

RATES, TERMS AND CONDITIONS DOCUMENT (RTC DOCUMENT)
CONTAINING
RATES, TERMS AND CONDITIONS
APPLICABLE TO
LONG DISTANCE SERVICES
FURNISHED BY

Saddleback Communications

FOR INTERSTATE , INTERNATIONAL AND INTRASTATE LONG DISTANCE SERVICES
AS PROVIDED FOR HEREIN.

JULY 31, 2001

LONG DISTANCE SERVICES

TABLE OF CONTENTS

	<u>Page No.</u>
Section 1: <u>General</u>	1-1
1.1 Application of Rates, Terms and Conditions	1-1
1.2 Definitions	1-1
Section 2: <u>Terms and Conditions – Interstate, International, and Intrastate Long Distance Services</u>	2-1
2.1 Undertaking of the Company.....	2-1
2.1.A Scope.....	2-1
2.1.B Limitations.....	2-1
2.2 Obligations of the Customer	2-1
2.3 Liabilities of the Company.....	2-3
2.4 Service Orders	2-4
2.5 Charges and Payments for Service or Facilities.....	2-4
2.5.A Deposits	2-4
2.5.B Description of Payment and Billing Periods	2-5
2.5.C Taxes, Gross Revenue, Gross Income and Gross Earnings Surcharges.....	2-5
2.5.D Payment and Late Payment Charge.....	2-5
2.5.E Returned Check Charge	2-6
2.5.F Suspension or Termination for Nonpayment	2-6
2.5.G Credit Allowance/Service Interruptions	2-6
2.5.H Service Interruption Measurement	2-7
2.6 Termination or Denial of Service by the Company	2-7
Section 3: <u>General Classification and Description of the Company's Service - Interstate, International and Intrastate Long Distance Services</u>	3-1
3.1 Service Points	3-1
3.2 Measurements.....	3-1
3.2.A Availability of Service	3-1
3.3 Timing of Calls.....	3-1
3.4 Method of Applying Rates.....	3-2
3.4.A Interstate Long Distance Services.....	3-2
3.4.B International Long Distance Services.....	3-2
3.4.C Intrastate Long Distance Services.....	3-2
3.5 Promotional Discounts.....	3-2
3.6 Dialed Long Distance Services.....	3-3
3.7 800 Service	3-3
3.8 Directory Assistance Service	3-3

LONG DISTANCE SERVICES

TABLE OF CONTENTS (Cont'd)

	<u>Page No.</u>
Section 3: <u>General Classification and Description of the Company's Service - Interstate, International and Intrastate Long Distance Services (Cont'd)</u>	
3.09 Operator Services	3-4
3.09.A Responsibilities of the Company For Operator Services	3-4
3.09.B Responsibilities of the Customer For Operator Services	3-4
3.09.C Billing Arrangements	3-5
3.09.D Description of Interstate Operator Services.....	3-6
3.09.E Description of Intrastate Operator Services.....	3-7
3.09.F Description of International Operator Services.....	3-7
3.09.G Person-to Person-Calls	3-7
 Section 4: <u>Rates for Interstate Long Distance Service</u>.....	 4-1
4.1 Returned Check Charge	4-1
4.2 Residential Direct Dial Services	4-1
4.3 Business Direct Dial Service.....	4-1
 Section 5: <u>Rates for Intrastate Long Distance Service</u>	 5-1
5.1 Returned Check Charge	5-1
5.2 Residential Direct Dial Services	5-1
5.3 Business Direct Dial Service.....	5-1
 Section 6: <u>Rates for International Long Distance Service</u>	 6-1
6.1 Returned Check Charge.....	6-1
6.2 Rate Schedules.....	6-1

LONG DISTANCE SERVICES

1. General**1.1 Application of Rates, Terms and Conditions**

- 1.1.A The rates, terms and conditions contained within this document, hereinafter referred to as "Rates, Terms and Conditions," are applicable to the provision of Interstate Long Distance Service, International Long Distance Service, and Intrastate Long Distance Service hereinafter collectively or individually referred to as "Service", by Saddleback Communications, hereinafter referred to as the "Company", as specified herein. Service is furnished subject to the availability of facilities and subject to transmission, atmospheric and like conditions. By accepting Service from the Company, the Customer accepts these Rates, Terms and Conditions as a binding agreement between the Customer and the Company. Changes to these Rates, Terms and Conditions may be made by the Company upon fifteen (15) days written notice to the Customer. Use of the Company's Service after the fifteen (15) day notice period shall be construed as the Customer's agreement to the changed rates, terms and conditions.
- 1.1.B These Rates, Terms and Conditions are incorporated by reference in the Saddleback Communications Long Distance Services Agreement (Long Distance Services Agreement). The Long Distance Services Agreement and the Rates, Terms and Conditions together comprise the rates, terms and conditions applicable to provision of Interstate Long Distance Service, International Long Distance Service and Intrastate Long Distance Services by the Company. A copy of the Long Distance Service Agreement is attached at the beginning of this Rates, Terms and Conditions Document. In the event there is a conflict between terms and conditions in the Long Distance Services Agreement, the Long Distance Services Agreement shall govern resolution of such conflict.
- 1.1.C The provision of such Service by the Company as set forth in these Rates, Terms and Conditions does not constitute a joint undertaking with the Customer for the furnishing of any Service.
- 1.1.D Intrastate Long Distance Service provided under the Rates, Terms and Conditions are limited to calls originating and terminating within the state of Arizona.

