

Rate Schedule Applicable To

FACILITIES-BASED LOCAL EXCHANGE, INTRALATA TOLL,  
AND INTEREXCHANGE TELECOMMUNICATIONS SERVICES

Within the State of

NORTH CAROLINA

**Telplex Communications**

16830 Ventura Blvd., Ste 350  
Encino, CA 91436

This Rate Schedule ("Rate Schedule") contains the descriptions, regulations, and rates applicable to the provision of competitive local exchange and interexchange telecommunications services provided by Telplex Communications in the State of North Carolina.

## **APPLICATION OF RATE SCHEDULE**

This Rate Schedule sets forth the Service offerings, rates, terms and conditions applicable to the furnishing of telecommunications Services by Telplex Communications hereinafter referred to as the "Company" or "Telplex," to Customers within the State of North Carolina.

The Company's services are furnished subject to the availability of facilities and subject to the terms and conditions set forth herein. Service is provided for the direct transmission and reception of voice and data communications between points within the State of North Carolina. Intrastate interexchange service is an add on service available only if the Customer subscribes to the Company's interstate offerings.

## SECTION 1 – DEFINITIONS

**Access Line:** An arrangement from a local exchange Telephone Company or other Common Carrier, using either dedicated or switched access, which connects a Customer's location to Carrier's location or switching center.

**Advance Payment:** Part or all of a payment required before the start of service.

**Applicant:** Any entity or individual who applies for Service offered under this Rate Schedule.

**Authorized User:** A person, firm or corporation authorized by the Customer to be an end-User of the service of the Customer.

**Business Customer:** A Customer that uses a Business Service Offering as set forth in this Rate Schedule.

**Central Office:** A local exchange switching unit that is used to interconnect Exchange Access Lines within a specified area.

**Channel or Circuit:** A path for transmission between two (2) or more points having a bandwidth and termination of Customer's own choosing.

**Common Carrier:** An authorized company or entity providing telecommunications services to the public.

**Company:** Telplex Communications, the issuer of this Rate Schedule.

**Contract:** An agreement between Customer and Company in which the two (2) parties agree upon specifications, terms, pricing, and other conditions of Service. The Contract may or may not accompany an associated Service Order.

**Customer:** The person, firm, partnership, corporation, municipality, cooperative organization, governmental agency, etc., that is provided service and that is responsible for the payment of charges and compliance with the terms and conditions of this Rate Schedule.

**Customer Premises:** A location designated by the Customer for the purposes of connecting to the Company's services.

## SECTION 1 – DEFINITIONS, Continued

**Deposit:** Refers to a cash or equivalent of cash security held as a guarantee for payment of the charges for Services.

**Directory Assistance Service:** A Service whereby Customers may dial a special directory assistance code or telephone number to reach an operator or automatic Interactive Voice System (“IVS”) that will provide available, published directory listings.

**E-911/911:** An emergency Service whereby a Customer dials a 911 emergency code or other emergency number and is then connected to an emergency agency responsible for the dispatch of emergency assistance. E911 and 911 are used interchangeably to refer to any emergency dialing arrangement.

**Exchange Access Lines:** Central Office equipment and related facilities, including the Network interface, which provide access to and from the telecommunications Network.

**Exchange Area:** A geographically defined area described through the use of maps or legal descriptions to specify areas where individual telephone exchange companies hold themselves out to provide local communications services.

**Exchange Telephone Company or Telephone Company:** Denotes any individual, partnership, association, joint-stock company, trust, or corporation authorized by the appropriate regulatory bodies to engage in providing public switched communication service throughout an Exchange Area, and between Exchange Areas within the LATA.

**FCC:** Federal Communications Commission.

**Individual Case Basis (“ICB”):** A Service arrangement in which the regulations, rates and charges are developed based on the specific circumstances of the Customer.

**Interexchange Carrier (IXC):** A long distance telecommunications services provider.

**Interruption:** The inability to complete calls due to equipment malfunctions or human errors. Interruption shall not include, and no allowance shall be given for Service difficulties such as slow dial tone, Circuits busy or other network and/or switching capability shortages. Nor shall Interruption include the failure of any service or facilities provided by a Common Carrier or other entity other than the Company. Any Interruption allowance provided within this Rate Schedule by the Company shall not apply where Service is interrupted by the negligence or willful act of the Customer, or where the Company, pursuant to the terms of this Rate Schedule, terminates Service because of non-payment of bills, unlawful or improper use of the Carrier’s facilities or service, or any other reason covered by this Rate Schedule or by applicable law.

## SECTION 1 – DEFINITIONS, Continued

**Local Exchange Carrier (“LEC”):** A provider of local telephone service.

**Local Calling Area:** The area within which a Subscriber for local exchange Service may make telephone calls without incurring a long distance charge.

**Local Access and Transport Area (LATA):** A Local Access and Transport Area established pursuant to the Modification of Final Judgment entered by the United States District Court for the District of Columbia in Civil Action No. 82-0192; or any other geographic area designated as a LATA in the National Exchange Carrier Association, Inc. Rate Schedule F.C.C. No. 4, or its successor Rate Schedule(s).

**Monthly Recurring Charges (MRC):** The monthly charges to the Customer for services, facilities and equipment, which continue for the agreed upon duration of the service.

**Non-Recurring Charge (NRC):** The initial charge, usually assessed on a one-time basis, to initiate and establish service. NRC includes, but is not limited to, charges for construction, installation, or special fees for which the Customer becomes liable at the time the Service Order is executed.

**Person-to-Person:** A call for which the person originating the call specifies to the operator a particular person, department or extension to be reached. Person-to-Person charges only apply when the call is completed to the requested party, department, or extension or when the calling party agrees to talk to another person.

**PBX:** Private Branch Exchange.

**Premises:** Denotes a building, a portion of a building in a multitenant building, or buildings on contiguous property (except railroad rights-of-way, etc.) not separated by a public thoroughfare.

**Recurring Charges:** Monthly charges to the Customer for services, and equipment, which continues for the agreed upon duration of the service.

**Residential Customer:** A Customer that uses a Residential Service Offering as set forth in this Rate Schedule.

**Service:** Any means of Service offered herein or any combination thereof.

**Service Area:** The area in which the Company provides Service.

## SECTION 1 – DEFINITIONS, Continued

**Service Order:** The written request for Company Services executed by the Customer and the Company in the format devised by the Company. The signing of a Service Order Form by the Customer and acceptance by the Company initiates the respective obligations of the parties as set forth therein and pursuant to this Rate Schedule.

**Station:** The network control signaling unit and any other equipment provided at the Customer's Premises which enables the Customer to establish communications connections and to effect communications through such connections.

**Station-to-Station:** Any operator handled call where the person originating the call does not specify a particular person to be reached, or a particular station, room number, department, or office to be reached through a PBX attendant.

**Subscriber:** The person, firm, partnership, corporation, or other entity who orders telecommunications Service from Telplex Communications. Service may be ordered by, or on behalf of, those who own, lease or otherwise manage the pay telephone, PBX, or other switch vehicle from which an End User places a call utilizing the services of the Company.

**Telecommunications Relay Service (TRS):** Enables deaf, hard-of-hearing or speech-impaired persons who use a text telephone or similar devices, to communicate freely with the hearing population not using text telephone and visa versa.

**Terminal Equipment:** Any telecommunications equipment other than the transmission or receiving equipment installed at a Company location.

**Termination of Service:** Discontinuance of both incoming and outgoing Service.

**Third Number Billing:** A billing option that allows a call to be billed to an account different from that of the calling or called party.

**Trunk:** A communications path, connecting two (2) switching systems in a network, used in the establishment of an end-to-end connection.

**Two-Way:** A Service attribute that includes dial capabilities for outbound calls and can also be used to carry inbound calls to a central point for further processing.

**Usage Charges:** Charges for minutes or messages traversing over local exchange facilities.

**User or End User:** A Customer, joint User, or any other person authorized by a Customer to use Service provided under this Rate Schedule.

## **SECTION 2 – REGULATIONS**

### **UNDERTAKING OF THE COMPANY**

#### **Scope**

The Company undertakes to furnish telecommunications Service pursuant to the terms of this Rate Schedule in connection with one-way and/or Two-Way information transmission between points within the State of North Carolina.

The Company is responsible under this Rate Schedule only for the Services and facilities provided hereunder, and it assumes no responsibility for any service provided by any other entity that purchases access to the Company network in order to originate or terminate its own services, or to communicate with its own Customers.

#### **Shortage of Equipment or Facilities**

The Company reserves the right to limit or to allocate the use of existing facilities, or of additional facilities offered by the Company, when necessary because of lack of facilities, or due to some other cause beyond the Company's control.

The furnishing of Service under this Rate Schedule is subject to the availability on a continuing basis of all the necessary facilities and is limited to the capacity of the Company's facilities as well as facilities the Company may obtain from other carriers to furnish Service from time to time as required at the sole discretion of the Company.

