

**BUSINESS SERVICE GUIDE FOR
INTEREXCHANGE, INTERSTATE AND INTERNATIONAL SERVICES**

SECTION 2 - REGULATIONS

THE SERVICES PROVIDED HEREUNDER ARE SUBJECT TO THESE REGULATIONS AND ANY WRITTEN AGREEMENT. THESE REGULATIONS APPLY TO ALL INTEREXCHANGE INTERSTATE AND INTERNATIONAL LONG DISTANCE SERVICES PROVIDED BY THE COMPANY. THESE REGULATIONS ALSO APPLY TO INTRASTATE SERVICES IN THE FOLLOWING STATES: ALABAMA, FLORIDA, GEORGIA, KENTUCKY, LOUISIANA, MISSISSIPPI, NORTH CAROLINA, SOUTH CAROLINA AND TENNESSEE. (N)

2.1 Undertaking of the Company

Service is offered to Customers of the Company to provide outbound direct dialed, inbound toll-free number and operator assisted long distance calls between locations within the United States and between the United States and those countries listed in Section 5.0. The Company provides switched long distance network services for voice grade and low speed dial-up data transmission services.

The Company does not undertake to transmit messages but furnishes the use of its facilities to its Customers for communications. All Services are provided subject to the terms and conditions set forth in this pricing and service guide. In the event of a conflict between a contract entered into by the Company and this pricing and service guide, the terms of this pricing and service guide shall prevail.

The Company provides for the installation, operation, and maintenance of the telecommunications services provided herein in accordance with the terms and conditions set forth under this pricing and service guide. The Company may act as the 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 services. The Customer shall be responsible for all charges due for such service arrangement.

The Company's services are provided on a monthly basis unless otherwise provided, and are available twenty-four (24) hours per day, seven (7) days per week.

2.2 Limitations on Service

2.2.1 Service is offered subject to the availability of the necessary facilities, including established billing arrangements, and subject to the provisions of this pricing and service guide.

2.2.2 The Company reserves the right to discontinue furnishing Service, or to limit the use of Service, when necessitated by conditions beyond its control, when the Customer or its Authorized User or End User is using Service in violation of the law or in violation of the provisions of this pricing and service guide, or for non-payment by the Customer.

2.2.3 Service provided under this pricing and service guide is directly controlled by the Company, and the Customer may not transfer or assign the use of Service, except with the prior written consent of the Company. Such transfer or assignment shall only apply where there is no interruption in the use or location of Service, and all regulations and conditions contained in this pricing and service guide, as well as all conditions for Service, shall apply to all such permitted assignees or transferees.

2.2.4 The Customer may, where applicable, request the Company to assign one or more sub-accounts for billing purposes and to direct sub-account invoices to affiliates of the Customer or other designated entities for payment purposes. Such requests shall not affect the liability of the Customer, who shall remain solely liable to the Company for payment of all invoices for Service requested and obtained by the Customer, whether invoiced by the Company to the Customer, its affiliates, or other designated entities.

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2.2 Limitations on Service (continued)

- 2.2.5 Customers may use the services provided under this pricing and service guide for any lawful purpose consistent with the transmission and switching parameters of the telecommunications network, and may resell its use (or the use of any part thereof) to a third party in the normal course of the Customer's business, except as specifically prohibited or limited herein. In any instance in which any of the services provided hereunder are being used in an unlawful manner, the Company may, immediately and upon written notice to the Customer, and without liability, restrict, suspend or discontinue providing such service.
- 2.2.6 Interstate and international services are provided only in conjunction with intrastate Services.
- 2.2.7 Service may be limited or discontinued by the Company, without notice to the Customer, by blocking traffic to or from certain countries, cities, or NXX exchanges, or by blocking calls using certain Authorization Codes, when the Company deems it necessary to take such action to prevent unlawful use of its service. The Company will restore service as soon as it can be provided without undue risk, and will, upon request by the Customer affected, assign a new Authorization Code to replace the one that has been deactivated.
- 2.2.8 Service provided at Confinement Institutions for use by Inmates may be restricted or otherwise limited under the direction of authorized personnel or the Confinement Institution's administration at their own discretion.
- 2.2.9 Foreign Telecommunications Administrations may impose upon the portion of the end-to-end international service or facilities which they provide certain limitations, prohibitions or restrictions which may have the effect of limiting the ability of Subscribers or Customers to utilize the services furnished by the Company. It is the responsibility of the Customer to confirm any limitations, prohibitions or restrictions imposed by the Foreign Telecommunications Administration.

