

## Terms and Conditions of Service

### 1. APPLICATION OF TERMS AND CONDITIONS OF SERVICE

- 1.1 These Terms and Conditions of Service ("Terms and Conditions") apply to specialized switching services furnished by ONEIDA NETWORK SERVICES, INC., hereinafter referred to as the "Company", with its principal address 129 West Highway, Oneida, Illinois 61467, for the provision of Interstate Telecommunications Service for communications initiated from locations between and among domestic points in the United States and territories, and for the provision of International Telecommunications Service to international points specified herein. Service is furnished subject to the availability of facilities and subject to transmission, atmospheric and like conditions by wire, cable, radio and/or a combination thereof. By accepting Company's Service, you (the "Customer") agree to the terms and conditions set forth herein.
- 1.2 From time to time, the Company shall offer special promotional offerings allowing special discounts or modifications of its regular service offerings to its Customers. Such offerings may be limited to certain dates, times, and locations.
- 1.3 Company may modify these Terms and Conditions upon advance written notice to Customer. The most current version of these Terms and Conditions can be found on Company web site at [www.winco.net/otc/](http://www.winco.net/otc/). Any changes to Terms and Conditions become effective on the Effective Date set forth in the written notice. By continuing to accept Company's Service after the Effective Date, Customer agrees to the Terms and Conditions as modified.
- 1.4 When services and facilities are provided in part by the Company and in part by other companies, these Terms and Conditions apply to that portion of the service or facilities that it supplies.
- 1.5 Service/trademarks of the Company are indicated by "™", registered service/trademark are indicated by "®", and copyrights are indicated by "©". In addition, the Company logo is a registered servicemark of the Company.

## 2. DEFINITIONS

The following definitions apply for certain terms used generally throughout these Terms and Conditions:

Access Code: A sequence of numbers that, when dialed, connect the caller to the provider of operator services associated with that sequence.

Access Line: A communication channel which is used for access to a Company service point.

Access Line Group: An access line or a number of access lines from a single Customer or authorized user location which have the same termination characteristics and which are arranged in a hunting sequence.

Accounting Code: A multi-digit code, which enables a Customer to allocate long distance charges to internal accounts.

Additional Increments: The rate element used to bill for the chargeable time when a call continues beyond the initial minute.

Aggregator: Any person or entity, that is not an operator service provider and that in the ordinary course of its operations makes telephones available to the public or transient users of its premises, or university for telephone calls between states that are specified by the user using an operator service provider.

Analog Transmissions: Denotes information transmitted in the form of continuously varying signal current and/or voltage.

Answer Supervision: An electrical signal fed back up the line by the local telco at the distant end of a long distance call to indicate positively the call has been answered by the called phone.

Application for Service: A standard order form which includes all pertinent billing, technical, and other descriptive information which will enable the carrier to provide the communication service as required.

Authorization Code: A multi-digit code which enables a Customer to access Company's network and enables the Company to identify the use of proper billing.

Authorized User: A person, firm, corporation, or other legal entity that is authorized by the Customer to be connected to the service of the Customer. An Authorized user(s) must be named in the application for service.



## DEFINITIONS (Cont'd)

Autodialer: A device which allows the Customer to dial pre-programmed telephone numbers, such as the Company access number or authorization codes, by pushing one or two buttons. Dialers can be bought as a separate device and added to a phone.

Automatic Numbering Identification (ANI): A type of signaling provided by a local exchange telephone company that automatically identifies the local exchange line from which a call originates.

Billed Party: The person or entity responsible for payment of the Company's service as follows:

For an Operator Assisted Call:

- a. in case of a Calling Card or Credit Card call, the holder of the calling card or credit card used by the Consumer;
- b. in case of a Collect or Third Party call, the one responsible for the local telephone service at the telephone number that agrees to accept charges for the call; and
- c. in the case of a Room Charge call, the Customer.

For a Direct Dial Call:

Direct dial calls are billed to the originating live number, or the party assigned the Company's authorization code used to complete the call.

Billing Period: The interval between Customer invoice to Customer invoice that shall consist of approximately 30 days.

Business Service: The phrase "Business Service" means telecommunications service provided to the Customer for use primarily or substantially for a business, professional, institutional or other occupational purpose.

Calling Card Call: A call for which charges are billed, not to the originating telephone number, but to a telephone calling card issued by a local exchange or long distance telephone company for this purpose.

2. **DEFINITIONS** (Cont'd)

**Cancellation of Order**: A Customer initiated request to discontinue processing a service order, either in part or in its entirety, prior to its completion.

**Channel**: The path for electrical transmission between two or more points.

**Collect Call**: A billing arrangement that bills the charge for a long distance call to the called station's telephone number. The person agreeing to accept the call, whether or not they are a presubscribed customer of the Company shall be responsible for all charges related to the call. Regardless of whether the person is a Customer of the Company or the individual receiving such a collect call, he or she shall be subject to the provisions of these Terms and Conditions that are applicable to the call accepted.

**Command Routing**: This feature allows the 800 service Customer to have 800 calls rerouted by the Company's network in the event of access blockage to an ANI or T1 circuit ID previously defined by the Customer.

**Commission**: The Federal Communications Commission.

**Company**: ONEIDA NETWORK SERVICES, INC.

**Connecting Carrier**: A telecommunications company, which may be either an interexchange or a local exchange carrier, that supplies the Company with facilities to originate or terminate the Company's long distance services.

**Consumer**: The term consumer means a person initiating any telephone call using operator services.

**Customer**: The Customer is the person, firm, corporation or other legal entity which: orders, cancels or amends service; is responsible for the payment of charges; and is responsible for compliance with all Terms and Conditions including any fraudulent use, misuse, or abuse of the Customer's Service or Customer provided equipment by third parties, the Customer's employees, or the public. This includes payment for calls or services that originate at the Customer's number(s), are accepted at the Customer's number(s) (e.g. collect calls), are billed to the Customer number(s) via third number billing, the use of a calling or travel card, or the use of an assigned special billing number or authorization code to the Customer.

**Customer Dialed Calling Card Call**: A Calling Card Call that does not require intervention by an attended operator position to complete.



## 2. DEFINITIONS (Cont'd)

Customer-Provided Facilities: All facilities, including those obtained from other communications common carriers, provided by the Customer and/or authorized user, other than those provided by the Company.

DISA: (Direct Inward System Access) This feature of a PBX or telephone system allows the outside caller to dial directly into the telephone system and access the system's features. A Customer would typically use this feature for making long distance calls away from the office using their less expensive business long distance lines.

Dedicated Access Service: The generic term for a service in which the Customer's traffic passes over an access line connecting the Customer's premise to a LEC switch, which is used solely for that Customer's traffic.

Designated Service Date: Denotes the Customer specified installation date requested at the time the order for service is initiated. If the Company finds it cannot provide service by that date, the designated service date becomes that date specified by the Company on which the installation of service can be performed.

Designated Service Point: The Customer designated point of termination of a local distribution channel. The designated service point may be a Customer or authorized user premise or a local exchange company central office or Centrex station.

Disconnection: The disconnection of a circuit, dedicated access line or port connection being used for existing service.

Domestic Interstate Message Telecommunications Service: The furnishing of direct dial and operator assisted domestic interstate switched network services to the Customer for the completion of long distance voice and dial up low speed data transmissions over voice grade channel between and among points within the United States.

End User: An individual or entity designated by the consumer to be responsible for the payment of calls placed using the Company's services.

Equal Access Office: Switch operated by a LEC equipped with the hardware and software required to allow the customers to presubscribe to the interexchange carrier of their choice.

Equal Access Code: An access code that allows the consumer to obtain an equal access connection to the carrier associated with that code.

