

Visiology, Inc.

82

Todd H. Lowe	(205) 980-8501
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ORIGINAL
FILE COPY

960123-77



June 3, 1996

Tom Williams
 Florida Public Service Commission
 2540 Shumard Oak Blvd.
 Tallahassee, FL 32399


Dear Mr. Williams:

Enclosed is the replacement filing for Tempus Worldwide to reflect the new name, PHONETIME, Inc.

If you have any questions or need additional information, please call me at (205) 980-8501.

Thank you for your assistance.

Yours truly,

ACK 

AFA Todd H. Lowe

APP President

CAF

CMU

CTR

EAG

LEG

LIN

OPC

RCH

SEC 1

WAS

OTH

4960 Mountain View Parkway • Birmingham, Alabama 35244

DN 06187-96
6/6/96

PHONETIME, Inc.

30-60 Whitestone Expressway, Whitestone, New York 11354 (718) 939-9000 FAX (718) 779-6571

960123-TI

June 3, 1996

Mr. Walter D'Haeseleer
Florida Public Service Commission
Division of Records and Reporting
2540 Shumard Oak Blvd.
Tallahassee, FL 32399



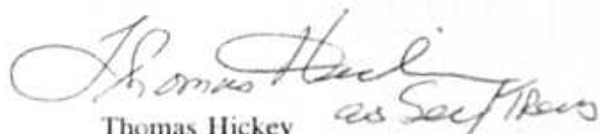
Dear Mr. D'Haeseleer:

Enclosed are the original and twelve (12) copies of PHONETIME, Inc.'s Application Form for Authority To Provide Interexchange Telecommunications Service Within The State of Florida. Please date-stamp and return the extra copy of the transmittal letter provided as proof of filing. An envelope with the return address and the appropriate postage is attached for this purpose. Also enclosed is a check for \$250 made payable to the Florida Public Service Commission to cover the filing fee.

Any questions regarding the Application or tariff should be referred to Todd Lowe, President, Visiology, Inc., 4960 Mountain View Parkway, Birmingham, AL 35244. Todd is our regulatory consultant and can be reached at (205) 980-8501.

Your assistance in this matter is greatly appreciated.

Sincerely,


Thomas Hickey
Secretary / Treasurer

Enclosures

4960 Mountain View Parkway • Birmingham, Alabama 35244

DOCUMENT NUMBER-DATE

06187 JUN-6%

FPSC-RECORDS/REPORTING

**** FLORIDA PUBLIC SERVICE COMMISSION ****

DIVISION OF COMMUNICATIONS
BUREAU OF SERVICE EVALUATION

101 E. Gains Street
Fletcher Building
Tallahassee, Florida 32399-0866

APPLICATION FORM
for

AUTHORITY TO PROVIDE INTEREXCHANGE TELECOMMUNICATIONS SERVICE
WITHIN THE STATE OF FLORIDA

960123

Instructions

- A. This form is used for an original application for a certificate and for approval of sale, assignment or transfer of an existing certificate. In the case of a sale, assignment or transfer, the information provided shall be for the purchaser, assignee or transferee (See Appendix A).
- B. Respond to each item requested in the application and appendices. If an item is not applicable, please explain why.
- C. Use a separate sheet for each answer which will not fit the allotted space.
- D. If you have any questions about completing the form, contact:

Florida Public Service Commission
Division of Communications
Bureau of Service Evaluation
101 East Gaines Street
Tallahassee, Florida 32399-0866
(904) 488-1280

- E. Once completed, submit the original and twelve (12) copies of this form along with a non-refundable application fee of \$250.00 to:

Florida Public Service Commission
Division of Administration, Room G-50
101 East Gaines Street
Tallahassee, Florida 32399-0850
(904) 488-4733

FORM PSC/CMI 31 (4/91)

Required by Commission Rule Nos. 25-24.471,
25-24.473 & 25-24.480 (2)

4960 Mountain View Parkway • Birmingham, Alabama 35244

DOCUMENT NUMBER-DATE

06187 JUN-68

FPSC-RECORDS/REPORTING

1. This is an application for (check one):

- Original Authority (New Company)
- Approval of Transfer (To another certificated company).
- Approval of Assignment of existing certificate (To a noncertificated company).
- Approval for transfer of control (To another certificated company).

2. The legal name of the applicant:

PHONETIME, Inc.

3. Name under which the applicant will do business (fictitious name, etc.):

PHONETIME, Inc.

4. National address (including street name & number, post office box, city, state and zip code).

**30-60 Whitestone Expressway
Whitestone, New York 11354**

5. Florida address (including street name & number, post office box, city, state, zip code).

NONE

6. Structure of organization;

- Individual
- Foreign Corporation
- General Partnership
- Other, _____
- Corporation
- Foreign Partnership
- Limited Partnership

7. If applicant is an individual or partnership, please give name, title and address of sole proprietor or partners.

Applicant is a corporation.

- (a) Provide proof of compliance with the foreign limited partnership statute (Chapter 620.169 FS), if applicable.

- (b) Provide proof of compliance with the fictitious name statute (Chapter 865.09 FS), if applicable.

Fictitious name registration number: _____

- (c) Indicate if any of the officers, directors, or any of the ten largest stockholders have previously been:
- (1) adjudged bankrupt, mentally incompetent, or found guilty of any felony or of any crime, or whether such actions may result from pending proceedings. If so, please explain.
 - (2) officer, director, partner or stockholder in any other Florida certificated telephone company. If yes, give name of company and relationship. If no longer associated with company, give reason why not.

8. If incorporated, Please give:

- (a) Proof from the Florida Secretary of State that the applicant has authority to operate in Florida.

Corporate charter Number: F96000002364

- (b) Name and address of the company's Florida registered agent.

**NRAI Services, Inc.
526 E. Park Avenue
Tallahassee, FL 32301**

- (c) Indicate if any of the officers, directors, or any of the ten largest stockholders have previously been:
- (1) adjudged bankrupt, mentally incompetent, or found guilty of any felony or of any crime, or whether such actions may result from pending proceedings. If so, please explain.

None.

(c)

- (2) officer, director, partner or stockholder in any other Florida certificated telephone company. If yes, give name of company and relationship. If no longer associated with company, give reason why not.

None.

9. Who will serve as liaison with the commission in regard to (please give name title, address and telephone number) :

- (a) The application;

**Todd Lowe, President, Visiology, Inc.
4960 Mountain View Parkway, Birmingham, AL 35244
(205) 980-8501**

- (b) Official point of Contact for the ongoing operations of the company;

**Thomas Hickey, PHONETIME, Inc.
30-60 Whitestone Expressway, Whitestone, New York 11354
(718) 939-9000**

- (c) Tariff;

Todd Lowe. See (a) above.

- (d) Complaints/ Inquiries from customers;

Thomas Hickey. See (b) above.

10. List the states in which the applicant:

- (a) Has operated as an interexchange carrier.

None. The Applicant is not an interexchange carrier. The Applicant is a reseller and does not own, control, operate, or manage any transmission facilities with the technological capability to provide telecommunications service within the state.

- (b) Has applications pending to be certificated as an interexchange carrier.

The Applicant has applications pending to be certificated to resell intrastate interexchange telecommunications services in the states of Georgia, Illinois, and New York.

- (c) Is certificated to operate as an interexchange carrier.

The Applicant has the authority to resell telecommunications in the states of Massachusetts, Michigan, New Jersey, and Texas.

(d) Has been denied authority to operate as an interexchange carrier and the circumstances involved.

None.

(e) Has regulatory penalties imposed for violations of telecommunications statutes and the circumstances involved.

None.

(f) Has been involved in civil court proceedings with an interexchange carrier, local exchange company or other telecommunications entity, and the circumstances involved.

None.

