

BEFORE THE
PUBLIC UTILITIES COMMISSION
OF THE STATE OF SOUTH DAKOTA

In the of the Application of)
Pacific Centrex Services, Inc.)
For a Certificate of Authority to Provide) Docket No.
Facilities-based and)
Resold Local Exchange Services)

APPLICATION FOR AUTHORITY TO PROVIDE
LOCAL EXCHANGE SERVICES

I. INTRODUCTION

Pursuant to S.D.C.L. § 49-31.3 and the Federal Telecommunications Act of 1996 ("Federal Act" or "Act"), Pub.L. No. 104-104, 100 Stat. 56 (1996) Pacific Centrex Services, Inc. ("Applicant") respectfully seeks a Certificate of Public Convenience and Necessity to permit it to provide resold local exchange services in the State of South Dakota.

The recently enacted Telecommunication Act of 1996 presents this Commission with the unique opportunity to expand upon existing pro-competitive telecommunications policies to ensure that all consumers--residential and business--will have access to high quality, low-cost, and innovative telecommunications services. The Federal Act was adopted to promote competition and reduce regulation in order to secure lower prices and higher quality telecommunications services for the American populace.

In accordance with these goals, Congress included provisions in the Federal Act designed to facilitate increased competition in all aspects of the local exchange market. Section 253 of the Act prohibits states from imposing any requirements that would constitute any barriers to entry into the local exchange market. The Federal Act also imposes several requirements on the incumbent local exchange carriers ("LECs") to assist new entrants in the market. Specifically, the Federal Act prohibits all LECs from imposing unreasonable or discriminatory conditions or limitations on the

resale of telecommunications services. 47 U.S.C. § 251(b)(1). Incumbent LECs also must enter reciprocal compensation arrangements for the origination and termination of telecommunications services. 47 U.S.C. §§ 251, 252. Finally, incumbent LECs are required to offer for resale at wholesale rates (based on retail prices minus avoided costs), any telecommunications services that the carrier provides to subscribers who are not telecommunications carriers. Id. Applicant seeks authority from the Commission to provide local exchange services as soon as these rates are available.

The Federal Act's prohibition against barriers to entry clearly contemplates that the State will not impose any requirements that are more burdensome than necessary. In light of Applicant's extensive experience in providing telecommunications services in the State and its intent to provide non-facilities-based services only, Applicant requests that a Certificate be granted without hearing or any other formal proceeding that would delay its expansion into the local resale market.

The approval of this Application will further the purposes of the Federal Telecommunications Act of 1996 as well as S.D.C.L. § 49-31.3. Accordingly, Applicant requests that the Commission amend its Certificate of Authority to provide resold local exchange services.

In support thereof, Applicant provides the following information:

II. QUALIFICATIONS

1. Applicant's legal name is Pacific Centrex Services, Inc. Applicant maintains its principal place of business at:

Pacific Centrex Services, Inc.
6855 Tujunga Avenue
North Hollywood, CA 91605
Telephone 818-623-2300
Facsimile 818-623-2301
Toll Free 800-881-7054

2. Correspondence or communications pertaining to this application should be directed to Applicant's attorney:

Patrick D. Crocker
Early, Lennon, Crocker & Bartosiewicz, P.L.C.
900 Comerica Building
Kalamazoo, MI 49007
Telephone 269-381-8844
Facsimile 269-381-8822

3. Questions concerning the ongoing operations of Applicant following certification should be directed to:

Raphael Tarpley
Regulatory Affairs Department
Pacific Centrex Services, Inc.
530 W. 6th Street, Suite 300
Los Angeles, CA 90014

4. Applicant is a California corporation. Applicant is qualified to do business in the State of South Dakota. Applicant is seeking authority to provide resold and facilities-based local exchange services within the State. A copy of Applicant's Articles of Incorporation and Certificate of Authority to Transact Business within the State are attached hereto as Exhibit A.

5. Applicant's registered agent in South Dakota is:

Ronald D. Olinger
117 East Capitol
Pierre, SD 57501

6. Applicant intends initially to provide local exchange service on a resale basis. The specific manner in which Applicant will provide local exchange service depends upon the result of negotiations with the incumbent local exchange carriers currently operating within the State.

7. Applicant is financially qualified to provide resold telecommunications services in the State. In particular, Applicant has access to the financing and capital necessary to conduct its telecommunications operations as specified in this Application. In support of Applicant's financial ability to provide the proposed service, Applicant attaches most recent statements as Exhibit B.

8. All complaints and billing inquires should be made to Applicant. Applicant's customer service organization is available 24 hours per day, seven days per week to receive questions and billing inquires. Customers may contact a Customer Service Representative ("CSR") by calling Applicant's toll-free customer service number or by writing to Applicant. When an inquiry is received, a CSR will research the questions and obtain pertinent information about the customer's account. If needed, CSR will make adjustments to a customer's bill at the time of inquiry. In the event of a billing dispute, each CSR has the authority to make adjustments to a customer's bill up to a specified dollar amount. Any adjustments which exceed this amount are handled by a department supervisor. When an adjustment is made, the customer will see the credit on the subsequent invoice. The contact person responsible for customer complaints is Rhapsael Tarpley. Mr. Tarpley may be reached at (213) 244-1465. Applicant's toll-free number for customer complaints and inquires is (800) 881-7054.

9. Applicant is technically qualified to provide resold telecommunications services within the State. Applicant is authorized by registration or certification to provide resold long distance service and local exchange service in Arkansas, California, Colorado, Connecticut, Florida, Illinois, Indiana, Kansas, Michigan, Missouri, Nevada, New Jersey, New York, Ohio, Texas, and Wisconsin. Applicant currently provides primarily small and medium size business customers with high quality cost effective telecommunications services. Descriptions of Applicant's key personnel are attached hereto as Exhibit C.

II. PROPOSED SERVICES

1. Applicant proposes to provide resold local exchange service to subscribers from all points within the State of South Dakota and, therefore, seeks statewide authorization. Specifically, Applicant seeks authority to resell local exchange service in the existing service areas of Qwest and any other relevant carriers. Applicant intends to provide all forms of intrastate telecommunications services including: (1) Basic Residential Exchange Services (Local Exchange Flat Rate, Measured Rate Services, operator access, etc.); (2) Residential Custom and Class Features (call waiting, caller ID, call forwarding, etc.); (3) Adjunct Provided Features (voice messaging, etc.); and (4) Residential Ancillary Services (911, directory listing, directory assistance, etc.)

2. The Federal Act establishes the framework for incumbent LECs to provide resellers of local exchange service with unbundled service at wholesale rates. 47 U.S.C. §§ 251, 252. These rates must be based on current retail rates minus the avoided costs as prescribed by the Federal Act until such time as commercially viable wholesale rates are available from the incumbent LECs, Applicant is unable to file a proposed tariff. As soon as such rates are available, and prior to the commencement of service, Applicant shall file a proposed tariff (containing its rates, terms and conditions of service) with the Commission for its review.

IV. CONCLUSION

The telecommunications industry is growing and changing at an impressive pace. The entry of Applicant into the local exchange resale market will enhance competition in the provision of telecommunications services within the State of South Dakota as prescribed by the South Dakota Codified Laws and the Federal Act. Applicant will bring significant benefits to South Dakota State telecommunications users. Applicant's expertise in the telecommunications sector will permit it to select the most economic and efficient services, thereby providing customers with a better combination of price, quality, and customer service than other carries. Accordingly, Applicant anticipates its proposed service will provide subscribers with better quality services and will increase consumer choice of innovative, diversified, and reliable service offerings.

Wherefore, Pacific Centrex Services, Inc. requests that the South Dakota Public Utilities Commission approve the requested authority for a certificate of public convenience and necessity to include resold local exchange services in South Dakota.

Respectfully Submitted,
Pacific Centrex Services, Inc.

Dated: 4/18

By: _____

Patrick D. Crocker
Early, Lennon, Crocker & Bartosiewicz, P.L.C.
900 Comerica Building
Kalamazoo, MI 49007-4752
Its: Attorneys

VERIFICATION

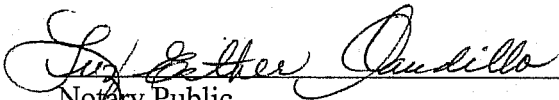
M. Devin Semler, President of Pacific Centrex Services, Inc., first being duly sworn on oath, deposes and says that he has read the foregoing Application and verifies that the statements made therein are true and correct to the best of his knowledge, information, and belief.

Pacific Centrex Services, Inc.

By: 
M. Devin Semler

The foregoing instrument was acknowledged before me this 7th day of February, 2004⁵

by M. Devin Semler.


Notary Public
For the County of Los Angeles
My Commission Expires March 30, 2007

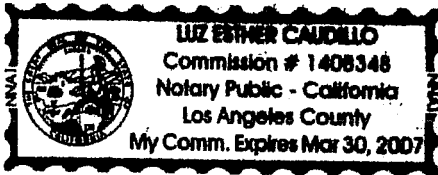


EXHIBIT A

Articles of Incorporation

Certificate of Authority to Transact Business

2159363

FILED
in the office of the Secretary of State
of the State of California

APR 02 1999

Bill Jones
BILL JONES, Secretary of State

ARTICLES OF INCORPORATION
OF
PACIFIC CENTREX SERVICES, INC.

I

The name of the corporation is **PACIFIC CENTREX SERVICES, INC.**

II

The purpose of the corporation is to engage in any lawful act or activity for which a corporation may be organized under the General Corporation Law of California, other than the banking business, the trust company business or the practice of a profession permitted to be incorporated by the California Corporations Code.

III

The name and address, in the State of California, of this corporation's initial agent for service of process is M. Devin Semler, 6855 Tujunga Avenue, North Hollywood, California 91605.

IV

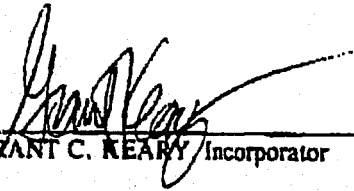
This corporation is authorized to issue only one class of shares of stock; the total number of shares which the corporation is authorized to issue is 100,000.

V

The liability of the directors of the corporation for monetary damages shall be eliminated to the fullest extent permissible under California law.

The corporation is authorized to provide indemnification of agents (as defined in Section 317 of the Corporations Code) for breach of duty to the corporation and its stockholders through bylaw provisions or through agreements with the agents, or both, in excess of the indemnification otherwise permitted by Section 317 of the Corporations Code, subject to the limits on such excess indemnification set forth in Section 204 of the Corporations Code.

DATE: April 1, 1999


GRANT C. KEARY, Incorporator

80330140

2159343

CERTIFICATE OF AMENDMENT
OF
ARTICLES OF INCORPORATION
OF
PACIFIC CENTREX SERVICES, INC.
a California corporation

FILED
In the office of the Secretary of State
of the State of California

AUG 23 1999
Bill Jones
BILL JONES, Secretary of State

M. Devin Semler certifies that:

1. He is the President and Secretary, of PACIFIC CENTREX SERVICES, INC., a California corporation.
2. Article IV of the Articles of Incorporation of this corporation is amended and restated in its entirety to read as follows:

"IV

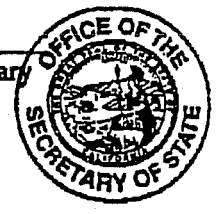
The corporation is authorized to issue only one class of shares of stock; the total number of shares which the corporation is authorized to issue is Fifty Million (50,000,000). On the Amendment of this Article, each outstanding share is split up and converted into 2,500 shares."

3. The foregoing amendment of Articles of Incorporation has been duly approved by the Board of Directors.
4. The foregoing amendment of Articles of Incorporation has been duly approved by the required vote of shareholders in accordance with Section 902, Corporations Code. The total number of outstanding shares of the corporation is 2,000. The number of shares voting in favor of the amendment equaled or exceeded the vote required. The percentage vote required was more than 50%.

I further declare under penalty of perjury under the laws of the State of California that the matters set forth in this Certificate are true and correct of my own knowledge, and that this Certificate of Amendment was executed on August 12, 1999 at North Hollywood, California.

Date: August 12, 1999


M. Devin Semler, President and Secretary



J:\CCK\Doc\MS Stock Split Amendment.npd

State of South Dakota



OFFICE OF THE SECRETARY OF STATE

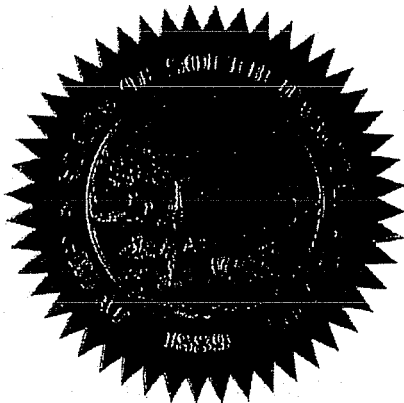
Certificate of Authority

ORGANIZATIONAL ID #: FB029539

I, **Chris Nelson**, Secretary of State of the State of South Dakota, hereby certify that the Application for a Certificate of Authority of **PACIFIC CENTREX SERVICES, INC. (CA)** 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.