1.2 Definitions

Certain terms used throughout these Rates, Terms and Conditions are defined as follows:

1.2.A Access Code

A sequence of numbers that, when dialed, connect the caller to the Provider associated with that sequence.

1.2.B Application for Service

A standard order form which includes all pertinent billing, technical, and other descriptive information which will enable the Company to provide the Service as required.

1.2.C Automatic Number Identification (ANI)

The term "ANI" (automatic number identification) refers to the delivery of the calling party's billing number by a local exchange carrier to any interconnecting carrier for billing or routing purposes and to the subsequent delivery of such number to end users (as defined for purposes of the FCC's Part 64, Subpart P, calling party telephone number, §§64.1600 through 64.1604). These Rates, Terms and Conditions also utilize ANI to mean an individual customer telephone number.

LONG DISTANCE SERVICES

1.2.D Billed Party

The person or entity responsible for payment of the Company's service for an Operator Services Call, as follows:

- (1) in the case of a Calling Card or Credit Card call, the holder of the calling card or credit card used by the Customer; and
- (2) in the case of a Collect or Third Party call, the person responsible for the local telephone service at the telephone number that agrees to accept charges for the call.

1.2.E Call Splashing

The transfer of a telephone call from one provider of operator services to another such provider in such a manner that the subsequent provider is unable or unwilling to determine the location of the origination of the call and, because of such inability or unwillingness, is prevented from billing the call on the basis of such location.

1.2.F Collect Call

A call for which charges are billed, not to the originating telephone number, but to the destination or termination telephone number.

1.2.G Company

Saddleback Communications, unless the context indicates otherwise.

1.2.H Customer

Any individual, partnership, association, trust, corporation, cooperative or governmental agency or other entity which utilizes the Services provided by the Company. A Customer, as set forth herein, is responsible for the payment of charges and for compliance with all applicable terms of the Company's Rates, Terms and Conditions.

1.2.I Customer Dialed Calling Card Call

A Calling Card Call which is dialed by the Customer and may or may not require intervention by an attended operator position to complete.

1.2.J Customer Provided Equipment

Terminal Equipment or facilities provided by persons other than the Company and connected to the Company's Services and/or facilities.

1.2.K Domestic

Domestic points include all fifty (50) states and all U.S. territories and possessions as defined in the Communications Act of 1934, and as amended by the Telecommunications Act of 1996, and as further defined by the Federal Communications Commission in their orders.

1.2.L Equal Access

Has the meaning given that term in Appendix B of the Modification of Final Judgment entered August 24, 1982, in United States v. Western Electric, Civil Action No. 82-0192 (United States District Court, District of Columbia), as amended by the Court in its orders issued prior to October 17, 1990.

LONG DISTANCE SERVICES

1.2.M FCC

The Federal Communications Commission.

1.2.N International Long Distance Service

International Long Distance Service is a Long Distance Service involving a telephone call originating in one country and terminating in another country. International Long Distance Service includes International Operator Service offered by the Company as provided herein.

1.2.O International Operator Service

International Operator Service is an Operator Service involving a telephone call originating in one country and terminating in another country.

1.2.P Interstate Long Distance Service

Interstate Long Distance Service is a Long Distance Service involving a telephone call originating in one state and terminating in another state (also referred to as a "state-to-state" call). Interstate Long Distance Service includes Interstate Operator Service offered by the Company as provided herein.

1.2.Q Interstate Operator Service

Interstate Operator Service is an Operator Service involving a telephone call originating in one state and terminating in another state.

1.2.R Intrastate Long Distance Service

Intrastate Long Distance Service is a Long Distance Service involving a telephone call originating and terminating in the same state (also referred to as a "in-state" call). Company provision of Intrastate Long Distance Service under the Rates, Terms and Conditions is limited to the state of Arizona. Intrastate Long Distance Service includes Intrastate Operator Service offered by the Company as provided herein.

1.2.S Intrastate Operator Service

Intrastate Operator Service is an Operator Service involving a telephone call originating and terminating in the same state. Company provision of Intrastate Operator Service under the Rates, Terms and Conditions is limited to the state of Arizona.

