.0000	0.0000	0.0000
71	0.0000	1.0000	0.0000	0.0000
72	0.0000	1.0000	0.0000	0.0000
73	1.0000	1.0000	1.0000	73.0000
Total			447.9279	27,906.0250
Average				62.30

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.

Name of Plan: Cincinnati Bell Pension Plan
EIN / PN: 31-1056105 / 005
Plan Year: January 1, 2015 to December 31, 2015

Schedule SB, Line 24 - Change in Actuarial Assumptions

The expense component of the Target Normal Cost increased from \$1,157,394 to \$1,410,275 to better reflect anticipated plan experience. Specifically, the expense assumption reflects the actual PBGC premiums anticipated during the year, as well as actual plan expenses from the previous year. The change in the expense load assumption reflects these changes.

Name of Plan: Cincinnati Bell Pension Plan
EIN / PN: 31-1056105 / 005
Plan Year: January 1, 2015 to December 31, 2015

Schedule SB, Line 26 - Schedule of Active Participant Data

Attained Age	Years of Credited Service									
	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										
25 to 29										
30 to 34				1	2					
35 to 39				6	15					
40 to 44			1	10	68	6	3			
45 to 49				8	82	15	27			
50 to 54			1	2	53	10	29	7	9	
55 to 59			1	3	31	6	13	18	51	5
60 to 64				3	8	3	8	5	23	26
65 to 69					3		2	1		2
70 & up					1					

Note: Average compensation / cash balances are not shown since the plan has less than 1,000 active participants.

Name of Plan: Cincinnati Bell Pension Plan
EIN / PN: 31-1056105 / 005
Plan Year: January 1, 2015 to December 31, 2015

Schedule SB, Part V - Statement of Actuarial Assumptions/Methods

Prescribed Funding Assumptions and Methods

The following assumptions and methods are prescribed by ERISA, as amended by PPA and HATFA.

Funding interest rates

Segment Rates with four month lookahead, constrained in accordance with HATFA as follows:

	Unconstrained Rates*	Rates Reflecting HATFA Corridor**
First Segment Rate	1.15%	4.72%
Second Segment Rate	4.06%	6.11%
Third Segment Rate	5.15%	6.81%

Effective Interest Rate: 6.13%
Based on HATFA rates

* Used for maximum tax-deduction purposes

** Used for minimum funding and benefit restriction purposes

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.

Non-Prescribed Funding Assumptions and Methods

The following assumptions were selected by the plan's enrolled actuary. The asset valuation method was selected by the plan sponsor with the actuary's advice and is an acceptable method under PPA.

Expenses

Expected plan administrative and investment related expenses of \$1,410,275 were added to the Target Normal Cost. This assumption is based on the sum of the prior year's expenses (without PBGC Premium) and the current year's expected PBGC Premium.

Frequency of optional payment forms

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

Death and termination: 100% 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.

Retirement rates

Age	Rate
54 & below	4.00%
55-59	4.00%
60-61	5.00%
62-63	20.00%
64	10.00%
65 & 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.

Disability rates

Telecommunications Industry Experience. Sample rates as follows:

Age	Male	Female
30	0.03%	0.11%
35	0.05%	0.24%
45	0.32%	0.68%
55	2.33%	1.37%

Non-Prescribed Funding Assumptions and Methods (continued)

Withdrawal rates¹

Actuary's Pension Handbook T-3 Turnover Rates. Sample rates below:

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

Mandatory Beneficiaries for Special Death Benefit

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

Asset valuation method

The Actuarial Value of Assets is Market Value as of the valuation date, including discounted receivable contributions, reduced by decreasing fractions, 2/3 and 1/3, 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.

	Actuary's Assumption	Third Segment Rate	Reflecting PPA Limit
2015 Expected Return	7.75%	6.81%	6.81%
2014 Expected Return	7.75%	6.99%	6.99%
2013 Expected Return	7.75%	7.16%	7.16%

The expected rate of return is based on the plan's asset allocation and forward-looking expected rates of return by asset category provided by Cincinnati Bell's investment consultant.

Future actuarial measurements

Future actuarial measurements may differ significantly from current measurements due to plan experience differing from that anticipated by the economic and demographic assumptions, changes expected as part of the natural operation of the methodology used for these measurements, and changes in plan provisions, applicable law or regulations. An analysis of the potential range of such future differences is beyond the scope of this assignment.

