RECEIVED
NOV 29 2005
PSC SC
MAIL / DMS

# TELECOMMUNICATIONS SERVICES

Applying to Intrastate Local Exchange
Common Carrier Communications
Services Between Points in the
State of South Carolina

**AND**

**CONTAINING RULES AND REGULATIONS**

**GOVERNING SERVICE**

This tariff is on file with the South Carolina Public Service Commission and copies may be inspected, during normal business hours, at Fonix Telecom, Inc., 9350 South 150 East, Suite 700, Sandy, Utah 84070.



By: Michael Britt
V.P. of Regulatory & Channel Development
Fonix Telecom, Inc.
9350 South 150 East, Suite 700
Sandy, UT 84070

## CHECK LIST

Revised sheets as named below contain all changes from the originals tariff that are in effect on the date thereof.

| Page | Revisions Included |
|---|---|
| 1 | ORIGINAL |
| 2 | ORIGINAL |
| 3 | ORIGINAL |
| 4 | ORIGINAL |
| 5 | ORIGINAL |
| 6 | ORIGINAL |
| 7 | ORIGINAL |
| 8 | ORIGINAL |
| 9 | ORIGINAL |
| 10 | ORIGINAL |
| 11 | ORIGINAL |
| 12 | ORIGINAL |
| 13 | ORIGINAL |
| 14 | ORIGINAL |
| 15 | ORIGINAL |
| 16 | ORIGINAL |
| 17 | ORIGINAL |
| 18 | ORIGINAL |
| 19 | ORIGINAL |
| 20 | ORIGINAL |
| 21 | ORIGINAL |
| 22 | ORIGINAL |
| 23 | ORIGINAL |
| 24 | ORIGINAL |
| 25 | ORIGINAL |
| 26 | ORIGINAL |
| 27 | ORIGINAL |
| 28 | ORIGINAL |
| 29 | ORIGINAL |
| 30 | ORIGINAL |
| 31 | ORIGINAL |
| 32 | ORIGINAL |
| 33 | ORIGINAL |
| 34 | ORIGINAL |
| 35 | ORIGINAL |
| 36 | ORIGINAL |
| 37 | ORIGINAL |
| 38 | ORIGINAL |
| 39 | ORIGINAL |
| 40 | ORIGINAL |
| 41 | ORIGINAL |
| 42 | ORIGINAL |
| 43 | ORIGINAL |

| | |
|---|---|
| 44 | ORIGINAL |
| 45 | ORIGINAL |
| 46 | ORIGINAL |
| 47 | ORIGINAL |
| 48 | ORIGINAL |
| 49 | ORIGINAL |
| 50 | ORIGINAL |
| 51 | ORIGINAL |
| 52 | ORIGINAL |
| 53 | ORIGINAL |
| 54 | ORIGINAL |
| 55 | ORIGINAL |
| 56 | ORIGINAL |
| 57 | ORIGINAL |
| 58 | ORIGINAL |
| 59 | ORIGINAL |
| 60 | ORIGINAL |
| 61 | ORIGINAL |
| 62 | ORIGINAL |
| 63 | ORIGINAL |
| 64 | ORIGINAL |
| 65 | ORIGINAL |
| 66 | ORIGINAL |
| 67 | ORIGINAL |
| 68 | ORIGINAL |
| 69 | ORIGINAL |
| 70 | ORGINAL |
| 71 | ORIGINAL |
| 72 | ORIGINAL |
| 73 | ORIGINAL |
| 74 | ORIGINAL |
| 75 | ORIGINAL |
| 76 | ORIGINAL |
| 77 | ORIGINAL |
| 78 | ORIGINAL |
| 79 | ORIGINAL |
| 80 | ORIGINAL |
| 81 | ORIGINAL |
| 82 | ORIGINAL |
| 83 | ORIGINAL |
| 84 | ORIGINAL |
| 85 | ORIGINAL |
| 86 | ORIGINAL |
| 87 | ORIGINAL |
| 88 | ORIGINAL |
| 89 | ORIGINAL |
| 90 | ORIGINAL |
| 91 | ORIGINAL |
| 92 | ORIGINAL |
| 93 | ORIGINAL |
| 94 | ORIGINAL |
| 95 | ORIGINAL |
| 96 | ORIGINAL |

| | |
|---|---|
| 97 | ORIGINAL |
| 98 | ORGINAL |
| 99 | ORIGINAL |
| 100 | ORIGINAL |
| 101 | ORIGINAL |
| 102 | ORIGINAL |
| 103 | ORIGINAL |
| 104 | ORIGINAL |
| 105 | ORIGINAL |
| 106 | ORIGINAL |
| 107 | ORIGINAL |
| 108 | ORIGINAL |

Table of Contents

| | | |
|---|---|---|
| 1 | DEFINITIONS | 10 |
| 2 | REGULATIONS | 23 |
| | 2.1 Undertaking of the Company | 24 |
| | 2.2 Prohibited Uses | 31 |
| | 2.3 Obligations of the Customer | 32 |
| | 2.4 Customer Equipment and Channels | 35 |
| | 2.5 Application for Service | 37 |
| | 2.6 Third Party Billing – Policy and Procedures | 38 |
| | 2.7 Payment Arrangements | 39 |
| | 2.8 Allowances for Interruptions in Service | 44 |
| | 2.9 Cancellation of Service | 46 |
| | 2.10 Transfers and Assignments | 47 |
| | 2.11 Notices and Communications | 48 |
| | 2.12 Toll Service | 49 |
| | 2.13 Optional Features 511 and 811 | 50 |
| | 2.14 Trial Tariffs | 51 |
| | 2.15 Compliance | 52 |
| | 2.16 Force Majeure | 52 |
| | 2.17 Full Force and Effect | 52 |
| | 2.18 Cooperation | 52 |
| | 2.19 Governing Law | 52 |
| 3 | SERVICE AREAS | 53 |
| | 3.1 Local Service Areas | 54 |
| 4 | EXCHANGE ACCESS SERVICE | 55 |
| | 4.1 General | 56 |
| | 4.2 Residential Service | 57 |
| | 4.3 Business Service | 58 |
| | 4.4 Centrex Business Service | 59 |
| | 4.5 Trunking | 60 |
| | 4.6 Customer Owned Coin Operated Telephone (COCOT) Service | 64 |
| | 4.7 Remote Exchange | 66 |
| | 4.8 DirectTel Service | 67 |
| | 4.9 Timing of Calls | 68 |
| 5 | EXCHANGE ACCESS OPTIONAL FEATURES | 69 |
| | 5.1 Calling Features | 70 |
| | 5.2 Directory Listings | 71 |
| | 5.3 Local Number Portability | 72 |
| | 5.4 Toll Restriction Service | 73 |
| | 5.5 Vanity Number Service | 74 |
| 6 | MISCELLANEOUS SERVICES | 75 |
| | 6.1 Operator Services | 76 |
| | 6.2 Carrier Presubscription | 79 |
| | 6.3 Service Implementation | 81 |
| | 6.4 Restoration of Service | 82 |
| | 6.5 Inside Wire Maintenance Plan | 83 |
| | 6.6 Maintenance Visit Charges | 84 |
| | 6.7 Telecommunications Devices for the Deaf | 85 |
| | 6.8 911 Emergency Service | 87 |
| | 6.9 Government or Regulatory Imposed Fees, Charges and Assessments | 88 |

Table of Contents (Cont'd)

| | | |
|---|---|---|
| 7 | SPECIAL ARRANGEMENTS | 89 |
| | 7.1 Special Construction | 90 |
| | 7.2 Individual Case Basis (ICB) Arrangements | 91 |
| | 7.3 Temporary Promotional Programs | 92 |
| 8 | PRICES | 93 |
| | 8.1 Residential | 94 |
| | 8.2 Business | 96 |
| | 8.3 Centrex | 99 |
| | 8.4 BRI Trunk Service | 100 |
| | 8.5 PRI Trunk Service | 101 |
| | 8.6 Channelized DS-1 (CDS-1) | 102 |
| | 8.7 Integrated DS-1 (IDS-1) | 103 |
| | 8.8 COCOT | 104 |
| | 8.9 Remote Exchange | 105 |
| | 8.10 DirectTel | 106 |
| | 8.11 Collocation | 107 |
| | 8.12 Other Services | 108 |

## EXPLANATION OF SYMBOLS AND REFERECNCE MARKS USED IN THIS TARIFF

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

| | |
|---|---|
| D | To signify discontinued rate or regulation. |
| I | To signify increased rate. |
| M | To signify text moved from one location to another. |
| N | To signify new material including listing, rate, rule or condition. |
| R | To signify reduced rate. |
| T | To signify a change in text, but no change in rate or regulation. |

## APPLICATION OF TARIFF

This tariff sets forth the service offerings, rates, terms and conditions applicable to the furnishing of local exchange end-user communications services by Fonix Telecom, Inc., hereinafter referred to as the Company, to customers within the State of South Carolina through interconnection with certificated interstate common carriers.

## TARIFF FORMAT SHEET

A. Page Numbering. Page numbers appear in the upper-right corner of the page. Pages are numbered sequentially. New pages may occasionally be added to the tariff. When a new page is added, the page appears as a decimal. For example, a new page added between pages 34 and 35 would be 34.1

B. Page Revisions Numbers. Page Revision Numbers also appear in the upper-right corner of the page. These numbers are used to determine the most current page revision on file with the South Carolina Public Service Commission. For example, the Fourth Revised Page 34 cancels the Third Revised Page 34. Because of deferrals, notice periods, *etc.*, the most current page number on file with the Commission is not always the tariff page in effect. Business Customers should consult with check sheet for the page currently in effect.

C. Paragraph Numbering Sequence. There are nine levels of paragraph coding. Each level of coding is subservient to its next higher level of coding.

1.
1.1
1.1.1
1.1.1.A.
1.1.1.A.1
1.1.1.A.1.(a)
1.1.1.A.1.(a)(I)
1.1.1.A.1.(a)(I)(i)
1.1.1.A.1.(a)(I)(i)(1)

Check List of Effective Pages. When a tariff filing is made with the South Carolina Public Service Commission, an updated Check List of Effective pages ("Check List") accompanies the tariff filing. The Check List lists the pages contained in the tariff, with a cross-reference to the current revision number. When new pages are added, the Check List is changed to reflect the revision. All revisions made in a given filing are designated by an asterisk (*). There will be no other symbols used on the Check List if these are the only changes made to it (i.e., the format, *etc.*). Business Customers should refer to the latest Check List to find out if a particular page is the most current page on file with the Commission.

SECTION 1

DEFINITIONS

## DEFINITIONS

1.1 Certain terms used generally throughout this tariff are defined below.

Access Arrangement: Any equipment or access facility necessary to connect the Customer's voice/data/video equipment to a Fonix Point-of Presence for transmission purposes.

Access Lines: A telephone facility which permits access to and from both the Customer's premises and the telephone exchange or serving central office.

Account: Either a Customer's physical location or individual Service represented by a unique account number within the Billing Hierarchy. Multiple Services each with a unique account number may be part of one physical location.

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

Additional Listing: Any listing of a name or other authorized information in connection with a Customer's telephone number in addition to that which is entitled in connection with his regular service.

Agent: A business representative, whose function is to bring about, modify, affect, accept performance of, or terminate contractual obligations between the Company, its applicants or Customer's.

Anonymous Call Rejection: The User may automatically reject incoming calls that originate from a telephone number using a blocking feature that prevents the delivery of the originating caller's telephone number.

Applicant: A person who applies for telecommunications service. Includes persons seeking reconnection of their service after Company-initiated termination.

Application for Service: The Fonix order process that includes technical, billing and other descriptive information provided by the Customer that allows Fonix to provide requested Communications Services for the Customer and Customer's Authorized Users. Upon acceptance by Fonix, the Application for Service becomes a binding contract between the Customer and Fonix for the provision and acceptance of Services.

Authorized Code: A multi-digit code that enables a Customer to access Fonix's network and enables Fonix to identify the Customer's use for proper billing. Also called a Personal Identification Code or PIN.

Authorized User: A person, firm or corporation which is authorized by the Company to be connected to the service of the Customer or joint user.

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.

"B" Channels: The 64 kbps channels on a PRI circuit that are available for Customer information.

DEFINITIONS

1.1 (Cont'd)

Bandwidth: The information-carrying capability of a channel. Analog transmission usually is expressed in kHz or MHz and digital transmission in Kbps and Mbps.

Billing Hierarchy: Allows Customers to combine multiple accounts and Services into a single billing structure. Customers can choose whether to have all Services invoiced together, invoiced separately, or in any combination thereof. In addition the Customer may specify where the invoices are to be sent and who is to receive them.

Bit: An abbreviation of binary digit that is the smallest unit of information in a binary notation system.

Business Hours: The phrase "business hours" means the time after 8:30 A.M. and before 5:30 P.M., Monday through Friday, excluding holidays.

Business Office: The phrase "business office" means the primary location where the business operations of Fonix are performed and where a copy of Fonix's tariff is made available for public inspection. The address of the business office is 9350 South 150 East, Suite 700, Sandy, Utah 84070.

Business Service: Determination as to whether or not a Customer's service should be classified as Business will be based on the character or use to be made of the service. The practice of advertising a telephone number in newspapers, business cards, or on trucks shall be a contributing, but not an exclusive factor in determining the classification of service. Service will be classified as Business service where the use is primarily or substantially of a business, professional, institutional, or otherwise occupational nature.

Call Block: Allows customers to prevent the customer's name and number from appearing on the called party's Caller ID telephone or display unit. Call Block feature must be activated by the customer on a call by call basis.

Called Station: The terminating point of a call (*i.e.*, the called number).

Call Forwarding: Permits the customer to forward (transfer) all incoming calls to another telephone number, and to restore it to normal operations.

Call Forwarding Busy: Allows incoming calls to a busy station to be routed to a pre-selected 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.

Call Forwarding Flexible Delivery: The User may direct incoming telephone calls to the Customer's idle telephone number to be routed to a User-defined telephone number such as voice mail, or to a telephone number where the telephone call will be answered.

Call Forwarding Flexible Delivery with Audio: the User may direct incoming calls to the Customer's idle telephone number to be routed to a User-defined telephone number such as voice mail, or to a telephone number where the call will be answered. The User will hear the name of each caller routed to the User-defined telephone number.

DEFINITIONS

1.1 (Cont'd)

Call Forwarding No Answer: Allows incoming calls to be automatically routed to a pre-selected station line or attendant in the same system or outside the 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 Preferred: The User may direct specified incoming telephone calls to the Customer's telephone number to be routed to a User-defined telephone number.

Call Forwarding Remote Access: The User may activate or deactivate the Call Forwarding feature remotely from any capable telephone line or equipment.

Calling Area: A specific geographic area designated for the purpose of applying a specified rate structure.

Calling Station: The originating point of a call (*i.e.,* the calling number).

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 Return: The User may return the last call to the Customer's telephone number by dialing a one or two-digit code.

Call Selector: Distinctive ringing patterns indicate to the User specific telephone numbers of incoming calls.