2.3 Limitations on Liabilities

- 2.3.1 Except as otherwise stated in this section, the liability of the Company for damages arising out of either: (1) 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 (2) the failure to furnish its Service, whether caused by acts or omission, shall be limited to the extension of allowances to the Customer for interruptions in Service as set forth in Section 2.14.
- 2.3.2 Except for the extension of allowances to the Customer for interruptions in Service as set forth in this pricing and service guide, the Company shall not be liable to a Customer or any third party for any direct, indirect, special, incidental, reliance, consequential, exemplary or punitive damages, including, but not limited to, loss of revenue or profits, for any reason whatsoever, including, but not limited to, any act or omission, failure to perform, delay, interruption, failure to provide any Service or any failure in or breakdown of facilities associated with the Service.
- 2.3.3 The liability of the Company for errors in billing that result in overpayment by the Customer shall be limited to a credit equal to the dollar amount erroneously billed or, in the event that payment has been made and Service has been discontinued, to a refund of the amount erroneously billed.

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2.3 Limitations on Liabilities (continued)

2.3.4 The Company shall not be liable for any claims for loss or damages involving:

- (A) Any act or omission of: (a) the Customer, (b) any other entity furnishing service, equipment or facilities for use in conjunction with Services provided by the Company; or (c) common carriers or warehousemen;
- (B) Any delay or failure of performance or equipment due to causes beyond the Company's control, including but not limited to, acts of God, fires, floods, earthquakes, hurricanes, or other catastrophes; acts of government authority, national emergencies, insurrections, acts of terrorism, riots, wars (declared or undeclared) or other civil commotions; strikes, lockouts, work stoppages or other labor difficulties; criminal actions taken against the Company; unavailability, failure or malfunction of equipment or facilities provided by the Customer or third parties; and any law, order, regulation or other action of any governing authority or agency thereof;
- (C) Any unlawful or unauthorized use of the Company's Services;
- (D) Libel, slander, invasion of privacy or infringement of trademarks, patents, trade secrets, or copyrights arising from or in connection with the transmission of communications by means of Company provided facilities or Services; or by means of the combination of Company provided facilities or Services with Customer provided services;
- (E) Breach in the privacy or security of communications transmitted over the Company's Service;
- (F) Changes in any of the facilities, operations or procedures of the Company that render any equipment, facilities or services provided by the Customer obsolete, or require modification or alteration of such equipment, facilities or services, or otherwise affect their use or performance, except where reasonable notice is required by the Company and is not provided to the Customer, in which event the Company's liability is limited as set forth in paragraph 2.3.1 of this Subsection;
- (G) Defacement of or damage to Customer premises resulting from the furnishing of Services or equipment on such premises or the installation or removal thereof;
- (H) Injury to property or injury or death to persons, including claims for payments made under Workers' Compensation law or under any plan for employee disability or death benefits, arising out of, or caused by, any act or omission of the Customer, or the construction, installation, maintenance, presence, use or removal of the Customer's facilities or equipment connected, or to be connected to the Company's facilities.

2.3.5 The Company shall be indemnified, defended and held harmless by the Customer from and against any and all claims, loss, demands, suits, expense, or other action or any liability whatsoever, including attorney fees, whether suffered, made, instituted, or asserted by the Customer or by any other party, for any personal injury to or death of any person or persons, and for any loss, damage or destruction of any property, including environmental contamination, whether owned by the Customer or by any other party, caused or claimed to have been caused directly or indirectly by the installation, operation, failure to operate, maintenance, presence, condition, location, use or removal of any Company or Customer equipment or facilities or Service provided by the Company.