#### **Terms and Conditions**

Service is provided on the basis of a minimum period of at least thirty (30) days. For the purpose of computing charges in this Rate Schedule, a month is considered to have 30 days.

Except as otherwise stated in this Rate Schedule, Customers may be required to enter into written Service Orders which shall contain or reference a specific description of the Service ordered, the rates to be charged, the duration of the Services, and the terms and conditions in this Rate Schedule. Customers will also be required to execute any other documents as may be reasonably requested by the Company.

At the expiration of the initial term specified in each Service Order, or in any extension thereof, Service shall continue on a month-to-month basis at the then current rates unless terminated by either party upon notice. Any termination shall not relieve the Customer of its obligation to pay any charges incurred under the Service Order and this Rate Schedule prior to termination. The rights and obligations which by their nature extend beyond the termination of the term of the Service Order shall survive such termination.

## **SECTION 2 – REGULATIONS**

### **UNDERTAKING OF THE COMPANY, Continued**

#### **Terms and Conditions, Continued**

In any action between the parties to enforce any provision of this Rate Schedule, the prevailing party shall be entitled to recover its legal fees and court costs from the non-prevailing party in addition to other relief a court may award.

Service may be terminated pursuant to the provisions of applicable Commission regulations.

This Rate Schedule shall be interpreted and governed by the laws of the State of California regardless of its choice of laws provision.

Any other Telephone Company may not interfere with the right of any person or entity to obtain Service directly from the Company. No person or entity shall be required to make any payment, incur any penalty, monetary or otherwise, or purchase any services in order to have the right to obtain Service directly from the Company.

To the extent that either the Company or any other Telephone Company exercises control over available cable pairs, conduit, duct space, raceways, or other facilities needed by the other to reach a person or entity, the party exercising such control shall make them available to the other on terms equivalent to those under which the Company makes similar facilities under its control available to its Customers. At the reasonable request of either party, the Company and the other Telephone Company shall join the attempt to obtain from the owner of the property access for the other party to serve a person or entity.



## SECTION 2 – REGULATIONS

### UNDERTAKING OF THE COMPANY, Continued

#### Limitations on Liability

Except as otherwise stated in this section, the liability of the Company for damages arising out of either: (1) the furnishing of its Services, including but not limited to mistakes, omissions, Interruptions, delays, or errors, or other defects, representations, or use of these Services or (2) the failure to furnish its Service, whether caused by acts or omission, shall be determined in accordance with Commission rules and applicable law. Liability will be limited to the extension of allowances to the Customer for Interruptions in Service.

Except for the extension of allowances to the Customer for Interruptions in Service, the Company shall not be liable to a Customer or third party for any direct, indirect, special, incidental, reliance, consequential, exemplary or punitive damages, including, but not limited to, loss of revenue or profits, for any reason whatsoever, including, but not limited to, any act or omission, failure to perform, delay, Interruption, failure to provide any Service or any failure in or breakdown of facilities associated with the Service.

The liability of the Company for errors in billing that result in overpayment by the Customer shall be limited to a credit equal to the dollar amount erroneously billed or, in the event that payment has been made and Service has been discontinued, to a refund of the amount erroneously billed.

## SECTION 2 – REGULATIONS

### UNDERTAKING OF THE COMPANY, Continued

#### Limitations on Liability, Continued

The Company shall be indemnified and saved harmless by the Customer from and against all loss, liability, damage and expense, including reasonable counsel fees, due to:

1. Any act or omission of: (a) the Customer, (b) any other entity furnishing service, equipment or facilities for use in conjunction with services or facilities provided by the Company; or (c) Common Carriers or warehousemen, except as contracted by the Company;
2. Any delay or failure of performance or equipment due to causes beyond the Company's control, including but not limited to, acts of God, fires, floods, earthquakes, hurricanes, or other catastrophes; national emergencies, insurrections, riots, wars or other civil commotions; strikes, lockouts, work stoppages or other labor difficulties; criminal actions taken against the Company; unavailability, failure or malfunction of equipment or facilities provided by the Customer or third parties; and any law, order, regulation or other action of any governing authority or agency thereof;
3. Any unlawful or unauthorized use of the Company's facilities and Services;
4. Libel, slander, invasion of privacy or infringement of patents, trade secrets, or copyrights arising from or in connection with the material transmitted by means of Company-provided facilities or Services; or by means of the combination of Company-provided facilities or Services;
5. Breach in the privacy or security of communications transmitted over the Company's facilities;

## SECTION 2 – REGULATIONS

### UNDERTAKING OF THE COMPANY, Continued

#### Limitations on Liability, Continued

6. Changes in any of the facilities, operations or procedures of the Company that render any equipment, facilities or services provided by the Customer obsolete, or require modification or alteration of such equipment, facilities or services, or otherwise affect their use or performance, except where reasonable notice is required by the Company and is not provided to the Customer, in which event the Company's liability is limited as set forth in paragraph A of this Section 2.1.4.
7. Defacement of or damage to Customer Premises resulting from the furnishing of Services or equipment on such Premises or the installation or removal thereof;
8. Injury to property or injury or death to persons, including claims for payments made under Workers' Compensation law or under any plan for employee disability or death benefits, arising out of, or caused by, any act or omission of the Customer, or the construction, installation, maintenance, presence, use or removal of the Customer's facilities or equipment connected, or to be connected to the Company's facilities;
9. Any non-completion of calls due to network busy conditions;
10. Any calls not actually attempted to be completed during any period that Service is unavailable;
11. And any other claim resulting from any act or omission of the Customer or patron(s) of the Customer relating to the use of the Company's Services or facilities.

## SECTION 2 – REGULATIONS

### UNDERTAKING OF THE COMPANY, Continued

#### Limitations on Liability, Continued

The Company does not guarantee nor make any warranty with respect to installations provided by it for use in an explosive atmosphere.

The Company makes no warranties or representations, EXPRESS OR IMPLIED, either in fact or by operation of law, statutory or otherwise, including warranties of merchantability or fitness for a particular use, except those expressly set forth herein.

Failure by the Company to assert its rights pursuant to one provision of this Rate Schedule does not preclude the Company from asserting its rights under other provisions.

Directory Errors - In the absence of gross negligence or willful misconduct, no liability for damages arising from errors or mistakes in or omissions of directory listings, or errors or mistakes in or omissions of listing obtainable from the directory assistance operator, including errors in the reporting thereof, shall attach to the Company. An allowance for errors or mistakes in or omissions of published directory listings or for errors or mistakes in or omissions of listing obtainable from the directory assistance operator shall be at the monthly Rate Schedule rate for each listing, or in the case of a free or no-charge directory listing, credit shall equal two times the monthly Rate Schedule rate for an additional listing, for the life of the directory or the charge period during which the error, mistake or omission occurs.

## SECTION 2 – REGULATIONS

### UNDERTAKING OF THE COMPANY, Continued

#### Limitations on Liability, Continued

With respect to Emergency Number 911 Service:

1. This Service is offered solely as an aid in handling assistance calls in connection with fire, police and other emergencies. The Company is not responsible for any losses, claims, demands, suits or any liability whatsoever, whether suffered, made instituted or asserted by the Customer or by any other party or person for any personal injury or death of any person or persons, and for any loss, damage or destruction of any property, whether owned by the Customer or others, caused or claimed to have been caused by: (1) mistakes, omissions, Interruptions, delays, errors or other defects in the provision of Service, or (2) installation, operation, failure to operate, maintenance, removal, presence, condition, local or use of any equipment and facilities furnishing this Service.
2. Neither is the Company responsible for any infringement, nor invasion of the right of privacy of any person or persons, caused or claimed to have been caused directly or indirectly, by the installation, operation, failure to operate, maintenance, removal, presence, condition, occasion or use of emergency 911 Service features and the equipment associated therewith, or by any Services furnished by the Company, including, but not limited to the identification of the telephone number, address or name associated with the telephone used by the party or parties accessing emergency 911 Service, and which arise out of the negligence or other wrongful act of the Company, the Customer, its Users, agencies or municipalities, or the employees or agents of any one of them.
3. When a Customer with a non-published telephone number, as defined herein, places a call to the emergency 911 Service, the Company will release the name and address of the calling party, where such information can be determined, to the appropriate local governmental authority responsible for emergency 911 Service upon request of such governmental authority. By subscribing to Service under this Rate Schedule, the Customer acknowledges and agrees with the release of information as described above.

## SECTION 2 – REGULATIONS

### 2.1. UNDERTAKING OF THE COMPANY, Continued

#### **Notification of Service-Affecting Activities**

The Company will provide the Customer reasonable notification of Service-affecting activities that may occur in normal operation of its business. Such activities may include, but are not limited to, equipment or facilities additions, removals or rearrangements and routine preventative maintenance. Generally, such activities are not specific to an individual Customer but affect many Customers' Services. No specific advance notification period is applicable to all Service activities. The Company will work cooperatively with the Customer to determine the reasonable notification requirements. With some emergency or unplanned Service-affecting conditions, such as an outage resulting from cable damage, notification to the Customer may not be possible.