¹ For active participants not eligible for retirement.

Name of Plan: Cincinnati Bell Pension Plan
EIN / PN: 31-1056105 / 005
Plan Year: January 1, 2015 to December 31, 2015

Schedule SB, Part V - Summary of Plan Provisions

The Cincinnati Bell Pension Plan was established effective October 1, 1980. As a result of collective bargaining, the Plan was converted to a cash balance plan effective January 1, 1997. Effective January 1, 1999, assets and liabilities for Convergys employees were spun-off from the Plan.

Eligibility

All "Bargained-For" employees and equivalent Non-Management employees of Cincinnati Bell Telephone and Cincinnati Bell Inc. (formerly Broadwing Inc.) who have reached age 21 with one year of service participate in the Plan.

The Plan was frozen to new participants effective February 1, 2008.

The Plan was frozen to all participants for benefit accruals effective May 1, 2015.

Cash Balance Accounts

Initial Balance

For all participants who were active as of December 31, 1996, an initial account balance was established equal to the present value of the benefit accrued as of December 31, 1996 under the previous benefit structure.

Interest Credits

Interest credits will be added to all accounts annually. The interest crediting rate for active employees is 5.00% for 2007 and 2008, 4.50% for 2009, 2010 and 2011 and 4.00% thereafter.

Pension Credits

Each year, pension credits will be added to the accounts of all active participants based on pension band and years of service as of the end of the calendar year. The schedule of credits for 2006-2008 is shown in Table B. The schedule of credits for 2009 and future years is shown in Table C.

Effective January 1, 2012, for all participants with 25 years or more of net credited service as of January 1, 2012, or all participants who are at least 55 years of age and have 20 or more years of net credited service as of January 1, 2012, pension credits continued as above using Table C through April 30, 2015. For all participants that did not meet the above eligibility requirements, pension credits were stopped with the pension credit earned through December 31, 2011. For all participants, pension credits stopped with the pension credit earned through April 30, 2015.

One-Time Credits

Participants promoted to a higher pension band will receive a one-time credit 18 months after the date of promotion equal to the difference in pension band credits as of promotion date multiplied by service as of the promotion date.

Transition Benefits

Eligibility

Participants who have completed 15 years of service as of December 31, 1996 are eligible for transition benefits.

Benefit

The transition benefit is determined by multiplying the pension band dollar amounts in effect as of January 1, 2006, shown in Table A, by the total number of years and months of service at the date of retirement or termination. However, if retirement or termination occurs prior to January 1, 2006, the transition benefit is determined by multiplying the pension band dollar amounts in effect as of October 1, 2002, shown in Table A, by the total number of years and months of service at the date of retirement or termination.

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 attained age as of March 31, 1995 provided the employee would have been eligible to retire with such additions and was an active vested participant in the plan as of April 1, 1995.

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 the benefit as a 75% joint and survivor annuity, a 100% joint and survivor annuity or a lump sum distribution on an actuarial equivalent basis.

Disability and Service Pensions

Eligibility

Disability pensions are provided to employees who were active on December 31, 1996 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		Minimum Years of Service
65	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.

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. There is no reduction for employees with 30 or more years of service or 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

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

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 five years but less than 15 years of service is equal to 44% of the transition benefit amount accrued to the date the employee would have attained age 65. For a surviving spouse of an employee who dies with at least 15 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 who retire before May 9, 1999 are entitled to a special 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. For retired employees, the benefit is equal to one year's pay in effect at the earlier of December 31, 1993 or retirement. Effective June 1, 1999, all participants hired before January 1, 1991 who retire on or after May 9, 1999 will only be eligible for this benefit if they elect an annuity upon service or disability retirement. Effective June 1, 1999, the similar pre-retirement death benefit was eliminated for active participants.

Early Retirement Offer

Eligibility

A participant was offered the Early Retirement Offer (ERO) if the participant was a covered employee and a participant on October 1, 2007 and by December 31, 2009 (had the participant continued to work) would have either:

- Net credited service of 30 or more years,
- Be at least age 50 with net credited service of 25 or more years,
- Be at least age 55 with net credited service of 20 or more years, or
- Be at least age 60 with net credited service of 10 or more years

And accepted the ERO by signing and filing the signed form with Participating Employers on or prior to March 28, 2008.

