



270 South Main Street
Flemington, NJ 08822
PHONE: 908-806-7450
FAX: 908-806-2178

www.x2comm.com

September 5, 2001

Florida Public Service Commission
Division of records and Reporting
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

011180-TI

Re: Original Application and Tariff of X2Comm, Inc. d/b/a Direct Connect
Communications, for Application to Provide Interexchange Telecommunications
Service in the State of Florida.

To Whom It May Concern:

Enclosed is a check for the \$250.00 filing fee and an original and six (6) copies of the
Initial Application and Tariff filing for X2Comm, Inc. d/b/a Direct Connect
Communications for a Certificate of Convenience and Necessity.

Please acknowledge receipt of this filing by date-stamping the extra copy of this cover
Letter and returning it to me in the self-addressed, stamped envelope provided for this
Purpose.

Any questions you may have regarding this filing may be directed to me at
(908)-806-4479.

Sincerely,

A handwritten signature in black ink, appearing to read 'Mark Pavol'.

Mark Pavol
Secretary/Treasurer

DOCUMENT NUMBER-DATE
11129 SEP-60
COMM-FIELD COMMISSION CLERK

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

DIVISION OF REGULATORY OVERSIGHT
CERTIFICATION SECTION

Application Form for Authority to Provide
Interexchange Telecommunications Service
Between Points Within the State of Florida

Instructions

- ◆ This form is used as an application for an original certificate and for approval of assignment or transfer of an existing certificate. In the case of an assignment or transfer, the information provided shall be for the assignee or transferee (See Page 16).
- ◆ Print or Type all responses to each item requested in the application and appendices. If an item is not applicable, please explain why.
- ◆ Use a separate sheet for each answer which will not fit the allotted space.
- ◆ Once completed, submit the original and six (6) copies of this form along with a non-refundable application fee of **\$250.00** to:

**Florida Public Service Commission
Division of Records and Reporting
2540 Shumard Oak Blvd.
Tallahassee, Florida 32399-0850
(850) 413-6770**

Note: No filing fee is required for an assignment or transfer of an existing certificate to another company.

- ◆ If you have questions about completing the form, contact:

**Florida Public Service Commission
Division of Regulatory Oversight
Certification Section
2540 Shumard Oak Blvd.
Tallahassee, Florida 32399-0850
(850) 413-6480**

1. This is an application for (check one):
- Original certificate** (new company).
 - Approval of transfer of existing certificate:** Example, a non-certificated company purchases an existing company and desires to retain the original certificate of authority.
 - Approval of assignment of existing certificate:** Example, a certificated company purchases an existing company and desires to retain the certificate of authority of that company.
 - Approval of transfer of control:** Example, a company purchases 51% of a certificated company. The Commission must approve the new controlling entity.

2. Name of company:

X2Comm, Inc

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

Direct Connect Communications

4. Official mailing address (including street name & number, post office box, city, state, zip code):

X2Comm, Inc

270 South Main Street

Flemington, NJ 08822

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

105 Dunbar, Suite D
Oldsmar, FL 34677

6. Select type of business your company will be conducting (check all that apply):

- Facilities-based carrier** - company owns and operates or plans to own and operate telecommunications switches and transmission facilities in Florida.

- () **Operator Service Provider** - company provides or plans to provide alternative operator services for IXCs; or toll operator services to call aggregator locations; or clearinghouse services to bill such calls.
- () **Reseller** - company has or plans to have one or more switches but primarily leases the transmission facilities of other carriers. Bills its own customer base for services used.
- (✓) **Switchless Rebiller** - company has no switch or transmission facilities but may have a billing computer. Aggregates traffic to obtain bulk discounts from underlying carrier. Rebills end users at a rate above its discount but generally below the rate end users would pay for unaggregated traffic.
- () **Multi-Location Discount Aggregator** - company contracts with unaffiliated entities to obtain bulk/volume discounts under multi-location discount plans from certain underlying carriers, then offers resold service by enrolling unaffiliated customers.
- () **Prepaid Debit Card Provider** - any person or entity that purchases 800 access from an underlying carrier or unaffiliated entity for use with prepaid debit card service and/or encodes the cards with personal identification numbers.

7. Structure of organization;

- | | |
|---------------------------|-------------------------|
| () Individual | () Corporation |
| (×) Foreign Corporation | () Foreign Partnership |
| () General Partnership | () Limited Partnership |
| () Other _____ | |

8. **If individual**, provide:

Name: NIA
Title: _____
Address: _____
City/State/Zip: _____
Telephone No.: _____ Fax No.: _____
Internet E-Mail Address: _____
Internet Website Address: _____

9. **If incorporated in Florida**, provide proof of authority to operate in Florida:

(a) The Florida Secretary of State Corporate Registration number:
NIA Attachment A

10. **If foreign corporation**, provide proof of authority to operate in Florida:

(a) The Florida Secretary of State Corporate Registration number:
F01000003074 Attachment A

11. **If using fictitious name-d/b/a**, provide proof of compliance with fictitious name statute (Chapter 865.09, FS) to operate in Florida:

(a) The Florida Secretary of State fictitious name registration number:
601236900221

12. **If a limited liability partnership**, provide proof of registration to operate in Florida:

(a) The Florida Secretary of State registration number: NIA

13. **If a partnership**, provide name, title and address of all partners and a copy of the partnership agreement.

Name: NIA
Title: _____
Address: _____
City/State/Zip: _____
Telephone No.: _____ Fax No.: _____
Internet E-Mail Address: _____
Internet Website Address: _____

14. **If a foreign limited partnership**, provide proof of compliance with the foreign limited partnership statute (Chapter 620.169, FS), if applicable.

(a) The Florida registration number: NIA
15. Provide **F.E.I. Number** (if applicable): 52-2216139

16. Provide the following (if applicable):

(a) Will the name of your company appear on the bill for your services?
(X) Yes () No

(b) If not, who will bill for your services?

Name: NIA
Title: _____
Address: _____
City/State/Zip: _____
Telephone No.: _____ Fax No.: _____

(c) How is this information provided?

Bills will be provided via internet +
US mail

17. Who will receive the bills for your service?

- Residential Customers
- PATs providers
- Hotels & motels
- Universities
- Other: (specify) _____
- Business Customers
- PATs station end-users
- Hotel & motel guests
- Universities dormitory residents

18. Who will serve as liaison to the Commission with regard to the following?

(a) The application:

Name: MARK Paval
Title: Secretary / Treasurer
Address: 270 South Main Street
City/State/Zip: Flemington, NJ 08822
Telephone No.: 908-806-4479 Fax No.: 908-806-2178
Internet E-Mail Address: MARK@X2COMU.COM
Internet Website Address: WWW.DCLD.COM

(b) Official point of contact for the ongoing operations of the company:

Name: MARK PAUL

Title: Secretary / Treasurer

Address: 270 South Main Street
City/State/Zip: Flemington NJ 08822

Telephone No.: 908-806-4479 Fax No.: 908-806-2178

Internet E-Mail Address: MARK@XJCOMM.COM

Internet Website Address: DCLLD.COM

(c) Complaints/Inquiries from customers:

Name: TINA TEECE

Title: Regulatory Affairs Mgr.