#### **Provision of Equipment and Facilities**

The Company shall use reasonable efforts to make available Services to a Customer on or before a particular date, subject to the provisions of and compliance by the Customer with, the regulations contained in this Rate Schedule. The Company does not guarantee availability by any such date and shall not be liable for any delays in commencing Service to any Customer.

The Company shall use reasonable efforts to maintain only the facilities and equipment that it furnishes to the Customer. The Customer may not, nor may the Customer permit others to, rearrange, disconnect, remove, attempt to repair, or otherwise interfere with any of the facilities or equipment installed by the Company, except upon the written consent of the Company.

The Company may substitute, change or rearrange any equipment or facility at any time and from time to time, but shall not thereby alter the technical parameters of the Service provided the Customer.

Equipment the Company provides or installs at the Customer Premises for use in connection with the Services the Company offers shall not be used for any purpose other than that for which it was provided.

The Customer shall be responsible for the payment of Service charges as set forth herein for visits by the Company's agents or employees to the Premises of the Customer when the Service difficulty or trouble report results from the use of equipment or facilities provided by any party other than the Company, including but not limited to the Customer.

## **SECTION 2 – REGULATIONS**

### **UNDERTAKING OF THE COMPANY, Continued**

#### **Provision of Equipment and Facilities, Continued**

The Company shall not be responsible for the installation, operation, or maintenance of any Customer-provided communications equipment. Where such equipment is connected to the facilities furnished pursuant to this Rate Schedule, the responsibility of the Company shall be limited to the furnishing of facilities offered under this Rate Schedule and to the maintenance and operation of such facilities. Subject to this responsibility, the Company shall not be responsible for:

1. the transmission of signals by Customer-provided equipment or for the quality of, or defects in, such transmission; or
2. the reception of signals by Customer-provided equipment.

#### **Non-routine Installation**

At the Customer's request, installation service may be performed outside the Company's regular business hours. In that case, charges based on cost of the actual labor, material, or other costs incurred by or charged to the Company will apply. If installation is started during regular business hours but, at the Customer's request, extends beyond regular business hours into time periods including, but not limited to, weekends, Holidays, and/or night hours, additional charges may apply.

## SECTION 2 – REGULATIONS

### UNDERTAKING OF THE COMPANY, Continued

#### Special Construction

Subject to the agreement of the Company and to all of the regulations contained in this Rate Schedule, special construction of facilities may be undertaken on a reasonable efforts basis at the request of the Customer. Special construction is that construction undertaken:

- A. where facilities are not presently available, and there is no other requirement for the facilities so constructed;
- B. of a type other than that which the Company would normally utilize in the furnishing of its Services;
- C. over a route other than that which the Company would normally utilize in the furnishing of its Services;
- D. in a quantity greater than that which the Company would normally construct;
- E. on an expedited basis;
- F. on a temporary basis until permanent facilities are available;
- G. involving abnormal costs; or
- H. in advance of its normal construction.

#### Ownership of Facilities

Title to all facilities provided in accordance with this Rate Schedule remains in the Company, its partners, agents, contractors or suppliers.



## **SECTION 2 – REGULATIONS**

### **PROHIBITED USES**

The Services the Company offers shall not be used for any unlawful purpose or for any use as to which the Customer has not obtained all required governmental approvals, authorizations, licenses, consents and permits.

The Company may require Applicants for Service who intend to use the Company's offerings for resale and/or for shared use to file a letter with the Company confirming that their use of the Company's offerings complies with relevant laws and Commission regulations, policies, orders, and decisions.

The Company may block any signals being transmitted over its Network by Customers which cause interference to the Company or other Users. Customer shall be relieved of all obligations to make payments for charges relating to any blocked Service and shall indemnify the Company for any claim, judgment or liability resulting from such blockage.

A Customer, joint User, or Authorized User may not assign, or transfer in any manner, the Service or any rights associated with the Service without the written consent of the Company. The Company will permit a Customer to transfer its existing Service to another entity if the existing Customer has paid all charges owed to the Company for regulated communications Services. Such a transfer will be treated as a disconnection of existing Service and installation of new Service, and non-recurring installation charges as stated in this Rate Schedule will apply.

## SECTION 2 – REGULATIONS

### OBLIGATIONS OF THE CUSTOMER

#### General

The Customer is responsible for making proper application for Service; placing any necessary order, complying with Rate Schedule regulations; payment of charges for Services provided. Specific Customer responsibilities include, but are not limited to the following:

- the payment of all applicable charges pursuant to this Rate Schedule;
- damage to or loss of the Company's facilities or equipment caused by the acts or omissions of the Customer; or the noncompliance by the Customer, with these regulations; or by fire or theft or other casualty on the Customer Premises, unless caused by the negligence or willful misconduct of the employees or agents of the Company;
- providing at no charge, as specified from time to time by the Company, any needed personnel, equipment space and power to operate Company facilities and equipment installed on the Premises of the Customer, and the level of heating and air conditioning necessary to maintain the proper operating environment on such Premises;
- obtaining, maintaining, and otherwise having full responsibility for all rights-of-way and conduits necessary for installation of fiber optic cable and associated equipment used to provide Communication Services to the Customer from the cable building entrance or property line to the location of the equipment space described in Section 2.3.1.C. Any and all costs associated with obtaining and maintaining the rights-of-way described herein, including the costs of altering the structure to permit installation of the Company-provided facilities, shall be borne entirely by, or may be charged by the Company to, the Customer. The Company may require the Customer to demonstrate its compliance with this section prior to accepting an order for Service;

## SECTION 2 – REGULATIONS

### OBLIGATIONS OF THE CUSTOMER, Continued

#### General, Continued

- providing a safe place to work and complying with all laws and regulations regarding the working conditions on the Premises at which Company employees and agents shall be installing or maintaining the Company's facilities and equipment. The Customer will be required to install and maintain Company facilities and equipment within a hazardous area if, in the Company's opinion, injury or damage to the Company's employees or property might result from installation or maintenance by the Company. The Customer shall be responsible for identifying, monitoring, removing and disposing of any hazardous material (e.g. asbestos) prior to any construction or installation work;
- complying with all laws and regulations applicable to, and obtaining all consents, approvals, licenses and permits as may be required with respect to, the location of Company facilities and equipment in any Customer Premises or the rights-of-way for which Customer is responsible; and granting or obtaining permission for Company agents or employees to enter the Premises of the Customer at any time for the purpose of installing, inspecting, maintaining, repairing, or upon Termination Of Service as stated herein, removing the facilities or equipment of the Company;
- not creating, or allowing to be placed, any liens or other encumbrances on the Company's equipment or facilities;
- making Company facilities and equipment available periodically for maintenance purposes at a time agreeable to both the Company and the Customer. No allowance will be made for the period during which Service is interrupted for such purposes; and

## **SECTION 2 – REGULATIONS**

### **OBLIGATIONS OF THE CUSTOMER, Continued**

#### **Liability of the Customer**

The Customer will be liable for damages to the facilities of the Company and for all incidental and consequential damages caused by the negligent or intentional acts or omissions of the Customer, its officers, employees, agents, invites, or contractors where such acts or omissions are not the direct result of the Company's negligence or intentional misconduct.

To the extent caused by any negligent or intentional act of the Customer as described in Subsection A., preceding, the Customer shall indemnify, defend and hold harmless the Company from and against all claims, actions, damages, liabilities, costs and expenses, including reasonable attorneys' fees, for (1) any loss, destruction or damage to property of any third party, and (2) any liability incurred by the Company to any third party pursuant to this or any other rate page of the Company, or otherwise, for any Interruption of, interference to, or other defect in any Service provided by the Company to such third party.

The Customer shall not assert any claim against any other Customer or User of the Company's Services for damages resulting in whole or in part from or arising in connection with the furnishing of Service under this Rate Schedule including but not limited to mistakes, omissions, Interruptions, delays, errors or other defects or misrepresentations, whether or not such other Customer or User contributed in any way to the occurrence of the damages, unless such damages were caused solely by the negligent or intentional act or omission of the other Customer or User and not by any act or omission of the Company. Nothing in this Rate Schedule is intended either to limit or to expand Customer's right to assert any claims against third parties for damages of any nature other than those described in the preceding sentence.

#### **General**

A User may transmit or receive information or signals via the facilities of the Company. The Company's Services are designed primarily for the transmission of voice-grade telephonic signals, except as otherwise stated in this Rate Schedule. A User may transmit any form of signal that is compatible with the Company's equipment, but the Company does not guarantee that its Services will be suitable for purposes other than voice-grade telephonic communication except as specifically stated in this Rate Schedule.

