

**REGULATIONS AND SCHEDULE OF INTRASTATE CHARGES APPLYING
TO LOCAL EXCHANGE SERVICES FURNISHED BY
MATRIX TELECOM, INC.
WITHIN THE
STATE OF NEW YORK**

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EXPLANATION OF SYMBOLS

- (R) - to signify a reduction
- (I) - to signify an increase
- (C) - to signify changed regulation
- (D) - to signify discontinued rate or regulation
- (N) - to signify new rate or regulation
- (T) - to signify a change in text but no change in rate or regulation
- (M) - to signify material relocated without change
- (S) - to signify a reissued matter
- (Z) - to signify a correction

1. APPLICATION OF TARIFF

- 1.1 This tariff sets forth service offerings, rules, terms and conditions applicable to the furnishing of local exchange services by Matrix Telecom, Inc. to Business Customers within the state of New York.

2. REGULATIONS

2.1 Definitions

Certain terms used generally throughout this tariff for interexchange common Carrier communications channels furnished by the Carrier over its facilities are defined below.

Access Line

A line that provides connection of the Customer's equipment to a local exchange network.

Additional White Pages Listing

The term "Additional White Pages Listing" denotes any listing of the Subscriber's name, address and telephone number(s) above and beyond the Initial White Pages Listing.

Authorized User

The term "Authorized User" denotes a person, firm, or corporation, who is authorized by the Subscriber to be connected to the service of the Subscriber.

Bit

The term "Bit" denotes the smallest unit of information in a binary system of notation.

Bits Per Second

The term "Bits Per Second" denotes the number of bits transmitted in a one second interval.

Call Forwarding Busy and Don't Answer

This optional feature will reroute all incoming calls to another predefined telephone number when the called telephone number is busy, or does not answer within a determined number of rings. In the event that the called telephone number is busy, or if the telephone number doesn't answer, the Subscriber is charged any additional charges for the call-forwarded call.

Call Forwarding Remote Access

This feature provides customers with the ability to remotely activate and deactivate the forwarding of calls.

2. REGULATIONS (Continued)

2.1 Definitions (Continued)Call Forwarding Variable

This optional feature allows all incoming calls directed to a telephone number to be rerouted to another Subscriber defined telephone number. The Subscriber is charged any applicable usage charges for the rerouted call. The user can activate/deactivate Call Forwarding and define a telephone number where all calls will be forwarded.

Call ID

This feature provides the telephone number and name of the incoming calling party. The calling number and name are displayed on a customer-provided compatible display device, which is attached to the customer's telephone number.

Call Return

A per use service that returns the most recent incoming call.

Call Trace

This feature allows the Customer to initiate a trace of the most recent incoming call immediately after terminating the call. Incoming call message detail (date, time and originating telephone number) is provided when suitably equipped facilities exist. The results of the trace are not provided to the Customer directly, but will be provided in response to a request by a law enforcement agency. This feature is blocked unless specifically requested by the Customer to be activated.

Call Waiting

This is a feature that allows an incoming call to a busy telephone line to be waiting while a signal is directed towards the busy line user.

Carrier

The term "Carrier" denotes Matrix Telecom, Inc.

Carrier's System

The term "Carrier's System" denotes all local exchange facilities being resold by the Carrier to provide local exchange service to its Subscribers.

2. REGULATIONS (Continued)

2.1 Definitions (Continued)

Central Office End

The term "Central Office End" denotes that end of a foreign exchange channel at which Subscriber has a dial access to a telephone company central office.

Company

See Carrier.

Continuous Redial

A per use service that redials the most recent outgoing call.

Daytime

The term "Daytime" denotes 8:00 AM to but not including 5:00 PM local time at the originating terminal on Monday through Friday, excluding Carrier recognized national holidays.

Duplicate Service

Service furnished at two locations simultaneously when a subscriber's service is moved to a different premises. The move or change of location must be within the same Central Office and the class of service retained.

Evening

The term "Evening" denotes 5:00 PM to but not including 11:00 PM local time at the originating terminal on Sunday through Friday and anytime on Carrier-recognized national holidays except when a lower rate would normally apply.

Exchange Area

The term "Exchange Area" denotes a geographically defined area wherein the telephone industry through the use of maps or legal descriptions sets down specified areas where individual telephone companies hold themselves out to provide communications services.

2. REGULATIONS (Continued)

2.1 Definitions (Continued)

Foreign Exchange Service

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

Ground Start

This optional feature provides a type of signaling on a line that allows certain classes of equipment, such as PBXs, to operate properly.

Holidays

The Company recognizes the following holidays for rating purposes: New Year's Day, Independence Day, Labor Day, Thanksgiving, and Christmas.

Initial White Pages Listing

The term "Initial White Pages Listing" denotes the initial listing of the Subscriber's name, address and primary telephone number in a "White Pages" directory.

Inside Wire Maintenance

This optional feature covers the cost of repairing wire within the customer's building on the applicable telephone line.

Local Access and Transport Area (LATA)

The term "LATA" denotes a contiguous geographic subdivision containing one or more SMSAs wherein a Bell Operating Company offers tariffed exchange telecommunications services to local Subscribers and provides access and related services to interexchange Carriers. These Carriers transport interexchange traffic of their Customers to other LATAs and to areas served by independent telephone companies.

Local Distribution Area

The term "Local Distribution Area" denotes a geographically contiguous area, defined normally by Telephone Industry Standard Exchange Area boundaries, wherein the Carrier holds itself ready to offer Local Distribution Facilities.

2. REGULATIONS (Continued)

2.1 Definitions (Continued)

Local Distribution Facility

The term "Local Distribution Facility" denotes the channel provided by the Carrier to connect the Carrier's network terminal office to the Subscriber's premises. Normally, this channel will have a network terminal on one end (Carrier's office) and a Subscriber terminal on the other end (Subscriber's premises).

Message

A completed telecommunication between two telephones, where the called telephone is within the exchange area of the calling telephone.

Network Circuit

"Network Circuit" denotes a circuit, created by Carrier by means of multiplex equipment, between Carrier's switches which are shared by Subscribers. Shared network circuits will consist of identifiable and discrete circuits between a given city-pair.

Network Terminal

The term "Network Terminal" denotes the physical equipment necessary to terminate Carrier's intercity channels and allow Subscribers to pick up their required individual communications services.

Network Terminal Office

The term "Network Terminal Office" denotes a point on Carrier's system where the intercity communications channels and local distribution facilities are terminated. Other functions such as switching, coordination, testing, and connections with Customer-provided communications channels may also be performed at these points.

Nighttime

The term "Nighttime" denotes 11:00 PM to but not including 8:00 AM local time at the originating terminal Monday through Friday, any time on Saturday, and all day Sunday except 5:00 PM to 11:00 PM.

Non-Directory Listed Number

The term "Non-Directory Listed Number" denotes that the Subscriber's telephone number does not appear in a directory.

2. REGULATIONS (Continued)

2.1 Definitions (Continued)

Non-Published Telephone Number

The term "Non-Published Telephone Number" denotes that the Subscriber's telephone number is not listed in a directory, or in any directory assistance records.

Premises

The term "Premises" denotes a building or buildings on contiguous property (except railroad rights-of-way, etc.) not separated by a public highway.

Repeat Dialing

This usage sensitive feature automatically redials the telephone number of the most recent outgoing call. If the redialed telephone number is busy, the call will be attempted for a maximum of thirty minutes.

Special Facility

The term "Special Facility" for the purposes of this tariff refers to a communications path (channel) used in conjunction with Carrier's local distribution facilities, comprised of any form or configuration of physical plant for the transmission of communications signals other than a regular voice grade facility.

Speed Dialing

This optional feature permits a Subscriber to dial up to eight telephone numbers by dialing a single digit in the range from 2 - 9.

Subscriber

The term "Subscriber" denotes the person, firm, company or corporation, or other entity, having a communications requirement of its own, which contracts for service under this tariff and is responsible for the payment of charges as well as compliance with the Carrier's regulations.

Switch

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

2. REGULATIONS (Continued)

2.1 Definitions (Continued)

Three Way Conference Calling

This feature allows a Subscriber to add a third party to an existing conversation.

Voice Mail

Voice Mail is a central office based service whereby subscribers may receive, send, store and retrieve voice messages.

2. REGULATIONS (Continued)

2.2 Description of Service

Matrix Telecom, Inc. is a reseller of local exchange services as set forth in this tariff. When Subscriber's needs cannot be met by the standard service offerings in this tariff, a "special Customer arrangement" package will be designed to fit such unique requirements in accordance with Section 2.18 of this tariff. The Carrier stands ready to provide technical assistance to the Subscriber to the extent of properly matching the Subscriber's equipment with that of the Carrier, in order to help him meet his requirements for service.

2.3 Undertaking of the Carrier

- .1 The services of the Carrier will be available as soon as practicable after receipt of an order for service between any and all points of the Carrier's system and to all other points beyond Carrier's system through arrangements with other carriers.
- .2 The obligation of the Carrier to provide service is dependent upon its ability to procure facilities which are required to meet the Subscriber's order for service. The Carrier will make all reasonable efforts to secure the necessary facilities.

