2. GENERAL REGULATIONS

2.1 UNDERTAKING OF THE COMPANY

2.1.1 Scope

Effective July 31, 2001 all references herein to AT&T FCC Tariffs, insofar as the service offering set forth in the AT&T FCC tariffs have been or become detariffed, shall be construed to be references to the AT&T Business Services Guide located at http://www.att.com/serviceguide/business.

A. The Company does not undertake to transmit messages under this tariff.

B. The Company shall be responsible only for the installation, operation and maintenance of the services it provides.

C. The Company will, for maintenance purposes, test its service only to the extent necessary to detect and/or clear troubles.

D. Services are provided 24 hours daily, seven days per week, except as set forth in other applicable sections of this tariff.

E. The Company does not warrant that its facilities and services meet standards other than those set forth in this tariff.

F. The Company makes no undertaking under this tariff with respect to any Customer that has provided a Service Order relating to facilities of the Company to another telephone company (such as a provider of service at an Access Tandem), but has not provided a copy of the Service Order directly to the Company under Section 5. Notwithstanding the foregoing, such Customers shall be fully liable for the obligations and undertakings of Customers under this tariff as fully as if such Customers had provided valid Service Orders directly to the Company.

G. With respect to Network Element-Provided Access Service (NEPAS), the Company shall not be responsible for the facilities used to provide such services, including installation, operation, maintenance, testing, trouble handling, or performance of such facilities.

2. GENERAL REGULATIONS

2.1 UNDERTAKING OF THE COMPANY (Cont'd)

2.1.2 Limitations

A. Assignment or Transfer of Services

The Customer may assign or transfer the use of services provided under this tariff only where there is no interruption of use or relocation of the services. Such assignment or transfer may be made to:

1) another Customer, whether an individual, partnership, association or corporation, provided the assignee or transferee assumes all outstanding indebtedness for such services, and the unexpired portion of the minimum period and the termination liability applicable to such services, if any;

2) a court-appointed receiver, trustee or other person acting pursuant to law in bankruptcy, receivership, reorganization, insolvency, liquidation or other similar proceedings, provided the assignee or transferee assumes the unexpired portion of the minimum period and the termination liability applicable to such services, if any.

In all cases of assignment or transfer, the written acknowledgment of the Company is required prior to such assignment or transfer. This acknowledgment shall be made within fifteen (15) days from receipt of written notification.

All regulations and conditions contained in this tariff shall apply to such assignee or transferee.

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

2. GENERAL REGULATIONS

2.1 UNDERTAKING OF THE COMPANY (Cont'd)

2.1.2 Limitations (Cont'd)

B. Use and Restoration of Services

The use and restoration of services shall be in accordance with Part 64, Subpart D, Appendix A, of the Federal Communications Commission's Rules and Regulations, which specifies the priority system for such activities.

C. Sequence of Provisioning

Subject to compliance with the rules mentioned in B. preceding, (1) the Company facilities-based Access Services offered herein will be provided to Customers on a first-come, first-served basis and (2) the Company facilities-based Network Interconnection Services offered herein will be provided to Customers on a first-come, first-served basis.

The first-come, first-served sequence shall be based upon the received time and date recorded, by stamp or other notation, by the Company on Service Orders provided by Customers. These orders must contain all the information as required for each respective service as delineated in other sections of this tariff. Service Orders shall not be deemed to have been received until such information is provided. Should questions arise which preclude order issuance due to missing information or the need for clarification, the Company will attempt to seek such missing information or clarification on a verbal basis. For standard intervals, the Customer may contact the Company's Customer Service Center.

2. GENERAL REGULATIONS

2.1 UNDERTAKING OF THE COMPANY (Cont'd)

2.1.3 Liability

A. Limits of Liability

The Company's liability, if any, for its willful misconduct is not limited by this tariff. With respect to any other claim or suit, by a Customer or by any others, for damages associated with the installation, provision, termination, maintenance, repair or restoration of service, the Company's liability, if any, shall not exceed an amount equal to the proportionate charge for the service for the period during which the service was affected.

B. Acts or Omissions

The Company shall not be liable for any act or omission of any other Carrier or Customer providing a portion of a service, nor shall the Company for its own act or omission hold liable any other Carrier or Customer providing a portion of a service.

C. Damages to Customer or End User Premises

The Company is not liable for damages to the Customer Premises or any End User Premises resulting from the furnishing of a service, including the installation and removal of equipment and associated wiring, unless the damage is caused by the Company's negligence.

2. GENERAL REGULATIONS

2.1 UNDERTAKING OF THE COMPANY (Cont'd)

2.1.3 Liability (Cont'd)

D. Explosive Atmospheres

The Company does not guarantee or make any warranty with respect to its services when used in an explosive atmosphere. The Company shall be indemnified, defended and held harmless by the Customer from any and all claims by any person relating to such Customer's use of services so provided.

E. No License Granted

No license under patents (other than the limited license to use) is granted by the Company or shall be implied or arise by estoppel, with respect to any service offered under this tariff. The Company will defend the Customer against claims of patent infringement arising solely from the use by the Customer of services offered under this tariff and will indemnify such Customer for any damages awarded based solely on such claims.

F. Circumstances Beyond the Company's Control

The Company's failure to provide or maintain services under this tariff shall be excused by labor difficulties, governmental orders, acts or omissions of sub-contractors or suppliers, civil commotions, criminal actions taken against the Company, acts of God and other circumstances beyond the Company's reasonable control.

2. GENERAL REGULATIONS

2.1. UNDERTAKING OF THE COMPANY (Cont'd)

2.1.4. Provision of Services

The Company will provide to the Customer, at the Customer's request upon reasonable notice, services offered in this tariff. Services will be made available to the extent that such services are or can be made available with reasonable effort, and the Company determines in its discretion that sufficient capacity and facilities are available to allow for the provision of such services.

When Special Construction is necessary, the provisions and charges as set forth in AT&T's Business Services Guide Special Construction Tariff will apply.

2.1.5. Points of Termination

The term "Point of Termination"(POT) denotes a point at a Customer Premises at which the Company's responsibility for the provision of Access Service ends. Such wiring or cable will be installed by the Company to the POT. Moves of the POT at the Customer Premises will be as set forth in 2.4.1.C.3. following.

2. GENERAL REGULATIONS

2.1 UNDERTAKING OF THE COMPANY (Cont'd)

2.1.6 Service Maintenance

Except with respect to NEPAS, the services provided under this tariff shall be maintained by the Company. The Customer or others may not rearrange, move, disconnect, remove or attempt to repair any facilities provided by the Company, other than by connection or disconnection to any interface means used, except with the written consent of the Company.

A. Trouble Reporting

1) Trouble Receipt

The first point of contact (the Company or the Customer) will, upon receipt of the trouble report, be responsible for determining the source of the trouble by testing or other means. If analysis or testing indicates the trouble to be in the service provided by a service provider other than the one taking the report, the holder of the trouble report may refer the trouble report to the appropriate service provider (the Company or the Customer) or the person or entity who initiated the trouble report may be referred to the appropriate service provider.

2) Sectionalization

The Company or Customer identifying the trouble is responsible to initiate sectionalization to the Point of Termination or Point of Interconnection. It is anticipated that the sectionalization could involve cooperative testing and, in the interest of maintaining continuity of service, all entities are expected to participate in this activity when requested.

3) Repair Verification

Repair verification tests, as warranted by the trouble condition found, will be cooperatively performed upon request by the Company or Customer to ensure the service is operational.

2. GENERAL REGULATIONS

2.1 UNDERTAKING OF THE COMPANY (Cont'd)

2.1.6 Service Maintenance (Cont'd)

A. Trouble Reporting (cont'd)

4. Network Element-Provided Access Service (NEPAS)

With respect to NEPAS, the Customer shall be responsible for working directly with the Incumbent Local Exchange Carrier with respect to any trouble receipt, testing, sectionalization or repair verification relating to such facilities.

2.1.7 Changes and Substitutions

Except as provided for equipment and systems subject to FCC Part 68 Regulations at 47 C.F.R. Section 68.110(b), the Company may, where such action is reasonably required in the operation of its business, substitute, change or rearrange any Company facilities used in providing service under this tariff. Such actions may include, without limitation:

- substitution of fiber or optical facilities,
- change of minimum protection criteria,
- change of operating or maintenance characteristics of facilities, or
- change of operations or procedures of the Company.

