

**BUSINESS AND RESIDENTIAL
PRODUCT REFERENCE AND PRICING GUIDEBOOK**

SECTION 2 – REGULATIONS

**Agreement for AT&T Long Distance Interstate and International Long Distance Services
(and for Intrastate Long Distance Services in Some States)**

The AT&T Long Distance services provided hereunder are subject to these terms and conditions and any written agreement. These terms and conditions apply to all interexchange interstate and international long distance services provided to Customers in all 50 states. These terms and conditions also apply to intrastate long distance services in the following states: Alabama, Alaska, Arkansas, Colorado, Connecticut, Delaware, Florida, Georgia, Indiana, Illinois, Iowa, Kansas, Kentucky, Louisiana, Massachusetts, Maine, Maryland, Michigan, Mississippi, Missouri, Montana, Nevada, New Hampshire, New Jersey, New York, North Carolina, North Dakota, Ohio, Oregon, Oklahoma, Pennsylvania, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Vermont, Virginia, Washington, Wisconsin and Wyoming, except as noted below. See also Section 2.31 of this Guidebook for state-specific terms and conditions that may vary from those found in Sections 2.1 through 2.30 of this Guidebook.

For Residential Customers whose services are governed by the AT&T Residential Service Agreement, available at www.att.com/servicepublications, only the sections of this Guidebook listed below apply:

- Section 2.1
- Section 2.8
- Section 2.12(A), (B), (C) and (E)
- Section 2.26 through 2.30
- Section 2.31 (as applicable to individual states referred to therein)

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2.1 Undertaking of the Company

The Company provides voice interexchange telecommunications Services, where authorized and where necessary arrangements exist with other providers, for communications originating and terminating in the United States, or between the United States and international points. Service areas are subject to change. The Company arranges for installation, operation and maintenance of the Service in accordance with these terms and conditions.

2.2 Limitations on Service

Service is offered subject to the availability of the necessary systems, facilities and equipment, and where the Company provides Service. The Company may refuse to provide Service to or from a location where the necessary systems, facilities or equipment are not available. As used herein, the terms “availability” and “available” refer to systems, facilities and equipment owned by the Company and the Company’s current capacity purchased from third party providers. In cases where Service is not currently available, the Company shall not be obligated to provide Service by a specific time or in a particular manner. If the parties cannot agree concerning the provision of currently unavailable Service, either party may cancel Customer’s order for such Service. Service is subject to the following limitations:

- The Company reserves the right to discontinue or limit Service when necessitated by conditions beyond its control or when Service is used in violation of these terms and conditions or the law.
- The Company does not undertake to transmit messages, but offers its Service when available, and shall not be liable for errors in transmission or for failure to establish connections.
- The Company reserves the right to refuse to process Third Party Vendor calls when standard validation techniques cannot confirm acceptance.
- The Company reserves the right to refuse to process Third Party Vendor calls when authorization cannot be validated.
- The Company reserves the right to discontinue or limit Service, or to impose requirements, as required, to meet changing regulatory or statutory rules and standards.
- Service offered by the Company is available only in states where the Company has obtained authority to provide Services.
- The Company may rely on third parties to provide a portion of the Service. Selection of Third Party Vendors is made by the Company, which reserves the right to change Third Party Vendors at any time.
- The Company reserves the right to change Third Party Vendors at any time.
- The Company does not offer 101XXXX dialing. Except for Operator Toll Assistance Service and Directory Assistance Service, the Applicant or Customer must affirmatively select the Company as the long distance service provider to receive Service from the Company.
- The Company does not generally provide echo suppression.
- The Company’s failure to give notice of default or to enforce or insist upon compliance with any of these terms and conditions, or the Company’s grant of a waiver of any term or condition herein or of an extension of time for performance will not constitute a permanent waiver of any such term or condition.

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2.3 Assignment or Transfer

The Company controls all Services provided under these terms and conditions and Customer may not transfer or assign the use of Services without the express consent of the Company. The Company's consent shall be in its sole discretion.

2.4 Customer Access

Except as stated otherwise in these terms and conditions, Customer may access the Company's network as follows: If Customer's access line is pre-subscribed to the Company, Customer dials 1, plus the area code, plus the seven-digit number.

2.5 Use of Service

Customer may use Service for any lawful purpose. Customer obtains no property right or interest in the use of any specific type of facility, Service, equipment, number, process or code. All right, title, and interest to such items remain, at all times, solely with the Company. Recording of telephone conversations on the Service provided by the Company under these terms and conditions is prohibited, except as authorized by applicable federal, state, and local laws.

