

DOCKET NO.

In the Matter of — IN THE MATTER OF THE FILING FOR
 APPROVAL OF TRANSFER OF
 CERTIFICATE OF AUTHORITY FROM
 GE CAPITAL COMMUNICATION
 SERVICES CORPORATION TO GE
 CAPITAL TELEMANAGEMENT
 SERVICES CORPORATION

Public Utilities Commission of the State of South Dakota

DATE

MEMORANDA

DATE	MEMORANDA
5/10 01	Filed and Docketed;
5/17 01	Weekly Filing;
5/29 01	Tariff;
6/6 01	Certificate of Authority from Sec. of State;
6/6 01	Surveys Bond;
6/11 01	Revised Tariff Pages;
6/21 01	Revised Tariff Pages;
7/12 01	Value Shorting CBA;
7/12 01	Docket Closed.

TC01-04

KELLEY DRYE & WARREN LLP

MAY 1 1991

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STATE OF SOUTH DAKOTA
PUBLIC UTILITIES COMMISSION

May 4, 2001

VIA FEDERAL EXPRESS

Mr. William Bullard, Jr.
Executive Director
South Dakota Public Utilities Commission
State Capitol Building
500 East Capitol Avenue
Pierre, South Dakota 57501-5070

Re: Application of GE Capital Communication Services Corporation and GE Capital Telemangement Services Corporation for Authority to Complete A Corporate Reorganization and Transfer a Certificate of Authority.

Dear Mr. Bullard:

Enclosed please find an original and ten (10) copies of the Application of GE Capital Communication Services Corporation and GE Capital Telemangement Services Corporation For Authority to Complete a Corporate Reorganization and Transfer a Certificate of Authority, for filing with the South Dakota Public Utilities Commission. Also enclosed is a check in the amount of two hundred and fifty dollars (\$250.00) to cover the requisite filing fee.

Enclosed please also find a duplicate copy of this filing and a self-addressed, stamped envelope. Please date-stamp the duplicate upon receipt and return it in the envelope provided. Please do not hesitate to call me at (202) 887-1212 if you have any questions.

Respectfully submitted,


Nicholas G. Lawrence*

Enclosures

*Admitted in Virginia only, not admitted in DC.

RECEIVED

MAY 10 2008

Before the
STATE OF SOUTH DAKOTA
PUBLIC UTILITIES COMMISSION

SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

Application of)	
)	
GE Capital Communication Services Corporation and GE Capital Telemanagement Services Corporation)	Docket No. _____
)	
)	
For Authority to Complete a Corporate Reorganization and Transfer a Certificate Of Authority)	

APPLICATION TO COMPLETE A CORPORATE REORGANIZATION
AND TRANSFER A CERTIFICATE OF AUTHORITY

GE Capital Communication Services Corporation ("GECCS") and GE Capital Telemanagement Services Corporation ("GECTS") (together, the "Parties"), by their attorneys, hereby respectfully submit to the South Dakota Public Utilities Commission ("Commission"), this Application to Complete a Corporate Reorganization and Transfer a Certificate of Authority to provide interexchange services in the State of South Dakota pursuant to Chapter 20:10:24:04:01 and 20:10:24:02 of the Commission's rules.

The reorganization involves GECCS merging downward into GECTS, with GECTS being the surviving entity and holding the state telecommunications authorizations currently held by GECCS. Immediately after the merger, GECTS will change its name to "GE Business Productivity Solutions, Inc." ("GEBPS").¹

In support of its Application, the Parties provide the following information to the Commission:

¹ With regard to existing residential and prepaid calling card customers, in order to avoid confusion, GEBPS will operate under the d/b/a GE Capital Communication Services upon completion of the merger. With regard to business customers, GEBPS will operate under the GEBPS name and will provide an explanation regarding the merger. Because the surviving entity providing the service is an affiliate of General Electric Company ("GE"), there should not be any customer confusion.

Name, Address and Telephone Number of the Parties.

GE Capital Telemangement Services Corporation
6540 Powers Ferry Road
Atlanta, Georgia 30339
1-800 775-4322

GE Capital Communication Services Corporation
6540 Powers Ferry Road
Atlanta, Georgia 30339
1-800 775-4322

Name Under Which the Applicant Will Provide Service

As indicated above, immediately after the corporate reorganization, GECTS will be renamed as GE Business Productivity Solutions, Inc. GEBPS will provide service to its business customers under its own name, and will provide service to its residential and prepaid calling card customers under the d/b/a GE Capital Communication Services.

Corporate Status and Ownership Information

GECCS is a Georgia corporation headquartered at 6540 Powers Ferry Road, Atlanta, Georgia 30339. GECCS is a wholly owned subsidiary of General Electric Capital Corporation, which in turn, is a wholly owned subsidiary of General Electric Capital Services, Inc., which in turn, is a wholly owned subsidiary of General Electric Company ("GE"). GE, a publicly held New York corporation, is one of the largest and most diversified industrial corporations in the world. GECCS is authorized to provide and is providing resold long distance telecommunications services to business and residential customers throughout South Dakota and in every state in the United States, except Alaska. GECCS is authorized to provide resold local telecommunications services in approximately eleven states, and currently provides local service in Connecticut and Massachusetts. GECCS also has an international Section 214 authorization from the Federal Communications Commission to provide international resold switched services. In South Dakota, the Commission authorized GECCS to provide intrastate telecommunications services on September 17, 1993 in Docket No. TC93-109.

GECTS, a Georgia corporation, is a wholly owned subsidiary of GECCS and is not currently authorized to provide telecommunications services in any state. GECTS is qualified to conduct business in South Dakota as a foreign corporation. As noted above, after the merger, GEBPS will be the new corporate name for GECTS. Because the new name will not be adopted until after the merger, a copy of GECTS's Amended Articles of Incorporation reflecting the new name and d/b/a will be forwarded to the Commission as *Exhibit A*.

Location of Principal Office in South Dakota and Registered Agent

GECTS will not have an office located in the State of South Dakota. As noted above, after the merger, GEBPS will be the new corporate name for GECTS. Because the new name will not be adopted until after the merger, a copy of GECTS's Certificate of Authority from the South Dakota Secretary of State (reflecting the new name and d/b/a) will be forwarded to the Commission as *Exhibit B*. The name and address of the Company's registered agent in South Dakota for service of process will be:

CT Corporation
319 South Coteau Street
Pierre, South Dakota 57501

Description of Transaction and Proposed Services.

Essentially, by means of an intracorporate merger, the Parties propose to have GECTS take over GECCS's intrastate customer base and business of providing resold interexchange telecommunications services in South Dakota. After this internal reorganization, GECTS (renamed as GEBPS) will assume GECCS's operations and provide telecommunications services to GECCS's customers in South Dakota under identical tariffs, using both the GEBPS name and its d/b/a GE Capital Communication Services.²

Pursuant to the contemplated merger, GECCS will merge into GECTS and the latter will be the surviving entity, renamed as GEBPS. GECCS will cease to exist as a separate corporate entity. As part of the merger and upon receipt of the required regulatory approvals, the telecommunications authorizations currently held by GECCS will be transferred to GECTS, renamed as GEBPS. Where required, affected customers will be given appropriate and adequate notice of the merger and the resulting change of their telecommunications service provider. By using the d/b/a GE Capital Communication Services for residential and prepaid calling card customers, the carrier name will remain essentially the same for those customers; for all customers, the services and rates provided will remain the same.

Because GECCS and GECTS are managed by essentially the same team of experienced telecommunications personnel, day-to-day operations will continue to function as they have in the past. Brief biographies of the management team that has served GECCS and will continue to serve GECTS after the merger are appended hereto as *Exhibit D*. As GECTS will provide services at the same rates, terms and conditions as are currently available to GECCS's customers, GECTS wishes to adopt the existing tariff of GECCS. Thus, the proposed transfer to GECTS, renamed as GEBPS, will be transparent to consumers in South Dakota and will, except for the slight name change for business customers, be transparent to GECCS's customers in South Dakota and will have no adverse impact on them, as those customers will continue to receive high quality services from the same qualified personnel, at the same rates and under the same terms and conditions.

In addition, as reflected on the attached organizational charts in *Exhibit C*, upon completion of the merger, the ownership of GEBPS will be identical to the current ownership of

² Please see *Exhibit C* appended hereto for corporate organizational charts before and after the reorganization.

GECCS. Thus, there should be no question about the qualifications of GEBPS and its parents to operate in the public interest as the merger will not cause any meaningful change in the ownership, financial condition or services of the utility entity.

Geographic Area

GECTS will provide service on a statewide basis.

Financial Statements and Tariff

The most recent SEC Form 10-Q for the period ended September 30, 2000 of the Applicants' ultimate corporate parent, GE, reflects that its net earnings increased 20% to a record \$3.18 billion, and its revenues for the third quarter increased to a record \$32.0 billion. Cash from GE's operating activities during the first nine months of 2000 was a record \$9.9 billion. A copy of GE's SEC Form 10-Q is appended hereto as *Exhibit E*. GEBPS, as a wholly owned indirect subsidiary of GE, will have access to GE's financial, technical and managerial resources.

As GECTS will provide services at the same rates, terms and conditions as are currently available to GECCS's customers, GECTS wishes to adopt the existing tariff of GECCS.

Contact Personell

The contact person for Commission inquiries will remain: Meredith H. Gifford at (774) 644-7774.

Customer service functions will be provided by the same team of qualified consumer representatives. For customer inquiries, the toll-free customer service number will remain 1-800-775-4322.

Regulatory Status

GECCS is authorized to provide and is providing resold long distance telecommunications services to business and residential customers throughout South Dakota and in every state in the United States, except Alaska. GECCS is authorized to provide resold local telecommunications services in approximately eleven states, and currently provides local service in Connecticut and Massachusetts. Although GECTS is not currently authorized to provide telecommunications services in any state, upon completion of the transactions described herein, GECTS will be authorized to provide resold long distance telecommunications in every state in the United States except Alaska.

Marketing Efforts

GECTS's marketing efforts will mirror those of GECCS. GECTS will market its services to small and medium sized business. Neither GECTS nor GECCS has ever engaged in multi-level marketing. GECTS will forward to the Commission, for filing as *Exhibit F*, copies of its marketing materials.

Cost Support

GECTS will provide telecommunications services that are currently fully competitive in the South Dakota market. Consequently, no cost support for tariffed rates is needed.

Federal Tax Identification Number

GECTS's Federal Tax Identification Number is 58-2222857.

Complaints Against Applicant

No complaints have ever been filed against GECTS with any state or federal regulatory commission regarding the unauthorized switching of a customer's telecommunications provider or the act of charging customers for services that were not ordered.

Public Interest Considerations.

The proposed corporate reorganization and transfer of operating authority is in the public interest. As noted, the reorganization will be transparent to GECCS's residential and prepaid calling card customers and will have no adverse impact on any of GECCS's customers. This proposed consolidation will simplify the GE companies' corporate structure, eliminating administrative redundancy and improving their overall efficiency, thereby also enhancing GEBPS's ability to compete in South Dakota and elsewhere. Over time, consumers in South Dakota will benefit from a greater number of product and service options as well as more efficient prices resulting from the enhanced competitive ability of the streamlined company.

Moreover, because the public interest is served by assuring the presence of numerous telecommunications competitors in South Dakota, it is important to provide such competitors with the flexibility to arrange and rearrange their structures in the manner they deem most appropriate to carry on their business so long as there is no adverse impact on the public. To deny such flexibility would discourage new competitors from entering the state and would encourage existing competitors in this state to seek a more favorable regulatory environment elsewhere, neither of which would enhance the public interest.

WHEREFORE, GECTS and GECCS respectfully request that the Commission grant this application within 60 *days* of the date hereof.

Respectfully submitted,

GE CAPITAL COMMUNICATION SERVICES
CORPORATION and GE CAPITAL
TELEMANAGEMENT SERVICES CORPORATION

By: 

Brad E. Mutschelknaus
Melissa S. Conway
Nicholaus G. Leverett*
Kelley Drye & Warren LLP
1200 19th Street, N.W., Suite 500
Washington, D.C. 20036
Tel. (202) 955-9600

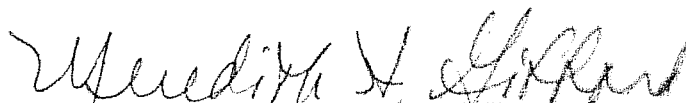
Its Attorneys

Dated: May 9, 2001

*Admitted in Virginia only, not admitted in DC

VERIFICATION

I, Meredith H. Gifford, am authorized to represent GE Capital Communication Services Corporation and its affiliates, including GE Capital Telemanagement Services Corporation, and to make this verification on their behalf. The statements in the foregoing document relating to GE Capital Communication Services Corporation and its affiliates, except as otherwise specifically attributed, are true of my own knowledge, except as to matters that are stated herein on information or belief, and as to those matters, I believe them to be true. I declare under penalty of perjury that the foregoing is true and correct.


Name Meredith H. Gifford
Title Assist. Sec.

Subscribed and sworn to before me on this 30th day of March 2001.

Nancy L. Benoni
Notary Public

Notary Public, Cherokee County, Georgia
My Commission Expires September 11, 2002

My commission expires: _____

EXHIBIT A

**Articles of Incorporation of GE Capital
Telemanagement Services Corporation**

[TO BE LATE-FILED]

EXHIBIT B

**Qualification to Transact Business as a Foreign
Corporation of GE Capital Telemangement Services
Corporation**

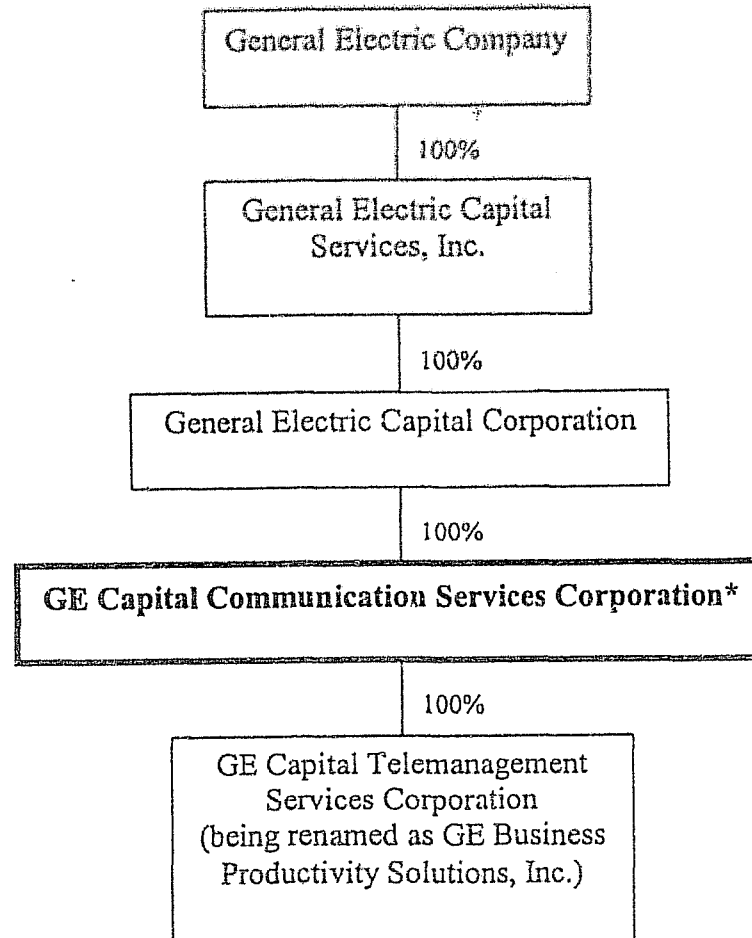
[TO BE LATE-FILED]

EXHIBIT C

GE Corporate Organizational Charts

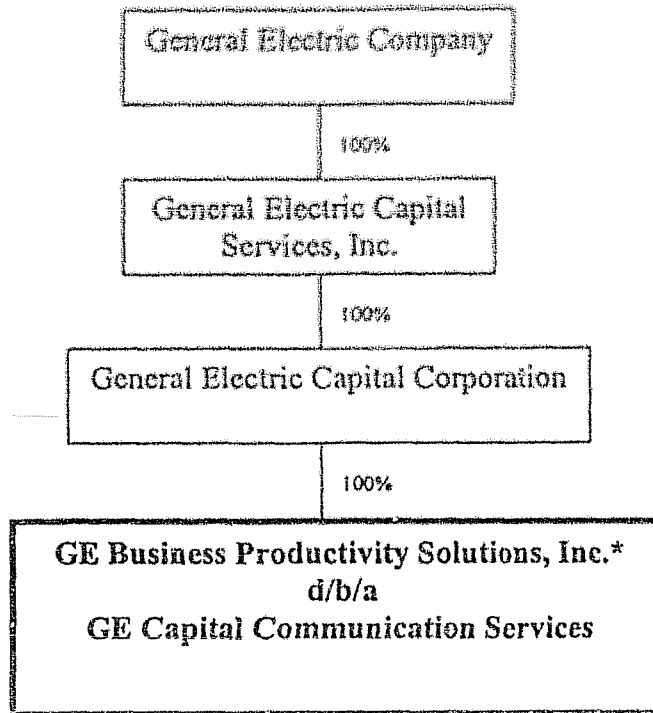
- Pre-reorganization
- Post-reorganization

GE CORPORATE STRUCTURE
(PRE-REORGANIZATION)



* Currently Authorized Utility

GE CORPORATE STRUCTURE
(POST-REORGANIZATION)



* Authorized Utility

EXHIBIT D

Management Biographies

MANAGERIAL QUALIFICATIONS

Gregg L. Haddad: Chairman of the Board of Directors and President

Mr. Haddad has been President of GE Capital Communication Services Corporation ("GECCS") since October 1994 and President of GE Capital Commercial Direct ("GECCD"), which is the division of General Electric Capital Corporation ("GE Capital") under which GECCS operates, since January 1996. Prior to joining GECCS, he held a variety of management and executive positions with GE Capital and its subsidiaries for six years, starting in July of 1988. From that date until April 1989, Mr. Haddad was a Finance Projects Manager at GE Capital's headquarters at Stamford, Connecticut. He then served for a year as Vice President, Sales Projects for GE Capital Mortgage Insurance in Raleigh, North Carolina, and then was Manager, Marketing and Business Strategy at GE Capital Vendor Financial Services in Danbury, Connecticut from June 1990 to December of 1992. In January 1993, Mr. Haddad became Vice President and Operations Manager at GE Capital Vendor Services EKCC in Rochester, New York, an assignment which he performed until his current assignment. From 1983 to 1986, Mr. Haddad was a Senior Accountant at Peat, Marwick, Mitchell & Co. in Toledo, Ohio. Mr. Haddad is a graduate of the University of Chicago Graduate School of Business and of the University of Michigan School of Business Administration, and is a Certified Public Accountant in the State of Ohio.

Victor A. Allums: Senior Vice President, Secretary, and General Counsel; Member, Board of Directors

Mr. Allums joined GECCS and GECCD as Senior Vice President and General Counsel in June 1996, and subsequently was appointed Secretary of GECCS. Prior to joining GECCS and GECCD, Mr. Allums was Assistant Division Counsel of the information systems division of ALLTEL Corporation and its predecessors (since January 1989) where he was responsible for all aspects of in-house representation of the business. From 1985 to 1988, he was an associate at the Atlanta, Georgia law firm of Troutman Sanders LLP, where he specialized in general corporate matters, including mergers and acquisitions, and software licensing and trademarks. He holds both a law degree and a Master of Business Administration degree from Emory University in Atlanta, and is also a graduate of Auburn University. He is admitted to practice law in the State of Georgia.

Brian P. Andrews: Senior Vice President, Sales Productivity Services

Mr. Andrews has been Senior Vice President, Sales Productivity Services of GECCS and GECCD since February 2000. Prior to that, he held positions at GECCS and GECCD involving product development and sales of prepaid calling card products, and as Vice President, Quality, beginning in January 1995. Mr. Andrews joined GECCS and GECCD from GE Capital Vendor Financial Services EKCC, where he was responsible for customer service operations for equipment lessees. Prior to that, he was employed by the Eastman Kodak Company beginning in 1987 and held various positions in information systems and customer service. Mr. Andrews holds a B.S. in Computer Science from Alfred University.

Timothy P. Dowd: Executive Vice President, GE Prepaid

Mr. Dowd's title is being changed to Executive Vice President, GE Prepaid. Since January 1998, Mr. Dowd has been Executive Vice President, Calling Card Services for GECCS and GECCD. Prior to that, he held several sales and marketing positions beginning in October 1992 with GECCS and GECCD, including managing telemarketing, agent, field sales, and similar activities involving the resale of telecommunications products and other business products and services. Prior to joining GECCS and GECCD, Mr. Dowd was employed by GE Information Services beginning in 1986, where he held several marketing and sales positions. He also is a graduate of General Electric Company's ("GE's") Information Systems Management Program. Mr. Dowd holds a bachelors degree in economics from Assumption College and a bachelors degree in industrial engineering from Worcester Polytechnic Institute. He received a Master of Business Administration Degree from Emory University in 1999.

Michael N. Draskovic: Senior Vice President, Direct Sales

Mr. Draskovic's title is being changed to Senior Vice President, Direct Sales. Since May 2000, Mr. Draskovic has been Senior Vice President, Telemanagement Services of GECCS and GECCD. Prior to that, he held several positions with GECCS and GECCD since May 1994 involving the management of operations and customer servicing functions for telecommunications and other products. Mr. Draskovic joined GE in 1971, and held a number of financial positions with the company from that time until he joined GECCS and GECCD. He is a graduate of GE's Financial Management Program. Mr. Draskovic is a graduate of Lewis University with a Bachelor of Business Administration degree.

Meredith H. Gifford: Assistant Vice President, Regulatory Affairs, and Assistant Secretary

Ms. Gifford has been Assistant Vice President, Regulatory Affairs and Assistant Secretary of GECCS and GECCD since 1996. Ms. Gifford practiced law as an attorney specializing in corporate and securities law in New York City from 1986 to 1990. Subsequently, Ms. Gifford was Assistant Counsel for Confederation Life Insurance Company in Atlanta, Georgia, from 1990 to 1992, and a Senior Attorney with the Resolution Trust Company beginning in 1993. In both positions, Ms. Gifford's areas of expertise were general corporate law and securities law. She is admitted to practice law in five states (Georgia, New York, Rhode Island, Massachusetts and Pennsylvania) and clerked for the Supreme Court of Rhode Island following her graduation from the Catholic University School of Law in 1984.

Barbara J. Macholl: Senior Vice President, Chief Financial Officer, and Treasurer

Ms. Macholl has been Senior Vice President, Chief Financial Officer, and Treasurer of GECCS and GECCD since May 2000. Prior to joining GECCS and GECCD, she held the position of Senior Vice President, Marketing Finance of GE Capital Aviation Services from April 1996. Previous to that, Ms. Macholl held a variety of financial management positions with GE Lighting beginning in 1977. She holds a Bachelor of Science degree from John Carroll University and a Master of Business Administration degree from Case Western Reserve University.

David M. O'Neill: Executive Vice President, Business Communication Services; Member, Board of Directors

Mr. O'Neill has been Executive Vice President, Business Communication Services of GECCS and GECCD since September 1999. Prior to that, he held a number of positions in the billing, customer service, and operational management of telecommunications products and services for GECCS and GECCD beginning in July 1994. Prior to that, Mr. O'Neill joined GE Plastics in 1992, later moving to GE Power Systems, and graduating from GE's Manufacturing Management Program. Prior to his GE employment, he worked for Hamilton Standard as a Project Engineer for three years. Mr. O'Neill holds a Bachelor of Science in Mechanical Engineering from the University of Notre Dame, and a Master of Business Administration degree from the University of Connecticut.

Daniel E. Rabin: Executive Vice President, Expense Management Services

Mr. Rabin has been Executive Vice President, Expense Management Services of GECCD since June 1998, and was previously Operations Manager for GECCS from July 1993. Prior to that, Mr. Rabin held various management and supervisory positions with various GE divisions, including Ordnance Systems in Pittsfield, Massachusetts, and GE Drive Systems in Sales, Virginia, and culminating in his successful tenure as Mid-Atlantic Region Service Manager for GE Medical Systems in Hanover, Maryland, from October 1989 to July 1993. He joined GE in 1973 and is a graduate of the Manufacturing Management Program. Mr. Rabin holds a B.S. in Industrial Engineering and a B.A. in Business Administration from Rutgers University. He has a Master of Business Administration degree from the University of Massachusetts in Amherst.

Merritt L. Saunders: Senior Vice President, Human Resources

Mr. Saunders has been Senior Vice President, Human Resources of GECCD since October 1999. Prior to that, he held human resources management positions with GE Capital Transport International Pool since November 1995. Mr. Saunders was associated with Pepsico from 1988 to 1995, holding progressively more senior human resources positions at Frito-Lay and the Pepsi-Cola Company. Mr. Saunders holds a Bachelor of Science in Psychology from the University of Wisconsin, and a Master of Industrial & Labor Relations degree from the University of West Virginia.

EXHIBIT E

**Most Recent SEC Form 10-Q of General Electric
Company**

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

(Mark One)

Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the quarterly period ended September 30, 2000

or

Transition Report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the transition period from _____ to _____

Commission file number 1-55

GENERAL ELECTRIC COMPANY

(Exact name of registrant as specified in its charter)

New York

(State or jurisdiction of incorporation
or organization)

14-0180340

(U.S. Employer Identification No.)

3135 Easton Turnpike, Fairfield, Conn.
(Address of principal executive offices)

06431-0001
(Zip Code)

(Registrant's telephone number, including area code) (203) 373-2311

(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

There were 9,908,802,000 shares with a par value of \$0.06 per share outstanding at September 30, 2000.

General Electric Company

Part I. Financial Information

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Part I. Financial Information

Item 1. Financial Statements

Condensed Statement of Earnings

General Electric Company and consolidated affiliates

	Third quarter ended September 30 (Thousands)					
	Consolidated		GE		GECS	
	2000	1999	2000	1999	2000	1999
<i>(Dollars, except per-share amounts, in millions)</i>						
Sales of goods	\$ 13,311	\$ 11,846	\$ 10,919	\$ 9,405	\$ 2,392	\$ 2,442
Sales of services	4,609	3,667	4,059	3,733	-	-
Earnings of GECS	-	-	1,178	1,052	-	-
GECS revenues from services	13,981	11,597	-	-	14,052	11,650
Other income	113	88	131	95	-	-
Total revenues	32,014	27,200	17,180	14,285	16,444	14,092
Cost of goods sold	9,663	8,536	7,456	6,412	2,297	2,154
Cost of services sold	3,396	2,661	3,447	2,725	-	-
Interest and other financial charges	2,859	2,455	148	191	2,765	2,521
Insurance losses and policyholder and annuity benefits	3,731	2,764	-	-	2,711	2,764
Provision for losses on financing receivables	463	227	-	-	463	227
Other costs and expenses	7,262	6,647	3,006	2,879	5,292	4,992
Minority interest in net earnings of consolidated affiliates	110	92	54	43	56	49
Total costs and expenses	27,484	23,392	13,201	11,250	14,424	12,557
Earnings before income taxes	4,530	3,818	3,979	3,035	2,020	1,765
Provision for income taxes	(1,350)	(1,165)	(809)	(682)	(642)	(481)
Net earnings	\$ 3,180	\$ 2,653	\$ 3,170	\$ 2,353	\$ 1,378	\$ 1,284
Net earnings per share (a)						
Diluted	\$ 0.32	\$ 0.27				
Basic	\$ 0.32	\$ 0.27				
Dividends declared per share (a)	\$ 0.13 ^{1/2}	\$ 0.11 ^{1/2}				

(a) Adjusted to reflect the three-for-one stock split effective on April 27, 2000.

