

Terms and Conditions of Service

1. APPLICATION OF TERMS AND CONDITIONS OF SERVICE

- 1.1 These Terms and Conditions of Service (“Terms and Conditions”) apply to specialized switching services furnished by ADVANCED TELEPHONE SYSTEMS, INC. D/B/A HTC COMMUNICATIONS, hereinafter referred to as the “Company”, with its principal address 75 Main Street, Hickory, Pennsylvania 15340, for the provision of Interstate Telecommunications Service for communications initiated from locations between and among domestic points in the United States. Service is furnished subject to the availability of facilities and subject to transmission, atmospheric and like conditions by wire, cable, radio and/or a combination thereof. By accepting Company’s Service, you (the “Customer”) agree to the terms and conditions set forth herein.
- 1.2 From time to time, the Company shall offer special promotional offerings allowing special discounts or modifications of its regular service offerings to its Customers. Such offerings may be limited to certain dates, times, and locations.
- 1.3 Company may modify these Terms and Conditions upon advance written notice to Customer. The most current version of these Terms and Conditions can be found on Company web site at www.htctv.com. The Terms and Conditions become effective on the Effective Date set forth in the written notice. By continuing to accept Company’s Service after the Effective Date, Customer agrees to the Terms and Conditions as modified.
- 1.4 When services and facilities are provided in part by the Company and in part by other companies, these Terms and Conditions apply to that portion of the service or facilities that it supplies.
- 1.5 Service/trademarks of the Company are indicated by “™”, registered service/trademark are indicated by “®”, and copyrights are indicated by “©”. In addition, the Company logo is a registered servicemark of the Company.

2. **DEFINITIONS**

The following definitions apply for certain terms used generally throughout these Terms and Conditions:

Access Code: A sequence of numbers that, when dialed, connect the caller to the provider of operator services associated with that sequence.

Access Line: A communication channel which is used for access to a Company service point.

Access Line Group: An access line or a number of access lines from a single Customer or authorized user location which have the same termination characteristics and which are arranged in a hunting sequence.

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

Additional Increments: The rate element used to bill for the chargeable time when a call continues beyond the initial minute.

Aggregator: Any person or entity, that is not an operator service provider and that in the ordinary course of its operations makes telephones available to the public or transient users of its premises, or university for telephone calls between states that are specified by the user using an operator service provider.

Analog Transmissions: Denotes information transmitted in the form of continuously varying signal current and/or voltage.

Answer Supervision: An electrical signal fed back up the line by the local telco at the distant end of a long distance call to indicate positively the call has been answered by the called phone.

Application for Service: A standard order form which includes all pertinent billing, technical, and other descriptive information which will enable the carrier to provide the communication service as required.

Authorization Code: A multi-digit code which enables a Customer to access Company's network and enables the Company to identify the use of proper billing.

Authorized User: A person, firm, corporation, or other legal entity that is authorized by the Customer to be connected to the service of the Customer. An Authorized user(s) must be named in the application for service.

DEFINITIONS (Cont'd)

Autodialer: A device which allows the Customer to dial pre-programmed telephone numbers, such as the Company access number or authorization codes, by pushing one or two buttons. Dialers can be bought as a separate device and added to a phone.

Automatic Numbering Identification (ANI): A type of signaling provided by a local exchange telephone company that automatically identifies the local exchange line from which a call originates.

Billed Party: The person or entity responsible for payment of the Company's service as follows:

For an Operator Assisted Call:

- a. in case of a Calling Card or Credit Card call, the holder of the calling card or credit card used by the Consumer;
- b. in case of a Collect or Third Party call, the one responsible for the local telephone service at the telephone number that agrees to accept charges for the call; and
- c. in the case of a Room Charge call, the Customer.

For a Direct Dial Call:

Direct dial calls are billed to the originating live number, or the party assigned the Company's authorization code used to complete the call.

Billing Period: The interval between Customer invoice to Customer invoice that shall consist of approximately 30 days.

Business Service: The phrase "Business Service" means telecommunications service provided to the Customer for use primarily or substantially for a business, professional, institutional or other occupational purpose.

Calling Card Call: A call for which charges are billed, not to the originating telephone number, but to a telephone calling card issued by a local exchange or long distance telephone company for this purpose.