2. REGULATIONS (Continued)

2.4 Liability of the Carrier

- .1 The liability of the Carrier for its willful misconduct or gross negligence which is the sole legal cause of damage or injury is not limited by this tariff. With respect to any other claim or suit, by a subscriber or by any others, for damages associated with acts or omissions involving initiation, installation, provision, termination, maintenance, repair, interruption or restoration of any service or facilities offered under this tariff, the Carrier's liability, if any, is limited to the lesser of \$500 or the actual damages or injury sustained, which in the event of any failure of service shall be deemed to be 1/30 of the monthly charge for service affected for each 24-hour period during which such failure of service occurs and is reported to or known by the Carrier.
- .2 Other than specified in Section 2.4.1 above, in no event will Carrier be responsible for consequential damages or lost profits suffered by Subscriber on account of interrupted or unsatisfactory service unless Carrier is found to have been grossly negligent.
- .3 The Carrier is not liable for any act or omission of any other company or companies furnishing a portion of the service. No agents or employees of other Carriers shall be deemed to be agents or employees of the Carrier.

2. REGULATIONS (Continued)

2.4 Liability of the Carrier (Continued)

- .4 The Carrier shall be indemnified and held harmless by the Customer against:
- A. Claims for libel, slander, infringement of copyright or unauthorized use of any trade mark, trade name or service mark arising out of the material, data, information, or other content transmitted by the Customer over the Carrier's facilities; and
 - B. Claims for patent infringement arising from combining or connecting the Carrier's facilities with apparatus and systems of the Customer; and
 - C. All other claims arising out of any act or omission of the Customer in connection with any service provided by the Carrier.
- .5 The Carrier will, as a service to the Customer, arrange for listing the Customer's telephone number in the local telephone directory, such listing to consist of one line of standard type in the directory. In the absence of gross negligence or willful misconduct, the Carrier will not be liable to the Customer, or any third party, for any claims, damages, or otherwise, but not limited to any omitted listings from or erroneous listings in the local telephone directory due to the negligence on the part of the Local Exchange Carrier. When the Carrier agrees to keep a number unlisted, it does so without any obligation. Except for cases of gross negligence or willful misconduct, the Carrier is not liable for any damages that might arise from the publishing of a non-published number in a directory or its disclosure to someone. If, in error, the telephone number is published in a directory, the Carrier's only obligation is to credit or refund any monthly charges the Customer paid for non-published service.
- .6 The Carrier makes no warranties or representations, express or implied either in fact or by operation of law, statutory or otherwise, including warranties of merchantability and fitness for a particular use, except those expressly set forth herein.

2. REGULATIONS (Continued)

2.5 Obligations of the Subscriber

- .1 The Carrier shall be indemnified and held harmless by the Subscriber against claims of libel, slander, or the infringement of copyright, or for the unauthorized use of any trademark, trade name, or service mark, arising from the material transmitted over the channels, against claims for infringement of patents arising from, combining with, or using in connection with, lines furnished by the Carrier, apparatus and systems of the Subscriber, and against all other claims arising out of any act or omission of the Subscribers in connection with the channels provided by the Carrier.
- .2 The facilities provided by the Carrier may be terminated in Subscriber-provided terminal equipment or Subscriber-provided communication systems. When such terminations are made, the Subscriber shall comply with the minimum protective criteria generally accepted in the telephone industry or other appropriate criteria as may be prescribed by the Carrier and as specified in Part 68 of the Federal Communications Commission's Rules which provides the technical and procedural standards under which the Subscriber's equipment may be directly connected to the public switched network.
- .3 The equipment and facilities which are connected with those of the Carrier shall be constructed, operated, and maintained by those providing same so as to work satisfactorily with the service furnished by the Carrier. Such equipment and facilities shall be suitable to avoid hazard or damage to Carrier's plant or of injury to Carrier's employees or to the public because of the character of location of such equipment or facilities and sources of power to which it is connected. In cases in which additional protection equipment is required, this shall be provided by the Subscriber or by the Carrier at the Subscriber's expense.

2. REGULATIONS (Continued)

2.5 Obligations of the Subscriber (Continued)

- .4 Upon notice from the Carrier that the equipment or facilities of the Subscriber, or of others so authorized to be connected, is causing or is likely to cause hazard or interference, the Subscriber, or others so authorized to be connected, shall make such changes as may be necessary to remove or prevent such hazard or interference.
- .5 The Subscriber shall be liable for:
- (a) Reimbursing the Carrier for all loss through theft, fire, flood or other catastrophes, of the equipment or facilities on Subscriber's premises.
 - (b) Reimbursing the Carrier for damages to facilities or equipment caused by the negligence or willful acts of the Subscriber's officers, employees, agents, or contractors.
 - (c) Payment for all services, including calls placed by or through Subscriber's equipment by any person. In particular and without limitation to the foregoing, the Subscriber is responsible for any call placed by or through the Subscriber's equipment via any remote access features.
 - (d) Payment of any sales, use, excise, access or other local, state and federal taxes, charges or surcharges imposed on or based upon the provision, sale or use of the Carrier's services.
 - (e) Payment for new local access line costs or other time and material charges imposed on the Carrier by a Local Exchange Carrier as a prerequisite for installing or maintaining the Customer's service, and not already recovered via the Carrier's existing recurring or nonrecurring charges.
 - (f) Payment of any End User Common Line surcharges imposed on local lines/facilities purchased by the Carrier from a facility based local service provider for resale to the subscriber.

2. REGULATIONS (Continued)

2.5 Obligations of the Subscriber (Continued)

- .6 When a Customer chooses to place an intraLATA Message Toll Service or Directory Assistance call (including Call Completion) via their incumbent Local Exchange Carrier, or chooses to place an information services provider call, the Customer shall be solely liable for such calls, including any and all charges related to such calls when the charges are initially billed to the Company by the Local Exchange Carrier or information services provider. When a Customer elects to make or receive calls via a carrier other than the Company, the Customer shall be solely liable for such calls, any and all charges related to such calls (when the charges are initially billed to the Company by the information services provider or other carrier), and a 10% rebilling charge.

2.6 Use of Service

Neither Subscribers, nor their authorized users may use the services furnished by the Carrier for any unlawful purpose.

2.7 Application of Service

The Carrier will require a Subscriber to sign an application form furnished by the Carrier and to establish his credit as provided in these Regulations, as a condition precedent to the initial establishment of such service. Carrier's acceptance of an order for service to be provided to an applicant whose credit has not been duly established to the sole and exclusive satisfaction of the Carrier may be subject to the provisions as described in Section 2.9. This application shall state the date on which service is to begin, the type of facilities required, and any special arrangements related thereto.

The Carrier will also require a signed authorization from a Subscriber for additions to or changes in the existing service of such Subscriber.

2.8 Minimum Service Period

The minimum period for service will be one month (30 days) unless otherwise stated.

2. REGULATIONS (Continued)

2.9 Advance Payments and Deposits

Each service applicant will be required to establish credit. Any applicant whose credit has not been duly established to the sole and exclusive satisfaction of the Carrier may be required to make an advance payment or a deposit to be held as a guarantee of payment of charges at the time of application. In addition, an existing Customer may be required to make a deposit or increase a deposit presently held.

.1 Advance Payments

- A. An advance payment may not exceed the estimated charges for three (3) months' service plus installation.
- B. Credit and advance payment equal to one (1) months charges plus installation will be applied to the Subscriber's account on the first bill rendered after the service is installed. Balance of payment will be applied to successive monthly billings.

.2 Deposits

- A. A deposit is not to exceed the estimated charges for two (2) months service plus installation.
- B. A deposit will be returned upon the discontinuance of service. The Carrier will refund the Subscriber's deposit or the balance in excess of unpaid bills for that service. At the option of the Carrier, such a deposit may be refunded or credited to the Subscriber at any time prior to the termination of the service. In the case of a cash deposit, interest at the rate paid in that locality for escrow accounts, not to exceed 6% simple interest, will be paid for the period during which the deposit is held by the Carrier. At the Carrier's option, such deposit may be refunded or credited to the Customer at any time prior to termination of service.
- C. The fact that a deposit has been made in no way relieves the Subscriber from complying with the regulation with respect to advance payments and the prompt payment of bills on presentation.

2. REGULATIONS (Continued)

2.10 Payment of Charges

For the purpose of billing, the start of service is the day of acceptance by the Customer of the Carrier's service.

All recurring charges which are determinable in advance, including minimum charge, are billed monthly in advance. Charges based on actual usage during a month will be billed monthly in arrears. Installation and other nonrecurring charges are payable upon demand by Carrier. Subscriber will be billed for all usage accrued beginning immediately upon access to the service. For the purpose of computing charges, a month is considered to consist of 30 days.

When service does not begin on the first day of the month, or end on the last day of the month, the charge for the fraction of the month service was furnished may be calculated on a pro rata basis. For this purpose, every month is considered to have thirty (30) days.