11. The applicant will provide the following interexchange carrier services (Check all that apply):

_____ MTS with distance sensitive per minute rates
_____ Method of access is FGA
_____ Method of access is FGB
_____ Method of access is FGD
_____ Method of access is 800

_____ MTS with route specific rates per minute
_____ Method of access is FGA
_____ Method of access is FGB
_____ Method of access is FGD
_____ Method of access is 800

_____ MTS with statewide flat rates per minute (i.e. not distance sensitive)
_____ Method of access is FGA
_____ Method of access is FGB
 Method of access is FGD
_____ Method of access is 800

_____ MTS for pay telephone service providers

_____ Block-of-time calling plan (Reach out Florida, Ring America, etc.)

800 Service (Toll Free)

WATS type service (Bulk or volume discount)
 Method of access is via dedicated access
 Method of access is via switched access

Private Line services (Channel Services)
(For ex. 1.544 mbs., DS-3, etc)

Travel Service
 Method of access is 950
 Method of access is 800

900 Services

Operator Services
 Available to presubscribed customers
 Available to non presubscribed customers (for
example to patrons of hotels, students in
universities, patients in hospitals)
 Available to inmates

Services included are:

Station assistance
 Person to Person assistance
 Directory assistance
 Operator verify and interrupt
 Conference Calling

Other:

The applicant will offer inbound and outbound long distance services. A detailed service description is provided in Section 3 of the proposed tariff attached hereto as Attachment H.

12. What does the end user dial for each of the interexchange carrier services that were checked in services included (above).

To place an outbound long distance call, the end user dials 1+ the called number. 800 calls are completed by dialing 1+800+ the called number. To reach Directory Assistance outside of the end user's area code, the end user dials 1 + area code + 555-1212. Calling card calls are completed by dialing 1+ the universal 800 number, the called number, and the calling card code. To reach the long distance operator of the underlying carrier, the end user dials 00- or 0+ the called number.

13. What services will the applicant offer to other certified telephone companies:

() Facilities. () Operators.
() Billing and Collection. () Sales.
() Maintenance.
() Other: NONE

14. Will your marketing program:

- (Y) Pay commissions?
- (N) Offer sales franchises?
- (N) Offer multi-level sales incentives?
- (Y) Offer other sales incentives?

15. Explain any of the offers checked above (To whom, what amount, type of franchise, etc.).

See Attachment G.

16. Who will receive the bills for your service (Check all that apply)?

- () Residential customers. (X) Business customers.
- () PATS providers. () PATS station end-users.
- () Hotels & motels. () Hotel & motel guests.
- () Universities. () Univ. dormitory residents.
- () Other: (specify) _____.

17. Please provide the following (if applicable):

- (a) Will the name of your company appear on the bill for your services, and if not, why?

Yes

- (b) Provide the name and address of the firm who will bill for your service.

**PHONETIME, Inc.
30-60 Whitestone Expressway
Whitestone, New York 11354**

18. Please submit the proposed tariff under which the company plans to begin operation. Use the format required by Commission Rule 25-24.485 (example enclosed).

See Attachment H.

**** APPLICANT ACKNOWLEDGEMENT STATEMENT ****

1. **REGULATORY ASSESSMENT FEE:** I understand that all telephone companies must pay a regulatory assessment fee in the amount of .15 of one percent of its gross operating revenue derived from intrastate business. Regardless of the gross operating revenue of a company, a minimum annual assessment fee of \$50 is required.
2. **GROSS RECEIPTS TAX:** I understand that all telephone companies must pay a gross receipts tax of one and one-half percent on all intra and interstate business.
3. **SALES TAX:** I understand that a seven percent sales tax must be paid on intra and interstate revenues.
4. **APPLICATION FEE:** A non-refundable application fee of \$250.00 must be submitted with the application.
5. **LEC BYPASS RESTRICTIONS:** I acknowledge the Commission's policy that interexchange carriers shall not construct facilities to bypass the LECs without first demonstrating to the Commission that the LEC cannot offer the needed facilities at a competitive price and in a timely manner.
6. **RECEIPT AND UNDERSTANDING OF RULES:** I acknowledge receipt and understanding of the Florida Public Service Commissions' Rules and Orders relating to my provision of interexchange telephone service in Florida. I also understand that it is my responsibility to comply with all current and future Commission requirements regarding interexchange telephone service.
7. **ACCURACY OF APPLICATION:** By my signature below, I attest to the accuracy of the information contained in this application and associated attachments.

Thomas Hickey

Typed name and signature of owner
or chief officer

June 7, 1996

Date

ATTACHMENTS:

- A - CERTIFICATE TRANSFER STATEMENT (Not Applicable)
- B - CUSTOMER DEPOSITS AND ADVANCE PAYMENTS
- C - INTRASTATE NETWORK
- D - FLORIDA TELEPHONE EXCHANGES AND EAS ROUTES
(Not Applicable)
- E - GLOSSARY (Not Applicable)

** APPENDIX A **

CERTIFICATE TRANSFER STATEMENT

NOT APPLICABLE

****APPENDIX B****

CUSTOMER DEPOSITS AND ADVANCE PAYMENTS

A statement of how the Commission can be assured of the security of the customer's deposits and advance payments may be responded to in one of the following ways (applicant please check one):

- () The applicant will not collect deposits nor will it collect payments for service more than one month in advance.
- () The applicant will file with the Commission and maintain a surety bond in an amount equal to the current balance of deposits and advance payments in excess of one month. (Bond must accompany application.)

Thomas Hickey

Thomas Hickey V.P.
Typed name and signature of
Owner or Chief officer

Secretary / Treasurer

Thomas Hickey
Title

June 4, 1996

Date

**** APPENDIX C ****

INTRASTATE NETWORK

1. **POP:** Address where located, and indicate if owned or leased.

1) N/A 2)

3) 4)

2. **SWITCHES:** Address where located, by type of switch, and indicate if owned or leased.

1) N/A 2)

3) 4)

3. **TRANSMISSION FACILITIES:** POP-to-POP facilities by type of facilities (microwave, fiber, copper, satellite, etc.) and indicate if owned or leased.

1) POP-to-POP TYPE OWNERSHIP

2) N/A

4. **ORIGINATING SERVICE:** Please provide the list of exchanges where you are proposing to provide originating service within thirty (30) days after the effective date of the certificate (Appendix D).

Service may be provided from any exchange in the State of Florida.

5. **TRAFFIC RESTRICTIONS:** Please explain how the applicant will comply with the EAEA requirement contained in Commission Rule 25-24.471 (4) (a) (copy enclosed).

Our understanding of Commission Rule 25-24.471 (4) (a) is that the intra-EAEA restriction has been lifted for 950, 10XXX, 800, and 1+ calls placed via dedicated access, and that the LEC will not forward to PTI any intra-EAEA calls placed over switched access lines.

6. **CURRENT FLORIDA INTRASTATE SERVICES:** Applicant has (X) or has not () previously provided intrastate telecommunications in Florida. If the answer is has, fully describe the following:

- a) What services have been provided and when did these services begin?

Prepaid calling card service has been provided since December 1995.

- b) If the services are not currently offered, when were they discontinued?

Thomas Hickey *Thomas Hickey as VP*

Typed name and signature of
Owner or Chief officer

Secretary / Treasurer *Thomas Hickey*

Title

June 4, 1996

Date

****APPENDIX D****

FLORIDA TELEPHONE EXCHANGES


AND

EAS ROUTES

Describe the service area in which you hold yourself out to provide service by telephone company exchange. If all services listed in your tariff are not offered at all locations, so indicate.

In an effort to assist you, attached is a list of major exchanges in Florida showing the small exchanges with which each has extended area service (EAS).

Thomas Hickey


Typed Name and signature of
Owner/Chief Officer

Secretary / Treasurer

Title

June 4, 1996

Date

All outbound services that utilize switched access to reach the long distance network are available in equal access areas. All inbound services and all outbound services using dedicated access to reach the long distance network are available statewide.

ATTACHMENT F

DIRECTORS, OFFICERS, AND STOCKHOLDERS

Officers, Directors, & Shareholders		
Name/Title	Address	% of Shares
Sam Tawfik President	30-60 Whitestone Expressway Whitestone, New York 11354	50%
Thomas Hickey Secretary / Treasurer		50%

ATTACHMENT G

EXPLANATION OF SALES COMMISSIONS

The Company's services will be sold by independent sales agents selected and trained by the company. These agents will earn sales commissions.

From time to time, the Company may offer its sales agents contests or other award programs.

ATTACHMENT H

PROPOSED TARIFF

PHONETIME, INC.