In case of any such substitution, change or rearrangement, the transmission parameters will be within the range set forth in applicable sections of this tariff. The Company shall not be responsible if any such substitution, change or rearrangement renders any Customer furnished services obsolete or requires modification or alteration thereof or otherwise affects their use or performance. If such substitution, change or rearrangement materially affects the operating characteristics of the facility, the Company will provide reasonable notification to the Customer in writing. Reasonable time will be allowed for any redesign and implementation required by the change in operating characteristics. The Company will work cooperatively with the Customer to determine reasonable notification procedures.

2. GENERAL REGULATIONS

2.1 UNDERTAKING OF THE COMPANY (Cont'd)

2.1.8 Refusal and Discontinuance of Service

A. If a Customer fails to comply with 2.1.6. preceding or 2.3.1., 2.3.4., 2.3.5., 2.4. or 2.5. following, including any Customer's failure to make payments on the date and times therein specified, the Company may, on thirty (30) days written notice to the Customer, take the following actions:

- refuse additional applications for service from the Customer and/or;
- refuse to complete any pending service orders from the Customer, and/or;
- discontinue the provision of service to the Customer.

In the case of discontinuance all applicable charges, including termination charges, shall become due.

B. If a Customer or Customer's End User fails to comply with 2.2.2. following, the Company may, on its own initiative or upon written request from a Customer, an End User or another Carrier, terminate service to any Customer or End User identified as having utilized service provided under this tariff in the completion of abusive or unlawful telephone calls. Service shall be terminated by the Company as provided for in its local exchange service tariffs.

In such instances when termination occurs pursuant to a request, the Company shall be indemnified, defended and held harmless by any Customer, End User or other Carrier requesting termination of service against any suit, claim, loss or damage, including punitive damages, attorney fees and court costs, arising from the Company's actions in terminating such service, unless caused by the Company's sole negligence.

2. GENERAL REGULATIONS

2.1 UNDERTAKING OF THE COMPANY (Cont'd)

2.1.8 Refusal and Discontinuance of Service (Cont'd)

C. Except as provided for equipment or systems subject to the FCC Part 68 Rules in 47 C.F.R. Section 68.108, if the Customer fails to comply with 2.2.1 following, the Company will, where practicable, notify the Customer that temporary discontinuance of the use of a service may be required; however, where prior notice is not practicable, the Company may temporarily discontinue service forthwith if such action is reasonable in the circumstances. In case of such temporary discontinuance, the Customer will be notified promptly and afforded the opportunity to correct the condition which gave rise to the temporary discontinuance.

D. If the Company does not refuse additional applications for service and/or does not discontinue the provision of the services as specified for herein, and the Customer's noncompliance continues, nothing contained herein shall preclude the Company's right to refuse additional applications for service and/or to discontinue the provision of the services to the non-complying Customer without further notice.

E. The Company may immediately, and without notice, discontinue the furnishing of any and/or all services to the Customer if the Company deems that such action is necessary to prevent or protect against fraud or to otherwise protect its personnel, agents, other customers, facilities or services. The Company may discontinue service under this Section 2.1.8.E, if the Company determines that a Customer is using, or attempting to use, the services with the intent to avoid the payment, either in whole or in part, of any of the Company's tariffed charges by:

- Using or attempting to use service by rearranging, tampering with, or making connections not authorized by this tariff to the Company's service, or

- Using fraudulent means or devices, tricks, false or invalid numbers, false credit devices, or electronic devices, whether directed at the Company or others, or

- Using any fraudulent means or devices.

2. GENERAL REGULATIONS

2.1 UNDERTAKING OF THE COMPANY (Cont'd)

2.1.8 Refusal and Discontinuance of Service (Cont'd)

F. With respect to NEPAS, the Company may discontinue the furnishing of any and/or all services to the Customer or refuse additional applications for service to the extent such services are discontinued or applications are refused by the Incumbent Local Exchange Carrier.

2.1.9 Notification of Service-Affecting Activities

Except with respect to NEPAS, the Company will provide the Customer reasonable notification of service-affecting activities that may occur in the normal operation of its business. Such activities may include, but are not limited to the following:

- equipment or facilities additions,
- removal or rearrangements,
- routine preventative maintenance, and
- major switching machine change-out

Generally, such activities are not individual Customer service specific, but may affect many Customer services. No specific advance notification period is applicable to all service activities. The Company will work cooperatively with the Customer to determine reasonable notification requirements.

2.1.10 Coordination with Respect to Network Contingencies

The Company intends to work cooperatively with the Customer to develop network contingency plans in order to maintain maximum network capability following natural or man-made disasters which affect telecommunications services.

2. GENERAL REGULATIONS

2.1 UNDERTAKING OF THE COMPANY (Cont'd)

2.1.11 Provision and Ownership of Telephone Numbers

The Company reserves the right to assign, designate or change telephone numbers, any other call number designations associated with services provided under this tariff, or the Company serving central office prefixes associated with such numbers, when necessary in the conduct of its business. Should it become necessary for the Company to make a change in such number(s), the Company will furnish to the Customer six (6) months notice, by Certified U.S. mail of the effective date and an explanation of the reason(s) for such change(s).

2.1.12 Network Management

The Company will administer its network to insure the provision of acceptable service levels to all telecommunications users of the Company's network services. Generally, service levels are considered acceptable only when both End Users and Customers are able to establish connections with little or no delay encountered within the Company network. The Company maintains the right to apply protective controls over any traffic carried over its network, including that associated with Access Services or Network Interconnection Services. Generally, protective measures (such as those actions which selectively cancel the completion of traffic) would only be taken as a result of occurrences such as failure or overload of Company or Customer facilities, natural disasters, mass calling or national security demands.

2.1.13 Design Layout Reports

For Access Services other than NEPAS, at the request of the Customer, the Company will provide to the Customer the makeup of those facilities, provided by the Company, directly connecting the Customer Premises and the Company's End Office. For Network Interconnection Services the Company will provide the makeup of the facilities between the POI and the Company's End Office. This information will be provided in the form of a Design Layout Record. The Design Layout Record will be provided to the Customer at no charge, and will be reissued or updated whenever these facilities are materially changed.

2. GENERAL REGULATIONS

2.2 USE

2.2.1 Interference or Impairment

The characteristics and methods of operation of any circuits, facilities or equipment provided by other than the Company and associated with the facilities utilized to provide services under this tariff shall not:

- interfere with or impair service over any facilities of the Company, its affiliated companies, or its connecting and concurring carriers involved in its services,
- cause damage to their plant,
- impair the privacy of any communications carried over their facilities, or
- create hazards to the employees of any of them or to the public.

2.2.2 Unlawful and Abusive Use

The service provided under this tariff shall not be used for an unlawful purpose or used in an abusive manner.

Abusive use includes:

- The use of the service of the Company for a call or calls, anonymous or otherwise, in a manner reasonably expected to frighten, abuse, torment, or harass another;

- The use of the service in such a manner as to interfere with the use of the service by one or more other Customers or End Users.

If a Customer (or any reseller or intermediary in the sales chain between the Customer and an End User) fails to comply with Section 2.2.3. (Use of AT&T Marks), following, the Company may, on written notification to the Customer, immediately deny requests for additional service and/or restrict service to the non-complying Customer. If the non-compliance is not cured to AT&T's reasonable satisfaction within thirty (30) days after the date of notification, the Company may discontinue the service upon five (5) days prior written notice to the Customer (such cure may require, among other things, corrective communications with end users, in addition to cessation of the non-complying use of AT&T's Marks). The Company may pursue any other available remedies with respect to the conduct that constitutes the non-compliance.

