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A Professional Limited Liability Company

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June 9, 2005

Via Overnight Delivery

Florida Public Service Commission Division of Records Reporting 2540 Shumard Oak Blvd. Tallahassee, FL 32399-0850 050401-77

RE: Fonix Telecom, Inc.

Dear Sirs:

Enclosed please find an original and one (1) copy of IXC Registration Form submitted on behalf of Fonix Telecom, Inc. The Company's interexchange and operator service tariffs are attached to the Registration.

Please acknowledge receipt of this filing by returning a date stamped copy of this letter in the self-addressed envelope provided.

If you should have any questions regarding this filing, please do not hesitate to call.

Sincerely

Monica Borne Haab

Enclosure

cc: Michael Britt, Fonix

Original Tauff forwarded

to CUP

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FPSC-COMMISSION CLERK

IXC REGISTRATION FORM

Company Name Foni	x Telecom, Inc.					
Florida Secretary of State Registration No. F0500003328 Fictitious Name(s) as filed at Fla. Sec. of State None.						
Company Mailing Name	Fonix Telecom, Inc.					
Mailing Address	9350 South 150 East, Suite 700					
	Sandy, UT 84070					
Web Address	www.fonix.com					
E-mail Address	michael.britt@lecstar.com					
Physical Address	9350 South 150 East, Suite 700					
	Sandy, UT 84070					
Company Liaison	Michael E. Britt					
Title	Vice President of Regulatory and Channel Development					
Phone	770-989-9800					
Fax	770-989-9830					
E-mail address	E-mail address michael,britt@lecstar.com					
Consumer Liaison	Michael E. Britt					
Title	Vice President of Regulatory and Channel Development					
Address 9350 South 150 East, Suite 700, Sandy, UT 84070						
Phone	770-989-9800					
Fax	770-989-9830					
E-mail address	michael.britt@lecstar.com					
my company must notify the Florida Statutes. My companies active pursuant to Section	uired in Section 364.04, Florida Statutes, is enclosed with this form. I understand that the Commission of any changes to the above information pursuant to Section 364.02, any will owe Regulatory Assessment Fees for each year or partial year my registration in 364.336, Florida Statutes. My company will comply with Section 364.603, Florida is selection requirements, and Section 364.604, Florida Statutes, concerning billing					

Signature of Company Representative

Printed/Typed Name of Representative

W. Dale Smith, Sr. Vice President

Date: June 2, 2005

Effective:

EXHIBIT A

Interexchange Tariff FL P.S.C Tariff No. 1

TELECOMMUNICATIONS SERVICES

Applying to Resale of Intrastate, Interexchange Common Carrier Communications Services Between Points in the State of Florida

AND

CONTAINING RULES AND REGULATIONS

GOVERNING SERVICE

This Tariff is on file with the Florida Public Service Commission and copies may be inspected, during normal business hours, at Fonix Telecom, Inc., 9350 South 150 East, Suite 700, Sandy, Utah 84070.

Issued: June 9, 2005

Effective:

Check List

Tariff sheets are effective as of the date shown. Revised sheets as named below contain all changes from the original Tariff that are in effect on the date thereof.

<u>SHEET</u>	REVISION NO
1	Original
2	Original
3	Original
4	Original
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52	Original
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56	Original

Issued: June 9, 2005

Effective:

Symbols

Whenever Tariff sheets are revised, changes will be identified by the following symbols:

- D To signify deleted or discontinued rate, regulation or condition.
- I To signify a change resulting in an increase to a customer's bill.
- M To signify material moved from or to another part of tariff with no change in text, rate, rule or condition.
- N To signify new rate, regulation, condition or sheet.
- R To signify a change resulting in a reduction to a customer's bill.
- T To signify a change in text or regulation but no change in rate or charge.

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TARIFF FORMAT SHEET

- A. <u>Page Numbering</u>. Page numbers appear in the upper-right corner of the page. Pages are numbered sequentially. However, new pages are occasionally added to the Tariff. These new pages are identified in decimal format. For example, a new page added between pages 34 and 35 would be 34.1.
- B. <u>Page Revision Numbers</u>. Revision numbers also appear in the upper-right corner of the page. These numbers are used to determine the most current page on file with the Florida Public Service Commission. For example, the 4th revised Page 34 cancels the third revised Page 34. Because of deferrals, notice periods, <u>etc.</u>, the most current page number on file with the Commission is not always the Tariff page in effect. User should consult the check page for the page currently in effect.
- C. <u>Paragraph Numbering Sequence</u>. There are nine levels of paragraph coding. Each level of coding is subservient to its next higher level of coding.
- 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.(i) 2.1.1.A.1.(a).I.(i)
- D. <u>Check List of Effective Pages</u>. When a Tariff filing is made with the Commission, an updated Check List of Effective Pages ("Check List") accompanies the Tariff filing. The Check List lists the pages contained in the Tariff, with a cross-reference to the current revision number. When new pages are added, the Check List 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 the Check List if these are the only changes made to it (i.e., the format, etc.). The User should refer to the latest Check List to find out if a particular page is the most current page on file with the Commission.

INTRODUCTION

This Tariff ("Tariff") contains the regulations and rates applicable to the furnishing of intrastate, common carrier communications service by Fonix Telecom, Inc. (hereinafter referred to as "Fonix" or (the "Company") within the State of Florida.

The regulations governing the provision and use of services offered under this Tariff are set forth in Section 2. Service descriptions and rates are set forth in Sections 3 and 4, respectively.

SECTION 1- DEFINITIONS

1.0 <u>Definitions</u>

Issued: June 9, 2005

Certain terms used throughout this Tariff are defined below.

Access Code: A sequence of numbers that, when dialed, connects a Customer to the Carrier associated with that sequence.

<u>Agent</u>: A person, firm, company, corporation, or other entity that is authorized to distribute Services to Customers or Users on the Company's behalf.

<u>Aggregator</u>: Any person that, in the ordinary course of its operations, makes telephones available to the public or to transient users of its premises for intrastate telephone calls using a provider of Operator Services.

<u>Aggregator Contract:</u> A contract entered into between an Aggregator Customer and the Company for the provision of Operator Services.

<u>Aggregator Customer</u>: An Aggregator for whom the Company serves as the Presubscribed Provider of Operator Services for one or more locations within that Aggregator's control.

<u>Authorization Code</u>: A numerical code, one or more of which are assigned to a Customer to enable it to access the Service provided by the Company and to identify the Customer for billing purposes.

Effective:

Technical Terms and Abbreviations (cont.)

<u>Billed Party</u>: The person or entity responsible for payment of an Operator Assisted Call, as more specifically described in Section 2.29.10 hereof.

<u>Calling Card Call:</u> An operator assisted call made and billed by means of a telephone calling card issued by a Carrier or provider of Operator Services.

<u>Carrier</u>: A communications common carrier authorized by the Commission or by the FCC to provide communications service to the public.

Collect Call: means an Operator Assisted Call billed to the called party.

Commission: Means the Florida Public Service Commission.

<u>Consumer:</u> A User initiating any intrastate telephone call using Operator Services.

<u>Credit(s)</u>: The meaning set forth in Section 2.21 hereof.

<u>Credit Allowances</u>: The meaning set forth in Section 2.21 hereof.

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Technical Terms and Abbreviations (cont.)

Credit Card Call "Credit Card Call" means an Operator Assisted Call using a credit card.

<u>Credit Limit</u>: A credit limit placed on Customer's monthly consumption of Service pursuant to Section 2.10 hereof.

<u>Customer:</u> The person, firm, company, corporation, or other entity that (i) pursuant to a Service Order, orders Service(s) under this Tariff, (ii) purchases a Prepaid Calling Card from the Company or its Agent, (iii) prepays the Company for use of the Services via a Prepaid Calling Card up to a preestablished credit limit, or (iv) accesses the Service by dialing the Company's Access Code.

<u>Day</u>: A period of time from 8:00 A.M. to (but not including) 5:00 P.M. Monday through Friday, as measured by local time at the location from which the call is originated.

Evening: A period of time from 5:00 P.M. to (but not including) 11:00 P.M., Sunday through Friday and any time during Holidays as measured by local time at the location from which the call is originated.

FCC: The Federal Communications Commission.

<u>Governmental Authority</u>: Any regulatory, judicial, administrative, or other domestic federal, state or municipal governmental authority (including without limitation the Commission) having jurisdiction over the Company, over any Other Provider, or over the provision of Services hereunder.

<u>Holidays</u>: All Company-specified holidays: New Year's Day (January 1), Independence Day (July 4), Thanksgiving Day, Labor Day and Christmas Day (December 25).

Inbound Toll-Free Service: The Inbound Toll-Free Service described at Section 3.1.2 hereof.

<u>Interruption</u>: The disruption of, or removal of a circuit from, Service such that the Service becomes unusable by User for a continuous period of thirty (30) minutes or more.

<u>LEC</u>: A Carrier authorized by a state Governmental Authority to provide communications service within one or more domestic local telephone exchanges.

<u>Local Access and Transport Area ("LATA")</u>: A geographical area established by the U.S. District Court for the District of Columbia in Civil Action No. 82-0192, within which a LEC provides communications services.

Minimum Service Period ("MSP"): The minimum period of time during which a Customer takes Service ordered under Service Orders under this Tariff.

Night/Weekend ("N/Wkd"): A period of time from 11:00 P.M. to (but not including) 8:00 A.M. Monday through Friday, any time on Saturday, and all day Sunday except 5:00 P.M. to (but not including) 11:00 P.M., as measured by local time at the location from which the call is originated.

One Plus Service: The One Plus Service described at Section 3.1.1 hereof.

Operator Assisted Call: An intrastate telephone connection completed through the use of Operator services (described in Section 3.3.2 hereunder.)

Operator Services Charges: The Company's charges, based on the rates set forth in Section 4.10 hereof, for completion of an Operator Assisted Call consisting of (i) a measured charge and (ii) a non-measured (fixed) additional Operator Service charge.

Operator Services: Means the provision of Operator Assisted Calls and other operator assistance by the Company pursuant to this Tariff, as more fully described in Sections 2 and 3 herein.

Operator Station: An attended operator station used to complete or process an operator assisted Call.

Other Providers: Any Carriers or other service providers whose services or facilities are connected to, or used by, the Company in providing the Services.

<u>Performance Failure</u>: Any disruption, degradation, or failure of Service, including without limitation any Interruption (but excluding Scheduled Interruptions), any installation failure or delay, or any mistake, delay, omission, error or other defect in the Service or in the provision thereof.

<u>Person to Person Call:</u> "Person to Person Call" means an Operator Assisted Call which is placed under the stipulation that the caller will initially speak only to a specified, called party.

<u>Prepaid Calling Card</u>: A calling card or other tangible item which (i) contains an Authorization Code and an Access Code, (ii) is supplied by the Company or its Agents, and (iii) permits a User to use the Services up to an amount prepaid to (or up to a credit limit pre-established by the Customer with) the Company.