## **SECTION 2 – REGULATIONS, Continued**

### **CUSTOMER EQUIPMENT AND CHANNELS**

#### **Station Equipment**

Terminal Equipment on the User's Premises and the electric power consumed by such equipment shall be provided by and maintained at the expense of the User. The User is responsible for the provision of wiring or cable to connect its Terminal Equipment to the Company Point of Connection.

The Customer is responsible for ensuring that Customer-provided equipment connected to Company equipment and facilities is compatible with such equipment and facilities. The magnitude and character of the voltages and currents impressed on Company-provided equipment and wiring by the connection, operation, or maintenance of such equipment and wiring shall be such as not to cause damage to the Company-provided equipment and wiring or injury to the Company's employees or to other persons. Any additional protective equipment required to prevent such damage or injury shall be provided by the Company at the Customer's expense, subject to prior Customer approval of the equipment expense.

#### **Interconnection of Facilities**

Any special interface equipment necessary to achieve compatibility between the facilities and equipment of the Company used for furnishing Communication Services and the Channels, facilities, or equipment of others shall be provided at the Customer's expense.

Communication Services may be connected to the services or facilities of other communications carriers only when authorized by, and in accordance with, the terms and conditions of the Tariffs of the other communications carriers that are applicable to such connections.

Facilities furnished under this Rate Schedule may be connected to Customer-provided Terminal Equipment in accordance with the provisions of this Rate Schedule. All such Terminal Equipment shall be registered with the Federal Communications Commission pursuant to Part 68 of Title 47, Code of Federal Regulations; and all User-provided wiring shall be installed and maintained in compliance with those regulations.

Users may interconnect communications facilities that are used in whole or in part for interstate communications to Services provided under this Rate Schedule only to the extent that the User is an "End User", as defined in Section 69.2(m), Title 47, Code of Federal Regulations, 47 C.F.R. §69.2(m).

## SECTION 2 – REGULATIONS

### CUSTOMER EQUIPMENT AND CHANNELS, Continued

#### **Inspections**

Upon suitable notification to the Customer, and at a reasonable time, the Company may make such tests and inspections as may be necessary to determine that the Customer is complying with the requirements for the installation, operation, and maintenance of Customer-provided facilities, equipment, and wiring in the connection of Customer-provided facilities and equipment to Company-owned facilities and equipment.

If the protective requirements for Customer-provided equipment are not being complied with, the Company may take such action as it deems necessary to protect its facilities, equipment, and personnel. The Company will notify the Customer promptly if there is any need for further corrective action. Within ten days of receiving this notice, the Customer must take this corrective action and notify the Company of the action taken. If the Customer fails to do this, the Company may take whatever additional action is deemed necessary, including the suspension of Service, to protect its facilities, equipment and personnel from harm.

#### **Payment for Service**

The Customer is responsible for the payment of all charges for facilities and Services furnished by the Company to the Customer and to all Authorized Users by the Customer, regardless of whether those Services are used by the Customer itself or are resold to or shared with other persons.

The Customer is responsible for payment of any sales, use, gross receipts, excise, access or other local, state, federal and 911 taxes, charges or surcharges (however designated) (excluding taxes on Company's net income) imposed on or based upon the provision, sale or use of Network Services.

The security of the Customer's PIN is the responsibility of the Customer. All calls placed using a PIN shall be billed to and shall be the obligation of the Customer. The Customer shall not be responsible for charges in connection with the unauthorized use of PINs arising after the Customer notifies the Company of the loss, theft, or other breach of security of such PINs.

Customers will only be charged once, on either an interstate or intrastate basis, for any nonrecurring or usage based charges.

## SECTION 2 – REGULATIONS

### **Billing and Collection of Charges**

The Customer is responsible for payment of all charges incurred by the Customer or other Authorized Users for Services and facilities furnished to the Customer by the Company.

Nonrecurring charges are due and payable within twenty-two (22) days of the bill date, unless otherwise agreed to in advance.

The Company shall present invoices for recurring charges monthly to the Customer, in advance of the month in which Service is provided, and Recurring Charges shall be due and payable within twenty-two (22) days of the bill date. When billing is based on Customer usage, charges will be billed monthly for the preceding billing periods.

When Service does not begin on the first day of the month, or end on the last day of the month, the charge for the fraction of the month in which Service was furnished will be calculated on a pro rata basis. For this purpose, every month is considered to have thirty (30) days.

Billing of the Customer by the Company will begin on the Service Commencement Date, which is the first day on which the Service or facility becomes available for use. The Service Commencement Date may be postponed by mutual agreement of the parties, or if the Service or facility does not conform to standards set forth in this Rate Schedule or the Service Order. Billing accrues through and includes the day that the Service, Circuit, arrangement or component is discontinued.

If any portion of the payment is not received by the Company, or if any portion of the payment is received by the Company in funds that are not immediately available, within twenty-two (22) days of the bill date, then a late payment penalty shall be due the Company. The late payment penalty shall be that portion of the payment not received by the date due multiplied by 1.5%.

The Customer will be assessed a charge of fifteen dollars (\$15.00) for each check submitted by the Customer to the Company that a financial institution refuses to honor.

If Service is disconnected by the Company in accordance with Section 2.5.6 following, then the Company may reconnect service upon the Customer's payment of the past due balance and all applicable installation charges.

## **SECTION 2 – REGULATIONS**

### **PAYMENT ARRANGEMENTS, Continued**

#### **Disputed Bills**

Customer inquiries or complaints regarding Service or accounting may be made in writing or by telephone to the Company at:

Telplex Communications  
16830 Ventura Blvd., Ste 350  
Encino, CA 91436  
Telephone: 888.479.2770

Any objection to billed charges should be reported promptly to the Company. If after investigation and review by the Company, a disagreement remains as to the disputed amount, the Customer may file an appropriate complaint with the North Carolina Utilities Commission.

#### **Advance Payments**

The Company may require the Customer to make an Advance Payment before Services and facilities are furnished to safeguard its interests. The amount of the Advance Payment will be determined on a case-by-case basis and will conform to the applicable Commission regulations.



## SECTION 2 – REGULATIONS

### PAYMENT ARRANGEMENTS, Continued

#### DEPOSITS

Company may require a deposit from an applicant for new Service. A deposit may be waived if, according to Company's assessment, the applicant is a satisfactory credit risk.

Company may require a deposit from an existing Customer as a condition to the further provision of Service if, according to Company's assessment, the Customer has become a credit risk.

Company will calculate the maximum deposit required from an applicant for Service or an existing customer by estimating the expected charges for Service for a two (2) month period. Company may adjust the amount of deposit to be held in order to maintain a two (2) month estimated amount when, according to Company's assessment, such adjustment is deemed necessary to adequately secure the account.

Customer's may satisfy deposit requirements as follows:

- In cash,
- By an acceptable bank letter of credit,
- Through an acceptable third-party guarantee (Residential Service Customers only),
- Other forms of security acceptable to Company.

Deposits will be refunded to Business Service Customers at the sole discretion of Company.

When Service has been terminated or disconnected, Company will deduct any and all unpaid amounts from the deposit, and the difference will be refunded, if applicable.

Interest rates applied to Customer deposits held by Company are prescribed by the Commission.

## SECTION 2 – REGULATIONS

### PAYMENT ARRANGEMENTS, Continued

#### Refusal or Cancellation of Service by Company

##### Refusal of Service

- The Company may refuse to establish Service if any of the following conditions exist:
- The Applicant has an outstanding amount due for similar Services and is unwilling to make acceptable arrangements with the Company for payment; or
- A condition exists which in the Company's judgment is unsafe or hazardous to the Applicant, the general population, or the Company's personnel or facilities; or
- The Applicant is known to be in violation of the Company's Rate Schedules filed with the Commission; or
- The Applicant has failed to furnish such funds, suitable facilities, and/or rights-of-way necessary to serve the Applicant and which have been specified by the Company as a condition for providing Service;
- Applicant falsifies his or her identity for the purpose of obtaining Service; or
- Service is requested at an address where Service has been discontinued for non-payment of bills for any service subject to this Rate Schedule and it is determined that the non-payment Customer or real users of the previously discontinued Service still reside at the address; or
- The Service requested is not available for reasons cited elsewhere in this Rate Schedule.

## SECTION 2 – REGULATIONS

### PAYMENT ARRANGEMENTS, Continued

#### Refusal or Cancellation of Service by Company, Continued

##### Discontinuance or Termination of Service

Company reserves the right to immediately discontinue furnishing the service to Customers without incurring liability, in accordance with , in accordance with PSC §165.052, Disconnection and refusal of service.

- Service may be terminated by the Company for the following reasons:
- nonpayment of billed and delinquent charges, deposits, deferred payments owed to the telecommunications corporation;
- abusive use of the telephone services in a manner that interferes with the service of another person;
- intentionally using the service in a manner that causes wrongful billing charges to another person;
- intentionally using the service to transmit messages or to locate a person to give or obtain information, without payment of appropriate message charges;
- using the service with fraudulent intent by impersonating someone else;
- using the service for unlawful purposes;
- tampering with or destroying company lines, equipment or other properties;
- subterfuge or deliberately furnishing false information when applying for and obtaining telephone services;
- abandonment of the service.
- without notice when, in the Company's judgment, 1) a clear emergency or serious health or safety hazard exists, or 2) when there is unauthorized use of or diversion of a telecommunications corporation service or tampering with lines, or other property owned by the telecommunications corporation. The Company will notify the account holder of the reason for the termination of service.