This tariff contains the descriptions, regulations, and rates applicable to the furnishing of long distance telecommunications services provided by PHONETIME, Inc. with principal offices at 30-60 Whitestone Expressway, Whitestone, New York 11354. This Tariff applies to services furnished within the State of Florida. This Tariff is on file with the Florida Public Service Commission and copies may be inspected during normal business hours at the Company's principal place of business.

Issued: January 29, 1996

Effective:

Thomas Hickey, Secretary/Treasurer
30-60 Whitestone Expressway
Whitestone, New York 11354

CHECK SHEET

Sheets 1 through 59 of this Tariff are effective as of the date shown at the bottom of the sheet. Original and revised sheets as named below comprise all changes from the original Tariff.

SHEET	REVISION
1	Original Sheet
2	Original Sheet
3	Original Sheet
4	Original Sheet
5	Original Sheet
6	Original Sheet
7	Original Sheet
8	Original Sheet
9	Original Sheet
10	Original Sheet
11	Original Sheet
12	Original Sheet
13	Original Sheet
14	Original Sheet
15	Original Sheet
16	Original Sheet
17	Original Sheet
18	Original Sheet
19	Original Sheet
20	Original Sheet

Issued: January 29, 1996

Effective:

Thomas Hickey, Secretary/Treasurer
30-60 Whitestone Expressway
Whitestone, New York 11354

CHECK SHEET (continued)

SHEET	REVISION
21	Original Sheet
22	Original Sheet
23	Original Sheet
24	Original Sheet
25	Original Sheet
26	Original Sheet
27	Original Sheet
28	Original Sheet
29	Original Sheet
30	Original Sheet
31	Original Sheet
32	Original Sheet
33	Original Sheet
34	Original Sheet
35	Original Sheet
36	Original Sheet
37	Original Sheet

Issued: January 29, 1996

Effective:

Thomas Hickey, Secretary/Treasurer
30-60 Whitestone Expressway
Whitestone, New York 11354

CHECK SHEET (continued)

SHEET	REVISION
38	Original Sheet
39	Original Sheet
40	Original Sheet
41	Original Sheet
42	Original Sheet
43	Original Sheet
44	Original Sheet
45	Original Sheet
46	Original Sheet
47	Original Sheet
48	Original Sheet
49	Original Sheet
50	Original Sheet
51	Original Sheet
52	Original Sheet
53	Original Sheet
54	Original Sheet
55	Original Sheet
56	Original Sheet
57	Original Sheet
58	Original Sheet
59	Original Sheet

Issued: January 29, 1996

Effective:

Thomas Hickey, Secretary/Treasurer
30-60 Whitestone Expressway
Whitestone, New York 11354

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SYMBOLS

The following are the only symbols used for the purposes indicated below:

- D - Delete Or Discontinue
- I - Change Resulting In An Increase To A Customer's Bill
- M - Moved To Or From Another Tariff Location
- N - New
- R - Change Resulting In A Reduction To A Customer's Bill
- T - Change In Text Or Regulation But No Change In Rate Or Charge

Issued: January 29, 1996

Effective:

Thomas Hickey, Secretary/Treasurer
30-60 Whitestone Expressway
Whitestone, New York 11354

TARIFF FORMAT

- A. Sheet Numbering - Sheet numbers appear in the upper right corner of the sheet. Sheets are numbered sequentially. However, new sheets are occasionally added to the Tariff. When a new sheet is added between sheets already in effect, a decimal is added. For example, a new sheet added between sheets 14 and 15 would be 14.1.
- B. Sheet Revision Numbers - Revision numbers also appear in the upper right corner of each sheet. These numbers are used to determine the most current sheet version on file with the Commission. For example, the 4th revised sheet 14 cancels the 3rd revised sheet 14.
- C. Paragraph Numbering Sequence - There are six levels of paragraph coding. Each level of coding is subservient to the next higher level:
- 2.1
 - 2.1.1
 - 2.1.1 (A)
 - 2.1.1 (A).1
 - 2.1.1 (A).1.a
 - 2.1.1 (A).1.a.i
- D. Check Sheets - When a Tariff filing is made with the Commission, an updated check sheet accompanies the Tariff filing. The check sheet lists the sheets contained in the Tariff with a cross-reference to the current revision number. When new sheets are added, the check sheet is changed to reflect the revision.

SECTION 1 - TECHNICAL TERMS AND ABBREVIATIONS

AATU: AATU stands for Adjusted Average Total Usage.

Adjusted Average Total Usage: Adjusted Average Total Usage is calculated by (1) averaging the most recent three months' interstate, intrastate, and international minutes of use excluding directory assistance, calling card, and debit card usage for all ANIs or trunk groups to be provisioned via a service offered by the Company, and (2) applying the Company's usage rate for each service to the average monthly minutes of use. The Company reserves the right to obtain a copy of the long distance telephone bills used in calculating Adjusted Average Total Usage. For Customers with multiple locations, the minutes of use for all locations will be included in the calculation. If the Customer's traffic volume varies significantly from month-to-month, the Customer may determine Adjusted Average Total Usage by averaging more than three month's bills.

Applicant: Applicant is any entity or individual who applies for service under this Tariff.

CAP: CAP is an acronym for Competitive Access Provider which is any provider of local access service other than the Local Exchange Carrier.

Cardholder: Cardholder is the associate, member, Customer or other individual that uses the Company's Prepaid Calling Card service.

Company: Company refers to PHONETIME, Inc..

Commission: Commission refers to the Florida Public Service Commission or any succeeding agency.

Issued: January 29, 1996

Effective:

Thomas Hickey, Secretary/Treasurer
30-60 Whitestone Expressway
Whitestone, New York 11354

SECTION 1 - TECHNICAL TERMS AND ABBREVIATIONS

Customer: The Customer is a person or legal entity which subscribes to the Company's services and thereby assumes responsibility for the payment of charges and compliance with the Company's Tariff regulations.

DUC: DUC stands for Designated Underlying Carrier.

End User: End User is the person or legal entity which uses the service provided by the Company.

Exemption Certificate: An Exemption Certification is a written notification wherein the Customer certifies that its dedicated facility should be exempted from the monthly special access surcharge because, for example, the facility is associated with a Switched Access service that is subject to carrier common line charges.

LEC: LEC stands for Local Exchange Carrier.

PIN: PIN stands for Personal Identification Number.

Platform: The Platform is the proprietary technology and associated computer equipment that is used in conjunction with Prepaid Calling Card service(s).

Prepaid Calling Card: Prepaid Calling Card service allows a Customer to purchase a predetermined amount of access to the Company's long distance services prior to the use of service. Prepaid Calling Cards are also called debit cards.

Issued: January 29, 1996

Effective:

Thomas Hickey, Secretary/Treasurer
30-60 Whitestone Expressway
Whitestone, New York 11354

SECTION 1 - TECHNICAL TERMS AND ABBREVIATIONS

Reseller: Reseller denotes a Customer that resells the Company's service(s).

State: "State" refers to the State of Florida.

Underlying Carrier: "Underlying Carrier" refers to any interexchange carrier that provides long distance services resold by the Company pursuant to this Tariff.

Issued: January 29, 1996

Effective:

Thomas Hickey, Secretary/Treasurer
30-60 Whitestone Expressway
Whitestone, New York 11354

SECTION 2 - RULES AND REGULATIONS**2.1 Undertaking of the Company**

This Tariff contains the description, regulations, and rates applicable to intrastate telecommunications service offered by PHONETIME, Inc. with principal offices located at 30-60 Whitestone Expressway, Whitestone, New York 11354. Service is furnished for communications originating and terminating at points within the State under terms of this Tariff. The Company operates as a switch-based reseller or as a switchless resellers depending on the Customer's selection of service, the location of the Customer, the point of call origination, and the point of call termination.

2.2 Limitations On Service

- 2.2.1 Calls that may not be completed using the Company's Prepaid Calling Card service include directory assistance service, operator services, conference service, busy line verification service, interruption service, calls requiring time and charges, air-to-ground calls, marine/satellite calls, and calls placed via dialing a 700, 800, or 900 number.
- 2.2.2 Service is offered subject to the availability of facilities and/or equipment from the Company or the DUC, the Company's ability to fulfill the order, and the provisions of this Tariff.
- 2.2.3 The Company reserves the right to discontinue service without liability, or to limit the use of service when necessitated by conditions beyond the Company's control, or when the Customer is using service in violation of the law or in violation of the provisions of this Tariff.