2. **DEFINITIONS** (Cont'd)

Cancellation of Order: A Customer initiated request to discontinue processing a service order, either in part or in its entirety, prior to its completion.

Channel: The path for electrical transmission between two or more points.

Collect Call: A billing arrangement that bills the charge for a long distance call to the called station's telephone number. The person agreeing to accept the call, whether or not they are a presubscribed customer of the Company shall be responsible for all charges related to the call. Regardless of whether the person is a Customer of the Company or the individual receiving such a collect call, he or she shall be subject to the provisions of these Terms and Conditions that are applicable to the call accepted.

Command Routing: This feature allows the 800 service Customer to have 800 calls rerouted by the Company's network in the event of access blockage to an ANI or T1 circuit ID previously defined by the Customer.

Commission: The Federal Communications Commission.

Company: ADVANCED TELEPHONE SYSTEMS, INC. D/B/A HTC COMMUNICATIONS

Connecting Carrier: A telecommunications company, which may be either an interexchange or a local exchange carrier, that supplies the Company with facilities to originate or terminate the Company's long distance services.

Consumer: The term consumer means a person initiating any telephone call using operator services.

Customer: The Customer is the person, firm, corporation or other legal entity which: orders, cancels or amends service; is responsible for the payment of charges; and is responsible for compliance with all Terms and Conditions including any fraudulent use, misuse, or abuse of the Customer's Service or Customer provided equipment by third parties, the Customer's employees, or the public. This includes payment for calls or services that originate at the Customer's number(s), are accepted at the Customer's number(s) (e.g. collect calls), are billed to the Customer number(s) via third number billing, the use of a calling or travel card, or the use of an assigned special billing number or authorization code to the Customer.

Customer Dialed Calling Card Call: A Calling Card Call that does not require intervention by an attended operator position to complete.

2. **DEFINITIONS** (Cont'd)

Customer-Provided Facilities: All facilities, including those obtained from other communications common carriers, provided by the Customer and/or authorized user, other than those provided by the Company.

DISA: (Direct Inward System Access) This feature of a PBX or telephone system allows the outside caller to dial directly into the telephone system and access the system's features. A Customer would typically use this feature for making long distance calls away from the office using their less expensive business long distance lines.

Dedicated Access Service: The generic term for a service in which the Customer's traffic passes over an access line connecting the Customer's premise to a LEC switch, which is used solely for that Customer's traffic.

Designated Service Date: Denotes the Customer specified installation date requested at the time the order for service is initiated. If the Company finds it cannot provide service by that date, the designated service date becomes that date specified by the Company on which the installation of service can be performed.

Designated Service Point: The Customer designated point of termination of a local distribution channel. The designated service point may be a Customer or authorized user premise or a local exchange company central office or Centrex station.

Disconnection: The disconnection of a circuit, dedicated access line or port connection being used for existing service.

Domestic Interstate Message Telecommunications Service: The furnishing of direct dial and operator assisted domestic interstate switched network services to the Customer for the completion of long distance voice and dial up low speed data transmissions over voice grade channel between and among points within the United States.

End User: An individual or entity designated by the consumer to be responsible for the payment of calls placed using the Company's services.

Equal Access Office: Switch operated by a LEC equipped with the hardware and software required to allow the customers to presubscribe to the interexchange carrier of their choice.

Equal Access Code: An access code that allows the consumer to obtain an equal access connection to the carrier associated with that code.

Excessive Call Attempt: An attempt to make a call over the Company's network using an invalid authorization code during a measured 15 minute period within which 10 or more incomplete call attempts are made from the same access line, and where those attempts do not complete because an invalid authorization code(s) was used.

2. **DEFINITIONS** (Cont'd)

FCC: Federal Communications Commission.

Foreign Exchange Service: Foreign exchange service provides subscribers with the capability of local dialing in a remote exchange via private line services.

Hertz: Is a unit of frequency equal to one cycle per second.

Holiday: One of the following Federally recognized Holidays: Independence Day, Memorial Day, Labor Day, Thanksgiving Day, Christmas Day, New Year's Day.

Message: Represents an interexchange toll call for which appropriate charges shall be assessed.