Excessive Call Attempt: An attempt to make a call over the Company's network using an invalid authorization code during a measured 15 minute period within which 10 or more incomplete call attempts are made from the same access line, and where those attempts do not complete because an invalid authorization code(s) was used.



2. **DEFINITIONS** (Cont'd)

FCC: Federal Communications Commission.

Foreign Exchange Service: Foreign exchange service provides subscribers with the capability of local dialing in a remote exchange via private line services.

Hertz: Is a unit of frequency equal to one cycle per second.

Holiday: One of the following Federally recognized Holidays: Independence Day, Memorial Day, Labor Day, Thanksgiving Day, Christmas Day, New Year's Day.

Message: Represents an interexchange toll call for which appropriate charges shall be assessed.

Inbound Service: Denotes a service where the subscriber has a toll-free number, such as an 800 or 888 prefix whereby the caller does not incur a toll charge.

Initial Minute: The rate element used to bill for the first chargeable minute, or fraction thereof, of a call.

International Message Telecommunications Service: The furnishing of station-to-station direct dial International switched network services for the completion of long distance transmissions over voice grade channels to other countries as specified herein.

Line Haul Mileage: Denotes mileage distance between the Company Terminal Office sites.

Local Access Line or Local Distribution Channel: The facility consisting of the necessary equipment and local telephone company lines which are required to interconnect the Customer's or authorized user's premises to a Company Service Point within the same local exchange area or extended service area.

Local Access Transport Area (LATA): A geographic area established for the provision and administration of communications service. It encompasses one or more designated exchanges, which are grouped to serve common social, economic and other purposes.

Local Calling Area: Denotes a geographic area in which a Local Exchange Company end user may complete a call without incurring long distance charges.

Local Exchange Area: The term "Local Exchange Area" denotes a unit established by the Company for the administration of communications services in a specified area which usually embraces a city, town, or village and its environs. Specific definitions of the Company local exchange areas are available upon request.



## 2. DEFINITIONS (Cont'd)

Local Exchange Carrier (LEC): A company which provides telecommunications service within a local exchange LATA.

Local Time: The time observed, standard or daylight savings, at the rate center associated with the originating point of the call.

Measured Charge: A charge assessed on a per minute basis in calculating a portion of the charges due for a completed Operator Assisted, Direct Dial Call, Credit Card or Third Party Call.

Measured Service: The provision of interstate long distance measured time communications telephone service to Customers who access the Company's service at its switching and call processing equipment by means of access facilities obtained from a local exchange carrier. The Company is responsible for arranging for the access line.

Message Toll Service: The term "Message Toll Service" ("MTS") is an interstate long distance service that utilizes switched access facilities to both originate and terminate a call.

Mileage Rate Band: Mileage interval used to establish rates for the Company services.

Minimum Average Time Requirements (MATR): A generic term indicating a specified period of time, used in the determination of usage charges, which represents the minimum average duration of calls completed during a billing period.

Modem: A device that modulates and/or demodulates signals for proper transmission via dedicated or switched facilities.

Multiple Channel Service: Is a service offering whereby a Customer may order more than one leased channel where the line haul mileage of the channels falls within the same mileage rate band.

Normal Business Hours: Normal business hours are represented by the period between 8:00 a.m. and 12:00 p.m. and 1:00 p.m. and 5:00 p.m., Monday through Friday, excluding holidays.

Operator Assisted Call: An interstate telephone connection completed through the use of Operator Services.

Operator Service Charge: A non-measured (fixed) surcharge that is added to a measured charge in calculating the total charges due for a completed Operator Assisted Call.

2. **DEFINITIONS** (Cont'd)

**Operator Services:** Any telecommunications service that includes, as a component, any automated or live assistance afforded to a consumer to arrange for the billing and/or completion, of a telephone call that are specified by the user through a method other than:

- \* Automatic Completion with billing to the telephone from which the call originated;
- \* Completion through an access code or a proprietary account number used by the consumer, with billing to an account previously established with the carrier by the consumer; or
- \* Completion in association with directory assistance services

**Other Communications Common Carrier:** A government regulated entity offering communications services to the public.

**Point of Presence:** Locations where the Company maintains through its own facilities or through arrangements with other carriers an operations center for purposes of providing long distance service.

**Premises:** All buildings occupied by the Customer and/or his authorized user on a contiguous property (except railroad right of way, etc.) not intersected by a public road.

**Presubscribed Provider of Operator Services:** The Provider of Operator Services to which the Consumer is connected when the Consumer places a call using a Provider of Operator Services without dialing an access code.

**Responsible Organization (Resp. Org.):** The carrier entity that has responsibility for the management of 800 numbers in the Service Management System (SMS) including maintaining Customer records in the SMS system. Also, the entity which accesses the SMS to: a) search for and reserve 800 numbers; b) create and maintain 800 number Customer records, including call processing records; and c) provide a single point of contact for trouble reporting. The SMS recognizes one Resp. Org. for each 800 number.

**Service:** Service means any or all service(s) provided pursuant to these Terms and Conditions.

**Service Control Point (SCP):** The real-time data base system in the service network that contains instructions on how Customers wish their calls to be routed, terminated or otherwise processed.

**Service Points:** Those cities from which the Company makes its services available to its customers.



2. **DEFINITIONS** (Cont'd)

**Special Access Line (SAL)**: A dedicated Analog DAL or Digital T-1 Access Line(s) directly connecting Customer's telephone equipment to the Long Distance Provider without using the Local Exchange Carrier's switching equipment.

**Special Promotional Offering**: Special discounts or modifications of the Company's regular service offerings which may, from time to time, be offered to its Customers for a particular service. Such offerings may be limited to certain dates, times, and locations.

**Special Services**: Denotes service provided and performed by the Company involving special engineering, design, programming, development or production activities to provide services requested by a Customer to meet special needs not otherwise provided under these Terms and Conditions.

**Station**: Any location from which a message can be originated or received.

**Station-to-Station Call**: A call placed to a telephone number, with the understanding that the caller will speak to any person who answers the called number.

**Subscriber**: A person or other entity that selects a telecommunications company to be the Presubscribed Provider of Operator Services for one or more locations within that person or entity's control.

**Switch**: A local telephone company switching system where telephone exchange service customer station loops are terminated for purposes of interconnection to each other and to trunks through electronic services which are used to provide circuit routing and control.

**Switched Access Service**: Provides the ability to originate and terminate calls between two end user's premises over facilities of the telephone company.

**Telecommunications**: The transmission of voice communications or, subject to the transmission capabilities of the service, the transmission of data, facsimile, signaling, metering, or any other form of intelligence over dedicated or switched facilities.

**Terminal Equipment**: Devices, apparatus, and their associated wiring such as teleprinters, telephone handsets, or data sets used for origination or termination of telecommunications services.

2. DEFINITIONS (Cont'd)

Third Party Call: A call for which charges are billed, not to the originating telephone number, but to a third party telephone number which is neither the originating nor the terminating telephone number.

Vertical Features: Services such as call validation, "Plain Old Telephone Service" (POTS) number translation, and provision of statistical information on the Customer's 800 traffic, which may be obtained by the Company from local exchange company access tariffs on behalf of 800 Service Customer for which the Company serves as Resp. Org.

Voice-Grade Channel: Denotes a communications channel with a nominal bandwidth of 4,000 hertz.

WATS: Wide Area Telecommunications Service.



### 3. GENERAL RULES AND REGULATIONS

#### 3.1 UNDERTAKING OF THE COMPANY

##### 3.1.1 General

3.1.1.1 The services furnished herein are for the transmission and reception of voice, data and other types of communications. Services provided pursuant to these Terms and Conditions may be utilized only for the transmission of communications by Customers consistent with the terms of these Terms and Conditions, and the rules and regulations of the Federal Communications Commission.

(a) The Company undertakes to provide switched Interstate and international Message Telecommunications Service (MTS) in accordance with the terms and conditions specified herein.