See notes to condensed consolidated financial statements. Consolidating data are shown for "GE" and "GECS." Transactions between GE and GECS have been eliminated from the "consolidated" columns.

Condensed Statement of Earnings
General Electric Company and consolidated affiliates

	Nine months ended September 30 (Unaudited)					
	Consolidated		GE		GECS	
	2000	1999	2000	1999	2000	1999
<i>(Dollars, except per-share amounts, in millions)</i>						
Sales of goods	\$ 39,852	\$33,335	\$32,029	\$27,389	\$ 7,050	\$5,957
Sales of services	13,356	11,400	13,533	11,608	-	-
Earnings of GECS	-	-	3,705	3,386	-	-
GECS revenues from services	41,345	33,644	-	-	41,505	33,810
Other income	319	306	371	438	-	-
Total revenues	94,872	78,775	50,698	42,814	48,555	39,767
Cost of goods sold	28,800	23,916	22,402	18,474	6,515	5,411
Cost of services sold	9,326	8,905	9,503	8,213	-	-
Interest and other financial charges	8,655	7,122	660	595	8,146	6,941
Insurance losses and policyholder and annuity benefits	10,513	8,088	-	-	10,513	8,088
Provision for losses on financing receivables	1,405	1,048	-	-	1,405	1,048
Other costs and expenses	22,430	19,180	6,167	5,468	16,994	13,807
Minority interest in net earnings of consolidated affiliates	305	254	146	129	650	521
Total costs and expenses	81,434	67,613	38,758	32,872	42,732	35,157
Earnings before income taxes	13,438	11,162	11,940	9,942	5,823	4,610
Provision for income taxes	(4,288)	(3,594)	(2,797)	(2,114)	(1,408)	(1,226)
Net earnings	\$ 9,150	\$ 7,568	\$ 9,143	\$ 7,828	\$ 4,415	\$ 3,384
Net earnings per share (a)						
Diluted	\$ 0.91	\$ 0.76				
Basic	\$ 0.93	\$ 0.78				
Dividends declared per share (a)	\$ 0.41	\$ 0.35				

(a) Adjusted to reflect the three-for-one stock split effective on April 27, 2000.

See notes to condensed consolidated financial statements. Consolidating data are shown for "GE" and "GECS." Transactions between GE and GECS have been eliminated from the "consolidated" columns.

Condensed Statement of Financial Position
General Electric Company and consolidated affiliates

(Dollars in millions)	Consolidated		GE		GECS	
	9/30/00	12/31/99	9/30/00	12/31/99	9/30/00	12/31/99
Cash and equivalents	\$ 8,781	\$ 8,554	\$ 4,377	\$ 2,000	\$ 2,132	\$ 6,001
Investment securities	89,241	81,758	1,084	1,079	88,137	80,658
Current receivables	9,494	8,531	9,664	8,743	-	-
Inventories	8,466	7,007	6,824	5,708	1,642	1,299
Financing receivables - net	134,111	134,215	-	-	134,117	134,215
Other GECS receivables	38,079	33,122	-	-	38,068	34,095
Property, plant and equipment (including equipment leased to others) - net	40,907	41,022	12,520	12,381	28,387	28,641
Investment in GECS	-	-	22,361	20,301	-	-
Intangible assets - net	27,136	26,010	11,958	11,292	15,198	14,718
All other assets	74,926	64,981	23,515	20,805	51,404	41,884
Total assets	\$431,141	\$405,200	\$22,283	\$22,283	\$365,899	\$382,918
Short-term borrowings	\$121,897	\$130,346	\$ 1,210	\$ 2,245	\$121,871	\$129,259
Accounts payable, principally trade accounts	14,610	13,676	5,177	5,068	10,875	9,748
Other GE current liabilities	21,295	17,194	21,295	17,010	-	-
Long-term borrowings	75,813	71,427	750	722	75,076	70,706
Insurance liabilities, reserves and annuity benefits	107,183	86,776	-	-	107,183	86,776
All other liabilities	28,802	28,772	14,725	13,872	14,078	14,001
Deferred income taxes	8,918	9,238	459	283	8,459	8,955
Total liabilities	378,518	357,429	43,616	39,203	339,692	318,006
Minority interest in equity of consolidated affiliates	4,878	5,214	922	823	3,956	4,391
Accumulated unrealized gains (losses) on investment securities - net (a)	144	626	144	626	(100)	170
Accumulated currency translation adjustments (a)	(2,428)	(1,370)	(2,428)	(1,370)	(719)	(204)
Common stock (9,908,802,000 and 9,854,528,000 shares outstanding at September 30, 2000, and December 31, 1999, respectively) (b)	669	594	669	594	1	1
Other capital	14,230	10,790	14,230	10,790	2,722	2,482
Retained earnings	59,575	54,484	59,575	54,484	28,425	17,832
Less common stock held in treasury	(24,445)	(22,567)	(24,445)	(22,567)	-	-
Total share owners' equity	47,745	42,557	47,745	42,557	29,301	28,211
Total liabilities and equity	\$431,141	\$405,200	\$22,283	\$22,283	\$365,899	\$382,918

(a) The sum of accumulated unrealized gains (losses) on investment securities-net and accumulated currency translation adjustments consists of "Accumulated nonowner changes other than earnings," and was \$(2,284) million and \$(744) million at September 30, 2000 and December 31, 1999, respectively.

(b) Adjusted to reflect the three-for-one stock split effective on April 27, 2000.

See notes to condensed consolidated financial statements. Consolidating data are shown for "GE" and "GECS." September data are unaudited. Transactions between GE and GECS have been eliminated from the "consolidated" columns.

Condensed Statement of Cash Flows
General Electric Company and consolidated affiliates

	Nine months ended September (in millions)					
	Consolidated		GE		GECS	
	2000	1999	2000	1999	2000	1999
<i>(Dollars in millions)</i>						
Cash flows – operating activities						
Net earnings	\$ 9,170	\$ 7,628	\$ 9,130	\$ 7,628	\$ 2,065	\$ 2,066
Adjustments to reconcile net earnings to cash provided from operating activities						
Depreciation and amortization of property, plant and equipment	3,844	3,662	1,364	1,302	2,481	2,360
Amortization of goodwill and other intangibles	1,913	1,255	306	408	1,547	647
Earnings retained by GECS	-	-	(2,571)	(2,112)	-	-
Deferred income taxes	493	96	460	533	21	(1,122)
Decrease (increase) in GE current receivables	(698)	301	(636)	403	-	-
Decrease (increase) in inventories	(962)	(355)	(529)	(518)	(433)	163
Increase (decrease) in accounts payable	2,242	(509)	(38)	(49)	2,381	692
Increase (decrease) in insurance liabilities, reserves and annuity benefits	(1,892)	2,830	-	-	(1,892)	2,830
Provision for losses on financing receivables	1,405	1,018	-	-	1,405	1,018
All other operating activities	(4,230)	225	2,349	(170)	(4,970)	(1,941)
Cash from operating activities	11,261	16,190	9,945	7,424	3,005	10,245
Cash flows – investing activities						
Additions to property, plant and equipment (including equipment leased to others)	(9,748)	(8,629)	(1,665)	(1,670)	(7,883)	(7,559)
Net increase in GECS financing receivables	(3,175)	(6,336)	-	-	(3,175)	(6,336)
Payments for principal businesses purchased	(1,085)	(7,845)	(632)	(1,171)	(401)	(6,674)
All other investing activities	(9,798)	691	56	106	(9,874)	304
Cash used for investing activities	(23,806)	(22,029)	(2,141)	(2,735)	(21,463)	(20,155)
Cash flows – financing activities						
Net change in borrowings (maturities 90 days or less)	3,630	(5,889)	(941)	(724)	6,819	(5,000)
Newly issued debt (maturities longer than 90 days)	27,655	27,627	545	439	27,061	27,147
Repayments and other reductions (maturities longer than 90 days)	(27,426)	(10,343)	(727)	(330)	(26,699)	(9,553)
Net dispositions (purchases) of GE shares	93	(742)	93	(742)	-	-
Dividends paid to share owners	(4,046)	(3,440)	(4,046)	(3,440)	(1,372)	(1,368)
Cash received upon assumption of Toho Mutual Life Insurance Company insurance liabilities	13,177	-	-	-	13,177	-
All other financing activities	(331)	631	-	-	(331)	631
Cash from (used for) financing activities	12,772	7,894	(5,071)	(5,007)	18,663	11,416
Increase in cash and equivalents	227	1,795	2,877	394	294	1,762
Cash and equivalents at beginning of year	8,554	4,317	3,000	1,128	6,011	3,662
Cash and equivalents at September 30	\$ 8,781	\$ 6,112	\$ 4,277	\$ 1,379	\$ 6,132	\$ 5,190

See notes to condensed consolidated financial statements. Consolidating data are shown for "GE" and "GECS." Transactions between GE and GECS have been eliminated from the "consolidated" columns.

Summary of Operating Segments

General Electric Company and consolidated affiliates

(Dollars in millions)	Third quarter ended September 30 (Unaudited)		Nine months ended September 30 (Unaudited)	
	2000	1999	2000	1999
Revenues				
GE				
Aircraft Engines	\$ 2,580	\$ 2,650	\$ 7,770	\$ 7,827
Appliances	1,495	1,440	4,431	4,126
Industrial Products and Systems	2,777	2,802	8,590	8,276
NBC	1,805	1,076	5,244	4,038
Plastics	1,970	1,090	5,845	3,046
Power Systems	3,521	2,464	10,469	6,507
Technical Products and Services	1,902	1,601	5,556	4,721
Eliminations	(522)	(477)	(1,547)	(1,948)
Total GE segment revenues	15,618	13,264	46,267	30,143
Corporate items	93	59	340	283
GECS net earnings	1,478	1,262	3,965	3,386
Total GE revenues	17,189	14,585	50,572	43,812
GECS segment revenues	16,444	14,002	49,595	40,766
Eliminations -a)	(1,619)	(1,387)	(4,421)	(3,802)
Consolidated revenues	\$32,014	\$27,900	\$94,872	\$79,775
Segment profit				
GE				
Aircraft Engines	\$614	\$536	\$1,781	\$1,527
Appliances	159	137	503	476
Industrial Products and Systems	497	491	1,614	1,424
NBC	292	265	1,371	1,143
Plastics	487	390	1,443	1,255
Power Systems	670	397	1,875	1,104
Technical Products and Services	439	316	1,192	892
Total GE operating profit	3,158	2,532	9,729	7,440
GECS net earnings	1,478	1,262	3,965	3,386
Total segment profit	4,636	3,794	13,694	10,826
GE interest and other financial charges	(148)	(191)	(560)	(205)
GE provision for income taxes	(808)	(692)	(2,790)	(2,314)
Corporate items and eliminations	(500)	(258)	(1,094)	(689)
Consolidated net earnings	\$ 3,180	\$ 2,653	\$ 9,150	\$ 7,638

(a) Principally the elimination of GECS net earnings.

Notes to Condensed Consolidated Financial Statements (Unaudited)

1. The accompanying condensed quarterly financial statements represent the consolidation of General Electric Company and all companies which it directly or indirectly controls, either through majority ownership or otherwise. Reference is made to note 1 to the consolidated financial statements included in the Company's Annual Report on Form 10-K for the year ended December 31, 1999. That note discusses consolidation and financial statement presentation. As used in this Report and in the Report on Form 10-K, "GE" represents the adding together of all affiliated companies except General Electric Capital Services, Inc. ("GECS"), which is presented on a one-line basis; GECS consists of General Electric Capital Services, Inc. and all of its affiliates; and "consolidated" represents the adding together of GE and GECS with the effects of transactions between the two eliminated.

2. The condensed consolidated quarterly financial statements are unaudited. These statements include all adjustments (consisting of normal recurring accruals) considered necessary by management to present a fair statement of the results of operations, financial position and cash flows. The results reported in these condensed consolidated financial statements should not be regarded as necessarily indicative of results that may be expected for the entire year. Certain prior year amounts have been reclassified to conform to the current year's presentation.

3. A summary of changes in share owners' equity that do not result directly from transactions with share owners is provided below.

<i>(Dollars in millions)</i>	<u>Third quarter ended</u>	
	<u>9/30/00</u>	<u>9/30/99</u>
Net earnings	\$ 3,180	\$ 2,653
Unrealized gains (losses) on investment securities - net	434	(263)
Foreign currency translation adjustments - net	(500)	54
Total	<u>\$ 3,114</u>	<u>\$ 2,444</u>
	<u>Nine months ended</u>	
	<u>9/30/00</u>	<u>9/30/99</u>
Net earnings	\$ 9,150	\$ 7,628
Unrealized losses on investment securities - net	(482)	(2,320)
Foreign currency translation adjustments - net	(1,038)	(480)
Total	<u>\$ 7,630</u>	<u>\$ 4,828</u>

4. The Financial Accounting Standards Board ("FASB") has issued, then subsequently amended, Statement of Financial Accounting Standards ("SFAS") No. 133, Accounting for Derivative Instruments and Hedging Activities, effective for GE on January 1, 2001. Upon adoption, all derivative instruments (including certain derivative instruments embedded in other contracts) will be recognized in the balance sheet at their fair values; changes in such fair values must be recognized immediately in earnings unless specific hedging criteria are met. Effects of qualifying changes in fair value will be recorded in equity pending recognition in earnings as offsets to the related earnings effects of the hedged items. Management estimates that, at September 30, 2000, the effects on its financial statements of adopting SFAS No. 133, as amended, would have been to reduce net earnings and share owner's equity by less than \$100 million and \$500 million, respectively. However, the transition effect as of January 1, 2001, cannot be estimated at this time because it is subject to the following unknown variables as of that date: (1) actual derivatives and related hedged positions, (2) market values of derivatives and hedged positions, and (3) further interpretation of SFAS No. 133 by the FASB.

5. Inventories consisted of the following:

<i>(Dollars in millions)</i>	At	
	<u>9/30/00</u>	<u>12/31/99</u>
GE		
Raw materials and work in process	\$ 4,170	\$ 3,438
Finished goods	3,319	3,054
Unbilled shipments	223	233
Revaluation to LIFO	(888)	(927)
	<u>6,824</u>	<u>5,798</u>
GECS		
Finished goods	1,642	1,209
Total	<u>\$ 8,466</u>	<u>\$ 7,007</u>

6. Property, plant and equipment (including equipment leased to others) consisted of the following:

<i>(Dollars in millions)</i>	At	
	<u>9/30/00</u>	<u>12/31/99</u>
Original cost		
GE	\$30,950	\$30,199
GECS	38,663	38,160
Total	<u>69,613</u>	<u>68,359</u>
Accumulated depreciation and amortization		
GE	18,430	17,818
GECS	10,276	9,519
Total	<u>28,706</u>	<u>27,337</u>
Property, plant and equipment – net		
GE	12,520	12,381
GECS	28,887	28,641
Total	<u>\$40,907</u>	<u>\$41,022</u>

7. GE's authorized common stock consisted of 13,200,000,000 shares, having a par value of \$0.05 each. Information related to the calculation of earnings per share follows.

	Third Quarter Ended			
	9/30/00		9/30/99	
	Diluted	Basic	Diluted	Basic
<i>(Dollar amounts and shares in millions; per-share amounts in dollars)</i>				
Consolidated operations				
Net earnings available to common share owners	\$ 3,180	\$ 3,180	\$ 2,650	\$ 2,650
Dividend equivalents – net of tax	3	–	2	–
Net earnings available for per-share calculation	\$ 3,183	\$ 3,180	\$ 2,652	\$ 2,650
Average equivalent shares				
Shares of GE common stock	9,006	9,006	9,830	9,830
Employee compensation-related shares, including stock options	162	–	160	–
Total average equivalent shares	10,008	9,006	9,990	9,830
Net earnings per share	\$ 0.32	\$ 0.32	\$ 0.27	\$ 0.27

	Nine Months Ended			
	9/30/00		9/30/99	
	Diluted	Basic	Diluted	Basic
Consolidated operations				
Net earnings available to common share owners	\$ 0,150	\$ 0,150	\$ 7,678	\$ 7,678
Dividend equivalents – net of tax	8	–	6	–
Net earnings available for per-share calculation	\$ 0,158	\$ 0,150	\$ 7,684	\$ 7,678
Average equivalent shares				
Shares of GE common stock	9,888	9,888	9,828	9,828
Employee compensation-related shares, including stock options	162	–	162	–
Total average equivalent shares	10,050	9,888	9,990	9,828
Net earnings per share	\$ 0.01	\$ 0.01	\$ 0.76	\$ 0.78

Item 2. Management's Discussion and Analysis of Results of Operations and Financial Condition

A. Results of Operations — Third Quarter of 2000 Compared with Third Quarter of 1999

General Electric Company earnings per share increased 19% to \$.32, up from last year's \$.27, and net earnings increased 20% to \$3.180 billion. Both earnings per share and earnings were records for the quarter.

Revenues for the third quarter increased to a record \$52.0 billion, 18% above last year's quarter, reflecting continued growth from globalization and product services.

Excluding the effects of a third-quarter retirement benefit provision associated with the new labor agreement, GE's third-quarter operating margin was 17.6% of sales, up from last year's 16.7%, reflecting increasing benefits from GE's focus on product services, Six Sigma quality and e-Business initiatives. GE's reported third-quarter operating margin was 16.6%.

GE's industrial businesses achieved revenue growth of 18% above third quarter 1999. Operating profit for six of seven operating segments increased by double digits — led by Power Systems, Medical Systems, Plastics and Aircraft Engines.

GE Capital Services' third-quarter earnings rose to \$1.478 billion, 17% above last year's \$1.262 billion. These record results reflect the globalization and diversity of GE Capital's businesses, with strong double-digit increases in its Specialized Financing, Consumer Services, Equipment Management and Mid-Market Financing segments.

Cash generated from GE's operating activities during the first nine months was a record \$9.6 billion, up 34% from last year's \$7.4 billion. As part of the \$22 billion share repurchase program, GE purchased \$495 million of its stock during the third quarter to reach \$17.0 billion — 943 million shares — purchased since December 1994.

Segment Analysis:

The comments that follow compare revenues and operating profit by operating segment for the third quarters of 2000 and 1999.

- *Aircraft Engines* reported a 15% increase in operating profit despite revenues that were 3% lower compared with the third quarter of 1999. The decrease in revenues primarily reflected a higher proportion of small engines compared with last year, as well as lower product service revenues. The improvement in operating profit was primarily attributable to strong productivity and higher selling prices.

- *Appliances* revenues increased 3% over the third quarter of 1999, as higher volume more than offset lower selling prices. Operating profit increased 16% largely as a result of productivity and higher volume from new products which more than offset lower selling prices.

- *GE Capital Services* third-quarter earnings rose to \$1.478 billion, up 17% from last year's \$1.262 billion, with strong double-digit increases in its Specialized Financing, Consumer Services, Equipment Management and Mid-Market Financing activities. The overall improvement in earnings was largely attributable to the effects of continued asset growth, principally from acquisitions of businesses and portfolios, higher origination volume, and the inclusion of an after tax gain of \$226 million on the portion of the investment in FaineWebber common stock, which is classified as trading securities. These increases were partially offset by unusual after-tax charges of \$239 million for asset writedowns, employee severance and other facilities costs in connection with third quarter decisions to rationalize certain information technology and mortgage servicing operations.

- *Industrial Products and Systems* reported a 1% increase in operating profit on revenues that were 1% lower than a year ago. The decrease in revenues primarily reflected lower volume at Transportation Systems, which had a very strong 1999 quarter. The improvement in segment operating profit was primarily attributable to productivity and higher volume at Lighting and Industrial Systems, partially offset by the effects of lower selling prices across most businesses in the segment.

- *NBC* reported a 76% increase in revenues largely as a result of its coverage of the 2000 Summer Olympic Games, as well as continued growth in cable operations, particularly at CNBC. Operating profit increased 10% reflecting a strong marketplace, improved results in network operations, cable, and national, which more than offset higher license fees associated with renewal of certain sports and prime-time programs.

- *Plastics* operating profit increased 25% on revenues that were 17% higher than a year ago. The increase in both revenues and earnings were primarily attributable to higher volume and improved selling prices.
- *Power Systems* revenues increased 43%, primarily as a result of sharply higher volume in gas turbines and continued growth in product services, including acquisitions. Operating profit rose 60%, reflecting the increase in volume as well as productivity.
- *Technical Products & Services* revenues increased 19% from the third quarter of 1999, principally as a result of sharply higher volume at Medical Systems, including acquired businesses. Operating profit grew 36%, reflecting volume growth at Medical Systems and productivity, which more than offset lower selling prices across the segment.

B. Results of Operations - First Nine Months of 2000 Compared With First Nine Months of 1999

Net earnings were \$9.150 billion in the first nine months of 2000, up 20% from \$7.628 billion in the first nine months of 1999. Earnings per share increased 20% to \$0.91 from \$0.76. Management indicated that it is comfortable with the First Call analysts' consensus estimate of \$1.27 per share for the full year 2000.

Consolidated revenues for the first nine months of 2000 aggregated \$34.9 billion, up 20% from \$28.8 billion in the first nine months of 1999. GE's sales of goods and services were 19% higher, led by Power Systems, NBC, and Medical Systems. The improvement in sales was largely attributable to increases in the volume of goods and services sold, partially offset by the effects of lower selling prices overall.

Excluding the effects of a third-quarter retirement benefit provision associated with the new labor agreement, operating margin in the first nine months of 2000 was 18.5% of sales, an improvement over last year's 17.5%. The growth reflects increasing benefits from GE's focus on product services, Six Sigma quality and e-Business initiatives. GE's reported operating margin was 18.1%.

Segment Analysis:

The following comments compare revenues and operating profit by industry segment for the first nine months of 2000 with the same period of 1999.

- *Aircraft Engines* reported revenues that were 1% higher than a year ago, primarily as a result of higher military engine sales and slightly higher volume in product services. Operating profit increased 17%, reflecting productivity and growth in product services, which more than offset higher costs.
- *Appliances* revenues were up 8% compared with the first nine months of 1999, as volume increases more than offset lower selling prices. Operating profit increased 6% as productivity and higher volume more than offset the decrease in selling prices and increased spending on new products.
- *GE Capital Services* year-to-date earnings rose to \$3.965 billion, up 17% from last year's \$3.366 billion, reflecting strong double-digit increases in Consumer Services, Mid-Market Financing and Specialized Financing activities. The overall improvement in earnings was largely attributable to the effects of continued asset growth, principally from acquisitions of businesses and portfolios, higher origination volume, a higher level of asset gains, and the inclusion of an after-tax gain of \$226 million on the portion of the investment in FirstWebber common stock classified as trading securities. These increases were partially offset by unusual after-tax charges of \$239 million for asset writedowns, employee severance and other facilities costs in connection with third quarter decisions to rationalize information technology and mortgage servicing operations.

- *Industrial Products and Systems* reported a 13% increase in operating profit on revenues that were 5% higher than a year ago. The increase in revenues primarily reflected volume increases at Lighting and Industrial Systems. The improvement in operating profit was primarily attributable to productivity across the segments, which was partially offset by the effects of lower selling prices.

- *NBC* revenues increased 30%, primarily as a result of its coverage of the 2000 Summer Olympic Games, as well as continuing growth in cable operations, particularly at CNBC. Operating profit increased 15% reflecting growth in network, cable operations, and owned and operated stations, somewhat reduced by higher license fees associated with renewal of certain sports and prime-time programs.

- *Plastics* operating profit increased 15% on revenues that were 16% higher than a year ago. The increase in both revenues and earnings were primarily attributable to higher volume and improved selling prices.

- *Power Systems* revenues increased 61%, primarily as a result of sharply higher volume in gas turbines and continued growth in product services, including acquisitions. Operating profit rose 70%, reflecting productivity and the increase in volume.

- *Technical Products & Services* revenues increased 18% over last year, reflecting sharply higher volume at Medical Systems, including acquired businesses. Operating profit grew 31%, largely as a result of volume growth at Medical Systems which more than offset lower selling prices across the segment.

C. Financial Condition

With respect to the Condensed Statement of Financial Position, consolidated assets of \$431.1 billion at September 30, 2000, were \$25.9 billion higher than at December 31, 1999.

GE assets were \$92.3 billion at September 30, 2000, an increase of \$9.7 billion from December 31, 1999. The increase was primarily attributable to increases in cash (\$2.4 billion), normal seasonal increases in inventory (\$1.0 billion), earnings retained by GECS (\$2.6 billion) and all other assets (\$2.7 billion). The change in all other assets resulted primarily from an increase in the prepaid pension asset as well as increases in miscellaneous investments.

GECS assets increased by \$21.0 billion from the end of 1999. The increase in assets was largely attributable to the acquisition of certain assets and the assumption of liabilities of Toho Mutual Life Insurance of Japan (Toho), an entity that was insolvent when acquired. Under the terms of the acquisition, which was consummated in the first quarter, GECS acquired approximately \$13.2 billion in cash, as well as investment securities and other receivables in exchange for assuming Toho's existing insurance policyholder liabilities. The significant cash position of Toho at the date of acquisition reflected the liquidity needs of the business including significant policyholder redemptions that occurred through September 30, 2000.

GECS investment securities increased by \$7.7 billion from year-end 1999, largely as a result of the acquisition of Toho. Other assets increased \$7.2 billion, primarily reflecting growth in "separate accounts," which are investments controlled by policyholders, as well as acquired real estate ventures of Toho. GE Capital's financing receivables, which, net of the allowance for losses, aggregated \$134.1 billion at the end of the third quarter, decreased \$0.1 billion from year-end 1999. Management believes that GE Capital's allowance for losses of \$3.7 billion at September 30, 2000, is the best estimate of probable losses inherent in the portfolio given its strength and diversity and current economic circumstances.

Consolidated liabilities of \$378.5 billion at September 30, 2000, were \$21.1 billion higher than the year-end 1999 balance of \$357.4 billion.

GE liabilities increased \$4.4 billion to \$43.6 billion. Total borrowings were \$2.0 billion (\$1.2 billion short term and \$0.8 billion long term) at September 30, 2000, a decrease of \$1.0 billion from December 31, 1999. The ratio of debt to total capital for GE at the end of the third quarter was 3.9% compared with 6.4% at the end of last year and 7.6% at September 30, 1999.

GECS liabilities increased \$19.4 billion to \$339.7 billion, compared with \$320.3 billion at the end of 1999. The increase was principally attributable to additions to insurance liabilities of \$20.4 billion from year-end 1999, primarily the assumption of policyholder liabilities of Toho, as well as increases in separate accounts and additions to reserves related to core growth. Short-term borrowings decreased \$5.2 billion from year-end 1999, while long-term borrowings increased by \$4.3 billion.

With respect to cash flows, consolidated cash and equivalents were \$8.8 billion at September 30, 2000, an increase of \$0.2 billion during the first nine months of 2000. Cash and equivalents were \$6.1 billion at September 30, 1999, an increase of \$1.8 billion since the beginning of the year.

GE cash and equivalents increased \$2.4 billion during the first nine months of 2000 to \$4.4 billion at September 30, 2000. Cash provided from 2000 operating activities was \$9.9 billion, an increase of 34% over the \$7.4 billion reported for the first nine months of 1999, reflecting continuing improvements in earnings and higher progress collections during the period. Cash used for investing activities (\$2.5 billion) principally represented investments in new plant and equipment for a wide variety of projects to lower costs and improve efficiencies. Cash used for financing activities (\$5.1 billion) included \$1.6 billion for repurchases of common stock under the share repurchase program and \$4.0 billion for dividends paid to share owners, a 17% increase in the per-share dividend rate compared with the first nine months of last year.