2.11 Late Payment Charge

Customer bills for telephone service are due when they are rendered. A Customer is in default unless payment is made on or before the due date specified on the bill.

If payment is not made within 20 days of the date of the bill, a late payment charge of 1.5% (unless a lower rate is prescribed by law) per monthly billing period will be applied to all amounts previously billed under the Company's tariff(s).

2.12 Disputed Bills

The Customer shall give the Carrier prompt written notice of any disputed charges appearing on an invoice. After receiving notice of a dispute, the Carrier shall take reasonable steps to resolve such disputes. The Customer shall pay all non-disputed charges while resolution of the disputed charges is pending.

In the event that legal action is instituted by Carrier to recover any sums then due and Carrier prevails, Carrier shall be entitled to recover its costs of collection, legal costs, court costs and reasonable attorneys' fees, in addition to whatever other relief the court may award. Any sums then due shall earn interest at the rate of 1.5% simple interest per month (unless a lower rate is prescribed by law, in which event at the highest rate allowed by law), from the date these sums were accrued until the entire debt is paid in full. The Carrier will make no refund of overpayments by a Customer unless the claim for such overpayment together with proper evidence be submitted within one year of the date of alleged overpayment.

2. REGULATIONS (Continued)

2.13 Disconnection for Cause

The Carrier, by written notice via First Class U.S. mail at least fifteen (15) days in advance to the Subscriber or applicant, may discontinue service without incurring any liability for any of the following reasons:

- (a) Non-payment of any sum due to the Carrier for service for more than 30 days beyond the date of rendition of the bill for such service; or
- (b) Use of telephone service in a manner which is unlawful under the laws of the Commonwealth of Massachusetts, or of the United States, or which is in violation of any tariff approved by the Department of Public Utilities; or
- (c) The Carrier is prohibited from furnishing service by order of a court or other government authority having jurisdiction.

2.14 Cancellation of Service By A Customer

If a Customer cancels his order for service before the service begins, before completion of the minimum period, or before completion of some other period mutually agreed upon by the Customer and the Carrier, a charge will be levied upon the Customer for the nonrecoverable portions of expenditures or liabilities incurred expressly on behalf of the Customer by the Carrier and not fully reimbursed by installation and monthly charges. If, based on an order by a Customer, any construction has either begun or been completed, but no service provided, the nonrecoverable cost of such construction shall be charged to the Customer.

2.15 Disconnection of Service

Subscriber may disconnect service at any time following the minimum service requirement as described in Section 2.8. Written notification to the Carrier will be required 30 days prior to the disconnection of service.

2.16 Interruption of Service

It shall be the obligation of the Subscriber to notify the Carrier of any interruption in service. Before giving such notice, the Subscriber shall ascertain that the trouble is not being caused by any action or omission of the Subscriber, not within his control, or is not in wiring or equipment connected to the terminal of the Carrier.

2. REGULATIONS (Continued)

2.17 Credits

- .1 When the service provided by the Carrier under this tariff is interrupted for 120 continuous minutes or more, credit is computed as set forth below, provided such interruption is not shown by the Carrier to have been caused by the negligence or willful act of the Subscriber, or anyone at a Subscriber terminal location, or is not caused by the failure of the Subscriber's equipment or power supply. Credit allowance for interruptions of service which are not due to the Carrier's testing or adjusting, or due to the negligence of the Customer, or to the failure of channels, equipment and/or communications systems provided by the Customer, are subject to the general liability provisions set forth in Section 2.4 herein.
- .2 Credit for failure of service or equipment will be allowed only when such failure is caused by or occurs in facilities or equipment provided by the Carrier. As used in this tariff, all equipment, facilities and/or services for which the Carrier renders a bill for payment are considered provided by the Carrier whether or not the equipment, facilities and/or services are owned and operated by the Carrier.
- .3 No credit will be allowed:
 - a) For failure of service or equipment due to Customer or authorized user-provided facilities.
 - b) For failure of service or equipment due to negligence or willful acts of the Customer or his authorized user.
 - c) For unauthorized use by agents, employees, or representatives of the Customer.
- .4 Credit is computed by multiplying the monthly rate for the service by the ratio that the number of hours (including fractional parts calculated to the nearest tenth of an hour) in the period of interruptions bears to 720. (For the purpose of this computation, each month shall be considered to have 720 hours). The monthly bill on which the credit will be based for message service shall be the non-usage sensitive billing for the month during which the interruption occurred. An interruption is measured from the time the Carrier detects trouble, or the Subscriber notifies the Carrier of the interruption by an expeditious means, until the trouble is cleared. Each interruption is considered separately for purposes of establishing credit allowance.

2. REGULATIONS (Continued)

2.18 Special Customer Arrangements

In cases where a Customer requests special arrangements which may include engineering, installation, purchase or lease of facilities, and/or other special services not offered under this tariff, Carrier, at its option, will provide the requested services. Appropriate recurring and/or nonrecurring charges will be developed accordingly and filed with the Department for tariff approval.

2.19 Connection with Other Communications Services

A Subscriber may connect communications services provided by other duly authorized and regulated common Carriers to Carrier's service. A Subscriber may also connect with privately owned communications systems, subject to the technical limitations established by Carrier.

2.20 Returned Check Charge

A \$10.00 fee will be assessed for all checks returned by the drawee bank for: insufficient or uncollected funds, closed account, apparent tampering, missing signature or endorsement, or any other insufficiency or discrepancy necessitating return of the instrument at the discretion of the drawee bank.

2.21 Special or Promotional Offerings

From time to time, the Carrier may provide certain special or promotional offerings to introduce a current or potential Subscriber to a service not being used by the Subscriber. These offerings may be limited to certain dates, times or locations and may waive or reduce recurring or nonrecurring charges. All such promotions will be filed with the Department for tariff approval.

2.22 Surcharges

The applicable Gross Revenue Surcharge rates and/or MTA tax (Temporary Metropolitan Transport Business Tax Surcharge) rates are shown on a statement (Schedule of Rates and Charges) which is attached to this tariff. Any changes to these rates will be filed on 15 days' notice to customers and the Commission, and as directed by the Commission. Whenever the State levies a new tax on the Carrier's gross revenues, repeals such a tax, or changes the rate of such tax, the Commission may approve new surcharge factors, and the Carrier will file revised surcharges as directed by the Commission.

2.23 Toll-Free Numbers

If a customer accumulates undisputed past-due charges, the Company reserves the right not to honor the Customer's request for a change in 800/888/8XX service to another carrier (e.g., "porting of the toll-free number), including a request for a Responsible Organization (Resp Org) change, until such time as all charges are paid in full.

2. REGULATIONS (Continued)

2.24 Flexible Pricing

Flexible Pricing sets minimum and maximum rates that can be charged for telephone service. The Company may change a specific rate within the range of the established minimum and maximum rates on one day's notice to customers and the Public Service Commission.

.1 Conditions

- a) The Company reserves the right to change prices at any time subject to regulatory requirements by filing a revised Rate Attachment with the Commission.
- b) Individual written notice to Customers of rate changes shall be made in accordance with Commission regulations. Where there are no regulations, notification will be made in a manner appropriate to the circumstances involved.
- c) A rate shall not be changed unless it has been in effect for at least thirty (30) days.
- d) A customer can request that the Company disconnect service that is provided under the Flexible Pricing due to a price increase. The Customer will be credited for the difference between the new price and the old price retroactive to the effective date of the price increase if the Customer notifies the Company of its desire to disconnect service within 20 days of receiving notification of the price increase.

2. REGULATIONS (Continued)

2.25 Emergency/ Crisis/ Disaster Restoration and Provisioning – Telecommunications Service Priority

1. General

- a. The Telecommunications Service Priority (TSP) Program is a federal program used to identify and prioritize telecommunications services that support national security or emergency preparedness (NS/EP) missions.

NS/EP services are defined as those telecommunications services which are used to maintain a state of readiness or respond to and manage any event or crisis which causes or could cause injury or harm to the population, damage or loss to property, or degrades or threatens the NS/EP posture of the United States.

TSP restoration and/or provisioning shall be provided in accordance with Part 64, Appendix A of the Federal Communications Commission's Rules and Regulations (47 C.F.R.), and the "Service Vendor Handbook For The Telecommunications Service Priority (TSP) Program" and the "Service User Manual for the Telecommunications Service Priority (TSP) System" (NCS Manual 3-1-1) (Service User Manual) issued and updated as necessary by the Office of Priority Telecommunications (OPT) of the National Communications System. Any changes to or reissuance of these regulations or manuals supersede tariff language contained herein.

- b. The TSP program has two components, restoration and provisioning.
- i. A restoration priority is applied to new or existing telecommunications services to ensure restoration before any other services during a service outage. TSP restoration priorities must be requested and assigned before a service outage occurs.
- ii. A provisioning priority is obtained to facilitate priority installation of new telecommunications services during a service outage. Provisioning on a priority basis becomes necessary when an end-user has an urgent requirement for a new NS/EP service that must be installed immediately or by a specific due date that can be met only by a shorter than standard or expedited Company provisioning time frame. As a matter of general practice, existing TSP services will be restored before provisioning new TSP services.