Call Tracing: The User may automatically trace the last call received and ascertain the calling number, time the call was received, and the time the trace was activated.

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 to the line. Audible ringing is returned to the originating line. The Service also provides a hold feature that is activated by a switchhook flash.

Call Waiting Deluxe: This service includes the Call Waiting feature plus additional call disposition options, including answering the waiting telephone call while placing the first party on hold, answering the waiting telephone call and ending the call with the first party, directing the waiting call to hold via a recording and forcing the waiting call to another location (e.g. voice mail).

Caller ID: Displays name and number of the calling party on a special display telephone or display unit.

DEFINITIONS

1.1 (Cont'd)

Caller ID Block: Blocking of Caller ID is free of charge to the Customer and is available to residential and business customers who are served by appropriately equipped central offices. Prevents the delivery of the Customer's telephone number and name to called parties within the Customer's serving area.

Caller ID Deluxe: The User may view on a display unit the name and telephone number of calling parties and the date and time of incoming calls.

Cancel Call Waiting: Allows the customer to cancel the Call Waiting feature on a call-by-call basis. This can be done before the customer places a call (or during a conversation if the customer also subscribes to Three Way Calling).

Carrier: The term "Carrier" means Fonix Telecom, Inc. Fonix Telecom, Inc., is referred to as Fonix or Company in this tariff.

Carrier Identification Code (CIC): A number assigned to any entity purchasing Feature Group B and/or D services. These codes are used with Feature Group B access as 950-CCCC, where CCCC equals Carrier Identification Code, and casual calling with 101CCCC.

Central Office: A switching unit in a telephone system which provides service to the general public, having the necessary equipment and operating arrangements for terminating and interconnecting customer lines and trunks or trunks only. There may be more than one central office in a building or exchange.

Central Office Disconnect: Allows a call to be disconnected via answer supervision.

Channel or Circuit: A path for electrical or radio frequency transmission between two or more points having a bandwidth and termination of the Customer's own choosing.

Commission: South Carolina Public Service Commission.

Communication Services: The Company's intrastate toll and local exchange switched telephone services.

Company or Fonix : Fonix Telecom Inc., the issuer of this tariff.

Company Point of Connection: The physical point at which Company's facilities terminate and are connected to the customer's facilities.

Credit(s): "Credit(s)" has the meaning set forth in Section 2.26 hereof.

Credit Allowance(s): "Credit Allowances" has the meaning set forth in Section 2.26 hereof.

Credit Limit: "Credit Limit" means a credit limit placed on Customer's monthly consumption of Services pursuant to Section 2.7.5.

Customer-Provided Equipment: Telecommunications equipment provided by a Customer used to originate calls using Fonix's Service located at the originating location.

DEFINITIONS

1.1 (Cont'd)

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.

"D" Channel: The 64 kbps channel on a PRI circuit that is reserved for call control and signaling of the "B" channels.

Day: The term "day" means 8:30 A.M. to, but not including 5:00 P.M. local time at the originating city, Monday - Friday, excluding Company specific holidays.

Dedicated Access Line (DAL): A dedicated communications channel that terminates on a general access port provided by Fonix and has the capacity of a voice grade circuit.

Delinquent or Delinquency: An account for which payment has not been made in full on or before the last day for timely payment.

Dialed Number Identification Service (DNIS): Designates the digits to be outpulsed for each toll free number terminating to a dedicated access facility. DNIS allows a Customer to receive calls to multiple toll free numbers on the same dedicated access facility.

Digital Subscriber Line (DSL): A standard allowing digital broadband transmission at rates of up to 1.544 mbps per second and standard voice grade service to occur simultaneously over a twisted copper pair for distances of up to 18,000 feet.

Digital Transmission: Information transmitted in the form of digitally encoded signals.

Direct Dialed Call: A call requiring no operator assistance.

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

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

Distinctive Ring 1: The User may add one (1) additional telephone number to a single line.

Distinctive Ring 2: The User may add two (2) additional telephone numbers to a single line.

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

Entrance Facility: The physical circuit arrangement that connects an Entrance Site to a Fonix Point-of-Presence

Entrance Site: A location of Fonix transmission facilities from which Services can be provided for a Customer to any other Entrance Site or Point-of Presence.

Evening: The term "evening" means 5:00 P.M. to, but not including, 11:00 P.M. local time at the originating city.

DEFINITIONS

1.1 (Cont'd)

Exchange Area: A geographically defined area wherein the telephone industry through the use of maps or legal description sets down specified area where individual telephone exchange companies hold themselves out to provide communications services.

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

Facility (or Facilities): An item or items of communications plant or equipment used to provide or connect to Fonix Services.

FCC: Federal Communications Commission.

South Carolina Relay Center (Dual party Relay Service for TDD): The South Carolina Relay Center permits hearing and speech impaired users of Telecommunications Devices for the Deaf (TDD) to communicate with users or ordinary telephones. Communications take place by relaying conversations (Voice to TDD and TDD to voice). These calls are between one party who must communicate by means of a TDD and another who communicates by means of an ordinary telephone.

Government Authority: "Governmental Authority" means any judicial, administrative, or other federal, state or municipal governmental authority (including without limitation the Commission and the FCC) having jurisdiction over the Company or the provision of Services hereunder.

Hierarchy: See Billing Hierarchy.

Holiday: The term "holiday" includes New Year's Day (January 1st), Memorial Day (last Monday in May), Independence Day (July 4th), Labor Day (1st Monday in September), Thanksgiving Day (4th Thursday in November), and Christmas Day (December25th). When holidays fall on Saturdays or Sundays, the holiday rate applies unless a larger discount would normally apply.

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

ICB: "Individual Case Basis"

Incomplete Call: Any call where voice transmission between the calling and the called station is not established (*i.e.*, busy, no answer, etc.).

Individual Line 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.

Integrated Services Digital Network (ISDN): A dedicated or switched (where available) originating and terminating service providing end-to-end digital connection for the simultaneous transmission of voice, data, video, imaging, fax and other communication services over multiple channels which have been combined to provide a single transmission path.

DEFINITIONS

1.1 (Cont'd)

Interexchange Carrier IXC: A common carrier that provides long distance domestic and international communication services to the public.

Interruption: "Interruption" means the disruption of, or removal of a circuit from, Service such that the Service becomes unusable by User for a continuous period of thirty (30) minutes or more.

Invoice Point: A level in the billing hierarchy at which accounts are grouped together (aggregated) for the purpose of billing the Business Customer.

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

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

LEC: A Carrier authorized by a state Governmental Authority to provide communications service within one or more domestic local telephone exchanges.

Fonix Central Office (LCO): Fonix switching Center.

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

Local Access Facility: The channel provided by the local telephone company (or other local service provider) to connect the Point-of-Presence to a Business Customer location.

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

Location: A physical premises to or from which Fonix provides Service. In instances where a Customer obtains Service from Fonix at multiple locations, each of these locations will be designated as either "associated" or "non-associated." An "associated" location is a location that a Customer owns or leases, or that is occupied by a business enterprise in which the Customer has an equity interest of twenty (20) percent or more or which is occupied by a franchisee of the Customer. All locations other than "associated" locations will be considered "non-associated."

Mbps: Megabits, denotes millions of bits per second.

Minimum Annual or Monthly Commitment (MAC or MMC): The amount of Service that the Customer commits to purchase during each year or each month or a promotional offering. The Business Customer's MAC/MMC includes charges for all Services identified in the Customer's agreement as contributory, after all applicable discounts. The MAC/MMC does not include non-usage charges, such as taxes, interest, surcharges, access facilities charges and other charges associated with access, fixed recurring charges, installation charges, and other non-recurring charges.

DEFINITIONS

1.1 (Cont'd)

Minimum Service Period (MSP): The minimum period of time during which Customer takes Services under this Tariff.

Multi-Frequency or ("MF"): Tone signaling used between telephone switches, or between telephone switches and PBX/key systems.

N/A: Not Applicable

N/C: No Charge.

NXX: The designation for the first three digits of a local telephone number where N represents 2-9 and X represents 0-9.

Night\Weekend: The words "night/weekend" mean 11:00 P.M. to but not including, 8:00 A.m. Local time in the originating city, all day on Saturday, and all day Sunday except from 5:00 P.M. to, but not including 11:00 P.M.

Non-Business Hours: The phrase "non-business hours" means the time period after 5:30 P.M. and before 8:30 A.M., Monday through Friday, all day Saturday, Sunday, and on holidays.

Normal Work Hours: The time after 8:30 A.M. and before 5:30 P.M. Monday through Friday, excluding Fonix observed Holidays.

North American Dial Plan (NADP): The method of identifying calls in the public network of North America, called World Numbering Zone 1. The calls are identified by their NPA (area code) – NXX (exchange) – XXXX (station number) format.

NPA: An area code, otherwise called numbering plan area.

Off-Network Access Line (Off-Net): A facility leased by Fonix and used in common by Customers to enter or exit the Fonix system. Off-Net is also known as switched Service.

On-Network Access Line (On-Net): A facility that connects a Business Customer location directly to the Fonix network for entrance or exit. On-Net is also known as dedicated Service.

Other Common Carrier (OCC): The term "other common carrier" denotes a specialized or other type of common carrier authorized by the Federal Communications Commission to provide domestic or international communications service.

Other Providers: Any Carriers or other service providers whose services or facilities are connected to, or used by, the Company in providing the Services.

DEFINITIONS

1.1 (Cont'd)

Performance Failure: any disruption, degradation, or failure of Service, including without limitation any Interruption (but excluding Scheduled Interruptions), any installation failure or delay, or any mistake, delay, omission, error or other defect in the Service or in the provision thereof.

Permanent Virtual Circuit ("PVC"): A virtual point-to-point (non-switched) logical link between two specific en points over which packetized (frames data can be transmitted according to defined service characteristics.

Point of Presence: Fonix's physical presence where Fonix maintains intercity communications channels and local distribution facilities for the purpose of providing its Services.

Prepaid Calling Card: A calling card or other tangible item which (i) contains an Authorization Code and an Access code, (ii) is supplied by the Company or its Agents, and (iii) permits a User to use the Services of the Company up to an amount prepaid to (or up to a credit limit pre-established by the Customer with) the Company.

Premises: A building or buildings on contiguous property (except railroad rights-of-way, etc.)

PRI Group: The number of "B" channels that are controlled by a primary "D" channel.

Primary "D" Channel: The main "D" channel in a PRI group that controls the signaling for all the "B" channels in the PRI group.

Primary Interexchange Carrier (PIC): The interexchange carrier to which a switched access line is pre-subscribed.

Privacy Identifier: Provides the User subscribing to the Caller ID feature with the ability to identify unavailable, unknown, blocked and private numbers.

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

Regular Billing: A standard bill sent in the normal monthly Fonix billing cycle. This billing consists of one bill for each account assigned to the Customer with explanatory detail showing the derivation of the charges.

Regulation(s): Any and all law(s), rule(s), regulation(s) (including without limitation those set in this Tariff), orders(s), policy or policies, ruling(s), judgment(s), decree(s) or other determination(s) which are made by the Commission or any other Governmental Authority or which arise under any federal, state, or local statute, utility code, or ordinance, and which are applicable to the Services or to any provision of this Tariff.

Remote Call Forwarding: Automatically redirects all incoming calls to a customers' number to a pre-designated number.

DEFINITIONS

1.1 (Cont'd)

Repeat Dialing: Automatically redials the telephone number of the last outgoing call. If the number being called is busy, Automatic Recall will alert the customer with a special ring when the line becomes clear.

Repeat Dialing: Automatically redials the telephone number of the last outgoing call. If the number being called is busy, Automatic Recall will alert the customer with a special ring when the line becomes clear.

Resale Tariff(s): The Tariff(s) of one or more Other Providers.

Residential Service: Service will be classified as residential service where the business use, if any, is merely incidental and where the major use is of a social or domestic nature.

Resp Org (Responsible Organization): The entity responsible for managing and administering Business Customers' toll free records in the 800 Service Management System (SMS/800). The SMS/800 recognizes one Resp Org for each toll free number.

Return Call: Allows customer to automatically return the last incoming call (whether the call was answered or missed). If the number being called back is busy, Automatic Callback will alert the customer with a special ring when the line becomes clear.

Ring Down: A preprogrammed line such as those used in hotels or airports that automatically dials a pre-designated number when the caller goes off-hook.

Scheduled Interruption: An Interruption which has been scheduled by the Company in advance for maintenance, testing, or other administrative purposes.

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(s): Fonix's regulated common carrier communications service(s) provided under this Tariff.

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.

800 Service Management System (SMS/800): The centralized operations support system used to create and update toll free records that are then downloaded to Service Control Points ("SCPs") for processing toll free service calls. The system is used by Resp Org to manage and administer toll free records.

## DEFINITIONS

1.1 (Cont'd)

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

Speed Calling 8: The User may call up to a maximum of eight (8) seven (7) or ten (10) digit telephone numbers by dialing an abbreviated code.

Speed Calling 30: The User may call up to a maximum of thirty (30) seven (7) or ten (10) digit telephone numbers by dialing an abbreviated code.

Subscriber: The term "Customer" is synonymous with the term "subscriber."

Switch: The term "switch" denotes an electronic device that is used to provide circuit sharing, routing, and control.

TDD: A Telecommunications Device for the Deaf

Telecommunications: "Telecommunications" means the transmission of voice communications or, subject to the transmission capabilities of the Service, the transmission of data, facsimile, video, signaling, metering or any other form of intelligence.

Termination: Discontinuance of (to discontinue) Services, either at Customer's request, or by the Company in accordance with Regulations.

Third Party Billing Companies: Collectively, any clearinghouses, LECs, Other Providers, credit card companies or other third parties who bill Customers for Services on the Company's behalf.

Three Way Calling: Allows Customer to have a conference call with two other parties at different numbers. With this service, the Customer can initiate calls to both parties or add another party to an established call.

Timely Payment: A payment on a Customer's account made on or before the due date.

T-1: A 1.544 Mbps digital transmission system equivalent to 24 voice frequency circuits/channels.

Toll Restriction: An exchange service that prohibits the completion of billable toll calls.

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.

Underlying Carrier: A provider of interstate telecommunications services from whom Fonix acquires services that it resells to Customers.

Unpublished Number: The Customer may refuse a listing of its name, street address, and telephone number in the telephone directory published by the dominant exchange service provider in the Customer's exchange area.

DEFINITIONS

1.1 (Cont'd)

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

Voice Mail: The User may retrieve messages from incoming calls that were stored while the User was unavailable.

SECTION 2

REGULATIONS

## REGULATIONS

### 2.1 Undertaking of the Company

#### 2.1.1 Scope

A. 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 from, to, or between points within the State of South Carolina.

B. 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.

C. The Company may act as a customer's agent for ordering access connection facilities provided by other carriers or entities when authorized by the customer to allow connection of a customer's location to the Company's network. The customer shall be responsible for all charges due for such service arrangements.