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2.6 Discontinuance of Service

Service may be cancelled as follows:

- a. Cancellation by Customer. Customer will be responsible for payment of all charges for Service until a PIC change occurs, until a date specified by Customer through proper notice or until an agreed upon cancellation date, if applicable. If Customer obtains Service under a term plan agreement, early termination charges may also apply.
- b. Cancellation by the Company with Notice. The Company, upon 5 days' notice to Customer and in accordance with applicable law, may discontinue Service without incurring liability:
 - When any sum owed the Company is not paid within 30 days after the due date printed on the bill.
 - If there is a reasonable risk that criminal, civil or administrative proceedings or investigations may be instituted against the Company based on the contents of transmissions.
 - If after three full billing cycles the Service has not been used.
 - When Customer fails to provide assurances of or security for the payment of the Company's charges.

Should such notice be returned due to incorrect, insufficient or fraudulent Customer billing address, the Company may discontinue service without notice pursuant to Section 2.6(c) below.

- c. Cancellation by the Company without Notice. The Company without notice to Customer, in accordance with applicable law, may discontinue service without incurring liability:
 - For violations of law.
 - For the Company to comply with any order or request of any governmental authority having jurisdiction over the Service.
 - If Customer's check or draft is returned unpaid for any reason after one collection attempt.
 - For Customer's or End User's misuse or fraudulent or unlawful use of the long distance network. As used herein, the term "misuse" means, with respect to consumer or residential Service, use of the Service for non-standard residential or non-residential purposes, including but not limited to commercial or broadcast facsimile, resale, telemarketing, permanent or semi-permanent Internet connections, and autodialing.
 - For emergencies.
 - If Company has incorrect, insufficient or fraudulent Customer billing information.
 - If the Service is used by Customer or its End Users in a manner that harasses others or interferes with the use of the Company's Services by other customers.

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2.7 Application for Service

Service may be initiated based on written or oral agreement between the Company and the Customer. The Company reserves the right to require an Applicant to sign an application for the Service desired, on a form provided by the Company, as a condition of establishing Service. Applications for Service will be accepted by the Company provided that the Service is available, and the Company has no reason to believe the Customer will not comply with the provisions of the Guidebook. The Company will also accept an oral application from a Customer for additions to or changes in existing Service.

2.7.1 Cancellation of Application for Service

When Customer or Applicant cancels an order prior to the start of installation of Service or the start of special construction, no charge applies. Where installation has been started prior to cancellation, a cancellation charge equal to the costs incurred by the Company, but not greater than the charge for the minimum period of Service shall apply. Customer or Applicant is also responsible for all costs incurred expressly on its behalf by the Company, including those costs the Company incurred as an agent of Customer or Applicant. If special construction has either begun or has been completed, but Service has not been provided at the time that Customer or Applicant cancels the order, Customer or Applicant is responsible for all construction costs incurred by the Company on its behalf.

2.8 Initial Contract Period

Unless otherwise agreed to, the initial contract period for Service is one month. Thereafter, contract periods shall be for successive one-month periods.

2.9 Obtaining Services

Acceptance or use of Service offered by the Company shall be deemed an application for such Service and an agreement by Customer to subscribe to, to use and to pay for such Service. Customer must provide The Company with whatever authorization(s), proof of identification and/or other information the Company deems appropriate.

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2.10 Establishment of Credit and Deposits; Toll Restriction; Credit Limits

- A. The Company reserves the right to require all Customers and/or Applicants to establish, re-establish, and/or maintain creditworthiness at any time and to the satisfaction of the Company. The Company reserves the right to examine the credit record and check the references of Customer or Applicant at any time. If Customer's or Applicant's financial condition is unknown or unacceptable, the Company reserves the right to require a security deposit, which the Company may apply to overdue charges. The Company shall determine the amount of any deposit, in its sole discretion, up to three months' estimated usage. The Company shall pay interest on deposits as required under state law. The Company may review Customer's account to determine whether all amounts due have been paid within these terms and conditions. If Customer's payment history is satisfactory, the Company shall refund the deposit in full within the time prescribed under state law.
- B. The Company reserves the right to refuse Service to any Applicant who is indebted to the Company for Service(s) previously furnished (whether or not at the same location) until satisfactory payment arrangements have been made for all such indebtedness. The Company further reserves the right to refuse Service to any Applicant who is currently indebted to the Company for Service(s) on another the Company account, until satisfactory payment arrangements have been made for all such indebtedness. The Company may also refuse Service to any Applicant attempting to establish Service for a former Customer who is indebted for previous Service(s), regardless of whether or not the previous Customer was furnished Service at the same location, until satisfactory payment arrangements have been made for the payment of all such prior indebtedness. If Service is established and it is subsequently determined that any of the foregoing conditions exist, the Company may suspend or terminate such Service until satisfactory arrangements have been made for the payment of the prior and/or concurrent indebtedness. The Company reserves the right to discontinue granting any further credit to Customer in the event of Customer's repeated delinquency in payment for Service, fraudulent use of Service, suspension or disconnection of Service, initiation of a proceeding by or against Customer under the U. S. Bankruptcy Code, or any material breach, where not prohibited by federal law, rule or regulation.