<u>Presubscribed Provider of Operator Services</u>: The intrastate Provider of Operator Services to which the Customer is connected when the Consumer places a call using a Provider of Operator Services without dialing an Access Code.

Technical Terms and Abbreviations (cont.)

<u>Provider of Operator Services:</u> Any carrier that provides, or any other person the Commission determines to be a provider of Operator Services.

Regulation(s): Any and all law(s), rule(s), regulation(s) (including without limitation those set forth in this Tariff), order(s), policy or policies, ruling(s), judgment(s), decree(s) or other determination(s) which are made by the Commission or by any other Governmental Authority or which arise under any federal, state, local, foreign or international treaty, law, statute, utility code, ordinance, rule, order or decree and which are applicable to the Services or to any provision of this Tariff.

Resale Tariffs: The Tariffs of an Underlying Carrier.

Resp-Org or Responsible Organization: The entity that has responsibility for the management of toll-free telephone numbers in the Service Management System ("SMS") database, including maintaining Customer records in the SMS and accessing the SMS: (a) to search and reserve toll-free telephone numbers; and (b) to create and maintain toll-free telephone number Customer records, including call processing records.

Room Charge Call: An Operator Assisted Call for which charges are collected by the Aggregator Customer from the Consumer occupying the room from which the call originated.

<u>Scheduled Interruption:</u> An Interruption which has been scheduled by the Company in advance for maintenance, testing, or other administrative purposes.

Service(s): The Company's communications common carrier service(s) provided under this Tariff.

<u>Service Order</u>: A Company designated form used from time to time by Customer for ordering Service hereunder or for acquiring Prepaid Calling Cards.

TDD: A Telecommunications Device for the Deaf.

<u>Telecommunications</u>: The transmission of voice communications or, subject to the transmission capabilities of the Service, the transmission of data, facsimile, signaling, metering, or any other form of intelligence.

<u>Termination (Terminate)</u>: Discontinuance of (to discontinue) Service, either at Customer's request, or by the Company in accordance with Regulations.

<u>Third Party Billing Companies:</u> Collectively, any clearinghouses, LECs, Other Providers, credit card companies or other third parties who bill Customers for Services on the Company's behalf.

<u>Third Party Call</u>: "Third Party Call" means an Operator Assisted Call for which charges are billed to telephone number which is neither the originating nor the terminating telephone number.

Technical Terms and Abbreviations (cont.)

Travel Card Service: The Travel Card Services described at Section 3.1.3 hereof.

<u>Underlying Carriers</u>: The Carrier(s) whose services are resold by the Company pursuant to this Tariff.

<u>User</u>: (i) a Customer, or (ii) any person, firm, company, corporation, or other entity that is authorized by the Customer to use Service under this Tariff, or who lawfully acquires a Prepaid Calling Card from a Customer or an Agent. For purposes of illustration, a User includes any person to whom the Customer sells or gifts a Prepaid Calling Card.

2.0 RULES AND REGULATIONS

The Company is a provider and reseller of intrastate communications common carrier services, and a provider of Operator Services.

2.1 Undertaking of the Company

- 2.1.1 The Company shall exercise reasonable efforts to provide Services to Users between any and all points described herein pursuant to the terms and conditions set forth in this Tariff
- 2.1.2 Services ordered by Customers under Service Orders will be made available for Users' use as soon as practicable after the Company's receipt of said Service Order. In the event of a conflict or inconsistency between the terms of a Service Order and those of this Tariff, the latter shall govern.
- 2.1.3 The obligations of the Company to provide Services under this Tariff are subject to the following: (i) availability, procurement, construction, and maintenance of facilities (including without limitation those facilities of Other Providers); (ii) interconnection to Other Providers' services or facilities as required; (iii) any applicable Credit Limit; or (iv) receipt of any applicable advance payment.
- 2.1.4 The Company reserves the right: (i) to discontinue or temporarily suspend Service to or from a location where the necessary facilities or equipment are not available under terms and conditions reasonably acceptable to the Company; and (ii) to block Service to any User location or to any Authorization Code, without any liability whatsoever, in the event that the Company detects or reasonably suspects either (a) fraudulent or unlawful use of the Services at or by means of said location or Authorization Code, or (b) consumption of Service in excess of any applicable Credit Limit or Advance Payment. Services may not be available from certain coinoperated or other pay telephones located on prisons, military bases and colleges for reasons including, but not necessarily limited to, the detection of fraudulent use of Services at those locations.

2.2 Responsibility and Use

- 2.2.1 Services may be used by Users for any lawful purpose, subject to the terms and conditions set forth herein and in any applicable Service Order. Subject to the limitations and conditions set forth in this Tariff, Services are available for use twenty-four (24) hours per day, seven (7) days per week.
- 2.2.2 Customer is solely responsible for (i) prevention of unauthorized, unlawful or fraudulent use of or access to Services; and (ii) administration and non-disclosure of any Authorization Codes provided by Company to Customer.
- 2.2.3 The Company's sole responsibility with respect to Travel Card Services is to make Services available to Users in accordance with Section 3.1.3 of this Tariff.
- 2.2.4 The Company's sole responsibility with respect to provision of Services in connection with Prepaid Calling Cards is to make Services available to Users using such Prepaid Calling Cards in accordance with Section 3.1.4 of this Tariff.

2.3 Compliance

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- 2.3.1 The Services may not be used for any unlawful purpose whatsoever.
- 2.3.2 The Company and Customer shall (and Customer shall cause User to) comply with all applicable Regulations.

Effective:

- 2.4 <u>Abuse</u>. Abuse of the Services is prohibited. The following activities constitute abuse:
 - 2.4.1 Using the Service to make calls which might reasonably be expected to frighten, abuse, torment, or harass another; or
 - 2.4.2 Using the Service in violation of the non-interference and signal quality restrictions set forth in Section 2.14.3; or
 - 2.4.3 Acquiring or reserving an 800, 888 or 877 telephone number provided by the Company for the primary purpose of selling, brokering, bartering or releasing it to another party for a fee or other consideration; or
 - 2.4.4 Using the Service (or any other telephone number advertised or widely understood to be toll free in connection with the Service) in any of the following ways:
 - 2.4.4.A With the exception of circumstances where the calling party has a presubscription or comparable arrangement or discloses a credit or charge card number during the call, in any manner that would result in: (a) assessment of a charge for completing an 800, 888 or 877 call on the calling party or on the subscriber to the line from where the 800, 888 or 877 call originated; (b) connection of the calling party to a pay-per-call service; or (c) assessment of a charge on the calling party for information conveyed during the toll free call; or
 - 2.4.4.B Calling the calling party back collect for the provision of audio or data information services, simultaneous voice conversation services or products.

2.5 <u>Call Blocking</u>

Notwithstanding any other provision of this Tariff, the Company may block calls which: (i) are made to or from certain countries, cities, or central office ("NXX") exchanges, or (ii) make use of certain Authorization Codes, as the Company, in its sole opinion and discretion, deems reasonably necessary to prevent unlawful or fraudulent use of Services.

2.6 Billing and Payments

- 2.6.1 Other than prepaid services, charges for Services will be billed to Customer on a monthly (30 day) basis, in arrears, based on the Users' actual usage. Customers will not be charged for uncompleted calls.
- 2.6.2 All amounts stated on each monthly invoice are due and payable immediately upon Customer's receipt thereof; provided, however, that charges incurred for Services obtained via Prepaid Calling Cards will be first debited against the balance of the amount (if any) prepaid to the Company.
- 2.6.3 Invoices unpaid after thirty (30) days shall incur a monthly finance charge on the unpaid balance at a rate equal to the lesser of one and one-half percent (1.5%) or the maximum rate permitted by law.
- 2.6.4 Except as otherwise limited by Regulation, Customer shall be responsible for payment of all charges, whether authorized or not, for any and all use of or access to Services provided to Users, including without limitation any unauthorized, unlawful or fraudulent use or access. Customer's charges for Travel Card or Prepaid Calling Card calls are subject to any applicable limitations established by any Regulation.
- 2.6.5 Except as otherwise provided herein, the Company, at its sole option, may Terminate Services in the event Customer fails to pay any invoice within thirty (30) calendar days after the due date stated thereon, subject to written notice and to any other applicable Commission Regulations. Notice, for purposes of this Section 2.6.5, is to be deemed effective upon mailing of written notice, postage prepaid, to Customer's last known address. Termination of Services by the Customer or the Company for any reason whatsoever will not relieve Customer of its payment obligations hereunder for all Service charges incurred by Customer through the date of Termination. Termination by Customer for purposes of this Section 2.6.5 will be deemed effective five (5) business days following the date of Company's receipt of Customer's Termination notice. Customer will be liable for all costs of collection hereunder, including without limitation reasonable attorney's fees. Any invoice for Services not disputed in writing by Customer within ten (10) days after receipt thereof is to be deemed conclusively correct and binding upon the Customer.

- 2.6.6 Payphone Compensations Surcharge In order to recover the Company's expenses to comply with the FCC's pay telephone compensation plan effective on October 7, 1997 (FFF 97-371), an undiscountable per call charge is applicable to all intrastate calls that originate from any pay telephone used to access the Company's Services. This surcharge is in addition to standard Tariffed usage charges and any applicable service charges and surcharges associated with the Company's Service. Pay telephones include coin-operated and coinless phones owned by local telephone companies, independent companies and other interexchange carriers. The payphone surcharge applies to the initial completed call and any reoriginated call (i.e., using the "#" symbol). Whenever possible, the payphone 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 payphone 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 payphone 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.
- 2.6.7 <u>Toll Free Number Portability</u>. If a Customer accumulates undisputed delinquent charges, the Company reserves the right not to honor that Customer's request for a change in service, including a request for Resp-Org change, until such charges are paid in full.
- 2.6.8 Third Party Billing The company may engage one or more Third Party Billing Companies to bill Customers (including without limitation Aggregator Customers) for Services provided hereunder, subject to any and all applicable Regulation; provided, however, dispute resolution procedures for any disputed charges billed by Third party Billing Companies will at all times be subject to the Commission's Regulations.
- 2.6.9 Operator Service Charges incurred by Consumers will be billed in accordance with Section 2.29 hereof; all other Operator Service Charges shall be billed to Aggregator Customers. Except as otherwise set forth in this Tariff, all Operator Service Charges shall be subject to the foregoing provisions regarding billing and payments.