2. GENERAL REGULATIONS

2.2 USE (Cont'd)

2.2.3 Use of AT&T Marks

A. Use of AT&T's Marks in comparative advertising solely to identify AT&T as a competitor, or to identify AT&T's competing services, provided such use is not made in a factually incorrect or misleading context or in a manner that is likely to cause confusion or mistake, or to deceive or to identify AT&T as an underlying provider of the reseller's service;

B. Use AT&T's Marks pursuant to the terms of a separate written brand licensing agreement;

C. Use AT&T's name to the extent it is specifically required by statute, regulation or other government requirement to do so, and;

D. Indicate, in response to an unsolicited inquiry from an End User (including a prospective End User), that it uses AT&T as its underlying carrier, provided the reseller also:

1) Advises the End User that a portion of its service will be provided using reseller's own switching or transmission facilities (if applicable);

2) Identifies any other long distance providers the reseller uses in providing service to the End User;

3) Advises the End User it will not be an AT&T Customer for the resold service, and;

4) Does not emphasize AT&T's name more than either its own name or that of any other long distance provider the reseller uses.

2. GENERAL REGULATIONS

2.3 OBLIGATIONS OF THE CUSTOMER

2.3.1 Damages

The Customer shall reimburse the Company for damages to Company facilities or the facilities of any third party utilized to provide services under this tariff caused by the negligence or willful act of the Customer or resulting from the Customer's improper use of such facilities, or due to malfunction of any facilities or equipment provided by other than the Company. Nothing in the foregoing provision shall be interpreted to hold one Customer liable for another Customer's actions. The Company will, upon reimbursement for damages, cooperate with the Customer in prosecuting a claim against the person causing such damage and the Customer shall be subrogated to the right of recovery by the Company for the damages to the extent of such payment.

2.3.2 Ownership of Facilities

Facilities utilized by the Company to provide service under the provisions of this tariff shall remain the property of the Company. Such facilities shall be returned to the Company by the Customer, whenever requested, within a reasonable period. The equipment shall be returned in as good condition as reasonable wear will permit.

2.3.3 Equipment Space and Power

The Customer shall furnish or arrange to have furnished to the Company, at no charge, equipment space and electrical power required by the Company to provide services under this tariff at non-Company locations where such services terminate. The selection of ac or dc power shall be mutually agreed to by the Customer and the Company. The Customer shall also make necessary arrangements in order that the Company will have access to such spaces at reasonable times for installing, testing, repairing or removing Company facilities used to provide services.

2. GENERAL REGULATIONS

2.3 OBLIGATIONS OF THE CUSTOMER (Cont'd)

2.3.4 Availability for Testing

Access to facilities used to provide services under this tariff shall be available to the Company at times mutually agreed upon in order to permit the Company to make tests and adjustments appropriate for maintaining the services in satisfactory operating condition. Such tests and adjustments shall be completed within a reasonable time. As set forth in 2.4.5.C.4. following, no credit will be allowed for any interruptions involved during such tests and adjustments.

2.3.5 Design of Customer Services

Subject to the provisions of 2.1.7. preceding, the Customer shall be solely responsible, at its own expense, for the overall design of its services and for any redesigning or rearrangement of its services which may be required because of changes in facilities, operations or procedures of the Company, minimum protection criteria or operating or maintenance characteristics of the Company's facilities.

Customer services must be designed and maintained, and sufficient services ordered from the Company, so that the following grades of service are maintained on the Customer's Access Service or Network Interconnection Service trunks:

- For traffic routed via Access Tandems: P.005
- For traffic routed directly to End Offices: P.01

With respect to NEPAS, the Customer shall be responsible for compliance with all requirements imposed by the Incumbent Local Exchange Carrier.

2.3.6 References to the Company

The Customer may advise End Users that certain services are provided by the Company in connection with the service the Customer furnishes to End Users; however, the Customer shall not represent that the Company jointly participates in the Customer's services.

2. GENERAL REGULATIONS

2.3 OBLIGATIONS OF THE CUSTOMER (Cont'd)

2.3.7 Indemnification of the Company

A. By the Customer

1) With respect to claims of patent infringement made by third persons, the Customer shall defend, indemnify, protect and save harmless the Company from and against all claims arising out of the combining with, or use in connection with, the services provided under this tariff, any circuit, apparatus, system or method provided by the Customer.

2) The Customer shall defend, indemnify and save harmless the Company from and against any suits, claims, losses and damages, including punitive damages, attorney fees and court costs by third persons arising out of the construction, installation, operation, maintenance, or removal of the Customer's circuits, facilities, or equipment connected to the Company's services provided under this tariff including, without limitation, Worker's Compensation claims, actions for infringement of copyright and/or unauthorized use of program material, libel and slander actions based on the content of communications transmitted over the Customer's circuits, facilities or equipment, and proceedings to recover taxes, fines, or penalties for failure of the Customer to obtain or maintain in effect any necessary certificates, permits, licenses, or other authority to acquire or operate the services provided under this tariff; provided, however, the foregoing indemnification shall not apply to suits, claims, and demands to recover damages for damage to property, death, or personal injury unless such suits, claims or demands are based on the tortious conduct of the Customer, its officers, agents or employees.

3) The Customer shall defend, indemnify and save harmless the Company from and against any suits, claims, losses or damages, including punitive damages, attorney fees and court costs by the Customer or third parties arising out of any act or omission of the Customer in the course of using services provided under this tariff.

2. GENERAL REGULATIONS

2.3 OBLIGATIONS OF THE CUSTOMER (Cont'd)

2.3.7 Indemnification of the Company (Cont'd)

B. By the End User

1) With respect to claims of patent infringement made by third persons, the End User shall defend, indemnify, protect and save harmless the Company from and against all claims arising out of the combining with, or use in connection with, the services provided under this tariff, any circuit, apparatus, system or method provided by the End User.

2) The End User shall defend, indemnify and save harmless the Company from and against any suits, claims, losses and damages, including punitive damages, attorney fees and court costs by third persons arising out of the construction, installation, operation, maintenance, or removal of the End User's circuits, facilities, or equipment connected to the Company's services provided under this tariff including, without limitation, Worker's Compensation claims, actions for infringement of copyright and/or unauthorized use of program material, libel and slander actions based on the content of communications transmitted over the End User's circuits, facilities or equipment, and proceedings to recover taxes, fines, or penalties for failure of the End User to obtain or maintain in effect any necessary certificates, permits, licenses, or other authority to acquire or operate the services provided under this tariff; provided, however, the foregoing indemnification shall not apply to suits, claims, and demands to recover damages for damage to property, death, or personal injury unless such suits, claims or demands are based on the tortious conduct of the End User, its officers, agents or employees.

3) The End User shall defend, indemnify and save harmless the Company from and against any suits, claims, losses or damages, including punitive damages, attorney fees and court costs by the End User or third parties arising out of any act or omission of the End User in the course of using services provided under this tariff.

2. GENERAL REGULATIONS

2.3 OBLIGATIONS OF THE CUSTOMER (Cont'd)

2.3.8 Coordination with Respect to Network Contingencies

The Customer shall, in cooperation with the Company, coordinate in planning the actions to be taken to maintain maximum network capability following natural or man-made disasters which affect telecommunications services.

2.3.9 Jurisdictional Report Requirements

A. General

The Company cannot in all cases determine the jurisdictional nature of Customer traffic and its related minutes of use. In such cases the Customer shall be requested to provide a projected estimate of its split between the intrastate and interstate jurisdictions. The following regulations govern such estimates and their reporting by the Customer.

Pursuant to Federal Communications Commission Order FCC 85-145 released April 16, 1985, interstate usage is to be developed as though every call that enters a Customer network at a point within the same state as that in which the called station (as designated by the called station telephone number) is situated is an intrastate communication and every call for which the point of entry is a state other than that where the called station (as designated by the called station telephone number) is situated is an interstate communication.

2. GENERAL REGULATIONS

2.3 OBLIGATIONS OF THE CUSTOMER (Cont'd)

2.3.9 Jurisdictional Report Requirements (Cont'd)

A. General (Cont'd)

1) Jurisdictional Reports

When the Company is unable to determine the jurisdictional nature of the Customer's traffic, the Customer shall report the Percent of Interstate Use (PIU) by LATA and such report will be used for billing purposes.

Effective on the first of January, April, July and October of each year the Customer shall update the jurisdictional report. The Customer shall forward to the Company, to be received no later than twenty (20) days after the first of each such month, a revised report showing the intrastate and interstate percent of use for the past twelve (12) months ending the last day of December, March, June and September, respectively for each LATA. The revised report will serve as the basis for the next three (3) months billing and will be effective on the bill date for that service. No prorating or back billing will be done based on the revised report.