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 April 12, 2005.



Chris Nelson

Chris Nelson
Secretary of State



Secretary of State
 State Capitol
 500 E. Capitol Ave.
 Pierre SD 57501
 Phone 605-773-4845
 Fax 605-773-4550

Filed this 12th day of April 2005
 Application for Certificate of Authority

RECEIVED

APR 05 '05

S.D. SEC. OF STATE RECEIVED

Pursuant to the provisions of SDCL 47-8-7, the undersigned corporation hereby applies for a Certificate of Authority to transact business in the State of South Dakota and for that purpose submits the following statement:

(1) The name of the corporation is PACIFIC CENTREX SERVICES, INC.
 (exact corporate name)

(2) If the name of the corporation does not contain the word "corporation", "company", "incorporated" or "limited" or does not contain an abbreviation of one of such words, then the name of the corporation with the word or abbreviation which it elects to add thereto for use in this state is

(3) State where incorporated California Federal Taxpayer ID# 95-4735850

(4) The date of its incorporation is April 2, 1999 and the period of its duration, which may be perpetual, is

(5) The address of its principal office in the state or country under the laws of which it is incorporated is
6855 Tujunga Avenue, North Hollywood, CA Zip Code 91605
 mailing address if different from above is:
 Zip Code

(6) The street address, or a statement that there is no street address, of its proposed registered office in the State of South Dakota is
117 East Capitol, Pierre, SD Zip Code 57501
 and the name of its proposed registered agent in the State of South Dakota at that address is Ronald D. Olinger

(7) The purposes which it proposes to pursue in the transaction of business in the State of South Dakota are: (state specific purpose)
To provide telecommunication services.

(8) The names and respective addresses of its directors and officers are:

Name	Officer Title	Street Address	City	State	Zip
<u>M. Devin Semler</u>	<u>Dir., Pres.</u>	<u>6855 Tujunga Ave.,</u>	<u>N. Hollywood,</u>	<u>CA</u>	<u>91605</u>
<u>Josh Ploude</u>	<u>V-P</u>	<u>6855 Tujunga Ave.,</u>	<u>N. Hollywood,</u>	<u>CA</u>	<u>91605</u>
<u>Ron Semler</u>	<u>Secy., Treas</u>	<u>6855 Tujunga Ave.,</u>	<u>N. Hollywood,</u>	<u>CA</u>	<u>91605</u>
<u>Subash Khurana</u>	<u>COO</u>	<u>6855 Tujunga Ave.,</u>	<u>N. Hollywood,</u>	<u>CA</u>	<u>91605</u>

(9) The aggregate number of shares which it has authority to issue, itemized by classes, par value of shares, shares without par value, and series, if any, within a class is:

Number of shares	Class	Series	Par value per share or statement that shares are without par value
<u>50,000,000</u>	<u>Common</u>	<u>---</u>	<u>Without par value</u>

(10) The aggregate number of its issued shares, itemized by classes, par value of shares, shares without par value, and series, if any, within a class, is:

Number of shares	Class	Series	Par value per share or statement that shares are without par value
5,000,000	Common	---	Without par value

(11) The amount of its stated capital is \$ ~~XXX~~ 100,000.00
Shares issued times par value equals stated capital. In the case of no par value stock, stated capital is the consideration received for the issued shares.

(12) This application is accompanied by a CERTIFICATE OF FACT or a CERTIFICATE OF GOOD STANDING duly acknowledged by the Secretary of State or other officer having custody of corporate records in the state or country under whose laws it is incorporated.

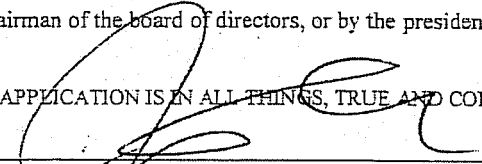
(13) That such corporation shall not directly or indirectly combine or make any contract with any incorporated company, foreign or domestic, through their stockholders or the trustees or assigns of such stockholders, or with any copartnership or association of persons, or in any manner whatever to fix the prices, limit the production or regulate the transportation of any product or commodity so as to prevent competition in such prices, production or transportation or to establish excessive prices therefor.

(14) That such corporation, as a consideration of its being permitted to begin or continue doing business within the State of South Dakota, will comply with all the laws of the said State with regard to foreign corporations.

The application must be signed, in the presence of a notary public, by the chairman of the board of directors, or by the president or by another officer.

I DECLARE AND AFFIRM UNDER THE PENALTY OF PERJURY THAT THIS APPLICATION IS IN ALL THINGS, TRUE AND CORRECT.

Dated 2-18-2005



 (Signature)
 Vice - President

 (Title)

STATE OF _____

COUNTY OF _____

I, _____, a notary public, do hereby certify that on this _____ day of _____ 20 05, personally appeared before me _____ who, being by me first duly sworn, declared that he/she is the _____ of PACIFIC CENTREX SERVICES, INC., that he/she signed the foregoing document as officer of the corporation, and the statements therein contained are true.

My Commission Expires _____

(Notary Public)

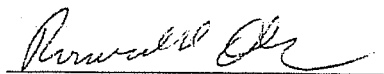
Notarial Seal

The Consent of Appointment below must be signed by the registered agent listed in number six.

Consent of Appointment by the Registered Agent

I, Ronald D. Olinger, hereby give my consent to serve as the registered agent for PACIFIC CENTREX SERVICES, INC.

Dated April 4 20 05



 (signature of registered agent)

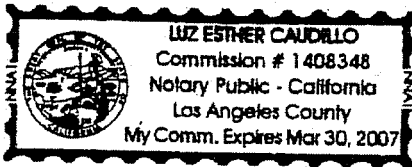
CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California }
County of Los Angeles, } ss.

On Feb 16, 2005, before me, Luz Esther Caudillo
Date Name and Title of Officer (e.g., "Jane Doe, Notary Public")

personally appeared Joshua Floude
Name(s) of Signer(s)

- personally known to me
- proved to me on the basis of satisfactory evidence



to be the person(s) whose name(s) is are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Luz Esther Caudillo
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: Application / Certificate of Authority
(Secretary of State)

Document Date: _____ Number of Pages: 4

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer

- Signer's Name: _____
- Individual
 - Corporate Officer — Title(s): _____
 - Partner — Limited General
 - Attorney in Fact
 - Trustee
 - Guardian or Conservator
 - Other: _____

Signer Is Representing: _____

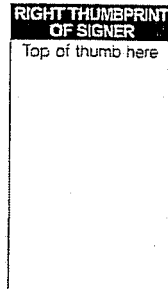


EXHIBIT B

Financial Statements

Pacific Centrex Services, Inc.

Balance Sheet

12/20/2004

As of November 30, 2004

Nov 30, '04

ASSETS

Current Assets

Checking/Savings

1000 · Petty Cash	200.00
1046 · Corp Acct - General	302,335.40
1047 · Corp Acct - Payroll	27,291.19
1048 · Business Maximizer Acct.	790,471.99
1049 · Corporate Tax Account	13,056.55

Total Checking/Savings	<u>1,133,355.13</u>
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Accounts Receivable

1200 · Accounts Receivable	
1204 · Monthly NSF Checks	266,444.75
1205 · Monthly A/R	6,447,984.92
Total 1200 · Accounts Receivable	<u>6,714,429.67</u>

1202 · Reserve for Bad Debts	-1,862,524.85
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1210 · Accounts Receivable - Access	776,120.33
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Total Accounts Receivable	<u>5,628,025.15</u>
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Other Current Assets

1230 · Interests Receivable	7,900.00
1401 · Employee Advances	
1409 · Employees - Officer I	382,695.82
1401 · Employee Advances - Other	85,854.36
Total 1401 · Employee Advances	<u>468,550.18</u>

1490 · Prepaid Expenses

1493 · Prepaid Compensation	68,900.80
1494 · Prepaid Purchases	25,164.56

Total 1490 · Prepaid Expenses	<u>94,065.36</u>
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Total Other Current Assets	<u>570,515.54</u>
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Total Current Assets	<u>7,331,895.82</u>
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Fixed Assets

1600 · Furniture & Fixtures	37,431.44
1604 · Automobiles	11,150.32
1605 · Computer Equipment	177,274.57
1610 · Office Equipment	45,471.42
1615 · Phone Equipment	192,556.23
1620 · Leasehold Improvements	21,726.14
1625 · Software	187,751.11
1635 · Telecom Equipment	266,586.12
1700 · Accumulated Depreciation	-456,063.00

Total Fixed Assets	<u>483,884.35</u>
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Other Assets

1801 · Accumulated Amortization	-966,238.00
1910 · Deposits	
1915 · Security Deposits	24,429.33
Total 1910 · Deposits	<u>24,429.33</u>

1930 · Acquisitions

1931 · Acquisition - Furst Group C.B.	500,000.00
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Total 1930 · Acquisitions	<u>500,000.00</u>
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	<u>Nov 30, '04</u>
1990 · Goodwill	679,982.42
Total Other Assets	<u>238,173.75</u>
TOTAL ASSETS	<u>8,053,953.92</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2000 · Accounts Payable	3,034,680.78
Total Accounts Payable	<u>3,034,680.78</u>
Other Current Liabilities	
2250 · Garnishments Payable	0.02
2251 · 401K Payable	2,540.19
2252 · Retirement Plan Payable	-40,000.00
2260 · Tax Payable - Fed/State/Surchrg	338,146.07
Total Other Current Liabilities	<u>300,686.28</u>
Total Current Liabilities	3,335,367.06
Long Term Liabilities	
2401 · Interest Payable - Affiliate	33,466.45
2500 · Settlements Payable	121,500.00
2700 · Shareholders Loan	
2710 · A.J. Semler	50,000.00
2715 · D.K. Semler	50,000.00
2720 · D.T. Semler	80,000.00
2734 · Portland Trust	25,000.00
2740 · S.R. Semler	50,000.00
2746 · Ron and Lisa Semler Fam.Trust	1,627,012.19
2747 · M.S. Semler	50,000.00
2748 · M.R. Semler	50,000.00
2749 · R.M. Semler	50,000.00
Total 2700 · Shareholders Loan	<u>2,032,012.19</u>
2800 · Leases Payable	
2804 · MBE	37,372.79
Total 2800 · Leases Payable	<u>37,372.79</u>
Total Long Term Liabilities	<u>2,224,351.43</u>
Total Liabilities	5,559,718.49
Equity	
3000 · Capital Stock	200.00
3100 · Retained Earnings	1,220,358.45
3120 · PIC - Semler's	106,168.00
3165 · Distribution 2003 - MDSemler	-700,000.00
3166 · Distribution 2003 - RHSemler	-700,000.00
3167 · Distribution 2004 - MDSemler	-1,718,012.19
3168 · Distribution 2004 - RHSemler	-1,718,012.19
Net Income	6,003,533.36
Total Equity	<u>2,494,235.43</u>
TOTAL LIABILITIES & EQUITY	<u>8,053,953.92</u>