Address: 270 South Main Street
City/State/Zip: Flemington NJ 08822

Telephone No.: 908-806-4479 Fax No.: 908-806-2178

Internet E-Mail Address: TEECE@GOL.COM

Internet Website Address: DCLLD.COM

19. List the states in which the applicant:

(a) has operated as an interexchange telecommunications company.

NJ

(b) has applications pending to be certificated as an interexchange telecommunications company.

PA

(c) is certificated to operate as an interexchange telecommunications company.

NY

(d) has been denied authority to operate as an interexchange telecommunications company and the circumstances involved.

NIA

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

NIA

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

NIA

20. Indicate if any of the officers, directors, or any of the ten largest stockholders have previously been:

(a) 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.

N/A

(b) an 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.

N/A

21. The applicant will provide the following interexchange carrier services \checkmark (check all that apply):

a. _____ 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

b. _____ 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

c. 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

d. **MTS for pay telephone service providers**

e. **Block-of-time calling plan (Reach Out Florida, Ring America, etc.).**

f. **800 service (toll free)**

g. **WATS type service (bulk or volume discount)**

- Method of access is via dedicated facilities
- Method of access is via switched facilities

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

I. **Travel service**

- Method of access is 950
- Method of access is 800

j. **900 service**

k. **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

l. **Services included are:**

- _____ Station assistance
- _____ Person-to-person assistance
- _____ Directory assistance
- _____ Operator verify and interrupt
- _____ Conference calling

22. 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 B

23. Submit the following:

A. Managerial capability; give resumes of employees/officers of the company that would indicate sufficient managerial experiences of each.

SEE ATTACHMENT C

B. Technical capability; give resumes of employees/officers of the company that would indicate sufficient technical experiences or indicate what company has been contracted to conduct technical maintenance.

SEE ATTACHMENT C

C. Financial capability.

The application **should contain** the applicant's audited financial statements for the most recent 3 years. If the applicant does not have audited financial statements, it shall so be stated. The company does not have audited Financials

The unaudited financial statements should be signed by the applicant's chief executive officer and chief financial officer affirming that the financial statements are true and correct and should include:

1. the balance sheet;
2. income statement; and
3. statement of retained earnings.

SEE ATTACHMENT D

NOTE: *This documentation may include, but is not limited to, financial statements, a projected profit and loss statement, credit references, credit bureau reports, and descriptions of business relationships with financial institutions.*

Further, the following (which includes supporting documentation) should be provided:

1. A written explanation that the applicant has sufficient financial capability to provide the requested service in the geographic area proposed to be served. SEE ATTACHMENT E

2. A written explanation that the applicant has sufficient financial capability to maintain the requested service. SEE ATTACHMENT E

3. A written explanation that the applicant has sufficient financial capability to meet its lease or ownership obligations. SEE ATTACHMENT E

THIS PAGE MUST BE COMPLETED AND SIGNED
APPLICANT ACKNOWLEDGMENT 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 two 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:** I understand that a non-refundable application fee of \$250.00 must be submitted with the application.

UTILITY OFFICIAL:

Mark Pavel
Print Name


Signature

Secretary/Treasurer
Title

9/6/01
Date

908-806-4479
Telephone No.

908-806-2178
Fax No.

Address: 270 South Main Street
Flemington, NJ 08822

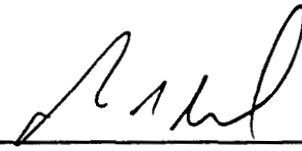
THIS PAGE MUST BE COMPLETED AND SIGNED
CUSTOMER DEPOSITS AND ADVANCE PAYMENTS

A statement of how the Commission can be assured of the security of the customer's deposits and advance payments may be provided 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 intends to collect deposits and/or advance payments for more than one month's service and will file and maintain a surety bond with the Commission in an amount equal to the current balance of deposits and advance payments in excess of one month.
(The bond must accompany the application.)

UTILITY OFFICIAL:

Mark Paval
Print Name


Signature

Secretary/Treasurer
Title

9/6/01
Date

908-806-4479
Telephone No.

908-806-2178
Fax No.

Address: 270 South Main Street
Flemington, NJ 08822

THIS PAGE MUST BE COMPLETED AND SIGNED

AFFIDAVIT

By my signature below, I, the undersigned officer, attest to the accuracy of the information contained in this application and attached documents and that the applicant has the technical expertise, managerial ability, and financial capability to provide interexchange telecommunications service in the State of Florida. I have read the foregoing and declare that, to the best of my knowledge and belief, the information is true and correct. I attest that I have the authority to sign on behalf of my company and agree to comply, now and in the future, with all applicable Commission rules and orders.

Further, I am aware that, pursuant to Chapter 837.06, Florida Statutes, "Whoever knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his official duty shall be guilty of a misdemeanor of the second degree, punishable as provided in s. 775.082 and s. 775.083."

UTILITY OFFICIAL:

Mark Paval
Print Name

[Signature]
Signature

Secretary Treasurer
Title

8/9/01
Date

908-806-4479
Telephone No.

908-806-2178
Fax No.

Address: 270 South Main Street
Flemington NJ 08822

CURRENT FLORIDA INTRASTATE SERVICES

Applicant **has** () or **has not** (X) previously provided intrastate telecommunications in Florida.

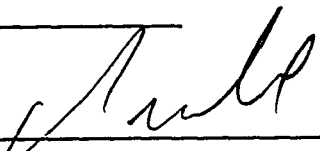
If the answer is has, fully describe the following:

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

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

UTILITY OFFICIAL:

Mark Paul
Print Name


Signature

Secretary / Treasurer
Title

2/6/01
Date

908-806-4479
Telephone No.

908-806-2178
Fax No.

Address: 270 South Main Street
Flomington, NJ 08822

CERTIFICATE TRANSFER, OR ASSIGNMENT STATEMENT

NOT APPLICABLE

I, (Name) _____,

(Title) _____ of _____
(Name of Company)

and current holder of Florida Public Service Commission Certificate Number

_____, have reviewed this application and join in the petitioner's request for a:

() transfer

() assignment

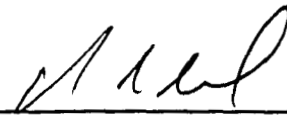
of the above-mentioned certificate.

UTILITY OFFICIAL:

MARY PAULI
Print Name

Secretary/Treasurer
Title

908-800-4479
Telephone No.


Signature

9/6/01
Date

908-806-2178
Fax No.

