

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="text-align: center; font-size: 1.5em; 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 MANAGEMENT PENSION PLAN</u>	1b Three-digit plan number (PN) ▶	<u>006</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 2861
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.....	6a(1) 799
a(2) Total number of active participants at the end of the plan year	6a(2) 741
b Retired or separated participants receiving benefits.....	6b 1412
c Other retired or separated participants entitled to future benefits.....	6c 578
d Subtotal. Add lines 6a(2) , 6b , and 6c	6d 2731
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e 159
f Total. Add lines 6d and 6e	6f 2890
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	6g
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	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 MANAGEMENT PENSION PLAN	B Three-digit plan number (PN) ▶ 006
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	193129788	
	b Actuarial value	2b	181628008	
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	1480	126069990	126069990
	b For terminated vested participants	582	11220711	11220711
	c For active participants	799	34809103	38146644
	d Total	2861	172099804	175437345
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	6.06%	
6	Target normal cost	6	925453	

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.

<div>SIGN HERE</div>		09/26/2016
Signature of actuary		Date
LIVIA W. PAYLO		14-07469
Type or print name of actuary		Most recent enrollment number
BUCK CONSULTANTS, LLC		513-784-0005
Firm name		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	6447200
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	5852166
9 Amount remaining (line 7 minus line 8)	0	595034
10 Interest on line 9 using prior year's actual return of <u>12.15</u> %	0	72297
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year)		0
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>6.28</u> %		0
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		0
d Portion of (c) to be added to prefunding balance		0
12 Other reductions in balances due to elections or deemed elections		
13 Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	0	667331

Part III Funding Percentages		
14 Funding target attainment percentage	14	103.14 %
15 Adjusted funding target attainment percentage	15	103.52 %
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	94.56 %
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 63
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	925453	
b Excess assets, if applicable, but not greater than line 31a	31b	925453	
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		

<p style="text-align: center;">SCHEDULE D (Form 5500)</p> <p style="text-align: center; font-size: small;">Department of the Treasury Internal Revenue Service</p> <hr/> <p style="text-align: center; font-size: small;">Department of Labor Employee Benefits Security Administration</p>	<p style="text-align: center;">DFE/Participating Plan Information</p> <p style="text-align: center; font-size: small;">This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).</p> <p style="text-align: center;">▶ File as an attachment to Form 5500.</p>	<p style="text-align: center; font-size: small;">OMB No. 1210-0110</p> <hr/> <p style="text-align: center; font-size: large;">2015</p> <hr/> <p style="text-align: center; font-size: small;">This Form is Open to Public Inspection.</p>
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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 MANAGEMENT PENSION PLAN	B Three-digit plan number (PN) ▶	006
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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) 168477819
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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):

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

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

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

a Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
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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 MANAGEMENT PENSION PLAN	B Three-digit plan number (PN) ►	006
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)			
(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)	193129743		168477819
(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	193129743	168477819

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	193129743	168477819
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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)		-3844495
(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		-3844495

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	20206976	
(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)		20206976
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)	600453	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		600453
j Total expenses. Add all expense amounts in column (b) and enter total	2j		20807429

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		-24651924
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.
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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 <u>CINCINNATI BELL MANAGEMENT PENSION PLAN</u>	B Three-digit plan number (PN) ▶ <u>006</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>69</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
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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
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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

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:		
	a The current year	14a	
	b The plan year immediately preceding the current plan year	14b	
	c The second preceding plan year	14c	
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
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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
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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 Management Pension Plan
Cincinnati, Ohio

Report on the Financial Statements

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

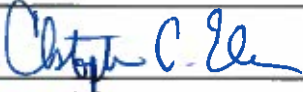
- A** This return/report is for: ☐ a multiemployer plan; ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions); or ☒ a single-employer plan; ☐ a DFE (specify) _____
- B** This return/report is: ☐ the first 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 Management Pension Plan	1b Three-digit plan number (PN) ▶ 006
	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 Management Pension Plan
EIN / PN: 31-1056105 / 006
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) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation</small>	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
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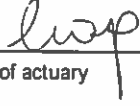
For calendar plan year 2015 or fiscal plan year beginning 01/01/2015 and ending 12/31/2015