SECTION 2 - RULES AND REGULATIONS

2.2 Limitations On Service (continued)

2.2.4 Conditions under which the Company may, without notice, terminate service without liability include, but are not limited to:

- (A) Customer's use of the service constitutes a violation of either the provisions of this Tariff, or of any laws, or government rules, regulations, or policies; or,
- (B) Any order or decision of a court or other governmental authority prohibits the Company from offering such service; or,
- (C) The Company deems termination necessary to protect the Company or third parties against fraud, or to otherwise protect the Company's personnel, agents, or service; or,
- (D) Customer's, Cardholder's, or End User's misuse of the DUC's network or the Company's switching equipment; or
- (E) Customer's, Cardholder's, or End User's use of the DUC's network or the Company's switch for any fraudulent or unlawful purpose; or,
- (F) Emergency, threatened, or actual disruption of service to other Customers; or
- (G) Unauthorized or fraudulent procurement of service, including a misrepresentation of fact relevant to the conditions under which the applicant or Customer may obtain or continue to receive service; or
- (H) Abandonment of the premises served.

Issued: January 29, 1996

Effective:

Thomas Hickey, Secretary/Treasurer
30-60 Whitestone Expressway
Whitestone, New York 11354

SECTION 2 - RULES AND REGULATIONS

2.2 Limitations On Service (continued)

2.2.5 Conditions under which the Company may, with notice, terminate service without liability include, but are not limited to:

- Insufficient or fraudulent billing information, invalid or unauthorized telephone numbers, or pre-arranged account code numbers; or,
- Non-payment of any sum owed the Company; or
- Failure to pay for or provide assurances of, or security for, the payment of the Company's charges as per Paragraph 2.9.4.

2.2.6 Initial and continuing service is offered subject to the availability of necessary facilities and/or equipment, including those to be provided by the DUC(s), the Company, the CAP(s), or the LEC.

Issued: January 29, 1996

Effective:

Thomas Hickey, Secretary/Treasurer
30-60 Whitestone Expressway
Whitestone, New York 11354

SECTION 2 - RULES AND REGULATIONS

2.2 Limitations On Service (continued)

2.2.7 Service is furnished subject to the condition that there will be no abuse or fraudulent use of the service. Abuse or fraudulent use of service includes, but is not limited to:

- (a) Use of service of the Company for a message or messages, anonymous or otherwise, if in a manner reasonably to be expected to frighten, abuse, torment, or harass another; or
- (b) Use of service in such a manner as to interfere unreasonably with the use of service by one or more other Customers; or
- (c) Any calls placed by means of illegal equipment, service, or device.

2.2.8 The Company's failure to give notice of default, to enforce or insist upon compliance with any of the terms or conditions herein, to grant a waiver of any term or conditions herein, or to grant the Customer an extension of time for performance, will not constitute the permanent waiver of any such term or condition herein. Each of the provisions will remain, at all time, in full force and in effect until modified in writing, signed by the Company and Customer.

2.2.9 To control fraud, service may be discontinued by the Company without incurring liability by blocking all traffic or by blocking traffic to or from certain NPA-NXXs, cities, or individual telephone stations for any service offered under this Tariff. Service will be restored as soon as it can be provided without undue risk and only after accounts have been brought current.

SECTION 2 - RULES AND REGULATIONS

2.2 Limitations On Service (continued)

2.2.10 The Company reserves the right to change DUCs at any time.

2.2.11 The Company reserves the right, without incurring liability, to refuse to provide service to or from any location where the necessary facilities and/or equipment are not available.

2.2.12 The availability of 800 numbers from the Company is limited by the Company's ability to obtain 800 numbers from the DUC.

2.2.13 In case of refusal to establish service, the Company shall notify the Applicant, in writing, of the reason for such refusal.

Issued: January 29, 1996

Effective:

Thomas Hickey, Secretary/Treasurer
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SECTION 2 - RULES AND REGULATIONS

2.3 Limitation of Liability

The Company's liability will be limited to that expressly assumed in Paragraphs 2.3.1 through 2.3.12 of this Tariff and that arises in connection with the provision of service to Customer.

2.3.1 The Company will not be liable for:

- (A) Failure or delay in the delivery of ordered Prepaid Calling Cards.
- (B) Any act or omission of any other company or companies furnishing a portion of the service or furnishing facilities or equipment associated with such service.
- (C) Damages caused by the fault or negligence or willful misconduct of the Customer.
- (D) Any failure to provide or maintain service under this Tariff due to circumstances beyond the Company's reasonable control.
- (E) Any direct, indirect, consequential, special, actual, or punitive damages, or for any lost profits of any kind or nature whatsoever arising out of any furnishing of, or interruption in, service provided hereunder, absent a determination of willful misconduct by the Company through judicial or administrative proceedings.

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SECTION 2 - RULES AND REGULATIONS

2.3 Limitation of Liability (continued)

2.3.1 (continued)

- (F) Any special or consequential damages or any lost profits of any kind or nature arising out of the furnishing of or interruption in service contained in this Tariff.
- (G) The use or abuse of any service described herein by any party including, but not limited to, the Customer's employees or members of the public. "Use or abuse" includes, but is not limited to, any calls placed by means of PBX-reorigination or any other legal or illegal equipment, service, or device. In the case of 800 service, this also applies to third parties who dial the Customer's 800 number by mistake.
- (H) Any action, such as blocking or refusal to accept certain calls, that Company deems necessary in order to prevent unlawful use of its service. Compensation for any injury the Customer may suffer due to the fault of parties other than the Company must be sought from such other parties. The liability provided for above, will, in each case, be in addition to any amounts that may otherwise be due the Customer under this Tariff as a credit allowance for the interruption of service.

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SECTION 2 - RULES AND REGULATIONS

2.3 Limitation of Liability (continued)

- 2.3.2 The Company will have no liability to the Customer or any third party for any claims that a Prepaid Calling Card or its PIN has been lost, stolen, or fraudulently used. In no event will the Company be obligated to restore any Prepaid Calling Card account or otherwise reimburse any Cardholder for any calls charged to the Prepaid Calling Card account which such Cardholder denies having made.
- 2.3.3 If the Company issues a Prepaid Calling Card and the PIN will not access the Company's Service, the Company's sole liability will be the manufacturing and shipping costs associated with replacing such cards. This obligation is exclusive and is in lieu of all other warranties, express or implied, including but not limited to, any warranty of merchantability or fitness for a particular purpose. In no event will the Company be liable for special or consequential damages arising from the relationship or the conduct of business contemplated herein.
- 2.3.4 If Company chooses to subcontract the printing of the Prepaid Calling Cards, Company cannot be held liable for delays of delivery or any other problem(s) that are directly related to the subcontractor.

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SECTION 2 - RULES AND REGULATIONS**2.3 Limitation of Liability (continued)**

- 2.3.5 Interruptions, delays, errors, or defects caused by or contributed to, directly or indirectly, by act or omission of Customer or its customers, affiliates, agents, contractors, representatives, invitees, licensees, successors, or assignees or which arise from or are caused by the use of facilities or equipment of Customer or related parties, will not result in the imposition of any liability whatsoever upon the Company. In addition, all of the service may be provided over facilities of third parties, and the Company will not be liable to Customer or any other person, firm, or entity in any respect whatsoever arising out of defects caused by such third parties.
- 2.3.6 With respect to service provided hereunder, the Company hereby expressly disclaims, without limitation, all warranties not stated in this Tariff, whether express, implied or statutory, and in particular disclaims all implied warranties of merchantability and of fitness for a particular purpose.
- 2.3.7 The Company may rely on CAPS, LECs, DUCs, or other third parties to provide a portion of the Company's service.
- 2.3.8 No contractors, agents or employees of connecting, concurring or other participating carriers or companies will be deemed to be contractors, agents or employees of the Company without the Company's written authorization.
- 2.3.9 Under no circumstances whatsoever will the Company or its officers, agents, or employees be liable for indirect, incidental, special or consequential damages.