Address: 270 South Main Street
Flemington, NJ 08822

ATTACHMENT A

**Florida Secretary of State
Authorization/Proof of
Fictitious Name Filing**



FLORIDA DEPARTMENT OF STATE
Katherine Harris
Secretary of State

June 8, 2001

MARK PAVOL
X2COMM, INC.
270 SOUTH MAIN ST.
FLEMINGTON, NJ 08822

Qualification documents for X2COMM, INC. were filed on June 4, 2001 and assigned document number F01000003074. Please refer to this number whenever corresponding with this office.

Your corporation is now qualified and authorized to transact business in Florida as of the file date.

A corporation annual report/uniform business report will be due this office between January 1 and May 1 of the year following the calendar year of the file date. A Federal Employer Identification (FEI) number will be required before this report can be filed. If you do not already have an FEI number, please apply NOW with the Internal Revenue by calling 1-800-829-3676 and requesting form SS-4.

Please be aware if the corporate address changes, it is the responsibility of the corporation to notify this office.

Should you have any questions regarding this matter, please telephone (850) 487-6051, the Foreign Qualification/Tax Lien Section.

Lee Rivers
Document Specialist
Division of Corporations

Letter Number: 601A00035550



FLORIDA DEPARTMENT OF STATE
Katherine Harris
Secretary of State

August 27, 2001

DIRECT CONNECT COMMUNICATIONS
270 SOUTH MAIN ST.
FLEMINGTON, NJ 08822

Subject: DIRECT CONNECT COMMUNICATIONS

REGISTRATION NUMBER: G01236900221

This will acknowledge the filing of the above fictitious name registration which was registered on August 27, 2001. This registration gives no rights to ownership of the name.

Each fictitious name registration must be renewed every five years between January 1 and December 31 of the expiration year to maintain registration. Three months prior to the expiration date a statement of renewal will be mailed.

IT IS THE RESPONSIBILITY OF THE BUSINESS TO NOTIFY THIS OFFICE IN WRITING IF THEIR MAILING ADDRESS CHANGES. Whenever corresponding please provide assigned Registration Number.

Enclosed is your certificate(s) as requested.

Should you have any questions regarding this matter you may contact our office at (850) 488-9000.

/mp

Division of Corporations

Letter No. 801A00048636

State of Florida



Department of State

I certify from the records of this office that DIRECT CONNECT COMMUNICATIONS is a Fictitious Name registered with the Department of State on August 27, 2001.

The Registration Number of this Fictitious Name is G01236900221.

I further certify that said Fictitious Name Registration is active.

I further certify that this office began filing Fictitious Name Registrations on January 1, 1991, pursuant to Section 865.09, Florida Statutes.

Given under my hand and the
Great Seal of the State of Florida
at Tallahassee, the Capital, this the
Twenty-seventh day of August, 2001



CR2EO22 (1-99)

Katherine Harris

Katherine Harris
Secretary of State

State of Florida



Department of State

I certify that the attached is a true and correct copy of the Application For Registration of Fictitious Name of DIRECT CONNECT COMMUNICATIONS, registered with the Department of State on August 27, 2001, as shown by the records of this office.

The Registration Number of this Fictitious Name is G01236900221.

Given under my hand and the
Great Seal of the State of Florida
at Tallahassee, the Capital, this the
Twenty-seventh day of August, 2001



CR2EO22 (1-99)

Katherine Harris

Katherine Harris
Secretary of State

ATTACHMENT B

Proposed Tariff

COMPETITIVE TELECOMMUNICATIONS SERVICE TARIFF

TITLE SHEET

INTEREXCHANGE TELECOMMUNICATIONS TARIFF

OF FLORIDA

X2COMM, INC.

d/b/a Direct Connect Communications

This tariff is filed in accordance with the Florida Public Service Commission. All services contained in this tariff are competitive.

This tariff contains the descriptions, regulations, and rates applicable to the furnishing of service and facilities for interexchange telecommunications services provided by X2COMM, INC. d/b/a Direct Connect Communications within the State of Florida. This tariff is on file with the Public Service Commission. Copies may be inspected during normal business hours at the Company's principal place of business, at 270 South Main Street, Flemington, NJ 08822.

Issued: September 6, 2001

Effective:

Issued by:

Mark Pavol
Secretary/Treasurer
270 South Main Street
Flemington, NJ 08822

COMPETITIVE TELECOMMUNICATIONS SERVICE TARIFF

CHECK SHEET

All sheets of this tariff are effective as of the date shown at the bottom of the respective sheet(s). Original and Original Sheets as named below comprise all changes from the original tariff and are currently in effect as of the date of the bottom of this page.

<u>SHEET</u>	<u>REVISION</u>	<u>SHEET</u>	<u>REVISION</u>
		31	Original
1	Original		
2	Original.		
3	Original		
4	Original		
5	Original.		
6	Original		
7	Original		
8	Original		
9	Original		
10	Original		
11	Original		
12	Original		
13	Original		
14	Original		
15	Original		
16	Original.		
17	Original		
18	Original.		
19	Original		
20	Original.		
21	Original		
22	Original		
23	Original		
24	Original		
25	Original		
26	Original		
27	Original		
28	Original		
29	Original		
30	Original		

Issued: September 6, 2001

Effective:

Issued by:

Mark Pavol, Secretary/Treasurer
270 South Main Street
Flemington, NJ 08822

COMPETITIVE TELECOMMUNICATIONS SERVICE TARIFF

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Issued: September 6, 2001

Effective:

Issued by: Mark Pavol, Secretary/Treasurer
270 South Main Street
Flemington, NJ 08822

COMPETITIVE TELECOMMUNICATIONS SERVICE TARIFF

SYMBOLS

The following symbols are used for the purposes indicated below:

- *** - Indicates new or revised tariff sheet included with this filing.
- D** - Delete or discontinue.
- I** - Increase to a rate.
- M** - Moved from another tariff location.
- N** - New.
- R** - Reduction to a rate.
- T** - Change in text but no change in rate or regulation.

Issued: September 6, 2001

Effective:

Issued by: Mark Pavol, Secretary/Treasurer
270 South Main Street
Flemington, NJ 08822

COMPETITIVE TELECOMMUNICATIONS SERVICE TARIFF

TARIFF FORMAT

A. Sheet Numbering - Sheet numbers appear in the upper right corner of the page. 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 page. These numbers are used to determine the most current sheet version on file with the Florida Public Service Commission. For example, the 4th Original Sheet 14 cancels the 3rd Original Sheet 14. Because of various suspension periods, deferrals, etc. the Florida Public Service Commission follows in its tariff approval process, the most current sheet number on file with the Commission is not always the tariff in effect. Consult the Check Sheet for the sheet currently in effect.