D. The Company's services and facilities are available twenty-four (24) hours per day, seven (7) days per week.

#### 2.1.2 Limitations

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

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.

C. The services hereunder are offered only where technically and where operationally practical for the Company.

D. The Company does not undertake to transmit messages, but offers the use of its facilities when available, and will not be liable for errors in transmission nor for failure to establish connections.

E. The Company reserves the right to refuse service to Customers due to insufficient or invalid charging information.

F. The Company may block calls that are made to certain countries, cities, or central office exchanges, or use certain authorization codes as the Company, in its sole discretion, deems reasonably necessary to prevent unlawful or fraudulent use of service or consumption of services in excess of the customer's credit limit (if any).

2.1 Undertaking of the Company (Cont'd)

2.1.2 Limitations (Cont'd)

G. The Company will use reasonable efforts to maintain the facilities and equipment that it furnishes to the Customer. 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. Company shall have the right to make necessary repairs or changes in its facilities at any time and will have the right to suspend or interrupt service temporarily for the purpose of making the necessary repairs or changes in its system.

2.1.3 Terms and Conditions

A. Service, unless otherwise specified, 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.

C. At the expiration of the initial term specified in each Service Order, or in any extension thereof, service shall, unless otherwise specified, continue on a month-to-month basis at the then current rates unless terminated by either party upon 30 days' written notice.

D. At the expiration of the initial term for each pre-paid service order, or any extension thereof, service shall continue on a day-to-day basis at the ten current rates through the last day for which service is paid for in advance. Failure to pay for an extension of service before the last day of the current period for which services have been paid for in advance shall constitute an authorization by the customer to immediately terminate service without further notice.

E. Service may be interrupted without notice and 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. 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.

F. No other telephone company may interfere with the right of any person or entity to obtain service directly from the Company. No person or entity shall be required to make any payment, incur any penalty, monetary or otherwise, or purchase any services in order to have the right to obtain service directly from the Company.

2.1 Undertaking of the Company (Cont'd)

2.1.3 Terms and Conditions (Cont'd)

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

I. This tariff shall be interpreted and governed by the laws of the State of South Carolina.

2.1.4 Liability of the Company

A. 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 act or omission, shall be limited to the allowances for Interruption of Service as set forth in 2.8. The extension of such allowances for interruption shall be the sole remedy of the customer and the sole liability of the Company.

B. 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; acts, errors or omissions of any third party; 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 does not guarantee nor make any warranty with respect to installations it provides for use in an atmosphere that is explosive, prone to fire, dangerous or otherwise unsuitable for such equipment. The Customer indemnifies and holds the Company harmless from any and all loss, claims, demands, suit, 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

2.1 Undertaking of the Company (Cont'd)

2.1.4 Liability of the Company (Cont'd)

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.

E. When the facilities of other carriers are used in establishing connections to points not reached by the Company's facilities, the Company is not liable for any act or omission of the other carrier(s). The Customer will indemnify and save harmless the Company from any third-party claims for such damages referred to in Section 2.1.4.D.

F. In no event will the Company be responsible for consequential damages or lost profits suffered by a Customer as a result of interrupted or unsatisfactory service. Company will not be liable for claims or damages resulting from or caused by: (i) Customer's fault, negligence or failure to perform Customer's responsibilities; (ii) claims against Customer by any other party; (iii) any act or omission of any other party; or (iv) equipment or service furnished by a third party.

G. 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.

H. 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 the 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.

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

J. The Company is not liable for any defacement of, or damage to, the premises of a Customer resulting from the furnishing of services or the attachment of equipment, instruments, apparatus, and associated wiring furnished by the Company on such Customer's premises or by the installation or removal, when such defacement or damage is not the result of the Company negligence. No agents or employees of other participating carriers shall be deemed to be agents or employees of the Company without written authorization. The Customer will indemnify and save harmless the Company from any claims of the owner of the Customer's premises or other third party claims for such damages.

K. The Company is not liable for any damages, including usage and toll charges, the Customer may incur as a result of the unauthorized use of its telephone facilities. Unauthorized use of the Customer's facilities includes, but is not limited to, the placement of calls from the Customer's premises, and the placement of calls through Customer-provided equipment that are transmitted or carried on the Company's network. The Company may work with Customers to recommend possible solution

2.1 Undertaking of the Company (Cont'd)

2.1.4 Liability of the Company (Cont'd)

to reduce unauthorized use of their facilities. However, the Company does not warrant or guarantee that its recommendations will prevent all unauthorized use, and the Customer is responsible for controlling access to, and use of, its own telephone facilities.

L. Where there is a connection via Customer-provided terminal equipment or Customer-provided communications systems, the point of demarcation shall be defined as the Company facility that provides interconnection. The Company shall not be held liable for Customer-provided access media or equipment. Any maintenance service or equipment arrangements shall be addressed on an individual case basis.

M. In no event will the Company be liable for protection of Customer's transmission facilities or equipment from unauthorized access, or for any unauthorized access to or alteration, theft or destruction of Customer's data files, programs, procedure or information through accident, fraudulent means or devices or any other method.

N. The Company will not be responsible if any changes in its service cause hardware or software not provided by the Company to become obsolete, require modification or alteration, or otherwise affect the performance of such hardware or software.

2.1.5 Disclaimer

The Company will have no liability whatsoever to Customer, its employees, agents, subcontractors, or assignees, or to any other person for (i) damages arising out of any Other Providers' Performance Failure, (ii) any act or omission of any third party furnishing equipment, facilities or service to any User in connection with this Tariff or with the Services, or (iii) any other act or omission of any Other Provider, User, or third party related to the use or provision of Services hereunder.

**THE COMPANY DISCLAIMS ALL REPRESENTATIONS AND WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION, ANY IMPLIED WARRANTY OR MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE FOR OR IN CONNECTION WITH THE USE OR PROVISION OF SERVICES PROVIDED HEREUNDER.**

2.1.6 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 Undertaking of the Company (Cont'd)

2.1.7 Provision of Services, Equipment and Facilities

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.

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 the facilities and equipment that it furnished 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 diminish the technical operating parameters of the service provided the Customer.

D. Equipment the Company provides to or installs at the Customer's premises for use in connection with the services that the Company offers shall not be used for any purpose other than that for which it was provided by the Company.

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

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

2.1.8 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

2.1 Undertaking of the Company (Cont'd)

2.1.8 Non-routine Installation (Cont'd)

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, an/or night hours, additional charges may apply for which the customer will be responsible.

2.1.9 Special Construction

Subject to the regulations contained in this tariff, special construction of facilities may be undertaken on a reasonable efforts basis at the request of the Customer. The Company shall have sole discretion to decide whether or not to undertake special construction on a case-by-case basis. Special construction is that construction undertaken:

A. where facilities are not presently available, and there is no other requirement for the facilities so constructed;

B. of a type other than that which the Company would normally utilize in the furnishing of its services;

C. over a route other than that which the Company would normally utilize in the furnishing of its services;

D. in a quantity greater than that which the Company would normally construct;

E. on an expedited basis;

F. on a temporary basis until permanent facilities are available;

G. involving abnormal costs;

H. in advance of its normal construction

2.1.10 Ownership of Facilities

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

The Customer has no property right in the telephone number or any other call number designation associated with the Company's services. The Company may change such numbers, or the central office code designation associated with such numbers, or both, assigned to the Customer, whenever the Company, in its sole discretion deems it necessary to do so in the conduct of its business.

2.2 Prohibited Uses

2.2.1 General

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 law and South Carolina Public Service Commission regulations, policies, orders, and decisions.

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

2.3 Obligations of the Customer

2.3.1 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, the non compliance 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 or 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;

D. Obtaining, maintaining, and otherwise having full responsibility for all rights-of-way and conduits necessary for installation of copper or fiber optic cable and associated equipment used to provide communication services to the Customer from the 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 borne entirely by or may be charged by the Company to the Customer. The Company may require the Customer to demonstrate its compliance with this section prior to accepting an order for service;

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 by the Company;

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 on any Customer premises or the rights-of-way for which Customer is responsible under Section 2.3.1(D);

G. Not creating, or allowing to be placed, any liens or other encumbrances on the Company's equipment or facilities;

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 during which service is interrupted for such purposes;

2.3 Obligations of the Customer (Cont'd)

2.3.1 General (Cont'd)

I. Securing its telephone equipment against being used to place fraudulent calls using the Company's service. The Customer shall be responsible for payment of all applicable charges for services provided by the Company and charged to the Customer's accounts, even where those calls are originated by fraudulent means either from Customer's premises or from remote locations. In addition, the Customer shall be responsible for all calls charged by fraudulent means to the Customer's prepaid calling card;

J. Verifying in writing if requested by the Company that it is duly authorized to order service at all locations designated by the Customer for service, and assumes financial responsibility for all locations designated by the Customer to receive Company's services. If the verification (i.e., a letter of authorization) cannot be produced within five (5) calendar days of the request, the presubscription of the Customer's locations shall be considered unauthorized;

K. Not using the Company's name, logo or trademark in any promotional materials, contracts, tariffs, service bills, etc., without expressed written authorization form the Company. The Customer shall not use the Company name, logo or trademark in any sales activities. The Customer is prohibited from using Company's name or trademark on any of the Customer's products or services; and

L. Not assigning or transferring any of its rights or services ordered without the prior written consent of Company.

2.3.2. Claims

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, cost 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 person, including, but not limited to employees or invitees of either party, to the extent caused by or resulting from the negligent or intentional act or omission of the Customer, its employees, agents, representatives or invitees; and

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 any 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.

C. Company shall be indemnified and held harmless by the Customer against claims of liable, slander, or the infringement of copyright, or for the unauthorized use of any trademark, trade name, or service mark, arising from the material transmitted over Company's service, against claims for infringement of patents arising from, combining with, or using in connection with, service, Company's apparatus and

2.3 Obligations of the Customer (Cont'd)

2.3.2 Claims (Cont'd)

systems of the Customer; against all other claims arising out of any act or omission of the member in connection with Company's service. The Customer shall be liable for:

1. Loss due to theft, fire, flood, or other destruction of Company's equipment or facilities on Customer's premises.

2. Reimbursing Company for damages to facilities or equipment caused by the negligence or willful acts of the Customer's officers, employees, agents or contractors.

3. Charges incurred with interconnect or local operating companies for service or service calls made to the Customer's premises or on the Customer's leased or owned telephonic equipment unless Company specifically authorized said visit or repairs in advance of the occurrence and Company agrees in advance to accept the liability for said repairs or visit.

4. Payment for all Company service charges incurred through usage or direct action on the part of the Customer.

2.4 Customer Equipment and Channels

2.4.1 Customer-Provided 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.

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, and injury to the Company's employees or to other persons. Any additional protective equipment required to prevent such damage or injury shall be provided by the Company at the Customer's expense.

C. The Customer is responsible for taking all necessary legal steps for interconnecting the Customer-provided equipment or communications systems with Company's facilities or services. The Customer shall secure all licenses, permits, rights-of-way and other arrangements necessary for such interconnection. 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 Company, except upon the written consent of Company. The equipment Company provides or installs at the Customer premises for use in connection with the service Company offers shall not be used for any purpose other than for which it was provided.

D. If the Customer fails to maintain the equipment and/or system properly, with resulting imminent harm to Company personnel or the quality of service to other Customers, Company may, upon written notice, require the use of protective equipment at the Customer's expense. If this fails to produce satisfactory quality and safety, Company may, upon written notice, terminate the Customer's service.

2.4.2 Interconnection of Facilities

A. Any special interface equipment necessary to achieve compatibility between the facilities and equipment of the Company 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 for 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 equipment in accordance with the provisions of this tariff. All such 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.

2.4 Customer Equipment and Channels (Cont'd)

2.4.2 Interconnection of Facilities (Cont'd)

D. Users may interconnect communications facilities that are used in whole or in part for interstate communications to services provided under this tariff only to the extent that the User is an "End User" as defined in Section 69.2 (m), Title 47, Code of Federal Regulations, (1992 edition).

E. In instances where Company is connecting its service to the Customer's own Customer-provided communications system or equipment or to any service or equipment provided by others, the Customer must ensure that the equipment or system must provide answer supervision upon the delivery of the call to the switching equipment or to the equipment connected to the communications system. When service is directly connected to a communications system at a Customer's premises, answer supervision must be provided when the call terminates in or passes through the first Customer premise equipment on that communications system, such as, but not limited to when a call is (1) answered by a local station; (2) answered by an attendant; (3) routed to a recorded announcement; or (4) routed elsewhere by the switching system.

F. The Customer shall ensure that the equipment and/or system is properly interfaced with Company's facilities or services; that the signals emitted into Company's network are of the proper mode, bandwidth, power, signal level or other technical parameters for the intended use of the Customer and in compliance with the criteria set forth in this tariff, and that the signals do not damage equipment, injure personnel or degrade service to other Customers. If the FCC or some other appropriate certifying body certifies terminal equipment as being technically acceptable for direct electrical connection with interstate communications service, Company will permit such equipment to be connected with its channels without the use of protective interface devices.

2.4.3 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 the requirements set forth in Section 2.4.2 (B) for the installation, operation, and maintenance of Customer-provided facilities, equipment, and wiring and the connection of Customer-provided facilities and equipment to Company-owned facilities and equipment.

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 this corrective action and notify the Company of the action taken. If the Customer fails to do this, the Company may take whatever additional action is deemed necessary, including the suspension of service, to protect its facilities, equipment and personnel from harm.

2.5 Application for Service

2.5.1 Applicants wishing to obtain service may apply for service orally with company or pursuant to a completed and signed written service order. The Company reserves the right to require applicants to complete and sign a Letter of Authorization for the Company to provide service.

2.5.2 Cancellation of Application for Service

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

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

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

D. The special charges described in 2.5.2 (A) through 2.5.2 (C) will be calculated and applied on a case-by-case basis.

2.5.3 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.

2.5.4 Service Commencement and Acceptance

Charges for services will commence as of the service commencement date. The Company shall notify the Customer when services ordered pursuant to an accepted service order are scheduled to be ready for use. Customer may refuse to accept such services only if such services fail to substantially comply with the specifications (if any) therefore set forth in the service order or in this tariff.

2.6 Third Party Billing – Policy and Procedures

A. Authorization for any charges for service provided to a customer by a third party will be obtained in advance from the end-user customer through one of the following formats:

1. A voice recording of the entire and actual conversation with the end-user customer.
2. A written and signed document.
3. Independent third party verification.

B. Written authorization will be requested in a clear and conspicuous manner, containing, at a minimum, the following:

1. Date
2. Name and telephone number
3. Question and answer to ensure that the end-user customer is qualified to make the requested changes and to authorize billing.
4. Question and answer regarding the end-user customer's age, to ensure that authorization is provided by an of-age end-user customer.
5. Explanation of the product/service being offered.
6. Explanation of all applicable charges.
7. Explicit end-user customer acknowledgment that said charges will be assessed via the telephone bill.
8. Explanation of how a service or product will appear on the telephone bill.
9. Description of how the charge will appear on the telephone bill.
10. Information related to whom to call (and the appropriate toll-free telephone number) for inquiries.