Benefit

The monthly retirement benefit payable to a participant is equal to his normal retirement benefits plus an extra lump sum. The extra lump sum is equal to an amount the sum of: (1) the product obtained by multiplying (A) a two weeks value of the Eligible Participant's base rate of pay as determined on October 1, 2007 by (B) the number of the whole years included in the Eligible Participant's Net Credited Service as determined on October 1, 2007, up to but not in excess of 17 such years; and (2) the product obtained by multiplying (A) a dollar amount equal to four weeks value of the Eligible Participant's base rate of pay as determined on October 1, 2007 by (B) the number of the whole years included in the Eligible Participant's Net Credited Service as determined on October 1, 2007 in excess of 17 such years.

Notwithstanding the foregoing provisions, an Eligible Participant's "Extra Lump Sum Formula Amount" shall in no event be deemed to exceed an amount equal to 78 weeks value of the Eligible Participant's base rate of pay as determined on October 1, 2007.

If prior to October 1, 2007 an Eligible Participant was assigned to a sales division of a Participating Employer and received Sales Incentive Compensation Awards, all such awards paid to him for the twelve month period ending on the day immediately preceding October 1, 2007 shall be taken into account in determining his base rate of pay on October 1, 2007. In addition, night differentials, overtime pay, team incentive and other awards, bonuses, and any other amounts not part of an Eligible Participant's basic rate of scheduled pay shall not be included in determining such Eligible Participant's base rate of pay.

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 optional forms of benefit, participants can receive their benefit as a 75% joint and survivor annuity, a 100% joint and survivor annuity or a lump sum distribution of an actuarial equivalent basis. Participants can also receive their Extra Lump Sum Amount as a lump sum and one of the above mentioned annuity options of their normal retirement benefits.

Table A: Pension Band Dollar Amounts

Pension Band	Effective January 1, 2006	Effective October 1, 2002
101	\$33.44	\$30.40
102	34.86	31.69
103	36.28	32.98
104	37.72	34.29
105	39.08	35.53
106	40.51	36.83
107	41.95	38.14
108	43.34	39.40
109	44.78	40.71
110	46.17	41.97
111	47.62	43.29
112	48.97	44.52
113	50.44	45.85
114	51.82	47.11
115	53.20	48.36
116	54.65	49.68
117	56.03	50.94
118	57.46	52.24
119	58.88	53.53
120	60.30	54.82
121	61.69	56.08
122	63.13	57.39

Table B: 2006-2008 Pension Band & Service Related Credits

Pension Band	Years of Credited Service							
	0 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 +
101	\$787	\$862	\$1,023	\$1,260	\$1,649	\$2,046	\$2,440	\$2,833
102	835	919	1,086	1,335	1,761	2,178	2,597	3,015
103	891	975	1,156	1,419	1,865	2,310	2,754	3,198
104	939	1,037	1,224	1,503	1,976	2,442	2,912	3,383
105	994	1,092	1,287	1,586	2,080	2,581	3,077	3,574
106	1,016	1,113	1,316	1,621	2,130	2,630	3,135	3,641
107	1,037	1,134	1,343	1,657	2,170	2,686	3,202	3,718
108	1,057	1,162	1,371	1,684	2,213	2,742	3,268	3,796
109	1,078	1,184	1,399	1,718	2,254	2,797	3,335	3,873
110	1,100	1,205	1,427	1,753	2,302	2,853	3,401	3,949
111	1,141	1,253	1,483	1,824	2,394	2,965	3,534	4,104
112	1,184	1,301	1,538	1,892	2,492	3,082	3,675	4,268
113	1,239	1,364	1,614	1,983	2,609	3,229	3,849	4,469
114	1,329	1,462	1,733	2,130	2,797	3,458	4,123	4,788
115	1,419	1,559	1,844	2,269	2,978	3,688	4,397	5,106
116	1,489	1,642	1,935	2,386	3,132	3,875	4,621	5,367
117	1,559	1,718	2,032	2,497	3,277	4,056	4,837	5,617
118	1,635	1,795	2,122	2,609	3,431	4,245	5,060	5,877
119	1,705	1,872	2,213	2,727	3,577	4,425	5,276	6,127
120	1,774	1,956	2,310	2,839	3,729	4,612	5,500	6,388
121	1,844	2,032	2,400	2,950	3,875	4,802	5,723	6,646
122	1,913	2,108	2,492	3,069	4,022	4,982	5,940	6,897