1.2.T Local Exchange Carrier (LEC)

A telephone company which furnishes local exchange services.

1.2.U Long Distance Service (LDS)

The term "Long Distance Service" denotes the furnishing of station-to-station direct dial interstate and international switched network services to the Customer for the completion of long distance voice and dial up low speed data transmissions over voice grade channel from the Company's Points of Presence to domestic points and international points

1.2.V Operator Service

An Operator Service is a Long Distance Service provided by the Company that includes, as a component, any automatic or live assistance to a Customer to arrange for billing or completion, or both, of the Long Distance Service.

LONG DISTANCE SERVICES

1.2.W Person-to-Person Calls

A call which is placed under the stipulation that the caller will speak only to a specific called party. Such a call is not completed until either the specific party named by the caller is contacted, or the caller agrees to speak to a different party.

1.2.X Rates, Terms and Conditions

Rates, Terms and Conditions refers to this document as a whole comprising the rates, terms and conditions applicable to the provision of Services to Customers by the Company.

1.2.Y Service

The offerings of the Company comprising Interstate Long Distance Service, International Long Distance Service and Intrastate Long Distance Service.

1.2.Z Telecommunications

The transmission of voice communications or, subject to the transmission capabilities of the service, the transmission of data, facsimile, signaling, metering, or any other form of intelligence.

1.2.AA Third Party Calls

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

LONG DISTANCE SERVICES

2. Terms and Conditions – Interstate, International and Intrastate Long Distance Services2.1 Undertaking of the Company2.1.A Scope

The Company is a carrier providing Interstate Long Distance Service, International Long Distance Service and Intrastate Long Distance Service to Customers for their direct transmission of voice, data and other types of telecommunications within the United States, between points in the United States and international points, as described in these Rates, Terms and Conditions. Intrastate Long Distance Services are limited to originating and terminating points within the state of Arizona.

2.1.B Limitations

2.1.B.1 The services provided pursuant to these Rates, Terms and Conditions are offered subject to the availability of facilities and the other provisions of these Rates, Terms and Conditions.

2.1.B.2 The Company does not undertake to transmit communications or messages, but rather furnishes facilities, Service and equipment for such transmissions by the Customer.

2.1.B.3 The Company retains the right to deny Service to any Customer which fails to comply with the rules and regulations of these Rates, Terms and Conditions, or other applicable rules, regulations or laws.

2.2 Obligations of the Customer

2.2.A All Customers assume general responsibilities in connection with the provision and use of the Company's Service. General responsibilities are described in this section. When facilities, equipment, and/or communication systems provided by others are connected to the Company's facilities, the Customer assumes the additional responsibilities as set forth in Section 2.2, herein.

2.2.B The Customer is responsible for the payment of all charges for any and all Services or facilities provided by the Company to the Customer.

2.2.C Subject to availability, the Customer may use specific codes to identify the users groups on its account and to allocate the cost of its service accordingly. The numerical composition of such codes shall be set forth by the Company to assure compatibility with the Company's accounting and automation systems and to avoid duplication of such specific codes.

2.2.D The Company reserves the right to discontinue the use of any code provided to the Customer and to substitute another code for such Customer's use.

2.2.E The Customer shall indemnify and save harmless the Company from and against all loss, liability, damage and expense, including reasonable counsel fees, due to claims for libel, slander, or infringement of copyright or trademark in connection with any material transmitted by the Customer using the Company's Services; and any other claim resulting from any act or omission of the Customer to the use of the Company's facilities.

LONG DISTANCE SERVICES

2. Terms and Conditions – Interstate, International and Intrastate Long Distance Services (Cont'd)**2.2 Obligations of the Customer (Cont'd)**

- 2.2.F Nothing contained herein, or in any other provision of these Rates, Terms and Conditions, or in any marketing materials issued by the Company shall give any Customer or person any ownership interest or proprietary right in any particular code issued by Company; provided, however, that a Customer that continues to subscribe to Company's Services will be provided a replacement code in the event such Customer's initial code is canceled.
- 2.2.G The Customer shall reimburse the Company for damages to the Company's facilities caused by any negligence or willful act or acts on the part of the Customer.
- 2.2.H The Customer shall pay and hold the Company harmless from the payment of all charges for service ordered by the Customer from the Local Exchange Carriers or other entities for long distance services and/or facilities connecting the Customer and the Company.
- 2.2.I In the event a suit is brought by the Company, or an attorney is retained by the Company to collect any bill or enforce the terms of these Rates, Terms and Conditions against a Customer, that Customer shall be responsible for payment of all reasonable attorney's fees, court costs, costs of investigation and any and all other related costs and expenses incurred by the Company in connection therewith.
- 2.2.J The Customer understands that the Services are furnished subject to the condition that there will be no abuse, fraudulent and/or illegal use thereof. Such activity includes, but is not limited to:
- 2.2.J.1 Using the Service for any purpose which is in violation of any law.
- 2.2.J.2 Obtaining or attempting to obtain Services through any scheme, false representation and/or use of any fraudulent means or devices whatsoever with the intent to avoid payment, in whole or in part, of charges for Services, or assisting any other person or firm in such regard.
- 2.2.J.3 Attempting to, or actually obtaining, accessing, altering, or interfering with the communications and/or information by rearranging, tampering with or making any connection with any facilities of the Company or assisting any other person or firm in such regard.
- 2.2.J.4 Using the Services in a manner that interferes unreasonably with the use of Service by one or more other Customers.
- 2.2.J.5 Using the Service to convey information deemed to be obscene, salacious, or prurient, to impersonate another person with fraudulent or malicious intent, to call another person or persons so frequently, at such times, or in such a manner as to annoy, abuse, or harass, or to convey information of a nature or in a manner that renders such conveyance unlawful.