GE cash and equivalents increased \$0.2 billion during the first nine months of 1999 to \$4.4 billion at September 30, 1999. Cash provided from 1999 operating activities was \$7.4 billion, an increase of 25% over the \$5.9 billion reported for the first nine months of 1998, reflecting continuing improvements in earnings and higher progress collections during the period. Cash used for investing activities (\$2.1 billion) principally represented acquisition of businesses and investments in new plant and equipment for a wide variety of projects to lower costs and improve efficiencies. Cash used for financing activities (\$5.1 billion) included \$1.4 billion for repurchases of common stock under the share repurchase program and \$3.4 billion for dividends paid to share owners, a 17% increase in the per-share dividend rate compared with the first nine months of 1998.

GECS cash and equivalents increased \$0.2 billion during the first nine months of 2000. Cash provided from operating activities totaled \$3.0 billion, compared with \$10.5 billion for the first nine months of 1999. The decrease in cash from operating activities compared with last year was largely attributable to insurance policyholder redemptions associated with the Toho acquisition and a smaller decrease in mortgages held for resale. Cash from financing activities totaled \$18.6 billion, primarily as a result of insurance policyholder liabilities assumed in the Toho acquisition. The principal use of GECS cash during the period was for investing activities (\$21.4 billion), a majority of which was attributable to growth in financing receivables, property, plant and equipment and higher net purchases of investment securities, which are included in "all other" investing activities.

GECS cash and equivalents increased \$1.8 billion during the first nine months of 1999. Cash provided from operating activities totaled \$10.5 billion, compared with \$8.0 billion for the first nine months of 1998. Cash was used to fund business acquisitions (\$6.7 billion), the largest of which were the acquisitions of Japan Leasing, the

financial services business of AVCO and Pheonixcor; for additions to property, plant and equipment (\$7.6 billion), principally equipment that is provided to third parties on operating leases; and for additions to financing receivables (\$6.8 billion). Cash provided from financing activities resulted primarily from increased borrowings (\$12.1 billion) during the first nine months of 1999.

D. Pending Transaction

On July 12, 2000, Union Bank of Switzerland (UBS) and PaineWebber announced they had entered into a definitive merger agreement (the UBS merger agreement). Through GE Capital Services, GE holds 31,523,600 shares of PaineWebber common stock and has voted in favor of the merger. Fifty percent of the holdings of PaineWebber securities are classified as trading securities; the increase in the share price of those securities through September 30, 2000, has thus been recognized as a pre-tax gain of \$369 million. If the merger is completed under the terms of the UBS merger agreement, an additional pre-tax gain of approximately \$1.0 billion would be realized. The UBS merger agreement is subject to a number of conditions that are not within the control of GE, resolution of which will affect the amount and timing of proceeds realized from the transaction.

E. Subsequent Event

On October 22, 2000, General Electric and Honeywell announced that GE agreed to acquire Honeywell in a tax-free merger. The details of this transaction are discussed in the Company's 8-K filing dated October 23, 2000.

F. Forward Looking Statement

This quarterly report includes certain "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are based on management's current expectations and are subject to uncertainty and changes in circumstances. Actual results may differ materially from these expectations due to changes in global economic, business, competitive, market and regulatory factors. More detailed information about those factors is contained in GE's 1999 Annual Report on Form 10-K.

Part II. Other Information

Item 6. Exhibits and Reports on Form 8-K

a. Exhibits

Exhibit 11	Computation of Per Share Earnings*
Exhibit 12	Computation of Ratio of Earnings to Fixed Charges
Exhibit 27	Financial Data Schedule

* Data required by Statement of Financial Accounting Standards No. 128, Earnings per Share, is provided in note 7 to the condensed consolidated financial statements in this report.

b. Reports on Form 8-K during the quarter ended September 30, 2000.

Report on Form 8-K (Item 5) filed on October 23, 2000, regarding merger agreement between General Electric and Honeywell.

Signatures

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

General Electric Company
(Registrant)

October 26, 2000

Date

/s/ Philip D. Ameen

Philip D. Ameen
Vice President and Comptroller
Duly Authorized Officer and Principal Accounting Officer

**General Electric Company
Ratio of Earnings to Fixed Charges**

<i>(Dollars in millions)</i>	<u>Nine months ended September 30, 2000</u>
GE except GECS	
Earnings (a)	\$12,086
Less: Equity in undistributed earnings of General Electric Capital Services, Inc. (b)	(2,573)
Plus: Interest and other financial charges included in expense One-third of rental expense (c)	<u>660</u>
Adjusted "earnings"	<u>\$10,825</u>
Fixed Charges:	
Interest and other financial charges	\$ 660
Interest capitalized	1
One-third of rental expense (c)	<u>152</u>
Total fixed charges	<u>\$ 813</u>
Ratio of earnings to fixed charges	<u>12.70</u>
General Electric Company and consolidated affiliates	
Earnings (a)	\$13,743
Plus: Interest and other financial charges included in expense One-third of rental expense (c)	<u>8,704</u>
Adjusted "earnings"	<u>\$22,988</u>
Fixed Charges:	
Interest and other financial charges	\$ 8,704
Interest capitalized	91
One-third of rental expense (c)	<u>451</u>
Total fixed charges	<u>\$ 9,246</u>
Ratio of earnings to fixed charges	<u>2.46</u>

(a) Earnings before income taxes and minority interest.

(b) Earnings after income taxes, net of dividends.

(c) Classified to be representative of interest factor in total expense.

EXHIBIT F

Marketing Materials

[TO BE LATE-FILED]

KELLEY DRYE & WARREN LLP
1200 18TH STREET, N.W.
WASHINGTON, DC 20036

006807

15-122/540
BRANCH 00488

DATE 5/9/01

PAY
TO THE
ORDER OF

South Dakota Public Utility Commission

\$ 250.00

Two hundred fifty and no/100-----DOLLARS

Security features included. Details on back.

First Union National Bank

RT 054001220

Kelley K. Lambert

⑆00006807⑆ ⑆054001220⑆ 2000034690853⑆

DETACH AND RETAIN THIS STATEMENT
THE ATTACHED CHECK IS IN PAYMENT OF ITEMS DESCRIBED BELOW. IF NOT CORRECT PLEASE NOTIFY US PROMPTLY. NO RECEIPT DESIRED
KELLEY DRYE & WARREN LLP

DATE	DESCRIPTION	AMOUNT
5/9/01	Charge 012575.0002 for requisite fee for GE's Transfer of Certificate in South Dakota <i>TC01-048</i>	\$250.00

South Dakota Public Utilities Commission
WEEKLY FILINGS
For the Period of May 10, 2001 through May 16, 2001

If you need a complete copy of a filing faxed, overnight expressed, or mailed to you, please contact
Delaine Kolbo within five business days of this filing. Phone: 605-773-3705 Fax: 605-773-3809

CONSUMER COMPLAINTS

CT01-024 In the Matter of the Complaint filed by Lawrence Blankenhorn, Flandreau, South Dakota, against MCI WorldCom Regarding Unauthorized Switching of Services and Billing for Services.

Complainant alleges that his long distance service was switched without his authorization which resulted in the unauthorized billing. Complainant is asking for \$1,000.00 as provided by South Dakota law.

Staff Analyst: Mary Healy
Staff Attorney: Kelly Frazier
Date Docketed: 05/14/01
Intervention Deadline: N/A

ELECTRIC

EL01-009 In the Matter of the Joint Request for an Electric Service Territory Boundary Change between Xcel Energy and Southeastern Electric Cooperative, Inc.

Xcel Energy and Southeastern Electric Cooperative, Inc. are jointly requesting a change to the existing electric service territory agreement, pursuant to SDCL 49-34A-55. The area in question is in the "Prairie Trails Addition" within the NW 1/4 of Section 35 of Range 51 West, Township 100N, Tea, South Dakota. The existing boundary intersects many of the proposed lots in the addition. The boundary change requested would allow the service territory to follow the proposed lot lines.

Staff Analyst: Michele Farris
Staff Attorney: Karen Cremer
Date Docketed: 05/14/01
Intervention Deadline: 06/01/01

NATURAL GAS

NG01-005 In the Matter of the Filing by Montana-Dakota Utilities Co. for Approval of an Amendment to a Contract with Deviations with Morris Asphalt, Inc.

Application by Montana-Dakota Utilities Co. for approval of an amendment to its contract with deviations with Morris Inc. The filing proposes to revise the calculation of the rate applicable to Morris Inc. The contract would be in effect for an initial period and continue in one year increments until either party furnishes 30 days notice of termination.

Staff Analyst: Heather Forney
Staff Attorney: Kelly Frazier
Date Docketed: 05/14/01
Intervention Deadline: 06/01/01

TC01-051 In the Matter of the Application of Williams & Company Communications, Inc. for a Certificate of Authority to Provide Local Exchange Services in South Dakota.

Williams & Company Communications, Inc. is seeking a Certificate of Authority to provide local exchange and high speed internet access telecommunication services in South Dakota. The applicant intends to provide these services in Qwest exchanges using a combination of its own facilities, leased facilities and resale.

Staff Analyst: Keith Senger
Staff Attorney: Karen Cremer
Date Docketed: 05/15/01
Intervention Deadline: 06/01/01

TC01-052 In the Matter of the Filing by Qwest Corporation for Approval of Revisions to its Access Service Tariff.

On May 16, 2001, Qwest Corporation filed revisions to its Exchange and Network Services Tariff for approval. The purpose of the revisions is to introduce changes dealing with Jurisdictional Report Requirements.

Staff Analyst: Heather Forney
Staff Attorney: Kelly Frazier
Date Docketed: 05/16/01
Intervention Deadline: 06/01/01

You may receive this listing and other PUC publications via our website or via internet e-mail.
You may subscribe or unsubscribe to the PUC mailing lists at <http://www.state.sd.us/puc/>

Visiology, Inc.

Todd H. Lowe (205) 330-1701
Barbara L. Lowe (205) 330-1702
Bobbi Ferguson (205) 330-1703
FAX (205) 330-1705
WEB www.visiology.com
E-Mail toddlowe@visiology.com
toddlowe@worldnet.att.net

May 25, 2001

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MAY 29 2001

Mr. William Bullard, Jr.
Executive Director
South Dakota Public Utilities Commission
State Capitol
500 East Capital Avenue
Pierre, South Dakota 57501-5070

SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

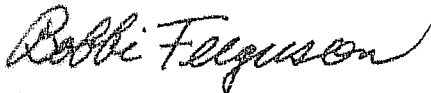
Re: Docket TC01-048 In the Matter of the Filing for Approval of Transfer of Certificate of Authority from GE Capital Communication Services Corporation to GE Capital Telemanagement Services Corporation

Dear Mr. Bullard:

Pursuant to discussions with staff, enclosed for filing in the above referenced Docket are the original and ten copies of the proposed tariff of GE Capital Telemanagement Services Corporation.

Please date-stamp and return the copy of this transmittal letter as proof of filing. An envelope with the return address and the appropriate postage is attached for this purpose. Your assistance in this matter is greatly appreciated. If you have any questions about this filing or need additional information, please call me at (205) 330-1703.

Sincerely,



Bobbi Ferguson
Consultant to
GE Capital Telemanagement Services Corporation

Enclosures

cc: Nicholas G. Leverett
Kelly, Dye, & Warren LLP

GE CAPITAL TELEMAGEMENT SERVICES CORPORATION

REGULATIONS AND SCHEDULE OF CHARGES FOR
RESALE OF COMPETITIVE INTEREXCHANGE
TELECOMMUNICATION SERVICES
WITHIN THE STATE OF SOUTH DAKOTA

GE Capital Telemangement Services Corporation

Tariff No. 1

Issued: May 25, 2001
Merrill Gifford

Issued: May 25, 2001
Meredith Gifford, AVP, Regulatory Affairs

Effective:

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All the pages of this Tariff are effective as of the date shown at the top of the respective page(s). Original and revised pages as named below comprise all changes from the original Tariff.

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Issued: May 25, 2001
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GE Capital Telemanagement Services Corporation

South Dakota P.U.C. Test No. 1
Original Page 6

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**CONCURRING, CONNECTING OR
OTHER PARTICIPATING CARRIERS**

None

SYMBOLS

The following are the only symbols used for the purposes indicated below:

- C - Changed regulation
- D - Discontinued rate or regulation
- I - Increase
- M - Matter relocated without change
- N - New rate or regulation
- R - Reduction
- S - Reissued matter
- T - Change in text, but no change in rate or regulation

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TARIFF FORMAT

- A. Page Numbering - Page numbers appear in the upper right corner of the page. Pages are numbered sequentially. However, new pages are occasionally added to the Tariff. When a new page is added between pages already in effect, a decimal is added. For example, a new page added between pages 14 and 15 would be 14.1.
- B. Page Revision Numbers - Revision numbers also appear in the upper right corner of each page. These numbers are used to determine the most current page version on file with the Commission. For example, the 4th Revised Page 14 Replaces the 3rd Revised Page 14.
- C. Paragraph Numbering Sequence - There are five levels of paragraph coding. Each level of coding is subservient to its next higher level:
- 2.
 - 2.1
 - 2.1.1
 - 2.1.1 (A)
 - 2.1.1 (A).1
- D. Check Page - When a filing is made with the Commission, an updated Check Page accompanies the filing. The Check Page lists the pages contained in the Tariff, with a cross reference to the current revision number. When new pages are added, the Check Page is changed to reflect the revision.

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SECTION 1 - DEFINITIONS AND ABBREVIATIONS

For the purposes of this Tariff, the following technical terms and abbreviations will apply.

10XXX or 101XXXX Access: A dialing method that enables a Customer to reach the interexchange carrier of the Customer's choice even if the Customer is not a regular Customer of that carrier. For example, to reach AT&T Communications of New England, Inc., the Customer dials 1+10288+NPA+NXX.

Access Coordination: Access Coordination provides for the design, ordering, installation coordination, pre-service testing, service turn-up and maintenance ongoing coordination of testing and trouble resolution on all Company-provided local access channels. In the case of Customer-provided local access channels, it provides for the maintenance, ongoing coordination of testing, and trouble resolution for the local access channels.

Access Line: A transmission line used to transmit voice and/or data calls from the Customer's Premises to a telephone company serving wire center or a Company-designated POP or from a telephone company serving wire center or a Company-designated POP to the Customer's Premises.

Account Code: An Account Code is a code consisting of two or more digits which is available to Customers to identify individual users and thereby allocate the cost of long distance Service.

Add'l: Add'l stands for additional period.

Administrative Change: Administrative Change is the modification of an existing Circuit, Dedicated Access line or Port, at the request of the Customer, that involves changes to authorization codes, speed numbers, route guide, consolidation of billing, verification of testing performed by parties other than the Company, or any other administrative change not covered by a Billing Record Change.

Airline Mileage: The distance in mileage between two Rate Centers whose position is specified by industry standards.

Alternate Access: Alternate Access is a form of Local Access except that the provider of the service is an entity, other than the Local Exchange Carrier, authorized or permitted to provide such service. The charges for Alternate Access may be subject to private agreement rather than published or special Tariff rates if permitted by applicable governmental rules.

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SECTION 1 - DEFINITIONS AND ABBREVIATIONS

Ancillary Charges: Ancillary Charges are charges for supplemental Services or optional features as set forth herein which may consist of both nonrecurring and monthly recurring charges.

ANI: Automatic Number Identification. A process used to identify the calling station. For example, Customers such as call centers pay for caller's telephone numbers to be sent to them simultaneously with their incoming toll free service calls.

Applicant: Any entity or individual who applies for Service under this Tariff.

Application for Service: The Application for Service is the standard Company order form which includes all pertinent billing, technical, and other descriptive information which will enable the Company to provide a communication Service(s) as required.

Area of Service: The specific area(s) from which toll free calls will be allowed on a given TFS Number as decided by the Customer subscribing to that TFS Number.

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SECTION 1 - DEFINITIONS AND ABBREVIATIONS

Authorization Code: An Authorization Code is a code in numbers or letters employed to gain access to a Company Service.

Authorized User: A person, firm, corporation or other entity (including Customer) that 1) is authorized by the Customer to be connected to and utilize the Company's Services under the terms and regulations of this Tariff or 2) either is authorized by the Customer to act as the Customer in matters of ordering, changing or canceling Service or is placed in a position by the Customer, either through acts or omissions, to act as Customer in such matters. Such actions by an Authorized User shall be binding on Customer and shall subject Customer to any associated charges.

Billing Record Change: Billing Record Change is a change in Customer's billing address.

Blocking: A temporary condition that may be initiated so that the Customer cannot complete a telephone call.

BTN: Billed Telephone Number. May consist of one or more WTNs.

Business Customer: A Customer whose use of the Services is primarily or substantially for a business, professional, institutional, or occupational purpose. Any Business Customer employee who subscribes to the Service for his or her home telephone will also be classified as a Business Customer.

Cardholder: Cardholder is the associate, member, Customer, or other individual that uses the Company's Prepaid Calling Card Service or Calling Card Service.

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SECTION 1 - DEFINITIONS AND ABBREVIATIONS

Casual Caller: A caller that has not affirmatively selected the Company as its choice of a long distance service provider in advance of placing a long distance call.

CIC: CIC stands for Carrier Identification Code which is a numeric code consisting of three numbers used by end-users or customers to reach the networks of the DUCS through equal access arrangements.

CLEC: Competitive Local Exchange Carrier. Any carrier or reseller offering local exchange telecommunications services other than the incumbent LEC.

Collect Call: A Collect Call is a billing arrangement whereby the charge for a Call is billed to the Called Station's telephone number.

Commission: Commission refers to the South Dakota Public Utilities Commission or any succeeding agency.

Company: Company refers to GE Capital Telemangement Services Corporation.

Company-Provided: The switching, transmission, and other related telecommunications equipment/facilities provided by the Company or by any combination of the Company, the LEC, or other authorized Third Party Vendors contracted by the Company.

CPE: Customer-Provided Equipment. Terminal equipment connected to the telephone network which is owned by the Customer or leased by the Customer from a supplier.

CPNIP: Customer Premises Network Interface Points.

Credit Card: Visa®, MasterCard®, or other Credit Cards issued by other companies the Company may accept.

Customer: A Customer is the person, firm, corporation, governmental unit or other entity which orders Service -- either for its own use, as a resale carrier, or as a non-profit manager of a sharing group --and which is responsible for the payment of charges and for compliance with this Tariff. If an entity orders Service in more than one city or requests the assignment of multiple account numbers, each such account is a separate Customer for billing purposes. The term Customer also includes an entity that (1) remains pre-subscribed to Company Service after its account(s) are removed from Company's billing system, and subsequently continues to use Company's Service, (2) accepts responsibility for the charges associated with an Operator Services Call, or (3) otherwise uses Service for which no other Customer is obligated to compensate the Company.

Issued: May 25, 2001
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SECTION 1 - DEFINITIONS AND ABBREVIATIONS

Customer Association: A Customer Association is a pre-existing group of Customers (i) having a cognizable commonality of interest apart from their desire to purchase Services from the Company and (ii) engaging in activities as a group apart from the purchasing of Services from the Company.

Customer Commitment Date: The date in which the Company receives a firm commitment from a Customer for the provision of one of the Company's Data Service offerings.

Customer Premises/Customer's Premises: Location(s) designated by a Customer where Service is originated/terminated whether for its own communications needs or for the use of its Resellers.

DACC: Directory Assistance Call Completion.

Dedicated Access: Where Customer's Premises has a non-switched connection to the POP selected by the Company for origination and or termination of calls. When the Dedicated Access is used for Switched Services, the Dedicated Access is referred to as a Dedicated Access line. When Dedicated Access is used to provide Data Services, the Dedicated Access is referred to as local loop.

Defects or Defective Service: A shortcoming or an imperfection in Data Service(s) as a result of mistakes, accidents, errors, omissions, interruption or delay in Service.

Designated Underlying Carrier: The Designated Underlying Carrier is the facilities-based carrier chosen by the Company to provision the communications Service(s) provided to the Customer.

Direct-Dialed: A call placed by the caller without operator assistance.

Diversity: Diversity is Customer-designated routing which indicates a Customer designated departure from a DUC's primary route.

Issued: May 25, 2001
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Effective:

SECTION 1 - DEFINITIONS AND ABBREVIATIONS

DNIS: Dialed Number Identification Service. Provides the ability to identify the dialed TFS Number on a call-by-call basis.

DUC: DUC stands for Designated Underlying Carrier.

Employees: The term Employees refers to the active and retired employees of the Company and all subsidiaries, affiliates, and any other groups designated by the Company.

End User: The person or legal entity which uses the Service provided by the Company.

Equal Access: Enables the Customer to place long distance calls without the need to first dial a special code.

Exemption Certificate: A written notification provided by the Customer certifying that its dedicated facility should be exempted from the monthly Special Access Surcharge because (a) the facility terminates in a device not capable of interconnecting Service with the local exchange network or (b) the facility is associated with a Switched Access Service that is subject to Carrier Common Line Charges.

Feature Groups: Feature Groups are switching arrangements available from LEC or CLEC central offices to long distance carriers for accessing the LEC or CLEC end-user who wish to make toll calls.

Feature Group B: Feature Group B provides a high quality trunk line connection from end central office to the DUC's facilities. The Customer can originate a call from anywhere within the LATA.

Issued: May 25, 2001
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Effective:

SECTION 1 - DEFINITIONS AND ABBREVIATIONS

Feature Group D: Feature Group D is the class of service associated with Equal Access arrangements. All IXCs enjoy identical connections to the local exchange carrier. All Customers dial the same number of digits and can reach the predetermined IXC of their choice by dialing 1 plus the telephone number being called.

Flat Rate: Charging a rate per minute irrespective of the distance the call is carried or the time- of-day or day-of-week the call is placed.

GE: GE stands for General Electric Company.

ICB: Individual Case Basis. A Service provided involving a nonstandard arrangement. The nature of such Service requirements makes it difficult or impossible to establish general Tariff provisions for such circumstances.

Initial and Additional Period: The Initial Period denotes the interval of time allowed at the rate specified for a connection between given service points. The Additional Period denotes the interval of time used for measuring and charging time in excess of the Initial Period.

Installation: Installation means the connection of a Circuit, Dedicated Access line, or Port, for new, changed or additional Service.

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Effective:

SECTION 1 - DEFINITIONS AND ABBREVIATIONS

IXC: IXC stands for Interexchange Carrier.

Joint User: A corporation, association, partnership, or individual that is permitted to use a Customer's Service by mutual agreement between the Customer and the Joint User in accordance with the terms and conditions of this Tariff.

LATA: Local Access Transport Area. A geographically defined regulatory boundary established by the Modification of Final Judgement.

LEC: LEC stands for LEC.

Local Access: The service between a subscriber's premise and a Company-designated POP.

Local Access Provider: An entity providing Local Access.

MAC: Minimum Annual Commitment.

MMC: Minimum Monthly Commitment.

MMPO: Minimum Monthly Payment Obligation.

MOU: Minutes of Use.

MRC: Monthly Recurring Charge.

MTS: Message Telecommunications Service.

Issued: May 25, 2001
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Effective:

SECTION 1 - DEFINITIONS AND ABBREVIATIONS

NASC: NASC is the National Administration and Service Center. NASC provides centralized administration of the SMS database of toll free numbers. The NASC keeps track of the toll free numbers that are in use or available for use.

NPA: Numbering Plan Area. More commonly referred to as an area code.

Nonrecurring Charges: Nonrecurring Charges are one-time charges.

NXX: NXX represents the first three digits of a Customer's telephone number. N is a number between 2 and 9. X is a number between 0 and 9.

On-Net Service: A Service traversing the Company-designated Third Party Vendor network, both ends of which originate or terminate at a POP of the Third Party Vendor.

Off-Network Station: An Off-Network Station is a station which does not subscribe to one of the Company's outbound EXCHANGE® Premium services.

On-Net Service: A Service traversing the Company-designated Third Party Vendor network, both ends of which originate or terminate at a POP of the Third Party Vendor.

On-Network Station: An On-Network Station is a station which subscribes to one of the Company's outbound EXCHANGE® Premium services.

OTC: One Time Charge.

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SECTION 1 - DEFINITIONS AND ABBREVIATIONS

PBX: PBX stands for Private Branch Exchange.

Person-to-Person: Any operator-handled call whereby the person originating a call specifies a particular person to be reached, or a particular station, room number, department, or office to be reached through a PBX attendant.

Personal Identification Number: Personal Identification Number ("PIN") is a unique number assigned to each Calling Card or Prepaid Calling Card for the purpose of accessing Service.

PIC: Primary Interexchange Carrier.

PICC: Primary Interexchange Carrier Charge.

PIN: PIN stands for Personal Identification Number (PIN) and is a numerical code one or more of which may be assigned to a Customer for access and use of Service. The PIN enables the Company to identify the end user originating Service for security and for billing purposes. PINs are the sole property of the Company and no Customer shall have any property or other right or interest in the use of any particular PIN.

Platform: Platform refers to the proprietary computer technology that provides the Company's network services.

Point-of-Sale: Point-of-Sale is the location at which the Cardholder purchases the Prepaid Calling Card.

POP: Point-of-Presence. A physical place at which the local telephone company terminates subscriber Circuits for long distance dial-up or leased-line communications or a Company-designated location where a facility is maintained for the purpose of providing access to the Company's Service.

Port: The physical or electrical interface through which access to the communications network is obtained.

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SECTION 1 - DEFINITIONS AND ABBREVIATIONS

Postalized: Charging a Flat Rate per minute irrespective of the distance the call is carried.

POTS Number: Plain Old Telephone Service Number. The 10-digit telephone number associated with basic local exchange service.

Prepaid Calling Card: A Prepaid Calling Card allows a Customer to purchase a predetermined amount of access to the Company's long distance and directory assistance Services prior to the use of Service(s). Also Called a Debit Card.

Primary Interexchange Carrier: Primary Interexchange Carrier is the long distance company to which traffic from a given location is automatically routed when dialing 1+ in equal access areas. The Primary Interexchange Carrier is identified by a code number which is assigned by the local telephone company to the telephone numbers of all the subscribers to that carrier to ensure the calls are routed to the correct company.

P.U.C.: P.U.C. stands for Public Utilities Commission.

Rate Center: A specified geographical location used for determining mileage measurements.

Reseller: A Customer that resells the Company's Service(s) with the Company's authorization.

Issued: May 25, 2001
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SECTION 1 - DEFINITIONS AND ABBREVIATIONS

Residential Customer: A Customer whose use of the Service is primarily or substantially of a social or domestic nature; and business use, if any, is incidental.

Resp Org: Responsible Organization. The entity designated to manage and administer a Customer's SMS/800 records.

Restore: Restore means to make Service operative following an interruption by repair, reassignment, re-routing, substitution of component parts, or otherwise, as determined by the DUC(s) involved.

SCP: SCP stands for Service Commitment Period.

Service: Any or all services provided pursuant to this Tariff.

Service Commitment Period: The Service Commitment Period is the period selected by the Customer, agreed to by the Company, and stated on the relevant Application for Service during which the Company will provide and Customer will accept and pay for the Service described therein.

SMS: SMS stands for Service Management System.

Service Order: The standard Company order form(s), in effect from time-to-time, or Customer's forms accepted in writing by an authorized representative of the Company for Service which shall enable the Company to provide Service.

SMS/800: 800 Service Management System is the national database service management system that retains all inbound toll-free number records. The main operations support system used to create and update toll free records that are then downloaded to the SMS/SCPs for processing toll free service calls. This database provides long distance carriers with a single interface for inbound toll-free number reservations and record maintenance. This system is used by Resp Orgs to manage and administer SMS/800 records.

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SMS/800 Help Desk: The organization that administers the SMS/800 system for the centralized management of toll free numbers.