Table C: 2009 and Thereafter Pension Band & Service Related Credits

Pension Band	Years of Credited Service							
	0 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35+
101	811	888	1,054	1,298	1,698	2,107	2,513	2,918
102	860	947	1,119	1,375	1,814	2,243	2,675	3,105
103	918	1,004	1,191	1,462	1,921	2,379	2,837	3,294
104	967	1,068	1,261	1,548	2,035	2,515	2,999	3,484
105	1,024	1,125	1,326	1,634	2,142	2,658	3,169	3,681
106	1,046	1,146	1,355	1,670	2,194	2,709	3,229	3,750
107	1,068	1,168	1,383	1,707	2,235	2,767	3,298	3,830
108	1,089	1,197	1,412	1,735	2,279	2,824	3,366	3,910
109	1,110	1,220	1,441	1,770	2,322	2,881	3,435	3,989
110	1,133	1,241	1,470	1,806	2,371	2,939	3,503	4,067
111	1,175	1,291	1,527	1,879	2,466	3,054	3,640	4,227
112	1,220	1,340	1,584	1,949	2,567	3,174	3,785	4,396
113	1,276	1,405	1,662	2,042	2,687	3,326	3,964	4,603
114	1,369	1,506	1,785	2,194	2,881	3,562	4,247	4,932
115	1,462	1,606	1,899	2,337	3,067	3,799	4,529	5,259
116	1,534	1,691	1,993	2,458	3,226	3,991	4,760	5,528
117	1,606	1,770	2,093	2,572	3,375	4,178	4,982	5,786
118	1,684	1,849	2,186	2,687	3,534	4,372	5,212	6,053
119	1,756	1,928	2,279	2,809	3,684	4,558	5,434	6,311
120	1,827	2,015	2,379	2,924	3,841	4,750	5,665	6,580
121	1,899	2,093	2,472	3,039	3,991	4,946	5,895	6,845
122	1,970	2,171	2,567	3,161	4,143	5,131	6,118	7,104

CINCINNATI BELL PENSION PLAN

**FINANCIAL STATEMENTS
DECEMBER 31, 2015 AND 2014**

CINCINNATI BELL PENSION PLAN
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Independent Auditors' Report

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

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of the Cincinnati Bell Pension Plan, which comprise the Statements of Net Assets Available for Benefits as of December 31, 2015 and 2014, 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.

Auditor's 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, 2015 and 2014, 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.

**Independent Auditors' Report
(Continued)**

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.

Barnes Dennig & Co. Ltd.

October 6, 2016
Cincinnati, Ohio

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

	December 31,	
	<u>2015</u>	<u>2014</u>
ASSETS:		
Interest in Master Trust	\$ 209,610	\$ 231,160
Employer contributions receivable	<u>\$ -</u>	<u>\$ 9,920</u>
Total assets	<u>\$ 209,610</u>	<u>\$ 241,080</u>
Net assets available for benefits	<u>\$ 209,610</u>	<u>\$ 241,080</u>

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

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

	Year Ended December 31,	
	2015	2014
Interest in Master Trust investment (loss) income	\$ (6,018)	\$ 23,476
Employer contributions	-	15,680
Total (reductions) additions	(6,018)	39,156
Benefits paid to participants and beneficiaries	25,452	16,959
Transfers to other plans	-	655
Total deductions	25,452	17,614
Net (decrease) increase in net assets available for benefits	(31,470)	21,542
Net assets available for benefits:		
Beginning of year	241,080	219,538
End of year	<u>\$ 209,610</u>	<u>\$ 241,080</u>

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

CINCINNATI BELL PENSION PLAN
NOTES TO FINANCIAL STATEMENTS

(1) Plan Description

The following Notes to Financial Statements give only a brief description of the Cincinnati Bell 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 certain bargained-for and hourly employees of Cincinnati Bell Inc. and its participating subsidiaries (the “Company”), who were hired prior to February 1, 2008, have reached age 21 and have at least one year of service. Plan benefits will generally no longer be available to employees hired on or after February 1, 2008. 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.

The Plan uses a cash balance formula to determine benefits. Annually, a participant’s cash balance account is credited with a pension credit (based upon the participant’s pension band and years of service) and an annual interest credit. The annual interest credit was 4.0% for 2015 and 2014. If a participant actively participated in the Plan or the Cincinnati Bell Management Pension Plan and had at least 15 years of net credited service on December 31, 1996, a transition benefit may be available and will be calculated at the time of termination, generally based on the terms of the superseded plan. The participant will receive the higher of the cash balance or transition benefit, if applicable.