## SECTION 2 – REGULATIONS

### PAYMENT ARRANGEMENTS, Continued

#### Refusal or Cancellation of Service by Company, Continued

Service may not be terminated for failure to pay any amount in a bona fide dispute before the Commission.

#### Termination of Service

#### Notice of Proposed Termination

The Company will notify the Customer, in writing, of its intention to discontinue service no less than seven (7) days from the mailing date to respond to the Notice of Termination.

Notices of proposed discontinuance of service will include the following:

- the reasons for and date of scheduled discontinuance of service;
- actions which the account holder may take to avoid discontinuance of service; and
- a statement of the Customer's rights and responsibilities under existing state law and Commission rules.

The Company will terminate the Customers service upon expiration of the notice of proposed termination.

## **SECTION 2 – REGULATIONS**

### **PAYMENT ARRANGEMENTS, Continued**

#### **Refusal or Cancellation of Service by Company, Continued**

##### Effort to Contact the Customer:

On the business day prior to actual discontinuance of Service, a Company representative will make a reasonable effort to contact the affected Customer, either in person or by telephone, to apprise the Customer of the proposed action and steps to take to avoid or delay discontinuance. This oral notice shall include the same information required for written notice. The Company will maintain clear, written records of these oral notices, showing dates and names of employees giving the notices.

The Company will make reasonable efforts to personally contact a third party designated by the residential account holder before termination occurs, if the third party resides within its service area. The telecommunications corporation shall inform its account holders of the third party notification procedure in its statement of Customer rights and responsibilities.

## **SECTION 2 – REGULATIONS**

### **PAYMENT ARRANGEMENTS, Continued**

#### **Cancellation of Application for Service**

Applications for Service cannot be canceled without the Company's agreement. Where the Company permits a Customer to cancel an application for Service prior to the start of Service or prior to any special construction, no charges will be imposed except for those specified below.

Where, prior to cancellation by the Customer, the Company incurs any expenses in installing the Service or in preparing to install the Service that it otherwise would not have incurred, a charge equal to the costs incurred by the Company, less net salvage, shall apply, but in no case shall this charge exceed the sum of the charge for the minimum period of Services ordered, including installation charges, and all charges others levy against the Company that would have been chargeable to the Customer had Service commenced (all discounted to present value at six percent).

Where the Company incurs any expense in connection with special construction, or where special arrangements of facilities or equipment have begun, before the Company receives a cancellation notice, a charge equal to the costs incurred by the Company, less net salvage, applies. In such cases, the charge will be based on such elements as the cost of the equipment, facilities, and material, the cost of installation, engineering, labor, and supervision, general and administrative expense, other disbursements, depreciation, maintenance, taxes, provision for return on investment, and any other costs associated with the special construction or arrangements.

The special charges described herein will be calculated and applied on a case-by-case basis.

#### **Changes in Service Requested**

If the Customer makes or requests material changes in Circuit engineering, equipment specifications, Service parameters, Premises locations, or otherwise materially modifies any provision of the application for Service, the Customer's installation fee shall be adjusted accordingly.

## SECTION 2 – REGULATIONS

### SERVICE ORDER TERMINATION

If a Customer cancels a Service Order or terminates Services before the completion of the term for any reason whatsoever other than a Service Interruption (as set forth below), the Customer agrees to pay to the Company termination liability charges, as defined below. These charges shall become due as of the effective date of the cancellation or termination and be payable within the period, set forth in above.

#### Termination Liability

The Customer's termination liability for cancellation of Service shall be equal to:

- all unpaid Non-Recurring charges reasonably expended by the Company to establish Service to the Customer; plus
- any disconnection, early cancellation or termination charges reasonably incurred and paid to third parties by the Company on behalf of the Customer; plus
- all Recurring Charges specified in the applicable Service Order Rate Schedule for the balance of the then current term discounted at the prime rate announced in the *Wall Street Journal* on the third business day following the date of cancellation;
- minus a reasonable allowance for costs avoided by the Company as a direct result of the Customer's cancellation.

## SECTION 2 – REGULATIONS, Continued

### ALLOWANCES FOR INTERRUPTIONS IN SERVICE

Interruptions in Service that are not due to the negligence of, or noncompliance with the provisions of this Rate Schedule by, the Customer or the operation or malfunction of the facilities, power or equipment provided by the Customer, will be credited to the for the part of the Service that the Interruption affects.

#### **General**

A credit allowance will be given when Service is interrupted, except as specified below. A Service is interrupted when it becomes inoperative to the Customer, e.g., the Customer is unable to transmit or receive, because of a failure of a component furnished by the Company under this Rate Schedule.

An Interruption period begins when the Customer reports a Service, facility or Circuit to be inoperative and, if necessary, releases it for testing and repair. An Interruption period ends when the Service, facility or Circuit is operative.

If the Customer reports a Service, facility or Circuit to be interrupted but declines to release it for testing and repair, or refuses access to its Premises for test and repair by the Company, the Service, facility or Circuit is considered to be impaired but not interrupted. No credit allowances will be made for a Service, facility or Circuit considered by the Company to be impaired.

The Customer shall be responsible for the payment of Service charges as set forth herein for visits by the Company's agents or employees to the Premises of the Customer when the Service difficulty or trouble report results from the use of equipment or facilities provided by any party other than the Company, including but not limited to the Customer.



## SECTION 2 – REGULATIONS

### ALLOWANCES FOR INTERRUPTIONS IN SERVICE, Continued

#### Limitations of Allowances

No credit allowance will be made for any interruption in Service:

- Due to the negligence of or noncompliance with the provisions of this Rate Schedule by any person or entity other than the Company, including but not limited to the Customer;
- Due to the failure of power, equipment, systems, connections or services not provided by the Company;
- Due to circumstances or causes beyond the reasonable control of the Company;
- During any period in which the Company is not given full and free access to its facilities and equipment for the purposes of investigating and correcting interruptions;
- A Service will not be deemed to be interrupted if a Customer continues to voluntarily make use of such Service. If the Service is interrupted, the Customer can get a Service credit, use another means of communications provided by the Company (pursuant to Section 2.6.3), or utilize another service provider;
- During any period when the Customer has released Service to the Company for maintenance purposes or for implementation of a Customer order for a change in Service arrangements;
- That occurs or continues due to the Customer's failure to authorize replacement of any element of special construction; and
- That was not reported to the Company within thirty (30) days of the date that Service was affected.

## **SECTION 2 – REGULATIONS, Continued**

### **ALLOWANCES FOR INTERRUPTIONS IN SERVICE, Continued**

#### **Use of Another Means of Communications**

If the Customer elects to use another means of communications during the period of Interruption, the Customer must pay the charges for the alternative service used.

#### **Application of Credits for Interruptions in Service**

Credits for Interruptions in Service that is provided and billed on a flat rate basis for a minimum period of at least one month, beginning on the date that billing becomes effective, shall in no event exceed an amount equivalent to the proportionate charge to the Customer for the period of Service during which the event that gave rise to the claim for a credit occurred. A credit allowance is applied on a pro rata basis against the rates specified hereunder and is dependent upon the length of the Interruption. Only those facilities on the interrupted portion of the Circuit will receive a credit.

For calculating credit allowances, every month is considered to have thirty (30) days.

No credit allowance will be given for Interruptions of less than 24 hours. A one day credit allowance will be provided for each 24 hour period of Interruption.

#### **USE OF CUSTOMER'S SERVICE BY OTHERS**

Joint use arrangements will be permitted for all Services provided under this Rate Schedule. From each joint use arrangement, one member will be designated as the Customer responsible for the manner in which the joint use of the Service will be allocated. The Company will accept orders to start, rearrange, relocate, or discontinue Service only from the designated Customer. Without affecting the Customer's ultimate responsibility for payment of all charges for the Service, each joint User shall be responsible for the payment of the charges billed to it.

## **SECTION 2 – REGULATIONS, Continued**

### **TRANSFERS AND ASSIGNMENTS**

Neither the Company nor the Customer may assign or transfer its rights or duties in connection with the Services and facilities provided by the Company without the written consent of the other party, except that the Company may assign its rights and duties:

- to any subsidiary, parent company or affiliate of the Company; or
- pursuant to any sale or transfer of substantially all the assets of the Company; or
- pursuant to any financing, merger or reorganization of the Company.

### **CUSTOMER LIABILITY FOR UNAUTHORIZED USE OF THE NETWORK**

Unauthorized use of the network occurs when a person or entity that does not have actual, apparent, or implied authority to use the network, obtains the Company's Services provided under this Rate Schedule.