SMS/SCP: Service Management System/Service Control Point. The real time data base system in the exchange carrier's network that contains routing instructions down loaded from the SMS/800.

Special Access Surcharge: A charge imposed by the Local Exchange Companies in accordance with Section 69.115 of the FCC Rules and Regulations.

State: State refers to the State of South Dakota.

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 Subscriber is a person or legal entity which subscribes to service(s) from the Company and thereby assumes responsibility for the payment of charges and compliance with the Company's Tariff regulations.

Switched Access: A transmission line that is switched through the LEC or CLEC to reach the long distance network. Switched access arrangements are only available from the subscriber's local telephone company.

Switched Services(s): Any Services that are not Data Service as defined herein which use message switches to share inter-switch transport.

T-1 Digital Service: T-1 Digital Service, also called T-1, is a digital link between two points. This link typically transmits at speeds of 1.544 megabits per second. In most cases, this service allows twenty-four access paths between any two points.

TFN: TFN stands for Toll Free Number.

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TFS: Toll Free Service.

Third Party Vendor: A company, entity or individual, other than the Company, designated by the Company that provides the facilities and/or the equipment required to provide Service(s).

TLC: Termination Liability Charge. A charge which applies when the Customer cancels Service prior to the expiration date of a term plan agreement for Data Service(s).

Toll Free Number: A Toll Free Number is a telephone number associated with a Customer's Toll Free Service that is used by the calling party without charge to the calling party. The area code for a toll free number is either 800, 877, or 888 or other area code assignments as appropriate.

Toll Free Service: Toll Free Service is a reverse-billed Service that permits calls to be completed without charge to the calling party. Access to Toll Free Service is gained by dialing a ten-digit Toll Free Access Number which terminates at the Customer's requested location.

Total Usage: The Customer calculates Total Usage by totaling the most recent month's interstate, intrastate, and international usage for all lines to be provisioned via a Service offered by the Company. For Customers with multiple locations, the usage for each location will be calculated individually. If the Customer's traffic volume varies significantly from month-to-month, the Customer may determine TU by averaging more than one month's bill.

TU: TU stands for Total Usage.

V&H: Vertical and Horizontal geographic coordinates.

WTN: Working Telephone Number.

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SECTION 2 - RULES AND REGULATIONS

2.1 Undertaking of the Company

- 2.1.1 The Company's services are offered for intrastate InterLATA and IntraLATA telecommunication services originating and terminating within the State under terms of this Tariff. Services are offered subject to the availability of facilities and the terms and conditions of this Tariff. The Company resells the services of facility based carriers subject to the terms of any applicable interstate offering or arrangement between the DUC and the Company.

This Tariff is on file with the Commission and copies may be inspected during normal business hours at the Company's principal place of business which is located at 6540 Powers Ferry Road, Atlanta, GA 30339.

- 2.1.2 The Company shall not be deemed to have waived or impaired any right, power, requirement or option reserved by this Tariff (including, without limitation, the right to demand exact compliance with every term and condition herein), by virtue of any custom or practice of the Company at variance with the terms hereof, or any failure, refusal or neglect of Company to exercise any right under this Tariff or to insist upon exact compliance with its terms, or any waiver, forbearance, delay, failure or omission by Company to exercise any right, power or option hereunder.

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2.2 Limitations

- 2.2.1 Service is offered subject to the availability of facilities, equipment, or systems, the Company's ability to fulfill the request for Service and the provisions of this Tariff. Service is not offered where operating conditions do not permit. The Company reserves the right, without incurring liability, to refuse to provide Service, to or from any location where the necessary facilities, equipment, systems, billing agreements, and/or switch software are not available. In case a shortage of facilities exists at any time, either for temporary or protracted periods, the establishment of Switched Services shall take precedence over the establishment of Data Services.
- 2.2.2 Except for calls from Casual Callers, all Switched Services provided according to this Tariff are intrastate add-on Services available from the Company only if the Customer subscribes to the Company's comparable interstate Service offering or interstate promotional offering. Unless otherwise indicated in this Tariff, intrastate Switched Services are not offered on a stand-alone basis. Unless otherwise stated in this Tariff, the method of provisioning a specific Service is determined by the Company.
- 2.2.3 A third party call is any call charged to a number other than that of the called or calling party. The Company reserves the right to refuse to process a third party call when acceptance of charges at the third number cannot be confirmed.
- 2.2.4 Without incurring liability, the Company reserves the right to discontinue Service or to limit the use of Service, when necessitated by conditions beyond the Company's control, or when the Customer or End User is using Service in violation of the law or in violation of the provisions of this Tariff.

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2.2 Limitations on Service (continued)

2.2.5 Pursuant to §20:10:09:03 of the Administrative Rules of South Dakota, the conditions under which the Company may refuse Service without liability include, but are not limited to:

- (A) An Applicant is indebted to the Company for past bills incurred and refuses to liquidate the debt; or
- (B) An Applicant refuses to pay a reasonable deposit, advance payment, or installation charge; or
- (C) An Applicant, although not personally liable to the Company, is attempting to return Service to an indebted household and no attempts are forthcoming to liquidate the debt of that household; or
- (D) An applicant is unwilling to provide correct information about any of the following:
 - .1 Past telecommunications service;
 - .2 Previous employment; or
 - .3 Previous address
- (E) An Applicant is in violation of governmental or Company rules concerning evasion of payment, use of Service for unlawful purposes, annoyance of other patrons, or interference with or destruction of facilities.

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2.2 Limitations on Service (continued)

2.2.5 (continued)

- (F) An Applicant refuses to pay undisputed telecommunication charges owed to the Company for interstate services.
- (G) An Application fails to provide reasonable and legal means of identification.

2.2.6 Without incurring liability, the Company may disconnect Service pursuant to §20:10:10:03, §20:10:10:04, §20:10:10:05, §20:10:10:06 of the Administrative Rules of South Dakota.

2.2.7 Initial and continuing Service is offered subject to the availability of necessary facilities and/or equipment, including those to be provided by other companies furnishing a portion of the Company's Service(s).

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2.2 Limitations on Service (continued)

2.2.8 Service is furnished subject to the condition that there will be no abuse or fraudulent use of the Service. Abuse or fraudulent use of Service includes, but is not limited to:

- (A) Service that is used by the Customer or End User to frighten, abuse, torment, or harass another; or
- (B) Service that is used by the Customer or End User in a manner which interferes with the use of Service by one or more other Customers; or
- (C) Service that is used by the Customer or End User to place calls by means of illegal equipment, service, or device; or
- (D) Service that is used by the Customer or End User to transmit a message or to locate a person or otherwise to give or obtain information, without payment of the applicable charge.

2.2.9 The Company's failure to give notice of default, to enforce or insist upon compliance with any of the terms or conditions herein, to grant a waiver of any term or conditions herein, or to grant the Customer an extension of time for performance, will not constitute the permanent waiver of any such term or condition herein. Each of the provisions of this Tariff will remain, at all times, in full force and in effect until modified in writing, signed by the Company and Customer.

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2.2 Limitations on Service (continued)

- 2.2.10 The Company may rely on third parties to provide a portion of the Company's Service. The selection of the Third Party Vendors is made by the Company. The Company reserves the right to change Third Party Vendors at any time.
- 2.2.11 The Company reserves the right, without incurring liability, to refuse to provide Service to or from any location where the necessary facilities and/or equipment are not available.
- 2.2.12 Recording of telephone conversations provided pursuant to the Company's Service under this Tariff is prohibited except as authorized by applicable federal, state, and local laws.
- 2.2.13 All outbound Services requiring Switched Access to reach the long distance network are only available to Customers located in those exchanges which have Equal Access. Unless otherwise indicated in this Tariff, all Toll Free Services described in this Tariff are available on a statewide basis.
- 2.2.14 The Company, when acting at the Customer's request and as its authorized agent for ordering Dedicated Access, will make reasonable efforts to arrange for service requirements such as special routing, route Diversity, alternate access, or Circuit conditioning.

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2.2 Limitations on Service (continued)

- 2.2.15 Except for Operator Toll Assistance Services, Service(s) in this Tariff are not available for coin or semi-coin telephone stations unless otherwise indicated for a specific Service offering.
- 2.2.16 101XXXX calling may be restricted depending on the location of the Casual Caller and dialing pattern.
- 2.2.17 The Company does not generally provide echo suppression. However, for Toll Free Service or outbound Services that require Dedicated Access to reach the long distance network, the Company, not the Customer, will determine when echo suppression will be provided.
- 2.2.18 The Company reserves the right to add, change, or delete Services at any time.

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2.3 Limitation of Liability

The Company's liability will be limited to that expressly stated in Sections 2.3.1 through 2.3.16 of this Tariff in connection with the provision of Service to the Customer.

- 2.3.1 The liability of the Company for damages arising out of mistakes, omissions, interruptions, delays, errors, defects or other comparable actions occurring in the provision of Service(s) with a usage-sensitive rate structure, will in no event exceed an amount equivalent to the initial period charge to the Customer for the call during which such mistake, omission, interruption, delay, error or defect occurred. The Company shall not be liable for any damages caused by the negligence, gross negligence or willful misconduct of the Customer or Customer's agents, employees, officers, directors, contractors or vendors.
- 2.3.2 Unless otherwise stated in this Tariff, the liability of the Company for negligence arising out of mistakes, omissions, interruptions, delays, errors, defects or other comparable actions occurring in the provision of recurring Service(s) shall be limited to a service adjustment based on the amount of time such Service is out of service times the applicable monthly recurring charge for Service.

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2.3 Limitation of Liability (continued)

- 2.3.3 The liability of the Company for gross negligence arising out of mistakes, omissions, interruptions, delays, errors or defects occurring in the provision of Service(s) shall not exceed the higher of the adjustments described in Section 2.3.1 or 2.3.2 of this Tariff, whichever is applicable, and the sum of \$1,000.
- 2.3.4 The liability of the Company for willful misconduct occurring in the provision of Service(s) shall not exceed the higher of the adjustments described in Sections 2.3.1, 2.3.2 or 2.3.3, which is applicable, and the sum of \$2,000.
- 2.3.5 The Company will not be liable to the Customer for damages or statutory penalties or be obligated to make any adjustment, refund or cancellation of charges unless the Customer has notified the Company in writing of any dispute concerning charges, or the basis of any claim for damages, within sixty (60) calendar days after an invoice is rendered by the Company for the call or Service giving rise to such dispute or claim. Any such notice must set forth sufficient facts to provide the Company with a reasonable basis upon which to evaluate the Customer's claim or demand. If the Customer is not satisfied with the Company's resolution of any dispute, the Customer may make application to the Commission for review and disposition of the matter. The Commission's address and telephone number are South Dakota Public Utilities Commission, 500 East Capitol Avenue, Pierre, South Dakota 57501-5070, 605-773-3201 or 1-800-332-1782.

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2.3 Limitation of Liability (continued)

- 2.3.6 Interruptions, delays, errors, or defects caused by or contributed to, directly or indirectly, by act or omission of the Customer or its customers, affiliates, agents, contractors, representatives, invitees, licensees, successors, or assignees or which arise from, or are caused by, the use of facilities or equipment of the Customer or related parties, will not result in the imposition of any liability whatsoever upon the Company. The Customer will pay to the Company any reasonable costs, expenses, damages, fees or penalties incurred by the Company as a result thereof. In addition, a portion or all of the Service may be provided over facilities of third parties. The Company will not be liable to the Customer or any other person, firm, or entity in any respect whatsoever arising out of defects caused by such third parties. The Company's liability, if any, with regard to the delayed installation of facilities or commencement of Service will not exceed \$1,000.
- 2.3.7 With respect to Service provided hereunder, the Company hereby expressly disclaims, without limitation, all warranties not stated in this Tariff, whether express, implied or statutory, and in particular disclaims all implied warranties of merchantability and of fitness for a particular purpose.
- 2.3.8 No contractors, agents or employees of connecting, concurring or other participating carriers or companies will be deemed to be contractors, agents or employees of the Company without the Company's written authorization.
- 2.3.9 Under no circumstances whatsoever will the Company's officers, agents, or employees be liable for any damages, including but not limited to direct, indirect, actual, consequential, special, or punitive damages, or lost profits.

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2.3 Limitation of Liability (continued)

2.3.10 The Company will not be liable for any failure of performance hereunder due to causes beyond its control including, but not limited to:

- (A) Unavoidable interruption in the working of transmission facilities; or
- (B) Natural disasters such as storms, fire, flood, or other catastrophes; or
- (C) Any law, order, regulation, direction, action or request of the United States Government, or any other governmental entity having jurisdiction over the Company or of any department, agency, commission, bureau, corporation or other instrumentality of any one or more of such governmental entity, or of any civil or military authority; or
- (D) National emergencies, insurrections, riots, rebellions, wars, strikes, lockouts, work stoppages, supplier failures, shortages, breaches or delays, or other labor difficulties; or
- (E) The unlawful acts of individuals, including acts of the Company's agents and employees if committed beyond the scope of their employment; or
- (F) Explosions, vandalism, cable cut or other similar occurrences; or
- (G) Preemption of existing Services to restore Service(s) in compliance with the F.C.C.'s rules and regulations; or
- (H) Any failure to provide or maintain Service under this Tariff due to circumstances beyond the Company's control.

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2.3 Limitation of Liability (continued)

- 2.3.11 The Company will use its best efforts to provide Services consistent with industry standards. The Company will have no liability to the Customer for any loss of revenue or any other direct, special, incidental, consequential, or other damages the Customer may sustain resulting from the failure or inability of the Company to provide Service to its Customers; negligent or defective Services to Customers; equipment, computer, network, or electrical malfunctions of any kind, breakdowns, or outages; or any other cause, whether or not within the control of the Company.
- 2.3.12 If the Company learns of actual or possible unauthorized, fraudulent, or unlawful use of any Company Services, the Company will make an effort to contact the Customer, but Service may be blocked without notice and without liability to the Company. Service may be suspended by the Company without incurring liability by Blocking all calls or by Blocking calls to or from certain NPA-NXXs, certain countries, cities, or individual telephone stations for any Service offered under this Tariff. Service will be restored as soon as it can be provided without undue risk and only after accounts have been brought current.
- 2.3.13 The Company does not undertake to transmit messages but furnishes the use of its Services to its Customers for telecommunications. The Company is not liable for the content of the Customer's messages.
- 2.3.14 The Company may rely on Third Party Vendors for the performance of certain services such as Dedicated Access. Upon Customer request and execution and delivery of appropriate authorizing documents, the Company will act as agent for the Customer in obtaining such other services. Customer's liability for charges hereunder will not be reduced by untimely installation or non-operation of Customer-provided facilities and equipment.

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2.3 Limitation of Liability (continued)

2.3.15 The Company will not be liable for:

- (A) Any act or omission of any other company or companies furnishing a portion of the Service or furnishing facilities or equipment associated with such Service.
- (B) Damages caused by the fault or negligence or willful misconduct of the Customer or End User.
- (C) Any failure to provide or maintain Service under this Tariff due to circumstances beyond the Company's reasonable control.
- (D) Any direct, indirect, consequential, special, actual, or punitive damages, or for any lost revenues or profits of any kind or nature whatsoever arising out of any furnishing of, or interruption in, Service provided hereunder. Under no circumstances whatsoever will the Company's officers, agents, or employees be liable for such damages or lost revenue or lost profits.
- (E) Any indirect, incidental, special or consequential damages, lost revenue or lost profits of any kind, even if Company is advised of the possibility of such consequences.

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2.3 Limitation of Liability (continued)

2.3.15 (continued)

- (F) The use or abuse of any Service described herein by any party including, but not limited to, the Customer or End User. Use or abuse includes, but is not limited to, any calls placed by means of PBX-reorigination or any other legal or illegal equipment, service, or device. Compensation for any injury the customer may suffer to the fault of third parties must be sought from such other parties. In the case of TFS, this applies to third parties who dial the Customer's TFS Number by mistake. Compensation for any injury the Customer may suffer due to the fault of third parties must be sought from such other parties.
- (G) Any action, such as Blocking or refusal to accept certain calls, that Company deems necessary in order to prevent unauthorized, fraudulent, or unlawful use of its Service. Compensation for any injury the Customer may suffer due to the fault of parties other than the Company must be sought from such other parties.
- (H) Any claim where the Customer indemnifies the Company pursuant to Section 2.3 of this Tariff.

2.3.16 If someone other than the Customer (e.g., authorized or unauthorized) has use of the Service directly or indirectly through the Customer, then Customer agrees to forever indemnify and hold the Company and any affiliated or unaffiliated Third Party Vendor or operator of facilities employed in provision of the Service harmless from and against any and all claims, demands, suits, actions, losses, damages, assessments or payments which may be asserted by said parties.

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2.4 Use of Service

- 2.4.1 The Company's Services are available for use twenty-four hours per day, seven days per week. Unless otherwise restricted herein, Customers may use the Company's Service(s) to place and/or receive intrastate InterLATA and intrastate IntraLATA calls.
- 2.4.2 The Service offered herein may be used for any lawful purpose, including residential, business, governmental, or other use. The Customer is liable for all obligations under this Tariff notwithstanding any sharing or resale of Services and regardless of the Company's knowledge of same. The Company will have no liability to any person or entity other than the Customer and only as set forth herein. The Customer will not use nor permit others to use the Service in a manner that could interfere with Service provided to others or that could harm the facilities of others.

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2.4 Use of Service (continued)

- 2.4.3 Service furnished by the Company will not be used for any unlawful or fraudulent purposes including but not limited to use of electronic devices, invalid numbers, and false credit devices to avoid payment for Service contained in this Tariff either in whole or in part. Service furnished by the Company may not be used to make calls which might reasonably be expected to frighten, abuse, torment, or harass another. The Service may not be used for any purpose for which any payment or other compensation is received by the Customer except when the Customer is an authorized communications common carrier, an authorized resale common carrier, or an enhanced or electronic service provider who has subscribed to the Company's Service. However, this provision does not preclude an agreement between the Customer, Authorized User, or Joint User to share the cost of the Service as long as this arrangement generates no profit for anyone participating in a joint use or authorized use arrangement.
- 2.4.4 Service furnished by the Company may be arranged for joint use or authorized use. The Joint User or Authorized User will be permitted to use such Service in the same manner as the Customer, but subject to the following conditions:
- (A) The Customer must complete and provide to the Company all Service agreements and/or other documentation required by the Company to initiate Service.

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2.4 Use of Service (continued)

2.4.4 (continued)

- (B) One Joint User or Authorized User must be designated as the Customer. The designated Customer does not necessarily have to have communications requirements of its own. The Customer must specifically name all Joint Users or Authorized Users in the application for Service. Service Orders which involve the start, rearrangement or discontinuance of joint use or authorized use of Service will be accepted by the Company only from that Customer and will be subject to all requirements of this Tariff.

- (C) All charges for the Service will be computed as if the Service were to be billed to one Customer. The Joint User or Authorized User which has been designated as the Customer will be billed for all components of the Service and will be responsible for all payments to the Company. If designated Customer fails to pay the Company, each Joint User or Authorized User will be liable to the Company for all charges incurred as a result of its use of the Company's Service. Each joint or Authorized User must submit to the designated Customer a letter guaranteeing payment for the joint or Authorized User's portion of all charges billed by the Company to the designated Customer. This letter must also specify that the joint or Authorized User understands that the Company will receive a copy of the guaranty from the designated Customer. The designated Customer will be responsible for allocating charges to each Joint User or Authorized User.

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2.4 Use of Service (continued)

2.4.4 (continued)

(D) Joint use is a Service/billing allocation arrangement and not a resale arrangement. Neither the Customer nor any Joint User nor any third party engaged by either of them in connection with a joint use agreement or arrangement may mark up Service or otherwise profit from the joint use agreement or arrangement.

2.4.5 If the Company reasonably concludes that Customer-provided equipment does not pass back appropriate answer supervision to the long distance network, the Company will notify the Customer. If the Customer cannot correct the problem and if Customer-provided equipment continues to provide inappropriate answer supervision to the long distance network, the Company reserves the right to suspend or terminate the Customer's Service. The Company will give the Customer five (5) days' written notice of its intent to terminate Service.

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2.5 Obligations of the Customer

2.5.1 The Customer will indemnify, defend, and hold the Company harmless from and against:

- (A) Any claim asserted against the Company (and all attorney fees and expenses incurred by the Company with respect thereto) arising out of or relating to the failure of the Company to provide Service to the Customer.
- (B) Any and all liabilities, costs, damages, and expenses (including attorney's fees), resulting from Customer's (or its employees', agent's or independent contractor's) actions hereunder, including, but not limited to breach of any provision in this Tariff, misrepresentation of Company Services or rates, or unauthorized or illegal acts of the Customer or its End User, its employees, agents, or independent contractors.
- (C) Claims for libel, slander, infringement of patent or copyright, or unauthorized use of any trademark, trade name, or service mark arising out of Customer's or End User's material, data, information, or other content transmitted via Service. With respect to claims of patent infringement made by third persons, the Customer shall defend, indemnify, protect and save harmless the Company from and against all claims arising out of the combining with, or use in connection with, the Service(s) provided under this Tariff, any Circuit, apparatus, system or method provided by the Customer.
- (D) Violation by Customer or End User of any other literary, intellectual, artistic, dramatic, or musical right.

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SECTION 2 - RULES AND REGULATIONS

2.5 Obligations of the Customer (continued)

2.5.1 (continued)

- (E) Violations by Customer or End User of the right to privacy.
- (F) Any other claims whatsoever relating to, or arising from, message content or the transmission thereof.
- (G) All other claims arising out of any act or omission of the Customer or End User in connection with Service provided by the Company.
- (H) Any loss, claim, demand, suit, or other action, or any liability whatsoever, whether suffered, made, instituted or asserted by the Customer or by any other party or persons, for any personal injury to, 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 directly or indirectly by the provision of Service, whatever the cause and whether negligent or otherwise.
- (I) Claims related to lost or stolen calling cards, except as described in Section 2.24 of this Tariff.
- (J) Claims of patent infringement arising from combining or connecting Channels with equipment and systems of the Customer or Authorized Users.

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SECTION 2 - RULES AND REGULATIONS

2.5 Obligations of the Customer (continued)

2.5.1 (continued)

- (K) Defacement of, or damage to, the Customer's Premises resulting from the furnishing, installation, and/or removal of Channel facilities or the attachment of instruments, equipment and associated wiring on or from the Customer's Premises.
- (L) Claims arising out of the use of Services or Company-Provided equipment in an unsafe manner (such as use in an explosive atmosphere) or the negligent or willful act of any person other than the Company.
- (M) Any suits, claims, losses or damages, including punitive damages, attorney fees and court costs by third persons arising out of the construction, installation, operation, maintenance, or removal of the Customer's Circuits, facilities, or equipment connected to Services. This includes without limitation, Workmen's Compensation claims, actions for infringement of copyright and/or unauthorized use of program material, libel and slander actions based on the content of communications transmitted over the Customer's Circuits, facilities or equipment, and proceeding to recover taxes, fines, or penalties for failure of the Customer to obtain or maintain in effect any necessary certificates, permits, licenses, or other authority to acquire or operate Service(s).

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SECTION 2 - RULES AND REGULATIONS

2.5 Obligations of the Customer (continued)

- 2.5.2 If a Customer directly or indirectly authorizes third parties to use the Service, the Customer will indemnify and hold the Company harmless against any and all claims asserted by said party, demands, suits, actions, losses, damages, assessments or payments which may be asserted or demanded by said parties or by others as a result of said parties' actions or omissions.
- 2.5.3 The Company's failure to provide or maintain Service under this Tariff will be excused by the Customer for all circumstances beyond the Company's reasonable control.
- 2.5.4 The Customer will indemnify and save the Company harmless from any and all liability not expressly assumed by the Company in Section 2.3 of this Tariff and arising in connection with the provision of Service to the Customer, and will protect and defend the Company from any suits or claims alleging such liability, and will pay all expenses (including attorneys' fees) and satisfy all judgments which may be incurred by or rendered against the Company in connection therewith.

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SECTION 2 - RULES AND REGULATIONS

2.5 Obligations of the Customer (continued)

- 2.5.5 The Customer is responsible for payment for all calls originated at the Customer's number(s), terminated on the Customer's TFS Number, accepted at the Customer's number, billed to a Customer's calling card or any Operator Toll Assistance billing option, or incurred at the specific request of the Customer. The Customer is responsible for paying for all Services the Company provides to or from the Customer's number(s), regardless of whether the Customer's facilities were fraudulently used or used without Customer's knowledge in full or in part. These responsibilities are 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.
- 2.5.6 The termination or disconnection of Service(s) by the Company pursuant to Sections 2.2.5, 2.2.6, and 2.20 of this Tariff or if the Customer cancels Service pursuant to Section 2.19 of this Tariff, does not relieve the Customer of any obligations to pay the Company for charges due and owing for Service(s) furnished up to the time of termination or disconnection. The remedies set forth herein will not be exclusive, and the Company will at all times be entitled to all rights available to it under either law or equity.

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SECTION 2 - RULES AND REGULATIONS

2.5 Obligations of the Customer (continued)

- 2.5.7 The Customer is responsible for taking all necessary legal steps for interconnecting Customer-provided terminal equipment with the long distance network. The Customer will ensure that the signals emitted into the long distance network do not damage Company-Provided equipment, injure personnel, or degrade Service to other Customers or other users of the long distance network. The Customer is responsible for securing all licenses, permits, rights-of-way, and other arrangements necessary for such interconnection. In addition, the Customer will comply with applicable LEC signal power limitations.
- 2.5.8 The Customer will be responsible for the payment of all charges for Services provided under this Tariff and for the payment of all excise, sales, use, gross receipts or other taxes that may be levied by a federal, state, or local governing body or bodies applicable to the Service(s) furnished under this Tariff unless specified otherwise herein. Also see Section 2.17 of this Tariff for additional information regarding the Customer's obligations concerning taxes.
- 2.5.9 The Customer will be liable for reimbursing the Company for damages to facilities or Company-Provided equipment caused by the negligence or willful acts of the Customer's officers, employees, agents, contractors, or authorized or unauthorized End User(s).

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2.5 Obligations of the Customer (continued)

- 2.5.10 If Service is terminated pursuant to Section 2.2.5, Section 2.2.6 or Section 2.20 of this Tariff or if the Customer cancels Service pursuant to Section 2.19 of this Tariff, the Customer will be deemed to have canceled Service as of the date of such termination or cancellation and will be liable for any cancellation charges set forth in this Tariff.
- 2.5.11 The Customer will indemnify and hold the Company harmless against any and all liabilities, costs, damages, and expenses resulting from claims by third parties that any calling card or PIN has been lost, stolen, or fraudulently issued or used; provided, however, that the Company will have no liability hereunder for special or consequential damages incurred by the Company.
- 2.5.12 If the Company is acting as an agent of the Customer for ordering Dedicated Access for the provision of Switched Service(s) and if the Customer is to be exempted from the monthly Special Access Surcharge charged by the Local Access Provider, it is the Customer's responsibility to provide the Company with an Exemption Certificate.
- 2.5.13 If as a result of inaccurate information provided by the Customer, Circuits need to be moved, replaced, or redesigned, the Customer is responsible for the payment of all such charges. In the event the Company incurs costs and expenses caused by the Customer or reasonably incurred by the Company for the benefit of the Customer, the Customer is responsible for the payment of all such charges.