(b) The Company shall provide Interstate and International Message Toll Service as an integral part of the Company's MTS service offerings.

3.1.1.2 Subject to unavoidable network interruptions, the Company shall endeavor to provide services and facilities 24 hours a day, 7 days a week.

##### 3.1.2 Availability

3.1.2.1 Service is offered subject to the availability of the necessary facilities and/or equipment of the Company and/or the local exchange carrier serving the customer. The Company reserves the right to provide services to and from locations where the necessary facilities and/or equipment are available.

3.1.2.2 The Company reserves the right to suspend service or delay service installation until sufficient network facilities are available to meet the anticipated traffic demand, or terminate a service request with a full refund of any charges billed to the Customer if satisfactory arrangements cannot be concluded within what the Company determines to be a reasonable amount of time.

#### 3.2 USE OF SERVICE

3.2.1 Services furnished by the Company may not be used for any unlawful purpose.

3.2.2 No restrictions apply on sharing or resale of services. The Customer remains liable for all obligations under these Terms and Conditions notwithstanding such sharing or resale and regardless of the Company's knowledge of same.

3.2.3 Use of the services herein in a manner that could interfere with the services provided to other Customers, harm the facilities of the Company or others is prohibited.

### 3. GENERAL RULES AND REGULATIONS

#### 3.2 USE OF SERVICE (Cont'd)

- 3.2.4 In the event that the Company determines, based upon its sole judgment, that there is fraudulent use of either the services furnished by the Company or the Company's network, the Company will without liability to the Customer discontinue service and/or seek legal recourse to recover from the Customer all costs involved in enforcement of this provision.
- 3.2.4.1 Service may be discontinued by the Company, without notice to the Customer, by blocking traffic to or from certain cities, or NXX exchanges, or by blocking calls using certain Customer authorization codes, such as calling card codes, which the Company deems, in its sole judgment, is necessary to take such action to prevent unlawful use of its services. The Company will restore service as soon as it can be provided without undue risk.
- 3.2.4.2 Without incurring any liability, the Company may discontinue the furnishing of service(s) to a Customer immediately and without notice if the Company deems, in its sole judgment, that such action is necessary to prevent or protect against fraud or to otherwise protect its personnel, agents, facilities or services.
- 3.2.5 The Company may, but is not required to, advise the Customer of abnormal calling patterns or other possible unauthorized use of facilities or calling cards assigned to the Customer. Additionally, the Company may, but is not required to, block calls on authorization codes which the Company believes to be unauthorized or fraudulent.
- 3.2.6 If a Customer utilizes a dedicated access line between the Customer's premises and the Company's service office for the origination or termination of calls, the Customer is responsible for payment of all charges for usage over that access line, including any usage which may be fraudulent or unauthorized.
- 3.2.7 The use and restoration of service shall be in accordance with Part 64, Subpart D of the Federal Communications Commission's Rules.
- 3.2.8 With the use of the Company authorization codes, the Customer agrees to pay the Company all charges incurred as a result of any delegation of authority whether authorized or unauthorized resulting in the use of its Company authorization codes.



3. GENERAL RULES AND REGULATIONS (Cont'd)

3.3 OBLIGATIONS OF THE COMPANY

3.3.1 Liability

Except as provided in this Section, the Company's sole liability for any claim, loss, expense or damages of any kind, whether direct, indirect, special or consequential, arising from, or in any way attributable to, acts or omissions of the Company relating to the installation, provision, termination, maintenance, repair, restoration, or billing of any service, feature or option available under these Terms and Conditions shall not exceed an amount equal to the monthly recurring charge to the Customer for one (1) month, if any, or as otherwise set forth in the outage credit provisions of these Terms and Conditions provided, however, that:

3.3.1.1 The Company's liability for its willful misconduct is not limited by these Terms and Conditions.

3.3.1.2 The Company is not liable for any failure of facilities or performance of services due to causes beyond its control, including, but not limited to, civil disorder, fire, flood, storm or other natural or man-made disasters or elements, labor problems or regulations issued by or action taken by any government agency having jurisdiction over the Company or its services or equipment.

3.3.1.3 The Company shall have no liability to any person or entity other than its Customer.

3.3.1.4 The Company shall not be liable for, and shall be fully indemnified and held harmless by the Customer against the following:

a. Any claim, loss, expense or damage (including, but not limited to, reasonable attorney's fees and expenses) for engaging in a criminal enterprise, defamation, libel, slander, invasion of privacy, infringement of copyright or patent, arising from, or in connection with, the material, data, information, or other content transmitted over the services or facilities furnished by the Company.

b. Any claim, loss, expense or damage (including, but not limited to reasonable attorney's fees and expenses) for any act or omission of the Customer or its agents and contractors, or due to the failure of Customer-provided equipment, facilities, systems or services.

3. GENERAL RULES AND REGULATIONS (Cont'd)

3.3 OBLIGATIONS OF THE COMPANY (Cont'd)

3.3.1 Liability (Cont'd)

c. Any claim, loss, expense or damage (including, but not limited to, reasonable attorney's fees and expenses) for personal injury or death of any person caused directly or indirectly by the installation, maintenance, location, condition, operation, failure, presence, use or removal of equipment or wiring provided by the Company, if not caused by negligence of the Company; and/or

d. Any use by the Customer of the Company's products or services which use has been restricted or limited by action of a government agency having jurisdiction over the Customer, the Company or its products or services.

3.3.1.5 All or a portion of the service provided pursuant to these Terms and Conditions may be provided over facilities of third parties, and the Company shall not be liable to the Customer or any other person, firm or entity in any respect whatsoever arising out of errors or defects caused by such third parties.

3.3.1.6 Where any claim arises out of the Company's acting as a Resp. Org. or where the Company's services are not made available on the date committed to the Customer, or cannot otherwise be made available after the Company's acceptance of the Customer's order, or is provided with a number(s) other than the one(s) committed by the Company to the Customer, or the number(s) is not included in the Directory Assistance or is included in an incorrect form, or Vertical Features are not obtained or are obtained in error, and any such failure(s) is due solely to the negligence of the Company, in such case the Company's liability, if any, is limited to the lesser of (a) the actual monetary damages incurred and proved by the Customer as the direct result of such failure(s), or (b) the sum of \$1,000.00.

3.3.1.7 The Company shall not be liable for the use, misuse or abuse of a Customer's service by third parties, including, without limitation, the Customer's employees or members of the public who dial the Customer's telephone number in error. Compensation for any injury the Customer may suffer due to the fault of others must be sought from such other parties.

3.3.1.8 Notwithstanding Section 3.3.1.5, in the event that the Company causes the misrouting of calls, the Company's sole liability shall be to provide a credit equal to the charges for the affected calls.



3. GENERAL RULES AND REGULATIONS (Cont'd)

3.3 OBLIGATIONS OF THE COMPANY (Cont'd)

3.3.1 Liability (Cont'd)

3.3.1.9 The Company reserves the right to immediately suspend or cancel without advance written notice and without any liability whatsoever, the provision of any service(s) to any Customer if the Company determines in its sole discretion that the Customer is using the service(s) to make or permit any telephone facility under such Customer's control to be used for any purpose or activity, including, but not limited to, any obscene, indecent or harassing purpose or activity, prohibited by Section 223 of the Communications Act of 1934, as amended, and Inbound calls placed with the intent of gaining access to a Customer's outbound calling services without authorization from the Customer.

3.3.1.10 The Company is not liable for any damages, including toll usage charges, the Customer may incur as a result of the unauthorized use of its telephone facilities. This unauthorized use of the Customer's facilities includes, but is not limited to, the placement of calls from the Customer-provided equipment which are transmitted or carried on the Company network or the network over which its traffic is carried. The Company's customer service agents may work with Customers to recommend possible solutions to reduce unauthorized use of their facilities. However, the Company does not warrant or guarantee that its recommendations will prevent all unauthorized use, and the Customer is responsible for controlling access to, and use of, its own telephone facilities.