2. REGULATIONS (Continued)

2.25 Emergency/ Crisis/ Disaster Restoration and Provisioning – Telecommunications Service Priority (continued)

2. TSP Request Process – Restoration

To request a TSP restoration priority assignment, a prospective TSP user must:

- a. Determine that the user's telecommunications service supports an NS/EP function under one of the following four TSP categories.
 1. National Security Leadership
 2. National Security Posture and U.S. Population Attack Warning
 3. Public Health, Safety, and Maintenance of Law and Order
 4. Public Welfare and Maintenance of National Economic Posture
- b. Identify the priority level to be requested for the telecommunications service. The priority level is determined by the end-user's TSP category and service profile. The service profile defines the user's level of support to the portion of the telecommunications service that the user owns and operates, such as customer premises equipment or wiring. The five levels of priority and seven element groups that define the service profile are contained in the Service User Manual.
- c. Complete the TSP Request for Service Users form (SF 315) available on the National Communications System (NCS) website (<http://tsp.ncs.gov/>).
- d. For non-federal users, have their TSP requests approved by a federal agency sponsor. Non-federal users should contact the OPT, at the NCS website (<http://tsp.ncs.gov/>), for information on identifying a sponsor for TSP requests.
- e. Submit the SF 315 to the OPT.
- f. Upon receipt of the TSP Authorization Code from the OPT, notify the Company, and include the TSP Authorization Code in any service order to the Company requesting restoration of NS/EP services.

2. REGULATIONS (Continued)

2.25 Emergency/ Crisis/ Disaster Restoration and Provisioning – Telecommunications Service Priority
(continued)

3. TSP Request Process – Provisioning

To request a TSP provisioning priority assignment, a prospective TSP user must follow the same steps listed in 2a. above for restoration priority assignment except for the following differences. The user should:

- a. Certify that its telecommunications service is an Emergency service. Emergency services are those that support one of the NS/EP functions listed in 2a(a) above and are so critical that they must be provisioned at the earliest possible time, without regard to cost to the user.
- b. Verify that the Company cannot meet the service due date without a TSP assignment.
- c. Obtain approval from the end-user's invocation official to request a provisioning priority. Invocation officials are designated individuals with the authority to request TSP provisioning for a telecommunications service, and include the head or director of a federal agency, commander of a unified/specified military command, chief of a military service, commander of a major military command, or state governor.

2. REGULATIONS (Continued)

2.25 Emergency/ Crisis/ Disaster Restoration and Provisioning – Telecommunications Service Priority
(continued)

4. Responsibilities of the End-User

End-users or entities acting on their behalf must perform the following:

- a. Identify telecommunications services requiring priority.
- b. Request, justify, and revalidate all priority level assignments. Revalidation must be completed every 2 years, and must be done before expiration of the end-user's TSP Authorization Code(s).
- c. Accept TSP services by the service due dates.
- d. Have Customer Premises Equipment (CPE) and Customer Premises Wiring (CPW) available by the requested service due date and ensure (through contractual means or otherwise) priority treatment for CPE and CPW necessary for end-to-end service continuity.
- e. Pay the Company any authorized costs associated with priority services.
- f. Report to the Company any failed or unusable services with priority levels.
- g. Designate a 24-hour point of contact for each TSP request and apprise the OPT.
- h. Cooperate with the OPT during reconciliation (comparison of NS/EP service information and resolution of any identified discrepancies) and revalidation.

2. REGULATIONS (Continued)

2.25 Emergency/ Crisis/ Disaster Restoration and Provisioning – Telecommunications Service Priority
(continued)

5. Responsibilities of the Company

The Company will perform the following:

- a. Provide TSP service only after receipt of a TSP authorization code.
- b. Revoke TSP services at the direction of the end-user or OPT.
- c. Ensure that TSP Program priorities supersede any other telecommunications priority that may be provided (other than control services and order wires).
- d. Designate a 24-hour point of contact to receive reports of TSP service outages from TSP service users.
- e. Designate a 24-hour point of contact to coordinate TSP processes with the OPT.
- f. Confirm completion of TSP service order activity to the OPT.
- g. Participate in reconciliation of TSP information at the request of the OPT.
- h. Ensure that all subcontractors complete reconciliation of TSP information with the service vendor.
- i. Ensure that other carriers supplying underlying facilities are provided information necessary to implement priority treatment of facilities that support NS/EP services.
- j. Assist in ensuring that priority level assignments of NS/EP services are accurately identified "end-to-end" by providing to subcontractors and interconnecting carriers the restoration priority level assigned to a service.
- k. Disclose content of the NS/EP TSP database only as may be required by law.
- l. Comply with regulations and procedures supplemental to and consistent with guidelines issued by the OPT.

2. REGULATIONS (Continued)

2.25 Emergency/ Crisis/ Disaster Restoration and Provisioning – Telecommunications Service Priority
(continued)

5. Preemption

When spare facilities are not available, it may be necessary for the Company to preempt the facilities required to provision or restore a TSP service. When preemption is necessary, non-TSP services may be preempted based on the Company's best judgment. If no suitable spare or non-TSP services are available, the Company may preempt an existing TSP service to restore a TSP service with a higher restoration priority assignment. When preemption is necessary, prior consent of the service user whose service will be preempted is not required; however, the Company will make every reasonable effort to notify the preempted customer of the action to be taken.

3. SERVICE DESCRIPTION AND RATES

3.1 Miscellaneous and Special Services

.01 Resold Enhanced Business Service

Resold Enhanced Business Service is a specialized service available to single or multi-line business customers. REBS consists of a resold measured business access line combined with a customized communications package. A minimum service term of one year is required of all Option 1 REBS subscribers while a minimum service term of one month is required of all Option 2 subscribers. REBS is furnished subject to the availability of local exchange carrier facilities. In addition to the following rates and charges, the subscriber is responsible for all federal, state, and local taxes, fees and surcharges.

.011 Access Line Rates

Access lines are billed one month in advance.

	Option 1		Option 2	
	<u>Min.</u>	<u>Max.</u>	<u>Min.</u>	<u>Max.</u>
Per month	\$.00	\$ 50.00	\$.00	\$ 60.00

.012 Local Usage Charges

The Usage Charges listed below apply to local calling. All calls are rounded to the next higher additional billing increment and subject to a minimum billing of the initial billing increment.

Billing Increment, in seconds:

	<u>Option1</u>						<u>Option2</u>					
	Day		Evening		Night		Day		Evening		Night	
	<u>Min</u>	<u>Max</u>	<u>Min</u>	<u>Max</u>	<u>Min</u>	<u>Max</u>	<u>Min</u>	<u>Max</u>	<u>Min</u>	<u>Max</u>	<u>Min</u>	<u>Max</u>
Init'l	00	300 (I)	00	300(I)	00	300(I)	00	300	00	300	00	300
Add'l	00	60	00	60	00	60	00	60	00	60	00	60

Rate per Billing increment:

	<u>Option1</u>						<u>Option2</u>					
	Day		Evening		Night		Day		Evening		Night	
	<u>Min</u>	<u>Max</u>	<u>Min</u>	<u>Max</u>	<u>Min</u>	<u>Max</u>	<u>Min</u>	<u>Max</u>	<u>Min</u>	<u>Max</u>	<u>Min</u>	<u>Max</u>
Init'l	\$.00	\$ 1.00	\$.00	\$ 1.00	\$.00	\$ 1.00	\$.00	\$ 1.00	\$.00	\$ 1.00	\$.00	\$ 1.00
Add'l	.00	1.00	.00	1.00	.00	1.00	.00	1.00	.00	1.00	.00	1.00

3. SERVICE DESCRIPTION AND RATES (Continued)

3.1 Miscellaneous and Special Services (Continued)

.01 Resold Enhanced Business Service (Continued)

.013 Extended Area Calling

The Usage Charges listed below apply to extended area calling. All calls are rounded to the next higher additional billing increment and subject to a minimum billing of the initial billing increment.