SECTION 2 - RULES AND REGULATIONS

2.3 Limitation of Liability (continued)

2.3.10 The Company's will not be liable for any failure of performance hereunder due to causes beyond its control including, but not limited to:

- (A) Unavoidable interruption in the working of transmission facilities; or
- (B) Natural disasters such as storms, fire, flood, or other catastrophes; or
- (C) Any law, order, regulation, direction, action or request of the United States Government, or any other governmental entity having jurisdiction over the Company or of any department, agency, commission, bureau, corporation or other instrumentality of any one or more of such governmental entity, or of any civil or military authority; or
- (D) National emergencies, insurrections, riots, rebellions, wars, strikes, lockouts, work stoppages, or other labor difficulties; or
- (E) Notwithstanding anything in this Tariff to the contrary, the unlawful acts of individuals, including acts of the Company's agents and employees if committed beyond the scope of their employment.

SECTION 2 - RULES AND REGULATIONS

2.3 Limitation of Liability (continued)

- 2.3.11 The Company will use its best efforts to provide competent services consistent with industry standards. The Company will have no liability to the Customer for any loss of revenue or any other direct, special, incidental, consequential, or other damages the Customer may sustain resulting from the failure or inability of the Company to provide service to its Customers, Cardholders, or End Users; negligent or defective services to Customers, Cardholders, or End Users; equipment, computer, network, or electrical malfunctions or any kind, breakdowns, or outages; or any other cause, whether or not within the control of the Company.
- 2.3.12 In the event the Company or the DUC learn of possible fraudulent use of any Company services, the Company will make an effort to contact the Customer, but service may be terminated or blocked without notice and without liability to the Company.

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SECTION 2 - RULES AND REGULATIONS**2.4 Use of Service**

2.4.1 The service offered herein may be used for any lawful purpose, including residential, business, governmental, or other use. There are no restrictions on sharing or resale of service. However, the Customer remains liable for all obligations under this Tariff notwithstanding such sharing or resale and regardless of the Company's knowledge of same. The Company will have no liability to any person or entity other than the Customer and only as set forth herein. The Customer will not use nor permit others to use the service in a manner that could interfere with service provided to others or that could harm the facilities of the Company or others.

2.4.2 Service furnished by the Company may be arranged for joint use or authorized use. The joint user or authorized user will be permitted to use such service in the same manner as the Customer, but subject to the following conditions.

- (A) One joint user or authorized user must be designated as the Customer. The designated Customer does not necessarily have to have communications requirements of its own. The Customer must specifically name all joint users or authorized users in the application for service. Service orders which involve the start, rearrangement or discontinuance of joint use or authorized use service will be accepted by the Company only from that Customer and will be subject to all regulations of this Tariff.

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SECTION 2 - RULES AND REGULATIONS

2.4 Use of Service (continued)

2.4.2 (continued)

- (B) All charges for the service will be computed as if the service were to be billed to one Customer. The joint user or authorized user which has been designated as the Customer will be billed for all components of the service and will be responsible for all payments to the Company. If designated Customer fails to pay the Company, each joint user or authorized user will be liable to the Company for all charges incurred as a result of its use of the Company's service. Each joint or authorized user must submit to the designated Customer a letter guaranteeing payment for the joint or authorized user's portion of all charges billed by the Company to the designated Customer. This letter must also specify that the joint or authorized user understands that the Company will receive a copy of the guaranty from the designated Customer. The Customer will be responsible for allocating charges to each joint user or authorized user.
- (C) If the service is to be resold or rebilled, the subscriber must have a Certificate of Public Convenience and Necessity as an interexchange carrier from the Florida Public Service Commission.

- 2.4.3 In addition to the other provisions in this Tariff, Customers reselling service will be responsible for all interaction and interface with their own subscribers or customers. The provision of Company service will not create a partnership or joint venture between the Company and the Customer nor result in a joint offering to third parties.

SECTION 2 - RULES AND REGULATIONS**2.4 Use of Service (continued)**

- 2.4.4 Service furnished by the Company will not be used for any unlawful or fraudulent purposes such as use of electronic devices, invalid numbers, and false credit devices to avoid payment for service contained in this Tariff either in whole or in part. Service furnished by the Company will not be used to make calls which might reasonably be expected to frighten, abuse, torment, or harass another. Nor will service be used for any purpose for which any payment or other compensation is received by the Customer except when the Customer is a communications common carrier, a resale common carrier, or an enhanced or electronic service provider who has subscribed to the Company's service. However, this provision does not preclude an agreement between the Customer, authorized user, or joint user to share the cost of the service as long as this arrangement generates no profit for anyone participating in a joint use or authorized use arrangement.
- 2.4.5 A Customer of the Company's 800 service will provide not less than ten (10) business days' notice prior to implementation of special advertising or other new promotions likely to stimulate usage.

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SECTION 2 - RULES AND REGULATIONS

2.4 Use of Service (continued)

- 2.4.6 If a Customer of the Company's 800 service is found to be non-compliant in passing back appropriate answer supervision, the Company reserves the right to suspend service temporarily and/or deny requests for additional service. The Company will give the Customer ten (10) days' written notice via certified U.S. Mail, of intent to suspend or deny service due to such non-compliance.
- 2.4.7 The Customer will be billed directly by the LEC or CAP or any other authorized access provider for the Dedicated Access arrangements selected by the Customer for the provisioning of certain Company services.

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SECTION 2 - RULES AND REGULATIONS

2.5 Obligations of the Customer

2.5.1 The Customer will indemnify, defend, and hold the Company harmless from and against:

- (A) Any claim asserted against the Company (and all attorney fees and expenses incurred by the Company with respect thereto) arising out of or relating to the failure of the Company to provide service to Customers, Cardholders, or End Users.
- (B) Any and all liabilities, costs, damages, and expenses (including attorney's fees), resulting (1) from Customer (or its employees's agent's or independent contractor's) actions hereunder, including, but not limited to breach of any provision in this Tariff, misrepresentation of Company services or prices, or unauthorized or illegal acts of the Customer, its employees, agents, or independent contractor or (2) from claims by third parties that any Prepaid Calling Cards or PINs have been lost, stolen, or fraudulently issued or used; provided, however, that the Company will have no liability hereunder for special or consequential damages incurred by the Company; (3) or in the event that the Company chooses to have another company print their Prepaid Calling Cards, Company cannot be held liable for delays of delivery or any other problem that are directly to the third party.
- (C) Claims for libel, slander, infringement of patent or copyright, or unauthorized use of any trademark, trade name, or service mark arising out of Customer's material, data, information, or other content transmitted via service.

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SECTION 2 - RULES AND REGULATIONS

2.5 Obligations of the Customer

2.5.1 (continued)

- (D) Violation by Customer of any other literary, intellectual, artistic, dramatic, or musical right.
- (E) Violations by Customer of the right to privacy.
- (F) Any other claims whatsoever relating to or arising from message content or the transmission thereof.
- (G) All other claims arising out of any act or omission of the Customer in connection with service provided by the Company.
- (H) Any loss, claim, demand, suit, or other action, or any liability whatsoever, whether suffered, made, instituted or asserted by the Customer or by any other party or persons, for any personal injury to, or death of, any person or persons, and for any loss, damage or destruction of any property, whether owned by the Customer or others, caused or claimed to have been caused directly or indirectly by the provision of service, where such loss, claim, demand, suit, action, or liability is not the direct result of the Company's negligence or willful misconduct.

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SECTION 2 - RULES AND REGULATIONS

2.5 Obligations of the Customer (continued)

- 2.5.2 If a Customer directly or indirectly authorizes third parties to use the service, the Customer will indemnify and hold the Company harmless against any and all claims, demands, suits, actions, losses, damages, assessments or payments which may be asserted or demanded by said parties.
- 2.5.3 If a Prepaid Calling Card has a customized design, the design will be subject to the Company's review and approval, in the Company's sole discretion. The Company will deliver to the Customer a prototype of a customized Prepaid Calling Card. The Customer will advise the Company, in writing, of its approval of, or request for revisions of, such prototype prior to the Company's fulfillment of the Customer's order. Any such requested revisions to the customized design will be subject to the Company's approval.
- 2.5.4 Upon the Customer's receipt of Company Prepaid Calling Cards, the Customer will assume all risk of loss or misuse of such Prepaid Calling Cards.
- 2.5.5 If Dedicated Access is a required condition for subscribing to one of the Company's services, the Customer is responsible for obtaining the Dedicated Access.
- 2.5.6 The Customer is responsible for payment of all charges for Company service(s) regardless of whether the Customer's facilities were fraudulently used.