If the Customer does not supply the jurisdictional reports, the Company may deem the Customer to have reported percentages that are the same as those provided in the last quarterly report. For those cases in which a quarterly report has never been received from the Customer, the Company may deem the Customer to have reported percentages that are the same as those provided in the order for service. Absent percentages supplied (or deemed by the Company to have been supplied) by the Customer, the Company will, only for that portion of the Customer's usage for which the Company is unable to determine the appropriate jurisdiction, bill the Customer's usage at the jurisdictional rate which produces the highest charge. This default billing procedure will remain in effect until the Customer: provides call detail information to the Company pursuant to 2.3.11 following (if the provision of such information would permit the Company to determine jurisdiction), supplies the necessary jurisdictional percentages, or agrees with the Company on an alternate default billing procedure.

2. GENERAL REGULATIONS

2.3 OBLIGATIONS OF THE CUSTOMER (Cont'd)

2.3.9 Jurisdictional Report Requirements (Cont'd)

B. Jurisdictional Audits

The Customer shall keep sufficient detail from which the percentages of use reported to the Company (or deemed by the Company to have been reported) can be verified and upon request of the Company make such records available for inspection and audit. The Customer shall supply the required data to the Company within thirty (30) calendar days of the Company request. The Customer must maintain these records for 24 months from the date the report became effective for billing purposes.

Initiation of an audit will be at the sole discretion of the Company. The audit shall be performed by an independent party selected by the Company. An audit may be initiated by the Company for a single Customer no more than once per year.

In the event that an inspection or audit reveals that any Customer reported percentages of use were incorrect, the Company shall apply the inspection or audit result to all usage affected by the inspection or audit. The Customer shall be back billed or credited, for a period retroactive to the date that the incorrect percentage was reported, but not to exceed 24 months. Back billed amounts are subject to a late payment penalty as set forth in 2.4.2.C. following.

Should an audit reveal that the misreported percentage(s) of use has resulted in an underpayment of charges to the Company of five (5) percent or more of the total Access Services or Network Interconnection Services bill, the Customer shall reimburse the Company for the cost of the audit. Proof of cost shall be bills, in reasonable detail, submitted to the Company by the auditor.

Within fifteen (15) days of completion of the auditor's report, the Company will furnish a copy of the audit results to the person designated by the Customer to receive such results.

2. GENERAL REGULATIONS

2.3 OBLIGATIONS OF THE CUSTOMER (Cont'd)

2.3.10 Determination of Charges for Mixed Intrastate and Interstate Usage

A. Usage Sensitive Rate Elements

When the Customer's usage has mixed intrastate and interstate traffic, for that portion of the usage for which the Company is unable to determine the appropriate jurisdiction, the usage charges will be prorated between the intrastate and interstate. The jurisdictional percentages or default procedure set forth in 2.3.9. preceding, will serve as the basis for prorating the charges.

B. Monthly and Nonrecurring Chargeable Rate Elements

When the jurisdiction of the rate element can be determined by the Company the charges applicable to the appropriate jurisdiction will be applied. Rate elements for which the Company cannot determine the appropriate jurisdiction will be prorated between intrastate and interstate. The jurisdictional percentages or default procedure set forth in 2.3.9. preceding, will serve as the basis for prorating the charges.

2. GENERAL REGULATIONS

2.3 OBLIGATIONS OF THE CUSTOMER (Cont'd)

2.3.11 SS7 Signaling; Call Detail Information

A. SS7 Signaling

The Customer will use SS7 signaling to set up Calls pursuant to this tariff. The Customer shall provide Calling Party Number (CPN) within the SS7 signaling message, if available. If it is technically infeasible for the Customer to use SS7, multi-frequency (MF) signaling shall be used by the Customer. The Customer may elect to arrange for signaling connectivity through a third party provider which is connected to the Company's SS7 network.

B. Call Detail Information

To the extent not provided pursuant to A. preceding, the Customer shall, to the extent technically feasible and consistent with industry standards, cause to be transmitted to the Company with each Call information sufficient to identify the originating and terminating telephone numbers for such Call and each Carrier (including the Customer) with respect to such Call.

C. Signaling for NEPAS

With respect to NEPAS, the Customer shall be responsible for compliance with any signaling requirements imposed by the Incumbent Local Exchange Carrier.

2.3.12 Supervisory Signaling

The Customer's facilities connected to Access Service or Network Interconnection Service shall provide the necessary On-hook, Off-hook, answer and disconnect supervision.

2.3.13 Provision of Facility and Trunking Requirements

At the request of the Company, the Customer shall provide to the Company estimates of its facility and trunking requirements by End Office for each month in the ensuing twelve (12) month period. Requests by the Company for such estimates will not be made more than once every six (6) months.

2. GENERAL REGULATIONS

2.3 OBLIGATIONS OF THE CUSTOMER (Cont'd)

2.3.14 Sales, Use and Other Taxes/Charges

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

If the Company becomes liable for any sales, use, gross receipts, excise, franchise, access or other local, state or federal taxes, charges or surcharges (however designated), excluding taxes on the Company's net income, which are imposed on or based upon the provision, sale or use of services, and which are in addition to such taxes, charges or surcharges already specified in this tariff, in such event the Customer shall be responsible for payment of such taxes, charges or surcharges from the date that the Company first became liable for same.

In the event of any dispute over the lawfulness of any tax, charge or surcharge, the Company may elect to impose such tax, charge or surcharge during such dispute, unless otherwise ordered by a court or other lawful authority with jurisdiction. The Company shall credit or refund any funds thus collected, if ordered to do so by such court or other lawful authority if such funds were retained by the Company, or were returned to the Company by the taxing jurisdiction which imposed such tax charge or surcharge.

2.3.15 Settlements Through Other Carriers

Where traffic is transmitted through the facilities of another Carrier, including the Incumbent Local Exchange Carrier, the Company and the Customer may permit such other Carrier to act on their behalf for billing and settlements relating to such traffic.

In certain circumstances, the Company makes arrangements with another carrier (an "Intermediate Carrier") under which the Intermediate Carrier will provide services that may include, without limitation, data base, switching and/or transport services in connection with Calls and is authorized by the Company to bill the Customer for all access services under the Intermediate Carrier's tariff as if all such services had been provided by the Intermediate Carrier. Where such arrangements are in effect, the terms and conditions governing payment (including applicable rates and charges) for services shall be governed by the applicable tariff of the Intermediate Carrier (or other arrangement in effect between the Intermediate Carrier and the Customer), rather than this Tariff.

2. GENERAL REGULATIONS

2.4. PAYMENT ARRANGEMENTS AND CREDIT ALLOWANCES

2.4.1 Description of Rates and Charges

There are three types of rates and charges that can apply to Access Services or Network Interconnection Services. These are monthly recurring rates, usage rates and nonrecurring charges. These rates and charges are applied differently to the various rate elements as set forth in applicable sections of this tariff. Other charges may also apply as set forth in D. following.

A. Monthly Rates

Monthly rates are flat recurring rates that apply each month or fraction thereof that a specific rate element is provided. For billing purposes, each month is considered to have thirty (30) days.

B. Usage Rates

Usage rates are rates that apply only when a specific rate element is used. These are applied on a per occurrence (e.g., access minute or query) basis. Usage rates are accumulated over a monthly period.

C. Nonrecurring Charges

Nonrecurring charges are one-time charges that apply for a specific work activity (i.e., installation of new services or rearrangements of installed services).

1) Installation of Service

The nonrecurring charges applicable to the installation of Access Services or Network Interconnection Services are applied on a per facility, trunk or other basis as specified in the Price Schedule. In addition, certain nonrecurring charges may consist of "first" and "additional" charges. When charges are listed in this manner, the "first" charge applies to the first facility or trunk specified on the order, with the "additional" charge applied to each additional facility or trunk specified on the same order.