Initial Billing Increment, in seconds:

Rate Band	Option 1						Option 2					
	Day		Evening		Night		Day		Evening		Night	
	<u>Min</u>	<u>Max</u>	<u>Min</u>	<u>Max</u>	<u>Min</u>	<u>Max</u>	<u>Min</u>	<u>Max</u>	<u>Min</u>	<u>Max</u>	<u>Min</u>	<u>Max</u>
A	00	300	00	300	00	300	00	300	00	300	00	300
B	00	300	00	300	00	300	00	300	00	300	00	300
C	00	300	00	300	00	300	00	300	00	300	00	300
D	00	300	00	300	00	300	00	300	00	300	00	300

Additional Billing Increment, in seconds:

Rate Band	Option 1						Option 2					
	Day		Evening		Night		Day		Evening		Night	
	<u>Min</u>	<u>Max</u>	<u>Min</u>	<u>Max</u>	<u>Min</u>	<u>Max</u>	<u>Min</u>	<u>Max</u>	<u>Min</u>	<u>Max</u>	<u>Min</u>	<u>Max</u>
A	00	300	00	300	00	300	00	300	00	300	00	300
B	00	300	00	300	00	300	00	300	00	300	00	300
C	00	300	00	300	00	300	00	300	00	300	00	300
D	00	300	00	300	00	300	00	300	00	300	00	300

Rate per Initial Billing Increment:

Rate Band	Option 1						Option 2					
	Day		Evening		Night		Day		Evening		Night	
	<u>Min</u>	<u>Max</u>	<u>Min</u>	<u>Max</u>	<u>Min</u>	<u>Max</u>	<u>Min</u>	<u>Max</u>	<u>Min</u>	<u>Max</u>	<u>Min</u>	<u>Max</u>
A	\$0.00	\$1.00	\$0.00	\$1.00	\$0.00	\$1.00	\$0.00	\$1.00	\$0.00	\$1.00	\$0.00	\$1.00
B	.00	1.00	.00	1.00	.00	1.00	.00	1.00	.00	1.00	.00	1.00
C	.00	1.00	.00	1.00	.00	1.00	.00	1.00	.00	1.00	.00	1.00
D	.00	1.00	.00	1.00	.00	1.00	.00	1.00	.00	1.00	.00	1.00

3. SERVICE DESCRIPTION AND RATES (Continued)

3.1 Miscellaneous and Special Services (Continued)

.01 Resold Enhanced Business Service (Continued)

.013 Extended Area Calling (Continued)

Rate per Additional Billing Increment*:

Rate Band	Option 1						Option 2					
	Day		Evening		Night		Day		Evening		Night	
	<u>Min</u>	<u>Max</u>	<u>Min</u>	<u>Max</u>	<u>Min</u>	<u>Max</u>	<u>Min</u>	<u>Max</u>	<u>Min</u>	<u>Max</u>	<u>Min</u>	<u>Max</u>
A	\$.00	\$ 1.00	\$.00	\$ 1.00	\$.00	\$ 1.00	\$.00	\$ 1.00	\$.00	\$ 1.00	\$.00	\$ 1.00
B	.00	1.00	.00	1.00	.00	1.00	.00	1.00	.00	1.00	.00	1.00
C	.00	1.00	.00	1.00	.00	1.00	.00	1.00	.00	1.00	.00	1.00
D	.00	1.00	.00	1.00	.00	1.00	.00	1.00	.00	1.00	.00	1.00

*Geographically defined Local areas and extended calling areas are associated with each Exchange service provided in this tariff. The Local areas and extended areas of the Company are the same as the Local Calling areas and extended calling areas specified by the incumbent local exchange carrier in the same areas served by the Company.

.014 Customized Communications Packages

Customized communications packages consist of the following features. Subscribers may also select individual optional features to complement the packages:

Option 1	Option 2
<u>Basic Package</u>	<u>Basic Package</u>
Touch Tone	Touch Tone
Call Pick-up	Hunting
Intercom	
Call Hold	
Call Transfer	

3. SERVICE DESCRIPTION AND RATES (Continued)

3.1 Miscellaneous and Special Services (Continued).01 Resold Enhanced Business Service (Continued).014 Customized Communications Packages (Continued)Additional Optional Features

	Option 1		Option 2	
	<u>Min.</u>	<u>Max.</u>	<u>Min.</u>	<u>Max.</u>
Call Forwarding	\$.00	\$ 15.00	\$.00	\$ 15.00
Call Forwarding- Don't Answer	.00	10.00	.00	10.00
Call Forwarding-Busy	.00	10.00	.00	10.00
Call Forwarding- Busy/Don't Answer	.00	10.00	.00	10.00
Call Forwarding-Remote	.00	15.00	.00	15.00
3-Way Calling	.00	15.00	.00	15.00
Speed Dialing	.00	15.00	.00	15.00
Expanded Speed Dialing	.00	15.00	.00	15.00
Call Waiting	.00	15.00	.00	15.00
Call ID	.00	15.00	.00	15.00
Inside Wire Maintenance	.00	15.00	.00	15.00
Any 2 Features	.00	30.00	.00	30.00
Any 3 Features	.00	45.00	.00	45.00

Per Activation Features

There are no connection charges associated with the following features:

	Per Activation		Maximum Per Month	
	<u>Min.</u>	<u>Max.</u>	<u>Min.</u>	<u>Max.</u>
Call Return	\$.00	\$ 3.00	\$ 0.00	15.00
Automatic Redial	.00	3.00	0.00	15.00
Call Trace *	.00	3.00	N/A	N/A

- Charge applies for successful activation only.

3. SERVICE DESCRIPTION AND RATES (Continued)

3.1 Miscellaneous and Special Services (Continued).01 Resold Enhanced Business Service (Continued).014 Customized Communications Packages (Continued)Additional Optional Features (Continued)Directory Listings

	Option1		Option 2	
	<u>Min.</u>	<u>Max.</u>	<u>Min.</u>	<u>Max.</u>
Non-published number	\$.00	\$ 5.00	\$.00	\$ 5.00
Initial White Page listing	.00	5.00	.00	5.00
Add'l White Page listing	.00	5.00	.00	5.00
Vanity number	.00	15.00	.00	15.00

.015 Term Discount

Subscribers who commit to two or three year service terms receive the following term discounts off their monthly access line rates.

	Option 1		Option 2	
	<u>Min.</u>	<u>Max.</u>	<u>Min.</u>	<u>Max.</u>
2 year	0%	50%	0%	50%
3 year	0%	50%	0%	50%

.016 Blocking Service

Blocking for 900/976-type services will be provided automatically to all Option 1 subscribers at no charge.

Calls placed to numbers beginning with the 540, 550, and 970 prefix by Option 2 subscribers will be blocked. In addition, at initial installation of service, Customers may also request call blocking for the following at no additional charge:

- 1) 900/976
- 2) 394/976
- 3) 394/700/900/910/920/976
- 4) 3rd number billed and collect
- 5) Toll restrict
- 6) Toll restrict plus

3. SERVICE DESCRIPTION AND RATES (Continued)

3.1 Miscellaneous and Special Services (Continued).01 Resold Enhanced Business Service (Continued).016 Blocking Service (Continued)

Requests for blocking or unblocking subsequent to initial installation of service will incur a Feature Installation Charge per exchange grouping.

The Customer will be given free per call restrict unless the Customer chooses all call restrict. Per call blocking will be provided at no charge. Per line blocking will be provided at no charge at the time of the initial installation; however, a Feature Install Charge will be imposed on subsequent per line blocking requests.

	Option1		Option 2	
	<u>Min.</u>	<u>Max.</u>	<u>Min.</u>	<u>Max.</u>
Toll Restrict	\$.00	\$ 10.00	\$.00	\$ 10.00
Toll Restrict Plus	.00	10.00	.00	10.00
Third Number Billed & Collect	.00	10.00	.00	10.00

.017 Nonrecurring Charges

	Option 1		Option 2	
	<u>Min.</u>	<u>Max.</u>	<u>Min.</u>	<u>Max.</u>
Service Activation Fee, per line	\$.00	\$ 25.00	\$.00	\$ 25.00
Multiple Line Service Activation Fee	.00	150.00	.00	150.00
Line Install Charge, first line	.00	150.00	.00	150.00
Line Install Charge, each add'l*	.00	150.00	.00	150.00
Feature Install Charge	.00	100.00	.00	100.00
Intercept Service	.00	50.00	.00	25.00
Service Restoral Charge	.00	100.00	.00	100.00

*at time of an initial line install

3.1 Miscellaneous and Special Services (Continued)

.01 Resold Enhanced Business Service (Continued)

.018 Terms and Conditions

- .1 The Carrier will, as a service to the Customer, arrange for listing the Customer's telephone number in the local telephone directory, such listing to consist of one line of standard type in the directory. In the absence of gross negligence or willful misconduct, the Carrier will not be liable to the Customer, or any third party, for any claims, damages, or otherwise, but not limited to any omitted listings from or erroneous listings in the local telephone directory due to the negligence on the part of the Local Exchange Carrier. When the Carrier agrees to keep a number unlisted, it does so without any obligation. Except for cases of gross negligence or willful misconduct, the Carrier is not liable for any damages that might arise from the publishing of a non-published number in a directory or its disclosure to someone. If, in error, the telephone number is published in a directory, the Carrier's only obligation is to credit or refund any monthly charges the Customer paid for non-published service.
- .2 When a Customer chooses to place a local operator service call, a Directory Assistance call (including Call Completion), or an information services provider call via their incumbent LEC, the Customer shall be solely liable for such calls, including any and all charges related to such calls when the charges are initially billed to the Company by the LEC or information services provider. When a Customer elects to make or receive calls via a carrier other than the Company, the Customer shall be solely liable for such calls, any and all charges related to such calls (when the charges are initially billed to the Company by the information services provider or other carrier) plus a 10% rebilling charge.