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SECTION 2 - RULES AND REGULATIONS**2.5 Obligations of the Customer (continued)**

2.5.7 If the presubscription of any line of a Reseller is unauthorized, the Company may charge the Reseller for the unauthorized presubscription change charges plus all additional charges imposed and costs incurred. The Reseller is financially liable for all lines at all locations until such time as the lines and/or locations are presubscribed to a different interexchange carrier. In instances where the Reseller has presubscribed lines and/or locations to its service without proper authorization, the Reseller must:

- (A) Inform the premises owner/occupant at each location of the unauthorized change in IXCs; and
- (B) Insure that each such location is returned to the IXC of choice; and
- (C) Pay all applicable conversion charges.

2.5.8 In the event of non-payment by a Reseller's end user, the Company may be requested by the Reseller to block such end user's location because of non-payment of charges. The Reseller must certify that proper notice has been given to the premises owner/occupant at such location. Proper notice must meet state and federal rules for blocking service due to non-payment. The Reseller is responsible for all costs incurred to disconnect or block the location from service(s).

SECTION 2 - RULES AND REGULATIONS

2.5 Obligations of the Customer (continued)

- 2.5.9 In addition to the other provisions in this Tariff, Resellers will be responsible for securing and maintaining all necessary state certifications and tariffs and F.C.C. tariffs for operating as a Reseller and for complying with the rules and regulations as set forth by the Commission. Further, the Reseller also assumes full responsibility for complying with the Communications Act and the rules, regulations, and decisions of the Federal Communication Commission. Failure to comply with any term, rule, or regulation of this Tariff may result in the Company immediately and irrevocably terminating service(s) without incurring any liability. Notification of termination of service(s) may be done in person or in writing.

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SECTION 2 - RULES AND REGULATIONS

2.6 Application For Service

To obtain service other than the Company's Prepaid Calling Card service, the Applicant must sign and complete a service agreement and sign a letter of agency. The Applicant must also establish credit satisfactory to the Company as provided in Paragraph 2.7.

2.7 Establishment of Credit

2.7.1 Applicant

For all services except for the Company's Prepaid Calling Card service, the Company reserves the right to require all Applicants to establish credit worthiness to the reasonable satisfaction of the Company. Upon receipt of the signed application, the Applicant will be deemed to have authorized the Company to obtain such routine credit information and verification as the Company requires.

2.7.2 Customer

If the conditions of services or the basis on which credit was originally established have materially changed, an existing Customer may be required to establish additional credit. The Company reserves the right to examine the credit record and check the references of any Customer at any time.

2.8 Customer Deposits

The Company does not collect deposits for intrastate service.

SECTION 2 - RULES AND REGULATIONS

2.9 Payment For Services

- 2.9.1 Bills are prepared by the Company. Bills are rendered monthly and are due upon receipt. Charges are payable only in United States currency. Payment may be made by cash, check, money order, cashier's check, or electronic wire transfer. Checks should be made payable as named on the bill and should be sent to the address as listed on the bill.
- 2.9.2 The billing period is one month. Invoices are sent to the Customer's current billing address no later than thirty (30) days following the close of billing. Charges may be assessed for unbilled traffic up to two years in arrears.
- 2.9.3 If a Customer presents an undue risk of nonpayment at any time, the Company may require the Customer to pay its bills in cash or the equivalent of cash.
- 2.9.4 Customers who present an undue risk may be required at any time to provide the Company such other assurances of, or security for, the payment of the Company's charges for its services as the Company may deem necessary, including, without limitation, advance payments for service, third party guarantees of payment, pledges or other grants of security interests in the Customers' assets, and similar arrangements.

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SECTION 2 - RULES AND REGULATIONS**2.9 Payment For Services (continued)**

- 2.9.5 In determining whether a Customer presents an undue risk of nonpayment, the Company shall consider the following factors: (A) the Customer's payment history (if any) with the Company and its affiliates, (B) Customer's ability to demonstrate adequate ability to pay for the service, (C) credit and related information provided by Customer, lawfully obtained from third parties or publicly available, and (D) information relating to Customer's management, owners and affiliates (if any).
- 2.9.6 All charges for Prepaid Calling Card Services must be paid in advance. No Prepaid Calling Card PIN will be activated until payment, in U. S. Dollars and in full, has been received by the Company. If the Customer pays via check, the PIN is activated after the check clears the bank.
- 2.9.7 Disputes with respect to charges must be presented to the Company in writing within two months from the date the invoice is rendered or such invoice will be deemed to be correct and binding on the Customer. Written responses must be sent to the Company's customer service organization as per Paragraph 2.10.
- 2.9.8 In the event the Company incurs fees or expenses, including attorney's fees, in collecting, or attempting to collect, any charges owed the Company, the Customer will be liable to the Company for the payment of all such fees and expenses reasonably incurred.

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SECTION 2 - RULES AND REGULATIONS

2.10 Customer Service

2.10.1 General

Customer service may be contacted in writing at 30-60 Whitestone Expressway, Whitestone, New York 11354.

2.10.2 Customers Subscribing to Prepaid Calling Card Service

Customers may contact customer service by dialing a toll-free 800 number. The 800 number is listed on the Prepaid Calling Card. Customer service representatives are available 8:00 AM to 9:00 PM eastern time seven days a week excluding holidays.

2.10.3 Customers Subscribing to All Other Services

Customers may contact customer service by dialing a toll-free 800 number. The 800 number is listed on the bill. Customer service representatives are available 8:00 AM to 9:00 PM eastern time seven days a week excluding holidays. After hours and on holidays, the Customer may reach a Company representative by using a pager.

2.10.4 Billing Inquiries

Billing inquiries must be submitted to the Company in writing. If the Customer is not satisfied with the Company's resolution of a billing inquiry, the Customer may make application to the Commission for review and disposition of the matter.

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SECTION 2 - RULES AND REGULATIONS

2.11 Cancellation By Customer

2.11.1 General

A Customer may cancel service by giving thirty (30) days' written notice to the Company. Such notice should be addressed to the Company's customer service organization at the address specified in Paragraph 2.10.

2.11.2 Customer With Switched Access

(A) Customer Provisioned Via The DUC

Cancellation of the Customer's service will be effective when the LEC changes the PIC code or when the DUC or CAP cancels the service.

(B) Customer Provisioned Via The Company

Cancellation of the Customer's service will be effective when the LEC changes the PIC code or when the Company cancels the service.

SECTION 2 - RULES AND REGULATIONS

2.11 Cancellation By Customer (continued)

2.11.3 Customer With Dedicated Access

(A) Customer Provisioned Via The DUC

Cancellation of the Customer's service will be effective when the DUC cancels the service offered by the Company or when the Customer's Dedicated Access facilities are moved to another carrier.

(B) Customer Provisioned Via The Company

Cancellation of the Customer's service will be effective when the Company cancels the service or when the Customer's Dedicated Access facilities are moved to another carrier.

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SECTION 2 - RULES AND REGULATIONS**2.12 Cancellation By Company**

The Company may terminate service to the Customer upon five (5) days' written notice to the Customer for any condition listed in Paragraph 2.2.5. If the Company delivers the notice to the Customer's premises, it will be left in a conspicuous place. When notice is mailed, the notice will be in a separate mailing, addressed to the Customer's last known address, and mailed first class or some type of express over night delivery. The selection of the method of delivering the notice is made by the Company.

The discontinuance of service(s) by the Company pursuant to this section does not relieve the Customer of any obligations to pay the Company for charges due and owing for Service(s) furnished up to the time of discontinuance. The remedies set forth herein will not be exclusive and the Company will at all times be entitled to all rights available to it under either law or equity.

2.13 Timing of Calls

Timing of calls begins when the called party answers the call (i.e. when two way communications are established.) Answer detection is based on standard industry answer detection methods including hardware and software answer detection. Chargeable time ends when one of the parties disconnects from the call. There are no billing charges applied to incomplete calls.