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2.10 Establishment of Credit and Deposits; Toll Restriction; Credit Limits (continued)

- C. The Company may regularly review Customer's toll usage in order to protect itself from fraudulent or excessive usage by high-risk Customers or Customers who are delinquent in their payments. When the Company determines that the usage volume increases the likelihood that Customer will not pay or will be unable to pay for usage, the Company may implement its toll blocking process. Pursuant to that process, the Company may place a restriction on or discontinue Customer's use of domestic and/or international long distance Services, 1+, 0+, and/or all 900/976/700/500 calls until Customer makes payment arrangements satisfactory to the Company. Access to local calling, operator-assisted calls, emergency services (9-1-1), 800 and 888 calls will not be affected. In the event that toll access is restricted or blocked pursuant to the foregoing, Customers attempting to access restricted Services will be automatically routed to either a recorded announcement or a service representative for information regarding restoration of Service. This process allows the Company to reasonably limit the amount of toll usage Customer may accumulate.

- D. The Company may establish credit limits for new and existing Customers. Where a credit limit is established for Customer, Customer will be notified of his/her initial credit limit amount and any subsequent credit limit changes, only if lower than the Company's standard credit limit.

Where Customer becomes delinquent in payments, a new credit limit may be established that is lower than Customer's initial credit limit. In the event Customer's established credit limit is exceeded, or in the event Customer becomes delinquent in his/her payments, the Company may implement its toll blocking process, as described above. The Company shall provide notice of adverse action regarding credit limits in accordance with federal and/or state laws and/or regulations.

- E. In addition to Blocking, the Company reserves the right to put Customer on "Credit Hold" status in the event Customer fails to establish, re-establish, and/or maintain creditworthiness at any time to the satisfaction of the Company. While Customer is on "Credit Hold" status, the Company may suspend or cancel the provisioning of any new Service ordered by Customer and refuse to accept any new orders for Service from Customer.

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2.10 Establishment of Credit and Deposits; Toll Restriction; Credit Limits (continued)

- F. Credit decisions are based, in whole or in part, on information obtained in a credit report. Customer has the right under the Equal Credit Opportunity Act to receive a statement of reasons for adverse action taken within 60 days of notification. A statement of reasons can be obtained by contacting:

Experian Business Information Services
Attn.: Commercial Relations
600 City Parkway
Orange, CA 92868
888-397-3742

or

Dun and Bradstreet
Customer Resource Center
899 Eaton Avenue
Bethlehem, PA 18025
800-234-3867

or

Equifax Information Services
P. O. Box 740256
Atlanta, GA 30374
800-685-1111

or

TransUnion Consumer Solutions
P. O. Box 2000
Chester, PA 19022
800-916-8800

The Federal Credit Equal Opportunity Act prohibits creditors from discriminating against credit applicants on the basis of race, color, religion, national origin, sex, marital status or age (provided the credit applicant has the capacity to enter into a binding contract); because all or part of the credit applicant's income derives from any public assistance program; or because the credit applicant has in good faith exercised any right under the Consumer Credit Protection Act. The Federal agency that administers compliance with this law concerning this creditor is the Federal Trade Commission, Equal Credit Opportunity, Washington, D.C. 20580.

2.11 Advance Payments; Credit Card Authorizations

The Company reserves the right to require advance payments from Customer and/or Applicant when, in the Company's sole judgment, Customer and/or Applicant presents an undue risk of nonpayment. Such advance payments may be required instead of, or in addition to, a security deposit, in an amount up to the estimated installation charges plus three months' estimated billings. The Company shall be authorized to apply such advance payments against Service charges incurred by Customer and/or Applicant. The Company shall not pay interest on advance payments, unless specifically required under state law. The Company may alternatively require Customer and/or Applicant to authorize Credit Card billings for advance payments as described below.