3. SERVICE DESCRIPTION AND RATES (Continued)

3.1 Miscellaneous and Special Services (Continued).01 Resold Enhanced Business Service (Continued).018 Terms and Conditions (Continued)

- .3 The Customer shall be liable for payment for new local access line costs or other time and material charges imposed on the Carrier by a LEC as a prerequisite for installing or maintaining the Customer's service, and not already recovered via the Carrier's existing recurring or nonrecurring charges.
- .4 Customers may presubscribe their REBS local access lines to their interLATA and intraLATA long distance carrier of choice. Following the Customer's initial presubscription of each line, any subsequent change will incur a PIC Change Charge.

<u>PIC Change Charge</u>	<u>Option 1</u>		<u>Option 2</u>	
	<u>Min.</u>	<u>Max.</u>	<u>Min.</u>	<u>Max.</u>
IntraLATA	\$.00	\$10.00	\$.00	\$10.00
InterLATA	.00	10.00	.00	10.00
InterLATA/intraLATA	.00	20.00	.00	20.00

3. SERVICE DESCRIPTION AND RATES (Continued)

3.1 Miscellaneous and Special Services (Continued)

.01 Resold Enhanced Business Service (Continued)

.019 Automatic Number Identification (ANI) Services

The Carrier may provide Automatic Number Identification (ANI) associated with an intrastate service, by tariff, to any entity (ANI recipient), only under the following terms and conditions:

- .1 The ANI recipient or its designated billing agent may use or transmit ANI information to third parties for billing and collection, routing, screening, ensuring network performance, and completion of a telephone subscriber's call or transaction, or for performing a service directly related to the telephone subscriber's original call or transaction.
- .2 The ANI recipient may offer to any telephone subscriber with whom the ANI recipient has a n established customer relationship, a product or service that is directly related to products or services previously purchased by the telephone subscriber from the ANY recipient.
- .3 The ANI recipient or its designated billing agent is prohibited from utilizing ANI information to establish marketing lists or to conduct outgoing marketing calls, except as permitted by the preceding paragraph, unless the ANI recipient obtains the prior written consent of the telephone subscriber permitting the use of ANI information for such purposes. The foregoing provisions notwithstanding, no ANI recipient or its designated billing agent may utilize ANI information if prohibited elsewhere by law.
- .4 The ANI recipient or its designated billing agent is prohibited from reselling, or otherwise disclosing ANI information to any other third party, for any use other than those listed in Provision (1), unless the ANI recipient obtains the prior written consent of the subscriber permitting such resale or disclosure.
- .5 Telephone Corporations must make reasonable efforts to adopt and apply procedures designed to provide reasonable safeguards against the aforementioned abuses of ANI.

Issued in compliance with the New York Public Service Commission Order in Case 89-C-191 and 90-C-0165, issued and effective March 30, 1994.

3. SERVICE DESCRIPTION AND RATES (Continued)

3.1 Miscellaneous and Special Services (Continued)

.01 Resold Enhanced Business Service (Continued)

.019 Automatic Number Identification (ANI) Services (Continued)

- .6 Violation of any of the foregoing terms and conditions by any ANI recipient other than a Telephone Corporation shall result, after determination through the Commission's complaint process, in suspension of the transmission of ANI by the Telephone Corporation until such time as the Commission receives written confirmation from the ANI recipient that the violations have ceased or have been corrected. If the Commission determines that there have been three or more separate violations in a 24 hour period, delivery of ANI to the offending party shall be terminated under terms and conditions determined by the Commission.

Violations of any of the foregoing terms and conditions by the Carrier may result in Commission prosecution of penalty and enforcement proceedings pursuant to Sections 24, 25 and 26 of the Public Service Law.

Issued in compliance with the New York Public Service Commission Order in Case 89-C-191 and 90-C-0165, issued and effective March 30, 1994.

3. SERVICE DESCRIPTION AND RATES (Continued)

3.1 Miscellaneous and Special Services (Continued)

.01 Resold Enhanced Business Service (Continued)

.020 Schools and Libraries Discount Program

The Schools and Libraries Discount Program permits eligible schools (public and private, grades Kindergarten through 12) and libraries to purchase Company services offered in this tariff at a discount rate, in accordance with the rules adopted by the Federal Communications Commission (FCC) in its Universal Service Order 97-157, issued May 8, 1997 and the New York Public Service Commission in its Opinion and Order 97-11 Adopting Discounts for services for schools and Libraries, issued June 25, 1997. The Rules codified at 47 Code of Federal Regulation (C.F.R.) 54.500 et. Seq.

As indicated in the Rules, the discounts will be between 20 and 90 percent of the pre-discount price, which is the price of services to schools and libraries prior to application of a discount. The level of discount will be based on an eligible school or library's level of economic disadvantage and by its location in either an urban or rural area. A school's level of economic disadvantage will be determined by the percentage of its students eligible for participation in the national school lunch program, and a library's level of economic disadvantage will be calculated on the basis of school lunch eligibility in the public school district in which the library is located. A non-public school may use either eligibility for the national school lunch program or other federally approved alternative measures to determine its level of economic disadvantage. To be eligible for the discount, schools and libraries will be required to comply with the terms and conditions set forth in the Rules. Discounts are available only to the extent that they are funded by the Federal Universal Fund. Schools and libraries may aggregate demand with other eligible entities to create a consortium.

.1 Obligation of Eligible Schools and Libraries

- a) Schools and Libraries and Consortia shall participate in a competitive bidding process for all services eligible for discounts, in accordance with any state and local procurement rules.
- b) Schools and Libraries and Consortia shall submit requests for services to the Schools and Libraries Corporation, as designated by the FCC, and follow established procedures.
- c) Services requested will be used for educational purposes.
- d) Services will not be sold, resold or transferred in consideration for money or any other thing of value.

3. SERVICE DESCRIPTION AND RATES (Continued)

3.1 Miscellaneous and Special Services (Continued)

.01 Resold Enhanced Business Service (Continued)

.020 Schools and Libraries Discount Program (Continued)

.2 Obligations of the Company

- a) The company will offer discounts to eligible schools and libraries on commercially available telecommunications services contained in this tariff. Those services contained in this tariff which are excluded from the discount program, in accordance with the rules are included as an attachment to this tariff.
- b) The Company will offer services to eligible schools, libraries and consortia at prices no higher than the lowest price it charges to similarly situated non-residential Customers for similar services (lowest corresponding price).
- c) In competitive bidding situations, the Company may offer flexible pricing or rates other than in this tariff, where specific flexible pricing arrangements are allowed, subject to New York State Public Service Commission approval.

.3 Discounted Rates for Schools and Libraries

- a) Discounts for eligible schools and libraries and consortia shall be set as a percentage from the pre-discount price, which is the price of services to schools and libraries prior to application of a discount.
- b) The discount rate will be applied to eligible intrastate services purchased by eligible schools, libraries or consortia.
- c) The discount rate is based on each school or library's level of economic disadvantage as determined in accordance with the FCC Order or other Federal approved alternative measures (as permitted by the Rules) and by its location in either an urban or rural area.

3. SERVICE DESCRIPTION AND RATES (Continued)

3.1 Miscellaneous and Special Services (Continued).01 Resold Enhanced Business Service (Continued).020 Schools and Libraries Discount Program (Continued).4 Schools and Libraries Discount Matrix

<u>How Disadvantaged</u>	<u>% Discount Level</u>	
	Urban Discount	Rural Discount
% of students eligible for national school lunch program		
<1	20	25
1-19	40	50
20-34	50	60
35-49	60	70
50-74	80	80
75-100	90	9

3. SERVICE DESCRIPTION AND RATES (Continued)

3.1 Miscellaneous and Special Services (Continued).01 Resold Enhanced Business Service (Continued).22 Private Branch Exchange (PBX) Service

The Company's PBX Service uses PBX Trunks to connect to a customer PBX system or other similar equipment. Standard trunk configurations include Direct Inward Dialing (DID), Direct Outward Dialing (DOD) and Combination Trunks. This service provides customers with unrestricted local calling and Carrier Access. The Company treats these trunks similar to individual exchange lines and supports multi-line hunting over a group of trunks. Service is billed based on monthly usage, together with monthly recurring charges. Installation charges also apply. Depending on facilities, optional features noted elsewhere in this tariff may or may not be available.

a)	<u>PBX Usage Rated Trunks</u>	Min <u>Monthly Recurring</u>	Max <u>Monthly Recurring</u>
	PBX Trunk 1st Trunk	\$.00	\$79.00
	PBX Trunk Add'l		\$79.00
		Min <u>Non - Recurring</u>	Max <u>Non - Recurring</u>
	Installation 1st Trunk	\$.00	\$200.00
	Installation Add'l Trunk	.00	140.00
b)	<u>Change in Type of Service Charge</u>	Min <u>Monthly Recurring</u>	Max <u>Monthly Recurring</u>
	Per 1st Trunk	\$.00	\$58.00
	Per Add'l Trunk	.00	58.00
c)	<u>Service Restoral Charge</u>		
	Per Trunk	\$.00	\$198.00
d)	<u>Trunk Service Conversion Charge</u>		
	Per Trunk	\$.00	\$38.00