Issued: September 6, 2001

Effective:

Issued by: Mark Pavol, Secretary/Treasurer
270 South Main Street
Flemington, NJ 08822

COMPETITIVE TELECOMMUNICATIONS SERVICE TARIFF

TARIFF FORMAT, Con't.

C. Paragraph Numbering Sequence - There are nine levels of paragraph coding. Each level of coding is subservient to its next higher level:

- 2.
- 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.
- 2.1.1.A.1.(a).I.(i).
- 2.1.1.A.1.(a).I.(i).(1)

D. Check Sheets - When a tariff filing is made with the Florida Public Service 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 pages are added, the Check Sheet is changed to reflect the revision. All revisions made in a given filing are designated by an asterisk (*). There will be no other symbols used on this page if these are the only changes made to it (i.e., the format, etc. remain the same, just revised revision levels on some pages.) The tariff user should refer to the latest Check Sheet to find out if a particular sheet is the most current on file with the Florida Public Service Commission.

Issued: September 6, 2001

Effective:

Issued by: Mark Pavol, Secretary/Treasurer
270 South Main Street
Flemington, NJ 08822

COMPETITIVE TELECOMMUNICATIONS SERVICE TARIFF

SECTION 1 - TECHNICAL TERMS AND ABBREVIATIONS

Access Line - An arrangement which connects the customer's location to a X2Comm, Inc., d/b/a Direct Connect Communications switching center or point of presence.

Account Codes - Optional, customer defined digits that allow the customer to identify the individual user, department, or client associated with a call.

Authorized User - A person, firm, corporation, or any other entity authorized by the Customer to communicate utilizing the Company's service.

Call - A completed connection established between a calling station and one or more called stations.

Customer - The person, firm, corporation, or other entity which orders, cancels, amends, or uses service and is responsible for payment of charges and compliance with the Company's tariff.

Company - X2Comm, Inc., d/b/a Direct Connect Communications, unless otherwise clearly indicated by the context.

Day - From 8:00 a.m. up to but not including 5:00 p.m. local time Monday through Friday.

Evening - From 5:00 p.m. up to but not including 11:00 p.m. local time Sunday through Friday.

FPSC - Florida Public Service Commission

Holidays - The Company observes the following holidays for specific products: New Years Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day.

LEC - Local Exchange Company.

Issued: September 6, 2001

Effective:

Issued by:

Mark Pavol
Secretary/Treasurer
270 South Main Street
Flemington, NJ 08822

COMPETITIVE TELECOMMUNICATIONS SERVICE TARIFF

SECTION 1 - TECHNICAL TERMS AND ABBREVIATIONS, CON'T.

Night/Weekend - From 11:00 p.m. up to but not including 8:00 a.m. Sunday through Friday, and 8:00 a.m. Saturday up to but not including 5:00 p.m. Sunday.

Special Access Origination - Where originating access between the customer and the interexchange carrier is provided on dedicated circuits. The cost of these dedicated circuits is billed by the access provider directly to the end user.

Switched Access Origination - Where originating access between the customer and the interexchange carrier is provided on local exchange company Feature Group circuits and the connection to the customer is a LEC-provided business or residential access line. The cost of switched Feature Group access is billed to the interexchange carrier.

X2Comm, Inc. - Used throughout this tariff to mean X2Comm, Inc. , d/b/a Direct Connect Communications unless clearly indicated otherwise by the text.

Travel Card - A proprietary calling card offered by the Company which enables the Customer to use the Company's service by dialing a Company-provided access number.

V & H Coordinates - Geographic points which define the originating and terminating points of a call in mathematical terms so that the airline mileage of the call may be determined. Call mileage is used for the purpose of rating calls.

Issued: September 6, 2001

Effective:

Issued by:

Mark Pavol
Secretary/Treasurer
270 South Main Street
Flemington, NJ 08822

COMPETITIVE TELECOMMUNICATIONS SERVICE TARIFF

SECTION 2 - RULES AND REGULATIONS

2.1 Undertaking of The Company

The Company's services and facilities are furnished for communications originating at specified points within the State of Florida under terms of this tariff.

The Company undertakes to provide the services offered in this tariff in accordance with the terms and conditions set forth under this tariff. The Company may act as the Customer's agent for ordering access connection facilities provided by other carriers or entities, when authorized by the Customer, to allow connection of a Customer's location to the Company. The Customer shall be responsible for all charges due for such service arrangement.

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

2.2 Limitations

2.2.1 Service is offered subject to the availability of the necessary facilities and equipment, or both facilities and equipment, and subject to the provisions of this tariff.

2.2.2 The Company reserves the right to discontinue or limit service when necessitated by conditions beyond its control, or when the Customer is using service in violation of provisions of this tariff, or in violation of the law.

2.2.3 The Company does not undertake to transmit messages, but offers the use of its facilities when available, and will not be liable for errors in transmission or for failure to establish connections.

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COMPETITIVE TELECOMMUNICATIONS SERVICE TARIFF

SECTION 2 - RULES AND REGULATIONS, CON'T.

2.2 Limitations, con't.

- 2.2.4 All facilities provided under this tariff are directly controlled by the Company and the Customer may not transfer or assign the use of service or facilities without the express written consent of the Company. Such transfer or assignment shall only apply where there is no interruption of the use or location of the service or facilities.
- 2.2.5 Prior written permission from the Company is required before any assignment or transfer. All regulations and conditions contained in this tariff shall apply to all such permitted assignees or transferees, as well as all conditions of service.
- 2.2.6 Customers reselling or rebilling services must have a Certificate of Public Convenience
And Necessity as an interexchange carrier from the Florida Public Service Commission.

2.3 Use

Services provided under this tariff may be used for any lawful purpose for which the service is technically suited.

2.4 Liabilities of the Company

- 2.4.1 The Company liability for damages arising out of mistakes, interruptions, omissions, delays, errors, or defects in transmission which occur in the course of furnishing service or facilities, in no event shall exceed an amount equivalent to the proportionate charge to the Customer for the period during which the faults in transmission occur.
- 2.4.2 The Company shall not be liable for claim or loss, expense or damage (including indirect, special or consequential damage) , for any interruption, delay, error, omission, or defect in any service, facility or transmission provided under this tariff, if caused by any person or entity other than the Company, by any malfunction of any service or facility provided by any other carrier, by an act of God, fire, war, civil disturbance, or act of government, or by any other cause beyond the Company's direct control.

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COMPETITIVE TELECOMMUNICATIONS SERVICE TARIFF

SECTION 2 - RULES AND REGULATIONS, CON'T.