Effective January 1, 2012 and consistent with a 2011 collective bargaining agreement entered into between the Company and the Communications Workers of America (the “CWA”), the Plan was amended to cease, for periods beginning after December 31, 2011, pension credits (but not interest credits) to the cash balance accounts of all Plan participants, except for those Plan participants who as of January 1, 2012 either (a) were credited with 25 or more years of net credited service (as determined by the Company for benefit plan purposes) or (b) both were credited with 20 to 25 years of net credited service and had attained at least age 55 (“grandfathered participants”).

On February 27, 2015, the CWA ratified the terms of a new labor contract with the Company. In accordance with this new agreement, the Company adopted an amendment to the Plan impacting grandfathered participants under the Plan. Effective May 1, 2015, no more pension credits are made to a grandfathered participant’s cash balance account under the Plan for any period occurring after May 1, 2015 and no additional service is accrued after May 1, 2015 for purposes of a grandfathered participant’s transition benefit under the Plan (if the grandfathered participant is eligible). The new agreement will be in effect through May 12, 2018.

A participant is vested if the participant completes at least five years of vesting service or, for a participant who is credited with at least one hour of service with the Company on or after January 1, 2009, upon completion of at least 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 under the Plan if still employed by the Company when normal retirement age is attained, which is the later of the participant’s 65th birthday or fifth annual anniversary date of becoming a participant of the Plan. Any amounts not vested at the time when the 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 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 Management Pension Plan. The Master Trust invests in a combination of mutual funds and real estate pooled funds. However, during the fourth quarter of 2014, the Company liquidated the real estate pooled funds within the Master Trust that had been categorized as Level 3 investments. The proceeds from the sale were reinvested in equity securities and investment grade fixed income securities classified as Level 1 investments. The fair values of Level 1 investments are based on quoted prices in active markets. The fair values of Level 2 investments, which consisted of funds that hold securities in active markets, were determined based on the net asset value as reported by the fund manager. The fair values of Level 3 investments, which consisted solely of real estate pooled funds, were 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 paid to transfer a liability in an orderly transaction between market participants at the transaction date. Investment (loss) income in the Master Trust is allocated between the Plan and the Cincinnati Bell Management 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 captions “Interest in Master Trust investment (loss) 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 2015 plan year, the Company did not contribute to the Plan in 2015 and did not record a receivable to be contributed to the Plan in fiscal year 2016 by the Company as the Plan has been fully funded. For the 2014 plan year, the Company contributed \$5,761,120 to the Plan in 2014 and the Plan recorded a receivable of \$9,920,324 that was contributed in fiscal year 2015 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.

CINCINNATI BELL PENSION PLAN
NOTES TO FINANCIAL STATEMENTS

- 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.
- 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 (loss) income.
- i. **Transfer to/from Other Plans:** If a Plan participant becomes a participant of the Cincinnati Bell Management Pension Plan or if a participant of the Cincinnati Bell Management Pension Plan becomes a participant of the Plan, the related assets and accrued benefits liabilities are generally transferred to and assumed by the recipient plan. There were no transfers to or from the plan in 2015. In 2014, transfers from the Plan to the Cincinnati Bell Management Plan totaled \$655,385.

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 Act (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. There were no transfers to or from the Plan in 2015 and 2014.

- 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. The portfolio of mutual funds include: U.S. equity index funds, international equity index funds and fixed income long-term bond 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 6, 2016, the date the financial statements were available to be issued.

CINCINNATI BELL PENSION PLAN
NOTES TO FINANCIAL STATEMENTS

(3) Interest in Master Trust

The proportionate interests of the Plan and the Cincinnati Bell Management Pension Plan in the Master Trust were 55.4% and 44.6%, respectively, at December 31, 2015, and 54.5% and 45.5%, respectively, at December 31, 2014. The following table presents the fair value of all the investments held by the Master Trust in which the Plan participates:

(dollars in thousands)	December 31,	
	2015	2014
Mutual funds		
U.S. equity index funds	\$ 147,777	\$ 212,347
Fixed income funds	133,347	150,884
International equity index funds	96,963	61,058
Total assets	\$ 378,087	\$ 424,289
Net assets	<u>\$ 378,087</u>	<u>\$ 424,289</u>

Net depreciation and appreciation on investments held by the Master Trust, including realized and unrealized gains and losses, was a loss of \$21,806,640 for mutual funds in 2015 and an aggregate gain of \$33,987,762 in 2014. In 2014, net appreciation of \$3,141,747 and \$30,846,015 for real estate funds and mutual funds was recognized.