3. SERVICE DESCRIPTION AND RATES (Continued)

3.1 Miscellaneous and Special Services (Continued).01 Resold Enhanced Business Service (Continued).22 Private Branch Exchange (PBX) Service (Continued)

e) Private Branch Exchange Optional Features

	Min. Monthly Recurring Charge	Max Monthly Recurring Charge	Min. Monthly Non-Recurring Charge	Max Monthly Non-Recurring Charge
1) Call Forward Variable	\$ 0.00	\$ 14.00	\$ 0.00	\$ 30.00
2) Call Hunting Charge	0.00	14.00	0.00	71.00
3) 3rd Number Blocking	0.00	14.00	0.00	30.00
4) Change Call Blocking	0.00	14.00	0.00	30.00
5) Change Class Blocking	0.00	14.00	0.00	30.00
6) Caller ID	0.00	22.00	0.00	30.00
7) Ground Start	0.00	14.00	0.00	30.00
8) Toll Restrict & Blocking	0.00	14.00	0.00	30.00
9) Call Hunting Change	0.00	14.00	0.00	71.00
10) Touch Tone	0.00	3.25	0.00	30.00
11) Caller ID Blocking per Line	0.00	14.00	0.00	30.00

f) Directory Listings

	Min. Monthly Recurring Charge	Max Monthly Recurring Charge
1) Non-published Telephone Number	\$ 0.00	\$ 6.00
2) Non-Directory Listed Number	0.00	6.00
3) Initial White Pages Listing	0.00	6.00
4) Additional White Pages Listing	0.00	6.00
5) Cross Reference Listing	0.00	6.00
6) Extra Line Listing	0.00	7.00
7) Foreign Line Listing	0.00	6.00

	Min.	Max
Directory Listings Non-Recurring Charge	\$ 0.00	\$ 85.00

3. SERVICE DESCRIPTION AND RATES (Continued)

3.1 Miscellaneous and Special Services (Continued)

.01 Resold Enhanced Business Service (Continued)

.22 Private Branch Exchange (PBX) Service (Continued)

g) Local Usage Charges

The Usage Charges listed below apply to local calling. All calls are rounded to the next higher additional billing increment and subject to a minimum billing of the initial billing increment.

Billing Increment, in seconds:

	<u>Option 1</u>						<u>Option 2</u>					
	Day		Evening		Night		Day		Evening		Night	
	<u>Min</u>	<u>Max</u>	<u>Min</u>	<u>Max</u>	<u>Min</u>	<u>Max</u>	<u>Min</u>	<u>Max</u>	<u>Min</u>	<u>Max</u>	<u>Min</u>	<u>Max</u>
Initial	00	300	00	300	00	300	00	300	00	300	00	300
Additional	00	60	00	60	00	60	00	60	00	60	00	60

Rate per Billing Increment:

	<u>Option 1</u>						<u>Option 2</u>					
	Day		Evening		Night		Day		Evening		Night	
	<u>Min</u>	<u>Max</u>	<u>Min</u>	<u>Max</u>	<u>Min</u>	<u>Max</u>	<u>Min</u>	<u>Max</u>	<u>Min</u>	<u>Max</u>	<u>Min</u>	<u>Max</u>
Initial	\$ -	\$ 1.00	\$ -	\$ 1.00	\$ -	\$ 1.00	\$ -	\$ 1.00	\$ -	\$ 1.00	\$ -	\$ 1.00
Additional	\$ -	\$ 1.00	\$ -	\$ 1.00	\$ -	\$ 1.00	\$ -	\$ 1.00	\$ -	\$ 1.00	\$ -	\$ 1.00

h) Extended Area Calling

The Usage Charges listed below apply to extended area calling. All calls are rounded to the next higher additional billing increment and subject to a minimum billing of the initial billing increment.

Initial Billing Increment, in seconds:

Rate Band	<u>Option 1</u>						<u>Option 2</u>					
	Day		Evening		Night		Day		Evening		Night	
	<u>Min</u>	<u>Max</u>	<u>Min</u>	<u>Max</u>	<u>Min</u>	<u>Max</u>	<u>Min</u>	<u>Max</u>	<u>Min</u>	<u>Max</u>	<u>Min</u>	<u>Max</u>
A	00	300	00	300	00	300	00	300	00	300	00	300
B	00	300	00	300	00	300	00	300	00	300	00	300
C	00	300	00	300	00	300	00	300	00	300	00	300
D	00	300	00	300	00	300	00	300	00	300	00	300

Additional Billing Increment, in seconds:

Rate Band	<u>Option 1</u>						<u>Option 2</u>					
	Day		Evening		Night		Day		Evening		Night	
	<u>Min</u>	<u>Max</u>	<u>Min</u>	<u>Max</u>	<u>Min</u>	<u>Max</u>	<u>Min</u>	<u>Max</u>	<u>Min</u>	<u>Max</u>	<u>Min</u>	<u>Max</u>
A	00	300	00	300	00	300	00	300	00	300	00	300
B	00	300	00	300	00	300	00	300	00	300	00	300
C	00	300	00	300	00	300	00	300	00	300	00	300
D	00	300	00	300	00	300	00	300	00	300	00	300

3. SERVICE DESCRIPTION AND RATES (Continued)

3.1 Miscellaneous and Special Services (Continued).01 Resold Enhanced Business Service (Continued).22 Private Branch Exchange (PBX) Service (Continued)h) Extended Area Calling (Continued)

Rate per Initial Billing Increment:

Rate Band	Option 1						Option 2					
	Day		Evening		Night		Day		Evening		Night	
	<u>Min</u>	<u>Max</u>	<u>Min</u>	<u>Max</u>	<u>Min</u>	<u>Max</u>	<u>Min</u>	<u>Max</u>	<u>Min</u>	<u>Max</u>	<u>Min</u>	<u>Max</u>
A	\$.00	\$ 1.00	\$.00	\$ 1.00	\$.00	\$ 1.00	\$.00	\$ 1.00	\$.00	\$ 1.00	\$.00	\$ 1.00
B	.00	1.00	.00	1.00	.00	1.00	.00	1.00	.00	1.00	.00	1.00
C	.00	1.00	.00	1.00	.00	1.00	.00	1.00	.00	1.00	.00	1.00
D	.00	1.00	.00	1.00	.00	1.00	.00	1.00	.00	1.00	.00	1.00

3. SERVICE DESCRIPTION AND RATES (Continued)

3.1 Miscellaneous and Special Services (Continued).01 Resold Enhanced Business Service (Continued).23 Direct Inward Dial (DID) Service

DID Service is an optional feature which can be purchased in conjunction with Company-provided PBX Trunks. DID Service transmits the dialed digits for all incoming calls allowing the Customer's PBX to route incoming calls directly to individual stations corresponding to each individual DID number. Charges for DID capability and DID number blocks apply in addition to charges specified for PBX trunks. One additive charge applies for each DID-equipped PBX trunk. Telephone numbers are only furnished in blocks of 20 and 100 numbers. Blocks of number groups will be determined at the sole discretion of the Company's resources. Whenever possible, the Company will attempt to provide telephone numbers arranged consecutively in a group, but will not guarantee nor accept responsibility for provision of such an arrangement within or between a block of 20 and/or 100 numbers. In addition, the Company reserves the right to review vacant DID stations or stations not in use to determine efficient telephone number utilization. Should the Company determine, based on its own discretion, that there is inefficient number utilization, the Company may reassign the DID numbers.

The Customer has no property rights to the telephone number or any other call number destination associated with DID service furnished by the Company, and no right to the continuance of service through any particular end office. The Company reserves the right to change such numbers, or the end office designation associated with such numbers, or both, assigned to the Customer, whenever the Company deems it necessary to do so in the conduct of its business.

Where all numbers in a number group have not been connected for service, the Customer is responsible for providing interception of calls to vacant or non-working assigned station lines or telephone numbers by means of attendant intercept or recorded announcement service. The Company will not terminate these numbers to an intercept message on the Customer's behalf.

	Min.	Max.	Min.	Max.
Trunks	Non-Recurring	Non-Recurring	Monthly Recurring	Monthly Recurring
DID CO Termination- Initial	\$0.00	\$888.00	\$0.00	\$153.00
DID CO Termination- Add'l	0.00	888.00	0.00	153.00
For 20 DID				
Station Numbers, per Block, Initial	\$0.00	700.00	\$0.00	\$153.00
Station Numbers, per Block, Add'l	\$0.00	700.00	\$0.00	\$153.00
For 100 DID				
Station Numbers, per Block, Initial	\$0.00	700.00	\$0.00	\$153.00
Station Numbers, per Block, Add'l	\$0.00	700.00	\$0.00	\$153.00

MATRIX TELECOM, INC.