2.4 Liabilities of Company, con't.

- 2.4.3 The Company shall not be liable for, and shall be fully indemnified and held harmless by Customer against any claim or loss, expense, or damage (including indirect, special or consequential damage) for defamation, libel, slander, invasion, infringement of copy-right or patent, unauthorized use of any trademark, tradename, or service mark, unfair competition, interference with or misappropriation or violation of any contract, proprietary or creative right, or any other injury to any person, property or entity arising out of the material, data, information, or other content revealed to, transmitted, or used by the Company under this tariff; or for any act or omission of the Customer; or for any personal injury or death of any person caused directly or indirectly by the installation, maintenance, location, condition, operation, failure, presence, use or removal of equipment or wiring provided by the Company, if not directly caused by negligence of the Company.
- 2.4.4 No agent or employee of any other carrier shall be deemed to be an agent or employee of the Company.
- 2.4.5 The Company shall not be liable for any defacement of or damages to the premises of a Customer resulting from the furnishing of service which is not the direct result of the Company's negligence.

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COMPETITIVE TELECOMMUNICATIONS SERVICE TARIFF

SECTION 2 - RULES AND REGULATIONS, CON'T.

2.5 Deposits

The Company does not require a deposit from the Customer.

2.6 Advance Payments

For Customers whom the Company determines an advance payment is necessary, X2Comm, Inc. reserves the right to collect an amount not to exceed one (1) month's estimated charges as an advance payment for service. This will be applied against the next month's charges and a new advance payment may be collected for the next month.

2.7 Taxes and Fees

2.7.1 All state and local taxes (i.e., gross receipts tax, sales tax, municipal utilities tax) are listed as separate line items on the Customer's bill and are not included in the quoted rates and charges set forth in this tariff.

2.7.2 To the extent that a municipality, other political subdivision or local agency of government, or Commission imposes upon and collects from the Company a gross receipts tax, occupation tax, license tax, permit fee, franchise fee, or regulatory fee, such taxes and fees shall, insofar as practicable and allowed by law, be billed pro rata to Customers receiving service from the Company within the territorial limits of such municipality, other political subdivision or local agency of government.

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COMPETITIVE TELECOMMUNICATIONS SERVICE TARIFF

SECTION 2 - RULES AND REGULATIONS, CON'T.

2.7 Taxes and Fees, con't.

2.7.3 The Company may adjust its rates and charges or impose additional rates and charges on its Customers in order to recover amounts it is required by governmental or quasi-governmental authorities to collect from or pay to others in support of statutory or regulatory programs.

A. Public Pay Telephone Surcharge

In order to recover the Company's expenses to comply with the FCC's pay telephone compensation plan effective on October 7, 1997 (FCC 97-371), an undiscountable per call charge is applicable to all interstate, intrastate and international calls that originate from any domestic pay telephone used to access the Company's services. The Public Pay Telephone Surcharge, which is in addition to standard tariffed usage charges and any applicable service charges and surcharges associated with the Company's service, applies for the use of the instrument used to access the Company service and is unrelated to the Company's service accessed from the pay telephone.

Pay telephones include coin-operated and coinless phones owned by local telephone companies, independent companies and other interexchange carriers. The Public Pay Telephone Surcharge applies to the initial completed call and any reoriginated call (i.e., using the "#" symbol).

The Pay Telephone Surcharge does not apply to operator assisted calls.

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COMPETITIVE TELECOMMUNICATIONS SERVICE TARIFF

SECTION 2 - RULES AND REGULATIONS, CON'T.

2.7 Taxes and Fees, con't.

2.7.3 con't.

A. Public Pay Telephone Surcharge, con't.

Whenever possible, the Public Pay Telephone Surcharge will appear on the same invoice containing the usage charges for the surcharged call. In cases where proper pay telephone coding digits are not transmitted to the Company prior to completion of a call, the Public Pay Telephone Surcharge may be billed on a subsequent invoice after the Company has obtained information from a carrier that the originating station is an eligible pay telephone.

The Public Pay Telephone Surcharge does not apply to calls placed from pay telephones at which the Customer pays for service by inserting coins during the progress of the call.

Rate per Call, maximum	\$0.35
------------------------	--------

2.8 Terminal Equipment

The Company's facilities and service may be used with or terminated in Customer-provided terminal equipment or Customer-provided communications systems, such as a PBX, key system, or Pay Telephone. Such terminal equipment shall be furnished and maintained at the expense of the Customer, except as otherwise provided. The Customer is responsible for all costs at his or her premises, including personnel, wiring, electrical power, and the like, incurred in the use of the Company's service. When such terminal equipment is used, the equipment shall comply with the generally accepted minimum protective criteria standards of the telecommunications industry as endorsed by the Federal Communications Commission.

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COMPETITIVE TELECOMMUNICATIONS SERVICE TARIFF

SECTION 2 - RULES AND REGULATIONS, CON'T.

2.9 Installation

Service is installed upon mutual agreement between the Customer and the Company.

2.10 Payment for Service

The Customer is responsible for payment of all charges for services and equipment furnished to the Customer or to an Authorized User of the Customer by the Company. All charges due by the Customer are payable to the Company or to the Company's authorized billing agent. Terms of payment shall be according to the rules and regulations of the billing agent and subject to the rules of regulatory agencies, such as the Florida Public Service Commission. Any objections to billed charges must be reported to the Company or its billing agent. Adjustments to Customer's bills shall be made to the extent that circumstances exist which reasonably indicate that such changes are appropriate.

2.11 Cancellation by Customer

Customer may cancel service by providing 30 days written noticed to the Company.

2.12 Interconnection

Service furnished by the Company may be connected with the services or facilities of other carriers. Such service or facilities, if used, are provided under the terms, rates, and conditions of the other carrier. The Customer is responsible for all charges billed by other carriers for use in connection with the Company. Any special interface equipment or facilities necessary to achieve compatibility between carriers is the responsibility of the Customer.

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SECTION 2 - RULES AND REGULATIONS, CON'T.

2.13 Refusal or Discontinuance by Company

The Company may refuse or discontinue service under the following conditions provided that, unless otherwise stated, the Customer will be given 15 days notice to comply with any rule or remedy any deficiency:

- (a) For non-compliance with or violation of any State, municipal, or Federal law, ordinance, or regulation pertaining to telephone service.
- (b) For the use of telephone service for any other property or purpose other than that described in the application.
- (c) For neglect or refusal to provide reasonable access to the Company or its agents for the purpose of inspection and maintenance of equipment owned by the Company or its agents.
- (d) For noncompliance with or violation of Commission regulations or the Company rules and regulations on file with the Commission, provided five (5) days' written notice is given before termination. The written notice shall be separate and apart from the regular monthly bill for service.
- (e) For nonpayment of bills, provided that suspension or termination of service shall not be made without five (5) days written notice to the Customer, except in extreme cases.
- (f) Without notice in the event of Customer or Authorized User use of equipment in such a manner as to adversely affect the Company equipment or service to others.
- (g) Without notice in the event of tampering with the equipment or services owned by the Company or its agents.

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SECTION 2 - RULES AND REGULATIONS, CON'T.