► **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 MANAGEMENT PENSION PLAN	B Three-digit plan number (PN) ►	<u>006</u>
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 ☐ Other		
F 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	193,129,788	
b Actuarial value	2b	181,628,008	
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	1,480	126,069,990	126,069,990
b For terminated vested participants	582	11,220,711	11,220,711
c For active participants	799	34,809,103	38,146,644
d Total	2,861	172,099,804	175,437,345
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	6.06%	
6 Target normal cost	6	925,453	

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  Signature of actuary	<u>09/26/2016</u> Date <u>1407469</u> Most recent enrollment number <u>513-784-0005</u> Telephone number (including area code)
LIVIA W. PAYLO Type or print name of actuary BUCK CONSULTANTS, LLC Firm name 720 E. PETE ROSE WAY, SUITE 300 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 ☐

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	6,447,200
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	5,852,166
9 Amount remaining (line 7 minus line 8)	0	595,034
10 Interest on line 9 using prior year's actual return of <u>12.15%</u>	0	72,297
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year)		0
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>6.28%</u>		0
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		0
d Portion of (c) to be added to prefunding balance		0
12 Other reductions in balances due to elections or deemed elections		
13 Balance at beginning of current year (line 9 + line 10 + line 11d - line 12)	0	667,331

Part III Funding Percentages

14 Funding target attainment percentage	14	103.14%
15 Adjusted funding target attainment percentage	15	103.52%
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	94.56%
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	(4) 4th
0	0	0	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		63
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	925,453	
b Excess assets, if applicable, but not greater than line 31a	31b	925,453	
32 Amortization installments:			
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		
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 Management Pension Plan
EIN / PN: 31-1056105 / 006
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)
49	393.5030	0.0002	0.0638	3.1247
50	422.4357	0.0010	0.4338	21.6879
51	434.3969	0.0021	0.9214	46.9911
52	454.3495	0.0028	1.2732	66.2078
53	476.9253	0.0037	1.7854	94.6266
54	499.7838	0.0048	2.4018	129.6965
55	518.6959	0.0118	6.1078	335.9291
56	528.4394	0.0132	6.9748	390.5911
57	541.6604	0.0146	7.8893	449.6913
58	547.1292	0.0161	8.8272	511.9762
59	554.7222	0.0174	9.6658	570.2825
60	561.4381	0.0352	19.7733	1,186.3975
61	549.9183	0.0495	27.1974	1,659.0422
62	526.7992	0.1985	104.5644	6,482.9926
63	427.2175	0.1981	84.6463	5,332.7163
64	347.7485	0.0989	34.3765	2,200.0966
65	315.7645	0.9874	311.7907	20,266.3950
66	5.9541	1.0000	5.9541	392.9704
67	0.0000	1.0000	0.0000	0.0000
68	0.0000	1.0000	0.0000	0.0000
69	1.0000	1.0000	1.0000	69.0000
Total			635.6470	40,210.4154
Average				63.26

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 Management Pension Plan
EIN / PN: 31-1056105 / 006
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 was increased from \$736,562 to \$925,453 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 Management Pension Plan
EIN / PN: 31-1056105 / 006
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			15	1						
30 to 34			48	17	2					
35 to 39			39	46	28					
40 to 44			47	52	56	6	1			
45 to 49			36	37	55	24	16			
50 to 54			29	28	39	10	13	13	4	
55 to 59			19	11	18	5	8	9	18	5
60 to 64			7	6	5		1	3	8	9
65 to 69			1	1		1			1	1
70 & up										

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

Name of Plan: Cincinnati Bell Management Pension Plan
EIN / PN: 31-1056105 / 006
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 lookback, 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:

Based on HATFA rates

6.06%

* 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 \$925,453 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.