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

(dollars in thousands)	Year Ended December 31,	
	2015	2014
Dividend income	13,481	11,294
Real estate income	-	775
	<u>\$ 13,481</u>	<u>\$ 12,069</u>

During 2015 and 2014, administrative expenses paid by the Master Trust were \$2,136,780 and \$1,839,216, respectively.

CINCINNATI BELL PENSION PLAN
NOTES TO FINANCIAL STATEMENTS

(4) Fair Value Measurement

At December 31, 2015 and 2014, 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 were as follows:

<u>(dollars in thousands)</u>	December 31, 2015	Level 1	Level 2	Level 3
Mutual funds				
U.S. equity index funds	\$ 147,777	\$ 147,777	\$ -	\$ -
Fixed income funds	133,347	133,325	22	-
International equity index funds	96,963	96,963	-	-
	<u>\$ 378,087</u>	<u>\$ 378,065</u>	<u>\$ 22</u>	<u>\$ -</u>

<u>(dollars in thousands)</u>	December 31, 2014	Level 1	Level 2	Level 3
Mutual funds				
U.S. equity index funds	\$ 212,347	\$ 212,347	\$ -	\$ -
Fixed income funds	150,884	150,862	22	-
International equity index funds	61,058	61,058	-	-
	<u>\$ 424,289</u>	<u>\$ 424,267</u>	<u>\$ 22</u>	<u>\$ -</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>	2014
Balance, beginning of year	\$ 30,832
Realized gains, net	3,142
Purchases, sales, issuances and settlements, net	(33,974)
Balance, end of year	<u>\$ -</u>

The real estate pooled funds invested primarily in commercial real estate and included mortgage loans which were backed by the associated properties. The investments were sensitive to changes in commercial real estate market values and focused 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 used 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 exceeded the total cash available to honor such requests, available cash would have been pro-rated among those contract-holders eligible for withdrawals. Withdrawal requests were subject to notice restrictions that required 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 further amended in the future to maintain its tax-qualified status. Consistent with the system of staggered remedial amendment cycles established by the IRS, the Plan was submitted to the IRS on January 29, 2016 for a determination that the proposed amendment and restatement of the Plan will continue to qualify for tax-favored treatment. As of the date the report was issued, the IRS has not yet responded to the request. 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 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 the participant's pension band and years of service) and an annual interest credit to the participant's cash balance account. The accumulated Plan benefits as of January 1, 2015 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, 2015: (a) mortality rates using the RP-2014 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 2015 and 2014, respectively, including a reduction of approximately 62 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, 2015:

(dollars in thousands)

Vested benefits	
Participants currently receiving payments	\$ 154,705
Other participants	56,106
	<u>210,811</u>
Non-vested benefits	<u>1,085</u>
Actuarial present value of accumulated plan benefits	<u><u>\$ 211,896</u></u>

The change in the present value of accumulated plan benefits from January 1, 2014 to January 1, 2015 consists of:

(dollars in thousands)

Actuarial present value of accumulated plan benefits at January 1, 2014	<u>\$ 213,632</u>
Benefits paid	(16,959)
Interest	15,911
Benefits accumulated and other	<u>(688)</u>
Net decrease	<u>(1,736)</u>
Actuarial present value of accumulated plan benefits at January 1, 2015	<u><u>\$ 211,896</u></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 net assets of 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 PENSION PLAN
NOTES TO FINANCIAL STATEMENTS

- c. Certain benefits under the Plan are 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 investment management services amounted to \$279,551 and \$375,523 for the years ended December 31, 2015 and 2014, 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 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) Reconciliation of the Financial Statements to the Form 5500

The following are reconciliations of the financial statements to the Form 5500 for 2015:

(dollars in thousands)

Interest in Master Trust investment loss per the financial statements	\$ (6,018)
Add: Payments to insurance carriers for provision of benefits	1,030
Net investment loss per the Form 5500	<u>\$ (4,988)</u>
Administrative expenses per the financial statements	\$ -
Add: Payments to insurance carriers for administrative expenses	1,030
Administrative expenses per the Form 5500	<u>\$ 1,030</u>