2.7 Taxes

- 2.7.1 All federal, state, and local excise, sales, use and similar taxes, will be billed by the Company as separate line items on Customer's invoice, and, except as otherwise set forth in Sections 2.7.2 and 3.1.4.A hereof, are not included in any quoted rates described or contained in this Tariff.
- 2.7.2 The Company reserves the right to assess a surcharge on Customer's charges for outbound Services terminating at, or inbound Services originating from, locations or addresses in those states levying, or asserting a right to levy, a gross receipts tax or similar assessment on the Company's operations or on intrastate access charges incurred by the Company in such state(s). The surcharge will be calculated pro rata based on the amount Customer's total monthly charges for Services provided to and billed to a Customer's location or Authorization Code in such state(s) bears to the Company's total monthly receipts subject to said tax or assessment in such state(s). The surcharge will appear as a line item on Customer's invoice.

2.8 Advance Payments

The Company may, at its sole option and discretion, require that any Customer having a history of late payments for the Services or whose credit history either is unsatisfactory (in the Company's sole opinion) or is not established to the Company's reasonable satisfaction to make advance payments from time to time for future consumption of Services. The amount of each such advance payment will not exceed the lesser of (a) one (1) month's actual or estimated charges, or (b) the highest amount permitted by any applicable Regulation. The Company may, at its sole option and discretion, accept personal guarantees, bank letters of credit or surety bonds in lieu of an advance payment. Advance payments will be applied to charges for Services in the same manner as other payments. A customer may be required to continue to make advance payments in accordance with this Section 2.8 until such time as its credit worthiness is established to the Company's reasonable satisfaction.

2.9 Credit Limit

The Company may, at any time and at its sole discretion, set a Credit Limit for any Customer's consumption of Services for any monthly period.

2.10 <u>Indemnification by Customer</u>

- 2.10.1 Customer shall defend, indemnify and hold the Company harmless from any and all actions, claims, judgments, damages, demands, liabilities, and expenses, including without limitation reasonable attorney's fees, arising from or in connection with:
 - 2.10.1.A Libel or slander resulting from any use of the Services provided to any User hereunder;
 - 2.10.1.B Infringement of any patent, copyright, trademark, trade name or trade secret arising from: (i) the transmission of any material transmitted: (a) by any User, or (b) by any other person using the Services provided to any User, User location, or Authorization Code; or (ii) the combination of User's use of Services with CPE or with other User-provided facilities or services; and
 - 2.10.1.C Except as otherwise provided by applicable Regulation, any unauthorized, unlawful, or fraudulent use of or access to the Services provided to Users.

2.11 Customer Premises Equipment ("CPE")

CPE attachment by the User is permitted under this Tariff. The Customer is responsible for ensuring that all such attached CPE must conform to the FCC's registration requirements set forth in Part 68 of the Code of Federal Regulations (as amended). The Company may discontinue the provision of Services to any location where CPE fails to conform to such Regulations.

2.12 <u>Interconnection</u>

- 2.12.1 The Services may be connected with services or facilities of Other Providers subject to any technical limitations applicable to the latter; provided, however, Service furnished by the Company is not part of a joint undertaking with any Other Provider.
- 2.12.2 Interconnection with the facilities or services of Other Providers is subject to the applicable terms and conditions of the Other Providers' Tariffs (if any). Customer shall be solely responsible for satisfying all legal requirements for interconnecting Customer-provided terminal equipment or communications systems with Other Providers' facilities, including, without limitation, all licenses, permits, rights-of-way, and other arrangements necessary for such interconnection. Any interface equipment or facilities necessary to achieve compatibility between the facilities of the Company and those of Other Providers must be provided at the Customer's sole expense. Customer shall comply with all applicable terms and conditions of service provided by said Other Providers.
- 2.12.3 Customer is solely responsible for ensuring that Telecommunications signals transmitted by Users via the Services will not interfere with the operations of the Company or those of Other Suppliers, or with the provision or use of similar services provided by the Company or by Other Suppliers to any third party. All such signals must be of the proper type, bandwidth, and other technical parameters so as to neither damage the Company's or Other Providers' equipment nor degrade Service supplied to third parties. Except with respect to Services obtained through Prepaid Calling Cards, Customer must ensure:
 - 2.12.3.A that all Users employ physical arrangements for protection of the Company's facilities in circumstances where the Company, in its sole opinion and discretion, deems such protection to be reasonably necessary;
 - 2.12.3.B that all Users provide adequate electrical power, wiring and electrical outlets necessary for the proper operation of the Company's equipment on their premises;

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2.12.3.C	that all equipment, facilities or Other Providers' services connected								
	with	those	of	the	Company	are	constructed,	operated,	and
maintained so as to work satisfactorily with the Services; and					vices; and				

- 2.12.3.D that all such equipment, facilities and Other Providers' services avoid hazard, damage, or injury to the Company's facilities or plant, its employees or subcontractors, or to the public.
- 2.12.4 Notwithstanding any other provision of this Tariff, the Company has the right to Terminate or suspend Service to any User found to be in violation of the foregoing Section 2.15.3.

2.13 <u>Title</u>

Title to any and all equipment or facilities provided by the Company under this Tariff will remain in the Company.

2.14 Interruption

- 2.14.1 Notice. The Customer must promptly notify the Company of any Interruptions in Service of which it becomes aware; provided, however, prior to giving such notice, the Customer shall ascertain that the Interruption is not being caused by any action or omission of the User or by any non-Company supplied wiring or equipment connected to the Company's facilities. The Company's obligations under this Tariff to apply Credits or Credit Allowances to Customer's account for any Interruptions are expressly conditioned upon Customer's strict compliance with this Section 2.17.1.
- 2.14.2 <u>Scheduled Interruptions</u>. The Company, without incurring any liability whatsoever, may make Scheduled Interruptions at any time (i) to ensure compliance by the Customer or User with Regulations (including without limitation the provisions of this Tariff), (ii) to ensure proper installation and operation of the Customer's and the Company's equipment and facilities, (iii) to prevent fraudulent use of or access to the Services, or (iv) to perform any other maintenance, testing or inspection reasonably required for the provision of Services hereunder.

2.15 Discontinuation

Notwithstanding any other provision of this Tariff, the Company may at its sole option and discretion Terminate Service without incurring any liability therefore whatsoever, subject to (i) no less than five (5) business days prior written notice or such other notice period required by Regulation, and (ii) to any applicable Regulations, for any of the following reasons:

- 2.15.1 by order of a Governmental Authority:
- 2.15.2 in the event of any unlawful, unauthorized or fraudulent use of or access to the Services, including without limitation, violation of the provisions of this Tariff or of any other Regulations by the Customer, by any other User, or by any other person;
- 2.15.3 the use of Services in excess of a Customer's Credit Limit (if any) or Company's failure to receive an advance payment (if so required) for Services provided hereunder; or
- 2.15.4 Customer's provision of false or misleading information in its Service Order or in any other document delivered by Customer to the Company.

2.17 Restoration of Services

The Company shall restore any Terminated Services in accordance with Regulation, including but not limited to charging the Customer a reconnection fee as set forth in Section 4.3.

2.18 <u>Disclaimer</u>

The Company will have no liability whatsoever to User, to its employees, agents, subcontractors, or assignees, or to any other person for (i) damages arising out of any Other Providers' Performance Failure, (ii) any act or omission of any third party furnishing equipment, facilities or service to any User in connection with this Tariff or with the Services, or (iii) any other act or omission of any Other Provider, User or third party related to the use or provision of Services hereunder.

THE COMPANY DISCLAIMS ALL REPRESENTATIONS AND WARRANTIES, EPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION, ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE FOR OR IN CONNECTION WITH THE PROVISION OF SERVICES HEREUNDER.

2.19 Limitation of Liability

- 2.19.1 Except as caused by its willful misconduct or negligence, the Company's liability with respect to any action, claim, judgment, damages, demand, liability or expense (including without limitation reasonable attorney's fees) (i) brought or incurred by any User or any other party in connection with the installation, provision, preemption, termination, maintenance, repair or restoration of Service, or (ii) arising from any Performance Failure, will in no event exceed an amount equal to the Service charges incurred by User for the month during which the Service was affected. Such amount will be in addition to any amounts that may otherwise be due User as Credits or Credit Allowances pursuant to the provisions of Section 2.23 hereof.
- 2.19.2 To the extent permitted by any applicable Regulation, the Company's liability for negligence will also be limited to the amounts described in Section 2.21.1 hereof.
- 2.19.3 To the extent permitted by any applicable Regulation, the Company's liability for gross negligence will also be limited to the amounts described in Section 2.21.1 hereof.

- 2.19.4 In no event will the Company be liable for loss of profits (even if the Company has been advised of the possibility of such loss) or for any indirect, incidental, special, consequential, exemplary or punitive damages whatsoever arising, directly or indirectly, from or in connection with the provision or use of Services hereunder.
- 2.19.5 Except as caused by its willful misconduct or negligence, the Company will not be liable for defacement of or damages to Users' premises or for any personal injury or death arising, directly or indirectly, from the furnishing of Services, including without limitation the installation or removal of any facilities, equipment or wiring associated therewith. Customer is solely responsible for connecting any and all apparatus, equipment and associated wiring on Users' premises to the Services, and no other Carrier or third party engaged in such activity is to be deemed an agent or employee of the Company in this undertaking.
- 2.19.6 Any action or claim against the Company arising from any of its alleged acts or omissions in connection with this Tariff will be deemed waived if not brought or made in writing within sixty (60) days from the date that the alleged act or omission occurred.

2.20 Indemnification

Subject to the limitations of liability set forth in Section 2.21 hereof, the Company and the Customer shall defend, indemnify, and hold each other harmless from and against any and all actions, claims, judgments, damages, demands, liabilities, and expenses, including without limitation reasonable attorney's fees, resulting from injury to or death of any person (including injury to or death of their employees) or from the loss of or damage to tangible real or tangible personal property or to the environment, to the extent that such injury, death, loss or damage was proximately caused by any negligent act or omission on the part of the party from whom indemnity is sought, or on the part of its agents, employees, subcontractors or assignees, in connection with the provision or use of the Services. The indemnifying party under this Section 2.22 shall defend the other at the other's request against any such action, liability, claim or demand. The party seeking indemnification under this Section 2.22 must notify the other promptly of written claims or demands for which the indemnifying party is responsible hereunder. The Company and the Customer, as the case may be, shall cooperate fully with the other in the course of such indemnification, and the indemnifying party shall control such defense and the right to litigate, settle, appeal (provided it pays the cost of any required appeal bond), compromise or otherwise deal with any such claim or resulting judgment, provided that such settlement, compromise or other resolution of said claim does not result in any liability to the indemnified party.