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2.12 Payment and Billing

- A. Customer is responsible for payment of all charges for Service furnished to Customer, its agents or End Users. Monthly recurring charges for Service components are billed in advance of Service and reflect the rates in effect as of the date of the invoice. Monthly recurring charges continue to accrue during any suspension of Service until Service is disconnected. For the purpose of computing partial-month charges, a month is considered to consist of 30 days. The Company will bill calls in whole minute increments, unless otherwise stated in the Service description of Customer's calling plan. Partial minutes are rounded up to the next whole minute. If the charge for a call includes a fraction of a cent of \$.005 or more, the fraction of such charge is rounded up to the next higher whole cent. Otherwise, the charge is rounded down to the next lower whole cent. Rounding for charges for Service(s) is on a call-by-call basis.
- B. Bills are due and payable upon receipt. Customer is liable for any reasonable fees and expenses including attorneys' fees the Company incurs in the collection of charges owed to the Company. The Company may also charge Customer a late fee on overdue charges. The one-time charge shall apply on the undisputed amount or on the disputed amount if a dispute is resolved in favor of the Company. A late charge applies to any past due balance. When an Affiliated ILEC provides the billing function on behalf of AT&T Long Distance, the monthly late charge will be administered according to the applicable Affiliated ILEC state guidebooks, tariffs, regulations, and/or standard Affiliated ILEC company billing procedures. When another telecommunications carrier provides the billing function on behalf of the Company, the other carrier's late payment charge applies. In no event will either late charge exceed the highest amount allowed by law. Charges may be assessed for unbilled Service up to two years in arrears, except for fraud, where no limitation applies. Refer to Section 9 of this Guidebook for applicable late fees.
- C. The Company may assess a charge whenever a check or draft presented for payment of Service is not accepted by the institution upon which it was written. Refer to Section 9 for the charge.
- D. Credit Card billing and automatic withdrawal from Customer's checking or savings account may be available. If Customer presents an undue risk of nonpayment at any time, the Company may require Customer to pay its bill in cash or the equivalent of cash. With Credit Card billing, charges for Service provided by the Company are billed on Customer's designated and approved Credit Card. Should Customer cancel or change a designated Credit Card for billing, Customer shall promptly inform the Company and designate new information for billing. Charges for Service are billed monthly in accordance with terms and conditions between Customer and Customer's designated Credit Card provider. Call detail will not be included in the Credit Card bill but will be provided by the Company by separate mailing.
- E. Customers that are direct-billed (as opposed to a shared-bill from a LEC or CLEC) must provide the Company updated information within 15 days of a change in billing address and/or contact information. If Customer fails to provide such updated information promptly, the Company reserves the right to terminate Service on 5 days oral or written notice to Customer's last known address or contact number.
- F. The Company shall not be required to provide Customer with credits or adjustments beyond the applicable state's Statute of Limitations requirements that apply to the action or omission that created the need for credit or adjustment.

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2.13 Disputed Bills

Customer may in good faith withhold payment of any disputed charges. A charge is not “disputed” until Customer provides the Company a written explanation of the disputed charge. If the Company determines that the charges are valid, the Company will notify Customer of this resolution of the dispute and Customer must pay all such charges within 10 days.

2.14 Changes to Rates, Charges, Terms, and Conditions

Except as otherwise provided in a written agreement, the Company may periodically make changes to its rates, charges, terms, and conditions. The Company will provide Customers with advance written notice accordance with the AT&T Business Services Agreement or AT&T Residential Service Agreement for rate and charge increases and for changes to terms and conditions that adversely affect Customer. Rate and charge decreases, quarterly changes to the International Mobile Termination Charges (IMTC), and changes to terms and conditions that do not adversely affect Customer will be made without advance notice. Use of Service after changes take effect constitutes acceptance.

2.15 Tax Exemption Certificate

In order to be granted tax-exempt status, Customer shall provide the Company with copies of all tax exemption certificates and other documentation required by the Company. Customer will be billed for all applicable taxes and will be responsible for their payment until such time as the Company has ceased billing the applicable taxes. The Company is not liable for refunding the amount of the taxes paid by Customer. Customer is responsible for seeking refunds for such taxes from the appropriate taxing authority.

2.16 Notices

Any notices provided by the Company are deemed given and effective upon the earlier of (a) actual receipt by Customer, (b) three days after mailing if sent by mail, (c) the day after express overnight delivery, or (d) the day the notice is left at Customer's Premises. Notices will be sent to Customer's last billing address provided to the Company by Customer.

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2.17 Inspection, Testing, and Adjustment

Customer or others may not rearrange, move, disconnect, remove or attempt to repair any the Company-provided facilities, other than by connection or disconnection to any interface means used, except with the written consent of the Company. The Company may, upon reasonable notice, make such tests and inspections as may be necessary to determine whether the installation, operation, and/or maintenance of Customer's or the Company's facilities and/or equipment are in compliance with these terms and conditions. Upon reasonable notice, the facilities and/or equipment provided by the Company shall be made available to the Company for such tests and/or adjustments as may be necessary for their maintenance in a condition satisfactory to the Company. No interruption allowance shall be granted for the time such tests and adjustments are made, unless such interruption exceeds 24 hours and an allowance is requested by Customer.