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2.3 Limitations on Liabilities (continued)

2.3.6 The Company does not guarantee nor make any warranty with respect to installations provided by it for use in an explosive atmosphere. The Company shall be indemnified, defended and held harmless by the Customer from and against any and all claims, loss, demands, suits, or other action, or any liability whatsoever, including attorney fees, whether suffered, made, instituted or asserted by the Customer or by any other party, for any personal injury to or death of any person or persons, and for any loss, damage or destruction of any property, including environmental contamination, whether owned by the Customer or by any other party, caused or claimed to have been caused directly or indirectly by the installation, operation, failure to operate, maintenance, presence, condition, location, use or removal of any equipment or facilities of the Service.

2.4 Cancellation or Discontinuance of Service by the Company

Without incurring any liability, the Company may, under the following conditions, cancel Service prior to commencement and/or discontinue Service that is being furnished for the following reasons; provided that, unless otherwise stated, the Customer shall be given proper notice of such cancellation or discontinuance of Service:

- 2.4.1 Without notice, for noncompliance with or violation of any applicable State, municipal or Federal law, ordinance or regulation or noncompliance with or violation of any Commission regulation, provided that notice may be required by order of such regulatory authorities.
- 2.4.2 For the Customer's or its Authorized User's or End User's refusal to provide reasonable access to the Company or its agents for the purpose of inspection and maintenance of equipment owned by the Company.
- 2.4.3 For noncompliance with any of the provisions of this pricing and service guide governing Service.
- 2.4.4 For nonpayment of any sum due the Company for more than thirty (30) days after delivery of an invoice to the custody of the U.S. Mail or other standard delivery service.
- 2.4.5 Without notice, in the event of the Customer's or its Authorized User's or End User's use of equipment in such a manner as to adversely affect the Company's equipment or Service to others.
- 2.4.6 Without notice, in the event of unauthorized or fraudulent use of Service. Whenever Service is discontinued for unauthorized use of Service, the Company may, before restoring Service, require the Customer to make, at its own expense, all changes in facilities or equipment necessary to eliminate unauthorized use and to pay to the Company an amount reasonably estimated by the Company as the loss in revenues to the Company resulting from such unauthorized use plus claims lodged against the Company by third parties.
- 2.4.7 Without notice, by reason of any order or decision of a court or other government authority having jurisdiction that prohibits the Company from furnishing Service to the Customer or its Authorized Users or End Users.
- 2.4.8 For periods of inactivity over sixty (60) days.

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2.5 Cancellation or Termination of Service by Customer

2.5.1 Service shall be canceled by the Company promptly upon receipt of a cancellation request from the Customer. Upon cancellation a final bill will be prepared, per the specifications set forth in this pricing and service guide. The Customer shall be liable for all recurring charges prior to proper notice if a change in presubscribed carrier is initiated by the Customer.

2.5.2 If the Customer, either on behalf of itself or an Authorized User or End User, orders Service from the Company which requires special construction or facilities, and then cancels its order before Service begins, a charge shall be made to the Customer for the non-recoverable portions of the expenditures or liabilities incurred by the Company on behalf of the Customer or its Authorized User or End User by Company.

2.6 Restoration of Service

The use and restoration of Service shall in all cases be in accordance with the priority system specified in Part 64, Subpart D, of the Rules and Regulations of the Federal Communications Commission.

2.7 Payment and Billing

2.7.1 The Customer is responsible for payment of all charges for services and equipment furnished to the Customer for transmission of calls via the Company. In particular and without limitation to the foregoing, the Customer is responsible for any and all cost(s) incurred as the result of:

(A) any delegation of authority resulting in the use of the Customer's or its Authorized User's or End User's communications equipment and/or network services which result in the placement of calls via the Company;

(B) any and all use of the services provided by the Company, including calls which the Customer did not individually authorize;

(C) any calls placed by or through the Customer's or its Authorized User's or End User's equipment via any remote access feature(s);

(D) any and all calls placed to an "800" or "888" or other toll-free service number provided to the Customer by the Company.