#### **Customer Liability for Fraud and Unauthorized Use of the Network**

The Customer is liable for the unauthorized use of the network obtained through the fraudulent use of a Company calling card, if such a card is offered by the Company, or an accepted credit card, provided that the unauthorized use occurs before the Company has been notified.

A company calling card is a telephone calling card issued by the Company at the Customer's request, which enables the Customer or User(s) authorized by the Customer to place calls over the Network and to have the charges for such calls billed to the Customer's account.

An accepted credit card is any credit card that a cardholder has requested or applied for and received, or has signed, used, or authorized another person to use to obtain credit. Any credit card issued as a renewal or substitute in accordance with this paragraph is an accepted credit card when received by the cardholder.

The Customer must give the Company written or oral notice that an unauthorized use of a Company calling card or an accepted credit card has occurred or may occur as a result of loss, and/or theft.

The Customer is responsible for payment of all charges for calling card Services furnished to the Customer or to Users authorized by the Customer to use Service provided under this Rate Schedule, unless due to the negligence of the Company. This responsibility is not changed due to any use, misuse, or abuse of the Customer's service or Customer-provided equipment by third parties, the Customer's employees, or the public.

The liability of the Customer for unauthorized use of the Network by credit card fraud will not exceed the lesser of fifty dollars (\$50.00) or the amount of money, property, labor, or Services obtained by the unauthorized User before notification to the Company.

## **SECTION 2 – REGULATIONS**

### **NOTICES AND COMMUNICATIONS**

The Customer shall designate on the Service Order an address to which the Company shall mail or deliver all notices and other communications, except that the Customer may also designate a separate address to which the Company's bills for Service shall be mailed.

The Company shall designate on the Service Order an address to which the Customer shall mail or deliver all notices and other communications, except that Company may designate a separate address on each bill for Service to which the Customer shall mail payment on that bill.

Except as otherwise stated in this Rate Schedule, all notices or other communications required to be given pursuant to this Rate Schedule will be in writing. Notices and other communications of either party, and all bills mailed by the Company, shall be presumed to have been delivered to the other party on the third business day following placement of the notice, communication or bill with the U.S. Mail or a private delivery service, prepaid and properly addressed, or when actually received or refused by the addressee, whichever occurs first.

The Company or the Customer shall advise the other party of any changes to the addresses designated for notices, other communications or billing, by following the procedures for giving notice set forth herein.

### **TAXES, FEES AND SURCHARGES**

The Company reserves the right to bill any and all applicable taxes, fees and surcharges in addition to normal rates and charges for Services provided to the Customer. Taxes and fees include, but are not limited to: Federal Excise Tax, State Sales Tax, Municipal Tax, and Gross Receipts Tax. Unless otherwise specified in this Rate Schedule, such taxes, fees and surcharges are in addition to rates as quoted in this Rate Schedule and will be itemized separately on Customer invoices.

### **MISCELLANEOUS PROVISIONS**

#### **Telephone Number Changes**

Whenever any Customer's telephone number is changed after a directory is published, the Company shall, upon Customer's request, intercept all calls to the former number for the time requested by the Customer and give the calling party the new number, provided existing Central Office equipment will permit and the Customer so desires.

When Service in an existing location is continued for a new Customer, the existing telephone number may be retained by the new Customer only if the former Customer consents in writing, and if all charges against the account are paid or assumed by the new Customer.

## **SECTION 3 – DESCRIPTION OF LOCAL SERVICES AND RATES**

### **APPLICATION OF RATES**

#### **Types of Charges**

##### Non-Recurring Fees

##### Installation, Service Changes, Maintenance and Other Charges

##### Line Installation Fee

The installation fee is a nonrecurring charge that applies to the installation of a new line or transfer of an existing Service to a different location.

##### Feature Installation Fee

The addition of a vertical Service to existing equipment and/or Service at one location. Charge is per each new feature.

##### Temporary Disconnections & Reactivation Charge

This charge applies to the restoration of service and facilities that have been suspended because of nonpayment of bills and is payable at the time that the restoration of the suspended service and facilities is arranged. The restoration charge does not apply when, after permanent discontinuance of service, service is later reconnected. In the event of permanent discontinuance of service, other charges apply as set forth elsewhere in this Rate Schedule.

## **SECTION 3 – DESCRIPTION OF LOCAL SERVICES AND RATES**

### **APPLICATION OF RATES, Continued**

#### **Types of Charges, Continued**

##### Payment (Accounting) Fees

Check by Fax

Late Fee

Return Check Fee

##### Taxes

##### Customer Liability for Taxes and Fees

Telephone usage is subject to all federal, state, local taxes, surcharges and mandated regulatory fees including but not limited to universal service fund, universal service fund carrier cost recovery fee and Access Line fees.

##### Local Service Surcharges

The following surcharges are only charged if the Customer subscribes to local Service.

Regulatory Fees

Local Number Portability

Federal Access Line Charge

## **SECTION 3 – DESCRIPTION OF LOCAL SERVICES AND RATES**

### **APPLICATION OF RATES, Continued**

#### **Call Timing for Usage Sensitive Services**

Where charges for a Service are specified based on the duration of use, such as the duration of a telephone call, the following rules apply:

Calls are measured in durational increments identified for each Service. All calls which are fractions of a measurement increment are rounded-up to the next whole unit.

Timing on completed calls begins when the call is answered by the called party. Answering is determined by hardware answer supervision in all cases where this signaling is provided by the terminating local carrier and any intermediate carrier(s).

Timing terminates on all calls when the calling party hangs up or the Company's network receives an off-hook signal from the terminating carrier.

#### **EXCHANGE SERVICE AREAS**

The Company provides Service within the service exchanges of AT&T, Inc. ("AT&T"). The Company concurs in, and hereby incorporates by this reference all current and effective service territory and local exchange boundary descriptions filed with the Commission by AT&T.

Unless otherwise specified in this Rate Schedule, local exchange boundaries and rate centers are the same as those contained AT&T. Local Exchange Rate Schedules currently on file with the Commission.

Company's description of service area in no way compels Company to provide any Service in an area where facilities or other extenuating factors limit Company's ability to provide Service.

## **SECTION 3 – DESCRIPTION OF LOCAL SERVICES AND RATES**

### **BASIC LOCAL SERVICE**

#### **Local Exchange Access Lines and Trunks**

##### General

Local Exchange Access Lines and Trunks provide a Customer with analog, voice-grade telephonic communications Channels which can be used to place or receive one call at a time. Local Exchange Access Lines and Trunks provide a Customer with the ability to connect to the Company switching network which enables the Customer to:

- place or receive calls to any calling station in the Local Calling Area;
- access 911 and/or Enhanced 911 Emergency Service;
- access the Interexchange Carrier selected by the Customer for interLATA, intraLATA, interstate or international calling;
- access operator assisted Services for the Local Calling Area;
- access directory assistance for the Local Calling Area;
- place or receive calls to toll-free (e.g., 800, 8XX) telephone numbers;
- access Telephone Relay Services; and
- entitle the Customer to a directory listing of the main telephone number.



## **SECTION 3 – DESCRIPTION OF LOCAL SERVICES AND RATES**

### **BASIC LOCAL SERVICE, Continued**

#### **Local Exchange Access Lines and Trunks, Continued**

For incoming Service, an optional hunting feature is available for multiline or multitrunk Customers which routes a call to an idle line or Trunk in a prearranged group when the called line or Trunk is busy. Where facilities permit, more than one type of optional hunting arrangement may be provided.

Local Exchange Access Lines and Trunks are provided for the connection of Customer-provided wiring and FCC Part 68 approved devices.

Local Exchange Access Lines and Trunks are provided on a single party (individual) basis only. No multi-party Service is offered.

Service is available on a flat rate, message or measured rate basis depending on the type of Service selected by the Customer. Not all Service types (flat, message, measured) will be available in all areas.

RECURRING CHARGES FOR LOCAL EXCHANGE SERVICE ARE BILLED MONTHLY IN ADVANCE. USAGE CHARGES, IF APPLICABLE ARE BILLED IN ARREARS. USAGE CHARGES MAY APPLY FOR CALLS OR MINUTES PLACED FROM THE CUSTOMER'S LINES OR TRUNKS. NO USAGE CHARGES WILL APPLY TO CALLS RECEIVED BY THE CUSTOMER. NON-RECURRING CHARGES FOR INSTALLATION OR REARRANGEMENT OF SERVICE ARE BILLED ON THE NEXT BILL IMMEDIATELY FOLLOWING WORK PERFORMED BY THE COMPANY.