Inbound Service: Denotes a service where the subscriber has a toll-free number, such as an 800 or 888 prefix whereby the caller does not incur a toll charge.

Initial Minute: The rate element used to bill for the first chargeable minute, or fraction thereof, of a call.

International Message Telecommunications Service: The furnishing of station-to-station direct dial International switched network services for the completion of long distance transmissions over voice grade channels to other countries.

Line Haul Mileage: Denotes mileage distance between the Company Terminal Office sites.

Local Access Line or Local Distribution Channel: The facility consisting of the necessary equipment and local telephone company lines which are required to interconnect the Customer's or authorized user's premises to a Company Service Point within the same local exchange area or extended service area.

Local Access Transport Area (LATA): A geographic area established for the provision and administration of communications service. It encompasses one or more designated exchanges, which are grouped to serve common social, economic and other purposes.

Local Calling Area: Denotes a geographic area in which a Local Exchange Company end user may complete a call without incurring long distance charges.

Local Exchange Area: The term "Local Exchange Area" denotes a unit established by the Company for the administration of communications services in a specified area which usually embraces a city, town, or village and its environs. Specific definitions of the Company local exchange areas are available upon request.

2. **DEFINITIONS** (Cont'd)

Local Exchange Carrier (LEC): A company which provides telecommunications service within a local exchange LATA.

Local Time: The time observed, standard or daylight savings, at the rate center associated with the originating point of the call.

Measured Charge: A charge assessed on a per minute basis in calculating a portion of the charges due for a completed Operator Assisted, Direct Dial Call, Credit Card or Third Party Call.

Measured Service: The provision of interstate long distance measured time communications telephone service to Customers who access the Company's service at its switching and call processing equipment by means of access facilities obtained from a local exchange carrier. The Company is responsible for arranging for the access line.

Mileage Rate Band: Mileage interval used to establish rates for the Company services.

Minimum Average Time Requirements (MATR): A generic term indicating a specified period of time, used in the determination of usage charges, which represents the minimum average duration of calls completed during a billing period.

Modem: A device that modulates and/or demodulates signals for proper transmission via dedicated or switched facilities.

Multiple Channel Service: Is a service offering whereby a Customer may order more than one leased channel where the line haul mileage of the channels falls within the same mileage rate band.

Normal Business Hours: Normal business hours are represented by the period between 8:00 a.m. and 5:00 p.m., Monday through Friday, excluding holidays.

Operator Assisted Call: An interstate telephone connection completed through the use of Operator Services.

Operator Service Charge: A non-measured (fixed) surcharge that is added to a measured charge in calculating the total charges due for a completed Operator Assisted Call.

2. **DEFINITIONS** (Cont'd)

Operator Services: Any telecommunications service that includes, as a component, any automated or live assistance afforded to a consumer to arrange for the billing and/or completion, of a telephone call that are specified by the user through a method other than:

- * Automatic Completion with billing to the telephone from which the call originated;
- * Completion through an access code or a proprietary account number used by the consumer, with billing to an account previously established with the carrier by the consumer; or
- * Completion in association with directory assistance services

Other Communications Common Carrier: A government regulated entity offering communications services to the public.

Point of Presence: Locations where the Company maintains through its own facilities or through arrangements with other carriers an operations center for purposes of providing long distance service.

Premises: All buildings occupied by the Customer and/or his authorized user on a contiguous property (except railroad right of way, etc.) not intersected by a public road.

Presubscribed Provider of Operator Services: The Provider of Operator Services to which the Consumer is connected when the Consumer places a call using a Provider of Operator Services without dialing an access code.

Responsible Organization (Resp. Org.): The carrier entity that has responsibility for the management of 800 numbers in the Service Management System (SMS) including maintaining Customer records in the SMS system. Also, the entity which accesses the SMS to: a) search for and reserve 800 numbers; b) create and maintain 800 number Customer records, including call processing records; and c) provide a single point of contact for trouble reporting. The SMS recognizes one Resp. Org. for each 800 number.

Service: Service means any or all service(s) provided pursuant to these Terms and Conditions.

Service Control Point (SCP): The real-time data base system in the service network that contains instructions on how Customers wish their calls to be routed, terminated or otherwise processed.