(E) any calls placed through misused or fraudulently used account codes or authorization codes associated with optional features for 1+ or toll free service.

2.7.2 Non-recurring charges for installations, service connections, moves, and rearrangements, where applicable, are payable upon demand to the Company or its authorized agent. Billing thereafter will include recurring charges and/or actual usage as defined in this pricing and service guide.

2.7.3 Service is provided and billed by the Company on a monthly basis. Usage sensitive charges are billed in arrears and fixed monthly recurring charges may be billed one month in advance or in arrears. The Customer shall pay monthly in advance or on demand all monthly recurring charges for Service and shall pay on demand all charges for usage at any agency duly authorized to receive such payments.

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2.7 Payment and Billing

2.7.4 Bills are due and payable upon receipt. Interest at the lesser of a rate of one and one-half percent (1.5%) per month, or the maximum rate allowed by law, shall be charged on any amount remaining unpaid, including late payment charges, at the time the next bill is prepared. If an AT&T LEC bills you for services on the Company's behalf, the AT&T LEC late payment charges and policies will apply.

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2.7.5 Should service be suspended for nonpayment of charges, it will be restored when appropriate payments are made. Any monthly service charges will continue to accrue until appropriate payments are made.

2.7.6 When service has been disconnected for nonpayment, the service agreement is considered to have been terminated. Reestablishment of service may be made only upon the execution of a new service agreement which is subject to the provisions of this pricing and service guide.

2.7.7 In its discretion, the Company may restore or reestablish service which has been suspended or disconnected for nonpayment of charges, prior to payment of all charges due. Such restoration or reestablishment shall not be construed as a waiver of the Company's right to receive full payment for all charges due or any rights to suspend or disconnect service for nonpayment of any such or other charges due and unpaid or for the violation of the provisions of this pricing and service guide; nor shall the failure to suspend or disconnect service for nonpayment of any past due account or accounts operate as a waiver or estoppel to suspend or disconnect service for nonpayment of such account or of any other past due account.

2.7.8 The Company may demand immediate payment under the following circumstances:

(A) Where Service is terminated or abandoned.

(B) Where actual usage is two times greater than the Customer's average usage as reflected on the monthly bills for the three months prior to the current bill or, in the case of a new Customer who has been receiving Service for less than four months, where the actual usage is twice the estimated monthly usage charge.

(C) Where the Company has reason to believe that a Business Customer or Reseller Customer is about to go out of business or that bankruptcy is imminent for that Customer.

2.7.9 A charge of \$20.00 will apply whenever a check, draft, or electronic funds transfer presented for payment for service is not accepted by the institution on which it is written.

2.7.10 The security of Authorization Codes used by the Customer or its Authorized Users or End Users are the responsibility of the Customer. All calls placed using such Authorization Codes or using facilities owned or controlled by the Customer, its Authorized Users or End Users shall be billed to the Customer and must be paid by the Customer.

2.7.11 If notice from the Customer of a dispute as to charges is not received in writing by the Company within thirty (30) days after delivery of an invoice to the custody of the U.S. Mail or other standard delivery service, the billing will be considered correct and binding.

2.7.12 The minimum period for which services are provided and for which rates and charges are applicable is one (1) month unless otherwise specified in this pricing and service guide or by mutually agreed upon contract. When a service is discontinued prior to the expiration of the minimum period, charges are applicable, whether the service is used or not.

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2.7 Payment and Billing

2.7.13 With respect to any Services for which there is a flat rate monthly service charge for a specified number of minutes of long distance usage, the per minute charge for actual minutes of usage that are less than such specified number of minutes in any month shall be equal to the flat rate charge for the specified number of minutes of usage divided by the actual minutes of usage in such month. In the event of no usage in a billing period, the monthly service charge will nonetheless apply.