2.18 Interconnection

- A. Customer shall ensure that the facilities and/or equipment provided by Customer are properly interconnected with the facilities or equipment of the Company and comply with applicable regulations of the FCC. If Customer maintains or operates the interconnected facilities or equipment in a manner that results, or may result, in harm to the Company's facilities, equipment, personnel, and/or quality of Service, the Company may, without any liability, disconnect Service until Customer provides protective equipment at Customer's expense.
- B. Subject to the technical limitations established by the Company, the Service may be interconnected with services or facilities of other authorized communications common carriers and with private systems. Any special interface equipment or facilities necessary to achieve compatibility between the Company-provided equipment and facilities and those of other carriers shall be provided at Customer's expense.
- C. The Company or Third Party Vendors may substitute, change or rearrange any equipment or facility at any time, but shall endeavor to maintain the technical parameters of the Service provided to Customer. In the event that technical parameters change as a result of the Company's actions, the Company will provide Customer 25 days notice prior to such change.
- D. Customer is responsible for securing all licenses, permits, rights-of-way, and other arrangements necessary for interconnection. Customer will be responsible for taking all necessary legal steps for interconnecting Customer-provided terminal equipment with the long distance network. Customer must ensure that the signals emitted into the long distance network do not damage the Company-provided equipment, injure personnel or degrade Service to other users of the long distance network. In addition, Customer must comply with applicable LEC signal power limitations. Customer shall indemnify and hold the Company harmless against any and all liabilities, costs, damages, and expenses resulting from claims by third parties that Customer's calling card or PIN has been lost, stolen or fraudulently issued or used. Customer shall pay the Company amounts equal to the monthly recurring charges that would have been paid had the Company been able to commence or to continue to provide Service, in the event that the Company's ability to commence or to continue to provide Service in a timely manner is delayed or interrupted because of non-performance by Customer of any obligation set forth in these terms and conditions.

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2.19 Taxes and Surcharges

Customer will be responsible for the payment for all Services provided by the Company and for the payment of all excise, sales, use, gross receipts or other taxes and surcharges. Federal excise tax, and state and local sales, use, and similar taxes and surcharges shall be billed separately from charges for Services. The Company may also impose surcharges on Customer to recover amounts it is required by governmental or quasi-governmental authorities to collect from, or to pay to, others in support of statutory or regulatory programs (e.g., universal service funds). The Company will not provide advance notice of changes to taxes and surcharges, except as required by law.

2.20 Local Access Charges

In certain instances, Customer may be subject to LEC access charges or message unit charges to access the Company's network or to terminate calls. The Company shall not be responsible for any such local charges incurred by Customer in gaining access to the Company's network; nor shall the Company be responsible for a Local Access Provider's performance or failure to perform. The Company may order such Local Access and pass through any such charges.

2.21 The Company's Limitation of Liability

The provisions of this Section do not apply to errors and omissions caused by the Company's willful misconduct, fraudulent conduct or violations of law:

- A. Except as provided in (B) and (G) of this Section, the Company's liability for damages of any nature arising from errors, omissions or interruptions of the Company, its agents, servants or employees, in the course of establishing, furnishing, rearranging, changing, moving or terminating the Service, facilities or equipment shall not exceed an amount equal to the charges due as set forth in the applicable agreement between the Company and Customer for the billing period(s) during which such error, omission or interruption occurred.
- B. In the event an error or omission in the course of establishing, furnishing, rearranging, changing, moving or terminating the Service, facilities or equipment is caused by the gross negligence of the Company, the liability of the Company shall be limited to and in no event exceed the sum of \$10,000.
- C. The Company will not be liable to Customer for damages or statutory penalties or be obligated to make any adjustment, refund or cancellation of charges, unless Customer has notified the Company in writing of facts sufficient to provide the Company with the reasonable basis of any dispute or claim for damages, within 60 days after an invoice is rendered by the Company giving rise to such dispute or claim.

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2.21 The Company's Limitation of Liability (continued)

- D. In no event shall the Company be liable for any incidental, indirect, punitive, special, or consequential damages (including without limitation damages related to lost revenue or profits, toll fraud, loss of use, and loss of data, or failure to realize savings or benefits arising under this agreement, even if advised of the possibility of such loss. The Company will not be liable for any act or omission by any other company(ies) furnishing a portion of the Service or associated facilities or equipment. If the Company learns of actual or likely unauthorized, fraudulent or unlawful use of any The Company Service, the Company may suspend Service without notice or liability. The Company will not be liable for any failure of performance due to the use or abuse of Service by Customer including, but is not limited to, any calls placed by means of PBX-reorigination or any other equipment, service or device.
- E. Compensation for any injury Customer suffers due to the fault of third parties must be sought from such third parties. The Company will not be liable for any failure of performance due to any action, such as Blocking or refusal to accept certain calls, that the Company deems necessary in order to prevent unauthorized, fraudulent or unlawful use of its Service.
- F. The Company shall not be liable for interruptions, delays, errors or defects in transmission, or for any injury caused by Customer, its agents or End Users, or by facilities or equipment provided by Customer or any Third Party Vendor.
- G. The Company's liability, if any, with regard to the delayed installation of facilities or commencement of Service shall not exceed \$1,000.
- H. The Company shall have no liability to any person or entity other than Customer for damages of any nature arising from errors, omissions or interruptions of the Company, its agents, servants or employees, in the course of establishing, furnishing, rearranging, changing, moving or terminating the Service, facilities or equipment and the Company's liability to Customer shall only be as set forth herein.