Pacific Centrex Services, Inc.										
Profit & Loss										
January through November 2004										
	Jan '04	Feb '04	Mar '04	Apr '04	May '04	Jun '04	Jul '04	Aug '04	Sep '04	
Ordinary Income/Expense										
Income										
4000 - Sales										
4001 - Full Service Sales	1,763,977.16	1,880,623.90	1,920,208.57	1,934,864.47	1,938,085.05	2,012,147.29	2,062,844.60	2,232,195.29	2,237,743.88	
4003 - Sales - Finance Charges	21,124.79	22,593.95	23,086.62	25,631.24	24,896.42	27,119.12	24,748.04	23,387.53	25,366.63	
4005 - Sales - Taxes & Surcharges	396,236.69	421,008.45	460,064.86	461,148.93	482,860.57	507,706.30	551,901.37	553,281.71	603,964.15	
4006 - Access Charges	161,379.27	246,413.65	283,503.08	264,072.62	278,072.66	294,240.93	264,513.22	272,470.39	321,197.21	
4010 - Write-offs/Refunds	-4,132.92	0.00	-411.53	-3,092.90	-141.47	-3,118.63	-5,354.06	-620.12	-102.82	
4020 - Credits Allowed	-86,515.07	-46,134.41	-92,390.43	-56,257.72	-62,687.83	-77,346.49	-119,712.21	-68,539.78	-179,350.41	
4021 - Debit Adjustments	117,886.57	126,122.32	150,990.35	206,517.39	229,429.31	126,876.44	212,075.53	189,042.96	183,152.10	
Total 4000 - Sales	2,369,956.49	2,650,627.86	2,745,051.52	2,832,884.03	2,890,514.71	2,887,624.96	2,991,016.49	3,201,217.98	3,191,970.74	
4050 - Interest Income	547.58	469.80	482.95	439.42	410.45	484.15	457.56	517.06	14,490.27	
4100 - Recovery Income from Embezzleme	250.00	250.00	0.00	250.00	500.00	500.00	500.00	500.00	500.00	
4200 - Other Income-Judgement	7,500.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	24,375.63	
Total Income	2,378,254.07	2,651,347.66	2,745,534.47	2,833,573.45	2,891,425.16	2,888,609.11	2,991,974.05	3,202,235.04	3,231,336.64	
Cost of Goods Sold										
5000 - Purchases										
5001 - Usage Charges										
5002 - Full Service	389,263.78	221,740.86	193,051.08	156,291.63	80,090.80	78,683.04	74,223.53	54,263.75	56,826.92	
5003 - Long Distance	143,567.06	147,066.53	168,808.72	166,616.85	161,629.00	168,450.74	198,889.52	192,014.03	238,963.95	
5004 - Other Charges	701,132.35	867,319.06	853,801.06	835,797.69	880,189.52	913,167.05	1,009,483.81	1,132,262.78	1,029,225.28	
5006 - Internet Services	8,921.88	8,623.14	7,475.60	6,012.02	5,145.23	5,069.46	6,831.00	6,003.87	7,055.12	
5009 - Voice Messaging	10,737.01	10,673.94	6,254.79	7,723.99	6,644.06	6,060.15	7,516.25	8,730.00	6,998.35	
Total 5001 - Usage Charges	1,253,622.08	1,255,423.53	1,229,391.25	1,172,442.17	1,133,698.61	1,171,430.44	1,296,944.11	1,393,274.43	1,339,069.62	
Total 5000 - Purchases	1,253,622.08	1,255,423.53	1,229,391.25	1,172,442.17	1,133,698.61	1,171,430.44	1,296,944.11	1,393,274.43	1,339,069.62	
Total COGS	1,253,622.08	1,255,423.53	1,229,391.25	1,172,442.17	1,133,698.61	1,171,430.44	1,296,944.11	1,393,274.43	1,339,069.62	
Gross Profit	1,124,631.99	1,395,924.13	1,516,143.22	1,661,131.28	1,757,726.55	1,717,178.67	1,695,029.94	1,808,960.61	1,892,267.02	
Expense										
6000 - Salaries										
6002 - Billing	12,771.60	15,860.53	15,542.46	15,850.86	15,863.36	15,474.66	15,733.96	15,846.26	17,630.08	
6003 - Commissions	0.00	4,000.00	4,500.00	1,000.00	69,216.00	1,500.00	1,528.00	0.00	0.00	
6004 - Customer Service	30,294.98	37,857.07	39,550.28	43,704.58	40,808.81	38,991.71	39,533.99	37,365.44	38,306.09	
6005 - Info Services	12,905.24	15,238.31	15,002.10	15,366.67	14,731.87	15,255.49	15,441.29	15,098.67	14,940.52	

	Jan '04	Feb '04	Mar '04	Apr '04	May '04	Jun '04	Jul '04	Aug '04	Sep '04
6006 · Management	33,250.00	48,250.00	42,000.00	42,000.00	42,000.00	42,000.00	42,000.00	42,000.00	42,000.00
6007 · Office	11,043.85	11,062.51	13,822.68	15,567.43	15,602.22	16,655.83	17,921.79	19,011.40	17,776.10
6010 · Sales	31,540.22	23,982.20	20,024.48	18,774.48	15,179.48	19,814.47	26,141.20	23,865.75	22,300.45
6011 · Technician	6,869.12	9,597.04	10,459.43	10,778.62	10,292.28	10,811.74	10,704.21	10,342.27	10,876.72
6013 · Collections	8,259.18	11,254.16	11,794.14	14,395.93	11,667.69	12,162.02	13,892.37	12,666.18	11,593.14
6014 · Provisioning	14,627.43	17,174.36	19,299.86	19,571.77	19,060.81	19,821.81	20,548.58	20,197.87	21,449.53
6015 · Bonus	0.00	0.00	1,000.00	2,000.00	0.00	0.00	0.00	0.00	0.00
6016 · QA/Setup	9,349.83	10,463.73	12,184.30	10,937.36	12,172.95	10,414.50	15,709.65	41,943.58	19,100.01
6000 · Salaries - Other	-98,284.48	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total 6000 · Salaries	72,626.97	204,739.91	205,179.73	209,947.70	266,595.47	202,902.23	219,155.04	238,337.42	215,972.64
6100 · Operating Expenses									
6101 · Accounting Services	5,230.00	1,950.00	1,269.00	0.00	632.50	0.00	5,551.00	8,900.00	6,537.00
6105 · Agent Commissions	204,591.67	249,025.50	183,242.30	325,135.66	272,264.80	174,854.95	405,269.55	394,969.80	534,081.90
6115 · Automobile Expense	15,279.49	12,454.81	12,248.77	13,860.78	13,829.17	12,489.23	12,519.48	11,700.32	12,370.64
6120 · Bad Debts	104,833.03	121,020.54	127,011.09	129,527.28	132,573.47	133,590.60	135,541.13	144,438.36	146,974.29
6121 · Collection of BD Provisions	-3,181.33	-5,213.83	-3,266.98	-3,684.63	-3,516.50	-1,861.35	-5,936.14	-5,895.64	-2,621.83
6125 · Bank Charges	4,745.31	4,886.53	5,686.95	5,815.75	5,115.10	5,744.26	5,650.53	6,113.41	5,397.70
6130 · Business Development	1,715.83	145.31	98.85	0.00	1,277.07	7,500.00	3,264.45	534.53	3,280.07
6135 · Casual Labor	1,000.00	1,000.00	1,844.25	2,493.00	1,650.00	1,720.00	3,102.40	955.00	0.00
6136 · Cash Over/Short	0.00	0.00	0.00	0.00	0.00	0.00	0.78	0.00	0.10
6145 · Computer Expense									
6146 · Software	2,178.75	2,178.75	2,178.75	2,178.75	2,178.75	2,178.75	2,178.75	2,178.75	2,178.75
6145 · Computer Expense - Other	8,485.96	8,904.92	8,225.77	15,823.38	15,613.15	12,100.87	6,600.57	7,371.00	6,060.38
Total 6145 · Computer Expense	10,664.71	11,083.67	10,404.52	18,002.13	17,791.90	14,279.62	8,779.32	9,549.75	8,239.13
6150 · Data Processing/Billing	2,478.62	5,351.43	5,527.96	4,751.94	5,203.23	4,550.03	4,646.08	5,344.71	5,188.05
6155 · Donations & Contributions	0.00	0.00	0.00	500.00	0.00	1,500.00	0.00	1,150.00	0.00
6160 · Dues & Subscriptions	286.39	109.88	0.00	35.00	0.00	382.46	153.20	135.00	0.00
6165 · Legal Fees	15,255.20	8,984.22	1,112.50	1,793.96	2,675.10	5,273.17	1,613.04	1,306.03	2,334.33
6170 · Miscellaneous	0.00	0.00	0.00	0.00	0.00	0.00	0.00	59.61	0.00
6174 · Network Supplies	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4,711.70
6175 · Office Supplies	13,845.89	2,182.42	2,262.39	2,448.28	249.54	6,591.15	2,786.97	2,714.12	2,183.06
6180 · Outside Services									
6181 · Janitorial	500.00	1,000.00	500.00	936.00	1,172.00	416.00	2,064.00	714.57	2,522.00
6182 · Technical	7,004.55	12,703.27	6,056.43	4,616.48	4,313.00	3,722.75	4,782.00	3,947.13	4,785.70
6184 · Security	0.00	0.00	0.00	0.00	927.50	0.00	0.00	0.00	42.00
Total 6180 · Outside Services	7,504.55	13,703.27	6,556.43	5,552.48	6,412.50	4,138.75	6,846.00	4,661.70	7,349.70
6185 · Postage & Delivery	9,843.82	19,453.71	11,639.33	12,150.72	10,720.23	17,616.01	33,085.30	39,459.46	31,421.28
6190 · Telephone	2,776.94	2,988.30	2,744.49	1,775.49	1,593.49	3,070.84	2,380.33	3,645.36	2,296.80
Total 6100 · Operating Expenses	396,870.12	449,125.76	368,381.85	520,157.84	468,471.60	391,439.72	625,253.42	629,740.52	769,743.92

	Jan '04	Feb '04	Mar '04	Apr '04	May '04	Jun '04	Jul '04	Aug '04	Sep '04
6200 · Employee Benefits									
6205 · Employee Education	0.00	0.00	0.00	0.00	2,583.00	0.00	0.00	0.00	0.00
6210 · Employee Incentives	5,209.11	517.42	3,527.07	3,562.06	5,611.26	10,485.15	53,422.60	6,273.99	544.57
6215 · Payroll Expenses	774.24	259.74	268.09	340.85	355.90	433.45	369.20	443.70	389.75
6220 · Payroll Taxes	19,209.77	20,554.36	18,848.07	28,189.60	16,552.04	16,497.41	16,702.49	16,349.48	14,252.32
6225 · Training	0.00	0.00	0.00	0.00	1,200.00	0.00	0.00	0.00	500.00
6230 · Health Insurance	9,917.61	10,047.99	9,757.53	9,439.21	10,674.35	12,305.55	12,360.23	12,182.38	12,528.00
6235 · Retirement	172.00	172.00	172.00	297.00	172.00	172.00	172.00	172.00	172.00
Total 6200 · Employee Benefits	35,282.73	31,551.51	32,572.76	41,828.72	37,148.55	39,893.56	83,026.52	35,421.55	28,386.64
6300 · Insurance									
6305 · Officer's Life Insurance	12,376.03	8,321.54	8,321.54	8,321.54	8,321.54	8,321.54	8,321.54	8,321.54	8,321.54
6310 · Liability	4,818.48	646.73	1,048.25	1,195.06	1,195.06	1,195.06	1,195.06	1,195.06	1,254.81
6320 · Workers Compensation	0.00	5,269.00	2,302.80	2,302.80	2,302.80	2,302.80	2,302.80	2,302.80	2,302.80
Total 6300 · Insurance	17,194.51	14,237.27	11,672.59	11,819.40	11,819.40	11,819.40	11,819.40	11,819.40	11,879.15
6400 · Other Fees & Expenses									
6410 · Consultant & Mgmt Fee									
6411 · CAB - Consultancy	6,614.29	6,106.69	6,966.67	8,023.79	7,557.75	8,083.25	8,568.91	8,724.21	8,991.95
6412 · TAX - Consultancy	0.00	2,551.98	2,676.50	2,439.10	2,428.00	2,426.50	2,426.50	2,130.96	0.00
Total 6410 · Consultant & Mgmt Fee	6,614.29	8,658.67	9,643.17	10,462.89	9,985.75	10,509.75	10,995.41	10,855.17	8,991.95
Total 6400 · Other Fees & Expenses	6,614.29	8,658.67	9,643.17	10,462.89	9,985.75	10,509.75	10,995.41	10,855.17	8,991.95
6600 · Occupancy Cost									
6601 · Rent	9,398.00	7,425.00	7,398.00	9,467.64	7,425.00	7,425.00	9,420.00	7,425.00	7,425.00
6602 · Parking	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00
6605 · Utilities	789.95	32.00	2,868.71	1,617.77	2,004.87	1,827.22	2,299.16	2,384.07	2,785.73
6615 · Decorations	0.00	0.00	0.00	0.00	0.00	0.00	201.57	0.00	1,455.32
Total 6600 · Occupancy Cost	10,687.95	7,957.00	10,766.71	11,585.41	9,929.87	9,752.22	12,420.73	10,309.07	12,166.05
6650 · Repairs and Maintenance									
6651 · Building Repairs	13,007.54	6,104.98	1,837.19	4,796.95	3,977.27	3,747.08	1,865.03	936.42	461.82
6652 · Equipment Repairs	484.96	0.00	0.00	85.00	85.00	1,605.40	137.65	5,240.12	868.19
6655 · Equipment Rental	0.00	0.00	0.00	0.00	0.00	0.00	294.60	310.69	226.74
Total 6650 · Repairs and Maintenance	13,492.50	6,104.98	1,837.19	4,881.95	4,062.27	5,352.48	2,297.28	6,487.23	1,556.75
6800 · Taxes & Licenses									
6805 · Fees and Licenses	3,648.00	35.00	502.20	417.71	100.00	100.76	423.69	0.00	5,517.49
6810 · Corporate Taxes	0.00	0.00	0.00	0.00	521.30	0.00	0.00	0.00	0.00
6812 · Sales Tax	127,418.49	128,996.10	151,002.27	170,501.98	172,295.51	197,494.94	206,124.37	269,496.29	244,770.34