2.13 Refusal or Discontinuance by Company, (con't)

- (h) Without notice in the event of unauthorized or fraudulent use of service. Whenever service is discontinued for fraudulent use of service, the Company may, before restoring service, require the Customer to make, at his or her own expense, all changes in facilities or equipment necessary to eliminate illegal use and to pay an amount reasonably estimated as the loss in revenues resulting from such fraudulent use.
- (i) Without notice by reason of any order or decision of a court or other government authority having jurisdiction which prohibits carrier from furnishing such services.
- (j) For periods of inactivity over sixty (60) days.

2.14 Interruption of Service

Credit allowances for interruptions of service which are not due to the Company's testing or adjusting, to the negligence of the Customer, or to the failure of channels, equipment or communications systems provided by the Customer, are subject to the general liability provisions set forth in Section 2.4 herein. It shall be the obligation of the Customer to notify Company immediately of any interruption in service for which a credit allowance is desired by Customer. Before giving such notice, Customer shall ascertain that the trouble is not within his or her control, or is not in wiring or equipment, if any, furnished by Customer and connected to the Company's terminal. Interruptions caused by Customer-provided or Company-provided automatic dialing equipment are not deemed an interruption of service as defined herein since the customer has the option of using the long distance network via local exchange company access.

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SECTION 2 - RULES AND REGULATIONS, CON'T.

2.15 Inspection, Testing, and Adjustment

Upon reasonable notice, the facilities provided by the Company shall be made available to the Company for tests and adjustments as may be deemed necessary by the Company for maintenance. No interruption allowance will be granted for the time during which such tests and adjustments are made.

2.16 Tests, Pilots, Promotional Campaigns and Contests

The Company may conduct special tests or pilot programs and promotions at its discretion to demonstrate the ease of use, quality of service and to promote the sale of its services. The Company may also waive a portion of all processing fees or installation fees for winner of contests and other occasional promotional events sponsored or endorsed by the Company. From time to time the Company may waive all processing fees for a Customer.

These promotions will be approved by the Florida Public Service Commission with specific starting and ending dates with promotions running under no circumstances longer than 90 days in any 12 month period.

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COMPETITIVE TELECOMMUNICATIONS SERVICE TARIFF

SECTION 2 - RULES AND REGULATIONS, CON'T.

2.17 Cost of Collection and Repair

The Customer is responsible for any and all costs incurred in the collection of monies due the Company including legal and accounting expenses. Customer is also responsible for recovery costs of Company-provided equipment and any expenses required for repair or replacement of damaged equipment.

2.18 Late Fee

A late fee of 1.5% monthly will be charged on any past due balances beginning 30 days from the mailing date of the bill.

2.19 Return Check Charges

A return check charge of \$25.00 will be assess for checks returned for insufficient funds if the face vale does not exceed \$50.00, \$30.00 if the face value does exceed \$50.00 but does not exceed \$300.00, \$40.00 if the face value exceeds \$300.00 or 5% of the value of the check, whichever is greater.

2.20 Reconnection Charge

A reconnection fee of \$25.00 per occurrence is charged when service is re-established for customers who have been disconnected for non-payment.

2.21 Routing of 0- and 0+ Calls

All 0- and 0+ intraLATA calls will be routed to the local exchange company.

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COMPETITIVE TELECOMMUNICATIONS SERVICE TARIFF

SECTION 2 - RULES AND REGULATIONS, CON'T.

2.22 Reservation of Toll Free "800/888" Numbers

The Company will make every effort to reserve Toll Free "800/888" vanity numbers for customers, but makes no guarantee or warranty that the requested number(s) will be available.

2.23 Portability of Toll Free "800/888" Numbers

The Company will participate in porting Toll Free "800/888" numbers only if the account balance is zero and all charges incurred as a result of the Toll Free "800/888" number have been paid.

2.24 Use of Service

Service may be used for any lawful purpose for which it is technically suited. Customers or Subscribers reselling or rebilling the Company's Florida intrastate service must have a Certificate of Public Convenience and Necessity as an interexchange carrier from the Florida Public Service Commission.

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COMPETITIVE TELECOMMUNICATIONS SERVICE TARIFF

SECTION 3 - DESCRIPTION OF SERVICE

3.1 Timing of Calls

- 3.1.1 Long distance usage charges are based on the actual usage of the Company network. Chargeable time begins when a connection is established between the calling station and the called station. Connection is defined as when a called party "picks up" or "answers" an incoming call. Chargeable time ends when either party "hangs up" thereby releasing the network connection.
- 3.1.2 Minimum call duration is specified for each product in Section 4 of this tariff.
- 3.1.3 Unless otherwise specified in this tariff, after the initial minimum period usage is beyond the minimum call duration is measured and rounded to the next higher six second increment for billing purposes. The initial minimum period for each product is specified in Section 4 of this tariff.
- 3.1.4 There is no billing applied for incomplete calls.

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COMPETITIVE TELECOMMUNICATIONS SERVICE TARIFF

SECTION 3 - DESCRIPTION OF SERVICE

3.1 Timing of Calls, Cont'd.

3.1.5 Time of Day Periods

Unless otherwise specified, applicable rate periods (Day, Evening, Night/Weekend) are indicated below:

Day Rate Period: Monday through Friday, 8:00AM to 5:00PM*.

Evening** Rate
Period: Sunday through Friday,
5:00PM to 11:00PM*.

Night/Weekend Rate
Period: All Days, 11:00PM to
8:00AM*, Saturday 8:00 AM
to Sunday 5:00PM*.

* To but not including.

3.1.6 Holiday Rates

The non-day rate applies to the following holidays unless a lower rate would normally apply.

New Years Day	-	January 1
Independence Day	-	As nationally observed
Labor Day	-	As nationally observed
Thanksgiving Day	-	As nationally observed
Christmas Day	-	December 25

** Evening Rate Period rates will apply to all calls made from 8:00 AM to, but not including, 11:00 PM on Company-recognized holidays.

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COMPETITIVE TELECOMMUNICATIONS SERVICE TARIFF

SECTION 3 - DESCRIPTION OF SERVICE, CON'T.

3.2 Calculation of Distance

Usage charges for all mileage sensitive products are based on the airline distance between the serving wire center locations associated with the originating and terminating points of the call.

The distance between the originating and terminating points is calculated by using the "V" and "H" coordinates of the serving wire centers as defined by BellCore (Bell Communications Research), in the following manner:

Step 1 - Obtain the "V" and "H" coordinates for the serving wire center of the Customer's switch and the destination point.

Step 2 - Obtain the difference between the "V" coordinates of each of the serving wire centers. Obtain the difference between the "H" coordinates.

Step 3 Square the differences obtained in Step 2.

Step 4 Add the squares of the "V" difference and "H" difference obtained in Step 3.