Service Points: Those cities from which the Company makes its services available to its customers.

2. **DEFINITIONS** (Cont'd)

Special Access Line (SAL): A dedicated Analog DAL or Digital T-1 Access Line(s) directly connecting Customer's telephone equipment to the Long Distance Provider without using the Local Exchange Carrier's switching equipment.

Special Promotional Offering: Special discounts or modifications of the Company's regular service offerings which may, from time to time, be offered to its Customers for a particular service. Such offerings may be limited to certain dates, times, and locations.

Special Services: Denotes service provided and performed by the Company involving special engineering, design, programming, development or production activities to provide services requested by a Customer to meet special needs not otherwise provided under these Terms and Conditions.

Station: Any location from which a message can be originated or received.

Station-to-Station Call: A call placed to a telephone number, with the understanding that the caller will speak to any person who answers the called number.

Subscriber: A person or other entity that selects a telecommunications company to be the Presubscribed Provider of Operator Services for one or more locations within that person or entity's control.

Switch: A local telephone company switching system where telephone exchange service customer station loops are terminated for purposes of interconnection to each other and to trunks through electronic services which are used to provide circuit routing and control.

Switched Access Service: Provides the ability to originate and terminate calls between two end user's premises over facilities of the telephone company.

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 over dedicated or switched facilities.

Terminal Equipment: Devices, apparatus, and their associated wiring such as teleprinters, telephone handsets, or data sets used for origination or termination of telecommunications services.

2. **DEFINITIONS** (Cont'd)

Third Party Call: 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.

Vertical Features: Services such as call validation, "Plain Old Telephone Service" (POTS) number translation, and provision of statistical information on the Customer's 800 traffic, which may be obtained by the Company from local exchange company access tariffs on behalf of 800 Service Customer for which the Company serves as Resp. Org.

Voice-Grade Channel: Denotes a communications channel with a nominal bandwidth of 4,000 hertz.

WATS: Wide Area Telecommunications Service.

3. GENERAL RULES AND REGULATIONS

3. General Regulations

3.1 Service Description

Interstate Telecommunications Service is offered to residential and business Customers of the Company to provide Direct Dial Calls placed in the United States. The Company provides switched long distance network services for voice grade and low speed dial-up data transmission services offered on a usage sensitive basis. All services are provided subject to the terms and conditions set out in this offering.

3.2 Interconnection with Other Common Carriers

The Company reserves the right to interconnect its services with those of any Other Common Carrier, Local Exchange Carrier, or alternate access provider of its election, and to utilize such services concurrently with its own facilities for the provision of services offered herein.

3.3 Undertaking of the Company

- (a) The Company undertakes to provide switched Interstate Telecommunications Service in accordance with the terms and conditions set forth in this tariff.
- (b) The Company shall provide Interstate Telecommunications Service as an integral part of the Company's intrastate service offerings. Services are available twenty-four hours per day, seven days per week.

3.4 Use of Service

- (a) Customers are prohibited from and by their acceptance of service agree not to use the services furnished by the Company for any unlawful purpose or for any purpose prohibited under the provisions of any regulatory order.
- (b) The use of the Company's services to make calls which might reasonably be expected to frighten, abuse, torment, or harass another or in such a way as to unreasonably interfere with use by others is prohibited.
- (c) The use of the Company's services without payment for service or attempting to avoid payment for service by fraudulent means or devices, schemes, false or invalid numbers, or false calling or credit cards is prohibited.

3. **GENERAL RULES AND REGULATIONS**

3.5 Liability of the Company

- (a) In case of the Company's willful misconduct, the Company's liability, if any, is not limited by this tariff. The liability of the Company, if any, for damages resulting in whole or in part from or arising in connection with the furnishing of service under this tariff, including but not limited to mistakes, omissions, interruptions, delays, errors or other defects in transmission occurring after service activation and during the course of furnishing service or arising out of any failure to furnish service shall in no event exceed an amount of money equivalent to the proportionate charge to Customers for the period of service during which such mistakes, omissions, interruptions, delays or errors or defects in transmission occur and continue.

However, any such mistakes, omissions, interruptions, delays, errors, or defects in transmission or service which are caused by or contributed to by the negligence or willful act of Customer, or which arise from the use of Customer-, Provided Facilities or equipment shall not result in the imposition of any liability whatsoever upon the Company.