	Jan '04	Feb '04	Mar '04	Apr '04	May '04	Jun '04	Jul '04	Aug '04	Sep '04
Total 6800 - Taxes & Licenses	131,066.49	129,031.10	151,504.47	170,919.69	172,916.81	197,595.70	206,548.06	269,496.29	250,287.83
6999 - Uncategorized Expenses	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
7200 - Marketing & Advertising									
7250 - Advertising & Promotion	1,525.01	1,209.06	14,971.48	1,328.34	1,572.14	24,992.49	3,653.57	2,454.82	1,364.49
7251 - Printing	3,983.61	4,207.13	825.00	1,840.25	497.82	12,037.50	2,246.19	1,239.46	0.00
Total 7200 - Marketing & Advertising	5,508.62	5,416.19	15,796.48	3,168.59	2,069.96	37,029.99	5,899.76	3,694.38	1,364.49
7300 - Entertainment & Travel									
7310 - Entertainment	2,989.66	2,922.79	3,245.02	1,966.03	2,905.66	3,267.13	3,669.36	3,027.73	6,635.02
7350 - Travel									
7351 - Agent Conference	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	450.00
7352 - Airfares	426.10	1,771.13	1,662.50	2,602.28	1,895.20	3,541.19	2,379.11	2,795.89	3,602.63
7353 - Miscellaneous Travel	0.00	0.00	631.61	0.00	0.00	0.00	0.00	0.00	0.00
7354 - Hotels	0.00	2,075.05	199.40	257.63	1,357.52	2,576.54	1,331.84	283.70	3,182.75
7355 - Meals	0.00	165.98	267.93	339.19	0.00	0.00	0.00	0.00	75.99
7356 - Auto Rental	0.00	0.00	304.64	0.00	0.00	0.00	0.00	0.00	266.84
7350 - Travel - Other	0.00	0.00	821.68	0.00	0.00	0.00	598.34	0.00	130.37
Total 7350 - Travel	426.10	4,012.16	3,887.76	3,199.10	3,252.72	6,117.73	4,309.29	3,079.59	7,708.58
7300 - Entertainment & Travel - Other	0.00	0.00	0.00	28.90	0.00	0.00	0.00	0.00	0.00
Total 7300 - Entertainment & Travel	3,415.76	6,934.95	7,132.78	5,194.03	6,158.38	9,384.86	7,978.65	6,107.32	14,343.60
Total Expense	692,759.94	863,757.34	814,487.73	989,966.22	989,158.06	915,679.91	1,185,394.27	1,222,268.35	1,314,693.02
Net Ordinary Income	431,872.05	532,166.79	701,655.49	671,165.06	768,568.49	801,498.76	509,635.67	586,692.26	577,574.00
Other Income/Expense									
Other Expense									
9100 - Prior Period Expenses	41,711.81	0.00	4,202.10	6,539.00	0.00	0.00	0.00	0.00	0.00
9150 - Finance Charges	21.06	0.00	118.44	127.53	200.60	433.91	87.91	0.00	0.00
9400 - Interest Expense	16,204.81	14,157.53	16,349.33	15,821.92	16,349.33	15,821.92	15,889.29	17,007.55	16,458.90
Total Other Expense	57,937.68	14,157.53	20,669.87	22,488.45	16,549.93	16,255.83	15,977.20	17,007.55	16,458.90
Net Other Income	-57,937.68	-14,157.53	-20,669.87	-22,488.45	-16,549.93	-16,255.83	-15,977.20	-17,007.55	-16,458.90
Income	373,934.37	518,009.26	680,985.62	648,676.61	752,018.56	785,242.93	493,658.47	569,684.71	561,115.10
NOTE : Some Invoices still not entered									

Pacific Centrex Services, Inc.			
Profit & Loss			12/20/2004
January through November 2004			
	Oct '04	Nov '04	TOTAL
Ordinary Income/Expense			
Income			
4000 · Sales			
4001 · Full Service Sales	2,196,361.88	2,179,204.34	22,358,256.43
4003 · Sales - Finance Charges	26,609.02	26,183.79	270,747.15
4005 · Sales - Taxes & Surcharges	658,458.13	626,254.56	5,722,885.72
4006 · Access Charges	304,798.40	280,293.03	2,970,954.46
4010 · Write-offs/Refunds	-2,813.56	-490.72	-20,278.73
4020 · Credits Allowed	-58,050.73	-70,217.51	-917,202.59
4021 · Debit Adjustments	197,920.39	178,931.59	1,918,944.95
Total 4000 · Sales	3,323,283.53	3,220,159.08	32,304,307.39
4050 · Interest Income	744.18	847.89	19,891.31
4100 · Recovery Income from Embezzleme	0.00	0.00	3,250.00
4200 · Other Income-Judgement	0.00	0.00	31,875.63
Total Income	3,324,027.71	3,221,006.97	32,359,324.33
Cost of Goods Sold			
5000 · Purchases			
5001 · Usage Charges			
5002 · Full Service	38,173.92	19,676.31	1,362,285.62
5003 · Long Distance	235,279.25	194,972.06	2,016,257.71
5004 · Other Charges	1,536,999.51	1,515,889.12	11,275,267.23
5006 · Internet Services	9,328.61	9,097.58	79,563.51
5009 · Voice Messaging	6,130.10	71,226.45	148,695.08
Total 5001 · Usage Charges	1,825,911.39	1,810,861.52	14,882,069.15
Total 5000 · Purchases	1,825,911.39	1,810,861.52	14,882,069.15
Total COGS	1,825,911.39	1,810,861.52	14,882,069.15
Gross Profit	1,498,116.32	1,410,145.45	17,477,255.18
Expense			
6000 · Salaries			
6002 · Billing	18,352.16	19,140.87	178,066.80
6003 · Commissions	6,904.22	0.00	88,648.22
6004 · Customer Service	40,929.09	40,752.99	428,095.03
6005 · Info Services	15,164.46	14,952.29	164,096.91

	Oct '04	Nov '04	TOTAL
6006 · Management	42,000.00	42,000.00	459,500.00
6007 · Office	17,395.49	17,764.37	173,623.67
6010 · Sales	22,090.70	22,368.72	246,082.15
6011 · Technician	12,619.11	12,957.09	116,307.63
6013 · Collections	12,996.43	13,050.00	133,731.24
6014 · Provisioning	24,823.89	20,620.08	217,195.99
6015 · Bonus	0.00	0.00	3,000.00
6016 · QA/Setup	21,727.90	18,809.35	182,813.16
6000 · Salaries - Other	0.00	0.00	-98,284.48
Total 6000 · Salaries	235,003.45	222,415.76	2,292,876.32
6100 · Operating Expenses			
6101 · Accounting Services	-3,640.00	2,218.50	28,648.00
6105 · Agent Commissions	343,187.53	289,714.80	3,376,337.46
6115 · Automobile Expense	13,602.06	13,343.91	143,698.66
6120 · Bad Debts	151,368.68	145,718.33	1,472,596.80
6121 · Collection of BD Provisions	-4,596.33	-29,886.66	-69,661.22
6125 · Bank Charges	5,713.51	5,705.56	60,574.61
6130 · Business Development	9,564.00	2,800.44	30,180.55
6135 · Casual Labor	900.00	560.00	15,224.65
6136 · Cash Over/Short	-0.01	0.00	0.87
6145 · Computer Expense			
6146 · Software	2,178.75	2,287.69	24,075.19
6145 · Computer Expense - Other	21,678.35	1,263.27	112,127.62
Total 6145 · Computer Expense	23,857.10	3,550.96	136,202.81
6150 · Data Processing/Billing	9,875.48	11,987.80	64,905.33
6155 · Donations & Contributions	0.00	0.00	3,150.00
6160 · Dues & Subscriptions	222.10	160.16	1,484.19
6165 · Legal Fees	3,133.42	1,513.00	44,993.97
6170 · Miscellaneous	0.00	110.00	169.61
6174 · Network Supplies	500.00	261.50	5,473.20
6175 · Office Supplies	942.78	2,854.41	39,061.01
6180 · Outside Services			
6181 · Janitorial	1,363.32	1,384.00	12,571.89
6182 · Technical	4,918.00	5,353.34	62,202.65
6184 · Security	414.00	35.00	1,418.50
Total 6180 · Outside Services	6,695.32	6,772.34	76,193.04
6185 · Postage & Delivery	19,059.17	20,667.04	225,116.07
6190 · Telephone	2,120.33	3,866.68	29,259.05
Total 6100 · Operating Expenses	582,505.14	481,918.77	5,683,608.66

	Oct '04	Nov '04	TOTAL
6200 · Employee Benefits			
6205 · Employee Education	0.00	0.00	2,583.00
6210 · Employee Incentives	5,329.65	11,399.94	105,882.82
6215 · Payroll Expenses	391.20	404.55	4,430.67
6220 · Payroll Taxes	14,797.14	14,450.41	196,403.09
6225 · Training	0.00	0.00	1,700.00
6230 · Health Insurance	13,089.26	12,312.90	124,615.01
6235 · Retirement	-322.97	172.00	1,522.03
Total 6200 · Employee Benefits	33,284.28	38,739.80	437,136.62
6300 · Insurance			
6305 · Officer's Life Insurance	8,821.54	8,321.54	96,091.43
6310 · Liability	45,528.00	0.00	59,271.57
6320 · Workers Compensation	2,302.80	2,302.80	25,994.20
Total 6300 · Insurance	56,652.34	10,624.34	181,357.20
6400 · Other Fees & Expenses			
6410 · Consultant & Mgmt Fee			
6411 · CAB - Consultancy	10,482.99	10,096.36	90,216.86
6412 · TAX - Consultancy	0.00	0.00	17,079.54
Total 6410 · Consultant & Mgmt Fee	10,482.99	10,096.36	107,296.40
Total 6400 · Other Fees & Expenses	10,482.99	10,096.36	107,296.40
6600 · Occupancy Cost			
6601 · Rent	9,420.00	7,425.00	89,653.64
6602 · Parking	500.00	500.00	5,500.00
6605 · Utilities	2,472.08	2,103.42	21,184.98
6615 · Decorations	0.00	167.27	1,824.16
Total 6600 · Occupancy Cost	12,392.08	10,195.69	118,162.78
6650 · Repairs and Maintenance			
6651 · Building Repairs	2,800.00	7,466.39	47,000.67
6652 · Equipment Repairs	2,144.73	679.99	11,331.04
6655 · Equipment Rental	440.71	0.00	1,272.74
Total 6650 · Repairs and Maintenance	5,385.44	8,146.38	59,604.45
6800 · Taxes & Licenses			
6805 · Fees and Licenses	50.00	970.02	11,764.87
6810 · Corporate Taxes	0.00	-12,857.05	-12,335.75
6812 · Sales Tax	255,059.02	261,836.79	2,184,996.10

	Oct '04	Nov '04	TOTAL
Total 6800 - Taxes & Licenses	255,109.02	249,949.76	2,184,425.22
6999 - Uncategorized Expenses	0.00	0.00	0.00
7200 - Marketing & Advertising			
7250 - Advertising & Promotion	813.59	5,576.26	59,461.35
7251 - Printing	692.80	0.00	27,569.76
Total 7200 - Marketing & Advertising	1,506.39	5,576.26	87,031.11
7300 - Entertainment & Travel			
7310 - Entertainment	4,053.41	4,603.72	39,285.53
7350 - Travel			
7351 - Agent Conference	450.00	0.00	900.00
7352 - Airfares	4,180.43	7,494.76	32,351.22
7353 - Miscellaneous Travel	0.00	0.00	631.61
7354 - Hotels	1,806.14	2,014.88	15,085.45
7355 - Meals	0.00	0.00	849.09
7356 - Auto Rental	0.00	0.00	571.48
7350 - Travel - Other	0.00	0.00	1,550.39
Total 7350 - Travel	6,436.57	9,509.64	51,939.24
7300 - Entertainment & Travel - Other	0.00	0.00	28.90
Total 7300 - Entertainment & Travel	10,489.98	14,113.36	91,253.67
Total Expense	1,202,811.11	1,051,776.48	11,242,752.43
Net Ordinary Income	295,305.21	358,368.97	6,234,502.75
Other Income/Expense			
Other Expense			
9100 - Prior Period Expenses	0.00	0.00	52,452.91
9150 - Finance Charges	0.00	0.00	989.45
9400 - Interest Expense	17,007.55	16,458.90	177,527.03
Total Other Expense	17,007.55	16,458.90	230,969.39
Net Other Income	-17,007.55	-16,458.90	-230,969.39
Net Income	278,297.66	341,910.07	6,003,533.36
NOTE : Some Invoices still not entered			

EXHIBIT C

Key Personnel

M. Devin Semler, CEO and President of Pacific Centrex Services, Inc.

Monte Devin Semler is the co-founder and President of Pacific Centrex Service, Inc. the 3rd largest Shared Service Provider in California and the fastest growing as recognized by Pacific Bell. His involvement and knowledge of telecommunications spans more than 10 years. From cellular service to pre-paid calling cards...from provisioning to finance. Mr. Semler has in-depth knowledge of this industry, its players and its major trends.