### SECTION 3 – DESCRIPTION OF LOCAL SERVICES AND RATES

#### SERVICES

##### Service Area Bundled Service

###### Plan 1

Service Charge (includes unlimited calling within Subscriber's Local Calling Area, and the first 100 minutes of non-Travel Card combined outbound intraLATA, intrastate interLATA, and interstate interLATA toll calling per account (not per line) -- unused toll allowance is not carried forward from one month to the next<sup>2,3</sup> \$36.00

###### Rates for Outbound Toll Usage in Excess of Monthly Allowance<sup>2,3</sup>

IntraLATA	\$0.079
InterLATA	\$0.079

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<sup>1</sup> This Plan is available only to customers subscribing to two or more lines under this plan.

<sup>2</sup> Allowance and rates apply to calls between points in contiguous 48 states. For calls to or from international points or other points outside of contiguous 48 states, the Company's generally-applicable rates for such calling apply.

<sup>3</sup> Outbound Toll Usage (intraLATA, intrastate interLATA, and interstate interLATA) is accounted for on a per call basis in one minute increments, with any portion of a usage during a call amounting to less than a minute being rounded up to the next full minute.

### SECTION 3 – DESCRIPTION OF LOCAL SERVICES AND RATES

#### SERVICES, Continued

#### Service Area Bundled Service, Continued

##### Plan 2

Service Charge (includes unlimited calling within Subscriber's Local Calling Area, two Business Custom Calling Features, and the first 100 minutes of non-Travel Card combined outbound intraLATA, intrastate interLATA, and interstate interLATA toll calling -- unused toll allowance is not carried forward from one month to the next<sup>1,2</sup> \$43.00

#### Rates for Outbound Toll Usage in Excess of Monthly Allowance<sup>2 3</sup>

IntraLATA	\$0.079
InterLATA	\$0.079

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<sup>1</sup> Allowance and rates apply to calls between points in contiguous 48 states. For calls to or from international points or other points outside of contiguous 48 states, the Company's generally-applicable rates for such calling apply.

<sup>2</sup> Outbound Toll Usage (intraLATA, intrastate interLATA, and interstate interLATA) is accounted for on a per call basis in one minute increments, with any portion of a usage during a call amounting to less than a minute being rounded up to the next full minute.

## SECTION 3 – DESCRIPTION OF LOCAL SERVICES AND RATES

### SERVICES, Continued

#### Service Area Bundled Service, Continued

##### Plan 3

Service Charge (includes unlimited calling within Subscriber's Local Calling Area, and up to 1000 minutes of non-Travel Card outbound intraLATA, intrastate interLATA, and interstate interLATA toll calling).<sup>2 3 4</sup> \$54.95

##### Rates for Non-Permitted Uses<sup>2,3,4</sup>

IntraLATA	\$0.079
InterLATA	\$0.079

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<sup>1</sup> This Plan is available only to customers subscribing to two or more lines under this plan.

<sup>2</sup> Allowance and rates apply to calls between points in contiguous 48 states. For calls to or from international points or other points outside of contiguous 48 states, the Company's generally-applicable rates for such calling apply.

<sup>3</sup> Unlimited calling allowance does not apply to use of service for telemarketing, dial-up internet connections, autodialing, or access to voice chat line services. If service is used for such purposes, the rates for Non-Permitted Uses will apply to all such calling.

<sup>4</sup> Outbound Toll Usage (intraLATA, intrastate interLATA, and interstate interLATA) is accounted for on a per call basis in one minute increments, with any portion of a usage during a call amounting to less than a minute being rounded up to the next full minute.

### SECTION 3 – DESCRIPTION OF LOCAL SERVICES AND RATES

#### SERVICES, Continued

#### Service Area Bundled Service, Continued

##### Plan 4

Service Charge (includes unlimited calling within Subscriber's Local Calling Area, Travel Card, two Business Custom Calling Features, and up to 1000 minutes of non-Travel Card outbound intraLATA, intrastate interLATA, and interstate interLATA toll calling).<sup>1,2,3</sup> \$55.95

##### Rates for Non-Permitted Uses<sup>2 3 4</sup>

IntraLATA	\$0.079
InterLATA	\$0.079

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<sup>1</sup> Allowance and rates apply to calls between points in contiguous 48 states. For calls to or from international points or other points outside of contiguous 48 states, the Company's generally-applicable rates for such calling apply.

<sup>2</sup> Unlimited calling allowance does not apply to use of service for telemarketing, dial-up internet connections, autodialing, or access to voice chat line services. If service is used for such purposes, the rates for Non-Permitted Uses will apply to all such calling.

<sup>3</sup> Outbound Toll Usage (intraLATA, intrastate interLATA, and interstate interLATA) is billed on a per call basis in one minute increments, with any portion of a usage during a call amounting to less than a minute being rounded up to the next full minute.

4. \$55.99 rate applies to the first line only; additional lines are \$32.99

### **SECTION 3 – DESCRIPTION OF LOCAL SERVICES AND RATES**

#### **SERVICES, Continued**

##### Travel Cards

Travel Card usage is billed on a per call basis in one minute increments, with any portion of usage during a call amounting to less than a minute being rounded up to the next full minute.

Rates apply to calls between points in contiguous 48 states. For calls to or from international points or other points outside of contiguous 48 states, the Company's generally-applicable rates for such calling apply.

##### Rates

Per minute	\$0.129
Access Fee, per call	\$0.650

##### **Non-Recurring Charges**

Installation Fee, first new line	\$49.99
Installation Fee, per each new feature	\$7.95

### SECTION 3 – DESCRIPTION OF LOCAL SERVICES AND RATES

#### SERVICES, Continued

#### Custom Calling Features

	<u>Per Use</u>	<u>Per Month</u>
Anonymous Call Rejection		\$5.50
Billed Number Screening/Toll Restriction		No Charge
Business Complete-A-Call		No Charge
Call Forwarding Busy Line/Alternate Answer		\$5.50
Call Forwarding Busy Line/Don't Answer Expanded		\$5.50
Call Forwarding Busy Line/Don't Answer IntraOffice		\$5.50
Call Forwarding Customer Programmable		\$5.50
Call Forwarding Don't Answer/Alternate Answer		\$5.50
Call Forwarding Variable		\$5.50
Call Hold		\$1.95
Call Park		\$1.95
Call Pickup		\$1.95
Call Queueing		\$19.95
Call Rejection		\$5.50
Call Routing- Business only		\$9.95
Call Routing to Number- Business only		\$12.00
Call Trace		\$5.50
Call Trace Blocking		No Charge
Call Transfer		\$5.50
Call Waiting		\$5.50
Call Waiting ID		\$5.50
Caller ID		\$5.50
Caller ID Blocking		\$5.50
Caller ID with Privacy Blocker		\$10.95
Carrier Access Code Blocking		No Charge
Complete Call, per use	\$1.50	
Continuous Redial, per use	\$0.50	
Continuous Redial Blocking		No Charge
Custom Number Services		\$300.00
Custom-Net		No Charge
Custom Ringing Service		\$5.50
Dial Call Waiting/Distinctive Alert		\$5.50
Dial Lock Out		\$4.95

### SECTION 3 – DESCRIPTION OF LOCAL SERVICES AND RATES

#### SERVICES, Continued

#### Custom Calling Features, Continued

	<b>Per Use</b>	<b>Per Month</b>
Directed Call Pickup		\$1.95
Do Not Disturb		\$4.95
Easy Access		\$1.95
Extension Mailbox- Residence & Business		\$6.95
International Blocking		No Charge
Last Call Return, per use	\$0.65	
Last Call Return Blocking		No Charge
Listen Only Mailbox- Business only		\$19.95
Long Distance Restriction		No Charge
Message Waiting Indication-Business		No Charge
Message Waiting Indication-Residence		No Charge
Multi-Line Hunting		\$5.50
One Number Service		\$4.95
Pay Per Call Restriction		No Charge
Remote Access Forwarding (Call Following)		\$5.95
Route to Other Number- Business only		\$12.00
Remote Call Forward (Market Expansion Line)		\$16.00
Scheduled Forwarding		\$6.95
Scheduled Greetings- Business only		\$6.95
Security Screening		\$5.50
Selective Call Forwarding		\$5.50
Selective Call Waiting		\$6.50
Series Hunting		\$5.50
Speed Calling#		\$5.50
Talking Call Waiting		\$5.50
Three Way Calling		\$5.50
Three Way Calling Blocking		No Charge
Transfer Mailbox- Residence and Business		No Charge
Voice Mail Mailbox- Standard		\$12.95
Voice Mail Box Gold		\$14.95
Voice Mail Box Premier		\$15.95

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### SECTION 3 – DESCRIPTION OF LOCAL SERVICES AND RATES

#### CHANGE CHARGES AND MISCELLANEOUS SERVICE CHARGES

##### Additional Charges

The following charges are assessed per line or trunk, per order:

	<u>Non-Recurring Charge</u>	<u>Monthly Rate</u>
PIC Change Charge	\$ 8.26	N/C
Move Order	\$49.99	N/C
Telephone Number Change	\$49.99	N/C
Reactivate Suspended Service, per billing telephone number	\$49.99	N/C
Reinstate from Disconnected Service, per line	\$49.99	N/C

### **SECTION 3 – DESCRIPTION OF LOCAL SERVICES AND RATES**

#### **DIRECTORY LISTINGS; DISTRIBUTION OF DIRECTORIES**

The Company does not publish a directory or provide other similar listings of its Subscribers. The Company will arrange for Subscribers, other than Subscribers requesting non-published service, to be listed in the directories and directory assistance records of the ILEC serving the area where the Customer's premises is located. Except as provided below, such listings will be charged in accordance with the ILEC's listing service Rate Schedule schedule, subject to availability of such listing services to Company's Subscribers. The Company hereby concurs in such schedules on file with the Commission that are current and effective as of the effective date of this Rate Schedule sheet. Except as provided below, subscribers are responsible for payment of all rates and compliance with all terms and conditions set forth in such schedules.