C. Authorization will be retained for a period of not less than 2 years. Upon request, the authorization will be made available in a timely manner.

2.6.1 The Company does not now, nor does it intend to, offer third party billing. However, should third party billing become available in the future, Company will follow precisely all Federal Communications Commission guidelines with regard to anti-cramming.

2.6.2 The Company does not accept third-party billing to be passed on its customers. Third-party billing entities may request Billing Name and Address (BNA) information at a fee, which is passed on to the third-party billing entity to include on their original billing.

## 2.7 Payment Arrangements

### 2.7.1 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.

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

B. Bills are due and payable on the due date of the monthly bill, but no less than fourteen (14) days after the date of the postmark on the bill. Bills may be paid at Company offices or with authorized agents. Payment made in the Company's night depository, if any, shall be deemed received on the next full business day.

C. Payments for Prepaid services are due before the commencement of any service period. Payments for extensions to prepaid services are due no later than the last day of the period that is to be extended. Payments for prepaid services may be made by activation of a prepayment card purchased from authorized agents. Prepayment cards represent a receipt for the prepayment of services a specified service period and an invoice for the extension of prepaid services following the expiration of the then current service period. Payments made at the night depository of an authorized third party shall be deemed received on the next full business day.

D. A late payment charge, as described below, may be applied if payment is not received by the Telephone Company on or before the due date, which will be prominently displayed on the Customer's bill. The Company shall credit payments within twenty-four (24) hours of receipt to avoid assessing late payment charges incorrectly.

E. A late payment charge of 1.5 % is applied to each Customer's bill when the previous month's bill has not been paid in full, leaving an unpaid balance carried forward. The late payment charge is included in the total amount due on the current bill.

### 2.7.2 Billing and Collection Charges

A. Non-recurring charges are due and payable from the customer within 14 days after the invoice date.

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 14 days after the invoice date.

D. When service does not begin on the first day of the billing period, or end on the last day of the billing period, the charge for the fraction of the billing period in which service was furnished will be calculated on a pro-rata basis.

2.7 Payment Arrangements (Cont'd)

2.7.2 Billing and Collection Charges (Cont'd)

For this purpose, every billing period 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 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 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.

E. The Customer will be assessed a charge of twenty five dollars ($25.00 for each check submitted by the Customer to the Company that a financial institution refuses to honor.)

F. Customers have up to 90 days (commencing 5 days after remittance of the bill) to initiate a dispute over charges or to receive credits.

G. If service is disconnected by the Company in accordance with section 2.7.5 following and later restored, restoration of service will be subject to payment of all amounts due, including interest, and all applicable charges for reconnection and installation.

2.7.3 Disputed Bills

In case of a billing dispute between the Customer and the Company as to the correct amount of a bill, which cannot be adjusted with mutual satisfaction, the Customer can make the following arrangement:

A. First, the Customer may make a request, and the Company will comply with the request, for an investigation and review of the disputed amount.

B. The undisputed portion of the bill must be paid by the Due By Date shown on the bill or the service will be subject to disconnection if the Company has notified the Customer by written notice of such delinquency and impending termination.

C. If there is still disagreement after the investigation and review by a manager of the Company, the Customer may appeal to the South Carolina Public Service Commission for its investigation and decision.

D. The Company will not disconnect the Customer's service for nonpayment as long as the Customer complies with (B) and (C) above.

E. The Company shall respond to the Commission's requests for information within 10 business days or otherwise within the number of days requested by the commission.

F. Should the Commission's investigation conclude the Customer owes the disputed amount, the Customer shall pay the full amount due immediately to avoid disconnection of service.

2.7 Payment Arrangements (Cont'd)

2.7.4 Deposits

A. When a Customer or applicant fails to establish a satisfactory credit history, the Company may, in order to safeguard its interest, require a deposit to ensure payment of charges. The fact that a deposit has been made in no way relieves the applicant or Customer from complying with the Company's regulations and the prompt payment of bills on presentation.

B. Deposits requested from current and new residential customers shall be no greater than an estimated two months (60 days) total bill (including toll and taxes) For an existing customer, a maximum deposit may be required up to an amount equal to the total actual bills of the highest two (2) consecutive months within the preceding six (6) months.

C. Deposits will be refunded 30 days after discontinuance of service or after 12 months of timely payments, whichever comes first. A transfer of service from one premises to another within the area served by the Company shall not be deemed a termination of service by the Company if the class of service remains the same.

D. When a service or facility is discontinued, the amount of a deposit, if any, will be applied to the Customer's account and any credit balance remaining will be refunded. Before the service or facility is discontinued, the Company may, at its option, return the deposit or credit it to the Customer's account.

E. Deposits held will accrue interest at a rate in accordance with the rules of the South Carolina Public Service Commission without deductions for any taxes on such deposits. Interest will not accrue on any deposit after the date on which reasonable effort has been made to return it to the Customer.

2.7.5 Credit Limit

The Company may at any time and at its sole discretion, set a credit limit for any Customer's or User's consumption of services for any monthly period.

2.7.6 Advanced Payments

A. Recurring Advanced Payments: The Company may, at its sole option and discretion, require that any Customer having a history of late payments for the Services or whose credit history either is unsatisfactory (in the Company's sole opinion) or is not established to the Company's reasonable satisfaction to make advance payments from time to time for future consumption of Services. The amount of each such advance payment will not exceed the lesser of (a) one (1) month's actual or estimated charges, or (b) the highest amount permitted by any applicable Regulation. The Company may, at its sole option and discretion, accept personal guarantees, bank letters of credit or surety bonds in lieu of an advance payment. Advance payments will be applied to charges for Services in the same manner as other payments. A customer may be required to continue to make advance payments in accordance with this Section until such time as its credit worthiness is established to the Company's reasonable satisfaction. The aggregate amount of any advance payment and deposit will not exceed an amount equal to an estimated two (2) months (60 days) total bill (including toll and taxes).

2.7 Payment Arrangements (Cont'd)

2.7.6 Advanced Payments (Cont'd)

B. Non-recurring Advanced Payments: the Company may require any Customer to make an advance payment of non-recurring charges (e.g., special construction charges) prior to consumption of services.

2.7.7 Discontinuance of Service

A. The Company shall comply with any provisions of the South Carolina Public Service Commission rules in processing any discontinuance or suspension of residential service. Upon non-payment of any amount owing to the Company for local exchange service by a residential, customer, the Company may, after, complying with any requirements of the Rules of the South Carolina Public Service Commission, discontinue or suspend service.

B. Upon nonpayment of any amount owing to the Company by a Customer, the Company may, by giving 5 days prior written notice to the Customer, discontinue or suspend service without incurring any liability.

C. Upon violation of any of the other material terms or conditions for furnishing service, the Company may, by giving 30 days' prior notice in writing to the Customer, discontinue or suspend service without incurring any liability if such violation continues during that period.

D. Upon condemnation of any material portion of the facilities used by the Company to provide service to a Customer or if a casualty renders all or any material portion of such facilities inoperable beyond feasible repair, the Company, by notice to the Customer, may discontinue or suspend service without incurring any liability.

E. Upon the Customer's insolvency, assignment for the benefit of creditors, filing for bankruptcy or reorganization, or failing to discharge an involuntary petition within the time permitted by law, the Company may immediately discontinue or suspend service without incurring any liability.

F. Upon any governmental prohibition or required alteration of the services to be provided or any violation of an applicable law or regulation, the Company may immediately discontinue service without incurring any liability.

G. In the event of fraudulent use of the Company's network, the Company may discontinue service without notice and/or seek legal recourse to recover all costs involved in enforcement of this provision.

H. Upon the Company's discontinuance of service to the Customer under Section 2.7.7, the Company, in addition to all other remedies that may be available to the Company at law or in equity or under any other provision of this tariff, may declare all future

2.7 Payment Arrangements (Cont'd)

2.7.7 Discontinuance of Service (Cont'd)

monthly and other charges that would have been payable by the Customer during the remainder of the term for which such services would have otherwise been provided to the Customer to be immediately due and payable (discounted to present value at six percent).

I. If, in the judgment of the Company, any use of the facilities or service by the Customer may adversely affect the Company's personnel, plant, property or service. The Company shall have the right to take immediate action, including termination of the service and severing of the connection, without notice to the Customer when injury or damage to telephone personnel, plant, property or service is occurring, or is likely to occur.

J. If it is determined that facilities have been abandoned, the Company may terminate the service.

K. In the event that service is connected for a Customer who is indebted to the Company for service or facilities previously furnished, that service may be terminated by the Company unless the Customer satisfies the indebtedness within 5 days after written notification.

L. In the event of unauthorized use, where the Customer fails to take reasonable steps to prevent the unauthorized or fraudulent use of the facilities of service received from the Company, the Company may terminate the service. Prohibited, unlawful or improper use of the facilities or service includes, but is not limited to:

a) The use of facilities or service of the Company without payment of tariff charges;

b) Calling or permitting others to call another person or persons so frequently or at such times of the day or in such a manner as to harass, frighten, abuse or torment such other person or persons;

c) The use of profane or obscene language may at the company's option result in disconnection of service or limit further communication with the individual to a written communication only basis;

d) The use of the service in such a manner such that it interferes with the service of other customers or prevents them from making or receiving calls.

## 2.8 Allowances for Interruptions in Service

### 2.8.1 General

Interruptions in service that are not due to the negligence of, or noncompliance with the provisions of this tariff by the Customer, or the operation or malfunction of the facilities, power or equipment provided 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.

### 2.8.2 Credit for Interruptions

A. A credit allowance will be made when an interruption occurs because of a failure of any component furnished by the Company under this Tariff. An interruption period begins when the Customer reports a service, facility or circuit to be interrupted and releases it for testing and repair. An interruption period ends when the service, facility or circuit is operative. If the Customer reports a service, facility or circuit to be inoperative but declines to release it for testing and repair, it is considered to be impaired, but not interrupted.

B. For calculating credit allowances, every month is considered to have 30 days. A credit allowance for fixed recurring fees only is applied on a pro rata basis against the rates specified hereunder and is dependent upon the length on the interruption. Only those facilities on the interrupted portion of the circuit will receive a credit.

C. A credit allowance will be given for interruptions of 24 hours or greater.

### 2.8.3 Limitations on Allowances

No credit allowances will be made for:

A. Interruptions 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. Interruptions 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. Interruption 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;

E. Any period which may otherwise have been an interruption of service, but during which the Customer continued to use the service on an impaired basis;

F. 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

2.8 Allowances for Interruptions in Service (Cont'd)

2.8.3 Limitations on Allowances (Cont'd)

G. Interruption of service due to circumstances or causes beyond the control of Company.

H. Interruption of service due to the Company's suspension or disconnection of service under the provisions of 2.7.7.

2.9 Cancellation of Service

2.9.1 If a Customer cancels a Service Order or terminates services before the completion of the term for any reason whatsoever other than a service interruption (as defined in Section 2.6.1 above), the Customer agrees to pay 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 the period set forth in Section 2.7.2.

2.9.2 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 to present value at six percent; plus

D. If there is a contract for a term longer than the current billing period, all charges specified in the contract for the term of the contract; minus

E. Reasonable allowance for costs avoided by the Company as a direct result of the Customer's cancellation.

2.10 Transfers and Assignments

2.10.1 Neither the Company nor the Customer may assign or transfer its rights or duties in connection with the service 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.

2.11 Notices and Communications

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

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

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

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

2.12 Toll Service

2.12.1 From all stations except those equipped with coin boxes – toll messages and charges are billed in arrears. The Company may, in order to safeguard its interest, establish a toll limit. If a Customer exceeds that limit, the Customer will receive a request to pay accrued tolls to avoid a toll block being placed on the line. If a toll block is placed on the Customer's line, it will be immediately removed upon receipt of payment for the toll charges.

2.13 Optional Features: 511 and 811

2.13.1 Access to 511 and 811 informational services may be obtained by dialing 511 or 811. Subscriber will be billed $.50 for each such call. The charge applies to each call regardless of whether the informational service is able to furnish the information requested.

2.14 Trial Tariffs

2.14.1 Optional non-basic exchange services may be offered periodically on a trial basis by the Company for technical and/or marketing purposes under the terms and conditions listed below. These trials shall be for the purpose of evaluating, in an operating environment, the performance and pricing of the specific service in conjunction with other marketing and environmental factors that can influence customer demand.

2.14.2 Marketing and/or technical trials shall be governed by the regulations set forth in this tariff.

2.14.3 A marketing and/or technical trial shall not require a tariff filing. However, an advice letter shall be provided to the Public Service Commission no later than fifteen (15) days before the start of the trial which will include the following information:

1. A description of the new service proposed to be offered.
2. The specific geographic area(s) or telephone exchange(s) in which the service will be offered.
3. The rates and charges for the service, including any applicable range of rates within which the rates may be increased or decreased.
4. All rules and regulations governing the offering of the trial service to customers.

2.14.4 A trial service may be offered to a subscriber, a group of subscribers, or to all subscribers in the classification(s) of service and the specific area(s) for which the trial service is made available. If the trial is to be limited to specific subscribers, the trial customer(s) shall be listed in the advice letter. However, a trial service may be offered at different rates to different geographical locations for the purpose of determining the appropriate rate. Rates for a trial service may also change for a specific location during the trial period to determine the appropriate rate(s).

2.14.5 The applicable terms and conditions for the trial services shall be determined by the Company and provide for a test period of not less than one month or more than twelve months.

2.14.6 The Company reserves the right to alter rates, within the specific range, with thirty (30) days notice to the Commission.

2.15 Compliance

The Company and Customer shall (and Customer shall cause User to) comply with all Regulations.

2.16 Force Majeure

The Company is excused from any Performance Failure due to causes beyond its reasonable control, including but not limited to acts of God, fire floods, other catastrophes, insurrections, national emergencies, wars, strikes, work stoppages or other labor disputes, unavailability of rights-of-way, disconnection or unavailability (through no fault of the Company) of any Other Provider's facilities or services, or any Regulation or other directive, action or request of any Governmental Authority.

2.17 Full Force and Effect

Should any provision or portion of this Tariff be held by a court or administrative agency of competent jurisdiction to be illegal, invalid, or unenforceable, the remaining provisions of this Tariff will remain in full force and effect.

2.18 Cooperation

Customer shall cooperate with the Company to the extent necessary for the Company to discharge its obligations hereunder and as reasonably requested by the Company.

2.19 Governing Law

This Tariff is to be governed by and construed in accordance with the rules and orders of the Commission and the laws of the State of South Carolina.

SECTION 3

SERVICE AREAS

## SERVICE AREAS

### 3.1 Local Service Areas

3.1.1 Fonix concurs in the local calling areas, access areas, market service areas, districts, cell brands, etc. contained in the General Subscriber Service Tariff of Incumbent Local Exchange Carriers with whom Fonix has executed an InterConnection Agreement; provided however that Fonix hereby expressly reserves the right to revoke and make void this statement of concurrence at any time.