Mr. Semler brings to Pacific Centrex Services a sustained backroom insight into the telecommunications industry, relationships with major players and partners, and sales and marketing savvy.

Since its founding in 1996, Mr. Semler has served as chief executive officer and co founder of Pacific Centrex Services.

From 1996 to 1997 Mr. Semler was the founder and president of Direct Link Telecommunications, Inc., a wholesale prepaid calling card telecommunications provider located in Los Angeles.

From 1994 to 1996, Mid-Com Communications, Inc., a Seattle Washington headquartered facilities-based long distance carrier, employed Mr. Semler. At Mid-Com Communications he held various staff positions including customer care, provisioning, sales compensation and finance.

From 1991 to 1994, Mr. Semler was employed as a sales representative for Secure Net, Inc. a wireless telecommunications service provider.

Subash Khurana, COO

Mr. Khurana brings to Pacific Centrex over 15 years of project management and business operations for major corporations with over 200 million dollars in revenue. His wealth of experience covers the successful implementation of business startups, as well as established major international companies. He brings to the team organizational expertise required to run and maintain the complexities of telecommunications companies.

From 1997 to 1998 Mr. Khurana was Director of Hospitality Systems for SmarTalk Teleservices, Inc. His responsibilities included the development of P.O.S. Activation Systems for prepaid phone card sales and the managing and developing of a web based managing and reporting system to support and track millions of calling cards around the world.

He is a holder of a BS in Electrical Engineering and an MBA from the University of Hartford in Connecticut.

Kay Singian, Secretary & Treasurer

Ms. Singian brings to Pacific Centrex Service a wealth of knowledge and experience within the finance industry as well as corporate experience in handling human resources and all accounting matters.

Ms. Singian graduated with an accounting degree from the University of Santo Tomas in the Philippines and is also a registered CPA.

Manzu Rahman, Database Engineer

Mr. Rahman has been with Pacific Centrex Service since its beginning in 1996. He has worked extensively with various billing databases, including construction, setup and maintenance of all billing systems. Mr. Rahman in conjunction with Mr. Khurana have been responsible for the implementation of the most recent billing database used by Pacific Centrex Services to track inventory, services and usage.

Prior to joining Pacific Centrex Services Mr. Rahman worked as an account for FirstServeNet, an Internet startup company where he provided accounting service for 4 years.

Joshua Ploude, Network Specialist

Mr. Ploude brings to Pacific Centrex Services a fresh outlook and detailed knowledge of the technologies that are driving the telecommunications revolution today. Mr. Ploude has been aggressively planning the rollout of a facilities-based CLEC network. Since Pacific Centrex Services has become committed to the technology that will drive the network, Mr. Ploude has begun to supervise interconnection of Pacific Centrex Services network with all relevant ILECs. Mr. Ploude is a trained SMS800 Engineer. He has helped Pacific Centrex Services become a responsible organization and establish their SMS800 Department.

Prior to joining Pacific Centrex Services, Mr. Ploude worked as a computer consultant and research manager for Richard Dinell of R.H. Dinell Investment Counsel in Brentwood, California. During his experience Mr. Ploude became adept in the methods used to research companies that showed investment potential. He was responsible for generating portfolio performance statistics on a quarterly basis. Mr. Ploude has recently graduated from UCLA with a BA in Political Science.

Leila Davila, Provisioning Manager

Ms. Davila is responsible for supervising the provisioning department for Pacific Centrex Services. Ms. Davila has extensive order fulfillment experience with various ILECs, IXCs and other service providers. She heads a team of 5 individuals whose sole responsibility is ordering and maintenance of the services that Pacific Centrex Services provides.

REGULATIONS AND SCHEDULE OF INTRASTATE CHARGES
APPLYING TO END-USER
COMMUNICATION SERVICES WITHIN
THE STATE OF SOUTH DAKOTA

Issued :

Effective:

Issued By: M. Devin Semler, President
Pacific Centrex Services, Inc.
6855 Tujunga Avenue
North Hollywood, CA 91605

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EXPLANATION OF SYMBOLS, REFERENCE
MARKS, AND ABBREVIATIONS OF TECHNICAL
TERMS USED IN THIS TARIFF

The following symbols shall be used in this tariff for the purpose indicated below:

- C To signify changed regulation.
- D To signify discontinued rate or regulation.
- I To signify increased rate.
- M To signify a move in the location of text.
- N To signify new rate or regulation.
- R To signify reduced rate.
- S To signify reissued matter.
- T To signify a change in text but no change in rate or regulation.

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APPLICATION OF TARIFF

This tariff sets forth the service offerings, rates, terms and conditions applicable to the furnishing of intrastate end-user communications services by Pacific Centrex Services, Inc., hereinafter referred to as the Company, to customers within the State of South Dakota.

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DEFINITIONS

Certain terms used generally throughout this tariff are defined below.

Account Codes: Permits Centrex Stations and attendants to dial an account code number of up to eight digits when placing calls over facilities arranged for Automatic Message Accounting (AMA) recording. The account or project number must be input prior to dialing the called number.

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

Applicant: An individual who is applying for services with the Company. Applicant refers to residential or small business services.

DID Trunk: A form of local switched access that provides the ability for an outside party to call an internal extension directly without the intervention of the company operator.

Automatic Number Identification (ANI): Allows the automatic transmission of a caller's billing account telephone number to a local exchange company, interexchange carrier or a third party subscriber. The primary purpose of ANI is to allow for billing of toll calls.

Bit: The smallest unit of information in the binary system of notation.

Call Back/Camp on: Permits a station line encountering an all-trunk-busy condition the option of being notified when a trunk becomes idle.

Call Forwarding:

Call Forwarding Station: Allows calls directed to a station line to be routed to a user defined line inside or outside the customer's telephone system.

Call Forwarding System: Permits calls attempting to terminate to a busy station line to be re-directed to a predetermined line inside or outside the customer's telephone system.

Call Forwarding Remote: This optional feature allows a user to activate/deactivate the Call Forwarding - All calls feature or change the forwarded to telephone number from a remote location.

Call Forwarding Busy: Allows incoming calls to a busy station to be routed to a preselected station line or attendant within the same system or outside the system. Intercom calls can be arranged to be forwarded to a number different from DID calls.

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DEFINITIONS

Call Forwarding Don't Answer: Allows incoming calls to be automatically routed to a preselected station line or attendant in the same system or outside the system, when the called station is not answered after a preset number of rings. Intercom calls can be arranged to be forwarded to a number different from DID calls.

Call Forwarding Variable Limited: When this feature is activated by a station line user or the attendant, incoming calls to the activated station line or attendant position will be automatically routed to any other selected station line, within the same Centrex system, or to the attendant position. The attendant may also activate this feature for a station line user.

Call Forwarding Variable Unlimited: The same as Call Forwarding Variable Limited except that incoming calls may be automatically routed to a telephone number outside the Centrex system or to station lines within the same Centrex system. The attendant may not activate this feature to a telephone number outside the Centrex system for a station line user. Calls forwarded outside the Centrex system are subject to the appropriate charges for local and toll messages.

Call Hold: Allows the user to hold one call for any length of time provided that neither party goes on-hook.

Call Park: Allows a station line to park a call against its own line number. The parked call can be retrieved from any station line by dialing a feature code and the line number against which the call is parked.

Call Pickup: Allows a station line to answer incoming calls to another station line within a defined call pickup group. Call pickup is provided on individual station lines within a customer group.

Call Transfer: Allows a station line user to transfer any established call to another station line inside or outside the customer group without the assistance of the attendant.

Call Waiting: Permits a line in the talking state to be alerted by a tone when another call is attempting to complete the line. Audible ringing is returned to the originating line. The Service also provides a hold feature that is activated by a switchhook flash.

Communication Services: The Company's intrastate toll and local exchange switched telephone services offered for both intraLATA and interLATA use.

Company: Pacific Centrex Services, Inc, the issuer of this tariff.

Customer or Subscriber: The person, firm or corporation that orders service and is responsible for the payment of charges and compliance with the Company's regulations.

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DEFINITIONS

Dial Pulse (or "DP"): The pulse type employed by rotary dial station sets.

Direct Inward Dial (or "DID"): A service attribute that routes incoming calls directly to stations, bypassing a central answering point.

Direct Outward Dial(or "DOD"): A service attribute that allows individual station users to access and dial outside numbers directly.

Do Not Disturb: Permits the attendant to cut off a single station line and selected groups of station lines from receiving incoming and station-to-station calls.

DSX-1 Panel: Distribution equipment used to terminate and administer DSI (1.544 Mbps) circuits.

Dual Tone Multi-Frequency (or "DTMF"): The pulse type employed by tone dial station sets.

Duplex Service: Service that provides for simultaneous transmission in both directions.

Fiber Optic Cable: A thin filament of glass with a protective outer coating through which a light beam carrying communications signals may be transmitted by means of multiple internal reflections to a receiver, which translates the message.

Hunting: Routes a call to an idle station line in a prearranged group when the called station line is busy.

In-Only: A service attribute that restricts outward dial access and routes incoming calls to a designated answer point.

Joint User: A person, firm or corporation that is designated by the Customer as a user of services furnished to the Customer by Atlas and to whom a portion of the charges for the service will be billed under a joint user arrangement as specified herein.

Kbps: Kilobits per second, denotes thousands of bits per second.

Last Number Redial: Enables a station line user to redial the last called number by use of an access code rather than dialing the entire number.

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

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DEFINITIONS

Local Exchange Carrier or ("LEC"): Denotes any individual, partnership, association, joint-stock company, trust or corporation engaged in providing switched communication within an exchange.

Mbps: Megabits, denotes millions of bits per second.

Multi-Frequency or ("MF"): An inter-machine plus-type used for signaling between telephone switches, or between telephone switches and PBX/key systems.

Recurring Charges: The monthly charges to the Customer for services, facilities and equipment, that continue for the agreed upon duration of the service.

Service Commencement Date: The first day following the date on which the Company notifies the Customer that the requested service or facility is available for use, unless extended by the Customer's refusal to accept service that does not conform to standards set forth in the Service Order or this tariff, in which case the Service Commencement Date is the date of the Customer's acceptance. The Company and Customer may mutually agree on a substitute Service Commencement Date.

Service Order: The written request for Network Services executed by the Customer and the Company in the format devised by the Company. The signing of a Service Order by the Customer and acceptance by the Company initiates the respective obligations of the parties as set forth therein and pursuant to this tariff, but the duration of the service is calculated from the Service Commencement Date.

Shared: A facility or equipment system or subsystem that can be used simultaneously by several Customers.

Speed Calling: Permits a station line user to dial selected numbers by using fewer digits than normally accomplished through the assignment of abbreviated codes to frequently called numbers. The speed calling list is customer-changeable.

System: Allows shared use of speed calling list. A control station will add, change or delete telephone numbers from the list for the group.

Station: Allows a station line user to add, change or delete telephone numbers from a speed calling list. The list is dedicated to the individual station line user.

Three-Way Calling: Allows a station line user to add a third party to an existing conversation.

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

User or End User: A customer, Joint User, or any other person authorized by a Customer to use service provided under this tariff.

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REGULATIONS2.1 Undertaking of the Company2.1.1 Scope

The Company undertakes to furnish communications service pursuant to the terms of this tariff in connection with one-way and/or two-way information transmission between points within the State of South Dakota.

Customers and users may use services and facilities provided under this tariff to obtain access to services offered by other service providers. The Company is responsible under this tariff only for the services and facilities provided hereunder, and it assumes no responsibility for any service provided by any other entity that purchases access to the Company network in order to originate or terminate its own services, or to communicate with its own customers.