JULY 31, 2001

LONG DISTANCE SERVICES

2. Terms and Conditions – Interstate, International and Intrastate Long Distance Services (Cont'd)2.2 Obligations of the Customer (Cont'd)

2.2.K The Customer, not the Company, shall be responsible for compliance with FCC Rules, 47 C.F.R. Part 68, and for all maintenance of such equipment and/or facilities.

2.3 Liabilities of the Company

2.3.A Except as stated in this Section 2.3, the Company shall have no liability for damages of any kind arising out of or related to events, acts, rights or privileges contemplated in these Rates, Terms and Conditions.

2.3.B The liability of the Company for damages resulting in whole or in part from or arising in connection with the furnishing of Service under these Rates, Terms and Conditions, including, but not limited to, mistakes, omissions, interruptions, delays, errors or other defects or misrepresentations shall not exceed an amount equal to the charges under these Rates, Terms and Conditions applicable to the specific call (or portion thereof) that was affected. No other liability shall attach to the Company.

2.3.C The Company shall not be liable for any failure of performance hereunder due to causes beyond its control, including, but not limited to: (1) acts of God, fires, flood or other catastrophes; (2) any law, order, regulation, directive, action or request of the United States Government, or any other government, including state and local governments having jurisdiction over the Company, or of any department, agency, bureau, corporation or other instrumentality of any one or more of said governments, or of any civil or military authority; or (3) national emergencies, insurrections, riots, wars or other labor difficulties.

2.3.D The Company shall not be liable for any act or omission of any other entity furnishing facilities, equipment, or services used by a Customer, with the Company's Services. In addition, the Company shall not be liable for any damages or losses due to the failure or negligence of any Customer or due to the failure of Customer Provided Equipment, facilities or services.

LONG DISTANCE SERVICES

2. Terms and Conditions – Interstate, International and Intrastate Long Distance Services (Cont'd)**2.4 Service Orders**

The Customer must place a service order for Service with the Company to initiate, cancel or change the Services provided pursuant to these Rates, Terms and Conditions. Applications for Services may be either in writing or orally and provide, at a minimum, the following information:

2.4.A Customer's name(s), telephone number(s) and address(es). In the case of a corporation or partnership, a designated officer or agent shall be named as the contact person for such corporation or partnership.

2.4.B Name(s), address(es) and telephone number(s) of person(s) to whom notices from the Company to the Customer shall be addressed, if different from (A) above.

2.5 Charges and Payments for Service or Facilities**2.5.A Deposits**

2.5.A.1 The Company may, in order to safeguard its interests, require a Customer to make a suitable deposit or provide a surety bond or letter of credit in the amount of the required deposit as a guarantee of the payment of charges. The Company shall have the right to require the Customer to make a deposit prior to or at any time after provision of any Service, not to exceed three (4) months estimated charges. The Company may increase the amount of the deposit to reflect increases to the Customer's annual bill. The Customer will receive a receipt for the deposit.

2.5.A.2 Any deposit as referred to in this Section shall be held by the Company to secure the payment of the Customer's bill. At the Company's option, the deposit may be refunded or credited to the Customer at any time prior to the termination of Service.

2.5.A.3 The fact that a deposit is made does not relieve the Customer from making advance payments or from complying with the Company's regulations for the payment of bills in accordance with the terms herein and does not constitute a waiver or modification of the regulations of the Company providing for the discontinuance of Service for nonpayment of any sums due the Company for Service rendered.

2.5.A.4 Upon termination of Service, and assuming deposits of the Customer are not applied as indicated in Section 2.5.A.2, the deposit will be credited to the Customer's account and any credit balance will be refunded after all amounts due the Company have been paid.