3.1.2 Fonix has designated four Separate Rate Zones that apply to certain Services offered by the Company.

Rate Zones are defined as follows:

Zone 1 – All BellSouth local calling areas with more than 250,000 access lines and PBX trunks

Zone 2 – All BellSouth local calling areas with 100,000 to 250,000 access lines and PBX trunks.

Zone 3 – All BellSouth local calling areas with up to 100,000 access lines and PBX trunks.

Zone 4 – All other calling areas.

3.1.3 In the absence of a designated Rate Zone for any listed rate, the listed rate shall apply only to BellSouth calling areas.

SECTION 4

EXCHANGE ACCESS SERVICE

## EXCHANGE ACCESS SERVICE

### 4.1 General

4.1.1 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. place calls to and receive calls from any station in the local calling area, as defined herein,

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 911,

G. access services provided by other common carriers that purchase the Company's Switched Access service as provided under the Company's Federal and State tariffs, or that maintain other types of traffic exchange arrangements with the Company,

G. access telephone relay service.

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

4.1.3 The following Exchange Access Services are offered:

Residential Service
Business Service
Centrex Business Service
Trunk Service
Coin Line Service (COCOT)
Remote Exchange Service
Directory Service

4.2 Residential Service

4.2.1. Residential Service provides the Customer with a single voice-grade telephone communications channel for residential use that can be used to place or receive one call at a time. Residential Service lines are provided for connection of customer provided single line sets to the public telecommunications network. Each Residential Service line is equipped with Touch Tone service.

4.2.2 Each Residential Service Line may be equipped with any or all of the Calling Features listed in 5.11.

4.2.3 Customers may not use Residential service for business purposes, other than for incidental calls.

4.2.4 Fonix offers Residential Service Packages that include:

A. Basic Service: Residential Service as defined in section 4.2.1.

B. 2 Feature Service: Residential Service as defined in section 4.2.1, plus any two Calling Features listed in 5.1.1.

C. Full Feature Service: Residential Services as defined in Section 4.2.1, plus any or all Calling Features listed in 5.1.1.

D. FonixPak 200: Residential Services as defined in Section 4.2.1., plus Caller ID, Call Waiting Deluxe, Repeat Dialing, 3-way Calling and Call Return. Plan also includes 200 domestic long distance minutes each month.

E. FonixPak 200 Deluxe: Residential Services as defined in Section 4.2.1., plus any or all of the Calling Features listed in 5.1.1. Plan also includes 200 domestic long distance minutes each month.

F. Fonix America Unlimited: Residential Services as defined in Section 4.2.1. with unlimited local calling and up to 11 qualifying Calling Features listed in 5.1.1. Also includes unlimited domestic long distance calling.

H. Fonix America Unlimited with Voice Mail: Residential Services as defined in Section 4.2.1. with unlimited local calling and up to 11 qualifying Calling Features listed in 5.1.1. Also includes unlimited domestic long distance calling.

H. Expanded Area: Includes unlimited calling within an expanded local area as Defined in Bell South's Local Access Tariff, without toll or long distance charges.

I. Additional Basic Line: Additional line without features.

4.2.5 Fonix offers prepaid Residential Service Packages that include:

A. Basic: Residential Services as defined in Section 4.2.1, including Call Block.

B. Select: Residential Service as defined in Section 4.2.1, including Call Block plus any two Calling Features listed in 5.1.1.

C. Complete: Residential Service as defined in Section 4.2.1, including Call Block and plus any or all Calling Features listed in 5.1.1.

4.2.6 Fonix's Prepaid Residential Service prices listed in Section 8.1.1 are inclusive of all excise, access use, gross receipts or other charges or surcharges (however designated) (except state and local sales taxes) imposed by, any local, state or federal agency based upon the provision, sale or use of Network Services.

4.3. Business Service

4.3.1. Business Service provides the Customer with a single voice-grade telephone communications channel for business use that can be used to place or receive one call at a time. Each business line is equipped with Touch Call Service.

4.3.2 Each Business Service line may be equipped with any or all of the Calling features listed in 5.1.1

4.3.3 Fonix offers Business Service choices that include:

A. Simple Business Plan: Business Service as defined in Section 4.3.1 plus hunt-rollover.

B. Two Feature Plan: Business Service as defined in section 4.3.1, plus any two Calling Features listed in 5.1.1.

C. Fonix Full Feature Plan: Business Service as defined in Section 4.3.1. plus any or all Calling Features listed in Section 5.1.1. Also available in Two Feature Plan, Expanded area calling and Additional Lines.

D. Fonix Unlimited with Voice Mail: Business Service as defined in Section 4.3.1. with unlimited local calling and unlimited domestic long distance calling. Includes up to 11 qualifying calling features listed in Section 5.1.1.

E. Expanded Area Calling: includes unlimited calling in the Local Area, as defined in Bell South's Local Access tariff, without toll or Long Distance Charges.

F. Additional Lines: Additional line(s) without features.

4.3.4 Fonix offers Business Services with Minimum Service Periods, including month-to-month, one year and two years.

4.3.5 Minimum service periods shall be renewed upon the MSP expiration date, at then prevailing rates, unless the Customer cancels or changes services within thirty days following the expiration/renewal date.

4.4 Centrex Business Service

4.4.1 Centrex Business lines provide the Customer with a single feature rich voice-grade telephone communications channel for business use that can be used to place or receive one call at a time. Centrex does not require on premises switching equipment (key systems or PBX). Switch software is partitioned to create a virtual private business network with all capabilities of a sophisticated on premises system. Each Centrex business line is equipped with Touch Tone service, which may be deleted at the Customer's option.

Each line will also be equipped with rotary hunting service. The rotary service may be either circular or straight hunting at the customer's choice.

4.4.2 Centrex Business Line provides the following features:

Abbreviated Dialing
Assume Dial "9"
Call Forwarding
Call Forwarding Busy
Call Forwarding Group Busy
Call Forwarding No Answer
Call Park
Call Pickup
Call Transfer
Call Waiting
Consultation Hold
Last Number Redial
Permanent Hold (PH)
Ring Again
Speed Call 8
Station-to-Station (Dialing)
Three-Way Calling

4.5 Trunking

4.5.1 Basic Rate Integrated Services Digital Network (BRI)

Intentionally Left Blank

4.5.2. Primary Rate Integrated Services Digital Network (PRI)

A. An Integrated Services Digital Network (ISDN) interface designed for high-volume data communications. Primary Rate ISDN (PRI) consists of 23 "B" channels operating at 64 Kbps each and one 64 Kbps "D" Channel used for signaling. The transmission capability of Primary Rate ISDN is nearly 1.5 Mbps.

B. Each PRI offering includes the following:

1. Access Line - A four-wire access loop furnished between the serving wire center and the customer's premise.

2. PRI Interface - Provides multiplexing to support up to 23 "B" Channels for transmission at 64 Kbps and one 64Kbps "D" Channel for signaling.

3. Interoffice Channel - The channel furnished between central offices.

4. D Channel - A 64Kbps digital signaling only channel for call establishment and control, when used with Fonix's Primary Rate ISDN service.

5. B Channel – From 1 to 23 bi-directional synchronous channels capable of supporting 64Kbps of digital transmission. This circuit will allow switched service for either voice or data traffic transmissions at up to 64Kbps per channel.

C. Customer will incur a monthly recurring charge based upon the PRI package that they select. The PRI packaged prices are based upon the number of "B" channels that the customer selects and the dialing options.

D. An installation charge shall be incurred for PRI service with a minimum service period of less than two year.

E. Fonix's business customers are responsible for providing one PRI Interface for each Fonix PRI Access line and compatible Customer Premise Equipment to interface with Fonix's PRI service and its features. Customers are responsible for all costs for coordination and/or integration of PRI service with customer's premise equipment.

F. Customers must provide a 10 digit billing number for each PRI group.

G. All outbound local or long distance usage rates apply to the customer, and will be itemized on the customer's monthly bill.

H. Interoffice Channel rates are based on the airline distance between central offices.

4.5 Trunking (Cont'd)

4.5.2 Primary Rate Integrated Services Digital Network (PRI) (Cont'd)

I. Fonix's customer may choose from Direct Inward Dialing (DID) option, or Direct Outward Dialing (DOD) option, for their PRI service.

4.5.3 Channelized DS-1 (CDS-1)

A. An Integrated Services Digital Network (ISDN) interface designed for high-volume data communications. CDS-1 consists of 1 to 24 channels operating at 64 Kbps each. The transmission capability of CDS-1 is nearly 1.5Mbps.

B. Each CDS-1 offering includes the following:

1. Access Line – A four-wire access loop furnished between the serving wire center and the customer's premise.

2. CDS-1 Interface- Provides multiplexing to support up to 24 Channels at 64 Kbps.

3. Interoffice Channel – The channel furnished between central offices.

4. DS-1 Channels – From 1 to 24 bi-directional synchronous channels capable of supporting 64-Kbps of digital transmission. This circuit will allow switched service for either voice or data traffic transmissions at up to 64Kbps per channel.

C. Customer will incur a monthly recurring charge based upon the number of channels that the customer selects and the dialing options.

D. An installation charge shall be incurred for PRI service with a minimum service period of less than two years.

E. Fonix's business customers are responsible for providing one interface for each Fonix Access line and compatible Customer Premise Equipment to interface with Fonix's CDS-1 service and its features. Customers are responsible for all costs for coordination and/or integration of CDS-1 service with customer's premise equipment.

F. Customers must provide a 10 digit billing number for each CDS-1 group.

G. All outbound local or long distance usage rates apply to the customer, and will be itemized on the customer's monthly bill.

H. Interoffice Channel rates are based on the airline distance between central offices.

I. Fonix's customer may choose from Direct Inward Dialing (DID) option, or Direct Outward Dialing (DOD) option, for their PRI service.

4.5 Trunking (Cont'd)

4.5.4 Integrated DS-1 (IDS-1)

A. An unchannelized DS-1 interface designed for high-volume data communications providing 1.544 Mbps of integrated local and long distance voice, data and internet communications.

B. Each IDS-1 offering includes the following:

1. Access Line – A four-wire access loop furnished between the serving wire center and the customer's premise.

2. IDS-1 Interface- Provides access for voice and internet connectivity.

3. Interoffice Channel – The channel furnished between central offices.

4. Voice Ports – From 1 to 48 voice channels with features and extended area calling.

5. Dedicated Long Distance Voice Access - via Fonix's network.

6. Dedicated Internet Access - via Fonix's network.

C. Customer will incur a monthly recurring charge based upon the number of voice ports and dialing options selected.

D. An installation charge shall be incurred for IDS-1 service with a minimum service period of less than two years.

E. Fonix's business customers are responsible for providing one interface for each Fonix voice port and compatible Customer Premise Equipment to interface with Fonix's IDS-1 service and its features. Customers are responsible for all coordination and/or installation of IDS-1 service with customer's premise equipment.

F. Customers must provide a 10 digit billing number for each IDS-1 group.

G. All outbound local or long distance usage rates apply to the customer, and will be itemized on the customer's monthly bill.

H. Interoffice Channel rates are based on the airline distance between central offices.

I. Fonix's Customer may choose from Direct Inward Dialing (DID) option, or Direct Outward Dialing (DOD) option, for their PRI service.

J. Fonix's Integrated DS-1service is a bundled service offering that does not provide equal access to other carrier's long distance networks. Customers desiring access to another carrier's long distance network may be supported with additional local loops provided to the customer for that purpose at tariff rates contained herein.

4.5.5 Direct Inward Dialing (DID) to PBX System

A. DID is a central office based service that permits incoming calls to reach customer provided Private Branch Exchanges (PBX) equipment without the assistance of an attendant or otherwise provides for unique identification of the call based on digits sent to the customer premises equipment by the central office. The central office will outpulse digits to the customer premises equipment which can further process the calls as desired.

B. DID service is provided subject to the availability of facilities and may only be furnished from properly equipped central offices.

4.5.5 Direct Inward Dialing (DID) to PBX System (Cont'd)

C. Additional DID numbers can be reserved for future use

D. The Company does not guarantee to provide reserved numbers in a consecutive order.

E. The Company will be responsible for interception and administration of these numbers.

F. The Customer shall be responsible for providing interception of calls to assigned, but unused, DID numbers by means of attendant intercept or recorded announcement service.

G. Outgoing calls may not be placed over PBX trunks arranged for DID service.

H. The Company shall not be responsible to the Customer if necessary changes in protection criteria or in any of the facilities, operations, or procedures of the Company render any facilities provided by a Customer obsolete or make modification of Customer's equipment necessary.

4.5.6 Direct Outward Dialing (DOD)

A. Provides recognition, by the exchange telephone network, of the capability in a PBX for direct outward dialing to an outside station without attendant assistance, usually set up with a dial "9".

4.6 Customer Owned Coin Operated Telephone (COCOT) Service

4.6.1 The Company provides access lines ("COCOT Lines") for connection of Aggregator-provided Pay Telephone equipment to the public switched network. COCOT Lines provide the Aggregator with a single, analog, voice-grade telephonic communications channel equipment for touchtone signaling, which can be used to place or receive one call at a time. COCOT Lines are provided on a single party (individual) basis only. No multi-party lines are provided.

4.6.2 Recurring charges for COCOT Lines are billed monthly in advance. Usage charges, if applicable are billed in arrears. Usage charges may apply for calls placed from the CPPT Line subscribed to by the Aggregator. No usage charges will apply to calls received by the Customer. Non-recurring charges for installation or rearrangement of service are billed on the next month's bill immediately following work performed by the Company.

4.6.3 COCOT Lines will be provided only to Aggregators certificated by the South Carolina Public Service Commission. Proof of certification is required prior to installation of service. Service will be disconnected should the Company determine that the Aggregator is no longer certified or has had certification revoked for any reason.

4.6.4 The Aggregator is responsible for all local and long distance usage charges billed to the COCOT Line. These charges include, but are not limited to, any operator charges for calls billed to the line on a collect or third party basis in the event that the Aggregator does not subscribe to blocking and screening features offered in this tariff.

4.6.5 Unless otherwise permitted by Commission rule or order, only one pay telephone instrument may be connected to each COCOT Line.

4.6.6 Unless otherwise permitted by Commission rule or order, 0-local operator assisted calls must be routed to the Company's operators.

4.6.7 Aggregators subscribing to the Company's COCOT Lines are responsible for compliance with any Commission's Regulations for Operator and Pay Telephone Services and any other rules or regulations the Commission may require.

4.6.8 Service is provided at Business Flat Rate Local Exchange Service rates and charges as specified in Section 8.2.1 or 8.2.2 of this tariff. Each Access Line is provided with Touch Tone signaling at no additional charge. Calls placed to Directory assistance from COCOT Lines will be billed to the Customer at rates and charges found in Section 8.2.1 of the tariff.