Mandatory Beneficiaries for Special Death Benefit

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

Retirement rates

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

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

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

Non-Prescribed Funding Assumptions and Methods (continued)

Withdrawal rates¹

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

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

Asset valuation method

The Actuarial Value of Assets is Market Value as of the valuation date, including discounted receivable contributions, reduced by 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 Management Pension Plan
EIN / PN: 31-1056105 / 006
Plan Year: January 1, 2015 to December 31, 2015

Schedule SB, Part V - Summary of Plan Provisions

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

Eligibility

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

Cash Balance Accounts

Initial Balance

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

Interest Credits

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

Pension Credits

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

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

¹ Age is determined as of December 31 of each calendar year.

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

Age ¹	Percentage
Under 30	1.500%
30 to 34	1.625%
35 to 39	1.875%
40 to 44	2.250%
45 to 49	2.625%
50 to 54	3.250%
55 and over	4.000%

For all participants that were age 50 as of January 1, 2009 or were offered the ERO benefit enhancement in 2007, pension credits continue as above through June 30, 2013. For all participants that did not meet the above eligibility requirements, pension credits were stopped with the pension credit earned through March 28, 2009. For all participants, pension credits stopped with the pension credit earned through June 30, 2013.

Compensation for Pension Credit

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

Transition Benefits

Eligibility

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

Benefit

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

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

Disability and Service Pensions

Eligibility

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

Age ¹		Minimum Years of Service
60	and	10
55	and	20 (transition employees only)
50	and	25 (transition employees only)
Any age	and	30

Benefit

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

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

Normal Retirement

Eligibility

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

Benefit

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

Forms of Benefit

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

¹ Age is determined as of December 31 of each calendar year.

Vesting

Eligibility

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

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

Benefit

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

Death Benefits

Eligibility

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

Benefit

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

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

Early Retirement Offer

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

**CINCINNATI BELL MANAGEMENT
PENSION PLAN**

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

CINCINNATI BELL MANAGEMENT PENSION PLAN
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Independent Auditors' Report

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

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of the Cincinnati Bell Management Pension Plan, which comprise the Statements of Net Assets Available for Benefits as of December 31, 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 MANAGEMENT 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	<u>\$ 168,477</u>	<u>\$ 193,129</u>
Total assets	<u><u>\$ 168,477</u></u>	<u><u>\$ 193,129</u></u>
Net assets available for benefits	<u><u>\$ 168,477</u></u>	<u><u>\$ 193,129</u></u>

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

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

	Year Ended December 31,	
	2015	2014
Interest in Master Trust investment (loss) income	\$ (4,445)	\$ 20,743
Employer contributions	-	597
Transfers from other plans	-	655
Total (reductions) additions	(4,445)	21,995
Benefits paid to participants and beneficiaries	20,207	21,514
Total deductions	20,207	21,514
Net (decrease) increase in net assets available for benefits	(24,652)	481
Net assets available for benefits:		
Beginning of year	193,129	192,648
End of year	<u>\$ 168,477</u>	<u>\$ 193,129</u>

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

CINCINNATI BELL MANAGEMENT PENSION PLAN
NOTES TO FINANCIAL STATEMENTS

(1) Plan Description

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

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

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

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

The Company generally uses a cash balance formula to determine benefits. For a participant earning pension credits, a participant’s cash balance account is credited annually with a pension credit (based upon the participant’s covered compensation for the year and age attained at the end of the year) and an interest credit (4% for 2015 and 2014).

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

(2) Summary of Significant Accounting Policies

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

CINCINNATI BELL MANAGEMENT PENSION PLAN
NOTES TO FINANCIAL STATEMENTS

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

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

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

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

The Plan invests in the Cincinnati Bell Pension Plans’ Trust (the “Master Trust”), which holds only the assets of the Plan and the Cincinnati Bell Pension Plan. The Master Trust invests in a combination of mutual funds and real estate pooled funds. 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 were based on estimated fair values of the real estate investments using independent appraisal.