- (b) The Company is not liable for any act, omission or negligence of any Local Exchange Carrier or other provider whose facilities are used concurrently in furnishing any portion of the services received by Customer, or for the unavailability of or any delays in the furnishing of any services or facilities which are provided by any Local Exchange Carrier. Should the Company employ the service of any Other Common Carrier in furnishing the services provided to Customer, the Company's liability shall be limited according to the provisions of Section 3.5(a) above.
- (c) Under no circumstances whatever shall the Company or its officers, agents, or employees be liable for indirect, incidental, special or consequential damages.
- (d) The Company shall not be liable for any failure of performance hereunder due to causes beyond its control, including but not limited to fire, flood, or other catastrophes; Acts of God; atmospheric conditions or other phenomena of nature, such as radiation; any law, regulation, directive, order or request of the United States Government, or any other government including state and local governments having any jurisdiction over the Company or the services provided hereunder; national emergencies; civil disorder, insurrections, riots, wars, strikes, lockouts, work stoppages, or other labor problems or regulations established or actions taken by any court or government agency having jurisdiction over the Company.

3. **GENERAL RULES AND REGULATIONS** (Cont'd)

3.5 Liability of the Company (cont'd)

- (e) The Company is not liable for any damage to Customer's, premises or equipment arising out of the connection of any of Company equipment associated wiring on such premises, or from the installation or removal thereof except to the extent that such damage results from the Company's negligence or willful misconduct. Customer will indemnify and save and hold the Company harmless from any claims of the owner of Customer's premises or equipment, or other third party claims for such damages.
- (f) The Company shall not be liable for any act or omission of any other entity furnishing to the Customer facilities or equipment used with the service furnished hereunder; nor shall the Company be liable for any damages or losses due in whole or in part to the fault or negligence of the Customer, or due in whole or in part to the failure of Customer-provided equipment or facilities.
- (g) The Company is not liable for damages arising from errors in or omissions of listings in directory assistance records maintained by the local exchange company.
- (h) In the event that no telephone number or an incorrect telephone number is provided, except in cases where the directory assistance location or directory operator equipment, terminals, or transport facilities are out of service, no credit shall be applied to the charge for the directory assistance call. When a directory assistance location or directory assistance operator equipment, terminals, or transport facilities are out of service, a credit equal to the amount of the charge for the affected directory assistance calls shall apply to the Customer's account.

3. **GENERAL RULES AND REGULATIONS** (Cont'd)

3.6 Assignment

(a) Customer shall not assign or transfer the use of the Company's services except that, where there is no interruption or relocation of use, such assignment or transfer may be made to an assignee Customer, whether an individual, partnership, association or corporation, if the Company consents in writing to such assignment and provided that:

1. Customer of record (assignor Customer) requests such assignment or transfer in writing in accordance with paragraph (c) below: and
2. The new Customer (assignee Customer) notifies the Company in writing that it agrees to assume all outstanding obligations of the former Customer for use of the Company's services. These obligations include all outstanding indebtedness for the use of the Company's service.

Consent to such assignment or transfer will not be unreasonably withheld.

(b) Any permitted assignment or transfer of the Company's service shall not relieve or discharge any Customer from remaining jointly and severally liable with the new Customer for any obligations existing at the time of transfer or assignment.

(c) Customer shall provide written notice to the Company at least forty-five (45) days prior to the effective date of any requested assignment or transfer. The company agrees to respond to a request to assign or transfer to another Customer within thirty (30) days of receipt of notification. All terms and provisions contained in this tariff shall apply to any assignee or transferee.

3.7 Allowance for Interruption of Service

If, for any reason, the service is interrupted, the Customer will only be charged for the service that was actually used.

3.8 Access to Interstate Telecommunications Service

Interstate Telecommunications Service is available to any Customer subscribing to any of the Company's intrastate service offerings in any area in which the Company's intrastate services are offered. Where a Customer subscribes to a direct connection, the Customer may use the Company's Interstate Telecommunications Service by dialing 1 + area code and number.