4.6.9 The following optional features are provided with Access Lines for Customer Provided Pay Telephones:

A. Unrestricted Service: No blocking or screening provided.

B. Screening Option A: With this option, an Access Line is equipped with operator screening. In addition, calls to 011+ international direct distance dialed numbers outside the North American Numbering Plan are blocked.

4.6 Customer Owned Coin Operated Telephone (COCOT) Service (Cont'd)

4.6.9 (Cont'd)

C. Screening Option B: With this option, an Access Line is equipped with operator screening, blocking of calls to 011+ international direct distance dialed numbers outside the North American Numbering Plan are blocked, and blocking of calls to 1+900, seven digit local, 1+ Expanded Local Calling Area, 1+ DDD and 976 calls.

E. Screening Option C: With this option, an access Line is equipped with operator screening, blocking of calls to 011+ international direct distance dialed numbers outside the North American Numbering Plan are blocked, and blocking of calls to 1+900, 1+ expanded Local Calling Area, and 976 calls.

F. Each COCOT Line may be equipped with Central Office Disconnect for an additional charge.

F. Each COCOT line is also equipped with the following customized blocks at no charge:

Third Party Billing
Collect Call Block
900/976 Block
Directory Assistance (411) Block
Call Completion Block
International Block

4.7 Remote Exchange

4.7.1 Remote Exchange is an inbound-only local access service furnished in an exchange area other than the one in which the subscriber's primary phone service is provided.

4.7.2 Subscribers to the service are provided with a local access number that is not associated with any physical local loop facilities.

4.7.3 Calls received on the assigned Remote Exchange number are automatically routed to a number designated by the subscriber.

4.7.4 Remote Exchange includes 200 minutes per month of domestic long distance minutes, measured in six-second increments.

4.7.5 Minutes in excess of that allotted shall be billed to the subscriber at Fonix's standard 1+ long distance business rates.

4.7.6 Minutes that are not used by the subscriber in any one-month period shall automatically expire.

4.7.7 The Minimum MSP for Remote Exchange is one year.

4.7.8 All long distance services furnished are subject to the terms and conditions applying to intrastate telecommunication services between two points within the state of South Carolina, as found elsewhere in this Tariff, and to Interstate telecommunication services as found in Fonix's Interstate Telecommunications tariff on file in Fonix's office in compliance with FCC regulations.

4.8 DirectTel Service

4.8.1 DirectTel is local access service that provides a voice bridge between the public Internet and public telephone service network's worldwide. Subscribers to the service are provided with a minimum of two local access ports and two local access numbers with no physical loop facilities.

4.8.2 Calls originated by the subscriber remotely via the Internet are bridged to the public telephone network through assigned ports on Fonix's local access switch facilities where calls are subsequently routed for local or long distance termination.

4.8.3 DirectTel services are provided to subscribers on a prepaid basis only.

4.8.4 Fees for DirectTel service, listed elsewhere in this Tariff are inclusive of all taxes and regulatory fees.

4.8.5 All DirectTel local and long distance services furnished over public service telephone networks are subject to the terms and conditions applying to intrastate telecommunication services between two points within the state of South Carolina, as found elsewhere in this tariff, and to interstate and or international telecommunication services as found in Fonix's Interstate and International Telecommunication tariffs on file with the FCC or in Fonix's corporate office, in compliance with FCC regulations.

4.9 Timing of Calls

The Customer's monthly charges for Services provided hereunder are based upon one or more of the following: (i) the total time the User actually uses the Services (rounded to the increments set forth in herein), (ii) certain recurring charges as set forth herein, or (iii) in the case of private Line Service, the airline mileage between the originating and the terminating rate centers of each call as calculated using the V and H coordinates set forth in AT&T's FCC Tariff No. 10 on file with the FCC, and incorporated herein by reference. The method of calculation of the airline mileage between rate centers is calculated according to the following formula.

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

Where V1 and H1 are the V and H coordinates of point 1, and V2 and H2 are the V and H coordinates of point 2. The mileage is rounded up to an integer value to determine the airline mileage.

SECTION 5

EXCHANGE ACCESS OPTIONAL FEATURES

## EXCHANGE ACCESS OPTIONAL FEATURES

### 5.1 Calling Features

5.1.1 The following Calling Features are available to subscribers of Residential and or Business Service on an "a la carte" basis or in combination with Service Packages as outlined in 5.2.3, 5.3.3, and 5.3.5.

Anonymous Call Rejection
Call Blocking
Call Forwarding *
Call Forwarding Busy Line *
Call Forwarding Preferred *
Call Forwarding Don't Answer *
Call Return
Call Selector
Call Tracing
Call Waiting Deluxe
Caller ID Deluxe
Distinctive Ring
Repeat Dialing
Speed Calling 30
Three-Way Calling

* Not available with the Fonix Unlimited or Fonix Unlimited with Voice Mail plans.

5.1.2 Feature Installation and Disconnection Charges

A. An installation charge is applicable to each occasion that a Custom Calling Feature is ordered. When any combination of one or more features are ordered at the same time, only one installation charge applies.

B. A disconnection charge is applicable to each occasion that a custom calling feature is discontinued or cancelled when the cancelled feature is not replaced by a different feature.

5.2 Directory Listings

5.2.1 For each Customer of Company-provided Exchange Access Service(s), the Company shall arrange for the listing of the Customer's name, street address and main billing telephone number 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 non-published, non-listed or additional listings at monthly recurring rates listed herein.

5.2.2 The Company may limit the length of any listing in the directory by the use of abbreviations when, in its sole discretion, the clarity of the listing or the identification of the Customer is not impaired thereby.

5.2.3 The Company may, in its sole discretion, refuse a listing (i) that does not constitute Customer's legally authorized or adopted name, (ii) that contains obscenities in the name, (iii) that is likely to mislead or deceive calling persons as to the identity of the listed party, (iv) that is a contrived name used for advertising purposes or used to secure a preferential position in the directory, or (v) that is more elaborate than reasonably necessary to identify the listed party. The Company will notify Customer prior to withdrawing any listing which is found to be in violation of this subpart.

5.2.4 In order for listings to appear in a directory, a Customer must furnish the listing to the Company in time to meet the directory publishing schedule.

5.3 Local Number Portability

Fonix shall where technically feasible, provide Residential and Business Customers to whom the Company has furnished a Local Exchange Service telephone number, and who are in compliance with Section 2.7 and 2.9, an option to "port" such number to a new provider of such service. Monthly recurring rates for local number portability will be those rates authorized by the FCC, which shall be in effect at any given time.

5.4 Toll Restriction Service

Toll Restriction Service enables a customer, by means of Operator identification and/or screening to:

A. Restrict outgoing toll calls from station users to only those calls that are charged to the called telephone, a third number, or a calling card account and is available where facilities permit.

B. Prevent incoming collect and third number billed calls from being billed to the customer. Operator screening of incoming collect and third number billed calls is limited to operator service providers that access a validation database and therefore, cannot be guaranteed.

5.5 Vanity Number Service

Vanity Number Service is an optional feature by which a new Customer may request a specific or unique telephone number and fax number for use with Company provided Exchange Access Service. This service provides for assignment of a customer requested telephone number other than the next available number from the assigned control list.

Vanity Number Service is furnished subject to the availability of facilities and the requirements of Exchange Access Service as defined by the Company. The Company reserves all rights to the Vanity Numbers assigned to customers and may, therefore, change them if required.

SECTION 6

MISCELLANEOUS SERVICES

## MISCELLANEOUS SERVICES

### 6.1 Operator Services

#### 6.1.1 Directory Assistance

Local Directory Assistance provides the calling party the telephone number of the requested party, if available, in the local calling area that is retained in the Directory Assistance Database of the Operator Services provider the Company is using and may be accessed by dialing 411. National Directory Assistance provides the calling party telephone numbers of individuals or businesses who are located outside the calling party's local Directory Assistance area and may be accessed by dialing 1+(area code) 555-1212 or 411 where available.

Customers may obtain assistance in determining telephone numbers by calling a Directory Assistance operator subject to the charges shown herein.

Directory Assistance charges apply for all requests for which the Directory Assistance facilities are used. Requests for information other than telephone numbers will be charged the same rate shown for the applicable request for telephone numbers.

A Directory Assistance call charged to a calling card or commercial calling card will be billed the appropriate operator charge, as specified in this tariff, plus the charge for Directory Assistance. A Directory Assistance Call Completion charge will apply when a customer calls Directory Assistance and the number requested is completed by the Operator.

Non-published telephone numbers are not available from Directory Assistance Service.

A credit will be given for calls to Directory Assistance when:

1. the Customer experiences poor transmission or is cut off during the call.

2. the Customer is given an incorrect telephone, or the Customer inadvertently misdials an incorrect Directory Assistance NPA.

To receive a credit, the Customer must notify the Directory Assistance operator or the Company's Customer Service Department of the problem experienced.

#### 6.1.2 Directory Assistance Exemption

A Customer's service may be exempt from Directory Assistance charges if it is provided for the use of an individual who is unable to use a telephone directory due to visual or other physical limitations. Disabled persons may self-certify as to their physical inability to use telephone directories by providing to the Company a completed exemption form certifying the applicant's impairment. The exemption form can be obtained by contacting any Company business office at (866) 486-4733.

Residential service will be exempted when any member of a household has certified in the manner above, that he or she cannot use the directory.

6.1 Operator Services

6.1.2 Directory Assistance Exemption (Cont'd)

A single line business service will be exempted when it is provided to a small business where the proprietor and all regular employees have certified in the manner described above, that they cannot use a directory. Upon receiving a specific request, the Company may extend this exemption to a business customer who employs a disabled individual who needs access to Directory Assistance to perform his or her job. Each month, the business customer will submit to the Company a letter stating the number of directory assistance calls made by the disabled individual. The Company, upon receipt of the letter, will credit the business customer's account for the number of directory assistance calls made by the disabled individual.

An individual, who has certified in the manner described above, may make a Directory Assistance call from any telephone and charge such calls to his or her exempt telephone number or credit card. No charge will apply to this type of call.

The Directory Assistance exemption is intended for the Customer's personal use only and is not to be used on behalf of any other individual or business or for any other improper purpose. If the Company determines that the exemption is being used for any improper purpose, the Company may revoke the exemption and impose the appropriate charges for previously and improperly made calls.

A Customer qualifying for exemption from Directory Assistance charge is also exempt from Directory Assistance Call Completion.

6.1.3 Operator Handled Calling Service

The Company provides access to Operator Handled Calling Services through the incumbent LEC for Customers and Users of the Company's Local and IntraLATA Toll calling services and to users accessing pre-subscribed public payphones or customer-provided stations for operator assisted calls. In addition to charges which would otherwise apply pursuant to the other Sections of this tariff, each operator handled call may be assessed a surcharge(s) as set forth within.

General Assistance: Customers may request general information from the operator, such as dialing instructions, country or city codes, area code information and customer service telephone number, without requesting the operator to complete the call.

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 or User's calling card.

Station-to-Station: Refers to calls other than person-to-person calls billed to either the end user's commercial credit card or to a calling card. Calls may be completed with or without the assistance of a Company operator.

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

6.1 Operator Services (Cont'd)

6.1.3 Operator Handled Calling Service (Cont'd)

Billed to Calling Card: Refers to calls that are dialed by the Customer or User in accordance with standard dialing instructions and billed to a calling card.

Busy Line Verification: Upon request of a calling party, the operator will determine if the line is clear or in use and report to the calling party.

Emergency Interrupt Service: Upon request of a calling party the operator will interrupt the call on the called line only if the calling party indicates an emergency. For calls that are interrupted, both the Busy Line Verification and the Interrupt charges will apply.

Busy Line Verification and Emergency Interrupt charges will apply when:

1. the operator verifies that the line is busy;
2. the operator verifies that the line is available for incoming calls;
3. the operator verifies that the called number is busy with a call in progress and the Customer requests interruption.

No charge will apply when:

1. the calling party advises that the call is to or from an official public emergency agency;
2. under conditions other than those specified within, preceding.

Busy Line Verification and Emergency Interrupt Service are furnished where and to the extent that facilities permit. The Customer shall indemnify and save the Company harmless against all claims that may arise from either party to the interrupted call or any person.

In addition to charges which would otherwise apply pursuant to other Sections of this tariff, each operator handled call will be assessed a charge as listed herein.

6.2 Carrier Presubscription

6.2.1 Carrier Presubscription is a procedure whereby a Customer designates to the Company the carrier which the Customer wishes to be the carrier of choice for IntraLATA and InterLATA toll calls. Such calls are automatically directed to the designated carrier, without the need to use carrier access codes or additional dialing to direct the call to the designated carrier. Presubscription does not prevent a Customer who has presubscribed to an IntraLATA or InterLATA toll carrier from using carrier access codes or additional dialing to direct calls to an alternative long distance carrier on a per call basis.

6.2.2 Customers of record will retain their primary interexchange carrier(s) until they request that their dialing arrangements be changed.

6.2.3 Customers of record or new customers may select the same carrier or separate carriers for IntraLATA and InterLATA long distance. The following options for long distance Presubscription are available:

A. Option I: Customer may select the Company as the presubscribed carrier for IntraLATA and InterLATA toll calls.

B. Option II: Customer may select the Company as the presubscribed carrier for IntraLATA calls and some other carrier as the presubscribed carrier for InterLATA toll calls.

C. Option III: Customer may select a carrier other than the Company for IntraLATA toll calls and the Company for InterLATA toll calls.

D. Option IV: Customer may select the carrier other than the Company for both IntraLATA and InterLATA toll calls.

E. Option V: Customer may select two differenct carriers, neither being the Company for IntraLATA and InterLATA toll calls. One carrier to be the Customer's primary IntraLATA interexchange carrier. The other carrier to be the Customer's primary InterLATA interexchange carrier.

F. OptionVI: Customer may select a carrier other than the Company for no presubscribed carrier for IntraLATA toll calls which will require the Customer to dial a carrier access code to route all IntraLATA toll calls to the carrier of choice for each call.

6.2.4 Customers may change their selected option and/or presubscribed toll carrier at any time subject to charges specified herein.

6.2.5 A new Customer will be asked to select IntraLATA and InterLATA toll carriers at the time the Customer places an order to establish local exchange service with the Company. The Company will process the Customer's order for service. All new Customer initial requests for IntraLATA toll service presubscription shall be provided free of charge.

If a new Customer is unable to make selection at the time the new Customer places an order to establish local exchange service, the Company will read a random listing of all available IntraLATA and InterLATA carriers to aid the Customer in selection. If selection is still not possible, the Company will inform the Customer that he/she will be

6.2 Carrier Presubscription

6.2.5 (Cont'd)

given 90 calendar days in which to inform the Company of his/her choice for primary toll carrier(s) free of charge. Until the Customer informs the Company of his/her choice of primary toll carrier, the Customer will not have access to long distance services on a presubscribed basis, but rather will be required to dial a carrier access code to route all toll calls to the carrier(s) of choice. Customers who inform the Company of a choice for toll carrier presubscription within the 90 day period will not be assessed a service charge for the initial Customer request.