3.4 OBLIGATIONS OF THE CUSTOMER

3.4.1 The Customer shall be responsible for damages to the Company's facilities or that of its network providers caused by the act or omission of the Customer, its authorized users, officers, directors, employees, agents, contractors, licensees or invitees or any person or entity who gains access to the service of the customer through the negligence of the customer.

3.4.2 The Customer shall provide access to the Customer's or authorized user's premises by the Company personnel for inspection, repair and/or removal of any facilities or equipment of the Company on an unrestricted basis, 24 hours a day, 7 days a week.

3. GENERAL RULES AND REGULATIONS (Cont'd)

3.4 OBLIGATIONS OF THE CUSTOMER (Cont'd)

3.4.3 The Customer will guarantee the performance by his authorized user(s) of all provisions of and obligations under these Terms and Conditions. The Customer will be liable for the acts or omissions of its authorized user(s) relative to the compliance with the provision of these Terms and Conditions.

3.4.4 The Customer may not assign or transfer to a third party, whether by operation of law or otherwise, the right to use the services provided under these Terms and Conditions, provided however, that where there is not interruption of use or relocation of the services, such assignment or transfer may be made to the following:

a. Another Customer of the Company, provided that the assignee or transferee assumes all accrued and unpaid obligations of the transferring Customer including, but not limited to, all indebtedness for such services, and the unexpired portion of the minimum period and the termination liability applicable to such services if any; or

b. A court-appointed receiver, trustee or other person acting pursuant to the laws of bankruptcy, receivership, reorganization, insolvency, liquidation or other similar proceedings, provided that the assignee or transferee assumes all accrued and unpaid obligations of the transferring Customer including, but not limited to, all indebtedness for such services, and the unexpired portion of the minimum period and the termination liability applicable to such services, if any.

If the Customer wishes to assign or transfer the right to use services provided under these Terms and Conditions, written consent of the Company is required prior to such assignment or transfer which consent may be granted or withheld in the sole discretion of the Company. All regulations and conditions contained in these Terms and Conditions shall apply to such assignee or transferee.

The assignment or transfer of services does not relieve or discharge the assignor or transferor from remaining jointly and severally liable with the assignee or transferee for any obligations existing at the time of the assignment or transfer.



3. GENERAL RULES AND REGULATIONS (Cont'd)

3.4 OBLIGATIONS OF THE CUSTOMER (Cont'd)

3.4.5 The Customer of the Company's 1+, 0+ (sent paid), credit card, and/or Inbound Service is responsible for payment for all calls placed:

- (a) via the Customer's local telephone service number(s);
- (b) via dedicated access lines to the Company facilities and/or network;
- (c) via the Customer's Inbound Service number(s) either intentionally or mistakenly placed;
- (d) originated at the Customer's number(s);
- (e) accepted at the Customer's number(s) (e.g. collect calls); and
- (f) billed to the Customer's number(s) via third number billing.

This responsibility is not changed by virtue of any use, misuse, or abuse of the Customer's service, Customer provided systems, equipment, facilities, services interconnected to the Customer's local telephone service, 0+ (sent paid), dedicated lines or 800 Service; who's use, misuse or abuse may be occasioned by third parties, including, without limitation, the Customer's employees and members of the public.

3.4.6 The Customer must obtain an adequate number of access lines for service to handle its expected demand in order to prevent interference or impairment of the service or any other service provided by the Company. The Company will have the right to determine such adequacy giving due consideration to (1) the total call volume; (2) average call duration; (3) time-of-day characteristics; and (4) peak calling period.

The Company, without incurring any liability, may disconnect or refuse to furnish Service to any Customer that fails to obtain an adequate number of lines. In the case of disconnections, the Customer will be notified in writing in advance of the termination of service.

3. GENERAL RULES AND REGULATIONS (Cont'd)

3.4 OBLIGATIONS OF THE CUSTOMER (Cont'd)

3.4.7 Any mistakes, accidents, omissions, interruptions, delays, errors or defects in transmission or service which are caused or contributed to, directly or indirectly, by an act or omission of the Customer, by others, through the use of Customer-provided facilities or equipment, or through the use of facilities or equipment furnished by any other person using the Customer's facilities shall not result in the imposition of any liability upon the Company. The Customer shall pay to the Company any reasonable costs, expenses, damages, fees or penalties incurred by the Company as a result thereof, including the costs of any local exchange company labor and materials. The Company shall be indemnified, defended and held harmless by the Customer against any and all claims, demands, causes of action and liability relating to services provide pursuant to this agreement, including payment to the Company associated with reasonable attorney's fees.

3.5 PAYMENT REGULATIONS

3.5.1 Service shall be provided and billed for on a monthly basis. Service shall continue to be provided until 30 days after the Company's receipt of a written request from the Customer for the disconnection of service, unless other restrictions apply. Payment is to be made to the address designated on the invoice or such other location as the Company may direct in writing from time to time. In addition to the charges for the Company's services, the Customer shall pay any applicable federal, state or local use, excise, sales or privileges taxes resulting from the services furnished by the Company. Such taxes shall not be counted toward the attainment of any volume or revenue commitment and will not be discounted.

3.5.2 The Customer is responsible for payment of all charges for service(s) furnished by the Company. This includes payment for calls or services (a) originated at the Customer's number(s) whether authorized or not; (b) accepted at the Customer's number(s) (e.g. Inbound Service and collect calls); (c) billed to the Customer's number via third number billing, a calling card, a company-assigned authorization code, travel card number, or other special billing number; and/or (d) incurred at the specific request of the Customer.



3. GENERAL RULES AND REGULATIONS (Cont'd)

3.5 PAYMENT REGULATIONS (Cont'd)

- 3.5.3 A Customer is responsible for payment for all calls placed to or via the Customer's telephone number(s). This responsibility is not changed by virtue of any use, misuse, or abuse of the Customer's service or Customer provided systems, equipment, facilities or services interconnected to the Customer's Inbound Service, whose use, misuse or abuse may be occasioned by third parties, including, without limitation, the Customer's employees and members of the public who dial the Customer's Inbound number by mistake.
- 3.5.4 If notice of a dispute with respect to a charge is not received, in writing, within 30 days after an invoice is rendered, such invoice shall be deemed to be correct and binding upon the Customer. In instances of a dispute, the Customer is required to pay the undisputed portion of the bill in its entirety. Accounts not paid within 30 days from the due date stated on the bill will be considered delinquent. Delinquent payments may result in the imposition of a late fee that shall be imposed at the rate of 1.5% of the unpaid balance per month or the maximum allowable rate under applicable state law. When contracting with a local exchange company to be the billing entity, the tariffs of that company apply.
- 3.5.5 If a Customer accumulates more than \$1,000 of undisputed delinquent charges, the Company's Resp Org reserves the right not to honor that Customer's request for a Resp Org change and the Company reserves the right not to honor that Customer's request for a carrier change until such undisputed charges are paid in full.
- 3.5.6 The Company may require applicants or Customers to provide information pertaining to their financial ability to pay for service.
- 3.5.6.1 Applicants or Customers whose credit worthiness is not acceptable to the Company, or is not a matter of general knowledge, may be denied service or may be required to make, at any time, a deposit in an amount equaling up to three months, actual or estimated, charges for the services provided. The Company may increase the amount of any deposit previously required if, in the Company's sole discretion, it is reasonably necessary under the circumstances.
- 3.5.6.2 In the case of a cash deposit, interest will be paid for the period during which the deposit is held by the Company. If the Company, in its sole discretion, determines that the Customer is not capable of satisfying its payment obligations, services may be canceled by the Company upon written notice.