2.8 Deposits

2.8.1 The Company reserves the right to validate the credit worthiness of Customers and billed parties through available verification procedures and to establish a maximum predetermined credit amount. Where a requested billing method cannot be validated or maximum credit amount established, the Company may refuse to provide service.

Any applicant whose credit has not been duly established and acceptable to the Company may be required to make a deposit to be held as a guarantee of payment of charges. In addition, an existing Customer may be required to make a deposit or increase a deposit presently held.

2.8.2 A deposit is not to exceed two month's Service and the estimated usage charges for two (2) month's service plus installation. A Deposit will be returned as follows:

- (A) When an application for service has been canceled prior to the establishment of Service. The deposit will be applied to any charges applicable in accordance with this pricing and service guide and the excess portion of the deposit, if any, will be returned.
- (B) Upon termination of Service, the deposit and accrued interest, as described herein, will be applied to any charges applicable in accordance with this pricing and service guide and the excess portion of the deposit, if any, will be returned promptly.

2.8.3 The interest rate used will be simple interest at the rate of six percent annually unless a different rate has been established by the appropriate legal authority in the state where the Service offering is located.

2.8.4 The fact that a deposit has been made in no way relieves the applicant or Customer from complying with the Company's regulations as to advance payments and the prompt payment of bills on presentation nor does it constitute a waiver or modification of the regular practices of the Company providing for the discontinuance of Service for nonpayment of any sums due for Service rendered.

2.9 Advance Payments

In order to protect the Company against revenue loss, an applicant for Service may be required to pay in advance of installation an amount not to exceed applicable service charges or other nonrecurring charges, plus estimated charges for two months of Service. Where special construction charges are applicable the payment thereof may be required in advance of start of construction. The amount of advance payment will be credited to the Customer's account on the first bill rendered for Service, and a new advance payment may be collected each month to be applied to each subsequent bill for Service.

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2.10 Taxes

Any assessments, franchise fees, privilege, license, occupation, excise, or other similar taxes or fees, whether in lump sum or at a flat rate, or based on receipts, or based on poles, wire or other utility property units, imposed upon the Company by any governmental authority shall be added pro rata, insofar as practical, in amounts which in the aggregate for the Company's Customers of any political entity shall be equal to the amount of any such tax upon the Company. The Company shall, so long as any such tax or fee is in effect, add to the bills of the Customers in such political entity pro rata on the basis of the revenue derived by the Company from each such Customer, an amount sufficient to recover any such tax or fee.

Unless otherwise specified in this pricing and service guide, any such taxes and fees are in addition to rates as quoted in this pricing and service guide and are included as separate line items on the Customer's bill.

2.11 Terminal Equipment

Service may be used with or terminated in terminal equipment or communications systems, such as a PBX or key telephone system, provided by the Customer, its Authorized User or End User. Such terminal equipment or communications systems shall be furnished by and maintained at the expense of the Customer, its Authorized User or End User, except as otherwise provided. The Customer and its Authorized User or End User is also responsible for all costs at its premises incurred in the use of Service, including but not limited to equipment, wiring, electrical power, and personnel. When such terminal equipment or communications systems are used, they shall in all respects comply with the generally accepted minimum protective standards of the telecommunications industry as endorsed by the Federal Communications Commission.

2.12 Interconnection

Service furnished by the Company to the Customer or its Authorized Users or End Users may be connected with the services or facilities of other carriers. The Customer is responsible for all charges billed by other carriers in connection with the use of Service. Any special equipment or facilities necessary to achieve compatibility between carriers are the sole responsibility of the Customer.

2.13 Inspection, Testing and Adjustment

2.13.1 The Company may, upon reasonable notice, make such tests and inspections as may be necessary to determine whether pricing and service guide requirements are being complied with in the installation, operation, and maintenance of the Customer's, Authorized User's, End User's or the Company's equipment. The Company may, without notice, interrupt Service at any time, as necessary, because of a departure from any of these requirements and may continue such interruption until its requirements have been satisfied.