LONG DISTANCE SERVICES

2. Terms and Conditions – Interstate, International and Intrastate Long Distance Services (Cont'd)**2.5.B Description of Payment and Billing Periods**

2.5.B.1 Service is provided and billed on a monthly basis. Service continues to be provided and billed on a monthly basis until canceled by the Customer through notice given to the Company.

2.5.B.2 When billing functions are performed by a Local Exchange Carrier (LEC), commercial credit card company or others, the payment conditions and requirements of such LEC, commercial credit card company or other entity performing billing functions apply, including any applicable interest.

2.5.B.3 In the event a Local Exchange Carrier, commercial credit card company or others ceases efforts to collect any amounts associated with the Company's charges, the Company may bill the Customer or the called party directly, and may utilize its own billing and collection procedures which shall be consistent with all applicable statutes, rules and regulations.

2.5.C Taxes, Gross Revenue, Gross Income, and Gross Earnings Surcharges

2.5.C.1 Community tax is covered by tribal statute and other applicable taxes may be covered by tribal community or federal statutes. Such taxes may be included on Customer bills in accordance with any applicable rules of the Salt River Pima Maricopa Indian Community or federal regulatory authority.

2.5.C.2 In addition to all recurring, non-recurring, minimum, usage, surcharges or special charges, the Customer identified in these Rates, Terms and Conditions shall also be responsible for and shall pay all applicable federal, local taxes or surcharges, including sales, use, excise, gross earnings, and gross income taxes. All such taxes shall be separately shown and charged on bills rendered by Company or its billing agent. Sales and use taxes shall be applied to all charges and shall also be applied to all applicable gross earnings, gross revenue and gross income taxes.

2.5.D Payment and Late Payment Charge

2.5.D.1 Payment will be due as specified on the Customer bill. Commencing after that due July 31, 2001, a late charge of allowable by law will be applied to all amounts past due.

2.5.D.2 Collection procedures and the requirement for a deposit are unaffected by the application of a late payment charge. The late payment charge does not apply to unpaid balances associated with disputed amounts. Undisputed amounts on the same bill are subject to the late payment charge if unpaid and carried forward to the next bill.

2.5.D.3 Service may be denied or discontinued at the Company's discretion for nonpayment of amounts due the Company past the due July 31, 2001 as specified in 2.5.D.1. Restoration of Service will be subject to all applicable installation charges.

JULY 31, 2001

LONG DISTANCE SERVICES

2. Terms and Conditions – Interstate, International and Intrastate Long Distance Services (Cont'd)**2.5 Charges and Payments for Service or Facilities (Cont'd)****2.5.E Returned Check Charge**

In cases where the Company issues direct bills to Customers, and payment by check is returned for insufficient funds, or is otherwise not processed for payment, there will be a charge as set forth herein. Such charge will be applicable on each occasion when a check is returned or not processed.

2.5.F Suspension or Termination for Nonpayment

In the event of nonpayment of any bill rendered or any required deposit, the Company may, after written notice, suspend Service to the Customer.

2.5.G Credit Allowance/Service Interruptions

2.5.G.1 Credit for failure of Service will be allowed only when failure is caused by or occurs in the Company's facilities or equipment owned, provided and billed for by the Company. A credit allowance is not applicable for any period during which Customer cannot utilize the Service, except for such period where the Service is interrupted by the Company for access to its facilities for the purposes of investigating and clearing troubles and/or maintenance.

2.5.G.2 Credit allowances for failure of Service or equipment starts when the Customer notifies the Company of the failure and ceases when the operation has been restored and an attempt has been made to notify the Customer by the Company.

2.5.G.3 The Customer shall notify the Company of failures of Service or equipment and make reasonable attempts to ascertain that the failure is not caused by Customer Provided Equipment or Customer provided facilities, any act, or omission of the Customer, or in wiring or equipment connected to the Customer's terminal.

2.5.G.4 Only those portions of the Service or equipment operation disabled will be credited.

2.5.G.5 Any credit provided to the Customer under these Rates, Terms and Conditions shall be determined in accordance with the provisions of Section 2.5.H.

LONG DISTANCE SERVICES

2. Terms and Conditions – Interstate, International and Intrastate Long Distance Services (Cont'd)**2.5 Charges and Payments for Service or Facilities (Cont'd)****2.5.H Service Interruption Measurement**

2.5.H.1 In the event of an interruption of Service that exceeds the minimum requirements set forth in this paragraph, the Company shall make a credit allowance at the Customer's request for a pro rata adjustment of all Service charges billed by the Company for Services rendered inoperative by the interruption. The credit allowance will be computed by dividing the duration of the service interruption measured in twenty-four (24) hour days, from the time the interruption is reported to the Company, by a standard thirty (30) day month, and then multiplying the result by the Company's fixed monthly charges for each interrupted Service.