6.2.6 Customers of record may initiate a IntraLATA or InterLATA presubscription change at any time, subject to the charges specified herein. If a Customer of record inquires of the Company of the carriers available for toll presubscription, the Company will read a random listing of all available IntraLATA carriers to aid the Customer in selection.

6.2.7 After a Customer's initial selection for a presubscribed toll carrier and as detailed in paragraph 6.2.4 above, for any change thereafter, a Record Change Charge, as set forth in Section 8 will apply. Customers who request a change in IntraLATA and InterLATA carriers with the same order will be assessed a single charge per line.

6.3 Service Implementation

Absent a promotional offering, service order charges will apply to orders to implement, change, or relocate service unless a different non-recurring charge is specified elsewhere in this tariff.

Only one service order charge will apply for any given service order.

6.4 Restoration of Service

A restoration charge applies to the re-establishment of service and facilities suspended because of nonpayment of bills and is payable at the time that the re-establishment of the services and facilities suspended is arranged for.

6.5 Inside Wire Maintenance Plan

6.5.1 At an additional monthly charge, Customers may add the Inside Wire maintenance Plan to their service. This plan provides for maintenance and repair of the wiring and jacks at the Customer's premises.

6.5.2 Fonix will locate the source of the telephone service problems in the wiring and jacks at the premises and repair basic inside telephone wire and modular jacks. Fonix does not repair defective phone cords, phones, or equipment attached to the network through these interfaces and these devices are not included under this plan.

6.5.3 This Plan does not cover (1) problems caused by willful damage to inside wire or jacks; (2) damage caused by Acts of god (such as fire, windstorm, flood, hurricane, lightning or other similar acts); (3) service problems in your inside wire or jacks that were obvious at the time you subscribed to the Plan; and (4) inside wire or jacks that do not meet industry standards for telecommunication.

6.5.4 This Plan is provided on a month-to-month basis and can be cancelled by giving oral or written notice. The minimum service commitment for this plan is one (1) month.

6.5.5 Key telephone systems, Private Branch Exchanges (PBX), or other non-basic telephone systems, are not eligible for this Plan.

6.5.6 Fonix shall not be liable for damages, including any indirect, incidental or consequential damages, that arise from: (1) any defects in materials used to maintain inside wire or jacks; or (2) defects in workmanship provided under the plan. There are no express or implied warranties, warranties of merchantability, or warranties of fitness for a specific purpose with this plan. Fonix's liability for defective materials or workmanship is limited to repair or replacement of the defective material and/or a corrective service visit.

6.6 Maintenance Visit Charges

6.6.1 Maintenance visit charges are applicable to customers who do not elect to pay a monthly inside wire maintenance charge.

6.6.2 The Maintenance Visit Charge applies for time spent on a Customer's premises by a Company employee or its Agent during which it is determined that a service difficulty or trouble reported results from Customer-provided terminal equipment and/or communications systems to the telecommunications network.

6.6.3 The Maintenance Visit Charge will be waived if trouble if found to be in the Company's equipment (e.g., on the Company's side of the demarcation point).

6.6.4 The time period for which the Maintenance Visit Charge is applied will commence when Company personnel arrive at the Customer premises and end when work is completed. The rates for Maintenance of Service vary by time per Customer request, as further described in this Section.

6.6.5 Residential Maintenance Visit Charges applies to Residential Customers, as defined in this tariff.

6.6.6 Business Maintenance Visit Charges apply to all other requests for service.

6.6.7 The minimum charge for a Maintenance Visit Charge is one hour.

6.6.8 For purposes of this Section, Basic Time refers to the period when services are performed by the Company on business days during regularly scheduled work hours. Overtime refers to the period when services are performed by the Company on Business days, but outside of regularly scheduled work hours. Premium Time refers to the period when services are performed by the Company on non-business days, such as weekends and Company holidays.

6.6.9 The following charges may be applied:

A. Premises Visit Charge – Applies to each trip to the customer's premise for work performed or trouble identified on the customer's side of the demarcation point. The charges also apply when no trouble is found. The Premises Visit Charge is waived if trouble is found to be in the Company's equipment (e.g. on the Company's side of the demarcation point).

B. Premises Labor Charge – Applies to connect or modify lines or equipment at the customer's location or to correct a trouble condition to the Customer's side of the demarcation point. Charges are based upon the time spent at the customer's premises. Premise Labor Charges apply during regularly scheduled work hours (8 a.m. to 5 p.m., Monday through Friday).

C. Missed Appointment Charge – Applies to each Customer's request for a premises visit when the customer or an adult consenting to the work to being done is not available to allow access for the technician.

6.7 Telecommunications Devices for the Deaf (TDD) – South Carolina Relay Center (Dual Party Relay Service)

6.7.1 The South Carolina Relay Center permits hearing and speech impaired users of Telecommunications Devices for the Deaf (TDD) to communicate with users of ordinary telephones. Communications take place by relaying conversations (Voice to TDD and TDD to voice). These calls are between one party who must communicate by means of a TDD and another who communicates by means of an ordinary telephone. Messages are rated from the rate center of the calling party to the rate center of the called party.

6.7.2 Rates are reduced for certain calls for Customers who meet the following requirements:

A. The Customer has certified to the Company as having a hearing or speech impairment that prevents telephone voice communication.

B. The Customer uses a telecommunications device for the deaf (TDD) or other non-voice equipment for telecommunications.

C. The Customer makes written application to the Company for the reduced TDD rates.

D. The Customer designates to the Company one and only one telephone number associated with that Customer's service and telecommunications device. Reduced rates apply only to calls originated from this telephone number.

E. The reduced rates specified in 8.8.2 following apply to all Dial Station-to-Station calls originated from the designated telephone number

F. The Customer uses the South Carolina Relay Center which permits hearing and speech impaired customers to use a Telecommunications Device for the Deaf (TDD) to exchange telephone messages with voice customers.

6.7.3 Rates for certain TDD calls are reduced for an agency or business that assists hearing or speech impaired persons under the following conditions:

A. The agency or business provides non-voice telecommunications equipment (TDD) solely for the use of hearing or speech impaired persons or persons who communicate with hearing or speech impaired persons.

B. The agency or business makes written applications to the Company for the reduced TDD rates.

C. The reduced rates are given as a credit on a subsequent bill.

D. The reduced rates specified in 8.8.2 following apply for all Dial Station-to-Station calls placed between TDDs.

6.7 Telecommunications Devices for the Deaf (TDD) – South Carolina Relay Center (Dual Party Relay Service (Cont'd)

6.7.4 Rates for certain TDD calls are reduced for individuals equipped with TDDs for communicating with hearing or speech impaired persons under the following conditions:

A. The Customer uses a TDD or other non-voice equipment for communications with other TDDs or non-voice equipment.

B. The Customer makes written application to the Company for reduced TDD rates.

C. The reduced rates are given as a credit on a subsequent bill.

D. The reduced rates specified herein apply for all Dial Station-to Station calls placed between TDDs.

6.8 911 Emergency Service ("911 Service")

6.8.1 911 Service permits Customers to reach appropriate emergency services including police, fire and medical services.

6.8.2 The Company undertakes no responsibility to inspect or to monitor 911 Service facilities to discover errors, defects, or malfunctions in 911 Service.

6.8.3 Upon the Company's transmittal of a Customer's 911 Service record, including the Customer's name, address and telephone number, to the appropriate Public Safety Agency, such agency is solely responsible for the accuracy of the Customer's street name, address, telephone number, appropriate police, fire, ambulance or other agencies' jurisdiction over such address, as well as any and all changes as they occur in the establishment of new streets, the closing or abandonment of existing streets, the modification of municipal or county boundaries, the incorporation of new cities or any other similar matter that may affect the routing of 911 Service calls to the proper Public Safety Answering Point.

6.8.4 By dialing 911, the 911 Service calling party waives all privacy rights afforded by non-listed and non-published Service to the extent that the Customer's telephone number, name, and address associated with the originating station location are furnished to the Public Safety Answering Point.

6.9 Government or Regulatory Agency Imposed Fees, Charges and Assessments

The rates for the services contained in Section 8.1 and 8.2 are exclusive of government or regulatory imposed fees, charges and assessments including, but not limited to subscriber line charges, network access, TRS, PICC, Federal and State (where applicable), Universal Service Fund Assessment, E-911, compliance with Americans with Disability Act and LNP charge. All of the charges listed herein as well as any other mandated fees, charges and assessments will be listed as separate line items on end-users invoices.

Any and all mandated fees, charges and assessments that are listed on end users invoices be in compliance with FCC and state regulatory rules.

SECTION 7

SPECIAL ARRANGEMENTS

## SPECIAL ARRANGEMENTS

### 7.1 Special Construction

#### 7.1.1 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 and may include:

a. non-recurring type charges;
b. recurring type charges;
c. termination liabilities
d. combinations thereof.

#### 7.1.2 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 cost 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 material provided or used
   b. engineering, labor and supervision
   c. transportation
   d. rights-of-way

2. License preparation, processing, and related fees.
3. Tariff preparation, processing, and related fees.
4. Cost of removal and restoration, where appropriate.
5. Any other identifiable costs related to the specially constructed or rearranged facilities.

C. The applicable termination liability method for calculating the unpaid balance of a term obligation. The amount of such charge is obtained by multiplying the sum of the amounts determined as set forth in Section 7.1.2 (B) preceding by a factor related to the un-expired period of liability and the discount rate for return and contingencies. The amount determined in section 7.1.2 (B) preceding shall be adjusted to reflect the predetermined estimated net salvage, including any reuse of the facilities provided. This product is adjusted to reflect applicable taxes.

7.2 Individual Case Basis (ICB) Arrangements

7.2.1 Contract Service 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 meet specialized requirements of the Customer not contemplated in this tariff, or to develop a competitive bid for a service offered under this tariff. Rates quoted in response to such 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.

7.2.2 Special Construction

At its option, the Company may provide Customers, upon request, special construction of facilities or Services on an individual case basis ("ICB") at rates other than as set forth herein. Special construction or ICB is construction undertaken:

A. where facilities are not presently available, and there is no other provision hereunder for the facilities to be constructed;

B. where facilities other than those which the Company provides are requested by the Customer;

C. where facilities are requested by the Customer over a route other than that which the Company serves;

D. when Services are requested in a quantity greater than that which the Company would normally provide to a Customer;

E. when Services are requested by a Customer on an expedited basis;

F. when Services or facilities are requested on a temporary basis until such Services or permanent facilities are available.

The Charges for special construction or ICB (i) are subject to individual negotiation between the Company and the Customer, (ii) will be based upon the Company's actually incurred labor, material and other costs, and (iii) may include without limitation recurring, non-recurring, and early termination Charges.

7.3 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 the Company's services.

The Company may discontinue, without notice, any promotion prior to the advertised ending date.

SECTION 8

PRICES

PRICES

8.1 Residential

8.1.1 Monthly Recurring Charges

| | 1 Mo MSP | 3 Mo MSP | 1 Mo Pre-Paid |
|---|---|---|---|
| **Standard Services** | | | |
| Zone 1 | | | |
| Basic Service/Basic Prepaid | 22.40 | 25.48 | 56.00 |
| Additional Lines Basic Service/Basic Prepaid | 22.40 | 22.40 | 56.00 |
| 2 Feature Service/Select Prepaid | 29.40 | 29.40 | 66.00 |
| Full Feature Service/Complete Prepaid | 39.00 | 35.80 | 76.00 |
| Zone 2 | | | |
| Basic Service/Basic Prepaid | 21.00 | 23.80 | 56.00 |
| Additional Lines Basic Service/Basic Prepaid | 21.00 | 21.00 | 56.00 |
| 2 Feature Service/Select Prepaid | 28.00 | 28.00 | 66.00 |
| Full Feature Service/Complete Prepaid | 39.00 | 39.00 | 76.00 |
| Zone 3 | | | |
| Basic Service/Basic Prepaid | 20.00 | 22.60 | 56.00 |
| Additional Lines Basic Service/Basic Prepaid | 20.00 | 20.00 | 56.00 |
| 2 Feature Service/Select Prepaid | 27.00 | 27.00 | 66.00 |
| Full Feature Service/Complete Prepaid | 39.00 | 39.00 | 76.00 |
| Zone 4 | | | |
| Basic Service/Basic Prepaid | N/A | N/A | N/A |
| Additional Lines Basic Service/Basic Prepaid | N/A | N/A | N/A |
| 2 Feature Service/Select Prepaid | N/A | N/A | N/A |
| Full Feature Service/Complete Prepaid | N/A | N/A | N/A |
| **Features** | | | |
| Individual Features per Line as Listed in 5.1.1 | 4.00 | 4.00 | 0.00 |

8.1 Residential (Cont'd)

| | 1 Mo MSP | 3 Mo MSP | 1 Mo Pre-Paid |
|---|---|---|---|
| 8.1.2 Monthly Recurring Charges (Cont'd) | | | |
| Standard Services with Expanded Area Calling | | | |
| Zone 1 | | | |
| Basic Service/Basic Prepaid | 44.00 | 44.00 | 56.00 |
| Additional Lines Basic Service/Basic Prepaid | 44.00 | 44.00 | 56.00 |
| 2 Feature Service/Select Prepaid | 51.00 | 46.60 | 66.00 |
| Full Feature Service/Complete Prepaid | 55.00 | 47.80 | 76.00 |
| Zone 2 | | | |
| Basic Service/Basic Prepaid | 44.00 | 44.00 | 56.00 |
| Additional Lines Basic Service/Basic Prepaid | 44.00 | 44.00 | 56.00 |
| 2 Feature Service/Select Prepaid | 51.00 | 51.00 | 66.00 |
| Full Feature Service/Complete Prepaid | 55.00 | 55.00 | 76.00 |
| Zone 3 | | | |
| Basic Service/Basic Prepaid | 44.00 | 44.00 | 56.00 |
| Additional Lines Basic Service/Basic Prepaid | 44.00 | 44.00 | 56.00 |
| 2 Feature Service/Select Prepaid | 51.00 | 51.00 | 66.00 |
| Full Feature Service/Complete Prepaid | 55.00 | 55.00 | 76.00 |
| Zone 4 | | | |
| Basic Service/Basic Prepaid | N/A | N/A | N/A |
| Additional Lines Basic Service/Basic Prepaid | N/A | N/A | N/A |
| 2 Feature Service/Select Prepaid | N/A | N/A | N/A |
| Full Feature Service/Complete Prepaid | N/A | N/A | N/A |
| Features | | | |
| Individual Features Per Line As Listed in 5.1.1 | 4.00 | 4.00 | 0.00 |
| 8.1.2 Non-Recurring Charges | | | |
| Standard Services | | | |
| Installation | 42.50 | 42.50 | 30.00 |
| Installation – Each Additional Line | 30.00 | 30.00 | 30.00 |
| Record Change | 20.00 | 20.00 | 20.00 |
| Suspend/Restore Service | 20.00 | 20.00 | 20.00 |
| Premises Work Charges | | | |
| First 15 minute increment or fraction thereof | 30.00 | 30.00 | 30.00 |
| Each additional 15 minute increment or fraction thereof | 25.00 | 25.00 | 25.00 |