2.1.2 Shortage of Equipment or Facilities

- (A) The Company reserves the right to limit or allocate the use of existing facilities, or of additional facilities offered by the Company, when necessary because of lack of facilities, or due to some other cause beyond the Company's control.
- (B) The furnishing of service under this tariff is subject to the availability on a continuing basis of all the necessary facilities and is limited to the capacity of the Company's facilities as well as facilities the Company may obtain from other carriers to furnish service from time to time as required at the sole discretion of the Company.

2.1.3 Terms and Conditions

- (A) Service is provided on the basis of a minimum period of at least one month, 24-hours per day. For the purpose of computing charges in this tariff, a month is considered to have 30 days.
- (B) Customers may be required to enter into written service orders which shall contain or reference a specific description of the service ordered, the rates to be charged, the duration of the services, and the terms and conditions in this tariff. Customers will also be required to execute any other documents as may be reasonably requested by the Company.

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REGULATIONS

2.1 Undertaking of the Company (Continued)

2.1.3. Terms and Conditions (Continued)

- (C) At the expiration of the initial term specified in each Service Order, or in any extension thereof, service shall continue on a month-to-month basis at the then current rates unless terminated by either party upon 30 days' written notice. Any termination shall not relieve the Customer of its obligation to pay any charges incurred under the service order and this tariff prior to termination. The rights and obligations which by their nature extend beyond the termination of the term of the service order shall survive such termination.
- (D) In any action between the parties to enforce any provision of this tariff, the prevailing party shall be entitled to recover its legal fees and court costs from the non-prevailing party in addition to other relief a court may award.
- (E) Service may be terminated upon written notice to the Customer if:
 - 1) the Customer is using the service in violation of this tariff; or
 - 2) the Customer is using the service in violation of the law.
- (F) This tariff shall be interpreted and governed by the laws of the State of South Dakota.
- (G) (Reserved for future use).
- (H) (Reserved for future use).

2.1.4 Liability of the Company

- (A) The included tariff language does not constitute a determination by the Commission that a limitation of liability imposed by the company should be upheld in a Court of law. Acceptance for filing by the Commission recognized that it is a court's responsibility to adjudicate negligence and consequential damage claims. It is also the court's responsibility to determine the validity of the exculpatory clause.

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REGULATIONS2.1 Undertaking of the Company (Continued)2.1.4 Liability of the Company (Continued)

- (B) The liability of the Company for damages arising out of the furnishing of its Services, including but not limited to mistakes, omissions, interruptions, delays, or errors, or other defects, representations, or use of these services or arising out of the failure to furnish the service, whether caused by acts or omission, shall be limited to the extension of such allowances for interruption as set forth in 2.6. The extension of such allowances for interruption shall be the sole remedy of the Customer and the sole liability of the Company. The Company will not be liable for any direct, indirect, incidental, special, consequential, exemplary or punitive damages to Customer as a result of any Company service, equipment or facilities, or the acts or omissions or negligence of the Company's employees or agents.
- (C) The Company shall not be liable for any delay or failure of performance or equipment due to causes beyond its control, including but not limited to: acts of God, fire, flood, explosion or other catastrophes; any law, order, regulation, direction, action, or request of the United States Government, or of any other government, including state and local governments having or claiming jurisdiction over the Company, or of any department, agency, commission, bureau, corporation, or other instrumentality of any one or more of these federal, state, or local governments, or of any civil or military authority; national emergencies; insurrections; riots; wars; unavailability of rights-of-way or materials; or strikes, lock-outs, work stoppages, or other labor difficulties.
- (D) The Company shall not be liable for any act or omission of any entity furnishing to the Company or to the Company's Customers facilities or equipment used for or with the services the Company offers.
- (E) The Company shall not be liable for any damages or losses due to the fault or negligence of the Customer or due to the failure or malfunction of Customer-provided equipment or facilities.
- (F) The Company does not guarantee nor make any warranty with respect to installations it provides for use in an explosive atmosphere. The Customer indemnifies and holds the Company harmless from any and all loss, claims, demands, suits, or other action, or any liability whatsoever, whether suffered, made, instituted, or asserted by any other party or person(s), 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 installation, operation, failure to operate, maintenance, removal presence, condition, location, or use of any installation so provided. The Company reserves the right to require each Customer to sign an agreement acknowledging acceptance of the provisions of this section 2.1.4(E) as a condition precedent to such installations.

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REGULATIONS

2.1 Undertaking of the Company (Continued)

2.1.4 Liability of the Company (Continued)

- (G) The Company is not liable for any defacement of or damage to Customer premises resulting from the furnishing of services or equipment on such premises or installation or removal thereof, unless such defacement or damage is caused by negligence or willful misconduct of the Company's agents or employees.
- (H) The Company shall be indemnified, defended and held harmless by the Customer against any claim, loss or damage arising from Customer's use of services, involving claims for libel, slander, invasion of privacy, or infringement of copyright arising from the Customer's own communications.
- (I) The entire liability for any claim, loss, damage or expense from any cause whatsoever shall in no event exceed sums actually paid the Company by the Customer for specific services giving rise to the claim. No action or proceeding against the Company shall be commenced more than one year after the service is rendered.
- (J) **THE COMPANY MAKES NO WARRANTIES OR REPRESENTATIONS, EXPRESS OR IMPLIED EITHER IN FACT OR BY OPERATION OF LAW, STATUTORY OR OTHERWISE, INCLUDING WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR USE, EXCEPT THOSE EXPRESSLY SET FORTH HEREIN.**
- (K) The included tariff language does not constitute a determination by the Commission that a limitation of liability imposed by the Company should be upheld in a court of law. Acceptance for filing by the Commission recognizes that it is a court's responsibility to adjudicate negligence and consequential damage claims. It is also the court's responsibility to determine the validity of the exculpatory clause.

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REGULATIONS2.1 Undertaking of the Company (Continued)2.1.5 Notification of Service-Affecting Activities

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

2.1.6 Provisions of Equipment and Facilities

- (A) The Company shall use reasonable efforts to make available services to a Customer on or before a particular date, subject to the provisions of and compliance by the Customer with, the regulations contained in this tariff. The Company does not guarantee availability by any such date and shall not be liable for any delays in commencing service to any Customer.
- (B) The Company shall use reasonable efforts to maintain only the facilities and equipment that it furnishes to the Customer. The Customer may not, nor may the Customer permit others to, rearrange, disconnect, remove, attempt to repair, or otherwise interfere with any of the facilities or equipment installed by the Company, except upon the written consent of the Company.
- (C) The Company may substitute, change or rearrange any equipment or facility at any time and from time to time, but shall not thereby alter the technical parameters of the service provided the Customer.
- (D) Equipment the Company provides or installs at the Customer Premises for use in connection with the services the Company offers shall not be used for any purpose other than for that which it was provided by the Company.

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REGULATIONS

2.1 Undertaking of the Company (Continued)

2.1.6 Provisions of Equipment and Facilities (Continued)

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

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

2.1.7 Non-routine Installation

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

2.1.8 Special Construction

(Reserved for future use).

2.1.9 Ownership of Facilities

Title to all facilities provided in accordance with this tariff remains in the Company, its agents or contractors.

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REGULATIONS2.2 Prohibited Uses

- (A) The services the Company offers shall not be used for any unlawful purpose or for any use as to which the Customer has not obtained all required governmental approvals, authorizations, licenses, consents and permits.
- (B) The Company may require applicants for service who intend to use the Company's offerings for resale and/or for shared use to file a letter with the Company confirming that their use of the Company's offerings complies with relevant laws and South Dakota Public Utilities Commission regulations, policies, orders, and decisions.
- (C) The Company may require a Customer to immediately shut down transmission of signals if said transmission is causing interference to others.
- (D) A Customer, joint user, or authorized user may not assign in any manner, the service or any rights associated with the service without the written consent of the Company. The Company will permit a Customer to transfer its existing service to another entity if the existing Customer has paid all charges owed to the Company for regulated communications services. Such a transfer will be treated as a disconnection of existing service and installation of new service, and non-recurring installation charges as stated in this will apply.

2.3 Obligations of the Customer2.3.1 General

The Customer shall be responsible for:

- (A) the payment of all applicable charges pursuant to this tariff;
- (B) damage to or loss of the Company's facilities or equipment caused by the acts or omissions of the Customer; or the noncompliance by the Customer, with these regulations; or by fire or theft or other casualty on the Customer Premises, unless caused by the negligence or willful misconduct of the employees or agents of the Company;
- (C) providing at no charge, as specified from time to time by the Company, any needed personnel, equipment space and power to operate Company facilities and equipment installed on the premises of the Customer, and the level of heating and air conditioning necessary to maintain the proper operating environment on such premises;

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REGULATIONS2.3 Obligations of the Customer (Continued)2.3.1 General (Continued)

- (D) obtaining, maintaining, and otherwise having full responsibility for all rights-of-way and conduits necessary for installation of fiber optic cable and associated equipment used to provide Communication Services to the Customer from the cable building entrance or property line to the location of the equipment space described in 2.3.1(C). Any and all costs associated with obtaining and maintaining the rights-of-way described herein, including the costs of altering the structure to permit installation of the Company-provided facilities, shall be born entirely by, or may be charged by the Company to, the Customer. The Company may require the Customer to demonstrate its compliance with this section prior to accepting an order for service;
- (E) providing a safe place to work and complying with all laws and regulations regarding the working conditions on the premises at which Company employees and agents shall be installing or maintaining the Company's facilities and equipment. The Customer may be required to install and maintain Company facilities and equipment within a hazardous area if, in the Company's opinion, injury or damage to the Company's employees or property might result from installation or maintenance by the Company. The Customer shall be responsible for identifying, monitoring, removing and disposing of any hazardous material (e.g. friable asbestos) prior to any construction or installation work;
- (F) complying with all laws and regulations applicable to, and obtaining all consents, approvals, licenses and permits as may be required with respect to, the location of Company facilities and equipment in any Customer premises or rights-of-way for which Customer is responsible under Section 2.3.1 (D); and granting or obtaining permission for Company agents or employees to enter the premises of the Customer at any time for the purpose of installing, inspecting, maintaining, repairing, or upon termination of service as stated herein, removing the facilities or equipment of the Company;
- (G) not creating, or allowing to be placed, any liens or other encumbrances on the Company's equipment or facilities; and
- (H) making Company facilities and equipment available periodically for maintenance purposes at a time agreeable to both the Company and the Customer. No allowance will be made for the period in which service is interrupted for such purposes.

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REGULATIONS2.3 Obligation of the Customer (Continued)2.3.2 Claim

With respect to any service or facility provided by the Company, Customers shall indemnify, defend and hold harmless the Company from and against all claims, actions, damages, liabilities, costs and expenses, including reasonable attorneys' fees for:

- (A) Any loss, destruction or damage to the property of the Company or any third party, or death or injury to persons, including, but not limited to , employees invitees of either party, to the extent caused by or resulting from negligent or intentional act or omission of the Customer, its employees, agents, representatives or invitees; or
- (B) any claim, loss, damage, expense or liability for infringement of any copyright, patent, trade secret, or any proprietary or intellectual property right of any third party, arising from the act or omission by the Customer, including, without limitation, use of the Company's services and facilities in a manner not contemplated by the agreement between the Customer and the Company.

2.4 Customer Equipment and Channels2.4.1 General

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

2.4.2 Station Equipment

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

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2.4 Customer Equipment and Channels (Continued)

2.4.2. Station Equipment (Continued)

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

2.4.3 Interconnection of Facilities

- (A) Any special interface equipment necessary to achieve compatibility between the facilities and equipment of the Company used for furnishing Communication Services and the Channels, facilities, or equipment of others shall be provided at the Customer's expense.
- (B) Communication Services may be connected to the services or facilities of other communications carriers only when authorized by, and in accordance with, the terms and conditions of the tariffs of the other communications carriers that are applicable to such connections.
- (C) Facilities furnished under this tariff may be connected to Customer-provided terminal equipment in accordance with the provisions of this tariff. All such terminal equipment shall be registered by the Federal Communications Commission Pursuant to Part 68 of Title 47, Code of Federal Regulations; and all User-provided wiring shall be installed and maintained in compliance with those regulations.
- (D) Users may interconnect communications facilities that are used in whole or in part for interstate communication to services provided under this tariff only to the extent that the user is an "End User".

2.4.4 Inspections

- (A) Upon suitable notification to the Customer, and at a reasonable time, the Company may make such tests and inspections as may be necessary to determine that the Customer is complying with requirements set forth in Section 2.4.2(B) for the installation, operation, maintenance of Customer-provided facilities, equipment, and wiring in the connection of Customer-provided facilities and equipment to Company-owned facilities and equipment.