2.5.H.2 A credit allowance will not be given for interruptions caused by the negligence or willful act of the Customer, or interruptions caused by failure of equipment or service not provided by the Company.

2.6 Termination or Denial of Service by the Company

2.6.A The Company may, immediately and without notice to the Customer, and without liability of any nature, temporarily deny, terminate, or suspend Service to any Customer:

2.6.A.1 In the event such Customer or its agent: (a) willfully damages the Company equipment, interferes with use of the Company's Service by other Customers of the Company; (b) unreasonably places capacity demands upon the Company's facilities or Service; or (c) violates any statute or provision of law, or any rule or regulation of any state or federal regulatory agency relating to communications; or (d) otherwise fails to comply with the provisions of these Rates, Terms and Conditions or applicable law; or

2.6.A.2 In the event a Customer becomes insolvent, is the subject of any formal legal proceeding commenced in a court involving a voluntary or involuntary petition or proceeding in bankruptcy, seeks protection or relief from creditors in a formal legal proceeding after a filing for such relief, or executes an assignment for the benefit of creditors; or

2.6.A.3 In the event that the Company determines that any Service is being used fraudulently or illegally, whether by a Customer or its agent.

LONG DISTANCE SERVICES

3. General Classification and Description of the Company's Service – Interstate, International and Intrastate Long Distance Services**3.1 Service Points**

3.1.A The Company provides originating Service from domestic points in the United States to domestic points identified in these Rates, Terms and Conditions either for Interstate Long Distance Service or Intrastate Long Distance Service.

3.1.B The Company provides originating Service from domestic points in the United States to international points identified in these Rates, Terms and Conditions.

3.2 Measurements**3.2.A Availability of Service**

The Service is available at the rates listed in Sections 4 and 5, through subscription to any of the long distance service offerings available from the Company.

3.3 Timing of Calls

3.3.A Unless otherwise indicated in these Rates, Terms and Conditions, calls are timed by the Company in six (6) second increments. "Ring-busy" and "ring-no-answer" calls will not knowingly be charged to the Customer and if charged in error, will be credited by the Company to the Customer. Timing begins at the "starting event" and ends at the "terminating event," unless otherwise specified. Time between the starting event and the terminating event is the call duration. The minimum call duration for a completed domestic call is six (6) seconds, unless otherwise specified. The minimum call duration for a completed international call is thirty (30) seconds, unless otherwise specified.

3.3.B The starting event occurs when the Company's terminal experiences an "Incoming Signaling Protocol Successful," *i.e.*, upon the seizure of an inbound trunk.

3.3.C The terminating event occurs when the Company's terminal receives a signal from the Local Exchange Carrier that either the calling party or the called party has hung up.

3.3.D There shall be no charge for unanswered calls. Upon receiving reasonable and adequate notice of billing from a Customer for any such call, the Company may issue a credit in an amount equal to the charge for the call. Calls which are in progress longer than one minute will be presumed to have been answered.

3.3.E Domestic Long Distance Service rates are quoted in terms of initial and additional minutes. The initial minute is the first minute or any fraction thereof after connection is made. The additional minute is each minute or any fraction thereof after the initial minute.

LONG DISTANCE SERVICES

3. General Classification and Description of the Company's Service – Interstate, International and Intrastate Long Distance Services (Cont'd)3.4 Method of Applying Rates

3.4.A Interstate Long Distance Services

3.4.A.1 Unless specified otherwise in these Rates, Terms and Conditions, the duration of each call for billing purposes will be rounded off to the nearest higher six (6) second increment.

3.4.B International Long Distance Services

3.4.B.1 Unless specified otherwise in these Rates, Terms and Conditions, the duration of each call for billing purposes will be rounded off to the nearest higher thirty (30) second increment.

3.4.C Intrastate Long Distance Services

3.4.A.1 Unless specified otherwise in these Rates, Terms and Conditions, the duration of each call for billing purposes will be rounded off to the nearest higher six (6) second increment.

3.5 Promotional Discounts

The Company may from time to time offer promotional discounts. Such discounts will be for a specified period of time, will not exceed published rates, and will be offered to all qualifying Customers.

LONG DISTANCE SERVICES

3. General Classification and Description of the Company's Service – Interstate, International and Intrastate Long Distance Services (Cont'd)**3.6 Dialed Long Distance Services**

- 3.6.A Dialed Long Distance Services are measured use, full time services and are offered on a monthly basis, utilizing interstate, international and intrastate communications facilities. When appropriate access arrangements exist, these switched services are available on a presubscription (Equal Access) basis. Otherwise, the Services require that a Customer access the Company's network via an alternative access code arrangement such as "950-XXXX" plus the Customer's security code, a toll-free "1-800" telephone number with the Customer's security code, or via "1-0-1-XXXX" code with Customer security code.
- 3.6.B Depending upon the service option chosen by the Customer, the charges for the use of such interstate, international and intrastate communications facilities may be based upon the time of day, the total minutes of use and/or the distance of each call.
- 3.6.C All Customers shall be charged the rates identified in Sections 4 and 5 and 6 herein.
- 3.6.D Domestic points include all fifty (50) states and all U.S. territories and possessions as defined in the Communications Act of 1934, and as amended by the Telecommunications Act of 1996, and as further defined by the Federal Communications Commission in their orders.