2.21 Credits and Credit Allowances

- Credits ("Credit(s)") to the Customer's fixed charges, if any, for Interruptions (other than Scheduled Interruptions or Interruptions caused by Other Providers for which a Credit Allowance is due the Company as described in Section 2.23.2 hereof) which (i) exceed in the aggregate twenty-four (24) hours per month, (ii) are directly caused by the Company, (iii) are not due to either equipment or wiring supplied by any person other than the Company, and (iv) are not due to the negligence or willful misconduct of the User, its employees, subcontractors, agents, or assignees, will be applied to Customer's account with the Company. Such Credits are to be calculated by multiplying the fixed monthly, recurring rate (if any) for the affected Service by the ratio that the number of hours the Interruption bears to 720 hours (for the purpose of this computation, each month is deemed to have 720 hours). An Interruption is measured from the time the Company detects, or the Customer notifies the Company of, its occurrence until such time as the Interruption is cured. Each Interruption is to be considered separately for the purposes of this calculation and is be rounded to the nearest hour.
- 2.21.2 In the event of an Interruption caused by Other Providers for which a credit or allowance ("Credit Allowance") becomes due to the Company, the Company shall apply such Credit Allowance to Customer's account, less an administration fee of twenty dollars (\$20.00), subject to the Company's collection of such Credit Allowance from the Other Provider obligated to provide same. In no event will the Company be obligated to credit Customer any amounts in excess of any Credit Allowance allocable to Customer's Interruption(s) which Company receives from the Other Provider. Any other provision of this Section 2.23 notwithstanding, Company will have no obligation to apply any credit to Customer's account for Interruptions caused by an Other Provider for which no Credit Allowance is due to the Company.

2.23.3 Except as otherwise set forth herein, Customer's sole and exclusive remedy for any and all Performance Failures which consist of or give rise to Interruptions are Credits or Credit Allowances to the extent available under this Section 2.21; for any other Performance Failures or in the event Credits or Credit Allowances are unavailable (due to the fact, for example, that the Customer does not incur any fixed monthly recurring charges), Customer's sole and exclusive remedy in lieu of said Credits or Credit Allowances will be an immediate right to Terminate Services prior to the expiration of the Minimum Service Period.

2.22 Minimum Service Period

The Minimum Service Period will be for the term specified in Customer's Service Order, which term must be no less than thirty (30) days. This MSP will automatically renew for subsequent terms of equal duration. Either the Company or the Customer may elect not to renew any MSP by written notice to the other no later than thirty (30) days prior to the expiration date of said MSP.

2.23 Force Majeure

The Company is excused from any Performance Failure due to causes beyond its reasonable control, including but not limited to acts of God, fire, floods, other catastrophes, insurrections, national emergencies, wars, labor disputes, or any Regulation or other directive, action or request of any Governmental Authority.

2.24 Customer Premises

Customer shall provide, without cost to Company, all equipment, space, conduit, and electric power required to terminate the Services at the User's premises. The Customer shall arrange for the Company, or for other Carriers as required, to have access to the User's premises at all reasonable times for purposes of Service installation, Termination, inspection and repair. Customer shall be solely responsible for any damage to or loss of Company equipment while on the premises of User, unless such damage is caused by the negligence or willful misconduct of the Company, its employees, subcontractors or agents.

2.16 Full Force and Effect

Should any provision or portion of this Tariff be held by a court or administrative agency of competent jurisdiction to be illegal, invalid, or unenforceable, the remaining provisions of this Tariff will remain in full force and effect.

2.17 Cooperation

Customer shall cooperate with the Company to the extent necessary for the Company to discharge its obligations hereunder and as reasonably requested by the Company.

2.18 Governing Law

This Tariff is to be governed by and construed in accordance with the rules and orders of the Commission and the laws of the State of Florida.

2.28 Relationship to Resale Tariffs and Aggregator Contract

In the event of a conflict between the rates, terms, and conditions of this Tariff and those of any Resale Tariff or Aggregator Contract, the rates, terms, and conditions of this Tariff shall govern.

2.29 Operator Services

Operator Services and rates therefore are described in Sections 3.1 and 4.10 hereof, respectively.

2.29.1 Use of Operator Services

2.29.1.A	Operator Services may be used for any lawful purpose consistent with the
	transmission and switching parameters of the telecommunications facilities
	utilized in the provision of Services.

2.29.1.B	The use of Operator Services to make calls which might reasonably be
	expected to frighten, abuse, torment, or harass another or in such a way as
	to unreasonably interfere with use by others is prohibited.

2.29.1.C The use of Operator Services without payment for Service or attempting to avoid payment for Service by fraudulent means or devices, schemes, false or invalid numbers, or false calling or credit cards is prohibited; provided, however, the Company shall have no obligation to prevent such use or attempted use and, except as otherwise provided by Regulation, the Customer shall be fully liable to the Company for any and all Operator Service Charges resulting from the foregoing, subject to the provisions of Section 3.1 hereof.

2.29.2 Operator Service Responsibilities of the Company

- 2.29.2.A The Company (or its agent) shall identify the Company as the Provider of Operator Services by name audibly and distinctly, to the Consumer at the beginning and at the end of each Operator Assisted Call;
- 2.29.2.B The Company shall permit the Consumer to terminate any Operator Assisted Call At no charge before the call is connected;
- 2.29.2.C With respect to all Operator Assisted Calls not directly billed by the Company or upon request, the Company shall disclose immediately at no charge to the Consumer;
- 2.29.3 a quote of its rates or charges for the Operator Assisted Call;
 - 2.29.3.A.1 the methods by which such rates or charges will be collected; and
 - 2.29.3.A.2 the methods by which complaints concerning such rates, charges, or collection practices will be resolved.

2.29.4 Responsibilities of Aggregator Customers

The Aggregator Customer shall:

2.29.4.A Post on or within twelve (12) inches of the telephone instrument, in plain view of Consumers, the following clear and conspicuous disclosures.

2.29.4.A.1 A label stating the following:

"THIS TELEPHONE HAS BEEN PRESUBSCRIBED TO FONIX TELECOM, INC. ("FONIX"), WHO WILL PROVIDE AND BILL FOR OPERATOR SERVICES IN CONNECTION WITH CALLS MADE FROM THIS LOCATION AT ITS RATES. FONIX'S RATES FOR INTRASTATE SERVICE ARE ON FILE WITH THE FLORIDA PUBLIC SERVICE COMMISSION. THESE RATES MAY BE OBTAINED BY CALLING FONIX AT THE FOLLOWING TOLL FREE NUMBER: (FOLLOWED BY THE NAME, ADDRESS, AND TOLL-FREE TELEPHONE NUBMER OF THE COMPANY.) YOU MAY REACH THE EMPIRE OPERATOR DIRECTLY BY DIALING "00";

2.29.4.B Ensure that each of its telephones presubscribed to the Company allows the Consumer to use an "800" or "950" Access Code number to obtain access to the Provider of Operator Services desired by the Consumer;

- 2.29.4 Responsibilities of Aggregator Customers (cont.)
 - 2.29.4.C Ensure that no charge by the Aggregator Customer to the Consumer for using an "800" or "950" access code number, is greater than the amount the Aggregator Customer Charges for calls placed using Operator Services provided by the Company;
- 2.29.5 Be responsible for placing any necessary orders; for complying with all tariffs and regulations approved or promulgated by the Commission, including without limitation this Tariff; and for assuring that Consumers comply with Tariff regulations;
 - 2.29.5.A Comply with any and all other applicable laws, regulations, orders or other requirements (as they exist from time to time) or any Governmental Authority relating to services provided or made available by the Aggregator Customer;
 - 2.29.5.B Be responsible for the payment of charges in accordance with the provisions of Section 2.29.4 hereof for all charges incurred, whether fraudulent or otherwise, for all calls originated at the Aggregator Customer's location(s) other than Collect Calls, Third Party Calls, Calling Card Calls, or Credit Card Calls;
 - 2.29.5.C Be responsible for any and all charges incurred for special construction and/or special facilities which the Aggregator Customer requests and which are ordered by the Company on the Aggregator Customer's behalf.
 - 2.29.5.D Provide without charge any equipment space, supporting structure, conduit or electrical power to the Company as may be required for the provision of Operator Services hereunder for the Aggregator Customer's locations;

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2.29.5.E

Arrange access to the Aggregator Customer's premises at all of its locations at any reasonable time during ordinary business hours upon no less than one (1) day's written notice as may be required for Company personnel to install, repair, maintain, program, inspect or remove equipment associated with the provision of Operator Services at said locations;

2.29.5.F

Ensure (i) that the Aggregator Customer's terminal equipment and facilities are properly connected with the Company's facilities and Services, (ii) that the signals emitted into the Company's network from the Aggregator Customer's location are of the proper mode, bandwidth, power and signal level for the intended use of the Aggregator Customer and are in compliance with the criteria set forth in Part 68 of the rules of the FCC, and (iii) that such emitted signals do not damage equipment, injure personnel, or degrade service to other Users;

2.29.5.G

Promptly pay the Company (i) for replacement or repair or damage to the equipment or facilities of the Company caused by negligence or the willful act of the Aggregator Customer, Consumers, or others, or (ii) for the loss or theft of any of the Company's equipment installed at any Aggregator Customer's location.

2.29.6 Responsibilities of the Consumer

With respect to any and all Operator Assisted Calls, the Consumer shall:

- 2.29.6.A comply with all applicable Regulations (including without limitation the provisions of this Tariff);
- 2.29.6.B establish its identity as often as the Company or any LEC or Aggregator Customer serving the Consumer may reasonably require; and
- 2.29.6.C identify the station, party, or person with whom Consumer seeks to communicate

2.29.7 Consumer Billing

The Consumer shall provide the Company or the Company's agent with a valid method of billing Operator Assisted Calls. A t its sole option and discretion, the Company shall have the right to:

- 2.29.7.A validate the credit worthiness of any Consumer through any reasonably applied credit card, calling card, called number, third party telephone number ("Credit Verification") procedure; or
- 2.29.7.B refuse to place any Operator Assisted Calls (i) for which billing cannot be validated, (ii) for which the Consumer fails or refuses to provide an acceptable billing method, (iii) for Consumers lacking credit worthiness as determined by Credit Verification, or (iv) in the event the Company reasonably suspects fraudulent use in connection with such calls.

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2.29 Operator Services (cont.)

2.29.8 Remedies

2.29.8.A The Company shall withhold payment (on a location-by-location basis) of any compensation, including commissions, to any Customer Aggregator whom the Company reasonably believes is in violation of the provisions set forth in Section 2.29.4 hereof regarding Customer Aggregator responsibilities or of any other applicable Regulation.

2.29.8.B In the event that:

- 2.29.8.B.1 the Aggregator Customer fails to maintain its equipment, facilities or premises in good working order; or
- 2.29.8.B.2 the Company reasonably determines that the state or operation of said equipment, facilities or premises may (i) cause harm to the Company's equipment or personnel, (ii) adversely affect the quality of the Services, or (iii) permit fraudulent use of the Services, then the Company may, upon prior written notice and at its sole option and discretion, (i) require the Aggregator Customer (at the Aggregator Customer's sole expense) to take corrective measures with respect to the foregoing, or (ii) Terminate the provision of Operator Services to some or all of the Aggregator Customer's locations in accordance with the provisions set forth in Section 2.29.9.A. hereof.
- 2.29.8.B.2.1 The remedies set forth in this Section 2.29.8 shall be in addition to, and not in lieu of, any other remedies for violation of this Tariff available to the Company under this Tariff or any other applicable Regulation.