3. **GENERAL RULES AND REGULATIONS** (Cont'd)

3.5 **PAYMENT REGULATIONS** (Cont'd)

- 3.5.6.3 At the Company's option, such deposit may be refunded or credited to the Customer at, or any time prior to, termination of service. The Customer may elect to apply the deposit to future invoices or receive a payment of the deposit amount. However, if any balance is outstanding on the Customer's account at the time of cancellation, the Company reserves the right to apply the Customer's deposit and accumulated interest against the Customer's unpaid balance.
- 3.5.7 In the event the Company incurs fees or expenses, including attorney's fees, court costs, costs of investigation and related expenses in collecting, or attempting to collect, any charges owed to the Company, the Customer will be liable to the Company for the payment of all such fees and expenses reasonably incurred.
- 3.5.8 In the event that a check or draft tendered by a Customer is returned, a fee of \$15.00 will apply. The fee will be assessed when a check or instrument issued by a Customer is returned without payment for any reason whatsoever, unless the return is a bank error, in which case documentary evidence is required to waive the fee.
- 3.5.9 All stated charges in these Terms and Conditions are computed by the Company exclusive of any federal, state, or local use, excise, gross receipts, sales, or privilege taxes, duties, fees, or similar liabilities (other than general income or property taxes) whether charged to or against the Company or its Customer. Such taxes, fees, etc. shall be paid by the Customer in addition to the charges stated in these Terms and Conditions. All such taxes, duties and fees shall each be shown as a separate line item on the Customer's monthly invoice.
- 3.5.10 In cases involving toll fraud, the Company may backbill for one and one-half (1 1/2) years from the point when such fraud was detected and/or quantified.



3. GENERAL RULES AND REGULATIONS (Cont'd)

3.6 CREDIT ALLOWANCES

3.6.1 Interruption of Service

3.6.1.1 No credit will be allowed for relinquishing facilities in order to perform routine maintenance.

3.6.1.2 Credit for failure of service or equipment will be allowed only when such failure is caused by or occurs in facilities or equipment provided by the Company. As used in these Terms and Conditions, all equipment, facilities and/or services for which the Company renders a bill for payment are considered provided by the Company whether or not the equipment, facilities and/or services are owned and operated by the Company unless otherwise provided by the terms of these Terms and Conditions.

3.6.1.3 No credit will be allowed for failures of service or equipment due to Customer user-provided facilities or any act or omission of the Customer, its authorized user(s), officers, directors, employees, agents, contractors, licensees or invitees or any person or entity who gains access to the service of the customer through the negligence of the customer.

3.6.1.4 Credit allowance time for failure of service or equipment starts when the Customer notifies the Company of the failure or when the Company has actual knowledge of the failure, and ceases when the service has been restored and an attempt has been made to notify the Customer.

3.6.1.5 The Customer shall notify the Company of failures of service or equipment and make reasonable attempts to ascertain whether the failure is caused by Customer-provided equipment.

3.6.1.6 Only those portions of the service or equipment operation materially interfered with will be credited.

3.6.2 Outage Credit

3.6.2.1 No credit shall be given for an interruption of less than 2 hours.

3. GENERAL RULES AND REGULATIONS (Cont'd)

3.6 CREDIT ALLOWANCES

3.6.2 Outage Credit (Cont'd)

3.6.2.2 The Customer shall be credited for an interruption of 2 hours or more at the rate of 1/360th of the monthly charge for the facilities affected for each period of 2 hours or major fraction thereof that the interruption continues. (A billing period has 30 days and service is provided 24 hours a day, 7 days a week. Every month will have 720 hours.) Such a credit shall only be applied to services priced by the Company on a monthly flat rated basis.

3.6.2.3 Where a minimum usage charge is applicable and the Customer fails to meet a usage minimum, credit for the outage shall be applied against that minimum equal to 1/360th of the monthly minimum charges associated with the portion of service disabled for each period of 2 hours or major fraction thereof that the interruption continues. Such a credit shall only be applied to services priced by the Company on a monthly flat rated basis.

3.7 RESERVED FOR FUTURE USE

3.8 CANCELLATION OF SERVICE

3.8.1 For any of the following reasons, the Company may discontinue service upon at least 10 days' notice or cancel an application for all services without incurring any liability. Separate accounts for the same Customer are also subject to this provision.

3.8.1.1 In the event that a Customer's bill remains unpaid after more than thirty (30) days following rendition of the bill.

3.8.1.2 In the event of a violation of any regulation governing the service under these Terms and Conditions, when necessitated by conditions beyond the Company's control, a violation of any law, rule, or regulation of any government authority having jurisdiction over the service.

3.8.1.3 Where the Company is prohibited from furnishing services by order of a court or other government authority having jurisdiction.



3. **GENERAL RULES AND REGULATIONS** (Cont'd)

3.8 **CANCELLATION OF SERVICE** (Cont'd)

- 3.8.2 The Company, by written notice to the Customer, may, without incurring any liability, cancel or suspend the provision of service or equipment for non-payment of any sum due to the Company from the Customer, whether pursuant to service offered under these Terms and Conditions or otherwise, or as a result of actions of a government agency which forces discontinuance of the provision of service or equipment, or for violation or threatened violation of any of the terms or conditions of these Terms and Conditions by the Customer or authorized user, or if the Customer becomes insolvent or bankrupt, or makes a general assignment for the benefit of creditors or as otherwise permitted by these Terms and Conditions. Cancellation will be effective on the date specified on the notice.
- 3.8.3 Service may be canceled by the Customer only on not less than 30 days written notice to the Company. In the event the Company is unable to disconnect the Customer's access line by the requested cancellation date, the customer will be responsible for any usage over the line.
- 3.8.4 The discontinuance of service by the Company pursuant to this Section does not relieve the Customer of any obligations to pay the Company for charges due and owed for service(s) furnished up to the time of discontinuance.
- 3.8.5 The remedies set forth herein shall not be exclusive and the Company shall at all times be entitled to all rights available to it under either law or equity.
- 3.8.6 Except as otherwise provided in these Terms and Conditions or as specified in writing by the party entitled to receive service, notices may be given orally or in writing to the person(s) whose name(s) and business address(es) appear on the executed service order.
- 3.8.7 Where the Company cancels a service and the final service period is less than the monthly billing period, a credit will be issued for any amounts billed in advance, prorated at 1/30th of the monthly recurring charge for each day after the service was discontinued. This credit will be issued to the Customer or applied against the balance remaining on the Customer's account.

3. GENERAL RULES AND REGULATIONS (Cont'd)

3.8 CANCELLATION OF SERVICE (Cont'd)

3.8.8 The Customer shall pay a cancellation charge for services that require special facilities dedicated to its use when the Customer cancels the order before service begins or prior to the expiration of the service term or if service is canceled for nonpayment or failure to make a requested deposit. The charge will be equal to the non-recoverable portion of expenditures or liabilities incurred expressly for the Customer and the sum of the monthly recurring or minimum usage amount remaining through the end of the term. The Customer is liable for any charges assessed by the interconnecting telephone company providing the dedicated local access line.

3.9 DETERMINATION AND RENDERING OF CHARGES

3.9.1 For the purpose of billing, service will be deemed to be started on the day the service and its associated equipment, if any, is installed. Where billing is based upon Customer usage, Customers will be billed for all usage commencing on the date usage begins.

3.9.2 Subject to the Company's right to cancel or suspend services as otherwise provided in these Terms and Conditions, the minimum service period is 30 days. Termination by Customer is effective 30 days after receipt by the Company of a written notice of cancellation. Termination by the Company is effective 30 days after delivery of written notice or as otherwise set forth in these Terms and Conditions.