PRICES

8.2 Business

| | 1 Mo MSP | 6 Mo MSP | 1 Yr MSP | 2 Yr MSP |
|---|---|---|---|---|
| 8.2.1 Monthly Recurring Charges | | | | |
| Standard Services | | | | |
| Zone 1 | | | | |
| Simple Business Plan | 11.00 | 48.95 | 46.90 | 44.85 |
| Fonix Full Feature Plan 1st Line | 76.00 | 69.50 | 62.75 | 58.75 |
| Fonix Full Feature Plan 2nd Line | 64.00 | 60.58 | 54.84 | 51.44 |
| Fonix Full Feature Plan 3rd Line | 71.00 | 54.62 | 49.56 | 46.56 |
| Zone 2 | | | | |
| Simple Business Plan | 47.00 | 47.00 | 47.00 | 47.00 |
| Fonix Full Feature Plan 1st Line | 76.00 | 69.50 | 62.75 | 58.75 |
| Fonix Full Feature Plan 2nd Line | 64.00 | 63.55 | 57.48 | 53.88 |
| Fonix Full Feature Plan 3rd Line | 71.00 | 57.60 | 52.20 | 49.00 |
| Zone 3 | | | | |
| Simple Business Plan | 43.50 | 43.50 | 43.50 | 34.50 |
| Fonix Full Feature Plan 1st Line | 76.00 | 69.50 | 62.75 | 58.75 |
| Fonix Full Feature Plan 2nd Line | 64.00 | 63.55 | 57.48 | 53.88 |
| Fonix Full Feature Plan 3rd Line | 71.00 | 57.60 | 52.20 | 49.00 |
| Zone 4 | | | | |
| Simple Business Plan | N/A | N/A | N/A | N/A |
| Fonix Full Feature Plan 1st Line | N/A | N/A | N/A | N/A |
| Fonix Full Feature Plan 2nd Line | N/A | N/A | N/A | N/A |
| Fonix Full Feature Plan 3rd Line | N/A | N/A | N/A | N/A |
| Features | | | | |
| Individual Features per Line as Listed in 5.1.1 | 4.00 | 4.00 | 4.00 | 4.00 |
| Hunt Roll-Over Service | | | | |
| Zone 1 Hunt and Roll-Over per Line | 10.65 | 7.50 | 4.50 | 4.00 |
| Zone 2 Hunt and Roll-Over per Line | 10.65 | 8.25 | 8.25 | 8.25 |
| Zone 3 Hunt and Roll-Over per Line | 10.65 | 10.75 | 10.75 | 10.75 |
| Zone 4 Hunt and Roll-Over per Line | N/A | N/A | N/A | N/A |

8.2 Business (Cont'd)

8.2.1 Monthly Recurring Charges (Cont'd)

| | 1 Mo MSP | 6 Mo MSP | 1 Yr MSP | 2 Yr MSP |
|---|---|---|---|---|
| Standard Services with Expanded Area Calling | | | | |
| Zone 1 | | | | |
| Simple Business Plan | 83.00 | 80.95 | 78.90 | 76.85 |
| Fonix Full Feature Plan 1st Line | 97.00 | 91.00 | 84.75 | 86.50 |
| Fonix Full Feature Plan 2nd Line | 93.00 | 82.90 | 77.28 | 78.85 |
| Fonix Full Feature Plan 3rd Line | 96.00 | 74.80 | 69.80 | 71.20 |
| Zone 2 | | | | |
| Simple Business Plan | 83.00 | 83.00 | 83.00 | 83.00 |
| Fonix Full Feature Plan 1st Line | 97.00 | 94.50 | 88.25 | 84.75 |
| Fonix Full Feature Plan 2nd Line | 93.00 | 90.28 | 84.34 | 81.01 |
| Fonix Full Feature Plan 3rd Line | 96.00 | 86.05 | 80.42 | 77.28 |
| Zone 3 | | | | |
| Simple Business Plan | 83.00 | 83.00 | 83.00 | 83.00 |
| Fonix Full Feature Plan 1st Line | 97.00 | 94.50 | 88.25 | 87.50 |
| Fonix Full Feature Plan 2nd Line | 93.00 | 92.65 | 86.95 | 83.63 |
| Fonix Full Feature Plan 3rd Line | 96.00 | 88.30 | 82.90 | 79.75 |
| Zone 4 | | | | |
| Simple Business Plan | N/A | N/A | N/A | N/A |
| Fonix Full Feature Plan 1st Line | N/A | N/A | N/A | N/A |
| Fonix Full Feature Plan 2nd Line | N/A | N/A | N/A | N/A |
| Fonix Full Feature Plan 3rd Line | N/A | N/A | N/A | N/A |
| Features | | | | |
| Individual Features per Line as Listed in 5.1.1 | 4.00 | 4.00 | 4.00 | 4.00 |
| Hunt Roll-over Service | | | | |
| Zone 1 Hunt and Roll-Over per Line | 10.65 | 7.50 | 4.50 | 4.00 |
| Zone 2 Hunt and Roll-Over per Line | 10.65 | 8.25 | 8.25 | 8.25 |
| Zone 3 Hunt and Roll-Over per Line | 10.65 | 10.75 | 10.75 | 10.75 |
| Zone 4 Hunt and Roll-Over per Line | N/A | N/A | N/A | N/A |

| 8.2 Business (Cont'd) | 1 Mo MSP | 6 Mo MSP | 1 Yr MSP | 2 Yr MSP |
|---|---|---|---|---|
| **8.2.2 Non-Recurring Charges** | | | | |
| Standard Services | 50.00 | 50.00 | 0.00 | 0.00 |
| Installation | 30.00 | 30.00 | 0.00 | 0.00 |
| Installation – Each Additional Line | 15.50 | 15.50 | 15.50 | 15.50 |
| Record Change | 20.00 | 20.00 | 20.00 | 20.00 |
| Suspend/Restore Service | | | | |
| Premises Work Charges | | | | |
| First 15 minute increment or fraction thereof | 30.00 | 30.00 | 30.00 | 30.00 |
| Each additional 15 minute increment or fraction of | 25.00 | 25.00 | 25.00 | 25.00 |

8.3 Centrex

| | 1 Mo MSP | 1 Yr MSP | 2 Yr MSP | 3 Yr MSP |
|---|---|---|---|---|
| 8.3.1 Monthly Recurring Charges | | | | |
| This Section Intentionally Left Blank | N/A | N/A | N/A | N/A |
| 8.3.2 Non-Recurring Charges | | | | |
| This Section Intentionally Left Blank | N/A | N/A | N/A | N/A |

8.4 BRI Trunk Service

| | 1 Mo MSP | 1 Yr MSP | 2 Yr MSP | 3 Yr MSP |
|---|---|---|---|---|
| 8.4.1 Monthly Recurring Charges | | | | |
| This Section Intentionally Left Blank | N/A | N/A | N/A | N/A |
| 8.4.2 Non-Recurring Charges | | | | |
| This Section Intentionally Left Blank | N/A | N/A | N/A | N/A |

8.5 PRI Trunk Service

| | 1 Mo MSP | 1 Yr MSP | 2 Yr MSP | 3 Yr MSP |
|---|---|---|---|---|
| **8.5.1 Monthly Recurring Charges** | | | | |
| PRI Trunk with Active D Channel | 920.47 | 767.07 | 580.72 | 484.77 |
| Trunk Mileage | | | | |
| First Mile | ICB | ICB | ICB | ICB |
| Each Additional Mile | ICB | ICB | ICB | ICB |
| Each B Channel | | | | |
| Outbound Only | N/A | N/A | N/A | N/A |
| Inbound Only with Hunt Roll-Over | N/A | N/A | N/A | N/A |
| Two Way Combination with Hunt Roll-Over | 32.49 | 27.08 | 24.41 | 20.38 |
| Each Block of 20 DID Numbers | 3.00 | 3.00 | 3.00 | 3.00 |
| **8.5.2 Non-Recurring Charges** | | | | |
| PRI Trunk Installation | 2,500.00 | 2,500.00 | N/C | N/C |
| Initial B Channel Order | N/C | N/C | N/C | N/C |
| Subsequent B Channel Orders | 35.00 | 35.00 | 35.00 | 35.00 |
| Initial Block of 20 DID Numbers | 200.00 | 200.00 | 200.00 | 200.00 |
| Each Additional Block of DID Numbers | 35.00 | 35.00 | 35.00 | 35.00 |

8.6 Channelized DS-1 (CDS-1)

| | 1 Mo MSP | 1 Yr MSP | 2 Yr MSP | 3 Yr MSP |
|---|---|---|---|---|
| 8.6.1 Monthly Recurring Charges | | | | |
| CDS-1 Trunk | ICB | ICB | ICB | ICB |
| Each Channel | ICB | ICB | ICB | ICB |
| Trunk Mileage | | | | |
| First Mile | ICB | ICB | ICB | ICB |
| Each Additional Mile | ICB | ICB | ICB | ICB |
| Outbound Only | N/A | N/A | N/A | N/A |
| Inbound Only with Hunt Roll-Over | N/A | N/A | N/A | N/A |
| Two Way Combination with Hunt Roll-Over | | | | |
| Each Block of 20 DID Numbers | 3.00 | 3.00 | 3.00 | 3.00 |
| 8.6.2 Non-Recurring Charges | | | | |
| CDS-1 Trunk Installation | 2,500.00 | 2,500.00 | N/C | N/C |
| Initial Channel Order | N/C | N/C | N/C | N/C |
| Subsequent B Channel Orders | 35.00 | 35.00 | 35.00 | 35.00 |
| Initial Block of 20 DID Numbers | 200.00 | 200.00 | 200.00 | 200.00 |
| Each Additional Block of DID Numbers | 35.00 | 35.00 | 35.00 | 35.00 |

8.7 Integrated DS-1 (IDS-1)

| | 1 Mo MSP | 1 Year MSP | 2 Year MSP | 3 Year MSP |
|---|---|---|---|---|
| 8.7.1 Monthly Recurring Charges | | | | |
| IDS-1 Trunk | N/A | N/A | N/A | N/A |
| Trunk Mileage | N/A | N/A | N/A | N/A |
| First Mile | N/A | N/A | N/A | N/A |
| Each Additional Mile | N/A | N/A | N/A | N/A |
| Each Access Line | N/A | N/A | N/A | N/A |
| Outbound Only | N/A | N/A | N/A | N/A |
| Inbound Only with Hunt Roll-Over | N/A | N/A | N/A | N/A |
| Two Way Combination with Hunt Roll-Over | | | | |
| Each Block of 20 DID Numbers | N/A | N/A | N/A | N/A |
| 8.7.2 Non-Recurring Charges | | | | |
| IDS-1 Trunk Installation | N/A | N/A | N/A | N/A |
| Initial Access Line | N/A | N/A | N/A | N/A |
| Subsequent Access Line Orders | N/A | N/A | N/A | N/A |
| Initial Block of 20 DID Numbers | N/A | N/A | N/A | N/A |
| Each Additional Block of DID Numbers | N/A | N/A | N/A | N/A |

8.8 COCOT

| | 1 Mo MSP | 1 Yr MSP |
|---|---|---|
| 8.8.1 Monthly Recurring Charges | | |
| Standard Services | | |
| Zone 1 | | |
| Basic COCOT Service | 29.00 | 23.20 |
| Zone 2 | | |
| Basic COCOT Service | 26.00 | 26.00 |
| Zone 3 | | |
| Basic COCOT Service | 21.00 | 21.00 |
| Zone 4 | | |
| Basic COCOT Service | N/A | N/A |
| 8.8.2 Non-Recurring Charges | | |
| Standard Services | | |
| Installation | 50.00 | 0.00 |
| Installation – Each Additional Line | 30.00 | 0.00 |
| Record Change | 15.50 | 15.50 |
| Suspend/Restore Service | 19.00 | 19.00 |
| Premises Work Charges | | |
| First 15 minute increment or fraction thereof | 30.00 | 30.00 |
| Each additional 15 minute increment or fraction thereof | 25.00 | 25.00 |
| 8.8.3 Optional Features | | |
| Screening Options | | |
| Option A | 2.04 | 2.04 |
| Option B | 3.14 | 3.14 |
| Option C | 2.09 | 2.09 |
| Central Office Disconnect | N/A | N/A |
| Customized Blocks | N/C | N/C |
| 8.8.4 Other | | |
| Per Call Service Charge | | |
| Origination | .30 | .30 |
| Termination | N/C | N/C |

8.9 Remote Exchange

| | 1 Mo MSP | 1 Yr MSP |
|---|---|---|
| **8.9.1 Monthly Recurring Charges** | | |
| Remote Exchange Service | | |
| Each Access Port with Hunt Roll-Over | N/A | |
| **8.9.2 Non-Recurring Charges** | | |
| Installation – Each Port | N/A | 0.00 |
| Installation – Each Additional Port | N/A | 0.00 |
| Record Change | N/A | 20.00 |
| Suspend/Restore Service | N/A | 20.00 |

8.10 DirectTel

| | 1 Mo MSP | 1 Yr MSP |
|---|---|---|
| **8.10.1 Monthly Recurring Charges** | | |
| DirectTel | | |
| Each Port with Hunt Roll-Over ( 2 port Min.) | N/A | N/A |
| **8.10.2 Non-Recurring Charges** | | |
| Installation – Each Port | N/A | N/A |
| Installation – Each Additional Port | N/A | N/A |
| Record Change | N/A | N/A |
| Suspend/Restore Service | N/A | N/A |

8.11 Collocation

| | 1 Mo MSP | 1 Yr MSP | 2 Yr MSP | 3 Yr MSP |
|---|---|---|---|---|

8.11.1 Monthly Recurring Charges

This Section Intentionally Left Blank

8.11.2 Non-Recurring Charges

This Section Intentionally Left Blank

8.12 Other Services

| | Residential | Business |
|---|---|---|
| **8.12.1 Directory Services** | | |
| Directory Listing | N/C | N/C |
| Additional Directory Listing | 2.50 | 2.50 |
| Vanity Number | N/C | N/C |
| Non Published Listing | 4.00 | 4.00 |
| Non Listed Listing | N/C | N/C |
| **8.12.2 Operator Services** | | |
| Emergency 911 Service | N/C | N/C |
| General Assistance | N/C | N/C |
| Directory Assistance | .95 | .95 |
| Directory Assistance Call Completion | .95 | .95 |
| Calling Card | .35 | .35 |
| Third Number Billing | 2.50 | 2.50 |
| Collect Call | 2.50 | 2.50 |
| Person to Person | 2.50 | 2.50 |
| Station to Station | 2.50 | 2.50 |
| Busy Line Verification | 3.00 | 3.00 |
| Busy Line Interrupt | 3.00 | 3.00 |
| TDD Rate Reduction | 25% | 25% |
| **8.12.3 Miscellaneous** | | |
| Inside Wiring Maintenance | 4.00 | 4.00 |