2.29.9 <u>Discontinuation and Interruption of Operator Services</u>

2.29.9.A Discontinuation

The Company may, at its sole option and discretion, Terminate or suspend the provision of Operator Services to an Aggregator Customer or to a particular Aggregator Customer location in accordance with the notice provisions set forth in Section 2.16 hereof, without incurring any liability whatsoever in the event of one or more of the following:

2.29.9.A.1	Nonpayment of any amounts more than thirty (30) days past due to the Company for Operator Services provided hereunder:
2.29.9.A.2	Violation of any of the provisions of this Tariff or any other Regulation; or

2.29.9.A.3 By reason of any order or decision of the Commission or any other Governmental Authority effectively prohibiting the Company from furnishing Operator Services.

2.29.9.B Interruption

The Company, without incurring any liability whatsoever, may make Scheduled Interruptions at any time in order to perform maintenance, test and/or inspections in order (i) to ensure compliance of the Aggregator Customer or any Consumer with applicable Regulations (including without limitation those set forth in this Tariff), (ii) to ensure proper installation and operation of the Aggregator Customer's and the Company's equipment and facilities, (iii) to prevent fraudulent use of or access to the Services, or (iv) to perform any other maintenance, testing or inspection reasonably required for the provision of Operator Services hereunder.

2.29.9 Billing Arrangements

2.29.10.A <u>Collect Calls, Calling Card Calls, Third Party Calls and Credit Card Calls</u>

Subject to disclosure of rates pursuant to Section 2.29.2.C hereof, the following billing arrangements will apply to Operator Assisted Calls. Charges for Collect Calls, Calling Card Calls, and Third Party Calls will be included on the Billed Party's telephone bill, pursuant to billing and collection agreements entered into by the Company (or its intermediary) and the applicable Other Provider(s). Charges for Credit Card Calls will be included on the Billed Party's regular monthly statement from the Cardissuing company.

2.29.10.B Billed Party

The Billed Party for Operator Assisted Calls is as follows:

- in the case of a Calling Card Call or Credit Card Call, the holder of the calling card or credit card, respectively, used by the Consumer; and
- (ii) in the case of a Collect call or Third Party Call, the person who is responsible for payment for local telephone service at the telephone number called and who agrees to accept charges for the call.

2.29.10 Billing Arrangements (cont.)

2.29.10.C Person-to-Person Calls

Person-to-Person Calls will not be deemed completed until either (i) the specific party named by the Consumer is contacted, or (ii) the Consumer agrees to speak to a different party. Person-to-Person calls shall only be offered in conjunction with one of the charges set forth in Sections 2.29.10.A or 2.29.10.B. Any of the Operator Assisted Calls described in Section 3.1 hereof may optionally be placed on a Person-to-Person basis at the Person-to-Person rates set forth in Section 4.10 hereof.

3.0 <u>DESCRIPTION OF SERVICES</u>

3.1 <u>Description of Services</u>

Services consist of (i) One Plus Service, (ii) Inbound Toll-Free Service, (iii) Travel Card Service, and (iv) Prepaid Calling Card Service, as described herein.

- 3.1.1 One Plus Service is a switched, intrastate, telecommunications service that permits Users to establish communications between points within the State of Florida.
- 3.1.2 <u>Inbound Toll-Free Service</u> is a switched, intrastate, incoming telecommunications service. Customers shall be assigned an "800", "888", "877" or other Toll-Free incoming telephone number by the Company for termination and billing of Inbound Toll-Free Service calls.
- 3.1.3 <u>Travel Card Service</u> is a switched, intrastate, telecommunications service which permits Users to establish communications between points within the State of Florida. Users may utilize Travel Card Service to originate outbound, direct dial calls, via Company-provided toll free telephone numbers in order to complete switched, intrastate, telecommunications calls. Travel Card Services are subject to the following terms and conditions.
 - 3.1.3.A <u>Unit Value</u>. Travel Card Services may be obtained from the Company, from Agents or from Customers at various per-minute or per-unit rates as set forth in Section 4.8, inclusive of all taxes. All Travel Card calls are measured in one (1) minute increments, rounded to the next higher full minute, except as otherwise set forth herein.

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3.1 <u>Description of Services (Cont'd)</u>

3.1.3.B Other Conditions of Service

- (i) Travel Card calls to 700, 800, 888, 877, 900, 950 and other similar numbers will not be completed.
- (ii) Travel Cards may not be used to make operator assisted calls. However, upon request, the Company's customer service personnel will provide Customers with call completion assistance at no charge.
- (iii) Travel Cards may not be used to make third party billed calls or person-to-person calls.
- (iv) The Company will credit the account of a User's Travel Card for calls that are interrupted or are subject to inadequate transmission due to Performance Failures. Credits will not apply to Interruptions, which are, (a) not reported to the Company by the Customer or User within ten (10) days after the Interruption; (b) not proximately
 - caused by the Company or its Agents, or (c) caused, in whole or in part, by the User.
- (v) Travel Card Services may be marketed in conjunction with third parties for whom the Company serves as the common carrier.
- (vi) Travel Card charges include per minute or per unit usage charges and may also include a per call service charge.

3.1 Description of Services (cont.)

- 3.1.4 <u>Prepaid Calling Card Service</u>. Users may utilize Prepaid Calling Card Services to originate outbound, direct dial calls, via Company-provided telephone numbers in order to complete switched, intrastate, telecommunications calls. Prepaid Calling Card Services are subject to the following terms and conditions.
 - 3.1.4.A <u>Unit Value</u>. Prepaid Calling Cards may be obtained from the Company, from Agents or from Customers in 10, 20 or dollar denominations with a per-minute value as set forth in Section 4.9, inclusive of all taxes. All Prepaid Calling Card calls are measured in one (1) minute increments, rounded to the next higher full minute.

3.1.4.B Other Conditions of Service

- (i) Prepaid Calling Card calls to 700, 800, 888, 877, 900, 950 and other similar numbers will not be completed.
- (ii) Calls may only be charged against a Prepaid Calling Card that has a sufficient available balance.
- (iii) Prepaid Calling Card balances will be reduced and depleted based upon User's usage. Users will be given notice (e.g., by automated operator intervention) one minute before the available card balance is depleted, based on the terminating location of the call. When the balance is depleted, the call will be terminated.
- (iv) Third party billing and person-to-person calls may not be made with Prepaid Calling Cards.

3.1 <u>Description of Services (Cont'd)</u>

- (v) Some promotional Prepaid Calling Cards are nonrefundable and will expire on the date specified on the card (or on the package in which the card is included) as applicable.
- (vi) The Company will credit the account of a User's Prepaid Calling Card for calls that are interrupted or are subject to Inadequate transmission due to Performance Failures. Credits will not apply to Interruptions which are: (a) not reported to the Company by the Customer or User within ten (10) days after the Interruption; (b) not proximately caused by the Company or its Agents; or (c) caused, in whole or in part, by the User.
- 3.1.4.C Prepaid Calling Card Recharge Option. Users of a Prepaid Calling Card may be given the option of adding additional dollar or unit values to the Prepaid Calling Card account associated with that card by payment to the Company via a major credit card. This recharge option may be available by contacting the Company's customer service department. The minute or unit value of a recharged Prepaid Calling Card is set forth in Section 4.9.
- 3.15 Operator Services consist of Operator Assisted Calls, including Collect Calls, Credit Card Calls, Person-to-Person Calls, Third Party Calls, and related Operator Services provided by the Company.

3.2 <u>Calculation of Distance</u>

The Customer's monthly charges for Services provided hereunder are based upon either (i) the total time the User actually uses the Services (rounded to the increments set forth in Section 4), or (ii) the airline mileage between the originating and the terminating rate centers of each call as calculated using the V and H coordinates set forth in AT&T's FCC Tariff No. 10 on file with the Commission, and incorporated herein by reference. The method of calculation of the airline mileage between rate centers is calculated according to the following formula.

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

Where V1 and H1 are the V and H coordinates of point 1, and V2 and H2 are the V and H coordinates of point 2. The mileage is rounded up to an integer value to determine the airline mileage.

3.3 Timing of Calls

Timing begins when the called party answers and is terminated when either party hangs up. Answer detection is based on standard industry detection methods, including hardware and software detection. There are no charges for an incomplete call.

4.0 RATES

4.1 Return Check Charge

The Customer will be charged twenty-five dollars (\$25.00) or the applicable statutory return check charge (if any), whichever is greater, whenever a check or draft presented for payment of Service is dishonored by the institution upon which it is drawn.

4.2 Late Payment Charge

Invoices unpaid after thirty (30) days shall incur a monthly finance charge on the unpaid balance at a rate equal to the lesser of one and one-half percent (1.5%) or the maximum rate permitted by law.

4.3 Reconnection Fee

A charge of twenty dollars (\$20.00) or the applicable statutory charge for reconnection of Service (if any), whichever is greater, will apply whenever a User requests to be reconnected to the Services after the Company has Terminated the Services to User for any reason allowed by this Tariff.

4.4 Promotions

The Company may from time to time engage in special promotions of new or existing Service offerings of limited duration designed to attract new customers or to increase existing Customer awareness of a particular offering. The promotional offerings are subject to the availability of the Services and may be limited to a specific geographical area or to a subset of a specific market group; provided, however, all promotional offerings shall be offered in accordance with applicable Regulations and shall be made part of this Tariff.

4.5 Miscellaneous Rates and Charges

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. Examples of such programs include, but are not limited to, the Universal Service Fund, the Primary Interexchange Carrier Charge, and compensation to pay telephone service providers for the use of their pay telephones to access the Company's Services.

4.6 One Plus Service Rates

The following rates apply to all presubscribed One Plus Service Customers. Calls are measured in six (6) second increments, rounded to the next higher increment.

Rate Plans	Day Rates	N/Wkd./Eve. Rate	Monthly Recurring Fee	Initial Set-Up Fee
Residential Plan I	\$0.099/min. (R)	\$0.099/min.(R)	\$0.00	\$0.00
Residential Plan II	\$0.112/min.	\$0.112/min.	\$3.95	\$0.00
Business Plan I	\$0.099/min.	\$0.099/min.	\$0.00	\$0.00
Business Plan II	\$0.112/min.	\$0.112 min.	\$3.95	\$0.00
Business Dedicated	\$0.092/min.	\$0.092/min.	\$0.00	\$0.00

4.7 Inbound Toll-Free Service Rates

The following rates apply to all Customers of Inbound Toll-Free Service. Calls are measured in six (6) second increments, rounded to the next higher full increment.