SCHEDULE OF

RATES AND CHARGES

NEW YORK STATE

PUBLIC SERVICE COMMISSION

TARIFF NO. 1-

TELEPHONE

Miscellaneous Charges

Gross Revenue Surcharge

<u>Period</u>	<u>Surcharge</u>
<u>Local Services</u>	
October 1, 1998 - December 31, 1999	4.1%
January 1, 2000 - June 30, 2000	3.3%
July 1, 2000 +	2.9%
<u>Resold Services*</u>	
October 1, 1998 - December 31, 1999	0.8%
January 1, 2000 - June 30, 2000	0.8%
July 1, 2000 +	0.4%

Temporary Metropolitan Transportation Business Tax SurchargeRetail Services

October 1, 1998 +	0.6%
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Resold Services*

October 1, 1998 +	0.1%
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* To qualify for this rate, resellers must either be included in the list of resellers that New York State Department of Taxation and Finance publishes called "Publication 41, Treatment of Sales for Resale under Sec. 186 (e) of the Tax Law" or must possess and provide to underlying carrier a copy of its Certificate of Public Convenience and Necessity obtained from the New York State Public Service Commission.

Resold Enhanced Business Service

	<u>Option 1</u>			<u>Option 2</u>		
	(SVGAL)			(1MB)		
Access Line Rates, per month	\$23.75			\$24.59		
Local Usage Charges						
<u>Billing Increment, in sec.</u>	<u>Day</u>	<u>Eve</u>	<u>Night</u>	<u>Day</u>	<u>Eve</u>	<u>Night</u>
Initial	180	180	180	180	180	180
Additional	60	60	60	60	60	60
<u>Rate per Billing Increment</u>	<u>Day</u>	<u>Eve</u>	<u>Night</u>	<u>Day</u>	<u>Eve</u>	<u>Night</u>
Initial	\$.080	\$.044	\$.025	\$.0760	\$.044	\$.025
Additional	.013	.0072	.004	.0123	.0072	.004
Extended Area Usage Charge						
<u>Initial Increment, in sec.</u>	<u>Day</u>	<u>Eve</u>	<u>Night</u>	<u>Day</u>	<u>Eve</u>	<u>Night</u>
Rate Band A	N/A	N/A	N/A	N/A	N/A	N/A
Rate Band B	180	180	180	180	180	180
Rate Band C	180	180	180	180	180	180
Rate Band D	180	180	180	180	180	180
<u>Additional Increment, in sec.</u>						
Rate Band A	N/A	N/A	N/A	N/A	N/A	N/A
Rate Band B	60	60	60	60	60	60
Rate Band C	60	60	60	60	60	60
Rate Band D	60	60	60	60	60	60
<u>Rate per Initial Increment</u>	<u>Day</u>	<u>Eve</u>	<u>Night</u>	<u>Day</u>	<u>Eve</u>	<u>Night</u>
Rate Band A	N/A	N/A	N/A	N/A	N/A	N/A
Rate Band B	\$.080	\$.044	\$.025	\$.076	\$.044	\$.025
Rate Band C	.080	.044	.025	.076	.044	.025
Rate Band D	.080	.044	.025	.076	.044	.025
<u>Rate per Additional Increment</u>						
Rate Band A	N/A	N/A	N/A	N/A	N/A	N/A
Rate Band B	\$.013	\$.0072	\$.004	\$.0123	\$.0072	\$.004
Rate Band C	.013	.0072	.004	.0123	.0072	.004
Rate Band D	.013	.0072	.004	.0123	.0072	.004
Additional Optional Features						
Call Forwarding	\$6.25			\$5.65		
Call Forwarding-Busy	N/A			3.25		
Call Forwarding-Don't Answer	N/A			3.25		
Call Forwarding-Busy/Don't Ans.	5.75			N/A		
Call Forwarding-Remote	N/A			2.25		
3-Way Calling	6.25			5.65		
Speed Dialing	6.25			5.65		
Expanded Speed Dialing	N/A			9.65		
Call Waiting	11.70			10.50		
Call ID	N/A			8.50		
Inside Wire Maintenance	N/A			N/A		
Any 2 Features	13.85			N/A		
Any 3 Features	30.00			N/A		

Resold Enhanced Business Service

	<u>Option 1</u>	<u>Option 2</u>
Term Discounts		
2 year	0%	0%
3 year	0%	0%
Nonrecurring Charges		
Service Activation Fee, per line	\$ 15.00	\$ 15.00
Multiple Line Service Activation	90.00	90.00
Line Install Charge, first line	80.00	80.00
Line Install Charge, each add'l line	55.00	55.00
Feature Install Charge	10.00	10.00
Intercept Service	N/A	21.00
Service Restoral Charge	N/A	60.00
Blocking Service (Subsequent installs only)		
Toll Restrict	N/C	10.00
Toll Restrict Plus	N/C	10.00
3rd Number Billed and Collect	N/C	10.00
Per Activation		
Call Return	\$.75	.75
Automatic Redial	.75	.75
Call Trace	1.50	1.50
Maximum Per Month		
Call Return	\$ 7.50	\$7.50
Automatic Redial	7.50	7.50
Call Trace	N/A	N/A
Directory Listings		
Non-published Number	\$1.90	\$1.90
Initial White Pages Listing	\$.00	.00
Add'l White Pages Listing	1.90	1.90
Vanity Number	6.23	6.20
PIC Change Charge		
InterLATA	\$.00	\$10.00
IntraLATA	.00	10.00
InterLATA/intraLATA	.00	10.00

Resold Enhanced Business Service

<u>PBX Usage Rated Trunks</u>	<u>Monthly Recurring Charge</u>
PBX Trunk 1st Trunk	\$ 22.77
PBX Trunk Add'l	\$ 22.77

Non - Recurring Charge

Installation 1st Trunk	\$ 80.00
Installation Add'l Trunk	55.00

<u>Change in Type of Service Charge</u>	<u>Monthly Recurring Charge</u>
Per 1st Trunk	\$ 26.05
Per Add'l Trunk	26.05

Service Restoral Charge

Per Trunk	79.00
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Trunk Service Conversion Charge

Per Trunk	\$ 15.00
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Private Branch Exchange Optional Features

	<u>Monthly Recurring Charge</u>	<u>Monthly Non-Recurring Charge</u>
1) Call Forward Variable	\$ 5.65	\$ 10.00
2) Call Hunting Charge	N/C	28.38
3) 3rd Number Blocking	N/C	10.00
4) Change Call Blocking	N/C	10.00
5) Change Class Blocking	N/C	10.00
6) Caller ID	8.50	10.00
7) Ground Start	N/C	10.00
8) Toll Restrict & Blocking N/C		10.00
9) Call Hunting Change	N/C	28.38
10) Touch Tone	1.30	N/C
11) Caller ID Blocking Per Line	N/C	10.00

Resold Enhanced Business Service

Local Usage Charges

<u>Billing Increment, in sec.</u>	<u>Day</u>	<u>Eve</u>	<u>Night</u>
Initial	180	180	180
Additional	60	60	60

<u>Rate per Billing Increment</u>	<u>Day</u>	<u>Eve</u>	<u>Night</u>
Initial	\$.076	\$.044	\$.025
Additional	.0123	.0072	.004

Extended Area Usage Charge

<u>Initial Increment, in sec.</u>	<u>Day</u>	<u>Eve</u>	<u>Night</u>
Rate Band A	N/A	N/A	N/A
Rate Band B	180	180	180
Rate Band C	180	180	180
Rate Band D	180	180	180

<u>Additional Increment, in sec.</u>	<u>Day</u>	<u>Eve</u>	<u>Night</u>
Rate Band A	N/A	N/A	N/A
Rate Band B	60	60	60
Rate Band C	60	60	60
Rate Band D	60	60	60

<u>Rate per Initial Increment</u>	<u>Day</u>	<u>Eve</u>	<u>Night</u>
Rate Band A	N/A	N/A	N/A
Rate Band B	\$.0760	\$.044	\$.025
Rate Band C	.0760	.044	.025
Rate Band D	.0760	.044	.025

<u>Rate per Additional Increment</u>	<u>Day</u>	<u>Eve</u>	<u>Night</u>
Rate Band A	N/A	N/A	N/A
Rate Band B	\$.0123	\$.0072	\$.004
Rate Band C	.0123	.0072	.004
Rate Band D	.0123	.0072	.004

Student Centrex Resale Service

Directory Listings

	<u>Monthly Recurring Charge</u>
1) Non-published Telephone Number	\$ 1.90
2) Non-Directory Listed Number	N/C
3) Initial White Pages Listing	N/C
4) Additional White Pages Listing	1.90
5) Cross Reference Listing	1.90
6) Extra Line Listing	1.90
7) Foreign Line Listing	1.90
 Directory Listings Non-Recurring Charge	 \$ 34.00

Trunks

	<u>Non-Recurring</u>	<u>Monthly Recurring</u>
DID CO Termination- Initial	\$365.00	\$61.00
DID CO Termination- Add'l	N/C	61.00
 For 20 DID		
Station Numbers, per Initial Block	N/C	3.50
Station Numbers, per Add'l Block	N/C	3.50
 For 100 DID		
Station Numbers, per Initial Block	N/C	17.50
Station Numbers, per Add'l Block	N/C	17.50