Step 5 - Divide the sum of the square obtained in Step 4 by ten (10) . Round to the next higher whole number if any fraction results from the division.

Step 6 - Obtain the square root of the whole number obtained in Step 5. Round to the next higher whole number if any fraction is obtained. This is the distance between the originating and terminating serving wire centers of the call.

Formula:

The square
root of:

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

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COMPETITIVE TELECOMMUNICATIONS SERVICE TARIFF

SECTION 3 - DESCRIPTION OF SERVICE, CON'T.

3.3 Minimum Call Completion Rate

Customers can expect a call completion rate of not less than 90% during peak use periods for all Feature Group D Equal Access 1+services. The call completion rate is calculated as the number of calls completed (including calls completed to a busy line or to a line which remains unanswered by the called party) divided by the number of calls attempted.

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COMPETITIVE TELECOMMUNICATIONS SERVICE TARIFF

SECTION 3 - DESCRIPTION OF SERVICE, CON'T.

3.4 Residential Long Distance Plan (Applies to Switched and Dedicated Services)

This Residential long distance service applies to residential customers who access X2Comm, Inc. via local exchange company provided switched access line or a dedicated access line. Each call is billed in one-minute increments. The minimum call duration for billing purposes is one minute. No monthly recurring charge applies if the customer elects to receive their invoice via E-mail with the electronic payment option. Monthly recurring charges will apply if the customer elects any other option, as listed in Section 4. Monthly recurring charges apply to toll-free calling service.

3.5 Business Long Distance Plan (Applies to Switched and Dedicated Services)

This Business long distance service applies to business customers who access X2Comm, Inc. via local exchange company provided switched access line or a dedicated access line. The minimum call duration for billing purposes is thirty (30) seconds. Call timing is rounded up to the nearest six (6) second increment after the initial 30 seconds. No monthly recurring charge applies if the customer elects to receive their invoice via E-mail with the electronic payment option. Monthly recurring charges will apply if the customer elects any other option, in Section 4. Monthly recurring charges apply to toll-free calling service unless the Customer also subscribes to X2Comm, Inc. 1 + Business Long Distance Plan.

3.6 Switched Inbound Service

Switched Toll-Free Service provides an in-bound calling service to the Company's Customers. The Company's Customer is billed for each toll-free (i.e., 800/888) call, rather than the call originator. Calls terminate to the X2Comm, Inc. Customer via switched access lines. For billing purposes, call timing is rounded up to the nearest six (6) second increment after the initial minimum period of thirty (30) seconds for Business Customers, for Residential Customers, call timing is rounded up to the nearest full minute after the initial minimum period of one minute.

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COMPETITIVE TELECOMMUNICATIONS SERVICE TARIFF

SECTION 3 - DESCRIPTION OF SERVICE, CON'T.

3.7 Dedicated Inbound Service

Dedicated Toll-Free Service provides an in-bound customer provided calling service to the Company's Customers. The Company's Customer is billed for each toll-free (i.e., 800/888) call, rather than the call originator. Calls terminate to the X2Comm, Inc. Customer via customer-provided dedicated access lines. For billing purposes, call timing is rounded up to the nearest six (6) second increment after the initial minimum period of thirty (30) seconds for Business Customers, for Residential Customers, call timing is rounded up to the nearest full minute after the initial minimum period of one minute.

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COMPETITIVE TELECOMMUNICATIONS SERVICE TARIFF

SECTION 4 - RATES

4.1 General

Each Customer is charged individually for each call placed through the Company. Charges are computed on an airline mileage basis as described in Section 3.2 of this tariff.

Rates vary by mileage band, time of day, call duration and by originating and terminating access type.

Customers are billed based on their use of the Company's long distance service.

4.2 Contractual offerings

The Company may negotiate with customers or prospective customers for the provision of any competitive telecommunications service and may offer or agree to provide such service on such terms and for such rates and charges as it deems reasonable, without regard to this tariff. Within ten (10) days of concluding such agreement, the Company shall file with the Florida Public Service Commission any contract or memorandum of understanding which will include the rates, charges, practices, rules, or regulations applicable to the service.

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COMPETITIVE TELECOMMUNICATIONS SERVICE TARIFF

SECTION 4 - RATES, CON'T.

4.3 Residential Long Distance Plan

Residential 1+ Usage Rates	<u>InterLATA</u>	<u>IntraLATA</u>
Switched Per Minute Rate:	\$0.12	\$0.12
Dedicated Per Minute Rate:	\$0.07	\$0.07

No monthly recurring charge applies if the customer elects to receive their invoice via E-mail with the electronic payment option.

1+ Billing Option Descriptions With Monthly Recurring Charges

Online Call Detail 1: Paper remittance with summary and call detail online.

Online Call Detail 2: Summary invoice and paper remittance with call detail online.

Paper Invoice: Paper invoice with call detail, no call detail online.

Monthly Recurring Charges

Online Call Detail 1:	\$1.00
Online Call Detail 2:	\$1.50
Paper Invoice:	\$2.00

Switched Toll-Free Usage Rates

	<u>InterLATA</u>	<u>IntraLATA</u>
Per Minute Rate:	\$0.12	\$0.12
Monthly Recurring Charge:	\$8.95	

Dedicated Toll-Free Usage Rates

	<u>InterLATA</u>	<u>IntraLATA</u>
Per Minute Rate:	\$0.07	\$0.07
Monthly Recurring Charge:	\$8.95	

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COMPETITIVE TELECOMMUNICATIONS SERVICE TARIFF

SECTION 4 - RATES, CON'T.

4.3 Business Long Distance Plan

Business Usage Rates	<u>InterLATA</u>	<u>IntraLATA</u>
Switched Business Plan Per Minute Rate:	\$0.12	\$0.12
Dedicated Business Plan Per Minute Rate:	\$0.07	\$0.07

No monthly recurring charge applies if the customer elects to receive their invoice via E-mail with the electronic payment option.

1+ Billing Option Descriptions With Monthly Recurring Charges

Online Call Detail 1: Paper remittance with summary and call detail online.

Online Call Detail 2: Summary invoice and paper remittance with call detail online.

Paper Invoice: Paper invoice with call detail, no call detail online.

Monthly Recurring Charges

Online Call Detail 1:	\$1.00
Online Call Detail 2:	\$1.50
Paper Invoice:	\$2.00

Switched Toll-Free Usage Rates

	<u>IntraLATA</u>	<u>InterLATA</u>
Per Minute Rate:	\$0.12	\$0.12
Monthly Recurring Charge: \$5.00 (Monthly fee is waived when the customer is also presubscribed to X2Comm, Inc.'s Business 1+ plan)		

Dedicated Toll-Free Usage Rates

	<u>IntraLATA</u>	<u>InterLATA</u>
Per Minute Rate:	\$0.07	\$0.07
Monthly Recurring Charge \$5.00 (Monthly fee is waived when the customer is also presubscribed to X2Comm, Inc.'s Business 1+ plan)		

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COMPETITIVE TELECOMMUNICATIONS SERVICE TARIFF

SECTION 4 - RATES, CON'T.