Rate Plans	Day Rates	N/Wkd./Eve. Rate	Monthly Recurring Fee	Initial Set-Up Fee
Residential Plan I	\$0.099/min. (R)	\$0.099/min.(R)	\$2.00(I)	\$0.00
Residential Plan II	\$0.112/min.	\$0.112/min.	\$2.00	\$0.00
Business Plan I	\$0.099/min.	\$0.099/min.	\$2.00	\$0.00
Business Plan II	\$0.112/min.	\$0.112/min.	\$2.00	\$0.00

4.8 <u>Travel Card Service Rates</u>

Rates for Travel Card Calls are as follows. Calls are measured in one (1) minute increments, rounded to the next higher full minute.

Rate Plans	Day Rates	N/Wkd./Eve. Rate	Monthly Recurring Fee	Initial Set-up Fee
Plan 1	\$0.15/min.	\$0.19/min.	\$0.00	\$0.35

4.9 Prepaid Calling Card Service Rates

Rates for calls made with a Prepaid Calling Card are as follows. Calls are measured in one (1) minute increments, rounded to the next higher full minute.

4.9.1 Prepaid Calling Card Service Rates

4.9.1.A Intrastate Rate

Rate Plans	Day Rates	N/Wkd./Eve. Rate	Per Call Fee
Pran 1	\$0.15/min. (R)	\$0.15/min. (R)	\$0.35(I)

4.10 Rates (Cont'd)

4.10 Operator Service Rates

4.10.1 Rates applicable to all Operator Assisted Calls for all Customers (including all "0+" calls made from Aggregator Customer locations) are as follows:

Rate Plans	Day Rates	N/Wkd./Eve. Rate	Monthly Recurring Fee	Initial Set-Up Fee
Residential Plan I	\$0.099/min.	\$0.099/min.	\$0.00	\$0.00
Residential Plan II	\$0.112/min.	\$0.112/min.	\$0.00	\$0.00
Business Plan I	\$0.099/min.	\$0.099/min.	\$0.00	\$0.00
Business Plan II	\$0.112/min.	\$0.112 min.	\$0.00	\$0.00
Business Dedicated (N) (D)	\$0.092/min.	\$0.092/min.	\$0.00	\$0.00

4.10.2 The text originally contained herein has been deleted.

The following Operator Service Charges apply except for calls under 4.10.3:

Station-to-Station (collect, third party)	\$1.75
Person-to-Person	\$3.25
Collect	\$1.75
Third Number Billing	\$1.75
Live Operator assistance	\$1.75

4.10 Rates (Cont'd)

4.10 Operator Service Rates (Cont'd)

4.10.3 0+ Payphone and calls from Call Aggregator locations will be charged the following:

4.10.3.1

Station-to-Station (collect or Third-Party)	\$1.75
Person-to-Person	\$3.25
Per Minute Rates:	\$0.30

4.10.4 Miscellaneous Charges

Directory Assistance Calls	\$0.85
Busy Line Verify	\$3.00
Busy Line Interrupt	\$3.00

4.10.5 Operator Assisted Surcharges do not apply to:

- A. Calls made by a calling party who cannot otherwise dial the call due to defective Equipment or trouble on the Company's network:
- B. Calls placed for a calling party who identifies itself as handicapped and who is Unable to place the call as a result of said handicap; or
- C. Calls placed by a calling party involving police, medical or other emergencies.

4.11 Payphone Compensation Surcharge

Customer dialed 800,888, 877 and "10XXX" calls originated from pay telephones to obtain access to the Company's Services will incur a per-call surcharge of \$0.30.

4.12 Directory Assistance

Access to long distance directory assistance may be obtained by dialing 411 or 1+(area code)+555-1212. User will be charged (or Customer will be billed) \$0.85 for each intrastate directory assistance call. The directory assistance charge applies to each call regardless of whether the directory assistance bureau is able to furnish the requested telephone number.

4.12.1 Surcharges and Fees

<u>Regulatory Cost Recovery Fee</u> The Company will impose a Cost Recovery Fee of \$1.50 per voice line, \$2.97 per data line and \$9.90 per integrated circuit (fractional T1 and above integrated data and voice) to offset its costs incurred in complying with regulatory obligations imposed by state regulatory bodies. This charge is not a tax or fee imposed by a government entity.

Issued: June 9, 2005

4.13 RESERVED FOR FUTURE USE

4.12 Application Periods

The following application periods apply to the rates established in this Section 4.

MON. TUES. WED. THU. FRI. SAT. SUN.

8:00 AM to 5:00 PM	Day Rate Period	N/Wkd
5:00 PM to 11:00 PM	Evening Rate Period	N/Wkd Eve.
11:00 PM to 8:00 AM	Night/Weekend Rate Pe	eriod

Interexchange Telecommunications Services

Fonix Telecom, Inc.

Florida Public Service Commission Tariff No. 1

Original Page 57

EXHIBIT B

Interexchange Tariff FL P.S.C Tariff No. 2

OPERATOR SERVICES

Applying to the Provision of Intrastate Operator Services Between Points in the State of Florida

AND

CONTAINING RULES AND REGULATIONS GOVERNING SERVICE

This tariff is on file with the Florida Public Service Commission and copies may be inspected, during normal business hours, at Fonix Telecom, Inc., 9350 South 150 East, Suite 700, Sandy, Utah 84070.

Check List

Tariff sheets are effective as of the date shown. Revised sheets as named below contain all changes from the original tariff that are in effect on the date thereof.

Issued: June 9, 2005

SHEET	REVISION NO.
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
31	Original
32	Original
33	Original
34	Original
35	Original
36	Original
37	Original
38	Original
39	Original
40	Original
40	Originai

Symbols

Whenever tariff sheets are revised, changes will be identified by the following symbols:

- (C) To signify changed regulation
- (D) To signify deleted or discontinued rate, regulation or condition
- (I) To signify a change resulting in an increase to a customer's bill
- (M) To signify material moved from or to another part of tariff with no change in text, rate, rule or condition
- (N) To signify new rate, regulation, condition or sheet
- (R) To signify a change resulting in a reduction to a customer's bill
- (T) To signify change in text but no change in rate, rule or condition
- (Y) To signify a reference to other published tariffs
- (Z) To signify a correction

Issued: June 9, 2005

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TARIFF FORMAT SHEET

- A. <u>Sheet Numbering</u>. 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 page is added the page appears as a decimal. For example, a new sheet added between sheets 34 and 35 would be 34.1.
- B. <u>Sheet Revision Numbers</u>. Revision numbers also appear in the upper-right corner of the sheet. These numbers are used to determine the most current sheet version on file with the Florida Public Service Commission. For example, the 4th revised Sheet 34 cancels the third revised Sheet 34. Because of deferrals, notice periods <u>etc.</u>, the most current sheet number on file with the Commission is not always the tariff sheet in effect. User should consult the Check Sheet for the sheet currently in effect.
- C. <u>Paragraph Numbering Sequence</u>. There are nine levels of paragraph coding. Each level of coding is subservient to its next higher level of coding.
- 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)
- D. <u>Check Sheets</u>. 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. All revisions made in a given filing are designated by an asterisk (*). There will be no other symbols used on this sheet if these are the only changes made to it (<u>i.e.</u>, the format, etc.). The User should refer to the latest check sheet to find out if a particular sheet is the most current sheet on file with the Commission.

INTRODUCTION

This tariff ("Tariff") contains the regulations and rates applicable to the furnishing of intrastate operator services by Fonix Telecom, Inc. (hereinafter referred to as "Fonix" or the "Company") between various locations in the State of Florida.

The regulations governing the provision and use of services offered under this Tariff are set forth in Section 2. Service descriptions and rates are set forth in Sections 3 and 4, respectively.

Issued: June 9, 2005

Effective:

SECTION 1

DEFINITIONS

Issued: June 9, 2005

DEFINITIONS

1.1 Certain terms used throughout this tariff are defined below.

<u>Access Code:</u> A sequence of numbers that, when dialed, connect a consumer to the Carrier or Provider of Operator Services associated with that sequence.

<u>Aggregator</u>: Any person that, in the ordinary course of its operations, makes telephones available to the public or to transient users of its premises for intrastate telephone calls using a provider of Operator Services.

<u>Aggregator Contract:</u> A contract entered into between an Aggregator Customer and the Company for the provision of Operator Services.

<u>Aggregator Customer:</u> An Aggregator for whom the Company serves as the Presubscribed Provider of Operator Services for one or more locations within that Aggregator's control.

<u>Authorization Code:</u> A numerical code, one or more of which are assigned to a Customer to enable it to access the Services provided by the Company and to identify the Customer for billing purposes.

<u>Billed Party:</u> The person or entity responsible for payment of an Operator Assisted Call, as more specifically described in Section 2.30.10B hereof.

<u>Call Splashing:</u> The transfer of a telephone call from one Provider of Operator Services to another in such a manner that the subsequent provider is unable or unwilling to determine the location of the origination of the call and, because of such inability or unwillingness, is prevented from billing the call on the basis of such location.

<u>Calling Card Call:</u> An Operator Assisted Call made and billed by means of a telephone calling card issued by a Carrier or provider of Operator Services.

<u>Carrier:</u> A communications common carrier authorized by the Commission or the FCC to provide communications service to the public.

Collect Call: An Operator Assisted Call billed to the called party.

<u>Commission:</u> The Florida Public Service Commission.

Consumer: A User initiating any intrastate telephone call using Operator Services.

<u>Credit(s):</u> The meaning set forth in Section 2.21 hereof.

<u>Credit Allowances:</u> The meaning set forth in Section 2.21 hereof.

Credit Card Call: An Operator Assisted Call using a credit card.

<u>Credit Limit:</u> A credit limit placed on Customer's monthly consumption of Services pursuant to Section 2.8.

1.1 <u>Definitions (Cont'd)</u>

<u>Customer:</u> The person, firm, company, corporation, or other entity that pursuant to a Service Order, orders Service(s) under this Tariff, or in the case of Calling Card Calls, Credit Card Calls, Collect Calls or Third Party Calls, the Billed Party.

<u>Day:</u> A period of time from 8:00 a.m. to (but not including) 5:00 p.m. Monday through Friday, as measured by local time at the location from which the call is originated.

Evening: A period of time from 5:00 P.M. to (but not including) 11:00 P.M., Sunday through Friday and any time during Holidays as measured by local time at the location from which the call is originated.

FCC: The Federal Communications Commission.

Governmental Authority: Any judicial, administrative, or other federal, state or municipal governmental authority (including without limitation the Commission) having jurisdiction over the Company or the provision of Services (including without limitation Operator Services) hereunder.

<u>Holidays</u>: All Company-specified holidays: New Year's Day (January 1), Independence Day (July 4), Thanksgiving Day, Labor Day and Christmas Day (December 25).