2.13.2 Upon reasonable notice, access to the facilities provided by the Company shall be made available to the Company by the Customer or its Authorized Users for such tests and adjustments as may be necessary for their maintenance to a condition satisfactory to the Company.

2.13.3 The Company shall not be liable to the Customer, its Authorized Users or End Users for any damages for Service interruption pursuant to this SubSection. Neither the Customer nor its Authorized Users and End Users shall be entitled to any credit for interruption of Service pursuant to this Section when the interruption of Service is less than two (2) hours.

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2.14 Interruption of Service

- 2.14.1 The Customer shall be given a credit allowance for any interruption of Service which is not due to (a) the Company's inspection, testing or adjustment, if for a period of two (2) hours or less; (b) mistakes or errors of the Customer, its Authorized Users or its End Users; or (c) the failure of facilities or equipment provided by the Customer or its Authorized Users and End Users.
- 2.14.2 Credit allowances shall be subject to the general liability provisions set forth in Section 2.3 herein. It shall be the obligation of the Customer to notify the Company immediately of any interruption of Service for which a credit allowance is desired. Before giving such notice, the Customer shall ascertain that the trouble is not being caused by action or omission of the Customer, its Authorized Users or End Users, or is not in facilities or equipment, if any, furnished by the Customer, its Authorized User or End User and connected to the Company's Services.
- 2.14.3 For the purposes of credit computation, every month shall be considered to have seven hundred twenty (720) hours. No credit shall be allowed for any interruption of Service of a continuous duration of less than two (2) hours.
- 2.14.4 The Customer shall be credited for an interruption of Service of two (2) hours or more at the rate of 1/720th of the monthly non-usage sensitive charges for the Service affected for each hour or major fraction thereof that the interruption continues. The formula for calculating credit shall be as follows:

$$\text{Credit} = \frac{A}{720} \times B$$

"A" = Outage time in hours

"B" = Total monthly fixed, non-usage sensitive
charge for affected facility

- 2.14.5 For usage rated toll services, credits will be limited to, at maximum, the price of the Initial Period for the individual call that was interrupted plus any applicable per call service charges or surcharges required to reconnect the caller.
- 2.15 Use of Recording Devices

Customers, Authorized Users and End Users who use recording devices do so at their own risk. A Customer, Authorized User or End User may only use a recording device if the Customer, Authorized User or End User complies with the requirements of this section and is able to connect or disconnect the recording device, or turn the recording device on or off, at will.

- 2.15.1 Customers, Authorized Users and End Users may record a conversation if the Customer, Authorized User or End User first obtains written or verbal consent to the recording of all parties to the conversation prior to or at the beginning of the conversation.
- 2.15.2 A distinctive recorder tone must be repeated at intervals of approximately fifteen (15) seconds to alert all parties to the conversation that a recording device is being used.
- 2.15.3 The requirements of 2.15.1 and 2.15.2 are waived for Broadcast licensees who use a recording device to record a conversation for broadcast if all parties to the conversation are aware that the conversation will be broadcast.

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2.16 Toll-Free Numbers

The following additional regulations apply to Inbound Long Distance Services when offered by the Company:

2.16.1 The Company will make every effort to reserve toll-free vanity numbers (e.g., 800, 888) on behalf of Customers, but makes no guarantee or warranty that the requested toll-free number(s) will be available or assigned to the Customer requesting the number.

2.16.2 If a Customer accumulates undisputed past-due charges, the Company reserves the right not to honor the Customer's request for a change in toll-free service to another carrier (e.g., "porting" of the toll-free number), including a request for a Responsible Organization (Resp Org) change, until such time as all charges are paid in full.

2.17 Trade Names, Trademarks, Service Marks and Registered Marks

Neither the Customer nor the Company shall use the other's trade names, trademarks or service marks ("Marks") without the prior written approval of the other party. Neither shall they display or use the other's Marks, nor permit the same to be displayed or used by third parties. Nothing in this pricing and service guide creates in a party rights in the Marks of the other.