##### Listing Fee

Per initial listing (per month)	\$1.99
Per additional listing (per month)	\$5.50

#### **NON-PUBLISHED SERVICE**

At the request of the Subscriber, the Subscriber's name, address, and telephone number will not be listed in any directory or directory assistance records available to the public, except that the number may be included in reference listings. However, such information, along with call forwarding information from such numbers, will be released in response to legal process or to certain authorized governmental agencies pursuant to Rule 20 of this Rate Schedule.

Nonpublished Service Charge (per month, per line)	\$5.50
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## SECTION 3 – DESCRIPTION OF LOCAL SERVICES AND RATES

### DIRECTORY SERVICES AND LISTING

Users of the company's calling services (excluding toll-free services) may obtain assistance in determining telephone numbers by calling the Directory Assistance operator. Each number requested is charged for as shown below. Requests for information other than telephone numbers will be charged the same rate as shown for the applicable request for telephone numbers. Call completion may be provided without additional charge for calls within the LATA. However, intraLATA long distance or local message charges apply if applicable. Call completion is provided on Public Access Lines where facilities permit.

A Directory Assistance call charged to a calling card or to a third number will be billed the appropriate operator charge, as specified in this Rate Schedule, plus the charge for Directory Assistance. Non-published telephone numbers are not available from the Directory Assistance service. Directory Assistance charges are waived for Customers who have documented that they are blind or sight impaired to the Company.

Directory Assistance, per call	\$1.75
Directory Listing	
Per Call	\$0.99
Non-listed Number	\$0.99
Additional Directory Listing	\$5.50

## SECTION 3 – DESCRIPTION OF LOCAL SERVICES AND RATES

### OPERATOR ASSISTANCE

Basic Operator (operator handled, sent-paid station-to-station service, per call	\$2.00
Operator Station (consumer dialed 0+) collect, billed to third number, coin call, or billed to a calling card:	\$3.19
Operator Station (operator dialed 0-) collect, billed to third number, coin call, or billed to a calling card:	\$4.78
Person-to-Person (consumer dialed 0+ and operator dialed 0-) billed to a calling card:	\$5.73
Person-to-person (consumer dialed 0+) collect, billed to third number, or coin call:	\$5.73
Person-to-person (operator dialed 0-) collect, billed to third number, or coin call:	\$7.34
Busy Line Verification (BLV) and Emergency Interrupt (BLV/I)	
BLV, per call	\$5.00
BLV/1, per call	\$7.50

### PAY BY PHONE FEE

A Pay by Phone Fee applies to calls made by credit card over the telephone

Pay by Phone Fee, per call	\$1.00
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## **SECTION 3 – DESCRIPTION OF LOCAL SERVICES AND RATES**

### **900/976 BLOCKING**

The Company will, upon a Subscriber's request and where technically feasible, block calls placed from the Subscriber's telephone to intrastate 976 numbers and intrastate or interstate 900 numbers, whether directly dialed or placed through operator assisted service provided by the Company's operators. Call Blocking and Remove Call Blocking charges apply as specified below. At central offices where per-line blocking is not technically feasible, all calls to 976 and 900 numbers will be blocked.

The Company may block calls placed from a Subscriber's telephone to intrastate 976 numbers and intrastate or interstate 900 numbers if the Subscriber fails or refuses to pay any charges billed by the Company for calls to such numbers, except for any charges for which adjustments have been granted. Call Blocking and Remove Call Blocking charges apply as specified below.

The Company may block calls placed from a Subscriber's telephone to intrastate 976 numbers and intrastate or interstate 900 numbers if the accrued, unpaid charges to be billed by the Company for calls to such numbers at any time exceeds \$150 and the Company is unable to contact the Subscriber to assure the Subscriber's agreement to pay for such calls. Call Blocking and Remove Call Blocking charges will not apply.

#### **Rates**

Call Blocking, per line, per order	\$5.00
Remove Call Blocking, per line, per order	\$5.00

### **PROMOTIONS**

The Company may, from time to time, offer Services in this Rate Schedule at special promotional rates and/or terms. Such promotional arrangements shall be filed with the Commission when so required. All rates and terms contained in this Rate Schedule shall continue to apply unless specifically addressed in the promotional agreements.

### **INDIVIDUAL CASE BASIS ARRANGEMENTS**

When the Company furnishes a facility or Service for which a rate or charge is not specified in the Company's Rate Schedule, or when the Company offers rates or charges which may vary from Rate Schedule arrangements, rates and charges will be determined on an Individual Case Basis (ICB). The rates and charges for ICBs will be specified by contract between the Company and the Customer.

## SECTION 4 – DESCRIPTION OF TOLL SERVICES AND RATES

### TIMING OF CALLS

Where charges for a Service are specified based on the duration of use, such as the duration of a telephone call, the following rules apply:

Calls are measured in durational increments. All calls, are billed in one (1) minute increments unless otherwise stated. When call duration extends to fractions of a measurement increment are rounded-up to the next whole unit.

Timing on completed calls begins when the call is answered by the called party. Answering is determined by hardware answer supervision in all cases where this signaling is provided by the terminating local carrier and any intermediate carrier(s).

Timing terminates on all calls when the calling party hangs up or the Company's network receives an off-hook signal from the terminating carrier.

### TOLL TELECOMMUNICATIONS SERVICES

Company provides switched access interexchange telecommunications Services, which allow a Customer to establish a communications path between two stations by using uniform dialing plans.

**Outbound "1+" Service** is a switched access Service offering outbound long distance telecommunications Services from points originating and terminating in the State of Texas. Company's **Outbound "1+" Service** is offered under a direct billing option or a local exchange carrier billing option. The local exchange carrier billing option offers the convenience of Company Service charges appearing on the Customer's presubscribed local exchange carrier bill.

**Directory Assistance** is provided by the Company's underlying carrier to Subscriber's of record. The Customer may access the underlying carrier's Directory Assistance by dialing the area code plus 555-1212. The Customer will be billed for such Service by Company, except as stated in this Rate Schedule.

**Toll Free Service** is a switched access Service offering inbound, toll free, long distance telecommunications Services from points originating and terminating in the State of Texas. This Service enables the caller to contact the Customer without incurring toll charges, through the use of an assigned "800, 866, 877" or other designated Toll-Free Number. The Customer pays for the call. Company will participate in porting toll-free numbers only if the account balance is zero and all undisputed charges incurred as a result of the toll-free number have been paid.

**Travel Card Service** permits the caller to charge the principal presubscribed location for a call while the caller is away from the principal location. The Customer may place calls from any touch-tone phone in the United States by dialing a toll free number and entering a personal identification code, followed by the desired telephone number. Calling Card calls appear on the Customer's monthly long-distance bill.

## SECTION 4 – DESCRIPTION OF TOLL SERVICES AND RATES, Continued

### PROMOTIONS

The Company may, from time to time, offer Services in this Rate Schedule at special promotional rates and/or terms. Such promotional arrangements shall be filed with the Commission when so required. All rates and terms contained in this Rate Schedule shall continue to apply unless specifically addressed in the promotional agreements.

### LONG DISTANCE TOLL SERVICE

	<b>Per Minute</b>	<b>Per Month</b>
<b>Long Distance Outbound “1+” Service, direct billing</b>		
Per Account, Monthly		\$7.95
1 Plus Intrastate Long Distance		
Instate IntraLATA and InterLATA	\$0.079	
<b>Long Distance Outbound “1+” Service, local exchange carrier billing</b>		
Per Account, Monthly		\$12.95
1 Plus Intrastate Long Distance		
Instate IntraLATA and InterLATA	\$0.079	
<b>Inbound 800 Intrastate Long Distance</b>		
Per Toll Free Number, Monthly		\$2.00
Intrastate InterLATA and interLATA	\$0.089	
<b>DIRECTORY ASSISTANCE</b>		
Directory Assistance, per call		\$1.35

### MISCELLANEOUS SURCHARGES

Certain regulatory surcharges may be changed in accordance with applicable regulations and are provided here for informational purposes. Such surcharges include the following.

<u>Description</u>	<u>Charge (per line, per month)</u>
Regulatory Fee	\$0.23