3.9.3 In situations where a Special Service is requested, the minimum service period and charges will be determined on a case-by-case basis.

3.9.4 All monthly recurring charges are billed one month in advance. Initial and final month's billing, when the service period is less than a month, will be prorated at 1/30th of the month's recurring charge for each day the service was rendered or equipment was provided.

3.9.5 Usage charges are billed monthly for the preceding billing period. For periods less than the monthly billing period, minimum usage charges are prorated at 1/30th of the monthly minimum amount for each day the service was rendered.



3. GENERAL RULES AND REGULATIONS (Cont'd)

3.9 DETERMINATION AND RENDERING OF CHARGES (Cont'd)

- 3.9.6 The duration of a call is rated in intervals of the billing increments described for each service provided in these Terms and Conditions. If the final interval of a call is less than the applicable billing increment, it will be rounded up to a full increment for purposes of billing.
- 3.9.7 Computed usage charges or credits for each call are rounded to the nearest cent when possible.
- 3.9.8 The applicable usage rates for the billing of a distance sensitive call will depend on the distance in airline mileage between the originating and terminating points of the call. For the purpose of determining the airline mileage of a call, the Company will utilize the vertical ("V") and horizontal ("H") coordinates of the rate centers of the originating and terminating points of the call. For purposes of billing, the Company references "V" and "H" coordinates provided by Bell Communications Research. Calls originated by dialing a local exchange number or a 950-type number using an authorization code, the originating point will be the rate center in which the switched access facilities are located. For calls originated via equal access connections, WATS access lines or dedicated access lines, the originating point will be the rate center in which the Customer is located. The terminating point will be determined by the rate center of the called number.

The formula to determine airline miles is as follows:

$$\sqrt{\frac{(V1 - V2)^2 + (H1 - H2)^2}{10}}$$

- 3.9.9 Applicable rate periods, unless noted otherwise, as indicated below and are based on the time in which a call is established. In cases where a call begins in one rate period and continues into another, the rate in effect in each period will apply to the portion of the call occurring within the applicable rate period.

Day rates apply from 8 a.m. to, but not including, 5 p.m. Monday through Friday

Evening rates apply from 5 p.m. to, but not including, 11 p.m. Sunday through Friday

Night rates apply from 11 p.m. to, but not including, 8 a.m. seven days a week.

3. GENERAL RULES AND REGULATIONS (Cont'd)

3.9 DETERMINATION AND RENDERING OF CHARGES (Cont'd)

3.9.9 (Cont'd)

Weekend rates apply from 8 a.m. to, but not including, 11 p.m. Saturday and from 8 a.m. to, but not including, 5 p.m. on Sunday.

On holidays, evening rates apply throughout the day on which the holiday is observed unless a lower rate would normally apply.

3.9.10 International Message Telecommunications Service is provided by the Company pursuant to Company terms and conditions as specified herein.

3.10 TIMING OF CALLS

3.10.1 Billable time for service is the duration of time between the called station answering and the called or calling station disconnecting, provided duration may be rounded in accordance with specific descriptions in these Terms and Conditions.

3.11 SPECIAL SERVICES

For the purpose of these Terms and Conditions, a Special Service is deemed to be any service requested by the Customer for which there is no prescribed rate in these Terms and Conditions. Special Services charges will be developed on an individual case basis and set forth in a separate agreement.

3.11.1 Special Service charges will be based on the estimated cost of furnishing such services including the cost of operating and maintaining such a service, the cost of equipment and materials used in providing such a service, the cost of installation including engineering, labor supervision, transportation, and the cost of any other specific item associated with the particular Special Service request.



3. GENERAL RULES AND REGULATIONS (Cont'd)

3.11 SPECIAL SERVICES (Cont'd)

3.11.1.1 If at the request of the Customer, the Company obtains facilities not normally used to provide service to its customer, the cost incurred will be billed as a Special Service.

3.11.1.2 If at the request of the Customer, the Company provides technical assistance not normally required to provide service, the costs involved will be billed as a Special Service.

3.11.1.3 Where special signaling, conditioning, equipment, or other features are required to make Customer-provided equipment compatible with the Company service, the cost of providing these features will be billed as a Special Service.

3.12 FRACTIONAL CHARGES

3.12.1 Charges for a fractional part of a month are calculated by counting the number of days remaining in the billing period after service is furnished. Divide that number of days figure by thirty days (billing period). The result is then multiplied by the applicable monthly service charge to arrive at the appropriate fractional monthly service charge.

3.12.2 For each call the minimum charge shall be the applicable charge for an initial minute with use in excess of the initial minute being billed in six (6) second increments, with the fractional billing increments, if any, of each call rounded up to the next highest whole six (6) second increment. Service offerings elsewhere in these Terms and Conditions may be subject to a different billing policy if so stated with that individual offering.

3.12.3 All per call charges of fractional cents shall be rounded to the next full cent unless otherwise stated in the specific product description (Section 4).

## 4. SERVICE DESCRIPTIONS

### 4.1 MESSAGE TELECOMMUNICATIONS SERVICE

4.1.1 The following MTS service plans allow Customers to originate interstate calls in areas with Equal Access capabilities served by the Company by presubscribing to one of its MTS long distance calling service plans. All MTS service plans include calling from U.S. Mainland to Alaska, Hawaii, Puerto Rico, U.S. Virgin Islands, American Samoa, Guam, and Northern Marianas (Rota, Tinian, and Saipan). Any services originating from a payphone will have a payphone surcharge applied.

The applicable usage rate depends upon the distance between originating and terminating points and the rate period(s) in which the call occurs. Calls are billed in six (6) second increments after an initial minimum billable period of one minute.

Refer to Section 6, Service Charges (6.1.1.1).

### 4.2 CALLING CARD SERVICE

4.2.1 Description - This service arrangement allows Customers to originate calls through use of a Company Calling Card via the Company's toll free calling card platform access number. Calling Card Customers may originate calls from the U.S. Mainland, Alaska, Hawaii, Puerto Rico, U.S. Virgin Islands, Guam, and the Northern Marianas (Saipan, Tinian and Rota), and terminate calls within U.S. Mainland, Alaska, Hawaii, Puerto Rico, and U.S. Virgin Islands.

Applicable usage rates are outlined in Section 6.2. Calls are billed in whole minute increments and are subject to a per call surcharge. Calls made with this service can only be placed from touch-tone telephones. International calling is not available with the Calling Card Service.

Usage rates (detailed in Section 6.2) for Calling Card Service are not time-of-day or distance sensitive. There is no order processing fee or monthly recurring charge associated with this service.

4.2.2 Operator Assisted Calls - The Calling Card operated assisted calls are billed to the Customer's Calling Card number. Surcharges apply in addition to all other surcharges applicable for this service arrangement.

4.2.3 Calls Placed from Payphones All calling card calls placed from payphones are subject to the enduser surcharge listed in Section 6.2. No discount applies to this surcharge.

### 4.3 RESERVED FOR FUTURE USE



4. SERVICE DESCRIPTIONS (Cont'd)

4.4 Inbound Services

- 4.4.1 The Company's inbound service is a service accessed via 800 or 888 NPA's originating on feature group facilities provided by the Local Exchange Carrier (LEC) and terminating on a regular business line or a Special Access Line (SAL). This service enables the Customer to receive Inbound service calls that originate from the U.S. Mainland, Alaska, Hawaii, Puerto Rico, the US Virgin Islands, Guam and the Northern Marianas (Saipan, Tinian and Rota) at their residence or place of business.
- 4.4.2 The Company reserves the right to require an applicant for the Company Inbound Service to supply the following information when requesting service: an initial traffic forecast, identification of anticipated busy hour, identification of its geographical marketing target areas, and a schedule of marketing and promotional activities. The Company may also require that the Customer submit a new traffic forecast quarterly after service is initiated.
- 4.4.3 The Company's Inbound Service is furnished upon condition that the Customer contracts for adequate facilities to permit the use of this service without injurious effect upon it or any service rendered by the Company. The Company may terminate or refuse to furnish Inbound Service to any applicant, without incurring any liability and without notice to the Customer, if the use of the service would interfere with or impair any service rendered by the Company.
- 4.4.4 The Customer must obtain an adequate number of access lines for the Company Inbound Services to handle the Customer's expected demand in order to prevent interference or impairment of this service or any other service provided by the Company considering: (1) total call volume; (2) average call duration; (3) time-of-day characteristics; and (4) peak calling period. The Company, without incurring any liability and without notice to the Customer, may disconnect or refuse to furnish the Company Inbound Service to any Customer that fails to comply with these conditions.