<u>Interruption</u>: The disruption of, or removal of a circuit from Service, such that the Service becomes unusable by user for a continuous period of thirty (30) minutes or more.

<u>LEC:</u> a carrier authorized by the Commission to provide service within one or more local telephone exchanges.

<u>Local Access and Transport Area ("LATA"):</u> A geographical area established by the U.S. District Court for the District of Columbia in Civil Action No. 82-0192, within which a LEC provides communications services.

<u>Minimum Service period ("MSP"):</u> The minimum period of time during which Customer takes Service ordered under Service Orders under this Tariff.

Night/Weekend("N/Wkd"): A period of time from 11:00 P.M. to (but not including) 8:00 A.M. Monday through Friday, any time on Saturday, and all day Sunday except 5:00 P.M. to (but not including) 11:00 P.M., as measured by local time at the location from which the call is originated.

Operator Assisted Call: An intrastate telephone connection completed through the use of Operator services (described in section 2.30 hereunder).

Operator Services Charges: The Company's charges, based on the rates set forth in Section 4.6 hereof, for completion of an Operator Assisted Call consisting of (i) a measured charge and (ii) a non-measured (fixed) additional Operator Service charge.

Operator Services: the provision of Operator Assisted Calls and other operator assistance by the Company pursuant to this Tariff, as more fully described in Sections 2 and 3 herein.

1.1 Definitions (Cont'd)

Operator Station: An attended operator station used to complete or process an operator assisted Call.

Other Providers: Any carriers or other service providers, whose services or facilities are connected to the Services.

<u>Performance Failure:</u> Any disruption, degradation, or failure of Service, including without limitation any Interruption (but excluding Scheduled Interruptions), any installation failure or delay, or any mistake, delay, omissions, errors or other defects in the Services or in the provision thereof.

<u>Person-to-Person Call:</u> An Operator Assisted Call which is placed under the stipulation that the caller will initially speak only to a specified, called party.

<u>Presubscribed Provider of Operator Services:</u> The intrastate Provider of Operator Services to which the Consumer is connected when the Consumer places a call using a Provider of Operator Services without dialing an Access Code.

<u>Provider of Operator Services:</u> Any Carrier that provides, or any other person the Commission determines to be a provider of Operator Services.

Regulation(s): Any and all law(s), rule(s), regulation(s) (including without limitation those set forth in this Tariff), order(s), policy or policies, ruling(s), judgment(s), decree(s) or other determination(s) which are made by the Commission or by any other Governmental Authority or which arise under any federal, state, or local statute, utility code, or ordinance, and which are applicable to the Services or to any provision of this Tariff.

Resale Tariffs: The tariffs of an Underlying Carrier.

<u>Room Charge Call:</u> An Operator Assisted Call for which charges are collected by the Aggregator Customer from the Consumer occupying the room from which the call originated.

<u>Scheduled Interruption:</u> An Interruption which has been scheduled by the Company in advance for maintenance, testing, or other administrative purposes.

Service(s): The Company's Operator Service(s) provided under this Tariff.

<u>Service Order:</u> A Company designated form used from time to time by Customer for ordering Services hereunder.

TDD: A Telecommunications Device for the Deaf.

<u>Termination (Terminate)</u>: Discontinuance of (to discontinue) Service, either at Customer's request, or by the Company in accordance with Regulations.

<u>Third Party Billing Companies:</u> Collectively, any clearinghouses, LECs, Other Providers, credit card companies or other third parties who bill Customers for Services on the Company's behalf.

Effective:

1.1 <u>Definitions (Cont'd)</u>

<u>Underlying Carriers</u>: The Carrier(s) whose services are resold by the Company pursuant to this Tariff.

<u>User:</u> (i) a Customer, or (ii) any person, firm, company, corporation, or other entity who is authorized by the Customer to use Service under this Tariff.

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By: Michael E. Britt

SECTION 2

RULES AND REGULATIONS

Issued: June 9, 2005

RULES AND REGULATIONS

The company is a Provider of Operator Services. The Services described in Section 3 of this Tariff are provided by the company pursuant to applicable Resale Tariffs which are on file with, and have been approved for resale by the Commission.

2.1 Undertaking of the Company

- 2.1.1 The Company shall exercise its best efforts to provide Services to Users between any and all points described herein pursuant to the terms and conditions set forth in this Tariff.
- 2.1.2 Services ordered by Customers under Service Orders will be made available for Users' use as soon as practicable after the Company's receipt of said Service Order. In the event of a conflict or inconsistency between the terms of a Service Order and those of this Tariff, the latter shall govern.
- 2.1.3 The obligations of the Company to provide Services under this Tariff are expressly conditioned upon the following: (i) the availability, the Company's procurement, the completed construction, and ongoing maintenance of all necessary facilities (including without limitation those facilities of Underlying Carriers) required for the Services; (ii) interconnection of the Company's facilities to Other Providers' services or facilities as required; and (iii) use of Services not in excess of any applicable Credit Limit.
- 2.1.4 The Company reserves the right (i) to discontinue or temporarily suspend Services to or from a location where the necessary facilities or equipment are not available under terms and conditions reasonably acceptable to the Company; and (ii) to block Services to any User location or to any Authorization Code, without any liability whatsoever, in the event that the Company detects or reasonably suspects either (a) fraudulent or unlawful use of the Services at or by means of said location or Authorization Code, or (b) consumption of Services in excess of the applicable Credit Limit.

2.2 Responsibility and Use

- 2.2.1 Services may be used by Users for any lawful purpose, subject to the terms and conditions set forth herein and in any applicable Service Order. Subject to the limitations and conditions set forth in this Tariff, Services are available for use twenty-four (24) hours per day, seven (7) days per week.
- 2.2.2 Customer is solely responsible for (i) prevention of unauthorized, unlawful or fraudulent use of or access to Services; and (ii) administration and non-disclosure of any Authorization Codes provided by company to Customer.

2.3 Relationship to Resale Tariffs and Aggregator Contract

In the event of a conflict between the rates, terms, and conditions of this Tariff and those of any Resale Tariff or Aggregator Contract, the rates, terms, and conditions of this Tariff shall govern.

Issued: June 9, 2005

2.4 Billing and Payments

- 2.4.1 Charges for Services will be billed to Customer on a monthly (30 day) basis, in arrears, based on the User's actual usage.
- 2.4.2 All amounts stated on each monthly invoice are due and payable immediately upon Customer's receipt thereof.
- 2.4.3 Except as otherwise limited by Regulation, Customer shall be responsible for payment of all charges, whether authorized or not, for any and all use of or access to Services provided to Users, including without limitation any unauthorized, unlawful or fraudulent use or access. Customer's charges for Credit Card Calls are subject to any applicable limitations established by any Regulation.
- Except as otherwise provided herein, the Company, at its sole option, may Terminate 2.4.4 Services in the event Customer fails to pay any invoice within thirty (30) calendar days after the due date stated thereon, subject to five (5) business days' prior written notice and to any other applicable Commission Regulation; provided, however, Customer at any time prior to the proposed date of Termination, may cure its failure to pay past due invoices by agreeing in writing to pay future invoices when due and to pay the unpaid balance in equal installments over the three (3) consecutive billing months immediately following said notice; provided further, however, Customer's failure to make such agreed upon installments when due will result in immediate Termination without further notice. Termination of Services by the Customer or the Company for any reason whatsoever will not relieve Customer of its payment obligations hereunder for all Service charges incurred by Customer through the date of Termination. Customer will be liable for all costs of collection hereunder, including without limitation reasonable attorney's fees. Any invoice for Services not disputed in writing by Customer within ten (10) days after receipt thereof is to be deemed conclusively correct and binding upon the Customer; provided, however, Customer will have the right to seek Commission investigation of any disputed invoice before Service is disconnected in accordance with Regulations.
- 2.4.5 Operator Service Charges incurred by Consumers will be billed in accordance with Section 2.30.7 hereof; all other Operator Service Charges shall be billed to Aggregator Customers. Except as otherwise set forth in this Tariff, all Operator Service Charges shall be subject to the foregoing provisions regarding billing and payments.

2.4.6 Third Party Billing

The company may engage one or more Third party Billing Companies to bill Customers (including without limitation Aggregator customers) for Services provided hereunder, subject to any and all applicable Regulation; provided, however, dispute resolution procedures for any disputed charges billed by Third party Billing Companies will at all times be subject to the Commission's Regulations.

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2.5 Taxes

All federal, state, and local excise, sales, use and similar taxes, shall be billed by the Company as separate line items on Customer's invoice and are not included in any quoted rates described or contained in this Tariff.

2.6 Deposits

The Company will not collect deposits from its Customers.

2.7 Advance Payments

The Company may, at its sole option and discretion, require that any Customer having a history of late payments for the Services or whose credit history either is unsatisfactory (in the Company's sole opinion) or is not established to the Company's reasonable satisfaction to make advance payments from time to time for future consumption of Services. The amount of each such advance payment will not exceed the lesser of (a) one (1) month's actual or estimated charges, or (b) the highest amount permitted by any applicable Commission Regulation. The Company may, at its sole option and discretion, accept personal guarantees, bank letters of credit or surety bonds in lieu of an advance payment. Advance payments will be applied to charges for Services in the same manner as other payments. A customer may be required to continue to make advance payments in accordance with this Section 2.7 until such time as its credit worthiness is established to the Company's reasonable satisfaction.

2.8 Credit Limit

The Company may at any time and at its sole discretion, set a Credit Limit for any Customer's consumption of Services for any monthly period.

2.9 <u>Call Blocking</u>

Notwithstanding any other provision of this Tariff, the Company may block calls (including without limitation Operator Assisted Calls) which (i) are made to certain countries, cities, or central office ("NXX") exchanges, or (ii) make use of certain Authorization Codes, as the Company, in its sole opinion and discretion, deems reasonably necessary to prevent unlawful or fraudulent use of Services.

2.10 <u>Indemnification by Customer</u>

- 2.10.1 Customer shall defend, indemnify and hold the Company harmless from any and all actions, claims, judgments, damages, demands, liabilities, and expenses, including, including without limitation reasonable attorney's fees, arising from or in connection with:
 - 2.10.1.A libel, slander, obscenity or indecency resulting from or associated with any use of the Services provided to any User hereunder;

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2.10 Indemnification by Customer (Cont'd)

- 2.10.1.B infringement of any patent, copyright, trademark, trade name or trade secret arising from: (i) the transmission of any material transmitted (a) by any User or (b) by any other person using the Services provided to any User, User location, or Authorization Code; or (ii) from the combination of User's use of Services with CPE or with other User-provided facilities or services; and
- 2.10.1C except as otherwise provided by applicable Regulation, any unauthorized, unlawful, or fraudulent use of or access to the Services provided to Users.