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2.5 Obligations of the Customer (continued)

- 2.5.14 If an entity other than the Company (e.g., another carrier or supplier) imposes charges on the Company in connection with service provided to a specific Customer and those charges are not specifically listed in this Tariff, those charges will be billed to the Customer on a pass-through basis. The Customer is responsible for payment of such charges.
- 2.5.15 The Customer is responsible for the payment of all charges for Service(s) provided under this Tariff and for the payment of all assessments, duties, fees, surcharges, taxes, or similar liabilities whether charged to or against the Company or the Customer. This includes but is not limited to amounts the Company is required by governmental, quasi-governmental, or other entities to collect and/or to pay to designated entities. The Company may adjust its rates and charges or impose additional rates and charges on its Customer in order to recover these amounts. Unless specified otherwise herein, if an entity other than the Company (e.g., another carrier or supplier) imposes charges on the Company in connection with a Customer's Service, that entity's charges may be passed through to the Customer. The Customer is responsible for the payment of all such charges.

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SECTION 2 - RULES AND REGULATIONS

2.5 Obligations of the Customer (continued)

2.5.16 A Customer shall not use any service mark or trademark of the Company or refer to the Company in connection with any product, equipment, promotion, or publication of the Customer without prior written approval of the Company.

2.5.17 In the event suit is brought or an attorney is retained by the Company to enforce the terms of this Tariff, the Customer shall reimburse the Company, in addition to any other remedy, for attorneys' fees, court costs, costs of investigation, and other related expenses incurred in connection therewith.

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SECTION 2 - RULES AND REGULATIONS

2.5 Obligations of a Reseller

- 2.5.1 The terms and conditions of this Tariff, including but not limited to the obligations contained in Section 2.5 and in Sections 2.6.2 through 2.6.7 hereof, apply to Customers that are Resellers. Failure to comply with any term, rule, or regulation of this Tariff may result in the Company immediately and irrevocably terminating Service(s) without incurring any liability. Notification of termination of Service(s) may be in writing or in another expeditious manner selected by the Company.
- 2.6.2 In the event of non-payment by a Reseller's subscriber, the Company may be requested by the Reseller to block such subscriber's service because of non-payment of charges. Before the Company blocks Service to a Reseller's subscriber, the Reseller must certify that proper notice has been given to the subscriber. Proper notice must meet state and federal rules for Blocking Service due to non-payment. The Reseller is responsible for all costs incurred to disconnect or block the location from Service(s).
- 2.6.3 Resellers will be responsible for paying all taxes, surcharges, and fees based upon the taxing jurisdiction's rules and regulations.
- 2.6.4 In addition to the other provisions in this Tariff, Resellers will be responsible for all interaction and interface with their own subscribers or customers. The provision of Service will not create a partnership or joint venture between the Company and the Reseller nor result in a joint offering to third parties.

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2.6 Obligations of a Reseller (continued)

- 2.6.5 If the Customer resells Services, the Reseller is responsible for providing all billing, collection, and customer service functions for all of its locations, including resolving any unauthorized presubscription disputes.
- 2.6.6 In addition to the other provisions in this Tariff, Resellers must have the appropriate authority in all areas where the Reseller provides service and provide such documentation to the Company when requested. Resellers of the Company's Services are responsible for maintaining all necessary state and F.C.C. tariffs for operating as a Reseller and for complying with all rules and regulations as set forth by the Commission. Further, the Reseller also assumes full responsibility for complying with the Communications Act of 1934, as amended; the Telecommunications Act of 1996; and the rules, regulations, and decisions of the F.C.C.
- 2.6.7 If a Reseller switches a subscriber's long distance provider without obtaining permission from the subscriber, the Company may charge the Reseller for the unauthorized presubscription change charges plus all additional charges imposed and costs incurred. The Reseller is financially liable for all lines at all locations until such time as the lines and/or locations are presubscribed to a different long distance service provider. In instances where the Reseller has presubscribed lines and/or location to its Service without proper authorization, the Reseller must:
- (A) Inform the subscriber of the unauthorized change in long distance service providers; and
 - (B) Insure that the subscriber's service is returned to the long distance service provider of choice; and
 - (C) Pay all applicable charges.

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SECTION 2 - RULES AND REGULATIONS

2.7 Obtaining Services

2.7.1 General

To obtain Service, the Company requires the Customer to provide the Company with whatever authorization the Company deems appropriate. Upon the Company's acceptance of this authorization, all applicable provisions in the Company's Tariff, as amended from time-to-time, become the agreement for Service between the Company and the Customer. Acceptance or use of Service offered by the Company shall be deemed an application for such Service and an agreement by the Customer to subscribe to, use, and pay for such Service in accordance with the applicable Tariffs of the Company. The Applicant must also establish credit satisfactory to the Company as provided in Section 2.7.2 of this Tariff.

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SECTION 2 - RULES AND REGULATIONS

2.7 Obtaining Services (continued)

2.7.2 Establishment of Credit

(A) Means of Establishing Credit

Pursuant to 20:10:08:04 of the Administrative Rules of South Dakota, the Company will determine the credit standing of an Applicant for Service based on the information about the Applicant's prior telecommunications bill payment history if the Applicant has had Service before or based on toll charges reasonably traced to the Applicant but placed from the telephone of another if the Applicant has not had Service before. Such information shall be the major factor in decisions regarding satisfactory or unsatisfactory credit and deposit amounts. If an Applicant for Service has no telecommunications credit history, the Company may, with notice to the Applicant, determine the credit standing of the Applicant based on other information about the Applicant's other utility bill payments or credit history, including reports from consumer reporting agencies subject to the federal Fair Credit Reporting Act, 15 U.S.C. § 1681 et seq (October 26, 1970). The Company may use employment information to verify names and past addresses of an Applicant.

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SECTION 2 - RULES AND REGULATIONS

2.7 Obtaining Services (continued)

2.7.2 Establishment of Credit (continued)

(B) Satisfactory Credit

Satisfactory credit is defined as no disconnections for nonpayment in the most recent year of telecommunications service and fewer than three disconnection notices in the most recent year of service. No deposit will be required by a Company if an Applicant for Service or an existing Customer exhibits satisfactory credit as defined therein.

(C) Unsatisfactory Credit

Unsatisfactory credit is defined as one or more disconnections in the most recent year of telecommunications service or three or more disconnection notices in the most recent year of service.

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SECTION 2 - RULES AND REGULATIONS

2.0 Customer Deposits / Advance Payments

2.0.1 Customer Deposits

(A) General

Any Applicant whose credit is not acceptable to the Company as provided in Section 2.7.2 of this Tariff may be required to make a deposit to be held by Company as a guarantee of payment for Service provided under this Tariff. In addition, an existing Customer may be required to make a deposit or to increase a deposit presently held by the Company if the conditions of Service or the basis on which credit was originally established have materially changed.

(B) Notice

Pursuant to §20:10:08:03 of the Administrative Rules of South Dakota, the Company will give notice at least fifteen (15) days before the day a deposit is required. The Company will inform each Customer of this rule at the inception of Service and in any disconnection notices to enable the Customer to avoid disconnection and payment of an additional deposit.

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SECTION 2 - RULES AND REGULATIONS

2.8 Customer Deposits / Advance Payments

2.8.1 Customer Deposits

(C) Amount of Deposit

Pursuant to §20:10:08:05 of the Administrative Rules of South Dakota, the deposit for unsatisfactory credit will be no more than the estimated cost of service for two months. The estimate will be based on past telecommunications bill information and computed by multiplying the average monthly bill over the past twelve (12) months times two. If bills for at least twelve (12) months are not available, the Company may use the bills that are available. If a residential Applicant is unable to pay the full amount of the deposit, the Company shall accept payment of the deposit in installments over not more than three (3) months.

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2.8 Customer Deposits / Advance Payments

2.8.1 Customer Deposits

(D) Deposit Policy For Residential Applicants With No Past Service

Pursuant to 20:10:08:06 of the Administrative Rules of South Dakota, if an residential Applicant claims no past service, the Company has no information to dispute this claim, and the Company can establish through readily available credit information that the residential Applicant is a high credit risk the Company may require a deposit based on the average cost of service for two months or \$130, whichever is less, payable in up to three monthly instalments. The Company may require a \$25 deposit from an Residential Applicant with no past service if the Company cannot establish through available credit information any credit risk.

(E) Deposit If Residential Applicant Has Past Experience Without Liability

Pursuant to 20:10:08:07 of the Administrative Rules of South Dakota, in setting a deposit, the Company may consider the toll experience of a residential Applicant to whom toll expenses have been reasonably traced but who has not been liable. In this case, the Company may move from no deposit or the \$130 deposit as set forth in § 20:10:08:06 of the Administrative Rules of South Dakota to a charge that reasonably reflects two months' estimated billing calculated by the method described for the deposit for unsatisfactory credit in § 20:10:08:05 of the Administrative Rules of South Dakota.

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2.8 Customer Deposits / Advance Payments

2.8.1 Customer Deposits

(F) Deposit Receipt

Pursuant to 20:10:08:09 of the Administrative Rules of South Dakota, upon receiving a deposit, the Company will furnish the Applicant with a receipt of deposit.

(G) Interest To Be Paid

Pursuant to 20:10:08:10 of the Administrative Rules of South Dakota, the Company will pay interest on a deposit at the rate of seven (7) percent per annum. Any change in the rate set by this rule shall affect only those deposits accepted after the change. Interest shall accrue from the day of acceptance of the deposit and shall be available annually upon demand of the subscriber. The Company will not pay interest on a deposit for the 90-day period following disconnection of Service, if during such period the utility has made a reasonable effort to refund the deposit. Thereafter, an unclaimed deposit plus accrued interest shall be credited to an appropriate account.

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SECTION 2 - RULES AND REGULATIONS

2.8 Customer Deposits / Advance Payments

2.8.1 Customer Deposits

(H) Refund Upon Disconnection

Pursuant to 20:10:08:11 of the Administrative Rules of South Dakota, after disconnection of Service and receipt of the final payment, the Company will promptly and automatically refund the Customer's deposit plus accrued interest, or the balance, if any, in excess of the unpaid bills for Service furnished by the utility.

(I) Refund During Service

Pursuant to 20:10:08:12 of the Administrative Rules of South Dakota, when the Customer has paid bills for service for twelve (12) consecutive months without having Service disconnected for nonpayment and without receiving three (3) or more disconnection notices, the Company shall promptly and automatically refund the deposit plus accrued interest to the Customer in the form of a credit to the Customer's bill.

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SECTION 2 - RULES AND REGULATIONS

2.8 Customer Deposits / Advance Payments

2.8.1 Customer Deposits

(J) Record Of Deposit

Pursuant to 20:10:08:13 of the Administrative Rules of South Dakota, the Company holding a deposit will keep a record of the deposit until the deposit is refunded. The record will show:

- (1) The name and current billing address of each depositor;
- (2) The amount and date of the deposit;
- (3) Each transaction concerning the deposit.

The Company will provide each depositor with such information upon termination of the depositor's Service.

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2.8 Customer Deposits / Advance Payments (continued)

2.8.2 Advance Payments

Customers and Applicants who, in the Company's judgment, present an undue risk of non-payment may be required at any time to provide the Company such other assurances of, or security for, the payment of the Company's charges for its Services as the Company may deem necessary, including, without limitation, advance payments for Service, third party guarantees of payment, pledges or other grants of security interests in the Customers' assets, and similar arrangements. The required advance payments or other security may be increased or decreased by the Company as it deems appropriate in the light of changing conditions. In determining whether a Customer presents an undue risk of nonpayment, the Company shall consider the following factors:

- (A) the Customer's or Applicant's payment history (if any) with the Company and its affiliates;
- (B) Customer's ability to demonstrate adequate ability to pay for the Service;
- (C) credit and related information provided by Customer, lawfully obtained from third parties or publicly available;
- (D) information relating to Customer's management, owners, and affiliates (if any); and
- (E) the Applicant's or Customer's actual long distance usage.

The Company does not pay interest on advance payments.

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SECTION 2 - RULES AND REGULATIONS

2.9 Rendering Bill

2.9.1 General

- (A) The Company uses cycle billing. The billing period is one (1) month. Except for fraud, charges may be assessed for unbilled traffic up to two (2) years in arrears.
- (B) The Company uses LEC billing. The Company may also utilize direct billing by the Company or an authorized billing agent. The availability of the billing option is controlled by the Company not the Customer.
- (C) If a Customer presents an undue risk of nonpayment at any time, the Company may require the Customer to pay its bills in cash or the equivalent of cash. In the event the Company incurs fees or expenses, including attorney's fees, in collecting, or attempting to collect, any charges owed the Company, the Customer will be liable to the Company for the payment of all such fees and expenses reasonably incurred.
- (D) In instances where the Company orders Dedicated Access as an agent for the Customer, the Company will become the customer-of-record with the Local Access Provider. The Company will bill the Customer on a pass-through basis.

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2.9 Rendering Bill (continued)

2.9.1 General (continued)

- (E) Where billing systems allow, Credit Card billing and automatic withdrawal from the Customer's checking or savings account are available. However, if a Customer presents an undue risk of nonpayment at any time, the Company may require the Customer to pay its bill in cash or the equivalent of cash.
- (F) Monthly recurring charges for Service components are billed in advance of Service and reflect the rates in effect as of the date of the invoice (e.g., bills generated in January will cover the month of February). A Customer's first invoice may contain charges from previous periods for Service provided from the date of installation through the current invoice period. An Applicant for Service may be required to pay in advance of the establishment of Service the applicable nonrecurring charges together with the fixed charges applicable for the first month.
- (G) For the purpose of computing partial-month charges, a month is considered to consist of thirty days. If the Company has ordered Dedicated Access as an agent of the Customer, the Company will not cease billing the Special Access Surcharge until the Company receives the Exemption Certificate (as defined herein) from the Customer and the Local Access Provider acknowledges receipt of the Customer's Exemption Certificate.

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SECTION 2 - RULES AND REGULATIONS

2.9 Rendering Bill (continued)

2.9.1 General (continued)

- (H) Any Applicant for Service that was furnished Service under a former contract with the Company shall pay or make satisfactory arrangements for paying any bill outstanding and unpaid for such Service, before any additional Service will be furnished.
- (I) In the event that the Company's ability to commence or to continue to provide Service in a timely manner is delayed or interrupted because of the non-performance by the Customer of any obligation set forth in this Tariff, the Customer shall pay to the Company amounts equal to the monthly recurring charges which would have been paid had the Company been able to commence or to continue to provide Service.
- (J) The Company may offer a discount or a reduced rate per minute for directors, officers or employees of the Company or of an affiliated company that subscribe to one of the Company's Service offerings.
- (K) Depending on where and under what name the Company provides Service, the Company's applicable business name will precede the tariffed service name on the Customer's bill.

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SECTION 2 - RULES AND REGULATIONS

2.9 Rendering Bill (continued)

2.9.2 Direct Billing By Company And/Or Authorized Billing Agent

(A) LEC Billing

- .1 The Company utilizes LEC billing. With LEC billing, the Customer's charges for the Company's Services are billed on a separate page from the Customer's bill for local service. Call detail is available with the bill. If LEC billing is utilized, the rules and regulations applying to rendering and payment of bill and late charges are the same as covered in the applicable LEC tariff.
- .2 A Customer subscribing to outbound Service(s) that are LEC-billed may have multiple WTNs reported on the same BTN. A Customer subscribing to TFS may have multiple TFS Numbers associated with the same BTN.

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SECTION 2 - RULES AND REGULATIONS

2.9 Rendering Bill (continued)

2.9.2 Direct Billing By Company Or Authorized Billing Agent (continued)

(B) Other Billing Arrangements

Bills are sent to the Customer's current billing address no later than thirty (30) days following the close of billing. For usage sensitive Switched Services, call detail is available with the bill. Payment in full is due by the due date disclosed on the bill. Charges are payable only in United States currency. Payment may be made by check, money order, or cashier's check made payable as named on the bill and sent to the address as listed on the bill. If the bill is not paid within thirty (30) days from the invoice date, the Company may impose a late charge on the delinquent amount. A late charge applies to any past due balance. The Company may charge a late charge of \$5.00 or 1.5% per month, whichever is greater. The one-time penalty shall apply on the undisputed amount or on the disputed amount if a dispute is resolved in favor of the Company. When another telecommunications carrier provides the billing function on behalf of the Company, the other carrier's late payment charges applies.

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SECTION 2 - RULES AND REGULATIONS

2.9 Rendering Bill (continued)

2.9.2 Direct Billing By Company Or Authorized Billing Agent (continued)

(C) Credit Card Billing

With Credit Card billing, the charges for Services provided by the Company are billed on the Customer's designated and approved Credit Card. Charges are billed monthly in accordance with the terms and conditions between the Customer and the Customer's designated Credit Card company. Call detail will not be included in the Credit Card bill. Call detail will be provided by the Company in a separate mailing.

(D) Automatic Withdrawal From Checking or Savings Account

If the Customer utilizes automatic withdrawal, the charges for Services provided by the Company are automatically debited to the Customer's designated checking account or savings account. Bill detail will be provided by the Company in a separate mailing.

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SECTION 2 - RULES AND REGULATIONS

2.10 Disputed Charges

- 2.10.1 The Company will not be required to consider any Customer claim for damages or statutory penalties, or adjustments, refunds, credits or cancellation of charges, unless the Customer has notified the Company, in writing, of any dispute concerning charges, or the basis of any claim for damages, within sixty (60) calendar days after an invoice is rendered or a debit is effected by the Company for the call giving rise to such dispute or claim.
- 2.10.2 Any such notice must set forth sufficient facts to provide the Company with a reasonable basis upon which to evaluate the Customer's claim or demand. Such notice must be sent to the Company's Customer Service Department as per Section 2.11 of this Tariff. If the Customer is not satisfied with the Company's resolution of a billing inquiry, the Customer may make application to the Commission for review and disposition of the matter. The Commission's address and telephone number are South Dakota Public Utilities Commission, 500 East Capitol Avenue, Pierre, South Dakota 57501-5070, 605-773-3201 or 1-800-332-1782.
- 2.10.3 Failure of the Customer to participate in the Company's effort to resolve a dispute or claim will constitute a waiver of the Customer's rights to a continuance of Service.

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SECTION 2 - RULES AND REGULATIONS

2.11 Customer Service Department

Customer correspondence must be addressed to the attention of the Customer Service Department and sent to 6540 Powers Ferry Road, Atlanta, GA 30339. The Customer may also contact the Company's Customer Service Department by calling a toll free number. The Company's Customer Service address and toll free number are printed on the Customer's bill. For Customers subscribing to any of the Company's calling card or Prepaid Calling Card Services, the Customer Service number is displayed on the card and provided in the information sent to the Customer with the calling card. For Customers using Credit Card billing or automatic withdrawal from the checking or savings account, the Company's Customer Service address and toll free number are provided with the Customer's call detail. Customer Service representatives are available to assist with Customers inquiries from 8:00 AM to 5:00 PM, Eastern Time, Monday through Friday, excluding holidays. If a Customer calls Customer Service after hours, the call goes to a voice mail system or an answering machine. If the call is not an emergency, the answering machine takes a message for a return call. If the call is a service emergency, the Customer is referred to an 800/888 number which is answered twenty four hours per day, 365 days per year.

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SECTION 2 - RULES AND REGULATIONS

2.12 Mileage Measurements

2.12.1 Calls are mileage by the DUC that carries the call. The mileage between rate centers is calculated based on V and H coordinates as obtained by reference to AT&T Tariff FCC No. 10. Calculation between service wire centers is based on V and H coordinates as obtained by reference to NECA FCC Tariff No. 4. The mileage for a call between access lines associated with stations that use the same rate center is one mile. If Feature Group B is used, the distance will be measured from the rate center of the tandem location or network site to which the Feature Group B line is connected. If Feature Group D access is used, the distance will be measured from the rate center of the calling number.

2.12.2 Airline mileage between service locations is calculated as follows:

FORMULA:

$$\sqrt{\frac{(V_1 - V_2)^2 + (H_1 - H_2)^2}{10}}$$

Where V_1 and H_1 are the V and H coordinates of point 1 and V_2 and H_2 are the coordinates of point 2.

Mileage is rounded up to an integer value to determine the airline mileage.

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2.12 Mileage Measurements

2.12.3 The rate mileage for the IOC on a two-point Data Service is the airline distance measured between two Company-designated POPs associated with each end of the Circuit.

2.12.4 Calculation of IOC Channel mileage between the two Company-designated POPs is based on V and H coordinates as obtained by reference to National Exchange Carrier Association, Inc. Tariff F.C.C. No. 4. The Airline Mileage between two Company-designated POPs is calculated as follows:

FORMULA:

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

Where V_1 and H_1 are the V and H coordinates of point 1 and V_2 and H_2 are the coordinates of point 2.

2.12.5 For the IOC, Fractions of a mile are rounded up to the next whole mile before rates are applied.

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SECTION 2 - RULES AND REGULATIONS

2.13 Timing of Calls

- 2.13.1 On Station-to-Station calls and on Direct-Dialed calls chargeable time begins when the called Station answers and the connection is established between the calling Station and the called Station, miscellaneous common carrier, mobile radio system, or PBX system. Answer detection is determined based on standard industry answer detection methods, including hardware and software answer detection. However, when Services are directly connected to a Customer-provided communications systems at the Customer's or End User's premises, chargeable time begins when a call terminates in, or passes through, the first Customer equipment on that Customer-provided communications system. It is the Customer's responsibility to furnish appropriate answer supervision to the point of interface with the Company's Service so that chargeable time may begin.
- 2.13.2 On Person-to-Person calls, chargeable time begins when connection is established between the calling person and the particular person or Station specified or an agreed alternate.

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SECTION 2 - RULES AND REGULATIONS

2.13 Timing of Calls (continued)

- 2.13.3 Chargeable time ends when the calling Station hangs up thereby releasing the network connection. If the called Station hangs up but the calling Station does not, chargeable time ends when the network connection is released either by the automatic timing equipment in the telecommunications network or by the operator.
- 2.13.4 On Prepaid Calling Card calls, billing begins only when a starting and ending event both occur. Timing is calculated at the starting event and ends at the terminating event. If there is no terminating event, there is no charge. Time between the starting event and the terminating event is the call duration. The starting event occurs when the Platform experiences an incoming signaling protocol successfully, i.e., upon seizure of an inbound trunk. The terminating event occurs when the Platform receives a signal from the LEC that the calling party has terminated the call or when the special audio text and interactive voice response features of the Platform such as news, weather, voice mail, etc. have been accessed by the End User and completed. If the called party hangs up and the Customer re-originates one or more calls utilizing the interactive Platform program features without re-dialing the toll-free access number, the terminating event occurs when the Platform receives a signal from the LEC that calling party hangs up. If the End User of a Prepaid Calling Card call uses the conference feature, the third leg of the call is timed separately. Timing of the third leg of the call begins when the called station answers and terminates when the called station hangs up.

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2.14 Rate Periods

2.14.1 General

Different rates may be applicable to a call at different times of the day and on certain days of the week, as specified in the appropriate rate schedule for that call. The rate periods shown below apply. All times shown are local time at the calling station in the case of an outbound call and at the called station in case of an inbound toll free call.

2.14.2 Peak and Off Peak Rate Periods

There are two rate periods for all Customers. They are Peak and Off-Peak. For Business and Residential Customers, the Peak rate period is 8:00 AM to 5:00 PM, Monday through Friday. The Off-Peak rate period is all other times.

2.14.3 Day, Evening, and Night Rate Periods

Rate Period	Times Applicable		Days Applicable
	From	To But Not Including	
Day	7:00 AM	7:00 PM	Mon - Fri
Evening	7:00 PM	11:00 PM	Sun - Fri
Night	11:00 PM All day All day	7:00 AM	All days Saturday Sunday

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2.15 Determining Rate In Effect

For outbound Services that are time-of-day sensitive, the time-of-day at the central office or POP associated with the calling station determines the rate in effect. For Toll Free Services that are time-of-day sensitive, the time-of-day at the central office or POP associated with the called station determines the rate in effect. If a unit of time is split between two (2) or more rate periods, each rate period applies to the portion of the call that occurred during that rate period rounded to the nearest billing increment. For Dedicated Access Services, when a call or unit of time is split between two rate periods, the rate is based on the rate period in which it began. If a Call is completed by an operator, the time at the beginning of each initial or additional rate period determines the applicable rate period. When a Call spans more than one rate period, total charges for each rate period are calculated and the results for each rate period are totaled to obtain the total message charge.

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2.16 Application of Charges

2.16.1 Rounding

- (A) Each usage sensitive Service has its own specific initial period and additional period (collectively referred to as billing increments) as specified in Section 3 of this Tariff. For all Services, fractions of a billing increment are rounded up to the next higher increment for billing purposes.
- (B) If the payphone surcharge includes a fraction of a cent, the fraction is rounded up to the next higher whole cent.
- (C) If the Customer re-originates one or more calls without re-dialing the toll-free access number, timing of the usage is rounded at the end of the last call.
- (D) Usage charges apply to all completed calls. The usage charges for each completed call during a billing month will be computed. Rounding for charges for Service(s) is on a call-by-call basis. If the charge for the call includes a fraction of a cent of \$.005 or more, the fraction of such charge is rounded up to the next higher whole cent. Otherwise, the charge is rounded down to the next lower whole cent.

2.16.2 BTN Account Changes

(A) Discounts

A change in Service or enrollment in a promotional offering that impacts the Customer's usage discount is effective on the first day of the next billing cycle after the change order is processed.

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2.16 Application of Charges (continued)

2.16.2 BTN Account Changes (continued)

(B) Monthly Recurring Charges

If Service is provided for less than a billing cycle, all associated monthly recurring charges will be prorated for the time Service was provided to the Customer.

2.16.3 TFS

Rates and charges apply to all TFS Numbers associated with the Customer's BTN. For an existing Customer who subscribes to TFS in the middle of a billing cycle, monthly recurring charges are prorated based on the amount of time the plan is in effect prior to the first bill.

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2.17 Taxes, Surcharges, and Fees

2.17.1 General

- (A) In addition to the charges specifically pertaining to Services, certain federal, state, and local surcharges, taxes, and fees apply to Services. These taxes, surcharges, and fees are calculated based upon the point of origination of the call, the point of termination of the call, the length of each call, and the taxing jurisdiction's rules and regulations. The Company may impose a surcharge on its Customers to recover amounts it is required by governmental or quasi-governmental authorities to collect from or pay to others in support of statutory or regulatory programs. All federal, state, and local taxes, surcharges, and fees (i.e., sales tax, gross receipts tax, municipal utilities tax, etc.) are listed on the Customer's invoices, and unless otherwise specified herein, are not included in the rates listed in this Tariff. For Prepaid Calling Card Service, the per minute rate shown in Section 4 of this Tariff is inclusive of all surcharges, taxes, and fees except for Point-of-Sale ("sales") taxes except for Program 20 prepaid card. Federal taxes and surcharges are not included in the rates for the Program 20 prepaid card set forth in Section 4.

- (B) Pending the conclusion of any litigation challenging a jurisdiction's or body's right to impose any assessments, duties, fees, surcharges, taxes, or similar liabilities, the Company may elect to waive or impose and collect a charge covering such assessments, duties, fees, surcharges, taxes, or similar liabilities, unless otherwise constrained by court order or direction. All such charges will be shown as a separate line item on the Customer's bill. If the Company has collected any assessments, duties, fees, surcharges, taxes, or similar liabilities and any of the challenged assessments, duties, fees, surcharges, taxes, or similar liabilities are found to have been invalid and not enforceable, the Company will credit or refund such sums to each affected Customer if (1) the Company has retained such funds or (2) the Company has remitted such funds to the collecting jurisdiction or body and the funds have been returned to the Company

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2.17 Taxes, Surcharges, and Fees

2.17.2 Tax Exemption Certificate

- (A) In order to be granted tax exempt status, a Customer claiming tax exempt status must provide the Company with copies of all tax exemption certificates and documents required by the Company at the time Service is ordered. New Customers are required to provide the requested documentation at the time Service is ordered.
- (B) Failure to provide the required documentation at the time Service is ordered will result in all taxes as noted herein being levied by the Company on the Customer's Service, and the Customer will be responsible for the payment of all such charges.
 - .1 At the Company's option, the Company may accord the Customer tax exempt status upon receipt of the required documentation after Service is ordered. However, the Customer will be billed for all applicable taxes and will be responsible for the payment of same until such time as the Company has ceased billing the applicable taxes.
 - .2 The Company is not liable for refunding the amount of the taxes paid by the Customer. The Customer is responsible for seeking refunds for such taxes from the appropriate taxing authority.
- (C) Failure to pay the appropriate taxes prior to tax exempt status being accorded by the Company will result in termination of Service.