4. SERVICE DESCRIPTIONS (Cont'd)

4.4 Inbound Services (Cont'd)

- 4.4.5 Use of numbers; Each Inbound Service telephone number must be placed in actual and substantial use by the Customer. "Substantial use" shall mean a pattern of use that demonstrates an intent on the Customer's part to employ the number for the purpose for which it was intended; namely, to allow callers to reach the Customer, as indicated, for example, by at least 30 average monthly minutes of use or more. Any Inbound telephone number associated with the Company Inbound Service that has not been placed in actual and substantial use during the first sixty (60) day period after service activation may be redesigned as a spare number in the Company Inbound database by the Company upon written notice to the Customer.
- 4.4.6 If the Customer requests assignment of a specific Inbound Service telephone number, the Company may require the Customer to submit a number reservation agreement form to the Company. At no time may a Customer have more than ten (10) numbers reserved. Any reservation shall be for no more than sixty (60) days and shall be subject to a reservation fee which will be credited to Customer's unpaid balance after the Company Inbound Service has been in actual and substantial use for a consecutive sixty (60) day period.
- 4.4.7 Nothing in this Section, or in any other provision of these Terms and Conditions, or in any marketing materials issued by or on behalf of the Company, shall give any person, including prospective Customers who have reserved Inbound telephone number hereunder or Customers who subscribe to and use the Company Inbound Service or their transferee or assigns, any ownership interest or proprietary right in any particular Inbound number; however, upon placing a number actually and substantially in use, as defined above, the Company Inbound Service Customers do have a controlling interest in the Inbound number(s). The Company's Inbound Service Customer may retain the use of their Inbound number assignments, even following changes in their Inbound carrier and/or Resp. Org.
- 4.4.8 If a Customer places an order for the Company to carry Customer's already existing 800/888 number service, the Customer shall provide to the Company the contact names, telephone number and address of the Customer's Responsible Organization (Resp. Org.). Upon subscription to the Company Inbound Service, the Customer may execute a Letter of Authorization to transfer Resp. Org. responsibility of its 800/888 number(s) to the Company Resp. Org. in writing within 48 hours of the change. The Customer is responsible for all outstanding indebtedness for services provided by a previous Resp. Org. or inbound service carrier. The Company assumes no responsibility or liability with respect to any obligations of Customer to such previous service providers existing at the time of transfer to the Company.



4. **SERVICE DESCRIPTIONS** (Cont'd)

4.4 **Inbound Services** (Cont'd)

- 4.4.9 The Company's Resp. Org. functions include 1) search for and reservation of Inbound numbers in the SMS/800/888; 2) creating and maintaining the Inbound number Customer record in the SMS/800/888; and 3) provision of a single point of contact for trouble reporting.
- 4.4.10 In the event that a Customer cancels its Company Resp. Org. or Inbound Service, the customer shall be responsible for all outstanding indebtedness to the Company and any outstanding charges applicable to any service obtained by or on behalf of the Customer by the Company.
- 4.4.11 It is the Customer's responsibility to provide answer supervision back to the Company point of connection even when the Company Inbound Services is connected to switching equipment or a Customer-provided communications system. In such case, the equipment or system must provide appropriate supervision so that the measure of chargeable time begins upon delivery of the call to the Customer's switching equipment or communications system and ends upon termination of the call.
- 4.4.12 Inbound Feature Charges - Feature Charges are determined by the specific feature requested by an Inbound Customer. These charges are in addition to Inbound usage charges and are not subject to discounting unless specifically indicated in Section 6, Service Charges (6.4.2).
- 4.4.13 In the event that a Customer cancels its 800 Service, the Customer may elect to retain the Company as its Resp. Org.
- 4.4.14 The Company Resp. Org. Charges - Where the Company serves as a Resp. Org. for a non-Company Inbound Service Customer, the Company will pass on the tariffed Local Exchange Carrier charges for SMS/800 Database and related services. In addition, the Company charges in Section 6, Service Charges (6.4) will apply.
- 4.4.15 Calls Placed from Payphones - All inbound calls placed from payphones are subject to the enduser surcharge listed in Section 6.4 and will be billed to the customer subscribed to the inbound service. Discounts offered by any of the Company's discount plans do not apply to the Payphone surcharge.

4. SERVICE DESCRIPTIONS (Cont'd)

4.4 Inbound Services (Cont'd)

4.4.16 Special Inbound Services - Residential

4.4.16.1 Homebound 800 Service

.1 Description - Homebound 800 is an inbound service available to the Company residential customers only. This service enables the Customer to receive Inbound service calls that originate from the U.S. Mainland, Alaska, Hawaii, Puerto Rico, the US Virgin Islands, Guam and the Northern Marianas (Saipan, Tinian and Rota) at their residence or place of business. The residential Customer will be assigned an Inbound telephone number to receive calls that are paid for by the Customer rather than the calling party.

.2 Usage Charges - Usage Charges in Section 6.4.3 following, are determined by the time of day, rate periods and minutes of use within each rate period.

a. Rate Periods:

PEAK

All calls that occur between 8 A.M. and 4:59 P.M. Monday through Friday.

OFF PEAK

All calls that occur between 5 P.M. and 7:59 A.M. Monday through Thursday, and all calls between 5 P.M. Friday and 7:59 A.M. Monday.

.3 Calls Placed from Payphones All homebound calls placed from payphones are subject to the enduser surcharge listed in Section 6.4 and will be billed to the customer subscribed to the inbound service. Discounts offered by any of the Company's discount plans do not apply to the Payphone surcharge.



4. SERVICE DESCRIPTIONS (Cont'd)

4.5 OTHER SERVICE ARRANGEMENTS

4.5.1 SMART CALLING

4.5.1.1 Description- Smart Calling offers customers a flat rated calling plan which is non-distance sensitive for all their direct dialed long distance calling. Charges are based on the time period (Peak/Off Peak) in which the call is placed. Peak and Off-Peak time periods are defined in Section 4.5.1.2 following. Directory Assistance and Operator Services are available to Smart Calling subscriber. In addition, Customers must be presubscribed to the Company as their primary interexchange carrier for both interLATA and intraLATA traffic to qualify for this plan.

4.5.1.2 Rate Period

Peak Period: Between 7:00 AM to \*7:00 PM, Monday through Friday

Off-Peak: All calls that occur between 7 P.M. and \*7:00 A.M. Monday through Thursday, and all calls between 7 P.M. Friday and \*7:00 A.M. Monday.

\* To but not including

4.5.1.3 Usage Charges

Refer to Section 6, Service Charges (6.5.1).

4. SERVICE DESCRIPTIONS (Cont'd)

4.5 OTHER SERVICE ARRANGEMENTS (Cont'd)

4.5.2 COMBINED MONTHLY USAGE

4.5.2.1 Description - Customers combined monthly usage is defined as a Customer's billed usage and service charges for a monthly billing period for the combined total of domestic (interLATA) and international Dial Station calls, domestic (interLATA) and international Card Calls (which are billed to the Customer's Main Billed Account), domestic (interLATA) and international Operator Handled Calls, (which are billed to the Customer's Main Billed Account) and Inbound (880/888) Plan usage. The discount set forth in Section 6.5.2 will be applied to the Combined Customer Usage during each monthly billing period in which the Combined Monthly Usage is within the specified range. Combined Monthly Usage is provided as an add on service to the Company's interstate tariff.