3. **GENERAL RULES AND REGULATIONS** (Cont'd)

3.9 Contract Service Arrangements

(a) Any tariffed service or combination of tariffed services, may also be provided under a customer specific contract arrangement.

1. Rates, charges, terms and conditions for the contract service arrangements will be developed on an individual basis.
2. Unless otherwise specified, the rates, charges, terms and conditions are in addition to those specified in other sections of this tariff.

3.10 Promotional Services

The Company may, from time to time, engage in special promotions of new or existing tariffed offerings of limited duration designed to attract new Customers or to increase existing Customer awareness of a particular offering. These promotional offerings are subject to the availability of services and facilities and may be limited to a specific geographical area or to a subset of a specific market group.

4. Payment and Credit Regulations

4.1 Payment of Charges

- (a) Customer shall pay for all charges invoiced for usage of the Company's service hereunder. All bills are due by the 30th day after bill date and are payable at the Company's billing office.
- (b) Once service is activated, Customer is liable for the payment of all usage charges for services to be provided by the Company to Customer.
- (c) Charges associated with usage shall be billed in arrears.
- (d) Any applicable federal, state and local use, excise, sales or privilege taxes or similar liabilities chargeable to or against the Company as a result of the provision of the Company's services hereunder to Customer, shall be charged to and payable by Customer in addition to the rates indicated in the tariff for Interstate Telecommunications Service.
- (e) In the event the Company must employ the services of attorneys for collection of charges due under this tariff and any separate contract for Special Services, Customer shall be liable for all costs of collection including a reasonable attorney's fee.
- (f) It is the intention of the Company to conform strictly to applicable laws.

4.2 Security for Payment

(a) Authorization to Obtain Credit Information

The Company reserves the right to require all Customers to establish credit worthiness to the reasonable satisfaction of the Company. Upon application for service, Customer shall be deemed to have authorized the Company to obtain such routine credit information and verification as the Company shall require in accordance with its then existing credit policies.

(b) Deposit

Prior to service activation or any permitted assignment, the Company reserves the right to require any Customer whose credit worthiness has not been established to the reasonable satisfaction of the Company to make a deposit to guarantee payment of charged. After service activation, if Customer's recurring charges are usage sensitive and Customer's actual monthly usage exceeds Customer's estimated monthly usage by more than 25% a deposit or additional deposit may be required.

4. Payment and Credit Regulations (cont'd)

4.2 Security for Payment (cont'd)

(b) Deposit (cont'd)

- (i) The total amount of any security deposit, if required by the Company, shall be a maximum of the Customer's estimated charges for two (2) months' service. Deposits may be applied against any bill(s) owed by Customer to the Company for service rendered hereunder and the Company's intrastate service and installation of service, to the extent that such bill(s) are unpaid more than thirty (30) days after the bill date.
- (ii) After an initial period of six (6) months, a deposit will accrue interest at the rate of six (6) percent per annum.
- (iii) A deposit will be returned by the Company under the following circumstances:

When an application for service has been cancelled prior to service activation, the deposit will be applied to any existing charges incurred in accordance with the provisions of this tariff. The Company agrees to refund the excess portion of the deposit, if any, within thirty (30) days following settlement of Customer's account.

Upon the discontinuance of service, the Company will refund Customer's deposit to the extent that it exceeds any unpaid charges for installation and service to Customer.

- (iv) The unused portion of a deposit and accrued interest will be refunded if Customer has demonstrated its credit worthiness by paying each and every bill rendered by the Company for service within the prescribed period for each of the twelve (12) months following the tender of such deposit.
- (v) The refunding or crediting of Customer's deposit and accrued interest in no way relieves Customer from complying with all terms and provisions contained in the Company's tariff or from tendering payments when due.