3.7 800 Service

- 3.8.A 800 Service is a one-way inbound service originating on feature group facilities provided by the Company and terminating on a regular telephone line. The Customer is responsible for payment of all charges associated with such terminating calls rather than the calling party.

3.8 Directory Assistance Service

- 3.9.A The Company will provide Directory Assistance Service for the convenience of its customers in obtaining telephone numbers in the domestic United States and international points as specified in Section 6.
- 3.9.B All customers shall be charged the rates identified in Sections 4, 5, and 6.

LONG DISTANCE SERVICES

3. General Classification and Description of the Company's Service – Interstate, International and Intrastate Long Distance Services (Cont'd)**3.9 Operator Services**

The Company provides Operator Services for telephone calls initiated from its Customers' locations through contractual relationships with interstate and international service providers. Operator Services provided by the Company include Interstate Operator Services, International Operator Services and Intrastate Operator Services

3.9.A Responsibilities of the Company For Operator Services

In addition to the responsibilities of the Company established elsewhere in the Rates, Terms and Conditions, the following responsibilities of the Company apply to Company provision of Operator Services.

- 3.9.A.1 The Company shall identify itself, audibly and distinctly, to the Customer at the beginning of each telephone call and a second time before the Customer incurs any charge for the call.
- 3.9.A.2 The Company shall permit the Customer to terminate the telephone call at no charge before the call is connected.
- 3.9.A.3 The Company shall disclose immediately to the Customer, upon request and at no charge to the Customer,
 - (1) A quote of its rates or charges for the call;
 - (2) The methods by which such rates or charges will be collected; and
 - (3) The methods by which complaints concerning such rates, charges, or collection practices will be resolved.

3.9.B Responsibilities of the Customer For Operator Services

In addition to the responsibilities and obligations of the Customer established elsewhere in the Rates, Terms and Conditions, the following responsibilities apply to Customer use of Company provided Operator Services.

- 3.9.B.1 The Customer is responsible for compliance with the applicable regulations set forth in these Rates, Terms and Conditions.
- 3.9.B.2 The Customer is responsible for establishing his, her or their identity as often as necessary during the course of a call.
- 3.9.B.3 The Customer is responsible for identifying the station, party, or person with whom communications is desired and/or made at the called number.
- 3.9.B.4 The Customer is responsible for providing the Company with a valid method of billing for each call. The Company reserves the right to validate the credit worthiness of users through available credit card, calling card, called number, third party telephone number and room number verification procedures. Where a requested billing method cannot be validated, the user may be required to provide an acceptable alternate billing method or the Company may refuse to place the call.

LONG DISTANCE SERVICES

3. General Classification and Description of the Company's Service – Interstate, International and Intrastate Long Distance Services (Cont'd)3.9 Operator Services (Cont'd)3.9.C Billing Arrangements

3.9.C.1 Collect, Calling Card and Third Party Calls

Charges for calls of this type will be included on the Billed Party's regular local telephone bill pursuant to billing and collection agreements established by the Company or its intermediary with the applicable telephone company or a bill issued directly by the Company or its billing and collection agent or clearing house. Individual types of billing arrangements may not be available for all types of Operator Services. Where a billing arrangement is not available for a call, the Company will not provide Operator Service.

3.9.C.2 Credit Card Calls

Charges for credit card calls will be included on the Billed Party's regular monthly statement from the card-issuing company. Where a billing arrangement is not available for the Company to bill for charges to a credit card, the Company will not provide Operator Service with respect to credit card calls.

3.9.C.3 Unanswered Calls

The Company will not bill for unanswered calls in areas where Equal Access is available, nor will the Company knowingly bill for unanswered telephone calls where Equal Access is not available. In the event that an unanswered call is inadvertently billed due to the unavailability of Equal Access, the Company will cancel or refund all such charges upon request of the Billed Party. Any call for which the billed duration exceeds one minute shall be presumed to have been answered.

3.9.C.4 Call Splashing

The Company will not engage in Call Splashing, unless the Customer requests to be transferred to another provider of Operator Services, the Customer is informed prior to incurring any charges that the rates for the call may not reflect the rates from the actual originating location of the call, and the Customer then consents to be transferred.