2. GENERAL REGULATIONS

2.4 PAYMENT ARRANGEMENTS AND CREDIT ALLOWANCES (Cont'd)

2.4.1 Description of Rates and Charges (Cont'd)

C. Nonrecurring Charges (Cont'd)

2) Service Rearrangements

Service Rearrangements are changes to existing (installed) services which do not result in a change in the minimum period requirements, a change in the physical location of the Point of Termination (POT) at the Customer Premises or a change of the Customer's Point of Interconnection (POI). Changes which result in the establishment of new minimum period obligations are treated as disconnects and starts. Changes in the physical location of the POT or POI are treated as moves and are described and charged for as set forth in 3) following.

The charge to the Customer for a service rearrangement is dependent on whether the change is "records only" or administrative in nature or involves an actual physical change to the service. "Records only" changes as set forth in Section 5.4.1.A. will be made without charge(s) to the Customer. The charges for administrative changes are as set forth in Section 5.4.2. The charges applicable to all other rearrangements are as set forth in applicable sections of this tariff.

3) Moves

A move involves a change in the physical location of the POT at the Customer Premises or the Customer's POI. The charges for the move are dependent on whether the move is to a new location within the same building or to a different building.

a. Moves Within the Same Building

When the move is to a new location within the same building, the Service Order Charge and one-half of all other applicable nonrecurring charges will apply. There will be no change in the minimum period requirements.

2. GENERAL REGULATIONS

2.4 PAYMENT ARRANGEMENTS AND CREDIT ALLOWANCES (Cont'd)

2.4.1 Description of Rates and Charges (Cont'd)

C. Nonrecurring Charges (Cont'd)

3) Moves (Cont'd)

b. Moves to a Different Building

Moves to a different building will be treated as a discontinuance and start of service and all associated nonrecurring charges will apply. New minimum period requirements will be established for the new service. The Customer will also remain responsible for satisfying all outstanding minimum period charges for the discontinued service.

4) Ordering Charges

Certain nonrecurring charges apply in connection with the ordering of Access Services or Network Interconnection Services as set forth in Section 5 (e.g., Service Order Charge, Service Date Change Charge, Design Change Charge).

5) Engineering Charges

Engineering Charges apply in connection with Network Interconnection Service. These charges apply per DS1 trunk group (24 trunks).

2. GENERAL REGULATIONS

2.4 PAYMENT ARRANGEMENTS AND CREDIT ALLOWANCES (Cont'd)

2.4.2 Payment of Rates, Charges and Deposits

A. Deposits

The Company will only require a Customer which has a proven history of late payments to the Company or does not have established credit, to make a deposit prior to or at any time after the provision of a service to the Customer. No such deposit will be required of a Customer which is a successor of a Company which has established credit and has no history of late payments to the Company. Such deposit will not exceed the actual or estimated rates and charges for the service for a two (2) month period. The fact that a deposit has been made in no way relieves the Customer from complying with the Company's regulations as to the prompt payment of bills. At such time as the provision of the service to the Customer is terminated, the amount of the deposit will be credited to the Customer's account and any credit balance which may remain will be refunded.

Such a deposit will be refunded or credited to the account when the Customer has established credit or, in any event after the Customer has established a one-year prompt payment record at any time prior to the termination of the provision of the service to the Customer. In case of a cash deposit, for the period the deposit is held by the Company, the Customer will receive simple interest at the rate of six (6%) percent annually unless a different rate has been established by the appropriate legal authority in the state where the service(s) is provided, in which case that rate will apply.

Interest will accrue from the date the Customer deposit is received by the Company to and including the date such deposit is credited to the Customer's account or the date the deposit is refunded by the Company. Should a deposit be credited to the Customer's account, as indicated above, no interest will accrue on the deposit from the date such deposit is credited to the Customer's account.

2. GENERAL REGULATIONS

2.4 PAYMENT ARRANGEMENTS AND CREDIT ALLOWANCES (Cont'd)

2.4.2 Payment of Rates, Charges and Deposits (Cont'd)

B. Bill Dates

The Company shall bill on a current basis all charges incurred by and credits due to the Customer under this tariff attributable to services established or discontinued during the preceding billing period. In addition, the Company shall bill in advance charges for all services to be provided during the ensuing billing period except for charges associated with service usage and for the Federal Government which will be billed in arrears. The bill day (i.e., the billing date of a bill for a Customer for service under this tariff), the period of service each bill covers and the payment date will be as follows:

1) Reserved for Future Use

2. GENERAL REGULATIONS

2.4 PAYMENT ARRANGEMENTS AND CREDIT ALLOWANCES (Cont'd)

2.4.2 Payment of Rates, Charges and Deposits

B. Bill Dates (Cont'd)

2) Access Service and Network Interconnection Service

Unless otherwise provided in this tariff, for Access Service and Network Interconnection Service, the Company will establish a bill day each month for each Customer account or advise the Customer in writing of an alternate billing schedule. Alternate billing schedules shall not be established on less than sixty (60) days notice or initiated by the Company more than twice in any consecutive twelve (12) month period.

The bill will cover non-usage sensitive service charges for the ensuing billing period for which the bill is rendered, any known unbilled non-usage sensitive charges for prior periods and unbilled usage charges for the period after the last bill day through the current bill day. Any known unbilled usage charges for prior periods and any known unbilled adjustments will be applied to this bill. Payment for such bills is due in Immediately Available funds in U.S. dollars by the payment date, as set forth in C. following. If payment is not received by the payment date, a late payment penalty will apply as set forth in C. following.

Notwithstanding the above, bills will not be issued for amounts under $105.00. In such cases Customer billing will be held until the total amount of the bill equals or exceeds $105.00 or the Customer discontinues its service with the Company.

2. GENERAL REGULATIONS

2.4 PAYMENT ARRANGEMENTS AND CREDIT ALLOWANCES (Cont'd)

2.4.2 Payment of Rates, Charges and Deposits

C. Payment Dates and Late Payment Charges

1) All bills dated as set forth in B.2. preceding, provided to the Customer by the Company are due thirty (30) days (payment date) after the bill day or by the next bill date (i.e., same date in the following month as the bill date), whichever is the shortest interval, except as provided herein, and are payable in Immediately Available funds in U.S. dollars. If the Customer does not receive a bill at least twenty (20) days prior to the 30 day payment due date, then the bill shall be considered delayed. When the bill has been delayed, upon request of the Customer the due date will be extended by the number of days the bill was delayed. Such request of the Customer must be accompanied with proof of late bill receipt.

   If such payment date would cause payment to be due on a Saturday, Sunday or Legal Holiday, payment for such bills will be due from the Customer as follows:

   - If the payment date falls on a Sunday or on a Legal Holiday which is observed on a Monday, the payment date shall be the first non-Holiday day following such Sunday or Legal Holiday.

   - If the payment date falls on a Saturday or on a Legal Holiday which is observed on Tuesday, Wednesday, Thursday or Friday, the payment date shall be the last non-Holiday day preceding such Saturday or Legal Holiday.

2. GENERAL REGULATIONS

2.4 PAYMENT ARRANGEMENTS AND CREDIT ALLOWANCES (Cont'd)

2.4.2 Payment of Rates, Charges and Deposits

C. Payment Dates and Late Payment Charges (Cont'd)

2) Further, if no payment is received by the payment date or if a payment or any portion of a payment is received by the Company after the payment date as set forth in 1) preceding, or if a payment or any portion of a payment is received by the Company in funds which are not Immediately Available funds in U.S. dollars, then a Late Payment Charge shall be due to the Company. The Late Payment Charge shall be the payment or the portion of the payment, in excess of $25.00, not received by the payment date times a late factor. The late factor shall be 1.5% per month (unless an applicable law or regulation specifies a lower rate to be charged) or portion thereof applied from the 31st calendar day after payment date to and including the date that the Company actually receives the payment. The Late Payment Charge shall be assessed monthly, based on the delinquent balance maintained on the account at the time. The minimum Late Payment Charge is $5.00.

D. Billing Disputes Resolved in Favor of the Company

In the event that a Customer disputes all or part of the billed amount, and the dispute is ultimately resolved in favor of the Company, the Customer shall pay the disputed amount in full pending resolution of the dispute unless the Company determines, in its sole discretion, that there is an adequate deposit in respect of such disputed amount. In the event that the Company does not require the Customer to pay the disputed amount in full pending resolution of the dispute, late payment charges will apply to amounts withheld pending settlement of the dispute and ultimately found to be payable. Late payment charges are calculated as set forth in C.2. preceding except that when the Customer disputes the bill on or before the payment date and pays the undisputed amount on or before the payment date, the penalty interest period shall not begin until ten (10) days following the payment date.