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2.18 Interruption of Service

- 2.18.1 Without incurring liability, the Company may interrupt the provision of Services at any time in order for tests and inspections to be performed to assure compliance with Tariff regulations and the proper installation and operation of Customer's equipment and facilities and may continue such interruption until any items of non-compliance or improper equipment operation so identified are rectified.
- 2.18.2 To prevent possible unauthorized, fraudulent, or unlawful use of Service, the Company may initiate Blocking of all calls or Blocking calls to or from certain NPA-NXXs, cities, or individual telephone stations for any Service offered under this Tariff. Service will be restored as soon as it can be provided without undue risk and only after accounts have been brought current.
- 2.18.3 No credit for recurring monthly charges will be issued for outages less than twenty-four consecutive hours in duration. For Customers with Service subject to a monthly recurring charge, Service interruptions of greater than twenty-four (24) consecutive hours duration will receive a credit equal to the number of hours of Service interruption divided by 720 hours times the monthly recurring charge for the Service.
- 2.18.4 For Services with usage-sensitive rates, credit allowances for cutoff, wrong number, or poor transmission are subject to the general liability provisions set forth in Section 2.3.2 of this Tariff. If the Customer desires a credit for any Service interruption, the Customer must contact the Company via telephone or in writing. Before giving such notice, the Customer shall ascertain that the trouble is not being caused by any action or omission by the Customer within the Customer's control, or is not in wiring or equipment, if any, furnished by the Customer.

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2.18 Interruption of Service

2.18.5 Prepaid Calling Card Calls

Credits will not be issued for cut-off, poor transmission, or wrong number.

2.19 Cancellation of Service By Customer

2.19.1 Cancellation of an Existing Service

- (A) Except for Prepaid Calling Card Service and unless the Customer has signed a term plan agreement, the Company may require the Customer to give thirty (30) days' written or oral notice to the Company. Notice should be addressed to the Company's Customer Service Department. Cancellation of the Customer's Service will be effective when the Customer's account status is changed to inactive in the appropriate data base(s).
- (B) For rules and regulations regarding cancellation of a term plan agreement, see Section 2.26 of this Tariff.

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2.19 Cancellation of Service By Customer (continued)

2.19.2 Customer Cancels An Order For Special Facilities or Dedicated Access Arrangements Before Service Begins

If a Customer (1) orders Service requiring special facilities dedicated to the Customer's use or requests that the Company order Dedicated Access arrangements as an agent of the Customer and (2) subsequently cancels its order before Service begins, before completion of the minimum Service period or before completion of some other period mutually agreed upon by the Customer and the Company, the Customer is responsible for all costs incurred expressly on behalf of the Customer by the Company including those costs the Company incurred as an agent of the Customer. If special construction has either begun or has been completed, but Service has not been provided at the time the Customer cancels Service, the Customer is responsible for all construction costs incurred by the Company on the Customer's behalf.

2.19.3 Customer With Dedicated Access

Cancellation of the Customer's Services will be effective when the DUC cancels the ANIs submitted by the Company, or when the Customer's Dedicated Access facilities are moved to another IXC, as authorized by the Customer.

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2.19 Cancellation of Service By Customer (continued)

2.19.4 Cancellation by Non-Usage

If billing records received from a DUC show that a Customer has had no usage with the Company, on one or more lines for a period of forty-five (45) days or more, the Company may conclude that the Customer has moved Service to another carrier, or disconnected Service, whereupon the Company may treat the Service with the Company as having been canceled by the Customer. In such event, the Company may inform the Customer of such treatment. In the event the Company so informs the Customer and the Customer does not notify the Company within seven (7) days that it does not wish to cancel and has not canceled Service with the Company, the Company may take all further steps necessary to complete the cancellation of Service.

2.19.5 Effect of Cancellation or Transfer of Customer Account

When a Customer cancels Services, no Minimum Monthly Usage Charge shall apply to the month in which Service is discontinued pursuant to such cancellation.

2.20 Termination of Service By Company

2.20.1 Pursuant to §20:10:10:03 and §20:10:10:04 of the Administrative Rules of South Dakota, the Company may terminate Service to the Customer upon five (5) days' verbal or written notice to the Customer for any condition listed in Section 2.2.6 of this Tariff. If the Company delivers the notice to the Customer's Premises, it will be left in a conspicuous place. When notice is mailed, the notice will be addressed to the Customer's last known billing address and mailed first class or express overnight delivery. The selection of the method of delivery of the notice is made by the Company.

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2.20 Termination of Service By Company (continued)

2.20.2 The termination of Service(s) by the Company pursuant to this section does not relieve the Customer of any obligations to pay the Company for charges due and owing for Service(s) furnished up to the time of termination. The remedies set forth herein will not be exclusive and the Company will at all times be entitled to all rights available to it under either law or equity.

2.20.3 Service will not be disconnected on any Saturday, Sunday, or legal holiday or at any other time that the Company's offices are not open to the public.

2.20.4 TFS

The Company will retain control for four months of all TFNs disconnected for violation of this Tariff. During the four-month period, the Company will refuse to transfer the number to any other Customer, will refuse to reconnect the number for the previous Customer; will refuse to honor transfer of service arrangements between the disconnected Customer and any third party; and will refuse to honor any change of Resp Org forms from the disconnected Customer. At the end of the four-month period, assuming that there is no outstanding challenge to the disconnection, the Company will return control of the TFN to the NASC to be made available on a first-come, first-served basis pursuant to existing industry practices. If the Customer rectifies the violation to the satisfaction of the Company, the Company may, in its sole discretion, return the number to the control of the Customer.

2.20.4 Effect of Cancellation or Transfer of Customer Account

In the event the Company transfers the Customer's account to another carrier under a customer base transaction, no Minimum Monthly Usage Charge shall apply to the month in which Service is discontinued pursuant to such cancellation. The Company may waive the Minimum Monthly Usage Charge for the last full month preceding such transfer.

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2.21 Restoration of Services

The use and restoration of Services in emergencies will be in accordance with the priority system specified in Part 64, Subpart D of the rules and regulations of the Federal Communications Commission.

2.22 Terminal Equipment

Services may be used with or terminated in Customer-provided terminal equipment or Customer-provided communications systems such as a telephone set, PBX or key system. Such terminal equipment shall be furnished and maintained at the expense of the Customer. The Customer is responsible for all costs at the Customer's Premises, including personnel, wiring, electrical power, and the like, incurred in the use of the Service. When such terminal equipment is used, the equipment shall comply with applicable rules and regulations of the Federal Communications Commission, including but not limited to, Part 68. In addition, equipment must comply with generally accepted minimum protective criteria standards and engineering requirements of the telecommunications industry which are not barred by the Federal Communications Commission.

2.23 Notices

Any notices provided by Company pursuant to this Tariff are deemed given and effective upon the earlier of (a) actual receipt by Customer or (b) three days after mailing if sent by mail, the day after express overnight delivery, or the day the notice is left at the Customer's Premises.

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2.24 Lost Or Stolen Calling Card Or PIN

Upon knowledge of facts which would alert a reasonable person to the possibility of unauthorized use of the Customer's calling card or PIN, the Customer will alert and give notice to the Company of such facts. Upon receipt of notice, the Company will deactivate the PIN associated with the card. If requested by the Customer, a new calling card and PIN will be issued to the Customer. The Customer will be excused from liability only with respect to unauthorized calls placed after receipt of such notice by the Company.

2.25 Special Service Arrangements

Customer-specific service arrangements, which may include engineering, installation, construction, facilities, assembly, and/or other special Services, may be furnished in addition to existing Tariff offerings. Rates, terms, and conditions plus any additional regulations, if applicable, for the special service arrangements will be developed upon Customer's request. Unless otherwise specified, the regulations for the special service arrangements are in addition to the applicable regulations specified in other sections of this Tariff.

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2.26 Revenue and Term Plan Commitments

2.26.1 General

- (A) As a condition of obtaining a specific Service offering or a specific optional pricing plan, a Customer may be required to (1) make a minimum annual revenue commitment (MAC) and sign a term plan agreement or (2) make a minimum monthly revenue commitment (MMC) without signing a term plan agreement.
- (B) By making a MAC or a MMC, the Customer commits to spending a predetermined dollar revenue volume, either annually in the case of a MAC or monthly in the case of a MMC.
- (C) By signing a term plan agreement, the Customer commits to remain a Customer of Company for a specified length of time.

2.26.2 Shortfall Penalties

Shortfall penalties may apply if the Customer fails to meet the MAC or MMC thresholds.

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2.26 Revenue and Term Plan Commitments (continued)

2.26.3 Term Plan Renewal

Ninety (90) days prior to the expiration of a Customer's term plan agreement, the Company will send the Customer a letter advising the Customer the date the term plan expires. If the Customer does not notify the company in writing of its intent to cancel the existing term plan agreement, the term plan agreement will automatically renew on the expiration date of the term plan agreement for the same MAC and length of term plan. Within thirty (30) days of the automatic renewal date of a term plan agreement if the Customer provides written notice to the Company that the Customer wishes to cancel the new term plan agreement, the Company will waive all term plan cancellation penalties.

2.27 Aggregation Grouping

- 2.27.1 Aggregation grouping is the collecting of a Customer's multiple BTNs into a group such that all usage within this group can be combined to determine the Customer's usage rate or volume discount.
- 2.27.2 The Customer determines which BTN(s) will be aggregated. With Aggregation grouping, the Customer must select one BTN as the master BTN. The BTNs that go together in the Aggregation grouping will be assigned an Aggregation ID.
- 2.27.3 Changes to a Customer's Aggregation grouping (such as adding or deleting BTNs) will not affect the Customer's MMC, MAC or term plan commitment.

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2.28 Changes to Rates and Charges

In accordance with Commission rules, the Company may adjust its current rates and charges for Services by filing revised Tariff pages with the Commission. The changes will become effective no earlier than one day following the date the revised pages are filed with the Commission.

2.29 Changes to DUC

The Company determines the DUC for any given Service and may change the DUC at any time. The Company will determine in its sole discretion whether any notice regarding any such changes will be provided to Customers and the form, content, and timing thereof.

2.30 Changes to Service Offerings

The Company reserves the right to add, change, or delete Services and/or DUCs at any time.

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2.31 Toll Free Service

2.31.1 General

If any of the rules and regulations contained in Section 2 of this Tariff, conflict with the rules and regulations contained in Section 2.31 of this Tariff, the rules and regulations contained in Section 2.31 of this Tariff will apply.

2.31.2 Limitations on Service

- (A) TFS is furnished upon the condition that the Customer contracts for adequate facilities to permit the use of this Service without injurious effect upon the Company or any service rendered by third party vendors on behalf of the Company.
- (B) The availability of TFS Numbers from the Company is limited by the Company's ability to obtain TFS Numbers requested by the Customer from the national SMS database.
- (C) Ownership and Brokering of Numbers

Toll Free Numbers are incidental to the Toll Free Service(s) with which they are associated and, as such, may not be sold, transferred or otherwise conveyed independent of Toll Free transmission Services. The assignment of a Toll Free Number for use with company-provided Toll Free transmission Service confers on the Customer no proprietary interest whatsoever in the number assigned. It shall be a violation of this Tariff if the Customer seeks to acquire, or does acquire, any Toll Free Number

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2.31 Toll Free Services (Con't)

2.31.2 Limitations on Service (Con't)

(C) Ownership and Brokering of Numbers (Con't)

associated with Toll Free Service provided by the company for the primary purpose of selling, brokering, bartering or releasing for a fee (or other consideration) to another party that Toll Free Number, independent of the Company's Service with which it is associated.

In any instance in which the company learns that a Customer or prospective Customer is attempting to sell or otherwise transfer or assign a Toll Free Number to another person, in violation of this tariff, the Company may immediately and without notice release the number from reserved status, or it may immediately upon written notice to the Customer discontinue the furnishing of Service via the number, whichever course of action is appropriate.

2.31.3 Limitations on Liability

- (A) If a Customer's TFS Number is not used by callers other than for test calls to reach the Customer or Customer's designee within ninety (90) days of activation of the TFS Number, the Company may, upon written notice, release the TFS Number without liability. Test calling does not constitute use

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2.31 Toll Free Services (Con't)

2.31.3 Limitations on Liability (Con't)

- (B) If a TFS Customer is found to be non-compliant in passing back appropriate answer supervision, the Company reserves the right to suspend Service temporarily and/or deny requests for additional Service without liability. The Company will give the Customer ten (10) calendar days' written notice via certified U.S. Mail of intent to suspend or deny Service due to such non-compliance.
- (C) The Company may terminate or refuse to furnish TFS to any Applicant or Customer, without incurring any liability, if the use of the Service would interfere with or impair any Service offered by the Company.
- (D) When the failures listed below are due solely to the negligence of the Company, the Company's liability, if any, will be limited to the lesser of (a) the actual monetary damages incurred and proved by the Customer as the direct result of such failure or failures or (b) the sum of \$1,000.00.
- (E) any claim arising out of any and all failings by the Company in connection with the provision of TFS to the Customer, including but not limited to:
 - .1 TFS is not made available on the date committed to the Customer or cannot otherwise be made available after acceptance of the Customer's order; or
 - .2 TFS is provided with a number or numbers other than the one(s) committed by the Company to the Customer; or

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2.31 Toll Free Services (Con't)

2.31.3 Limitations on Liability (Con't)

(E) (Con't)

.3 TFS is provided with a number or numbers that are not included in toll free Directory Assistance database or are included in an incorrect form.

2.31.4 Use of Service

(A) Nothing herein, or in any other provision of this Tariff, or in any marketing materials issued by the Company shall give any person any ownership, interest, or proprietary right in any code or TFS Number issued by the Company to its Customers.

2.31.5 Obligations of the Customer

(A) The Company reserves the right to require Customer(s) requesting TFS 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. A new traffic forecast may be required quarterly after Service is initiated.

(B) A TFS Customer will provide not less than ten (10) business days' notice prior to implementation of special advertising or other new promotions likely to stimulate usage. The Company reserves the right to request traffic data, which depending on the forecast, may delay Service due to the addition of facilities.

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2.31 Toll Free Services (Con't)

2.31.5 Obligations of the Customer (Con't)

- (C) With respect to any Resp Org service or SMS Resp Org changes the Company provides to the TFS Customer, the Customer will indemnify and hold the Company harmless against any third party claims arising out of the execution of changes requested by the Customer.

2.31.6 Reservation of Number(s) for Toll Free Service

- (A) The Company will accept a prospective TFS Customer's request for a particular TFS Number and will reserve such number on a first come, first serve basis. A TFS Number so requested, if found to be available, will be reserved for and furnished to the eligible Customer, providing the Customer
 - .1 subscribes to Toll Free Service within forty-five (45) days of the reservation of said number; and
 - .2 provides acceptable credit information; and
 - .3 uses the Service within an additional ninety (90) day period.
- (B) If a Customer who has received a toll free number does not subscribe to and use the Service within the ninety (90) day period specified above, the Company reserves the right to make the number available for use by another Customer in accordance with the terms in this section.

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2.31 Toll Free Services (Con't)

2.31.6 Reservation of Number(s) for Toll Free Service (Con't)

- (C) If a TFS Number is changed by the Company for conditions beyond its reasonable control, nothing in any provision of this Tariff or in any marketing materials issued by the Company or in any agreement between the Customer and the Company shall give any Customer, Applicant, assignee or transferees any ownership interest or proprietary right in any given TFS Number. An Applicant includes a prospective customer who has reserved a toll free telephone number hereunder.
- (D) A Customer who sells an ongoing operating business for which a TFS Number has been in use may transfer the right to continue to use the TFS Number(s) as long as (1) the Company is able to transfer such number under the Company's servicing agreement with vendors who provide a portion of the Service the Company offers to its Customer and (2) the transferee establishes credit pursuant to this Tariff.

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2.31 Toll Free Services (Con't)

2.31.7 Release By the Company of Customer's TFS Number(s) for Porting to Other Carriers

- (A) A Customer may request that the Company release its TFS Number(s) so that another long distance service provider may provide toll free service to a Customer. The Company will release a Customer's TFS Number(s) only upon the following occurrences:
- .1 there are no outstanding unpaid, unresolved or disputed payments or any other payments or indebtedness due and payable to the Company by the Customer or its successors or assignees relative to any communications service(s) or Services(s) provided by the Company; and
 - .2 there are no unsatisfied liens or claims for property against which payment for such communications service(s) or Service(s) have been guaranteed or otherwise collateralized.
- (B) The Company reserves the right to withhold its authorization of such transfer of such Customer's TFS Number(s) until the Customer's indebtedness is resolved to the satisfaction of the terms and conditions of this Tariff and any agreement(s) between the Customer and the Company.

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2.31 Toll Free Services (Con't)

2.31.7 Release By the Company of Customer's TFS Number(s) for Porting to Other Carriers (Con't)

- (C) The failure of the Customer to fulfill the terms and conditions of any agreement with the Company or the attempt to process a change of long distance service provider for the Customer's TFS Number(s) prior to the completion of a contract's terms and conditions (and/or before all payments and indebtedness have been paid or satisfied) shall cause the ownership of the TFS Number(s) to revert from the Customer to the Company, whereupon such Customer shall no longer possess the right to transfer such TFS Number(s) to any other long distance service provider and whereupon the Company shall have the right to reissue said number(s) at its sole discretion to any other party.

- (D) At the discretion of the Company, a canceled TFS Number may be reestablished for the same Customer within four (4) months and; therefore, it cannot be selected by another Customer during that four (4) month period. After four (4) months, the TFS Number is returned to the pool where it can be selected by another customer under any Resp Org.

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2.31 Toll Free Services (Con't)

2.31.8 Minimum Service Period

For Customers subscribing to TFS, the minimum Service period is one month.

2.31.9 Termination of TFS By Company

If Service is terminated by the Company for violation of this Tariff, the national SMS/800 data base allows the Company to retain control of all TFS Numbers disconnected for up to a 4-month period. During the four-month period, the Company shall refuse to transfer the number to any other Customer, shall refuse to reconnect the number for the previous Customer; shall refuse to honor transfer of service arrangements between the disconnected Customer and any third party; and shall refuse to honor any change of Resp Org forms from the disconnected Customer. At the end of the four-month period, the Company shall return control of the Toll Free Number to the NASC to be made available on a first-come, first-served basis pursuant to existing industry practices. If the Customer rectifies the violation to the satisfaction of the Company, the Company may, in its sole discretion, return the number to the control of the Customer.

2.32 Promotional Offerings

The company will, from time to time, offer one or more of the following promotions to its Customers: waiving or reducing certain rates, charges, fees, or penalties in response to media advertising, direct mail solicitation, telemarketing and/or direct sales presentations. These promotional offerings will be available to Customers who subscribe to one of the Services contained in this Tariff. The promotional offerings may contain a requirement that the Customer remain subscribed to a particular Service for a specified term.

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SECTION 3 - DESCRIPTION OF SERVICES

3.1 Service Offerings

3.1.1 All Services are interstate Services with the Customer having the option of using the Service to place intrastate calls. The intrastate Services are available only if the Customer subscribes to the companion interstate Service. The Company determines the DUC for all Services.

3.1.2 Toll Free Services permit calls to be completed to the Customer's location without charge to the calling party. Access to the Service is gained by dialing a ten digit telephone number (8XX) NXX-XXXX or other TFN which terminates at the subscriber's location. Calls are originated from any point in the state on any type of access.

3.2 Long Distance

Long Distance is an inbound and outbound customized business telecommunication Service designed to provide a unified Service for single or multi-location Business Customers. This Service offers the Business Customer various combinations of direct dial long distance, TFS, calling card, and directory assistance Services. The Company determines the DUC. This Service is limited to those Business Customers who subscribe to the companion interstate Service. Except for the intrastate usage rates set forth in Section 4 herein, this Service is subject to the rates, terms, and conditions for interstate Service including any minimum revenue and term plan requirements. All calls for Option 1 are billed in six (6) second increments subject to a minimum connect time of eighteen (18) seconds, and all calls are rounded up to the next highest six (6) second increment. For example, a twelve (12) second Call would be billed as eighteen (18) seconds while a twenty (20) second Call would be billed as twenty-four (24) seconds. All calls for Option 2 are billed in six (6) second increments subject to a minimum connect time of thirty seconds, and all calls are rounded up to the next highest six (6) second increments. For example, a twelve (12) second Call would be billed as thirty seconds while a forty (40) second Call would be billed as forty-two (42) seconds.

Issued: May 25, 2001
Meredith Gifford, AVP, Regulatory Affairs

Effective:

SECTION 3 - DESCRIPTION OF SERVICES

3.3 GE EXCHANGE® Dedicated Plus Services

GE EXCHANGE Dedicated Plus Services are inbound and outbound customized telecommunications Service designed to provide a unified Service for single or multi-location companies utilizing dedicated access between the Customer's premise and the DUC's network. Calling card and directory assistance as well as other switched Services are available to subscribers of this Service through NetValue Services with direct billing from the Company. The Company determines the DUC. This Service is limited to those Customers who subscribe to the companion interstate Service. Except for the intrastate usage rates set forth in Section 4 herein, this Service is subject to the rates, terms, and conditions for the companion interstate Service. All calls are billed in six (6) second increments subject to a minimum connect time of eighteen (18) seconds, and all calls are rounded up to the next highest six (6) second increment. For example, a twelve (12) second call would be billed as eighteen (18) seconds while a twenty (20) second call would be billed as twenty-four (24) seconds.

3.4 GE EXCHANGE For Business Services

GE EXCHANGE For Business Services are inbound and outbound customized telecommunications Services designed to provide a unified Service for single or multi-location companies. These Services offer the Customer various combinations of direct dial long distance, 800 Service, and calling card Service with direct billing from the Company. The Company determines the DUC. These Services are limited to those Customers who subscribe to the companion interstate Service. Except for the intrastate usage rates set forth in Section 4 herein, these Services are subject to the rates, terms, and conditions for the companion interstate Service including minimum revenue and term plan requirements. All calls are billed in six (6) second increments subject to a minimum connect time of eighteen (18) seconds, and all calls are rounded up to the next highest six (6) second increment. For example, a twelve (12) second Call would be billed as eighteen (18) seconds while a twenty (20) second Call would be billed as twenty-four (24) seconds.

Issued: May 25, 2001
Meredith Gifford, AVP, Regulatory Affairs

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SECTION 3 - DESCRIPTION OF SERVICES

3.5 Operator Toll Assistance

3.5.1 Description of Service

Operator Toll Assistance is any variety of telephone Services which require the assistance of a long distance operator. Examples include collect calls and person-to-person calls. Operator Toll Assistance is evoked when a Customer dials 00 or 0+ the called number.

3.5.2 Availability

Operator Toll Assistance is available to Customers that subscribe to any Service utilizing Switched Access.

Customers subscribing to any of the Company's Plan A outbound Services utilizing Switched Access to reach the POP of the DUC can reach the operator of the DUC by dialing 0+ the called number or by dialing 00. The DUC provides the operator Services, brands the call, and direct bills all operator Services calls under their name not the Company's name.

If a Customer subscribing to any of the Company's Services that utilize Dedicated Access dials 0, 00 or 0+ the called number, the call will be blocked. To reach the operator of the DUC, the Customer must program their PBX to route the 00 and 0+ calls over their Switched Access lines.

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Meredith Gifford, AVP, Regulatory Affairs

Effective:

SECTION 3 - DESCRIPTION OF SERVICES

3.6 Directory Assistance

3.6.1 Description of Service

Intrastate Directory Assistance involves the supplying of assistance in determining or attempting to determine the telephone number of a party.

3.6.2 Availability of Service

Directory Assistance is available to any Customer that has access to the directory assistance bureau of the DUC. If a Customer with Switched Access calls directory assistance for a call within their area code, the call is handled by the LEC. If a Customer with Switched Access calls directory assistance for a call within the state but outside of their area code, the call is routed to the DUC for handling. Customers with Dedicated Access must program their PBX to route directory assistance calls over their Switched Access lines.

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SECTION 3 - DESCRIPTION OF SERVICES

3.7 Calling Card Service

Calling Card Service allows the Customer or end user to bill a call to their primary Service location when the caller is away from their established Service location. Customers access the network from anywhere in the state by dialing a universal "800" number plus a calling card code and the called telephone number.

3.8 Ultimate Affinity Calling Card

The Ultimate Affinity Calling Card allows the Customer or end-user to bill the charges for a call to a new or existing credit card of the Customer approved by the Company when the caller is away from their established Service location. Customers access the network from anywhere in the state by dialing a universal "800" number plus a calling card code and the called telephone number. This Service is limited to those Customers who subscribe to the companion interstate Service. Except for the intrastate usage rates set forth in Section 4 herein, these Services are subject to the rates, terms, and conditions for interstate Service. Calls are billed in initial and additional one minute increments, with a minimum duration of one minute. Any fractional portion of a call is rounded up to the next highest billing increment. For example, a twelve (12) second call would be billed as one (1) minute, while a ninety (90) second call would be billed as two (2) minutes. There are three options. Option 1 has a rate and a card fee per call. Option 2 has a usage rate and an interstate minimum monthly usage charge for the companion interstate Service. Option 3 is only available to Customers who subscribed to this Service before August 1, 1996.

START

OF

RETAKE

Issued: May 25, 2001
Meredith Gifford, AVP, Regulatory Affairs

Effective:

SECTION 3 - DESCRIPTION OF SERVICES

3.7 Calling Card Service

Calling Card Service allows the Customer or end user to bill a call to their primary Service location when the caller is away from their established Service location. Customers access the network from anywhere in the state by dialing a universal "800" number plus a calling card code and the called telephone number.

3.8 Ultimate Affinity Calling Card

The Ultimate Affinity Calling Card allows the Customer or end-user to bill the charges for a call to a new or existing credit card of the Customer approved by the Company when the caller is away from their established Service location. Customers access the network from anywhere in the state by dialing a universal "800" number plus a calling card code and the called telephone number. This Service is limited to those Customers who subscribe to the companion interstate Service. Except for the intrastate usage rates set forth in Section 4 herein, these Services are subject to the rates, terms, and conditions for interstate Service. Calls are billed in initial and additional one minute increments, with a minimum duration of one minute. Any fractional portion of a call is rounded up to the next highest billing increment. For example, a twelve (12) second call would be billed as one (1) minute, while a ninety (90) second call would be billed as two (2) minutes. There are three options. Option 1 has a rate and a card fee per call. Option 2 has a usage rate and an interstate minimum monthly usage charge for the companion interstate Service. Option 3 is only available to Customers who subscribed to this Service before August 1, 1996.

Issued: May 25, 2001
Meredith Gifford, AVP, Regulatory Affairs

Effective:

SECTION 3 - DESCRIPTION OF SERVICES

3.9 Prepaid Calling Card Services

Prepaid Calling Cards allow Customers to originate outbound dial 1 calls via Company-provided TFNs. The Company offers retail and promotional Prepaid Calling Cards. Intrastate Service is only available as an adjunct to interstate/international Service.