2.22 Force Majeure

The Company shall not be liable for any failure of performance hereunder, if such failure is due to any cause or causes beyond the Company's reasonable control. Such causes shall include, without limitation, acts of God, fire, explosion, vandalism, terrorism, cable cut, natural disaster or other similar occurrence, any law, order, regulation, direction, action or request by the U. S. or other government, civil or military authority, national emergencies, insurrections, riots, wars, labor strife, supplier failures or preemption of existing Service to restore Service in compliance with FCC Rules. To the extent such an event interferes with the Company's performance, the Company will be excused from performance during the period of such interference, provided that the Company uses all reasonable efforts available to it to avoid such event. If a delaying condition continues more than 45 business days, Customer or the Company may terminate the affected Service(s). This Section shall not operate to excuse the payment of money.

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2.23 Liability of Customer

Customer shall indemnify, defend and hold harmless the Company (including the cost of reasonable attorneys' fees) against:

- A. Claims for libel, slander, infringement of copyright, or unauthorized use of any trademark, trade name or service mark rising out of the material, data, information or other content transmitted by Customer, its agents or End Users over the Company's facilities or equipment.
- B. Claims for patent infringement arising from combining or connecting the Company's facilities or equipment with facilities, equipment, apparatus or systems of Customer.
- C. All other claims (including claims for damage to any business or property, or injury to or death of any person) arising out of any negligent or wrongful act or omission of Customer, its agents, End Users or customers in connection with any Service or facilities or equipment provided by the Company.
- D. Any and all claims, demands, suits, actions, losses, damages, assessments or payments asserted against the Company and/or any affiliated or unaffiliated Third Party Vendor or operator of facilities employed in provision of the Service by someone other than Customer (e.g., authorized or unauthorized) who has use of the Service directly or indirectly through Customer.
- E. Any suits, claims, losses or damages including punitive damages, attorneys' fees and court costs arising out of the construction, installation, operation, maintenance or removal of Customer's Circuits, facilities or equipment connected to the Services; provided that, if it was the Company that performed such work, only to the extent that it did so in a manner consistent with its obligations under this Guidebook, any relevant agreement or any direction provided by Customer. This includes, without limitation, Worker's Compensation claims and proceedings to recover taxes, fines or penalties for failure of Customer to obtain or maintain in effect any necessary certificates, permits, licenses or other authority to acquire or operate the Services.
- F. Any violation by Customer, its agents or End Users of any literary, intellectual property, artistic, dramatic or musical right, or right of privacy.
- G. Customer shall reimburse the Company for damages to facilities or the Company-provided equipment caused by the negligence or willful acts of Customer's officers, employees, agents, contractors and/or users.

2.24 Disclaimer of Warranties

Except as these terms and conditions expressly state, the Company makes no express or implied warranties about its services and disclaims the implied warranties of title, merchantability, or fitness for a particular purpose. The Company does not authorize anyone to make a warranty on the Company's behalf and customer may not rely on any statement of warranty as a warranty of the Company.