2. GENERAL REGULATIONS

2.4 PAYMENT ARRANGEMENTS AND CREDIT ALLOWANCES (Cont'd)

2.4.2 Payment of Rates, Charges and Deposits

E. Billing Disputes Resolved in Favor of the Customer

If the Customer pays the total billed amount as required under D. preceding and disputes all or part of the amount, and the dispute is ultimately resolved in favor of the Customer, the Company, will refund any overpayment. In addition, the Company will pay to the Customer penalty interest on the overpayment. When a claim is filed within ninety (90) days of the due date, the penalty interest period shall begin on the payment date. When a claim is filed more than ninety (90) days after the due date, the penalty interest period shall begin from the date of the claim or the date of overpayment, whichever is later.

The penalty interest period shall end on the date that the Company actually renders the overpayment to the Customer. The penalty interest rate shall be calculated in the same manner, and at the same rate, applicable to late payment penalties as set forth in C.2. preceding.

F. Proration of Charges

Adjustments for the quantities of services established or discontinued in any billing period beyond the minimum period will be prorated to the number of days based on a thirty (30) day month. The Company will, upon request, furnish within thirty (30) days of a request and at no charge to the Customer such detailed information as may reasonably be required for verification of any bill.

G. Rounding of Charges

When a rate as set forth in this tariff is shown to be more than two decimal places, the charges will be determined using the rate shown. The resulting total amount will then be rounded to the nearest penny (i.e., rounded to two decimal places).

2. GENERAL REGULATIONS

2.4 PAYMENT ARRANGEMENTS AND CREDIT ALLOWANCES (Cont'd)

2.4.3 Minimum Periods

The minimum period for which services are provided and for which rates and charges are applicable is one month except as otherwise specified. Usage rated services (e.g., Tandem-Switched Transport) have no minimum period.

When a service is discontinued prior to the expiration of the minimum period, charges are applicable, whether the service is used or not. The applicable charge will be the total monthly charges, at the rate level in effect at the time service is discontinued, for the remainder of the minimum period plus any usage, nonrecurring and/or Special Construction charge(s) that may be due.

2.4.4 Cancellation of an Order for Service

Provisions for the cancellation of an order for service are set forth in Section 5.5.

2.4.5 Credit Allowance for Service Interruptions

A. General

A service is interrupted when it becomes unusable to the Customer because of a failure of a facility or component used to furnish service under this tariff or in the event that the protective controls applied by the Company as set forth in 2.1.12 preceding result in the complete loss of service by the Customer. An interruption period starts when an inoperative service is reported to the Company, and ends when the service is operative.

2. GENERAL REGULATIONS

2.4 PAYMENT ARRANGEMENTS AND CREDIT ALLOWANCES (Cont'd)

2.4.5 Credit Allowance for Service Interruptions (Cont'd)

B. When a Credit Allowance Applies

In case of an interruption to any service, allowance for the period of interruption shall be provided unless one or more of the conditions set forth in Section 2.4.5.C. applies.

1) Credit Allowance Computation

For flat rated Access Service or Network Interconnection Service rate elements, no credit shall be allowed for an interruption of less than thirty (30) minutes. The Customer shall be credited for an interruption of thirty (30) minutes or more at the rate of 1/1440 of the monthly charges for the facility or service for each period of thirty (30) minutes or Major Fraction Thereof that the interruption continues.

The monthly charges used to determine the credit shall be the total of all the monthly rate element charges associated with the service.

2) Credit Allowances Cannot Exceed Monthly Charges

The credit allowance(s) for an interruption or for a series of interruptions shall not exceed the monthly recurring rate for the service interrupted in any one billing period.

2. GENERAL REGULATIONS

2.4 PAYMENT ARRANGEMENTS AND CREDIT ALLOWANCES (Cont'd)

2.4.5 Credit Allowance for Service Interruptions (Cont'd)

C. When a Credit Allowance Does Not Apply

No credit allowance will be made for:

1) Interruptions caused by the negligence of the Customer.

2) Interruptions of a service due to the failure of equipment or systems provided by the Customer or others.

3) Interruptions of a service during any period in which the Company is not afforded access to the premises where the service is terminated.

4) Interruptions of a service when the Customer has released that service to the Company for maintenance purposes, to make rearrangements, or for the implementation of an order for a change in the service during the time that was negotiated with the Customer prior to the release of that service.

5) Periods when the Customer elects not to release the service for testing and/or repair and continue to use it on an impaired basis.

6) An interruption or a group of interruptions, resulting from a common cause, that would result in credit in an amount less than one dollar.

7) Interruptions of a service which continue because of the failure of the Customer to authorize replacement of any element of Special Construction. The period for which no credit allowance is made begins on the seventh day after the Customer receives the Company's written notification of the need for such replacement and ends on the day after receipt by the Company of the Customer's written authorization for such replacement.

2. GENERAL REGULATIONS

2.4 PAYMENT ARRANGEMENTS AND CREDIT ALLOWANCES (Cont'd)

2.4.5 Credit Allowance for Service Interruptions (Cont'd)

D. Use of an Alternative Service Provided by the Company

Should the Customer elect to use an alternative service provided by the Company during the period that a service is interrupted, the Customer must pay the tariffed rates and charges for the alternative service used.

E. Temporary Surrender of a Service

In certain instances, the Customer may be requested by the Company to surrender a service for purposes other than maintenance, testing or activity relating to a service order. If the Customer consents, a credit allowance will be granted. The credit allowance will be 1/1440 of the monthly rate for each period of thirty (30) minutes or Major Fraction Thereof that the service is surrendered. In no case will the credit allowance exceed the monthly rate for the service surrendered in any one (1) monthly billing period.

2. GENERAL REGULATIONS

2.4 PAYMENT ARRANGEMENTS AND CREDIT ALLOWANCES (Cont'd)

2.4.6 Re-establishment of Service Following Fire, Flood or Other Occurrence

A. Nonrecurring Charges Do Not Apply

Nonrecurring charges do not apply for the re-establishment of service following a fire, flood or other occurrence attributed to an Act of God provided that:

1) The service is of the same type as was provided prior to the fire, flood or other occurrence.

2) The service is for the same Customer.

3) The service is at the same location on the same premises.

4) The re-establishment of service begins within sixty (60) days after Company service is available. (The sixty (60) day period may be extended a reasonable period if the renovation of the original location on the premises affected is not practical within the allotted time period).

B. Nonrecurring Charges Apply

Nonrecurring charges apply for establishing service at a different location on the same premises or at a different premises pending re-establishment of service at the original location.

2. GENERAL REGULATIONS

2.4 PAYMENT ARRANGEMENTS AND CREDIT ALLOWANCES (Cont'd)

2.4.7 Title or Ownership Rights

The payment of rates and charges by Customers for the services offered under the provisions of this tariff does not assign, confer or transfer title or ownership rights to service designs, proposals, configurations or facilities developed or utilized, respectively, by the Company in connection with the provision of such services.

2.4.8 Access Services Provided By More Than One Telephone Company

When an Access Service is provided by more than one telephone company, Meet Point Billing is required as set forth in A. following.

A. Meet Point Billing

The regulations and procedures applicable to Meet Point Billing are as set forth below. These regulations and procedures are in conformance with the provisions of the Multiple Exchange Carrier Access Billing (MECAB) and the Multiple Exchange Carrier Ordering and Design (MECOD) Guidelines.

1) Each company providing the access service will receive an order or a copy of the order from the Customer as specified in 5.2.1. following, and arrange to provide its portion of the service.