4.5.2.2 Usage from conference calls, 900 Services, Inbound Services, calls to Directory Assistance, calls billed to a Local Exchange Company calling card, Company Card Calls which are not billed to the Customer's Main Billed Account, mobile, marine, or cellular services, Company Domestic Optional Calling Plans, any of the Customer Network Services, and any of the Company Commercial Affiliation Programs do not qualify for either Combined Monthly Usage or Eligible Customer Usage. In addition, monthly recurring charges, nonrecurring charges and taxes are also excluded.

4.5.2.3 To receive the Discount offered, Customers must subscribe by completing and returning an enrollment form provided by the Company, by calling an 800 number designated or by enrolling during a marketing contact by the Company. In addition, Customers must be presubscribed to the Company as their primary interexchange carrier, for interLATA traffic and intraLATA traffic.



4. SERVICE DESCRIPTIONS (Cont'd)

4.5 OTHER SERVICE ARRANGEMENTS (Cont'd)

4.5.3 10 CENT SAVINGS PLAN

4.5.3.1 Description - Customers' eligible usage is defined as a customer's monthly billed usage for interlata and intralata calls. The rate set forth in Section 6.5.3 will be applied to the usage during each monthly billing period. There will be a monthly recurring charge to subscribe to this plan. The minimum usage charge per call is eleven cents. Any fraction of a minute will be rounded up to the next whole minute. The 10 Cent Savings Plan is provided as an add on service to the Company's interstate tariff.

4.5.3.2 Usage from international calls, company calling card calls, conference calls, 900 Services, 800 Plan Service, calls to Directory Assistance, calls billed to a Local Exchange Company calling card, mobile, marine, or cellular services, Company Domestic Optional Calling Plans, any of the Customer Network Services, and any of the Company Commercial Affiliation Programs do not qualify for the 11 cent rate.

4.5.3.3 To receive the rate offered, Customers must subscribe by completing and returning an enrollment form provided by the Company, by calling an 800 number designated or by enrolling during a marketing contact by the Company. In addition, Customers must be presubscribed to the Company as their primary interexchange carrier, for both interLATA and intraLATA traffic.

4. SERVICE DESCRIPTIONS (Cont'd)

4.6 SUPPLEMENTAL SERVICES

4.6.1 Directory Assistance

4.6.1.1 Long Distance Directory Assistance is available to Customers of Company's switched services. The charge applies to each call regardless of whether the Directory Assistance Bureau is able to furnish the requested telephone number. Up to two requests may be made on each Directory Assistance call.

4.6.1.2 A credit allowance for a Directory Assistance call will be provided if the Customer experiences poor transmission quality, receives an incorrect telephone number, or inadvertently misdials the intended Directory Assistance number.

4.6.1.3 The applicability of usage volume discounts toward directory assistance charges is addressed within each individual service section.

4.6.1.4 Usage Charges

Refer to Section 6.6.1.1 Usage Charges

4.6.1.5 Handicapped Exemption - Handicapped customers who qualify for exemptions from Directory Assistance charges due to visual or other physical disabilities will be required to submit a written letter of verification to the Company. Each Directory Assistance billed call will appear on the subsequent month's bill as a credit.

4.7 PROMOTIONAL OFFERINGS

4.7.1 Certain promotional offerings may be provided from time to time via these Terms and Conditions. These promotional offerings may only apply to certain services, and may be limited to certain dates, times, and locations.



5. Rates for International Message Telecommunications Service

5.1 Types of Offerings

International Message Telecommunications Service is available as additional service at the rates listed in Section 7.1, through subscription to any of the Company's Interstate Telecommunications service offerings. Each of these offerings utilize the same rate schedules but have different rates and billing increments for each of the rate schedules.

(a) Determination of Duration

- (i) Chargeable time begins when the connection is established between the calling station and the desired telephone, attendant board, or private branch exchange console.
- (ii) Chargeable time ends when the connection is terminated.
- (iii) Chargeable time does not include the time lost because of faults or defects in the service.

(b) Determination of Time of Day

- (i) The rate charged is not dependent on the time of day. The rates listed in Section 7.1 are the rates to be charged 24 hours per day.

(c) Calculation of Billable Time for IMTS Service

- (i) The initial whole minute or fraction thereof is subject to the initial minute rate.
- (ii) The subsequent seconds are rounded in whole minute increments, with the remaining seconds, if any, rounded up to the next whole minute and billed at the additional minute rate.

5. International Message Telecommunications Service (cont'd)

5.2 International Calling Card Service

5.2.1 Description - This service arrangement allows Customers to originate calls from any point within the United States or specified international locations through use of a Company Calling Card via the Company's 800/888 Universal Access Number. Calls may be terminated to points listed in Section 7.2.

Calls are billed in whole minute increments after the initial minimum billable period of one minute and subject to a per call surcharge.

Usage rates are not time-of-day and distance sensitive. Usage volume discounts apply where indicated in I.C.C. No. 1 and Section 4 above.

5.2.2 Per Call Surcharges The following per call surcharges apply for all calls originating in or terminating to the United States, Puerto Rico and the Virgin Islands from all international locations:

\$1.00

The following per call surcharges apply for all calls originating from international locations and terminating to an international location, including Mexico and Canada:

\$2.00



5. International Message Telecommunications Service (cont'd)

5.3 Inmarsat Service - There are four types of Inmarsat, calls: Inmarsat Type A, B, M and Aeronautical Services. The four types of calls are to the Atlantic, Indian, and Pacific Ocean Inmarsat locations which are described below. Volume discounts are not applicable for calls to Inmarsat locations. These rates apply to all hours and days. All Inmarsat Service is calculated on a 60-second minimum duration basis, with additional 60-second increments. All calling card surcharges and directory assistance charges apply.

- (a) Inmarsat Standard A Service: For analog-based calls made to mobile terminals using the dialing pattern of: International Access Code (011) + Ocean Region Code (three-digits) + Standard A terminal number (seven-digits, beginning with, and including the digit "1", "8", or "9").
- (b) Inmarsat Standard B Service: For digital-based calls made to mobile terminals using the dialing pattern of: International Access Code (011) + Ocean Region Code (three-digits) + Standard B terminal number (nine-digits, beginning with, and including the digit "3").
- (c) Inmarsat Standard M Service: For digital-based calls made to mobile terminals using the dialing pattern of : International Access Code (011) + Ocean Region Code (three-digits) + Standard M terminal number (nine-digits, beginning with, and including the digit "6").
- (d) Inmarsat Aeronautical Service: For digital-based calls made to aeronautical terminals using the dialing pattern of: International Access Code (011) + Ocean Region Code (three-digits) + Standard B terminal number (nine-digits, beginning with, and including the digit "5").
- (e) Rates for calls terminating to Inmarsat Service are listed in Section 7.1.

5. International Message Telecommunications Service (cont'd)

5.4 Directory Assistance

5.4.1 International Directory Assistance is available to Customers of Company's international switched services. The charge applies to each call regardless of whether the Directory Assistance Bureau is able to furnish the requested telephone number.

5.4.2 A credit allowance for a Directory Assistance call will be provided if the Customer experiences poor transmission quality, receives an incorrect telephone number, or inadvertently misdials the intended Directory Assistance number.

5.4.3 The applicability of usage volume discounts toward directory assistance charges is addressed within each individual service section.

5.4.4 Usage Charges

Per call charges for International Directory Assistance are listed in Section 7.4.