4.4 Directory Assistance

Directory Assistance per call: \$0.95

4.5 Directory Assistance for The Handicapped

There shall be no charge for up to fifty calls per billing cycle from lines or trunks serving individuals with disabilities. The Company shall charge the prevailing tariff rates for every call in excess of Directory Assistance calls within a billing cycle.

4.6 Telecommunications Relay Service

For intrastate toll calls received from the relay service, the Company will when billing relay calls discount relay service calls by 50 percent off of the otherwise applicable rate for a voice nonrelay call except that where either the calling or called party indicates that either party is both hearing and visually impaired, the call shall be discounted 60 percent off of the otherwise applicable rate for a voice nonrelay call. The above discounts apply only to time-sensitive elements of a charge for the call and shall not apply to per call charges such as a credit card surcharge.

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COMPETITIVE TELECOMMUNICATIONS SERVICE TARIFF

SECTION 5 - PROMOTIONAL OFFERINGS

5.1 Promotional Offerings

The Company may from time to time engage in Promotional Offerings limited to certain dates, times or locations designed to attract new subscribers or increase subscriber usage. In all such cases, the rates charged will not exceed those specified in Sections IV of this Tariff.

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ATTACHMENT C

Managerial & Technical Capability

X2Comm, Inc.
Executive Summary

Manny DeMaio-President – Mr. DeMaio has well over 25 years of network operations experience in the telecommunications field. His most recent position was Chief Network Engineer for a competitive local exchange carrier, ATG, located in Mercer County New Jersey. His role was to implement and build a local network in order for ATG to compete against the major Bell Operating Companies. Prior to joining ATG, Mr. DeMaio was Chief Operating Officer for Talk.com, Inc., a publicly traded company, from 1993 to 1999. Mr. DeMaio has held various management positions within AT&T prior to joining Talk.com, Inc.

Mr. Mark Pavol – Secretary/Treasurer – Mr. Pavol has well over 12 years of financial and operational experience with emphasis in business development. His most recent position was Assistant Controller for Talk.com, Inc. He was responsible for all of the company's accounting functions and contract negotiations. Prior to joining Talk.com, Inc., Mr. Pavol was Regional Accounting Director for Citigroup, based in New York.

ATTACHMENT D

Balance Sheet
Income Statement
Statement of Retained Earnings (N/A -See Balance Sheet-Start
up company)

Balance Sheet

As of July 1, 2001

	X2Comm, Inc.	<u>Jul 1, 01</u>
ASSETS		
Current Assets		
Checking/Savings		
1001 · Checking-First Union		316,330.08
1010 · Checking-PNC		40,991.82
Total Checking/Savings		<u>357,321.90</u>
Total Current Assets		357,321.90
Fixed Assets		
1500 · Computer Eq-NJ		98,650.00
1510 · Software Costs-NJ		44,425.52
1600 · Computer Eq-FL		10,000.00
Total Fixed Assets		<u>153,075.52</u>
Other Assets		
1900 · Security Deposits-AT&T		75,000.00
Total Other Assets		<u>75,000.00</u>
TOTAL ASSETS		<u><u>585,397.42</u></u>
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
Other Current Liabilities		
2600 · Payroll Liabilities		
2610 · Federal Withholding		2,443.41
2620 · Fica Payable		2,479.98
2630 · Medicare Payable		580.00
2650 · NJ Withholding Payable		270.20
2670 · NJUC Payable		406.27
2690 · FUTA Payable		139.08
Total 2600 · Payroll Liabilities		<u>6,318.94</u>
Total Other Current Liabilities		<u>6,318.94</u>
Total Current Liabilities		6,318.94
Long Term Liabilities		
2800 · Note Pay-Emanuel DeMalo		80,000.00
2810 · Note Pay-Pete Morrison		60,000.00
2820 · Note Pay-Daniel Kaufmann		80,000.00
2830 · Note Pay-Paul Telenson		80,000.00
2840 · Note Pay-Beverly Forfar		15,000.00
2850 · Note Pay-Robert Salvo		20,000.00
2860 · Note Pay-Drew Tanenbam		20,000.00
2870 · Note Pay-Michael Schutz		20,000.00
Total Long Term Liabilities		<u>375,000.00</u>
Total Liabilities		381,318.94

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08/21/01
Cash Basis

Balance Sheet

As of July 1, 2001

	<u>Jul 1, 01</u>
Equity	
3000 - Common Stock	325,000.00
Net Income	<u>-120,921.52</u>
Total Equity	<u>204,078.48</u>
TOTAL LIABILITIES & EQUITY	<u><u>585,397.42</u></u>

Profit & Loss
July 1, 2001

X2Comm, Inc.		<u>Jul 1, 01</u>
Income		0.00
Cost of Goods Sold		
5010 · AT&T-ANC-Interstate		<u>15.39</u>
Total COGS		<u>15.39</u>
Gross Profit		-15.39
Expense		
6000 · Advertising-NJ		1,250.00
6070 · Consultants-NJ		452.00
6090 · Dues and Subscriptions-NJ		9,569.60
6091 · Dues and Subscriptions-FL		78.75
6150 · Insurance-NJ		825.00
6151 · Insurance-FL		3,042.46
6200 · Legal Fees-NJ		13,157.76
6400 · Office Supplies-NJ		4,275.45
6401 · Office Supplies-FL		6,630.57
6500 · Salaries-NJ		9,615.40
6501 · Salaries-FL		10,384.62
6520 · Payroll Taxes-NJ		1,986.38
6550 · Employee Benefits-NJ		2,589.94
6590 · Temp Help-NJ		2,000.00
6600 · Postage-NJ		141.50
6700 · Taxes-NJ		399.92
6800 · Rent-NJ		48,000.00
6801 · Rent-FL		3,366.02
6820 · Utilities-NJ		471.64
6850 · Telephone-NJ		1,136.93
6851 · Telephone-FL		<u>1,532.19</u>
Total Expense		<u>120,906.13</u>
Net Income		<u><u>-120,921.52</u></u>

X2COMM, INC. STATEMENT OF FINANCIAL CAPABILITY

The company is well capitalized from its issuance of common stock in 2001. The company raised \$700,000.00 through equity and debt financing and will be cash flow positive before any more funds are needed to operate. The company has made all the capital investments that it needs to make in order to provide services. The company is now focusing on acquiring customers, and projects that its operating margins should be in the range of 35-40%. The principal shareholders have been involved in the telecommunications industry for over 25 years, and have taken a company public during this time frame. The company has access to additional funds if necessary but believes that it will not be needed due to its low overhead and slow marketing growth.