2.14 Rate Periods

There are two rate periods. They are peak and off-peak. The peak rate period is 8:00 AM to but not including 5:00 PM, Monday through Friday. The off peak rate period is all other times.

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SECTION 2 - RULES AND REGULATIONS

2.15 Initial and Additional Period

Calls are billed in various increments depending on the service subscribed to by the Customer. For all services, fractions of an increment are rounded up to the next highest increment. Initial period and additional period are shown for each service in the rate tables.

2.16 Rounding

Usage charges apply to all completed calls. The usage charges for each completed call during a billing month will be computed. If the charge includes a fraction of a cent of \$.005 or more, the fraction is rounded up to the next higher whole cent. Otherwise, the charge is rounded down to the next lower whole cent.

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SECTION 2 - RULES AND REGULATIONS

2.17 Taxes

2.17.1 General

In addition to the charges specifically pertaining to services, certain federal, state, and local surcharges, taxes, and fees apply to services. These taxes, surcharges, and fees are calculated based upon the point of origination of the call, the point of termination of the call, the length of each call, and the taxing jurisdiction's rules and regulations.

2.17.2 Prepaid Calling Card Services

The rate per unit indicated in Section 4 of this Tariff is inclusive of all surcharges, taxes, and fees

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SECTION 2 - RULES AND REGULATIONS**2.17 Taxes (continued)****2.17.3 All Other Services**

All federal, state, and local taxes, surcharges, and fees (i.e., sales tax, gross receipts tax, municipal utilities tax, etc.) are listed on the Customer's invoices, and unless otherwise specified herein, are not included in the rates listed in Section 4 of this Tariff.

A Customer claiming tax exempt status must provide the Company with copies of all tax Exemption Certificates and documents required by the Company at the time service is ordered in order to be granted tax exempt status. Failure to provide the required documentation at the time service is ordered will result in all taxes as noted herein being levied by the Company on the Customer's service and the Customer will be responsible for the payment of all such charges. At the Company's option, the Company may accord the Customer tax exempt status upon receipt of the required documentation after service is ordered. However, the Customer will be billed for all applicable taxes and responsible for the payment of same until such time as the Company has ceased billing the applicable taxes. The Company is not liable for refunding the amount of the taxes paid the Customer. The Customer is responsible for seeking refunds for such taxes from the appropriate taxing authority. Failure to pay the appropriate taxes prior to tax exempt status being accorded by the Company will result in termination of service.

2.18 Fraud Control

If the Customer notifies the Company that a particular Prepaid Calling Card has been lost or stolen prior to the activation of its PIN, the Company will use its best efforts to ensure that such PIN is not activated.

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SECTION 2 - RULES AND REGULATIONS

2.19 Restoration of Services

The use and restoration of services in emergencies will be in accordance with the priority system specified in Part 64, Subpart D of the rules and regulations of the Federal Communications Commission.

2.20 Promotional Offerings

The Company may, from time-to-time, engage in special promotional service offerings designed to attract new Customers or to increase existing Customer's awareness of a particular service offering. These promotional offerings may apply only to certain service arrangements, and may be limited to certain dates, times, and/or locations.

2.21 Minimum Call Completion Rate

A Customer can expect a call completion rate (number of calls completed / number of calls attempted) of not less than 97% during peak use periods..

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SECTION 2 - RULES AND REGULATIONS**2.22 Determination of Airline Mileage**

Calculation of distance is in accordance with the V&H coordinate system. The airline mileage between rate centers or POPs is determined by applying the formula below to the vertical and horizontal (V&H) coordinates associated with the rate centers involved. The Underlying Carrier uses the rate centers and associated vertical and horizontal coordinates that are produced by Bell Communications Research in its NPA-NXX V & H Coordinates Tape and in NECA Tariff No. 4.

FORMULA:

$$\sqrt{\frac{(V1 - V2)^2 + (H1 - H2)^2}{10}}$$

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SECTION 3 - DESCRIPTION OF SERVICES

3.1 Outbound Services

3.1.1 General

All services are interstate offerings. Intrastate service is an add-on service available only if the Customer subscribes to the Company's interstate offering. All Switched Access services are only available in equal access areas. All Dedicated Access services are available statewide. The selection of the DUC is made by the Company.

3.1.2 Switched Access Services

(A) PHONETIME Dial 1

PHONETIME Dial 1 (see tariff sheet 51) is an outbound only, long distance routing plan for Customers using Switched Access to reach the long distance network of the DUC. PHONETIME Dial 1 is available to Business Customers.

SECTION 3 - DESCRIPTION OF SERVICES**3.1 Outbound Services (continued)****3.1.3 Dedicated Access Services****(A) PHONETIME Direct**

PHONETIME Direct (see tariff sheet 52) is an outbound only, long distance pricing plan for Customers that utilize Dedicated Access to reach the Company's switch or the DUC's POP. The Customer is responsible for obtaining the Dedicated Access required to provision this service. PHONETIME Direct 800 is available to Business Customers. There are three rate levels depending on AATU at the time the order for service is provisioned by the Company.

Rate Level	AATU
1	Less Than \$50,000
2	\$50,000 But Less Than \$100,000
3	\$100,000 & Above

If the Customer's average monthly usage decreases to below 50% of AATU, the Company reserves the right to change the Customer's rate level. For the purpose of determining average monthly usage, a partial billing month is not used in the calculation. Average monthly usage is calculated using a minimum of three full months' billing.

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SECTION 3 - DESCRIPTION OF SERVICES

3.2 Inbound 800 Services

3.2.1 General

All services are interstate offerings. Intrastate service is an add-on service available only if the Customer subscribes to the Company's interstate offering. Inbound service permits calls to be completed to the Customer's location without charge to the calling party. Access to the service is gained by dialing a ten digit telephone number, (800) NXX-XXXX, which terminates at the Customer's location.

3.2.2 Services Terminating Via Switched Access

(A) PHONETIME 800

PHONETIME 800 (see tariff sheet 53) is an inbound only, long distance pricing plan. Calls are originated from any point in the state on any type of access but are terminated via Switched Access lines in the terminating city. PHONETIME 800 is available to Business Customers.

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SECTION 3 - DESCRIPTION OF SERVICES

3.2 Inbound 800 Services (continued)

3.2.3 Services Terminating Via Dedicated Access

(A) PHONETIME Direct 800

PHONETIME Direct 800 (see tariff sheet 54) is an inbound only, long distance pricing plan. Calls are originated from any point in the state on any type of access but are terminated via Dedicated Access lines between the Customer's premises and the Company's switch or the DUC's POP. PHONETIME Direct 800 is available to Business Customers.

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SECTION 3 - DESCRIPTION OF SERVICES

3.3 Directory Assistance

3.3.1 Description of Service

Intrastate Directory Assistance (see tariff sheet 55) involves the supplying of assistance in determining or attempting to determine the telephone number of a party.

3.3.2 Availability of Service

Directory assistance is available to any Customer that has access to the directory assistance bureau of the DUC. If a Customer with Switched Access calls directory assistance for a call within its area code, the call is handled by the LEC. If a Customer with Switched Access calls directory assistance for a call within the state but outside of its area code, the call is routed to the DUC for handling. Customers with Dedicated Access must program their PBX to route directory assistance calls over their Switched Access lines.

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SECTION 3 - DESCRIPTION OF SERVICES**3.4 Prepaid Calling Card Services****3.4.1 General**

All Prepaid Calling Card services are interstate offerings with the Cardholder having the option of using the Prepaid Calling Card to place calls within the State.

3.4.2 PHONE TIME Card**(A) Description of Service**

The PHONE TIME Card service (see tariff sheet 55) is a prepaid long distance service that allows Customer's to obtain a predetermined amount of access to the Company's long distance services. The card is a dollar based service, meaning there is a fixed amount of dollars (i.e., \$5, \$10, \$20, \$50, or some other denomination) available to the Customer who purchases a card.