4. Payment and Credit Regulations (cont'd)

4.3 Denial of Access to Interstate Telecommunications Service by the Company

The Company expressly retains the right to immediately deny the access to service or discontinue Operator Services to a Subscriber or to a particular Subscriber location, or may withhold the provision of ordered or contracted service without incurring any liability for any of the following reasons:

- (a) Nonpayment of any sum due for service provided hereunder, where Customer's charges remain unpaid more than ten (10) days following notice of nonpayment from the Company. Notice shall be deemed to be effective upon mailing of written notice, postage prepaid, to Customer's last known address; or
- (b) Customer's acts or omissions which constitute a violation of, or a failure to comply with, any regulation stated in this tariff governing the furnishing of service, but which violation or failure to comply does not constitute a material breach or does not pose any actual or threatened interference to the Company's operations or its furnishing of services. The Company agrees to give Customer ten (10) days notice of such violation or failure to comply prior to service disconnection; or
- (c) The implementation of any order of a court of competent jurisdiction, or federal or state regulatory authority of competent jurisdiction, prohibiting the Company from furnishing such service; or
- (d) Where Customer has failed or neglected to tender any additional or required security deposit within ten (10) days of demand by the Company.
- (e) Without incurring liability, the Company may interrupt the provision of services at any time in order to perform tests and inspections to assure compliance with tariff regulations and the proper installation and operation of the Subscriber and the Company's equipment and facilities and may continue such interruption until any items of noncompliance or improper equipment operation so identified are rectified.
- (f) Service may be discontinued by the Company, without notice to the Subscriber, by blocking traffic to certain countries, cities, or NXX exchanges, or by blocking calls using certain customer authorization codes, when the Company deems it necessary to take action to prevent unlawful use of its service. The Company may restore service as soon as it can be provided without undo risk.

4. Payment and Credit Regulations (cont'd)

4.4 Customer's Liability in the Event of Denial of Access to Service by the Company

In the event Customer's service is disconnected by the Company for any of the reasons stated in Section 4.3, Customer shall be liable for all unpaid charges due and owing to the Company associated with the service. Customer's deposit and accrued interest shall be applied to all cancellation charges applicable to the service offering received by Customer.

4.5 Reinstitution of Service

If Customer seeks reinstatement of service following denial of service by the Company, Customer shall pay to the Company prior to the time service is reinstated (1) all accrued and unpaid charges, and (2) a deposit per section 4, subparagraph 4.2(b)(1) in order to reinstate service.

4.6 Discontinuation of Service

The Customer's service shall automatically discontinue upon discontinuation of the Customer's subscription to the Company's intrastate domestic service.

4. Payment and Credit Regulations (cont'd)

4.7 Billing Disputes

In the event Customer disputes any charges billed by the Company, Customer may withhold from payment to the Company the disputed portion of any billing pending resolution of the dispute, provided Customer submits to the Company an itemized statement in writing which identifies the disputed charges and reasonably explains the basis of the dispute. Customer's explanation must be received by the Company within thirty (30) days of the bill date of the disputed bill. The Company shall resolve the dispute, within thirty (30) days of receipt of determination of whether any billing adjustment should be made into Customer's account. In making such determination the Company will consider all relevant and credible information provided by Customer as well as any other information reasonably available to the Company. The burden of proof to establish any right to billing adjustments in Customer's favor shall be solely upon Customer. In the event Customer does not agree with the initial determination by the Company relating to amounts in dispute and adjustments, if any, which the Company may agree to make, Customer shall so advise the Company and within ten (10) days following the Company's initial determination shall submit to the Company any additional information which Customer deems pertinent or relevant to the dispute. Within twenty (20) days of the Company's receipt of additional information, the Company shall make its final determination based upon all documentation or information available to the Company. In the event the Company lacks credible evidence to substantiate the Customer's position after a reasonable review of and consideration of such information available, the Company shall notify Customer and, if the Company determines that all or any portion of such disputed amount is still owed, Customer shall be required to tender payment of such amount within ten (10) days thereafter.

If Customer withholds the disputed amount thereafter, or within the time required, fails to provide supporting information in writing which sets out a legitimate basis under this tariff for disputing any charges, Customer's account shall be deemed to be past due and unpaid. In such event, the Company shall be entitled to deny Customer's service immediately and/or require an additional deposit. If the billing dispute is resolved in favor of the Company, any payments withheld pending resolution of the dispute shall be subject to a late payment fee of 1.5 percent per month for the period during which such charges remain unpaid.

4. Payment and Credit Regulations (cont'd)

4.8 Right to Backbill for Improper Use of the Company's Services

Any person or entity which uses, appropriates or secures the use of services from the Company, whether directly or indirectly, in any unlawful manner or through the providing of any misleading or false information to the Company and which use, appropriation, or securing of services is inconsistent with the stated uses, intents and purposes of this tariff or any restrictions, conditions, and limitations stated herein, shall be liable for an amount equal to the accrued and unpaid charges that would have been applicable to the use of the Company's services actually made by a Customer.