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REGULATIONS2.4 Customer Equipment and Channels (Continued)

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

2.5 Payment Arrangements2.5.1 Payment for Service

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

2.5.2 Billing and Collection of Charges

- (A) Non-recurring charges are due and payable from the customer within 30 days after the invoice date, unless otherwise agreed to in advance.
- (B) The Company shall present invoices for Recurring Charges monthly to the Customer, in advance of the month in which service is provided, and Recurring Charges shall be due and payable within 30 days after the invoice date. When billing is based on customer usage, charges will be billed monthly for the preceding billing periods.
- (C) When service does not begin on the first day of the month, or end on the last day of the month, the charge for the fraction of the month in which service was furnished will be calculated on a pro rata basis. For this purpose, every month is considered to have 30 days.
- (D) Billing of the Customer by the Company will begin on the Service Commencement Date, which is the first day following the date on which the Company notifies the Customer that the service or facility is available for use, except that the Service Commencement Date may be postponed by mutual agreement of the parties, or if the service or facility does not conform to standards set forth in this tariff or the Service Order. Billing accrues through and includes the day that the service, circuit, arrangement or component is discontinued.

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REGULATIONS2.5 Payment Arrangements (Continued)2.5.2 Billing and Collection of Charges (Continued)

- (E) If any portion of the payment is received by the Company after the due date, or if any portion of the payment is received by the Company in funds that are not immediately available, then a late payment penalty shall be due to the Company. The late payment penalty shall be the portion of the payment not received by the due date, multiplied by a late factor of 1.5% per month.
- (F) The Customer will be assessed a charge of twenty dollars (\$20.00) for each check submitted by the Customer to the Company that a financial institution refused to honor.
- (G) Customers have up to 90 days (commencing 5 days after remittance of the bill) to initiate a dispute over charges or to receive credit.
- (H) If service is disconnected by the Company in accordance with section 2.5.5 following and later restored, restoration of service will be subject to all applicable installation charges.

2.5.3 Advance Payment

(Reserved for future use).

2.5.4 Reserved for future use.2.5.5 Guarantee

- (A) The Company will accept a written guarantee or payment for a residential account from another residential customer of the company. The guarantor must have good credit.
- (B) Guarantee Form: The Guarantee form used by the Company will be filed with and approved by this Commission. The form shall state:
 - (1) The terms of the guarantee, the maximum amount guaranteed, and that the Company shall not hold the guarantor liable for sums in excess of that amount.
 - (2) The maximum amount guaranteed shall not exceed the amount that would have been charged to the Applicant/Customer.
- (C) Period of Guarantee: The minimum guarantee period is thirty (30) days. The guarantee shall remain in full force and effect until five (5) days after the Company's receipt of the guarantor's notice of cancellation of the guarantee agreement.

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REGULATIONS2.5 Payment Arrangements (Continued)2.5.6. Reserved for future use2.5.7 Reserved for future use2.5.8 Discontinuance of Service2.5.8.1 Termination of Service Without Prior Notice

The Company may deny or terminate a service or all services without prior notice to the Customer/Applicant and without the Customer's/Applicant's permission for one or more of the following reasons:

- (A) Dangerous Condition: A condition immediately dangerous or hazardous to life, physical safety, or property exists, or it is necessary to prevent a violation of federal, state or local safety or health codes.
- (B) Ordered to Terminate Service: The Company will terminate service by any court, the Commission, or any other duly authorized public authority.
- (C) Services Obtained Illegally: The services(s) were obtained, diverted or used without the authorization or knowledge of the Company.
- (D) Customer Unable to be contract: The Company has tried diligently to meet the notice requirements of Rule 304, but has been unsuccessful in its attempt to contact the Customer effectively.
- (E) Misrepresentation of Identity: The Customer has misrepresented the Customer's identify for purposes of obtaining telephone service.

2.5.8.2 Termination of Service with Prior Notice

The Company may terminate a service or all services upon prior notice as set forth in 2.10 to the Customer/Applicant for one or more of the following reasons:

- (A) Failure to Pay Bill: The Customer/Applicant did not pay undisputed delinquent bills for local exchange services or paid a delinquent bill for local exchange services with any dishonored check.
- (B) Reserved for future use

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REGULATIONS

2.5 Payment Arrangements (Continued)

2.5.8 Discontinuance of Service (Continued)

2.5.8.2 Termination of Service with Prior Notice (Continued)

- (C) Failure to Abide by Payment Terms: The Customer/Applicant failed to abide by the terms of a payment arrangement.
- (D) Misrepresentation of Identity: The Customer/Applicant misrepresented the identity of same for the purpose of obtaining telephone service.
- (E) Interference of Wasting of service: the Company determines as prescribed by relevant state or other applicable standards that the Customer/Applicant is willfully wasting or interfering with service through improper equipment or otherwise.
- (F) Misuse of Service: The Customer is using service(s) for which the Customer/Applicant did not apply.

2.5.8.3 Changes in Service Requested

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

2.5.8.4 Medical Facilities/Shelter Care

The Company will notify the Commission and the State Department of Health and Welfare as well as the Medical Facilities/Shelter Care Customer of the Notice pending disconnection.

Upon request from the Commission, a delay in terminating services of no less than seven (7) calendar days from the date of the Notice shall be allowed so that action may be taken to protect the interest of the facility's residents.

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REGULATIONS2.6 Allowance for Interruption in Service

Interruption in service that is not due to the negligence of, or noncompliance with the provisions of this tariff by, the Customer, will be credited to the Customer as set forth in 2.6.1 for the part of the service that the interruption affects.

2.6.1 Credit for Interruptions

- (A) The Company will restore service within sixteen (16) hours after the report of the outage if the customer notifies the company that the service outage creates an emergency for the customer; or
- (B) Restore service within twenty-four (24) hours after the report of the outage if no emergency exists, except that outages reported between noon on Saturday and 6:00 p.m. on the following Sunday must be restore within forty-eight (48) hours or by 6:00 p.m. on the following Monday, which ever is sooner. If the Company does not restore service within the times required by this section the telephone company will credit the customer's account for an amount equal to the monthly rate for one (1) month of basic local exchange service.

2.6.2 Limitation on Allowances

No credit will be made for:

- (A) interruption due to the negligence of, or noncompliance with the provisions of this tariff by, the Customer, authorized user, joint user, or other common carrier providing service connected to the service of the Company;
- (B) interruption due to the negligence of any person other than the Company, including but not limited to the Customer or other common carriers connected to the Company's facilities;
- (C) interruptions due to the failure or malfunction of non-Company equipment;
- (D) interruptions of service during any period in which the Company is not given full and free access to its facilities and equipment for the purpose of investigating and correcting interruptions;

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REGULATIONS2.6 Allowance for Interruption in Service (Continued)2.6.2 Limitation on Allowances (Continued)

- (E) interruptions of service during any period when the Customer has released service to the Company for maintenance purposes or for implementation of a Customer order for a change in service arrangements; and
- (F) interruption of service due to circumstances or causes beyond the control of the Company.

2.7 Use of Customer's Service by Others2.7.1 Resale and Sharing

Any service provided under this tariff may be resold to or shared with other persons at the option of the Customer, subject to compliance with any applicable laws or the South Dakota Public Utilities Commission regulations governing such resale or sharing. The Customer remains solely responsible for all use of service ordered by it or billed to its telephone number(s) pursuant to this tariff, for determining who is authorized to use its services, and for notifying the Company of any unauthorized use.

2.7.2 Joint Use Arrangements

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

2.8 Cancellation of Service

If a Customer cancels a Service Order or terminates service before the completion of the term for any reason whatsoever other than a service interruption (as defined in Section 2.6.1 above), the Customer agrees to pay to the Company termination liability charges, as defined below. These charges shall become due and owing as of the effective date of the cancellation or termination and be payable within a time period as determined by the Commission.

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REGULATIONS2.8 Cancellation of Service (Continued)

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

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

2.9 Transfers and Assignments

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

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

2.10 Notices and Communications

- (A) The Company must send to the Customer written notice of termination mailed at least seven (7) calendar days before the proposed date of termination. This written notice must contain the information required by Rule 306. This seven-day notice does not apply under the conditions set forth in section 2.5.8.1.
- (B) At least twenty-four (24) hours before actual termination the Company must diligently attempt to contact the Customer affected to apprise the Customer of the proposed action and steps to take to avoid or delay termination. This oral notice must contain the same information required by Rule 306.

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REGULATIONS2.10 Notices and Communications (Continued)

- (C) If the local exchange service is not terminated within seven (7) calendar days after the proposed termination date and the matter is not the subject of a pending complaint before this Commission, or other arrangements have not been made with the Customer, the Company shall again make a diligent effort to contact the Customer to advise the Customer of the proposed action. If the Company has not terminated service within twenty-eight (28) days of mailing a written notice of termination, the Company must again issue a written notice if it intends to terminate service. Actual termination is prohibited until a minimum of twenty-four (24) hours after notice or the diligent attempt to notify.

The requirement of seven (7) days' written notice does not apply when:

- (A) The Customer does not make an initial payment according to a payment arrangement or makes the initial payment with a dishonored check; or
- (B) The Customer avoids termination that would otherwise take place by tendering payment with a dishonored check.

In either of the above, the Company will make a diligent effort to contact the Customer to apprise the Customer of the proposed action, and actual termination is prohibited until a minimum of twenty-four (24) hours after notice or the diligent attempt to notify.

2.11 Operator Services Rules

- (A) The Company will enforce the following operator service rules.

A provider of intrastate operator assisted communications services must:

- (1) identify itself at the time the end-user accesses its services;
- (2) upon request, quote all rates and charges for its services to the end-user accessing its system;
- (3) arrange to have posted in plain view at each telephone location which automatically accesses the operator service provider's network and where its services are made available to the public or transient end-users:
 - (a) the operator service provider's name and address;

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REGULATIONS

2.11 Operator Services Rules (Continued)

- (b) bill and service dispute calling information including the operator service provider's dispute resolution phone number.
 - (c) clear and specific instructions informing the end-user how to access a local exchange telephone company operator as an alternative available to the end-user; and
 - (d) notice concerning any and all amounts to be billed by the operator services provider on behalf of any host location or third party that will appear on the operator service provider's bill for services rendered.
- (4) in instances when the provider is unable to complete the call and it requires transfer to another telephone corporation that may affect the rates and charges applicable to the telephone bill, inform the caller of the transfer and its possible effect on the applicable rates and charges, before any charges are incurred; and
- (5) in the case of such transfer, the telephone corporation or provider to which the call is transferred shall identify itself and inform the caller of the transfer's effect on the applicable rates and charges, before any charges are incurred.
- (B) The Company will comply with the following provisions:
- (1) Providers of intrastate operator assisted communications services shall not take any, action or enter into any arrangement that restricts end-user selection among competing interexchange telephone corporations or end-users access to competing providers of intrastate operator assisted communications services, or pay any commissions or other compensation to any entity engaged in such action or arrangement.

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EXCHANGE ACCESS SERVICE

3.1 Exchange Access Service provides a Customer with a telephonic connection to, and a unique telephone number address on the public switched telecommunications network. Each Exchange Access Service enables users to:

- (A) receive calls from other stations on the public switched telecommunications network;
- (B) access other services offered by the Company as set forth in this tariff;
- (C) access certain interstate and international calling services provided by the Company;
- (D) access (at no additional charge) the Company's operators and business office for service related assistance;
- (E) access (at no additional charge) emergency services by dialing 0- or 9-1-1; and
- (F) access services provided by other common carriers that purchase the Company's Switched Access services as provided under the Company's Federal and State tariffs, or that maintain other types of traffic exchange arrangements with the Company.

Each Exchange Access Service is available on a "full" service basis, whereby service is delivered to a demarcation/connection block at the customer's premises.