PHONE TIME Card service is offered via "800" access numbers and is available to a Cardholder from a touchtone phone. The Cardholder dials a toll-free 800 number. The Cardholder hears recorded messages that guide the Cardholder through the Platform. The Platform validates the Cardholder's PIN, determines whether time remains on the card and, if so, completes the call to the called telephone number dialed by the Cardholder. The Cardholder is verbally informed of the available balance of the Prepaid Calling Card account.

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SECTION 3 - DESCRIPTION OF SERVICES

3.4 Prepaid Calling Card Services (continued)

3.4.2 PHONE TIME Card (continued)

(A) Description of Service (continued)

Calls are real-time rated during call progression. The total price of each call, including applicable taxes, is calculated on the basis of usage and is deducted from the available account balance associated with each PHONE TIME Card. The Platform debits the Cardholder's account balance as the Cardholders places a call. The Cardholder receives a warning tone one minute before the balance reaches zero. Calls in progress will be terminated when the balance reaches zero.

The Cardholder may access the network from anywhere in the State by dialing a universal "800" number, a PIN, and the called telephone number. A Prepaid Calling Card is not reusable once the usage has been exhausted.

(B) Availability

Prepaid Calling Cards are available to Residential Customers and Business Customers.

SECTION 3 - DESCRIPTION OF SERVICES

3.4 Prepaid Calling Card Services (continued)

(C) Features

.1 Instructions Available In Multiple Languages

The Company may make available to the Cardholder different 800 access numbers for instructions in English or Spanish, or other languages as appropriate.

.2 Sequential Calling

Sequential calling allows the Cardholder to make several calls without disconnecting from the Platform after the completion of each call.

3.5 Billing increments

Length of initial period and the additional period for each Service the Company offers may be found in the rate tables included in Section 4 of this tariff.

3.6 Rounding

The methodology used to round the price of a call is covered in Paragraph 2.16.

3.8 Minimum Call Completion Rate

The minimum call completion rate may be found in Paragraph 2.21.

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SECTION 4 - RATES AND CHARGES**4.1 Outbound Services - Switched Access****4.1.1 PHONETIME Dial 1**

The usage rates are as follows:

Initial Period 30 seconds		Additional Period 6 seconds	
Peak	Off Peak	Peak	Off Peak
\$.1045	\$.1045	\$.0209	\$.0209

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SECTION 4 - RATES AND CHARGES**4.2 Outbound Services - Dedicated Access****4.2.1 PHONETIME Direct**

The usage rates are as follows:

Rate Level	Initial Period 6 seconds		Additional Period 6 seconds	
	Peak	Off Peak	Peak	Off Peak
1	\$.0179	\$.0179	\$.0179	\$.0179
2	\$.0174	\$.0174	\$.0174	\$.0174
3	\$.0169	\$.0169	\$.0169	\$.0169

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SECTION 4 - RATES AND CHARGES**4.3 Inbound 800 Services - Terminating Via Switched Access****4.3.1 PHONETIME 800**

The usage rates are as follows:

Initial Period 30 seconds		Additional Period 6 seconds	
Peak	Off Peak	Peak	Off Peak
\$.1095	\$.1095	\$.0219	\$.0219

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SECTION 4 - RATES AND CHARGES

4.4 Inbound 800 Services - Terminating Via Dedicated Access

4.4.1 PHONETIME Direct 800

The usage rates are as follows:

Rate Level	Initial Period 6 seconds		Additional Period 6 seconds	
	Peak	Off Peak	Peak	Off Peak
1	\$0.0189	\$0.0189	\$0.0189	\$0.0189
2	\$0.0184	\$0.0184	\$0.0184	\$0.0184
3	\$0.0179	\$0.0179	\$0.0179	\$0.0179

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SECTION 4 - RATES AND CHARGES**4.5 Prepaid Calling Card****4.5.1 PHONETIME Card**

The usage rates are as follows:

Initial Period 1 Minute	Additional Period 1 Minute
\$.25	\$.25

4.6 Directory Assistance

The charge is \$.85 per call.

4.7 Return Check Charge

If a Customer's check is returned by the bank, the Company may charge the Customer a return check charge. The amount of the return check charge is \$15.00.

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SECTION 4 - RATES AND CHARGES**4.8 Exemptions and Special Rates****4.8.1 Discounts for Hearing Impaired Customers**

A telephone toll message which is communicated using a telecommunications device for the deaf (TDD) by properly certified hearing or speech impaired persons or properly certified business establishments or individuals equipped with TDDs for communicating with hearing or speech impaired persons will receive, upon request, credit on charges for certain intrastate toll charges placed between TDDs. The credit to be given on a subsequent bill for such calls placed between TDDs will be equal to a 5% discount on dialed calls using services which have no time-of-day pricing element. Those dialed calls using a service which has a time-of-day pricing element will receive a credit on a subsequent bill equal to applying the off-peak rate during all rate periods.

A telephone toll message placed via the relay service will receive a discount of fifty (50) percent of the time-sensitive element of the call. If either party is both hearing and visually impaired, the discount will be sixty (60) percent of the time-sensitive element of the call.

4.8.2 Directory Assistance for Handicapped Person

There is no charge for up to fifty (50) directory assistance calls per month for calls placed by handicapped persons. Such persons must contact the Company for credit on the bill.

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SECTION 4 - RATES AND CHARGES

4.9 Restoration of Service Charges

All Services are interstate Services with the Customer having the option of using the Service to place intrastate calls. Therefore, the Company does not charge for the restoration of intrastate Service.

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ATTACHMENT I

MANAGERIAL CAPABILITY

Thomas Hickey is Secretary / Treasurer and a founder of PHONETIME, Inc. In 1985, Mr. Hickey started Tempus International, LTD, a major distributor of international financial publications in New York and Connecticut. Mr. Hickey is also a principal in a new financial publication, "The New Industrialist". Mr. Hickey is a graduate of the College of Delhi with a degree in business administration.

Sam Tawfik is President of PHONETIME, Inc. Mr. Tawfik has over fifteen years of experience in sales, marketing, and distribution with the last two years in the field of telecommunications. Prior to joining PTI, he founded a debit card company. He has degrees from both Long Island University and Columbia University in business and finance.

ATTACHMENT J

TECHNICAL CAPABILITY

PHONETIME, Inc. is a switchless reseller. All switching and transport is provided by the Florida certified underlying carrier.

ATTACHMENT K

FINANCIAL CAPABILITY

CURRENT BALANCE SHEET

CURRENT INCOME STATEMENT

**STATEMENT OF RETAINED EARNINGS
(MOST RECENT 3 YEARS)**

CERTIFICATION OF FINANCIAL STATEMENTS

OATH

STATE OF NEW YORK

COUNTY OF NASSAU

Personally appeared before the undersigned, an officer duly authorized to administer oaths, Thomas Hickey who first being duly sworn, deposes and says that he is Secretary / Treasurer of PHONETIME, Inc., applicant in this application, that he has read the financial statements enclosed herein as ATTACHMENT K and knows the contents thereof, and that the statements made herein are true to the best of his knowledge and belief.

Thomas Hickey as Secretary

(Signature of Affiant)

Subscribed and sworn before me, this

3 day of June,
1996.

Ronald R. Voogt
(Notary Public)

RONALD R. VOOGT
Notary Public, State of New York
No. 30-9482980
Qualified in Nassau County
Commission Expires 6/96

(Seal)

My Commission Expires _____

PPHONETIME INC.
BALANCE SHEET
MARCH 31, 1996
(UNAUDITED)

Assets

Current assets:

Cash	\$ 520,187
Accounts receivable, less allowance for doubtful accounts of \$45,000	943,145
Inventory	62,796
Prepaid expenses and other current assets	34,112

Total current assets 1,560,240

Office equipment and furniture, net of
accumulated depreciation of \$7,562 67,591

Other assets 18,228

Total assets \$ 1,646,059

Liabilities and Stockholder's Deficit

Current liabilities:

Accounts payable	\$ 175,812
Note payable	210,000
Deferred revenue	3,616,412
Accrued expenses and other current liabilities	185,663

Total current liabilities 4,187,887

Stockholders' deficit:

Common stock, no par value, authorized issued and outstanding 200 shares	200
Accumulated deficit	(2,542,028)

Total stockholders' deficit (2,541,828)

Total liabilities and stockholders' deficit \$ 1,646,059