2. GENERAL REGULATIONS

2.4 PAYMENT ARRANGEMENTS AND CREDIT ALLOWANCES (Cont'd)

2.4.8 Access Services Provided By More Than One Telephone Company (Cont'd)

A. Meet Point Billing (Cont'd)

2) When the order is placed with this Company, as specified in 5.2. following, the Company will notify the Customer whether the Access Service may be billed under a single bill or a multiple bill arrangement. Under the single bill arrangement, one company bills the Customer for the Access Service. The bill rendered includes the applicable tariffed rates and charges for each company involved in providing the Access Service. Under the multiple bill arrangement, each company providing the access service renders a bill to the Customer for its portion of the service. The bill rendered includes the applicable tariffed rates and charges for each company involved in providing the Access Service. The Company will also notify the Customer of (a) the company(ies) that will render bills, (b) the company(ies) to whom payment should be made and (c) the company(ies) that will provide the bill inquiry function. The Company shall provide such notification at the time that orders are placed. Additionally, the Company shall provide such notice in writing thirty (30) days in advance of any changes.

3) Each company will provide its portion of the Access Service to an interconnection point(s) with the other company(ies) involved.

4) Billing Percentages will be determined for the Access Service by the companies involved. The Billing Percentages will be applied as set forth in B. following.

2. GENERAL REGULATIONS

2.4 PAYMENT ARRANGEMENTS AND CREDIT ALLOWANCES (Cont'd)

2.4.8 Access Services Provided By More Than One Telephone Company (Cont'd)

B. Determination of Charges

1) The charges for all Access Service rate elements provided by this Company in a Meet Point Billing arrangement, except the Tandem-Switched Facility rate element, are determined without the application of Meet Point Billing Percentages.

2) The charges for the Tandem-Switched Facility rate element are determined as follows:

a. Determine the appropriate mileage between the two ends of the facility as set forth in Section 15.3.5.

b. Determine the billing percentage (BP) which represents the portion of the service provided by this Company as set forth in Section 16.4.

c. Multiply the number of Access Minutes routed over the facility times the number of airline miles, determined as set forth in a. preceding, times the BP determined as set forth in b. preceding, times the Tandem-Switched Facility rate.

3) The charges for the portion(s) of the access service provided by other companies are determined in accordance with the tariffs of those other companies.

2. GENERAL REGULATIONS

2.5 CONNECTIONS

Except with respect to NEPAS, equipment and systems (i.e., terminal equipment, multiline terminating systems and communications systems) may be connected with Access Service furnished by the Company where such connection is made in accordance with the provisions specified in Technical Reference Publication AS No. 1, Issue II and in Section 2.1 of this tariff.

2.6 STATE TAXES

Any assessments, franchise fees, privilege, license, occupation, excise, or other similar fees or taxes, whether in a lump sum or at a flat rate, or based on receipts, or based on poles, wire or other utility property units, imposed upon the Company by any governmental authority shall be added pro rata, insofar as practical, to the rates and charges stated in the Company's standard schedules, in amounts which in the aggregate for the Company's customers of any political entity shall be equal to the amount of any such fee or tax upon the Company.

The Company shall, so long as any such tax or fee is in effect, add to the bills of the customers in such political entity pro rata on the basis of the revenue derived by the Company from each such customer, an amount sufficient to recover any such tax or fee and may list this amount separately on the bill.

2. GENERAL REGULATIONS

2.7 DEFINITIONS

Access Minutes

For the purpose of calculating chargeable usage, the term "Access Minutes" denotes Customer usage, in minutes of use, of Access Service in the provision of intrastate service. Unless otherwise provided in this tariff, on the originating end of an intrastate Call, usage is measured from the time the originating End User's Call is delivered by the Company to and acknowledged as received by the Customer's facilities connected with the originating exchange, and on the terminating end of an intrastate Call, usage is measured from the time the Call is received by the End User in the terminating exchange. Unless otherwise provided in this tariff, timing of usage at both originating and terminating ends of an intrastate Call shall terminate when the calling or called party disconnects, whichever event is recognized first in the originating and terminating exchanges, as applicable.

Access Service

The term "Access Service" denotes the use of the network or facilities of the Company to enable a Customer to originate or terminate a Call. Notwithstanding the foregoing, "Access Service" does not include any service that constitutes Network Interconnection Service.

Access Tandem

The term "Access Tandem" denotes a switching system which provides a concentration and distribution function for originating or terminating traffic between the Customer Premises and End Offices that are served by such Access Tandem.

Affiliate

The term "Affiliate" denotes a person or entity that (directly or indirectly) owns or controls, is owned or controlled by, or is under common ownership or control with, another person or entity. For purposes of this paragraph, the term "own" means to own an equity interest (or the equivalent thereof) of 50 percent or more.

Business Day

The term "Business Day" denotes the times of day that a company is open for business. Generally, in the business community, these are 8:00 or 9:00 a.m. to 5:00 or 6:00 p.m., respectively, with an hour for lunch, Monday through Friday, resulting in a standard forty (40) hour work week. However, Business Day hours for the Company may vary based on Company policy, union contract and location.

2. GENERAL REGULATIONS

2.7 DEFINITIONS (Cont'd)

Call

The term "Call" denotes an End User or Customer attempt for which complete address information (e.g., 7 or 10 digits) is provided to the serving dial tone office.

Carrier or Common Carrier

The term "Carrier" or "Common Carrier" denotes a Local Exchange Carrier or Interexchange Carrier.

Central Office

See End Office.

Central Office Prefix

The term "Central Office Prefix" denotes the first three digits (NXX) of the seven digit telephone number assigned to an End User's Local Exchange Service.

Channelize

The term "Channelize" denotes the process of multiplexing/demultiplexing wider bandwidth or higher speed channels into narrower bandwidth or lower speed channels.

Communications System

The term "Communications System" denotes channels and other facilities which are capable of communications between terminal equipment provided by other than the Company.

Company

The term "Company" denotes AT&T Communications of Midwest, Inc., which is the issuer of this tariff.

2. GENERAL REGULATIONS

2.7 DEFINITIONS (Cont'd)

Customer(s)

The term "Customer(s)" denotes any individual, partnership, association, joint-stock company, trust, corporation, or governmental entity or other entity which subscribes to the services offered under this tariff.

Customer Premises

The term "Customer Premises" denotes the premises designated or used by the Customer for the provision of Access Service.

Dial Around Service

Dial Around Service allows an End User to reach a non-presubscribed Interexchange Carrier via dialing 10XXX or 101XXXX.

DLS End User

The term "DLS End User" means an End User which purchases the AT&T Digital Link Service offering pursuant to the Company's Local Exchange Service tariff.

DLS End Office

The term "DLS End Office" means an End Office used in connection with the provision of the AT&T Digital Link Service offering pursuant to the Company's Local Exchange Service Tariff.

DS1 Facility

The term "DS1 Facility" denotes a facility that is capable of transmitting electrical signals at a nominal rate of 1.544 Mbps, with the capability to channelize up to 24 voice-frequency transmission paths.

DS3 Facility

The term "DS3 Facility" denotes a facility that is capable of transmitting electrical or optical signals at a nominal rate of 44.736 Mbps, with the capability to channelize up to 672 voice-frequency transmission paths.

2. GENERAL REGULATIONS

2.7 DEFINITIONS (Cont'd)

End Office

The term "End Office" denotes a Company switching system where Local Exchange Service customer station loops (including dedicated digital links from a DLS End User) are terminated for purposes of interconnection to each other and to trunks.

End User

The term "End User" means any customer of a telecommunications service that is not a carrier, except that a carrier other than a telephone company shall be deemed to be an "End User" when such carrier uses a telecommunications service for administrative purposes, and a person or entity that offers telecommunications service exclusively as a reseller shall be deemed to be an "End User" if all resale transmissions offered by such reseller originate on the premises of such reseller.

Exchange

The term "Exchange" denotes a unit established by the Company for the administration of communications service in a specified area which usually embraces a city, town or village and its environs. It consists of one or more central offices together with the associated facilities used in furnishing communications service within that area. The exchange includes any Extended Area Service area that is an enlargement of the Company's exchange area to include nearby exchanges.

First Point of Switching

The term "First Point of Switching" denotes the first Company location at which switching occurs on the terminating path of a Call proceeding from the Customer Premises to the terminating End Office (including DLS End Offices) and, at the same time, the last Company location at which switching occurs on the originating path of a Call proceeding from the originating End Office to the Customer Premises.