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

- d. **Investment Valuation and Income Recognition:** Investments are reported at fair value. Fair value is the price that would be received to sell an asset or to transfer a liability in an orderly transaction between market participants at the transaction date. Investment (loss) income in the Master Trust is allocated between the Plan and the Cincinnati Bell Pension Plan based on the weighted average allocated investment balances between the plans throughout the year. Purchases and sales of securities in the Master Trust are reflected as of the trade date. Realized gains and losses on sales of securities are determined on the basis of average cost. Dividend income in the Master Trust is recorded on the ex-dividend date. Income from other investments is recorded as earned on an accrual basis. The Plan presents its portion of the Master Trust’s realized gains or losses and the net unrealized appreciation or depreciation of investments in the Statements of Changes in Net Assets Available for Benefits under the caption “Interest in Master Trust investment (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 \$596,992 to the Plan in 2014. The Plan did not record a receivable to be contributed in fiscal year 2015 by the Company as the Plan had been fully funded.

The Plan is subject to the Employee Retirement Income Security Act of 1974, as amended (“ERISA”). The Plan’s minimum funding requirements under ERISA, as modified by the Pension Protection Act of 2006, have been met.

- f. **Actuarial Present Value of Accumulated Plan Benefits:** Accumulated plan benefits are those future periodic payments that are attributable under the Plan’s provisions to the service employees have rendered. Accumulated plan benefits include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries, (b) beneficiaries of employees who have died and (c) present employees or their beneficiaries.

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- 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 Pension Plan, or if a participant of the Cincinnati Bell 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. In 2015, there were no transfers to or from the Plan. In 2014, the Plan received transfers from the Cincinnati Bell Pension Plan totaling \$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.

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(3) Interest in Master Trust

The proportionate interests of the Plan and the Cincinnati Bell Pension Plan in the Master Trust were 44.6% and 55.4%, respectively, at December 31, 2015, and 45.5% and 54.5%, 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:

<u>(dollars in thousands)</u>	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	<u>\$ 378,087</u>	<u>\$ 424,289</u>
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 rental income on investments held in the Master Trust were as follows:

<u>(dollars in thousands)</u>	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.

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(4) Fair Value Measurements

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 are 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.

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(6) Actuarial Present Value of Accumulated Plan Benefits

Pension benefits are generally determined under the Plan's cash balance formula for an active participant by the addition of pension credits (based upon age and compensation) and an annual interest credit to the participant's cash balance account. The accumulated Plan benefits as of January 1, 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 49 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:

<u>(dollars in thousands)</u>	
Vested benefits	
Participants currently receiving payments	\$ 121,845
Other participants	43,200
	<u>165,045</u>
Non-vested benefits	<u>3,049</u>
Actuarial present value of accumulated plan benefits	<u>\$ 168,094</u>

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

<u>(dollars in thousands)</u>	
Actuarial present value of accumulated plan benefits at January 1, 2014	<u>\$ 176,743</u>
Benefits paid	(21,514)
Interest	12,880
Benefits accumulated and other	<u>(15)</u>
Net decrease	<u>(8,649)</u>
Actuarial present value of accumulated plan benefits at January 1, 2015	<u>\$ 168,094</u>

(7) Termination Priorities

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

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

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

(8) Related-Party Transactions

The Bank of New York Mellon (“Trustee”) is the trustee for the Plan. Fees paid to The Bank of New York Mellon by the Master Trust and allocated to the Plan for the investment management services amounted to \$226,501 and \$324,737 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 the Trustee

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

(11) Other

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

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

The following is a reconciliation of the financial statements to the Form 5500 for 2015:

(dollars in thousands)

Interest in Master Trust investment loss per the financial statements	\$ (4,445)
Add: Payments to insurance carriers for provision of benefits	600
Net investment loss per the Form 5500	<u>\$ (3,845)</u>
Administrative expenses per the financial statements	\$ -
Add: Payments to insurance carriers for administrative expenses	600
Administrative expenses per the Form 5500	<u>\$ 600</u>