LONG DISTANCE SERVICES

3. General Classification and Description of the Company's Service – Interstate, International and Intrastate Long Distance Services (Cont'd)3.10 Operator Services (Cont'd)3.90.G Billing Arrangements (Cont'd)

3.9.C.5 Billing Entity Conditions

When billing functions on behalf of the Company are performed by local exchange telephone companies, credit card companies or others, the payment conditions and regulations of such companies apply, including any applicable interest and/or late payment charges. In case of any disputed charges which cannot be resolved by the billing company, the Billed Party may contact the Company directly. If there is still a disagreement about the disputed amount after investigation and review by the Carrier, and the dispute involves Interstate Operator Services, the Billed Party may file an appropriate complaint with the Federal Communications Commission. The address of the Federal Communications Commission (FCC) is listed below:

Telecommunications Consumers Division
Federal Communications Commission
445 12th Street, S.W.
Room 5-A724
Washington, D.C. 20554

Customers may file a complaint related to Interstate Operator Services with the FCC Enforcement Bureau – Telecommunications Consumers Division at: <http://www.fcc.gov/eb/tcd>.

3.9.D Description of Interstate Operator Services

The Company offers Interstate Operator Services pursuant to these Rates, Terms and Conditions. All Interstate Operator Services are offered for the purpose of completing interstate telephone calls to any ten-digit telephone number (area code plus seven-digit local number) in the United States.

The Company provides the following types of Interstate Operator Services:

Collect Calls
Third Party Calls
Calling Card Calls

Definitions of these services are provided in Section 1.2 of the Rates, Terms and Conditions.

LONG DISTANCE SERVICES

3. General Classification and Description of the Company's Service – Interstate, International and Intrastate Long Distance Services (Cont'd)3.9 Operator Services (Cont'd)3.9.E Description of Intrastate Operator Services

The Company offers Intrastate Operator Services pursuant to these Rates, Terms and Conditions. All Intrastate Operator Services are offered for the purpose of completing intrastate telephone calls to any ten-digit telephone number (area code plus seven-digit local number) in the state of Arizona.

The Company provides the following types of Intrastate Operator Services:

Collect Calls
Third Party Calls
Calling Card Calls

Definitions of these services are provided in Section 1.2 of the Rates, Terms and Conditions.

3.9.F Description of International Operator Services

The Company offers International Operator Services pursuant to these Rates, Terms and Conditions. All International Operator Services are offered for the purpose of completing international telephone calls originating from the United States and terminating to international points.

The Company provides the following types of International Operator Services:

Third Party Calls
Calling Card Calls

Definitions of these services are provided in Section 1.2 of the Rates, Terms and Conditions.

3.9.G Person-to-Person-Calls

Collect Calls, Third Party Calls and Calling Card Calls may optionally be placed on a Person-to-Person Call basis. The caller must arrange with the operator to make a person-to-person call; otherwise, all calls will be treated as station-to-station.

LONG DISTANCE SERVICES

4. Rates for Interstate Long Distance Service4.1 Returned Check Charge

A Customer whose payment by check is returned for insufficient funds, or is otherwise not processed for payment, will be subject to a returned check charge. Such charge will be applicable on each occasion when a check is returned or not processed. If the returned check was for a combined interstate, international and intrastate balance, only a single returned check charge will apply.

Per Occasion \$25.00

4.2 Residential Direct Dial Services

Refer to the Company web site for a current interstate rate schedule. A copy of the current interstate rate schedule is also available at the Company office location.

4.3 Business Direct Dial Services

Refer to the Company web site for a current interstate rate schedule. A copy of the current interstate rate schedule is also available at the Company office location.

LONG DISTANCE SERVICES

5. Rates for Intrastate Long Distance Service5.1 Returned Check Charge

A Customer whose payment by check is returned for insufficient funds, or is otherwise not processed for payment, will be subject to a returned check charge. Such charge will be applicable on each occasion when a check is returned or not processed. If the returned check was for a combined interstate, international and intrastate balance, only a single returned check charge will apply.

<u>Per Occasion</u>	\$25.00
---------------------	---------

5.2 Residential Direct Dial Services

Refer to the Company web site for a current intrastate rate schedule. A copy of the current intrastate rate schedule is also available at the Company office location.

5.3 Business Direct Dial Services

Refer to the Company web site for a current intrastate rate schedule. A copy of the current intrastate rate schedule is also available at the Company office location.

LONG DISTANCE SERVICES

6. Rates for International Long Distance Service6.1 Returned Check Charge

A Customer whose payment by check is returned for insufficient funds, or is otherwise not processed for payment, will be subject to a returned check charge. Such charge will be applicable on each occasion when a check is returned or not processed. If the returned check was for a combined interstate, international and intrastate balance, only a single returned check charge will apply.

Per Occasion \$25.00

5.2 Rate Schedules

Refer to the Company web site for a current international rate schedule. A copy of the current international rate schedule is also available at the Company office location.