2. GENERAL REGULATIONS

2.7 DEFINITIONS (Cont'd)

Immediately Available funds in U.S. dollars

The term "Immediately Available funds in U.S. dollars" denotes a corporate or personal check drawn on a bank account and funds which are available for use by the receiving party on the same day on which they are received and include U.S. Federal Reserve bank wire transfers, U.S. Federal Reserve notes (paper cash), U.S. coins, U.S. Postal Money Orders and New York Certificates of Deposit.

Incumbent Local Exchange Carrier (ILEC)

The term "Incumbent Local Exchange Carrier" shall mean any Carrier that constitutes an "incumbent local exchange carrier" pursuant to Section 251(h)(1) of the Communications Act of 1934 or that is treated as an "incumbent local exchange carrier" pursuant to Section 251(h)(2) of the Communications Act of 1934.

Individual Case Basis (ICB)

The term "Individual Case Basis" denotes a condition in which the regulations, if applicable, rates and charges for an offering under the provisions of this tariff are developed based on the circumstances in each case.

Interconnection Agreement

The term "Interconnection Agreement" denotes a lawful written agreement between the Company and a Local Exchange Carrier (including an agreement pursuant to Section 251 and/or 252 of the Telecommunications Act of 1996) relating to the mutual termination of Local Traffic.

Interexchange Carrier (IXC)

The terms "Interexchange Carrier" (IXC denotes any individual, partnership, association, joint-stock company, trust, governmental entity or corporation engaged for hire in intrastate communication by fiber optics, wire or radio or any suitable technology or combination of technologies, between two or more exchanges.

Intermediate Carrier

The term "Intermediate Carrier" denotes another carrier with which the Company has made an arrangement under which the carrier will provide services that may include, without limitation, data base, switching and/or transport services in connection with Calls and is authorized by the Company to bill the Customer for all access services under the carrier's tariff as if all such services had been provided by the carrier.

2. GENERAL REGULATIONS

2.7 DEFINITIONS (Cont'd)

Interstate Communications

The term "Interstate Communications" denotes both interstate and foreign communications.

Intrastate Communications

The term "Intrastate Communications" denotes any communications within a state subject to oversight by a state regulatory commission as provided by the laws of the state involved.

Legal Holiday

The term "Legal Holiday" denotes a day other than a Saturday or Sunday for which the Company is normally closed.

Local Access and Transport Area (LATA)

The term "Local Access and Transport Area" denotes a geographic area established for the provision and administration of communications service. It encompasses one or more designated exchanges, which are grouped to serve common social, economic and other purposes.

Local Exchange Carrier

The term "Local Exchange Carrier" denotes any individual partnership, association, joint-stock company, trust, governmental entity or corporation engaged for hire in providing Local Exchange Service.

Local Exchange Service

The term "Local Exchange Service" denotes a service which provides for exchange telephone communication within a local calling area.

Local Traffic

For the purposes of this tariff, the term "Local Traffic" means calls that originate and terminate within the territory agreed to by the Company and a Customer in an Interconnection Agreement as the territory within which Calls subject to the reciprocal compensation provisions of the Interconnection Agreement are originated and terminated. "Local Traffic" shall also be subject to any other restrictions specified in an Interconnection Agreement.

2. GENERAL REGULATIONS

2.7 DEFINITIONS (Cont'd)

Major Fraction Thereof

The term "Major Fraction Thereof" denotes any period of time in excess of 1/2 of the stated amount of time. As an example, in considering a period of 24 hours, a Major Fraction Thereof would be any period of time in excess of 12 hours exactly.

Mutual Traffic Exchange

The term "Mutual Traffic Exchange" denotes a compensation arrangement between the Company and a Customer where each party agrees to terminate on its network Local Traffic originated on the other party's network without charge to each other (also known as a "Bill and Keep" arrangement).

Network Element-Provided Access Service (NEPAS)

The term Network Element-Provided Access Service (NEPAS) refers to service that provides switched access to the Premises of an End User which is obtaining a NEP Service offering (NEPS End User) under the Company's Local Exchange Service Tariff. NEPAS is provided utilizing network elements of the Incumbent Local Exchange Carrier. (See Section 16.3.5 for NEPAS availability.)

Network Element-Provided (NEP) Service

The term "NEP Service" means a Company local service offering pursuant to the Company's Local Exchange Service Tariff that is provided by the Company using the facilities of an Incumbent Local Exchange Carrier.

NEPS End Office

The term "NEPS End Office" means an Incumbent Local Exchange Carrier's End Office used in connection with the provision of an NEP Service by the Company.

NEPS End User

The term "NEPS End User" means an End User which purchases an NEP Service.

2. GENERAL REGULATIONS

2.7 DEFINITIONS (Cont'd)

Network Interconnection Services (NIS)

The term "Network Interconnection Services" (NIS) denotes the use of the network or facilities of the Company to enable a Local Exchange Carrier to terminate Local Traffic.

North American Numbering Plan

The term "North American Numbering Plan" denotes a three-digit area code (Numbering Plan Area - NPA) and a seven-digit telephone number made up of a three-digit Central Office prefix plus a four-digit station number.

Off-hook

The term "Off-hook" denotes the active condition of a Local Exchange Service line.

On-hook

The term "On-hook" denotes the idle condition of a Local Exchange Service line.

Originating Direction

The term "Originating Direction" denotes the use of a service for the completion of calls from an End User Premises to a Customer Premises or Point of Interconnection.

Percent of Interstate Use (PIU)

The term "Percent of Interstate Use" (PIU) denotes the percent of interstate usage on lines or trunks carrying interstate and intrastate calls.

Point of Interconnection (POI)

The term "Point of Interconnection" (POI) denotes a place where the Company's and a Customer's networks physically connect for the purpose of exchanging (1) in the case of NIS, Local Traffic, and (2) in the case of Access Services, traffic originated by or terminating to End Users.

Point of Termination (POT)

The term "Point of Termination" is defined in Section 2.1.5. preceding.

2. GENERAL REGULATIONS

2.7 DEFINITIONS (Cont'd)

Premises

The term "Premises" denotes a building, a portion of a building in a multitenant building or buildings on continuous property (except Railroad Right-of-Way, etc.) not separated by a public thoroughfare.

Serving Wire Center

The term "Serving Wire Center" denotes the wire center from which the Customer Premises would normally obtain dial tone from a telephone company providing access service to such premises.

Signaling System 7 (SS7)

The term "Signaling System 7 (SS7) denotes the common channel out of band signaling protocol developed by the Consultative Committee for International Telephone and Telegraph (CCITT) and the American National Standards Institute (ANSI).

Telecommunications Service

The term "Telecommunications Service" means the offering of telecommunications for a fee directly to the public, or to such classes of users as to be effectively available directly to the public, regardless of the facilities used.

Terminating Direction

The term "Terminating Direction" denotes the use of a service for the completion of calls from a Customer Premises or Point of Interconnection to an End User Premises.

Toll Free (8YY) Service

Toll Free (8YY) Service is a telecommunications service which permits inward calling between a location associated with an access line in one area and locations in diverse geographical service areas specified by the owner of the Toll Free (8YY) number. The Call is without charge to the calling party. The owner of the Toll Free (8YY) number is responsible for the access charges associated with the service.

2. GENERAL REGULATIONS

2.7 DEFINITIONS (Cont'd)

Transmission Path

The "Transmission Path" denotes an electrical path capable of transmitting signals within the range of the service offering, e.g., a voice grade transmission path is capable of transmitting voice frequencies within the approximate range of 300 to 3000 Hz. A transmission path is comprised of physical or derived facilities consisting of any form or configuration of plant typically used in the telecommunications industry.

Trunk

The term "Trunk" denotes a communications path connecting two switching systems in a network, used in the establishment of an end-to-end connection.

Trunk Group

The term "Trunk Group" denotes a set of trunks which are traffic engineered as a unit for the establishment of connections between switching systems in which all of the communications paths are interchangeable.

V and H Coordinates Method

The term "V and H Coordinates Method" denotes a method of computing airline miles between two points by utilizing an established formula which is based on the vertical and horizontal coordinates of the two points.

Wire Center

The term "Wire Center" denotes a building in which one or more central offices, or access tandems are located.