Retail Prepaid Calling Cards are available to end-users through purchase from either the Company or agents of the Company. Promotional Prepaid Calling Cards are available to Customers who intend to give the prepaid calling cards away to the end-users as either a premium or promotional item. Prepaid Calling Cards may be obtained in various unit denominations with a per unit value.

All calls are billed in 1 minute (unit) increments and rounded to the next highest minute (unit). One unit equals one minute or fraction thereof. The rates charged to a Customer are those specified and in effect at the time the Prepaid Calling Card is sold to the Customer.

Calls to 700, 800, 888, 900, and 950 numbers and Directory Assistance are not permitted with this Service. Calls may only be charged against the Prepaid Calling Card if there is a sufficient balance available to cover the cost of the call. Card balances will be depleted and reduced based upon Customer usage. Customers will be given notice at the beginning of the call regarding the remaining balance on the card and a warning one minute before the available card balance is depleted. When the balance of available time is depleted the call will be terminated. Cards are nonrefundable and will expire on the date specified on the card or the carrier or package in which the card is included. Cards that have expired will be deactivated. Any remaining units that have been deactivated may be reactivated by calling Customer Service within 30 days to reclaim the credit. Upon request, a statement of account can be provided for each month up to 90 days from the date of the request.

Prepaid Calling Cards may be renewable, in that the Company may establish relationships with commercial credit cards which permit a Customer holding both a Prepaid Calling Card number and the commercial credit card may add additional units to his Prepaid Calling Card and charge the fee for such units to his commercial credit card. In such event, the Company may choose to permit creditworthy commercial credit card holders to charge for such units at the time calls are made rather than in advance. The ability to charge for calls at the time made will be subject to reasonable limits establish from time to time by the Company to reduce the likelihood of fraud.

END

OF

RETAKE

Issued: May 25, 2001
Meredith Gifford, AVP, Regulatory Affairs

Effective:

SECTION 3 - DESCRIPTION OF SERVICES

3.10 GE Long Distance

GE Long Distance is a customized switched telecommunications Service designed to provide a unified Service for single or multi-location companies. This Service offers the Customer direct dial long distance, 800 Service, and calling card Service at postalized rates with direct billing by the Company. The Company determines the DUC. This Service is limited to those Customers who subscribe to the companion interstate Service. Except for the intrastate usage rates set forth in Section 4 herein, this Service is subject to the rates, terms, and conditions, for the companion interstate Service. All calls are billed in one (1) minute increments subject to a minimum connect time of one (1) minute, and all calls are rounded up to the next highest minute. For example, a twelve (12) second call would be billed as one (1) minute while a ninety (90) second call would be billed as two (2) minutes. This Service is no longer available to new subscribers as of March 31, 1997.

3.11 NetValue Services

NetValue Services are inbound and outbound customized telecommunications Service designed to provide a unified Service for single or multi-location companies. This Service offers the Customer direct dial long distance, 800 Service, and calling card Service with direct billing from the Company. The Company determines the DUC. This Service is limited to those Customers who subscribe to the companion interstate Service. Except for the intrastate usage rates set forth in Section 4 herein, this Service is subject to the rates, terms, and conditions, for the companion interstate Service. All calls are billed in six (6) second increments subject to a minimum connect time of eighteen (18) seconds, and all calls are rounded up to the next highest six (6) second increment. For example, a twelve (12) second call would be billed as eighteen (18) seconds while a twenty (20) second call would be billed as twenty-four (24) seconds.

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Effective:

SECTION 3 - DESCRIPTION OF SERVICES

3.12 GE Residential Long Distance

GE Residential Long Distance is a long distance Service offered to Residential Customers and includes direct dial long distance, TFS, calling card, and directory assistance. This Service is limited to those Customers who subscribe to the companion interstate Service. Except for the intrastate usage rates set forth in Section 4 herein, these Services are subject to the rates, terms, and conditions for interstate Service. Calls are billed in initial and additional one minute increments. This Service is available only to Customers who subscribe to this Service via the Internet. Payment via a Company approved Credit Card is required. Call detail is provided to the Customer monthly.

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Meredith Gifford, AVP, Regulatory Affairs

Effective:

SECTION 4 - RATES AND CHARGES

4.1 Long Distance

4.1.1 Option 1

	<u>Service</u>	<u>Rate Per Minute</u>	
		<u>Switched Access</u>	<u>Dedicated Access</u>
(A)	Outbound 1+	\$0.1000	\$0.0790
(B)	Toll Free Service	\$0.1000	\$0.0790
(C)	Calling Card	\$0.1500	
(D)	Calling Card Fee	<u>Fee Per Call</u>	
		\$0.25	

4.1.2 Option 2

	<u>Service</u>	<u>Rate Per Minute</u>
		<u>Switched Access</u>
(A)	Outbound 1+	\$0.1000
(B)	Toll Free Service	\$0.1000
(C)	Calling Card	\$0.1500
(D)	Calling Card Fee	<u>Fee Per Call</u>
		\$0.25
(E)	Payphone Surcharge	<u>Fee Per Call</u>
		\$0.25

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Meredith Gifford, AVP, Regulatory Affairs

Effective:

SECTION 4 - RATES AND CHARGES

4.2 GE EXCHANGE Dedicated Plus Services

4.2.1 Basic Service

<u>Service</u>	<u>Rate Per Minute</u>
Outbound 1+	\$0.1130
800/888	\$0.1560

4.2.2 Option A

<u>Service</u>	<u>Rate Per Minute</u>
Outbound 1+	\$0.0980
800/888	\$0.1350

Issued: May 25, 2001
Meredith Gifford, AVP, Regulatory Affairs

Effective:

SECTION 4 - RATES AND CHARGES

4.3 GE EXCHANGE® For Business Services

		Rate Per Minute		
		<u>Outbound 1+</u>	<u>800/888</u>	<u>Calling Card</u>
4.3.1	Switched Access Service	\$0.1000	\$0.1000	\$0.1000
4.3.2	Option B			
	Switched Service	\$.0860	\$.0860	\$.1500
	Dedicated Service	\$.0500	\$.0500	\$.1500
	Option C			
	Plan 1	\$.1090	N/A	N/A
	Plan 2	\$.0990	N/A	N/A
4.3.3	Plus Option 1 & 2			
	Switched Service	\$.1000	\$.1000	\$.1500
	Dedicated Service	\$.0890	\$.0890	\$.1500
	Directory Assistance	<u>Charge Per Call</u>	\$0.85	
4.3.4	Option I			
	Switched Service	\$.0990	\$.0990	\$.1500
	Dedicated Service	\$.0590	\$.0590	\$.1500
4.3.5	Option 2			
	Switched Service	\$.1090	\$.1090	\$.1500
	Dedicated Service	\$.0640	\$.0640	\$.1500
4.3.6	Calling Card Fee	<u>Fee Per Call</u>	\$0.25	

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Meredith Gifford, AVP, Regulatory Affairs

Effective:

SECTION 4 - RATES AND CHARGES

4.4 Operator Toll Assistance

4.4.1 Rate Elements

Operator Toll Assistance is billed on a per minute basis plus a surcharge. Per minute charges are based on the distance and duration of the call and the rate period (Day, Evening, or Night/Weekend) when the call is placed.

4.4.2 Rate Schedule

Rate Mileage	Initial Period 1 Minute			Additional Period 1 Minute		
	Day	Evening	Night	Day	Evening	Night
0- 10	\$.3000	\$.2400	\$.1800	\$.1800	\$.1440	\$.1080
11- 16	\$.3800	\$.3040	\$.2280	\$.2000	\$.1600	\$.1200
17- 22	\$.3900	\$.3120	\$.2340	\$.2200	\$.1760	\$.1320
23- 30	\$.4300	\$.3440	\$.2580	\$.2400	\$.1920	\$.1440
31- 40	\$.4500	\$.3600	\$.2700	\$.2600	\$.2080	\$.1560
41- 55	\$.4800	\$.3840	\$.2880	\$.2900	\$.2320	\$.1740
56- 85	\$.5100	\$.4080	\$.3060	\$.3200	\$.2560	\$.1920
86-124	\$.5300	\$.4240	\$.3180	\$.3400	\$.2720	\$.2040
125-244	\$.5400	\$.4320	\$.3240	\$.3600	\$.2880	\$.2160
245-475	\$.5500	\$.4400	\$.3300	\$.3800	\$.3040	\$.2280

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Meredith Gifford, AVP, Regulatory Affairs

Effective:

SECTION 4 - RATES AND CHARGES

4.4 Operator Toll Assistance (continued)

4.4.3 Surcharges

(1)	Customer Dialed Calling Card Station	
	- Customer Dialed/Operator Assisted	\$2.25
	- Customer Dialed/Operator Must Assist	\$.85
(2)	Operator Dialed Calling Card station	\$2.25
(3)	Person to Person	\$4.50
(4)	Operator Station	
	- Collect	\$2.10
	- Billed to Third Party	\$2.17
	- Sent Paid Non-Coin	\$2.10
(7)	Operator Dialed Surcharge Per Call	
	- Operator Dialed Called Number	\$1.00

Issued: May 25, 2001
Meredith Gifford, AVP, Regulatory Affairs

Effective:

SECTION 4 - RATES AND CHARGES

4.5 Directory Assistance Service

4.5.1 Application of Charges

- (A) The Directory Assistance charge applies to calls made using the Services of the DUC.
- (B) The Directory Assistance charge applies whether or not the directory assistance bureau furnished the requested telephone number(s) (e.g., where the requested telephone number is unlisted, non-published or no record can be found).

4.5.2 Rates

The rate is \$.95 per call.

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Meredith Gifford, AVP, Regulatory Affairs

Effective:

SECTION 4 - RATES AND CHARGES

4.6 Ultimate Affinity Calling Card

4.6.1 Option 1 Rates

Per Minute Rate \$0.25

Card Fee Per Call \$0.25

4.6.2 Option 2 & 3 Rates

Per Minute Rate \$0.25

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Meredith Gifford, AVP, Regulatory Affairs

Effective:

SECTION 4 - RATES AND CHARGES

4.7 Prepaid Calling Card Services

4.7.1	Retail Card Price Per Unit	\$0.40
4.7.2	Promotional Card Price Per Unit	\$0.25
4.7.3	Program Cards	

Rate Per Minute

		<u>Initial</u>	<u>Add'l</u>
(A)	Program 1	\$0.459	\$0.169
(B)	Program 2	\$0.529	\$0.139
(C)	Program 3	\$0.34	\$0.170
(D)	Program 4	\$0.38	\$0.190
(E)	Program 5	\$0.589	\$0.089
(F)	Program 6	\$0.619	\$0.119
(G)	Program 7	\$0.669	\$0.079
(H)	Program 8	\$0.549	\$0.149
(I)	Program 9	\$0.739	\$0.049
(J)	Program 10	\$0.749	\$0.059
(K)	Program 11	\$0.659	\$0.069
(L)	Program 12	\$0.489	\$0.099
(M)	Program 13	\$0.449	\$0.109
(N)	Program 14	\$0.429	\$0.179
(O)	Program 15	\$0.409	\$0.159
(P)	Program 16	\$0.379	\$0.129
(Q)	Program 17	\$0.100	\$0.100
(R)	Program 18	\$0.719	\$0.029
(S)	Program 19	\$0.109	\$0.109
(T)	Program 20	\$0.709	\$0.019
(U)	Program A	\$0.950	\$0.110

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Meredith Gifford, AVP, Regulatory Affairs

Effective:

SECTION 4 - RATES AND CHARGES

4.8 GE Long Distance

Rate Per Minute

\$0.1990

4.9 NetValue Services

4.9.1 NetValue

Rate Per Minute

Service	Peak	Off-Peak
Outbound Switched	\$0.2020	\$0.1550
800 Switched	\$0.2550	\$0.2550
Calling Card	\$0.2020	\$0.1550
Card Fee Per Call		\$0.25

4.9.2 NetValue One

Rate Per Minute

Service	Peak	Off-Peak
Outbound Switched	\$0.2020	\$0.1550
800 Switched	\$0.2550	\$0.2550
Calling Card	\$0.2020	\$0.1550
Card Fee Per Call		\$0.25

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Meredith Gifford, AVP, Regulatory Affairs

Effective:

SECTION 4 - RATES AND CHARGES

4.10 GE Residential Long Distance

	Rate Per Minute	
	<u>Peak</u>	<u>Off-Peak</u>
Outbound Switched	\$0.1000	\$0.1000
TFS	\$0.1000	\$0.1000
Calling Card	\$0.1500	\$0.1500
Calling Card	<u>Fee per Call</u>	
	\$0.25	
Calling Card	<u>Fee per Call*</u>	
Payphone Surcharge	\$0.25	

*Applies to calls made from payphone instruments.

4.11 Miscellaneous Charges

4.11.1 Payphone Surcharge

Pursuant to the FCC's Order in CC Docket 96-128, this surcharge applies only to dial-around calls, i.e., calls originating using a carrier's access code, a Customer's 800 and other toll-free numbers, calling card calls, and prepaid card calls, from payphone instruments. This surcharge does not apply for 0+ call for which the payphone provider would otherwise receive compensation. The Customer shall pay the Company a per call surcharge of \$0.50 for all such prepaid calling cards, \$0.30 for all such Ultimate Affinity Card calls, and \$0.25 for calls made via all other Services.

Visiology, Inc.

Todd M. Lowe (205) 336-1701
Barbara L. Lowe (205) 336-1702
Bobbi Ferguson (205) 336-1703
FAX (205) 336-1705
WEB www.visiology.com
E-Mail toddlowe@visiology.com
barlowe@visiology.com

June 5, 2001

RECEIVED

JUN 6 2001

Mr. Keith Senger
Utility Analyst
South Dakota Public Utilities Commission
State Capitol
500 East Capital Avenue
Pierre, South Dakota 57501-5070

SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

Re: SDPUC Docket TC01-048 In the Matter of the Filing for Approval of Transfer of Certificate of Authority from GE Capital Communication Services Corporation to GE Capital Telemangement Services Corporation

Dear Mr. Senger:

GE Capital Telemangement Services Corporation herewith responds to your letter requesting additional information and tariff revisions as part of the above referenced Docket TC01-048. An original and ten copies are enclosed.

Financial Waiver Requested

Applicant respectfully requests a waiver of the requirements of [ARSD 20:10:24.02(8)] regarding financial statements. Applicant only has consolidated financial statements available. In lieu thereof, Applicant is submitting a bond in the amount of \$25,000 at Attachment C. The original surety bond has been placed in an envelop and attached to the original of this filing at Attachment C.

Please date-stamp and return the copy of this letter as proof of filing. An envelope with the return address and the appropriate postage is attached for this purpose. Your assistance in this matter is greatly appreciated. If you have any questions about this filing or need additional information, please call me at (205) 330-1703.

Sincerely,



Bobbi Ferguson
Consultant to
GE Capital Telemanagement Services Corporation

Enclosures

cc:

Nicholaus G. Leverett
Kelly Dye & Warren LLP

Response of GE Capital Telemangement Services Corporation
to Staff Questions

1. Please send the applicant's "date of incorporation, and a copy of its certificate of incorporation or, if it is an out-of-state corporation, a copy of its certificate of authority to transact business in South Dakota from the Secretary of State." [ARSD 20 10 24 02(3)(a)]

See Attachment A for foreign corporation registration

2. Please submit "a description of the telecommunications services the applicant intends to offer" and "a detailed statement of the means by which the applicant will provide its services." [ARSD 20:10:24:02(5) and 20:10:24:02(6)]

(A) GECTS will offer outbound and inbound telecommunications services, directory assistance service, calling card service, prepaid calling card services, and operator toll assistance services to its presubscribed customers. A detailed service description is provided in the proposed tariff

(B) GECTS is a reseller of telecommunication services provided by Sprint, WorldCom and EXO Long Distance, Inc. GECTS has a switch that will be used to switch its calling card traffic (primarily prepaid calling cards). For all other services, GECTS will be a switchless reseller. The transmission facilities will be those of the underlying carriers. Customers may use switched or dedicated access. Switched access is provided by the local exchange company or other authorized provider. The customer may purchase dedicated access from the local exchange company or any other certified access provider. Representative access diagrams are enclosed at Attachment B

(C) GECTS will provide service to both the commercial and consumer marketplace. Applicant intends to use a multimedia marketing approach encompassing direct mail, direct sales, sales agents, and telemarketing. The latter will be in compliance with all existing state and federal regulations and statutes

3. Please provide "current financial statements of the applicant including a balance sheet, income statement, and cash flow statement; a copy of the applicant's latest annual report; a copy of the applicant's report to stockholders; and a copy of applicant's tariff with the terms and conditions of service," applicant being GECTS. [ARSD 20 10 24 02(8)]

(A) Applicant only has consolidated financial statements available. Applicant therefore is requesting a waiver of this requirement. In lieu thereof, Applicant is submitting a surety bond in the amount of \$25,000 at Attachment C

(B) Applicant's tariff was filed with the Commission under separate cover dated May 16, 2001

South Dakota Public Utilities Commission

Docket TC01-048

Response of GE Capital Telemanagement Services Corporation
to Staff Questions
South Dakota Public Utilities Commission

4. Please provide the "addresses" and "fax number and E-mail address" of the applicant's representatives to whom all inquiries must be made regarding complaints and regulatory matters and a description of how the applicant handles customer billings and customer service matters.
[ARSD 20:10:24:02(9)]

(A) Consumer Inquiries

Name: Customer Service – Michele Lyons, Team Leader
Address: 6540 Powers Ferry Road, Atlanta, GA 30339
Tel. No.: 1-800-775-4322
Fax No.: 1-800-237-4026
Email: michele.lyons@gecapital.com

(B) Informal Written Complaints Filed with FCC or state PUC

Name: Meredith H. Gifford, AVP Regulatory Affairs
Address: 6540 Powers Ferry Road, Atlanta, GA 30339
Tel. No.: 770-644-7774
Fax No.: 770-644-7752
Email: meredith.gifford@gecapital.com

(C) Regulatory Issues

Name: Meredith H. Gifford, AVP Regulatory Affairs
Address: 6540 Powers Ferry Road, Atlanta, GA 30339
Tel. No.: 770-644-7774
Fax No.: 770-644-7752
Email: meredith.gifford@gecapital.com

(D) On-going Company Business

Name: David O'Neill
Address: 6540 Powers Ferry Road, Atlanta, GA 30339
Tel. No.: 770-644-7870
Fax No.: 770-644-7752
Email: david.o'neill@gecapital.com

- (E) A description of how the Applicant handles customer inquiries and complaints may be found in the proposed tariff at sections 2.10 and 2.11

South Dakota Public Utilities Commission

Docket TC01-048

Response of GE Capital Telemangement Services Corporation
to Staff Questions
South Dakota Public Utilities Commission

5. Please provide a statement indicating "whether the applicant has ever been denied registration or certification in any state and the reasons for any such denial, a statement as to whether or not the applicant is in good standing with the appropriate regulatory agency in the states where it is registered or certified, and a detailed explanation of why the applicant is not in good standing in a given state, if applicable." [ARSD 20:10.24.02(10)]

Applicant has never been denied registration or certification in any state and is good standing with the regulatory agencies in the states where it is registered or certified

6. When will GECCS be forwarding Exhibit F. copies of its marketing material?

GECCS has not yet developed any marketing materials. Copies will be provided when developed.

South Dakota Public Utilities Commission

Docket TC01-048

Response of GE Capital Telemangement Services Corporation
to Staff Questions

ATTACHMENT A

Secretary of State Foreign Corporation Documents

State of South Dakota



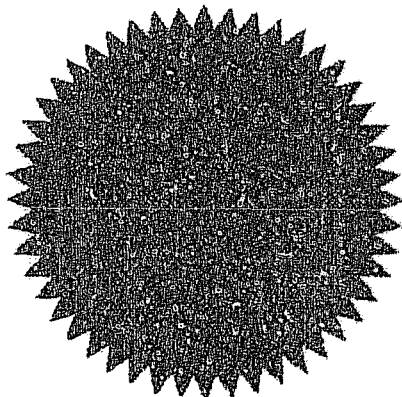
OFFICE OF THE SECRETARY OF STATE

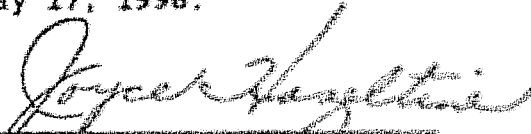
CERTIFICATE OF AUTHORITY

I, JOYCE HAZELTINE, Secretary of State of the State of South Dakota, hereby certify that the Application for a Certificate of Authority of GE CAPITAL TELEMAGEMENT SERVICES CORPORATION (GA) to transact business in this state duly signed and verified pursuant to the provisions of the South Dakota Corporation Acts, have been received in this office and are found to conform to law.

ACCORDINGLY and by virtue of the authority vested in me by law, I hereby issue this Certificate of Authority and attach hereto a duplicate of the application to transact business in this state under the name of GE CAPITAL TELEMAGEMENT SERVICES CORPORATION.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the Great Seal of the State of South Dakota, at Pierre, the Capital, this May 17, 1996.




JOYCE HAZELTINE
Secretary of State

South Dakota Public Utilities Commission

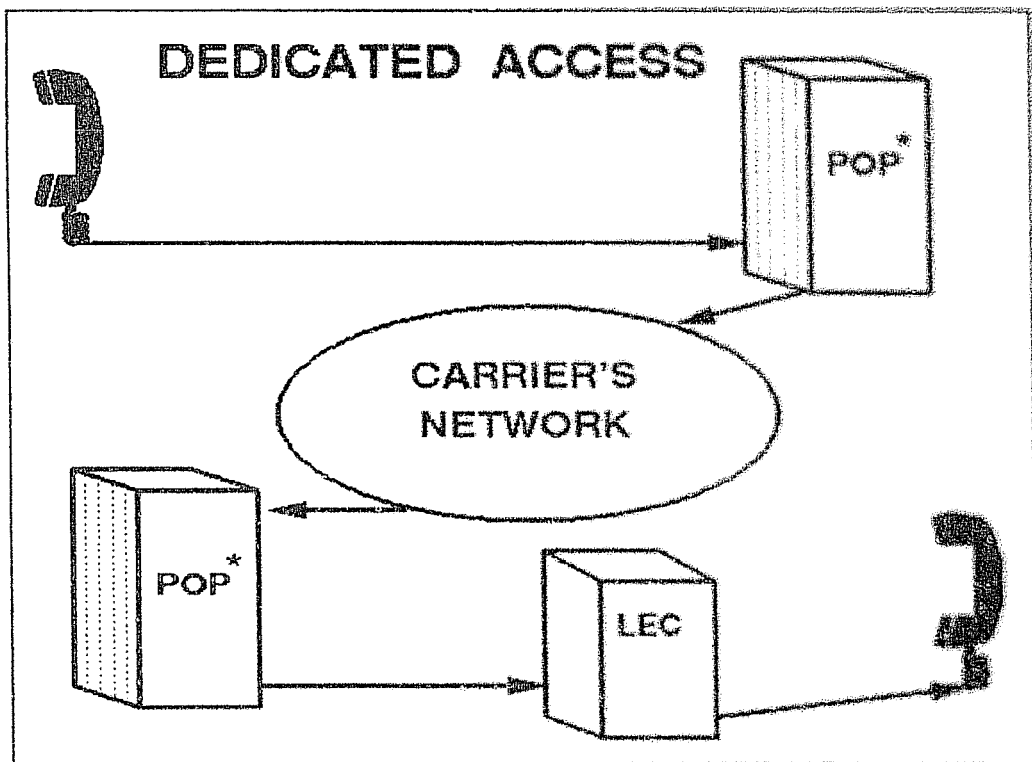
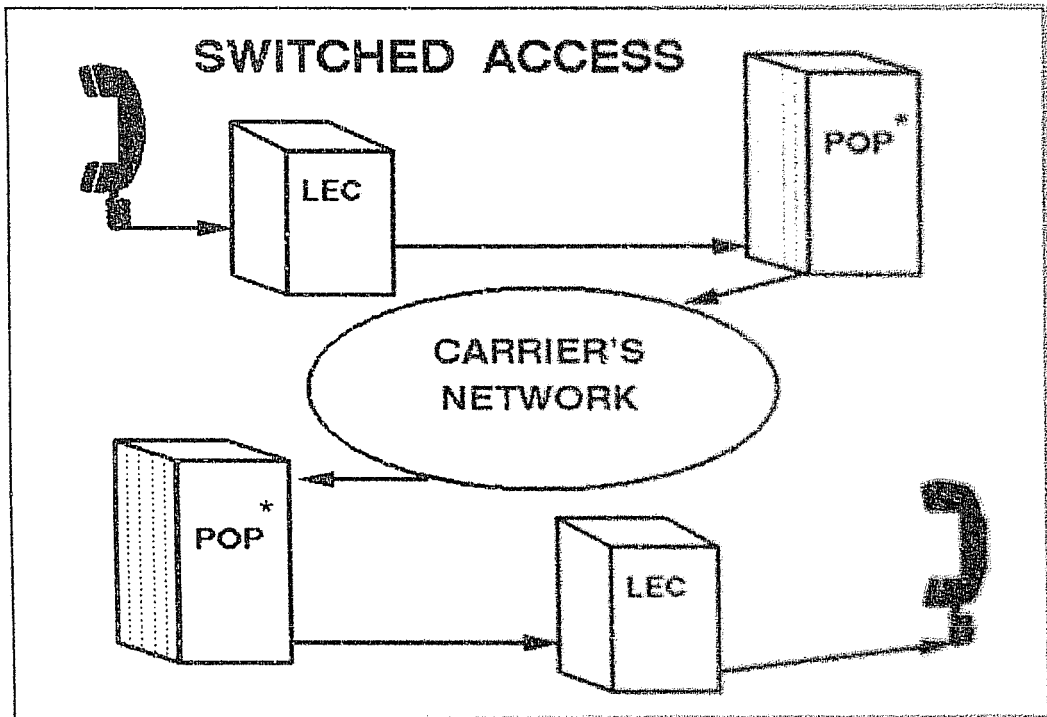
Docket TC01-048

Response of GE Capital Telemangement Services Corporation
to Staff Questions

ATTACHMENT B

ACCESS DIAGRAMS

REPRESENTATIVE ACCESS DIAGRAMS



* POP - CARRIER'S POINT-OF-PRESENCE

South Dakota Public Utilities Commission

Docket TC01-048

Response of GE Capital Telemangement Services Corporation
to Staff Questions

ATTACHMENT C

BOND

INDEMNITY BOND
to the
PEOPLE OF THE STATE OF SOUTH DAKOTA

BOND NO. 81841867

We, GE Capital Telemanagement Services Corporation, the principal and applicant for a CERTIFICATE OF AUTHORITY, to resell long distance telecommunications service within the State of South Dakota, and ~~Federal Insurance Company~~ as an admitted surety insurer, bind ourselves unto the Public Utilities Commission of the State of South Dakota and the consumers of South Dakota as Obligees, in the sum of \$25,000.00.

The conditions of the obligation are such that the principal, having been granted such CERTIFICATE OF AUTHORITY subject to the provision that said principal purchase this Indemnity Bond, and if said principal shall in all respects fully and faithfully comply with all applicable provisions of South Dakota State Law, and reimburse customers of GE Capital Telemanagement Services Corporation for any prepayment or deposits they have made which may be unable or unwilling to return to said customers as a result of insolvency or other business failure, then this obligation shall be void, discharged and forever exonerated, otherwise to remain in full force and effect.

This bond shall take effect as of the date hereon and shall remain in force and effect until the surety is released from liability by the written order of the Public Utilities Commission, provided that the surety may cancel this Bond and be relieved of further liability hereunder by delivering thirty (30) days written notice to the Public Utilities Commission. Such cancellation shall not affect any liability incurred or accrued hereunder prior to the termination of said thirty (30) day period.