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2.25 Dispute Resolution

A party alleging a material breach (the “Moving Party”) of these terms and conditions may initiate arbitration by giving the other party a written Arbitration Demand Notice. The parties shall jointly select a single arbitrator who is knowledgeable of the general subject matter. If the parties are unable to agree upon an arbitrator within 30 business days of the Arbitration Demand Notice, the Moving Party may request that the American Arbitration Association (“AAA”) appoint an arbitrator within 15 days. Arbitration of the dispute shall commence no later than 90 days after such appointment and shall be conducted in a location agreed by the parties, according to the Commercial Arbitration Rules of the AAA, except as modified herein. The arbitrator may set time and other limits for the presentation of each party’s case, memoranda, and other submissions, and shall issue a written decision supported by law and substantial evidence as promptly as circumstances permit. The arbitrator shall have no authority in excess of the authority of a court having jurisdiction over the matter. Additionally, the arbitrator shall not alter, revoke or suspend any provision of these terms and conditions. The arbitration award shall be binding and deemed enforceable in any court of competent jurisdiction. Each party acknowledges that it is giving up judicial rights to a jury trial, discovery, and most grounds for appeal under this Section. Prior to appointing an arbitrator, either party may seek one or more temporary restraining orders (“TROs”) in order to preserve and protect the status quo. Neither the request for, nor denial of, such TRO shall be deemed a waiver of the parties’ obligation to arbitrate. The arbitrator may dissolve, continue or modify such TRO, which shall remain in effect until it expires or is dissolved by the arbitrator, whichever occurs first. No provision of this Section shall limit a party’s right to setoff. The exercise of a remedy does not waive the right of arbitration. During dispute resolution proceedings, including arbitration, the parties shall continue to perform their obligations under these terms and conditions, except for obligations directly related to the dispute. Any request for arbitration or for legal action arising in connection with these terms and conditions must begin within 2 years after the cause of action arises. Nothing in this Section shall impair Customer’s ability to bring issues concerning Service before the relevant regulatory agency having jurisdiction thereof. This Section shall not apply to residential Customers in the state of California.

2.26 Assignment of Toll-Free Telephone Numbers

In accepting Customer’s or Applicant’s request for a particular Company Toll Free Service (“TFS”) number, the Company shall accommodate such request to the extent possible in administering the assignment of 800 numbers on a nationwide basis, in accordance with procedures established by the Company. No guarantee of the assignment of a particular TFS number shall be made prior to the initiation of Service. The Company shall not be liable for any costs incurred by Customer or Applicant prior to Service if the requested number is not secured. If Customer’s or Applicant’s TFS number is not used by callers other than for test calls within 90 days of activation of the TFS number or any subsequent period of three full billing cycles, the Company may, upon written notice, release the TFS number without liability. Test calling does not constitute use.

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2.27 Telecommunications Service Priority (TSP) System

The provisioning and restoration of Services will be in accordance with the priority system specified in Part 64, Appendix A of the rules and regulations of the Federal Communications Commission. The TSP System is a service that provides for the priority provisioning and/or restoration of National Security Emergency Preparedness (NSEP) telecommunications services. The TSP system applies only to NSEP services that can be discreetly identified and provides the Company with a guide to the sequence in which services are to be provisioned and/or restored.

The Executive Office of the President is empowered with the authority to receive, evaluate and process requests for NSEP TSP services. The Executive Office of the President, through the Office of Priority Telecommunications (OPT) as its administrative branch, makes the priority level assignments and issues the TSP authorization code reflecting the priority assignments associated with the Customer's request. The Customer initiates the request for TSP service from the OPT. The Customer then provides the TSP authorization code, in addition to all other details necessary to complete the order, and submits it to the Company for appropriate action.

2.28 Resale of Service

Except as explicitly authorized in a written agreement, the Services provided hereunder shall not be resold or provided to third parties.

2.28.1 Obligations of a Reseller

- A. To the extent that Customer is permitted pursuant to this Section 2.28 of this Guidebook to be a Reseller, the terms and conditions in this section shall apply, in addition to all other terms and conditions of this Guidebook and any terms and conditions of the written agreement between the parties.
- B. Failure to comply with any term, rule or regulation of this Guidebook may result in the Company immediately and irrevocably terminating Service(s) without incurring any liability. Notification of termination of Service(s) may be in writing or in another expeditious manner selected by the Company.
- C. In the event of non-payment by a Reseller's subscriber, the Company may be requested by the Reseller to block such subscriber's service because of non-payment of charges. Before the Company blocks Service to a Reseller's subscriber, the Reseller must certify that proper notice has been given to the subscriber. Proper notice must meet state and federal rules for Blocking Service due to non-payment. The Reseller is responsible for all costs incurred to disconnect or block the location from Service(s).
- D. Resellers will be responsible for paying all taxes, surcharges, and fees based upon the taxing jurisdiction's rules and regulations.

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2.28 Resale of Service (continued)

2.28.1 Obligations of a Reseller (continued)

- E. In addition to the other provisions in this Guidebook, Resellers will be responsible for all interaction and interface with their own subscribers or customers. The provision of Service will not create a partnership or joint venture between the Company and the Reseller nor result in a joint offering to third parties.
- F. If the Customer resells Services, the Reseller is responsible for providing all billing, collection, and customer service functions for all of its locations, including resolving any unauthorized presubscription disputes.
- G. In addition to the other provisions in this Guidebook, Resellers must have the appropriate authority in all areas where the Reseller provides service and provide such documentation to the Company when requested.