The following Exchange Access Services are offered:

Basic Line Service

3.2 Basic Line Service

Basic Line Service provides a Customer with a single, voice-grade telephonic communications channel that can be used to place or receive one call at a time. Basic Lines are provided for connection of Customer-provided single station sets or facsimile machines to the public switched telecommunications network. Each Basic Line may be configured into a hunt group with other Company-provided Basic Lines. Each Basic Line is provided with the following standard features which can be deleted at the Customer's option:

Touch Tone
Call Waiting

Call Forwarding
Three-Way Conference Calling

Non-recurring and monthly recurring rates per Basic Line apply as follows:

	<u>Non-Recurring</u>	<u>Monthly Recurring</u>
Basic Local Exchange Service-Each Line	\$	\$
Expanded Local Exchange Service -Each Line	\$	\$

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EXCHANGE ACCESS SERVICE

3.3 Key Line Service

Key Line Service provides a Customer with a single, voice-grade telephonic communications channel that can be used to place one call at a time. Key Lines are provided for connection of the Customer-provided key systems to the public switched telecommunications network. Each Key Line is provided with the following features which can be deleted at the Customer's option:

Call Waiting	Three-Way Conference Calling	Call Hunting
Call Forwarding	Extension Dialing	

Non-recurring and monthly recurring rates per Key Line apply as follows:

	<u>Non-Recurring</u>	<u>Monthly Recurring</u>
Basic Local Exchange Service -Each Line	\$	\$
Expanded Local Exchange Service -Each Line	\$	\$

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EXCHANGE ACCESS OPTIONAL FEATURES

4.1 Directory Listings

For each Customer of Company-provided Exchange Access Service(s), the Company shall arrange for the listing of the Customer's main billing telephone number¹ in the directory(ies) published by the dominant Local Exchange Carrier in the area at no additional charge. At a Customer's option, the Company will arrange for additional listings at the following rates:

	<u>Non-Recurring</u>	<u>Monthly Recurring</u>
Each Additional Listing:	N/A	\$

¹ For Customers with multiple premises served by the Company, the Company will arrange for a listing of the main billing telephone number at each premise.

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LOCAL CALLING SERVICE

5.1 Description

Local Calling Service provides a Customer with the ability to originate calls from a Company-provided access line to all other stations on the public switched telephone network² bearing the designation of any central office exchanges, areas, and zones included in the Customer's local calling area.

5.1.1. Basic Local Exchange Service- This calling service allows the Customer unlimited access to all other stations on the public switched telephone network within the customer's Basic Local Calling Area but within the same state and LATA will be charged the IntraLATA rates as specified in the Company's long distance service tariff.

5.2 Rates

The rates set forth in this section apply to all direct dialed local calls. For operator-assisted local calls, the operator charges listed will apply in addition to the charges listed below.

5.2.1. Usage Charges - Per minute charges apply for each call. Timing is in whole minute increments, with a minimum charge of one minute per call.

(A) Monthly Message Allowance

<u>Type of Service</u>	<u>Basic Calling Area</u>
Basic Local Exchange Service	TBD

² Except calls to other telephone companies' caller paid information services (e.g. NPA 900, NXX 976, etc.). Calls to those numbers and other numbers used for caller-paid information services will be blocked by the Company's centralized switching facility.

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OPERATOR SERVICES6.1 Description

Operator Handled Calling Services are provided to Customers and Users of Company-provided Exchange Access Services, and to Customers and Users of exchange access lines.

6.2 Definitions

Person-to-Person: Calls completed with the assistance of a Company operator to a particular person, station, department, or PBX extension specified by the calling party. Charges may be billed to the Customer's commercial credit card/and or LEC calling card, calling station, called station, or a designated third-party station. Calls may be dialed with or without the assistance of a Company operator.

Station-to-Station: Refers to calls other than person-to-person calls billed to either the end user's commercial credit card and/or nonproprietary calling card. Calls may be dialed with or without the assistance of a Company operator. Collect calls to coin telephones and transfers of charges to third telephones which are coin telephones will not be accepted.

Operator Dialed Charge: The end user places the call without dialing the destination number, although the capability to do it himself exists. The end user will dial "0" for local calls and "00" for long distance calls and then request the operator to dial the called station.

Billed to Non-proprietary Calling Card: Refers to calls that are dialed by the customer in accordance with standard dialing instructions and billed to a non-proprietary calling card issued by another carrier.

6.3 Rates

Local exchange calls may be placed on an Operator Assisted basis. In addition to the usage charges identified above, the following operator-assisted charges will apply:

Per Call Charges

Person-to-Person (Customer Dialed)	\$
Station-to-Station (Customer Dialed)	\$
Operator Dialed Charge (applies in addition to other operator charges)	\$
Billed to Non-Proprietary Calling Card (additional surcharge)	\$
Directory Assistance	\$

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MISCELLANEOUS SERVICES

7.1 Service Implementation

7.1.1 Description

Absent a promotional offering, service implementation charges will apply to new service orders or to orders to change existing service.

<u>Rates</u>	<u>Non-Recurring</u>
Per service order	\$

7.2 Restoration of Service

7.2.1 Description

A restoration charge applies to the re-establishment of service and facilities suspended because of non-payment of bills and is payable at the time that the re-establishment of the service and facilities suspended is arranged for. The restoration charge does not apply when, after disconnection of service, service is later re-established.

<u>Rates</u>	<u>Non-Recurring</u>
Per occasion	\$

7.3 Optional Exchange Access Service Enhancement Features

7.3.1 General

Services in this section may be purchased in addition to a Company-provided Exchange Access Service. These features are available only when purchased in combination with a Company provided Exchange Access Service.

7.3.2 Optional Exchange Access Service Enhancement Features -- Rate Schedule

Rates in this section are applied on a monthly basis unless otherwise specified:

<u>SERVICE</u>	<u>RATE</u>
CALL WAITING	\$

(provides a tone signal when a second call is coming in on a busy line.)

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MISCELLANEOUS SERVICES7.3 Optional Exchange Access Service Enhancement Features (Continued)7.3.2 Optional Exchange Access Service Enhancement Features -- Rate Schedule (Continued)SERVICERATE**CALL FORWARDING - Variable**

\$

(Permits a Customer to automatically transfer all incoming calls to another dialable telephone number. In addition to these charges, local usage charges will apply.)

THREE WAY CALLING

\$

(Adds a third party to an established connection without operator assistance.)

CALL TRACE**Per Activation**

\$

Case Preparation Charge

\$

(This feature will, upon successful Customer activation, automatically trace the telephone number of the line used for the last call received by the Customer. Call Trace is provided to Customers whose basic exchange access service includes only Residential lines. The traced number will not be provided to the Customer by the Company, but it will be provided to law enforcement officials upon the written request of the Customer. Case preparation charge is applicable when two successful attempts have been traced to the same number, or, at the Customer's option, when a single successful attempt has been traced to a telephone number and the Company sends notification to the customer for his/her use with the appropriate law enforcement agency.)

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MISCELLANEOUS SERVICES7.3 Optional Exchange Access Service Enhancement Features (Continued)7.3.2 Optional Exchange Access Service Enhancement Features -- Rate Schedule (Continued)SERVICERATE**CALLER ID**

\$

(This central office feature provides for the display of the incoming telephone number on a Customer provided display device attached to the Customer's telephone line or on a Customer-provided telephone or answering machine with a built-in display screen. The Caller ID feature will forward the calling number from the appropriately equipped terminating central office to the Customer-provided display device. The Company will forward all telephone numbers subject to technical limitations.)

CALLER ID WITH NAME

\$

(This central office feature is only offered to Customers being served by appropriately equipped central offices and subscribing to caller ID. This feature provides for the display of the listed name associated with the telephone number from which the call is being made. The name will be delivered to a Customer-provided display device. The Company will forward all calling names subject to technical limitations.)

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MISCELLANEOUS SERVICES

7.3 Optional Exchange Access Service Enhancement Features (Continued)

7.3.2 Optional Exchange Access Service Enhancement Features -- Rate Schedule (Continued)

SERVICE

RATE

MULTI RING SERVICE

\$

(Multi ring service is a local exchange telecommunications service that enables a Customer to have as many as three telephone numbers associated with a single line. Customers subscribing to this service will be able to receive calls dialed to two or three separate numbers without having a second or third access line. Distinctive ringing will be provided for each of the additional telephone numbers to facilitate identification of incoming calls. A distinctive Call Waiting tone for each additional telephone number will be provided, where facilities permit, to Customers subscribing to the Call Waiting feature of Custom Calling Service.)

1st Line

\$

1st and 2nd Line

\$

ALTERNATE ANSWERING

\$

(In the event that the number is not answered within the Company-designated parameters, normally three to four rings, this feature automatically forwards incoming calls to a predetermined telephone number or a different central office switch. Multiple calls will be transferred simultaneously provided there are sufficient facilities to accept the calls.)

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MISCELLANEOUS SERVICES7.3 Optional Exchange Access Service Enhancement Features (Continued)7.3.2 Optional Exchange Access Service Enhancement Features -- Rate Schedule (Continued)SERVICE RATE**REMOTE CALL FORWARDING** \$

(Remote Call Forwarding Central Office Based), provides a method to automatically transfer all incoming calls to another dialed number at all times. The dialable number is user defined. The dialed number can be either 7 or 10 digit number [POTS] and can be changed via a service order. No physical telephone is required at the subscribed dialed number.

900 SPECIAL ACCESS CODE BLOCKING \$

(This service is automatically applied to all lines. The service is provided without charge. Blocks access from a Company-provided Exchange Access Service to Customer dialed 900 numbers.)

976 PREFIX BLOCKING SERVICE \$

(This service is automatically applied to all lines. The service is provided without charge. Blocks access from a Company-provided Exchange Access Service to Customer dialed 976 numbers.)

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MISCELLANEOUS SERVICES7.3 Optional Exchange Access Service Enhancement Features (Continued)7.3.2 Optional Exchange Access Service Enhancement Features -- Rate Schedule (Continued)SERVICERATE**PRESUMPTIVE BLOCKING SERVICES**

\$

(This service is automatically applied to all lines. The service is provided without charge. This service enables the Company to deny access from all residence and business lines to exchanges which primarily contain adult programs. One-party residence and single line business Customers may obtain access to exchanges which primarily contain adult programs by submitting a written request to the Company to remove the blocking restriction from their lines. Written requests must be submitted for any subsequent changes in blocking restrictions.)

INTERNATIONAL BLOCKING

\$

(The International Blocking Service [IBS] is an optional end user service that provides end office blocking of 011+, 10XXX 011+ and 101XXXX011+ dialed calls. Originating 011+, 10XXX 011+ and 101XXXX011+ dialed calls from exchange lines provisioned with the IBS will be blocked and routed to a recorded announcement. There is a nonrecurring charge for installing IBS on new or existing exchange lines or trunks that is in addition to any other local exchange nonrecurring charges that may apply.)

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MISCELLANEOUS SERVICES

7.3 Optional Exchange Access Service Enhancement Features (Continued)

7.3.2 Optional Exchange Access Service Enhancement Features -- Rate Schedule (Continued)

<u>SERVICE</u>	<u>RATE</u>
AUTOMATIC CALL BACK	
Per Activation	\$
Per Month	\$
Monthly Cap on Per Activation	\$

(Allows a Customer to return most recent incoming calls whether answered or not. If the line to which the request is made is idle, the calls go through; if the line is busy, the automatic callback continues to attempt until the line is free. The request is deactivated after 30 minutes or six unanswered ring backs if the call is not completed. Available on a per activation or monthly basis.)

REPEAT DIALING	
Per Activation	\$
Per Month	\$
Monthly Cap on Per Activation	\$

(Allows a Customer, by dialing a particular code, to redial a dialed number a specified number of times or until a party answers the call.)

AUTOMATIC CALL BACK and REPEAT DIALING

Per Month	\$
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SPECIAL ARRANGEMENTS

8.1 Special Construction

8.1.1 Basis For Charges

Where the Company furnishes a facility or service for which a rate or charge is not specified in the Company's tariffs, charges will be based on the costs incurred by the Company.

8.1.2 Termination Liability

To the extent that there is no other requirement for use by the Company, a termination liability may apply for facilities specially constructed at the request of the customer.

- (A) The termination liability period is the estimated service life of the facilities provided.
- (B) The amount of the maximum termination liability is equal to the estimated amounts for:
 - (1) Cost installed of the facilities provided including estimated costs for rearrangements of existing facilities and/or construction of new facilities as appropriate, less net salvage. Cost installed includes the cost of:
 - (a) equipment and materials provided or used,
 - (b) engineering, labor and supervision,
 - (c) transportation, and
 - (d) rights-of-way;
 - (2) license preparation, processing, and related fees;

8.2 Individual Case Basis (ICB) Arrangements

Arrangements will be developed on a case-by-case basis in response to a bona fide request from a Customer or prospective Customer to develop a competitive bid for a service offered under this tariff. Rates quoted in response to such competitive requests may be different than those specified for such services in this tariff. ICB rates will be offered to the Customer in writing and on a nondiscriminatory basis. Prior notice of all ICB contracts will be provided to the Commission.

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SPECIAL ARRANGEMENTS

8.3 Temporary Promotional Programs

The Company may establish temporary promotional programs wherein it may waive or reduce non-recurring or recurring charges, to introduce present or potential Customers to a service not previously received by the Customers. Prior notice and copies of all promotional programs will be provided to the Commission with the effective dates of the promotion.

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