Dated this 30th day of May, 2001.
To be effective this 30th day of May, 2001.

*Original bond
is in Delaine's
bottom desk drawer.*

GE Capital Telemanagement Services Corporation

By: *Greg L. Hall*
President

Federal Insurance Company

By: *Matthew V. Buol*
Matthew V. Buol, Attorney-in-Fact

Countersigned this _____
day of _____, 2001

Countersigned for South Dakota

By: N/A - Retaliatory
Resident Agent

RECEIVED

JUN 6 2001

SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

STATE OF ILLINOIS
COUNTY OF COOK

On this 30th day of May, 2001, before me personally appeared
Matthew V. Buol, known to me to be the Attorney-in-Fact of
Federal Insurance Company, the corporation that
executed the within instrument, and acknowledged to me that such corporation executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, at my office in the
aforesaid county, the day and year in this certificate first written above.

"OFFICIAL SEAL"
DIANE M. O'LEARY
Notary Public, State of Illinois
My Commission Expires 1/4/05

Diane M. O'Leary
(Notary Public)



POWER
OF
ATTORNEY

Federal Insurance Company
Vigilant Insurance Company
Pacific Indemnity Company

Attn.: Surety Department
15 Mountain View Road
Warren, NJ 07059

Know All by These Presents, That FEDERAL INSURANCE COMPANY, an Indiana corporation, VIGILANT INSURANCE COMPANY, a New York corporation, and PACIFIC INDEMNITY COMPANY, a Wisconsin corporation, do each hereby constitute and appoint Brenda D. Hockberger, Ann Formhals, Donna Wright, Kristan Retusnic, William Reidinger, Diane M. O'Leary, Garry L. Wesselink, Debra Kohlman, Marlise Jahnke, Matthew V. Bucl and Karen E. Bogard of Chicago, Illinois-----

each as their true and lawful Attorney-in-Fact to execute under such designation in their names and to affix their corporate seals to and deliver for and on their behalf as surety thereon or otherwise, bonds and undertakings and other writings obligatory in the nature thereof (other than bail bonds) given or executed in the course of business, and any instruments amending or altering the same, and consents to the modification or alteration of any instrument referred to in said bonds or obligations.

In Witness Whereof, said FEDERAL INSURANCE COMPANY, VIGILANT INSURANCE COMPANY, and PACIFIC INDEMNITY COMPANY have each executed and attested these presents and affixed their corporate seals on this 28th day of September, 1999

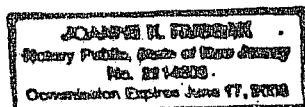
Sheryl B. Roberts, Assistant Secretary

Frank E. Robertson, Vice President

STATE OF NEW JERSEY } ss.
County of Somerset

On this 28th day of September, 1999, before me, a Notary Public of New Jersey, personally came Sheryl B. Roberts, who is known to be Assistant Secretary of FEDERAL INSURANCE COMPANY, VIGILANT INSURANCE COMPANY, and PACIFIC INDEMNITY COMPANY, the corporations which executed the foregoing Power of Attorney, and the said Sheryl B. Roberts being by me duly sworn, did depose and say that she is Assistant Secretary of FEDERAL INSURANCE COMPANY, VIGILANT INSURANCE COMPANY, and PACIFIC INDEMNITY COMPANY and knows the corporate seals thereof, that the seals affixed to the foregoing Power of Attorney are such corporate seals and were thereto affixed by authority of the By-Laws of said Companies; and that she signed said Power of Attorney as Assistant Secretary of said Companies by like authority; and that she is acquainted with Frank E. Robertson, and knows him to be Vice President of said Companies; and that the signature of Frank E. Robertson, subscribed to said Power of Attorney is in the genuine handwriting of Frank E. Robertson, and was thereto subscribed by authority of said By-Laws and in deponent's presence.

Personal Seal



Joanne H. Furber
Notary Public

CERTIFICATION

Extract from the By-Laws of FEDERAL INSURANCE COMPANY, VIGILANT INSURANCE COMPANY, and PACIFIC INDEMNITY COMPANY:

"All powers of attorney for and on behalf of the Company may and shall be executed in the name and on behalf of the Company, either by the Chairman or the President or a Vice President or an Assistant Vice President, jointly with the Secretary or an Assistant Secretary, under their respective designations. The signature of such officers may be engraved, printed or lithographed. The signature of each of the following officers: Chairman, President, any Vice President, any Assistant Vice President, any Secretary, any Assistant Secretary and the seal of the Company may be affixed by any power of attorney or to any certificate relating thereto appointing Assistant Secretaries or Attorneys-in-Fact for purposes only of executing and attesting bonds and undertakings and other writings obligatory in the nature thereof, and any such power of attorney or certificate bearing such facsimile signature or facsimile seal shall be valid and binding upon the Company and any such power so executed and certified by such facsimile signature and facsimile seal shall be valid and binding upon the Company with respect to any bond or undertaking to which it is attached."

I, Sheryl B. Roberts, Assistant Secretary of FEDERAL INSURANCE COMPANY, VIGILANT INSURANCE COMPANY, and PACIFIC INDEMNITY COMPANY (the "Companies") do hereby certify that

- (i) the foregoing extract of the By-Laws of the Companies is true and correct,
- (ii) the Companies are duly licensed and authorized to transact surety business in all 50 of the United States of America and the District of Columbia and are authorized by the U. S. Treasury Department; further, Federal and Vigilant are licensed in Puerto Rico and the U. S. Virgin Islands, and Federal is licensed in American Samoa, Guam, and each of the Provinces of Canada except Prince Edward Island; and
- (iii) the foregoing Power of Attorney is true, correct and in full force and effect.

Given under my hand and seals of said Companies at Warren, NJ this 30th day of May 2001



Sheryl B. Roberts, Assistant Secretary

IN THE EVENT YOU WISH TO NOTIFY US OF A CLAIM, VERIFY THE AUTHENTICITY OF THIS BOND OR NOTIFY US OF ANY OTHER MATTER, PLEASE CONTACT US AT ADDRESS LISTED ABOVE, OR BY Telephone (908) 903-3485 Fax (908) 903-3656 e-mail: surety@chubb.com

Visiology, Inc.

Todd H. Lowe (205) 330-1701
Barbara L. Lowe (205) 330-1702
Bobbi Ferguson (205) 330-1703
FAX (205) 330-1705
WEB www.visiology.com
E-Mail toddlowe@visiology.com
toddlowe@worldnet.att.net

June 8, 2001

RECEIVED

JUN 11 2001

SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

Mr. Keith Senger
Utility Analyst
South Dakota Public Utilities Commission
State Capitol
500 East Capital Avenue
Pierre, South Dakota 57501-5070

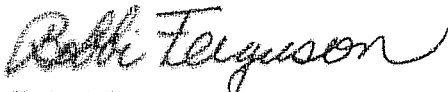
Re: SDPUC Docket TC01-048 In the Matter of the Filing for Approval of Transfer of Certificate of Authority from GE Capital Communication Services Corporation to GE Capital Telemangement Services Corporation

Dear Mr. Senger:

GE Capital Telemangement Services Corporation herewith submits the tariff revisions you requested regarding a 180 day window for disputes. An original and ten copies are enclosed.

Please date-stamp and return the copy of this letter as proof of filing. An envelope with the return address and the appropriate postage is attached for this purpose. Your assistance in this matter is greatly appreciated. If you have any questions about this filing or need additional information, please call me at (205) 330-1703.

Sincerely,



Bobbi Ferguson
Consultant to
GE Capital Telemangement Services Corporation

Enclosures

Issued: May 18, 2001
Mauroth Gifford, AVP, Regulatory Affairs

Effective:

SECTION 2 - RULES AND REGULATIONS

2.3 Limitation of Liability (continued)

- 2.3.3 The liability of the Company for gross negligence arising out of mistakes, omissions, interruptions, delays, errors or defects occurring in the provision of Service(s) shall not exceed the higher of the adjustments described in Section 2.3.1 or 2.3.2 of this Tariff, whichever is applicable, and the sum of \$1,000.
- 2.3.4 The liability of the Company for willful misconduct occurring in the provision of Service(s) shall not exceed the higher of the adjustments described in Sections 2.3.1, 2.3.2 or 2.3.3, which is applicable, and the sum of \$2,000.
- 2.3.5 The Company will not be liable to the Customer for damages or statutory penalties or be obligated to make any adjustment, refund or cancellation of charges unless the Customer has notified the Company in writing of any dispute concerning charges, or the basis of any claim for damages, within 180 calendar days after an invoice is rendered by the Company for the call or Service giving rise to such dispute or claim. Any such notice must set forth sufficient facts to provide the Company with a reasonable basis upon which to evaluate the Customer's claim or demand. If the Customer is not satisfied with the Company's resolution of any dispute, the Customer may make application to the Commission for review and disposition of the matter. The Commission's address and telephone number are South Dakota Public Utilities Commission, 500 East Capitol Avenue, Pierre, South Dakota 57501-5070, 605-773-3201 or 1-800-332-1782.

Issued: May 18, 2001
Meredith Gifford, AVP, Regulatory Affairs

Effective:

SECTION 2 - RULES AND REGULATIONS

2.10 Disputed Charges

- 2.10.1 The Company will not be required to consider any Customer claim for damages or statutory penalties, or adjustments, refunds, credits or cancellation of charges, unless the Customer has notified the Company, in writing, of any dispute concerning charges, or the basis of any claim for damages, within 180 calendar days after an invoice is rendered or a debit is effected by the Company for the call giving rise to such dispute or claim.
- 2.10.2 Any such notice must set forth sufficient facts to provide the Company with a reasonable basis upon which to evaluate the Customer's claim or demand. Such notice must be sent to the Company's Customer Service Department as per Section 2.11 of this Tariff. If the Customer is not satisfied with the Company's resolution of a billing inquiry, the Customer may make application to the Commission for review and disposition of the matter. The Commission's address and telephone number are South Dakota Public Utilities Commission, 500 East Capitol Avenue, Pierre, South Dakota 57501-5070, 605-773-3201 or 1-800-332-1782.
- 2.10.3 Failure of the Customer to participate in the Company's effort to resolve a dispute or claim will constitute a waiver of the Customer's rights to a continuance of Service.

Visiology, Inc.

June 20, 2001

Ms. Karen E. Cremer
Staff Attorney
South Dakota Public Utilities Commission
State Capitol
500 East Capital Avenue
Pierre, South Dakota 57501-5070

Todd H. Lowe (205) 330-1701
Barbara L. Lowe (205) 330-1702
Bobbi Ferguson (205) 330-1703
FAX (205) 330-1705
WEB www.visiology.com
E-Mail toddlowe@visiology.com
toddlowe@worldnet.att.net

Re: SDPUC Docket TC01-048 In the Matter of the Filing for Approval of Transfer of Certificate of Authority from GE Capital Communication Services Corporation to GE Capital Telemangement Services Corporation

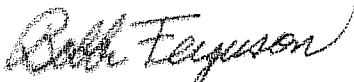
Dear Ms. Cremer:

GE Capital Telemangement Services Corporation herewith submits the tariff revisions you requested as listed below. I am also submitting page 93 on which Section 2.18.4 has been revised. An original and ten copies are enclosed.

<u>Page</u>	<u>Revised Paragraphs</u>
26	2.2.1 & 2.2.4
29	2.2.5
30	2.2.6
32	2.2.11
34	2.3.1 through 2.3.4
35	2.3.5
36	2.3.9
38	2.3.11 & 2.3.12
39	2.3.15
93	2.18.4 (clarifying text added)

So that our records will be complete, please date stamp the extra copy of the advice letter and return in the envelope provided. Inquiries pertaining to this filing should be directed to me at (205) 330-1703. Thank you for your assistance in this matter..

Sincerely,



Bobbi Ferguson
Consultant to
GE Capital Telemangement Services Corporation

Enclosures

RECEIVED

JUN 21 2001

SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

Issued: May 18, 2001
Meredith Gifford, AVP, Regulatory Affairs

Effective:

SECTION 2 - RULES AND REGULATIONS

2.2 Limitations

- 2.2.1 Service is offered subject to the availability of facilities, equipment, or systems, the Company's ability to fulfill the request for Service and the provisions of this Tariff. Service is not offered where operating conditions do not permit. The Company reserves the right to refuse to provide Service, to or from any location where the necessary facilities, equipment, systems, billing agreements, and/or switch software are not available. In case a shortage of facilities exists at any time, either for temporary or protracted periods, the establishment of Switched Services shall take precedence over the establishment of Data Services.
- 2.2.2 Except for calls from Casual Callers, all Switched Services provided according to this Tariff are intrastate add-on Services available from the Company only if the Customer subscribes to the Company's comparable interstate Service offering or interstate promotional offering. Unless otherwise indicated in this Tariff, intrastate Switched Services are not offered on a stand-alone basis. Unless otherwise stated in this Tariff, the method of provisioning a specific Service is determined by the Company.
- 2.2.3 A third party call is any call charged to a number other than that of the called or calling party. The Company reserves the right to refuse to process a third party call when acceptance of charges at the third number cannot be confirmed.
- 2.2.4 The Company reserves the right to discontinue Service or to limit the use of Service, when necessitated by conditions beyond the Company's control, or when the Customer or End User is using Service in violation of the law or in violation of the provisions of this Tariff.

Issued: May 18, 2001
Meredith Gifford, AVP, Regulatory Affairs

Effective:

SECTION 2 - RULES AND REGULATIONS

2.2 Limitations on Service (continued)

2.2.5 Pursuant to §20:10:09:03 of the Administrative Rules of South Dakota, the conditions under which the Company may refuse Service include, but are not limited to:

- (A) An Applicant is indebted to the Company for past bills incurred and refuses to liquidate the debt; or
- (B) An Applicant refuses to pay a reasonable deposit, advance payment, or installation charge; or
- (C) An Applicant, although not personally liable to the Company, is attempting to return Service to an indebted household and no attempts are forthcoming to liquidate the debt of that household; or
- (D) An applicant is unwilling to provide correct information about any of the following:
 - .1 Past telecommunications service;
 - .2 Previous employment; or
 - .3 Previous address
- (E) An Applicant is in violation of governmental or Company rules concerning evasion of payment, use of Service for unlawful purposes, annoyance of other patrons, or interference with or destruction of facilities.

Issued: May 18, 2001
Meredith Gifford, AVP, Regulatory Affairs

Effective:

SECTION 2 - RULES AND REGULATIONS

2.2 Limitations on Service (continued)

2.2.5 (continued)

(F) An Applicant refuses to pay undisputed telecommunication charges owed to the Company for interstate services.

(G) An Application fails to provide reasonable and legal means of identification.

2.2.6 The Company may disconnect Service pursuant to §20:10:10:03, §20:10:10:04, §20:10:10:05, §20:10:10:06 of the Administrative Rules of South Dakota.

2.2.7 Initial and continuing Service is offered subject to the availability of necessary facilities and/or equipment, including those to be provided by other companies furnishing a portion of the Company's Service(s).

Issued: May 18, 2001
Meredith Gifford, AVP, Regulatory Affairs

Effective:

SECTION 2 - RULES AND REGULATIONS

2.2 Limitations on Service (continued)

- 2.2.10 The Company may rely on third parties to provide a portion of the Company's Service. The selection of the Third Party Vendors is made by the Company. The Company reserves the right to change Third Party Vendors at any time.
- 2.2.11 The Company reserves the right to refuse to provide Service to or from any location where the necessary facilities and/or equipment are not available.
- 2.2.12 Recording of telephone conversations provided pursuant to the Company's Service under this Tariff is prohibited except as authorized by applicable federal, state, and local laws.
- 2.2.13 All outbound Services requiring Switched Access to reach the long distance network are only available to Customers located in those exchanges which have Equal Access. Unless otherwise indicated in this Tariff, all Toll Free Services described in this Tariff are available on a statewide basis.
- 2.2.14 The Company, when acting at the Customer's request and as its authorized agent for ordering Dedicated Access, will make reasonable efforts to arrange for service requirements such as special routing, route Diversity, alternate access, or Circuit conditioning.

Issued: May 18, 2001
Meredith Gifford, AVP, Regulatory Affairs

Effective:

SECTION 2 - RULES AND REGULATIONS

2.3 Limitation of Liability

- 2.3.1 The liability of the Company for damages arising out of mistakes, omissions, interruptions, delays, errors, defects in transmission or other comparable actions which occurring in the course of furnishing Service(s) or facilities shall be determined in accordance with SDCL 49-13-1 and 49-13-1.1 and any other applicable law.
- 2.3.2 The Company shall not be liable for claim or loss, expense or damage (including indirect, special, or consequential damage), for any interruption, delay, error, omission, or defect in any service, facility, or transmission provided under this tariff, if caused by any person or entity other than the Company, by any malfunction of any service or facility provided by any other carrier, by an act of God, fire, war, civil disturbance, or act of government, or by any other cause beyond the Company's direct control.
- 2.3.3 The Company shall not be liable for, and shall be fully indemnified and held harmless by Customer against any claim or loss, expense, or damage (including indirect, special, or consequential damage) for defamation, libel, slander, invasion, infringement or copy-right or patent, unauthorized use of any trademark, trade name or service mark, unfair competition, interference with or misappropriation or violation of any contract, proprietary or creative right, or any other injury to any person, property, or entity arising out of the material, data, information, or other content revealed to, transmitted, or used by the Company under this Tariff, or for any act or omission of the Customer, or for any 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 directly caused by negligence of the Company.
- 2.3.4 Except as otherwise stated in Section 2.3, the liability of the Company for damages arising out of either: (1) the furnishing of 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 Service(s), whether caused by acts or omission, shall be limited to the extension of allowances to the Customer for interruptions in Service as set forth in Section 2.18.

Issued: May 18, 2001
Meredith Gifford, AVP, Regulatory Affairs

Effective:

SECTION 2 - RULES AND REGULATIONS

2.3 Limitation of Liability (continued)

- 2.3.5 Except for the extension of allowances to the Customer for interruptions in Service as set forth in Section 2.18, 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.
- 2.3.6 The Company will not be liable to the Customer for damages or statutory penalties or be obligated to make any adjustment, refund or cancellation of charges unless the Customer has notified the Company in writing of any dispute concerning charges, or the basis of any claim for damages, within 180 calendar days after an invoice is rendered by the Company for the call or Service giving rise to such dispute or claim. Any such notice must set forth sufficient facts to provide the Company with a reasonable basis upon which to evaluate the Customer's claim or demand. If the Customer is not satisfied with the Company's resolution of any dispute, the Customer may make application to the Commission for review and disposition of the matter. The Commission's address and telephone number are South Dakota Public Utilities Commission, 500 East Capitol Avenue, Pierre, South Dakota 57501-5070, 605-773-3201 or 1-800-332-1782.

Issued: May 18, 2001
Meredith Gifford, AVP, Regulatory Affairs

Effective:

SECTION 2 - RULES AND REGULATIONS

2.3 Limitation of Liability (continued)

2.3.7 With respect to Service provided hereunder, the Company hereby expressly disclaims, without limitation, all warranties not stated in this Tariff, whether express, implied or statutory, and in particular disclaims all implied warranties of merchantability and of fitness for a particular purpose.

2.3.8 No contractors, agents or employees of connecting, concurring or other participating carriers or companies will be deemed to be contractors, agents or employees of the Company without the Company's written authorization.

2.3.9 Reserved for future use

Issued: May 18, 2001
Meredith Gifford, AVP, Regulatory Affairs

Effective:

SECTION 2 - RULES AND REGULATIONS

2.3 Limitation of Liability (continued)

- 2.3.11 The Company will use its best efforts to provide Services consistent with industry standards.
- 2.3.12 If the Company learns of actual or possible unauthorized, fraudulent, or unlawful use of any Company Services, the Company will make an effort to contact the Customer, but Service may be blocked without notice. Service may be suspended by the Company by Blocking all calls or by Blocking calls to or from certain NPA-NXXs, certain countries, cities, or individual telephone stations for any Service offered under this Tariff. Service will be restored as soon as it can be provided without undue risk and only after accounts have been brought current.
- 2.3.13 The Company does not undertake to transmit messages but furnishes the use of its Services to its Customers for telecommunications. The Company is not liable for the content of the Customer's messages.
- 2.3.14 The Company may rely on Third Party Vendors for the performance of certain services such as Dedicated Access. Upon Customer request and execution and delivery of appropriate authorizing documents, the Company will act as agent for the Customer in obtaining such other services. Customer's liability for charges hereunder will not be reduced by untimely installation or non-operation of Customer-provided facilities and equipment.

Issued: May 18, 2001
Meredith Gifford, AVP, Regulatory Affairs

Effective:

SECTION 2 - RULES AND REGULATIONS

2.3 Limitation of Liability (continued)

2.3.15 The Company will not be liable for:

- (A) Any act or omission of any other company or companies furnishing a portion of the Service or furnishing facilities or equipment associated with such Service.
- (B) Damages caused by the fault or negligence or willful misconduct of the Customer or End User.
- (C) Any failure to provide or maintain Service under this Tariff due to circumstances beyond the Company's reasonable control.
- (D) Reserved for future use.
- (E) Reserved for future use.

Issued: May 18, 2001
Meredith Gifford, AVP, Regulatory Affairs

Effective:

SECTION 2 - RULES AND REGULATIONS

2.18 Interruption of Service

- 2.18.1 Without incurring liability, the Company may interrupt the provision of Services at any time in order for tests and inspections to be performed to assure compliance with Tariff regulations and the proper installation and operation of Customer's equipment and facilities and may continue such interruption until any items of non-compliance or improper equipment operation so identified are rectified.
- 2.18.2 To prevent possible unauthorized, fraudulent, or unlawful use of Service, the Company may initiate Blocking of all calls or Blocking calls to or from certain NPA-NXXs, cities, or individual telephone stations for any Service offered under this Tariff. Service will be restored as soon as it can be provided without undue risk and only after accounts have been brought current.
- 2.18.3 No credit for recurring monthly charges will be issued for outages less than twenty-four consecutive hours in duration. For Customers with Service subject to a monthly recurring charge, Service interruptions of greater than twenty-four (24) consecutive hours duration will receive a credit equal to the number of hours of Service interruption divided by 720 hours times the monthly recurring charge for the Service.
- 2.18.4 For Services with usage-sensitive rates, credit allowances for Service interruptions including but not limited to cutoff, wrong number, or poor transmission, etc. are limited to a credit equal to the initial period charge for the call. If the Customer desires a credit for any Service interruption, the Customer must contact the Company via telephone or in writing. Before giving such notice, the Customer shall ascertain that the trouble is not being caused by any action or omission by the Customer within the Customer's control, or is not in wiring or equipment, if any, furnished by the Customer.

TC01-048

Senger, Keith

From: Bobbi Ferguson [rbmferguson@worldnet.att.net]
Sent: Monday, July 02, 2001 2:28 PM
To: Keith.Senger@state.sd.us
Subject: GECTS Certification
Importance: High

Keith

As discussed, we are asking for a new certificate of authority for GE Capital Telemangement Services Corporation ("GECTS") as a switch based long distance reseller in South Dakota in lieu of the transfer requested in the application.

If there are any questions or additional information is required, please contact met at (205) 330-1703.

Sincerely,

Bobbi Ferguson
Consultant to
GE Capital Telemangement Services Corporation

07/02/2001

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF SOUTH DAKOTA**

IN THE MATTER OF THE FILING FOR) APPROVAL OF TRANSFER OF CERTIFICATE) OF AUTHORITY FROM GE CAPITAL) COMMUNICATION SERVICES CORPORATION) TO GE CAPITAL TELEMAGEMENT) SERVICES CORPORATION)	ORDER GRANTING CERTIFICATE OF AUTHORITY TC01-048
--	---

On May 10, 2001, the Public Utilities Commission (Commission), in accordance with SDCL 49-31-3 and ARSD 20:10:24:02 and ARSD 20:10:24:04.1, received an application for a transfer of a certificate of authority from GE Capital Communication Services Corporation (GECCS) to GE Capital Telemagement Services Corporation (GECTS). On July 2, 2001, the Commission received an electronic mail message from GECTS requesting a new certificate of authority for GECTS in lieu of the transfer requested in the original application.

GECTS proposes to provide interexchange services in South Dakota. GECTS proposes to reorganize such that GECCS will merge downward into GECTS, with GECTS serving GECC's intrastate customer base. Immediately after the merger GECTS will change its name to GE Business Productivity Solutions, Inc. (GEBPS). A proposed tariff was filed by GECTS. The Commission has classified long distance service as fully competitive.

On May 17, 2001, the Commission electronically transmitted notice of the filing and the intervention deadline of June 1, 2001, to interested individuals and entities. No petitions to intervene or comments were filed and at its July 10, 2001, meeting, the Commission considered GECTS' request for a certificate of authority. Commission Staff recommended granting a certificate of authority, subject to a continuous \$25,000 surety bond. Commission Staff further recommended a waiver of ARSD 20:10:24:02(8).

The Commission finds that it has jurisdiction over this matter pursuant to SDCL Chapter 49-31, specifically 49-31-3 and ARSD 20:10:24:02 and 20:10:24:03. The Commission finds that GECTS has met the legal requirements established for the granting of a certificate of authority. GECTS has, in accordance with SDCL 49-31-3, demonstrated sufficient technical, financial and managerial capabilities to offer telecommunications services in South Dakota. Further, the Commission finds that there is good cause to waive ARSD 20:10:24:02(8). The Commission approves GECTS' application for a certificate of authority, subject to a continuous \$25,000 surety bond. As the Commission's final decision in this matter, it is therefore

ORDERED, that GECTS' application for a certificate of authority is hereby granted, subject to a continuous \$25,000 surety bond. It is

FURTHER ORDERED, that the Commission finds good cause to waive ARSD 20:10:24:02(8). It is

FURTHER ORDERED, that GECTS shall file informational copies of tariff changes with the Commission as the changes occur.

Dated at Pierre, South Dakota, this 12th day of July, 2001.

CERTIFICATE OF SERVICE	
The undersigned hereby certifies that this document has been served today upon all parties of record in this docket, as listed on the docket service list, by first class mail, in properly addressed envelopes, with charges prepaid thereon.	
By:	<u>Melaine Koops</u>
Date:	<u>7/13/01</u>
(OFFICIAL SEAL)	

BY ORDER OF THE COMMISSION:

James A. Burg
JAMES A. BURG, Chairman

Pam Nelson
PAM NELSON, Commissioner

SOUTH DAKOTA PUBLIC UTILITIES COMMISSION

CERTIFICATE OF AUTHORITY

To Conduct Business As A Telecommunications Company
Within The State of South Dakota

Authority was Granted as of the date of the
Order Granting Certificate of Authority
Docket No. TC01-048

This is to certify that

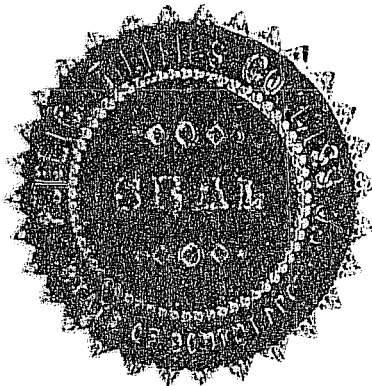
GE CAPITAL TELEMAGEMENT SERVICES CORPORATION

is authorized to provide interexchange telecommunications services in
South Dakota.

This certificate is issued in accordance with SDCL 49-31-3 and ARSD
20:10:24:02, and is subject to all of the conditions and limitations contained in the
rules and statutes governing its conduct of offering telecommunications services.

Dated at Pierre, South Dakota, this 15th day of July, 2001.

SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION:



James A. Burg

JAMES A. BURG, Chairman

Pam Nelson

PAM NELSON, Commissioner