If a Reseller switches a subscriber's long distance provider without obtaining permission from the subscriber, the Company may charge the Reseller for the unauthorized presubscription change charges plus all additional charges imposed and costs incurred. The Reseller is financially liable for all lines at all locations until such time as the lines and/or locations are presubscribed to a different long distance service provider. In instances where the Reseller has presubscribed lines and/or location to its Service without proper authorization, the Reseller must:

- Inform the subscriber of the unauthorized change in long distance service providers; and
- Ensure that the subscriber's service is returned to the long distance service provider of choice; and
- Pay all applicable charges

2.29 International Mobile Termination Charge

International calls terminating to either wireless communications devices, including but not limited to cellular phones, mobile phones, pagers, personal computers and personal digital assistants, or to a portable telephone number where a forwarding, tracking or other type of location service was used. These fees also apply to ranges of telephone numbers for special services as designated by the foreign telephone administration; such special services may or may not be wireless, and they may be for adult entertainment purposes. Many telecommunications companies outside of the United States impose substantial fees to complete these telephone calls. In order to recover these fees, a mobile termination charges (IMTC) will be applied. The charge amount varies by country.

The International Mobile Termination per minute charges applies to (1) International Direct-Dialed outbound calls and operator assisted dialed calls. IMTC can be found in Section 9 of this Guidebook.

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2.30 Predictive Dialers

Except as explicitly authorized in a written agreement, the use of auto-dialers, predictive dialers or other devices that generate automated outbound calls in conjunction with the products and services provided by the Company is strictly prohibited. The Company may block and/or terminate service immediately should Customer use such devices.

2.31 State-Specific Terms and Conditions for Intrastate Services

To the extent inconsistent with Sections 2.1 through 2.30, the following rules shall apply in the following states:

ALABAMA

Pursuant to Rule 15 of the General Rules Of The Alabama Public Service Commission and Rule 5 (C)(5) of the Telephone Rules Of The Alabama Public Service Commission, adjustments for inaccuracies in billing will be limited to the most recent thirty-six (36) month period. In the event the inaccuracy results in the Customer having underpaid for Service, no backbilling will be allowed without immediate written notification to the Customer by the Company at the time of discovery by the Company. Such notice will inform the Customer that the Customer will be given the option of repayment of amount due in monthly installment equal to the period of said underbilling, or by any other mutually agreeable arrangement, except in cases of proven tampering and/or unauthorized use.

INDIANA

- A. Deposit amounts may be up to twice the estimated average monthly usage.
- B. A billing error may be adjusted to the known date of error or for a period of eighteen (18) months, whichever period is shorter.
- C. If after investigation the Company determines that disputed charges are valid, The Company will rebill such charges in the next billing cycle.

MONTANA

- A. The Company shall provide 7 days written notice before discontinuing Service and will make reasonable efforts to contact Customer in advance of discontinuing Service.
- B. However, Services shall be subject to discontinuance without notice for emergencies, unauthorized use, any violation of law or of any of the provisions governing the furnishing of Service under these terms and conditions, or for non-payment by Customer.
- C. Deposit amounts may be up to twice the estimated average monthly charges.
- D. In the case of excessive usage, the Company will make a diligent effort to contact Customer before implementing its toll blocking process.
- E. Charges may be assessed for unbilled Service up to 6 months in arrears, except for fraud, where no limitation applies. If these charges are because of the Company error, Customer will be offered a reasonable payment arrangement.

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2.31 State-Specific Terms and Conditions for Intrastate Services (continued)

NORTH CAROLINA

- A. The Company shall provide 5 days written notice before discontinuing Service. The notice period begins the day following the mailing of the notice.
- B. However, Services shall be subject to discontinuance without notice for fraud.
- C. Deposit amounts may be up to twice the estimated average monthly charges.
- D. An Applicant for residential Service will not be denied Service for failure to pay bills for non-residential Service.
- E. The Company will provide 5 days written notice and will diligently try to induce Customer to pay before implementing its toll blocking process.

NORTH DAKOTA

- A. The Company shall provide 10 days written notice before discontinuing Service.
- B. Deposit amounts may be up to twice the estimated average monthly charges.
- C. Service to Customer will not be discontinued for failure to pay for a different class of Service.

OHIO

- A. The Company uses cycle billing. The billing period is one (1) month. Except for fraud, charges may be assessed for unbilled traffic up to two (2) years in arrears.
- B. Bills are sent to the Customer's current billing address no later than thirty (30) days following the close of billing. For usage sensitive Switched Services, call detail is available with the bill. Payment in full is due by the due date disclosed on the bill which is at least fourteen days after the postmark on the bill.
- C. The Company may terminate Service to customer for the listed conditions upon seven (7) days written notice.

VERMONT

The Company uses cycle billing. The billing period is one (1) month. Except for fraud, charges may be assessed for unbilled traffic up to three (3) months in arrears.