4.9 Late Payment Charge

In the event that payment is not received by the due date described in Section 4.1(a) above, a late charge of one and one-half percent (1 1/2%) per month shall be applied to all amounts past due.

4.10 Return Check Charge

In the event that a Customer's check in payment for services rendered by the Company is returned by the Company's depository banking institution unpaid for any reason, the Customer shall pay a return check charge in the amount of Eighteen Dollars (\$18.00) for each check so returned.

5. Rates for Interstate Telecommunications Service

5.1 Types of Offerings

Direct Dial Interstate Telecommunications Service is available at the rate(s) listed in 5.2.

(a) Determination of Duration

- (i) For Direct Dial calls chargeable time begins when the connection is established between the calling station and the desired telephone, attendant board, or private branch exchange console.
- (ii) Chargeable time ends when the connection is terminated.
- (iii) Chargeable time does not include the time lost because of faults or defects in the service.

(b) Calculation of Billable Time

The initial period or fraction thereof is subject to the initial period rate.

(c) Initial Period

The initial period for Direct Dial service is one (1) minute.

(d) Additional Period

The additional period for Direct Dial calls is one (1) minute. After the Initial Period, subsequent seconds are rounded in whole minute increments, with the remaining seconds, if any, rounded up to the next whole minute and billed at the additional minute rate.

5. Rates for Interstate Telecommunications Service (cont'd)

5.2 Direct Dial 1-Plus

(a) Description of Service

Direct Dial 1-Plus service is a one-way service originating on feature group facilities provided by the Company and terminating anywhere in the United States, and is available to both business and residential Customers.

(b) The following rate plans apply to Direct Dial 1-Plus service:

No Term Agreement is required.

Contiguous U.S.

Rate per minute

\$0.09

Promotional Services

The Company may, from time to time, engage in special promotions of new or existing tariffed offerings of limited duration designed to attract new Customers or to increase existing Customer awareness of a particular offering. These promotional offerings are subject to the availability of services and facilities and may be limited to a specific geographical area or to a subset of a specific market group. Service provided as Promotional Offerings shall otherwise comply with this tariff.

6. MISCELLANEOUS PROVISIONS

- 6.1 Notice. Written notice to Customer is sent to Customer's last known address in Company's invoicing records. Notice shall be deemed given 3 days after postmarked.
- 6.2 Waiver of Trial by Jury. Customer and Company waive their respective rights to a trial by jury of any and all claims or causes of action (including counterclaims) related to or arising out of these Terms and Conditions brought by either party against the other. Any claim or cause of action will be tried by a court trial without a jury. The waiver applies to these Terms and Conditions as amended or modified.
- 6.3 Choice of Law; Jurisdiction. These Terms and Conditions are covered by and construed under the laws of the Commonwealth of Pennsylvania without regard to choice of law principles.
- 6.4 Waiver of Class Actions. All claims between Customer and Company related to these Terms and Conditions will be litigated individually and Customer may not consolidate or seek class treatment for any claim, unless previously agreed to in writing by Customer and Company. This waiver applies to these Terms and Conditions as amended or modified, and survives termination of service under these Terms and Conditions.
- 6.5 Severability. If any part of these Terms and Conditions is held invalid or unenforceable, the rest of these Terms and Conditions shall remain in full force and effect unless Company's obligations hereunder are materially impaired.
- 6.6 Waiver. If either Customer or Company does not enforce any right or remedy available under these Terms and Conditions, that failure is not a waiver of the right or remedy for any other breach or failure by the other party. Company's waiver of any requirement in any one instance is not a general waiver of that requirement and does not amend these Terms and Conditions.
- 6.7 Headings. Section headings are for descriptive purposes only and are not used to interpret these Terms and Conditions.
- 6.8 Entire Terms and Conditions. These Terms and Conditions (including any referenced documents and attachments) make up the entire terms and conditions between Customer and Company and replace all prior written or spoken terms and conditions, representations, promises or understandings between Customer and Company.