2.18 Adjustment to Rates and Charges

The Company may adjust its rates and charges or impose additional rates and charges on its Customers in order to recover amounts it is required by governmental or other authorities to collect from or pay to others in support of statutory or regulatory programs. Examples of such programs include, but are not limited to, the Universal Service Fund, the Primary Interexchange Carrier Charge, and compensation to payphone service providers for the use of their payphones to access BellSouth Long Distance services. Such charges, if applicable, are described in this section of the pricing and service guide.

2.18.1 Pay Telephone Surcharge

An undiscountable surcharge of \$0.65 shall apply to each call utilizing the Company's services which originate from an instrument which the Company identifies as a domestic Pay Telephone. Unless otherwise specified in this pricing and service guide, services for which a Pay Telephone Surcharge applies include, but are not limited to:

- (A) Calls placed to a toll-free number provided by the Company with its inbound long distance services. Surcharges will be billed to the inbound long distance Customer rather than the party originating the call.

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2.18 Adjustment to Rates and Charges (continued)

2.18.2 Federal Universal Service Fee

The Company is required by the Federal Communications Commission (FCC) to contribute to the Federal Universal Service Fund (FUSF) which supports universal service in high cost areas, assist low income users of telecommunications, and assist schools, libraries and rural health care facilities to obtain telecommunications and information services. The FCC permits the Company to assess a monthly surcharge for recovery of contributions paid by the Company to FUSF. The FCC sets the rate that the Company is required to contribute, and the FCC can increase and decrease the rate on a quarterly basis. The Company will assess all Customers a Federal Universal Service Fee. The Company reserves the right to change the amount of the assessment based on changes made to the FUSF rate by the FCC. The FCC Contribution factor subject to change quarterly can be found at <http://www.fcc.gov/omd/contribution-factor.html>.

The Federal Universal Service Fee is not subject to discounts nor contributes to any monthly minimums or revenue commitments which may apply to Company services subscribed to by the Customer.

2.18.3 Presubscribed Interexchange Carrier Charge (PICC)

For Customers who select the Company as their Primary Interexchange Carrier, the Company will assess the Customer a monthly recurring charge, called a Presubscribed Interexchange Carrier Charge (PICC). This charge will be assessed on a per line basis as shown below. PICCs will not be prorated for a partial month of service and are not subject to discounts nor contribute to any monthly minimums or revenue commitments which may apply to Company services subscribed to by the Customer. Credits for interruption of service as described in Section 2.14 of this pricing and service guide do not apply to PICCs.

Per Multi-Line Business Line or Trunk	\$0.00
Per Centrex Station Line	\$0.00
Per ISDN Basic Rate Digital Subscriber Line:	\$0.00
Per ISDN Primary Rate Interface:	\$0.00

2.18.4 Primary Interexchange Carrier (PIC) Change Charge

The Company may, at its option, elect to incur the PIC change charge on the Customer's behalf for new Customers who presubscribe their interstate service to the Company through Company-designated sales channels for Company-designated marketing campaigns and where the appropriate arrangements are in place between the Company and the eligible Customer's local exchange carrier. In the event that no such arrangements are in place, the Company may, at its option, reimburse the Customer, or issue the appropriate credits on the Customer's invoice upon Customer's proof of payment of such PIC change charges.

2.18.5 South Carolina Universal Service Fund

A monthly recurring surcharge equal to the revenue percentage established by the Administrator of the South Carolina Universal Service Fund will be applied to Customers' total monthly interstate and intrastate telecommunications services in order to support South Carolina's Universal Service Fund.

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2.18 Adjustment to Rates and Charges (continued)

2.18.6 Federal Regulatory Fee

The Federal Regulatory Fee is a non-discountable monthly charge to recover amounts paid to the federal government for regulatory costs and telecommunications services for the hearing impaired and costs associated with local number portability administration. This fee is applied to Business Customers only. The Federal Regulatory Fee is equal to the Customer's total net charges for interstate and international telecommunications services, after application of all applicable discounts and credits, multiplied by 6.38%.

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2.19 Reserved for Future Use

2.20 Reserved for Future Use