2.11 Customer Premises Equipment ("CPE")

CPE attachment by the User is permitted under this Tariff. The Customer is responsible for ensuring that all such attached CPE must conform to the FCC's registration requirements set forth in Part 68 of the Code of Federal Regulations (as amended), and the Company may discontinue the provision of Services to any location where CPE fails to conform to such Regulations.

2.12 Transmission

The Services are suitable for the transmission of voice, data, or other communications only to the limited extent set forth in the Resale Tariffs.

2.13 Interconnection

- 2.13.1 The Services may be connected with services or facilities of Other Providers subject to any technical limitations applicable to the latter; provided, however, Service furnished by the Company is not part of a joint undertaking with any Other Provider.
- 2.13.2 Interconnection with the facilities or services of Other Providers is subject to the applicable terms and conditions of the Other Providers' tariffs (if any). Customer shall be solely responsible for satisfying all legal requirements for interconnecting Customer-provided terminal equipment or communications systems with Other Providers' facilities, including, without limitation, all licenses, permits, right-of-way, and other arrangements necessary for such interconnection. Any interface equipment or facilities necessary to achieve compatibility between the facilities of the Company and those of Other Providers must be provided at the Customer's sole expense.

Issued: June 9, 2005

2.14 <u>Title</u>

Title to any and all equipment or facilities provided by Company under this Tariff will remain in the Company.

2.15 Interruption

The Company, without incurring any liability whatsoever, may make Scheduled Interruptions at any time (i) to ensure compliance by the Customer or User with Regulations (including without limitation the provisions of this Tariff), (ii) to ensure proper installation and operation of the Customer's and the Company's equipment and facilities, (iii) to prevent fraudulent use of or access to the Services, or (iv) to perform any other maintenance, testing or inspection reasonably required for the provision of Services hereunder.

2.16 Discontinuation

Notwithstanding any other provision of this Tariff, the Company may at its sole option and discretion Terminate Service without incurring any liability therefore whatsoever, subject to (i) no less than five (5) business days prior written notice or such other notice period required by Regulation, and (ii) to any applicable Regulations, for any of the following reasons:

- 2.16.1 by order of a Governmental Authority;
- 2.16.2 in the event of any unlawful, unauthorized or fraudulent use of or access to the Services, including without limitation violation of the provisions of this Tariff or of any other Regulations by the Customer, by any Consumer or any other User or by any other person;
- 2.16.3 the use of Services in excess of a Customer's Credit Limit (if any) or Customer's failure to make an advance payment (if so required) for Services provided hereunder; or
- 2.16.4 Customer's provision of false or misleading information in its Service Order or in any other document delivered by Customer to the Company.

2.17 <u>Restoration of Services</u>

The Company shall restore any Terminated Services in accordance with Commission Regulations, including but not limited to charging the Customer a reconnection fee as set forth in Section 4.2.

2.18 <u>Disclaimer</u>

The Company will have no liability whatsoever to User, to its employees, agents, subcontractors, or assignees, or to any other person (i) for damages arising out of any Underlying Carriers' Performance Failure, (ii) for any act or omission of any third party furnishing equipment, facilities or service to any User in connection with this Tariff or with the Services, or (iii) for any act or omission of any Other Provider, User, Consumer or third party related to the use or provision of Services hereunder.

THE COMPANY DISCLAIMS ALL REPRESENTATIONS AND WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION, ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE FOR OR IN CONNECTION WITH THE PROVISION OF SERVICES HEREUNDER.

2.19 <u>Limitation of Liability</u>

- 2.19.1 Except as caused by its willful misconduct or negligence, the Company's liability with respect to any action, claim, judgment, damages, demands, liability or expense (including without limitation reasonable attorney's fees) (i) brought or incurred by any User or any other party in connection with the installation, provision, preemption, termination, maintenance, repair or restoration of Service or (ii) arising from any Performance Failure, will in no event exceed an amount equal to the Service charges incurred by User for the month during which the Service was affected. Such amount will be in addition to any amounts that may otherwise be due User as Credits or Credit Allowances pursuant to the provisions of Section 2.21 hereof.
- 2.19.2 To the fullest extent permitted by any applicable Regulation, the Company's liability for negligence will also be limited to the amounts described in Section 2.19.1 hereof.
- 2.19.3 To the fullest extent permitted by any applicable Regulation, the Company's liability for gross negligence will also be limited to the amounts described in Section 2.19.1 hereof.
- 2.19.4 In no event will the Company be liable for loss of profits (even if the Company has been advised of the possibility of such loss) or for any indirect, incidental, special, consequential, exemplary or punitive damages whatsoever arising, directly or indirectly, form or in connection with the provision or use of Services hereunder.
- 2.19.5 Except as caused by its willful misconduct or negligence, the Company will not be liable for defacement of or damages to Users' premises or for any personal injury or death arising, directly or indirectly, from the furnishing of Services, or from the installation or removal of any facilities, equipment or wiring associated therewith. Customer is solely responsible for connecting any and all apparatus, equipment and associated wiring on Users' premises to the Services, and no other Carrier or third party engaged in such activity is to be deemed an agent or employee of the Company in this undertaking.

2.19.6 Any action or claim against the Company arising from any of its alleged acts or omissions in connection with this Tariff will be deemed waived if not brought or made in writing within sixty (60) days from the date that the alleged act or omission occurred.

2.20 <u>Indemnification</u>

Subject to the limitations of liability set forth in Section 2.19 hereof, the Company and the Customer shall defend, indemnify, and hold each other harmless from and against any and all actions, claims, judgments, damages, demands, liabilities, and expenses, including without limitation reasonable attorney's fees, resulting from injury to or death of any person (including injury to or death of their employees) or from the loss of or damage to tangible real or tangible personal property or to the environment, to the extent that such injury, death, loss or damage was proximately caused by any negligent act or omission on the part of the party from whom indemnity is sought, or on the part of its agents, employees, subcontractors or assignees, in connection with the provision or use of the Services. The indemnifying party under this Section 2.20 shall defend the other at the other's request against any such action, liability, claim or demand. The party seeking indemnification under this Section 2.20 must notify the other promptly of written claims or demands for which the indemnifying party is responsible hereunder. The Company and the Customer, as the case may be, shall cooperate fully with the other in the course of such indemnification, and the indemnifying party shall control such defense and the right to litigate, settle, appeal (provided it pays the cost of any required appeal bond), compromise or otherwise deal with any such claim or resulting judgment, provided that such settlement, compromise or other resolution of said claim does not result in any liability to the indemnified party.

2.21 <u>Credits and Credit Allowances</u>

2.21.1 Credits ("Credit(s)") to the Customer's fixed charges, if any, for Interruptions (other than Scheduled Interruptions or Interruptions caused by Other Providers for which a Credit Allowance is due the Company as described in Section 2.21.2 hereof) which (i) exceed in the aggregate twenty-four (24) hours per month, (ii) are directly caused by the Company, and (iii) are not due to the negligence or willful misconduct of the User, its employees, subcontractors, agents, or assignees, will be applied to Customer's account with the Company. Such Credits are to be calculated by multiplying the fixed monthly, recurring rate (if any) for the affected Service by the ratio that the number of hours the Interruption bears to 720 hours. (For the purpose of this computation, each month is deemed to have 720 hours.) An Interruption is measured from the time the Company detects, or the Customer notifies the Company of, its occurrence until such time as the Interruption is cured. Each Interruption is to be considered separately for the purpose of this calculation and is to be rounded to the nearest hour.

2.21 <u>Credits and Credit Allowances</u> (contd.)

- 2.21.2 In the event of an Interruption caused by Other Providers for which a credit or allowance ("Credit Allowance") becomes due to the Company, the Company shall apply such Credit Allowance to Customer's account, less an administration fee of twenty dollars (\$20.00), subject to the Company's collection of such Credit Allowance from the Other Provider obligated to provide same. In no event will the Company be obligated to credit Customer any amounts in excess of any Credit Allowance allocable to Customer's Interruption(s) which the Company receives from the Other Provider. Any other provision of this Section 2.21 notwithstanding, Company will have no obligation to apply any credit to Customer's account for Interruptions caused by an Other Provider for which no Credit Allowance is due the Company. In no event will the Company be responsible for payment or collection of any Credit Allowances due any User by any Aggregator.
- 2.21.3 Except as otherwise set forth herein, Customer's sole and exclusive remedy for any and all Performance Failures which consist of or give rise to Interruptions are Credits or Credit Allowances to the extent available under this Section 2.21; for any other Performance Failures or in the event Credits or Credit Allowances are unavailable (due to the fact, for example, that the Customer does not incur any fixed recurring monthly charges), Customer's sole and exclusive remedy in lieu of said Credits or Credit Allowances will be an immediate right to Terminate Services prior to the expiration of the Minimum Service Period.

2.22 Minimum Service Period

The Minimum Service Period will be for the term specified in Customer's Service Order, which term must be no less than thirty (30) days. This MSP shall automatically renew for subsequent terms of equal duration. Either the Company or the Customer may elect not to renew any MSP by written notice to the other no later than thirty (30) days prior to the expiration date of said MSP.

2.23 Compliance

The Company and Customer shall (and Customer shall cause User to) comply with all Regulations.

2.24 Force Majeure

The Company is excused from any Performance Failure due to causes beyond its reasonable control, including but not limited to acts of God, fire, floods, other catastrophes, insurrections, national emergencies, wars, labor disputes, or any Regulations or other directive, action or request of any Governmental Authority.

2.25 <u>Customer Premises</u>

Customer shall provide, without cost to Company, all equipment, space, conduit, and electric power required to terminate the Services at the User's premises. The Customer shall arrange for the Company, or for other Carriers as required, to have access to the User's premises at all reasonable times for purposes of Service installation, Termination, inspection and repair. Customer shall be solely responsible for any damage to or loss of Company equipment while on the premises of User, unless such damage is caused by the negligence or willful misconduct of the Company, its employees, subcontractors or agents.

2.26 Full Force and Effect

Should any provision or portion of this Tariff be held by a court or administrative agency of competent jurisdiction to be illegal, invalid, or unenforceable, the remaining provisions of this Tariff will remain in full force and effect.

2.27 Cooperation

Customer shall cooperate with the Company to the extent necessary for the Company to discharge its obligations hereunder and as reasonably requested by the Company.

2.28 Governing Law

This Tariff shall be governed by and construed in accordance with the rules and orders of the Commission and the laws of the State of Florida.

2.29 Expanded Local Calling Area

Except as otherwise permitted by law, the Company shall not assess any long distance charge for calls between (i) two telephones located within the same county, or (ii) two telephones within a twenty-two (22) mile radius of an exchange serving such telephones as such twenty-two (22) mile calling areas are designated on maps on file with the Commission.

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2.30 Operator Services

Operator Services and rates therefore are described in Sections 3.1 and 4.6 hereof, respectively.

2.30.1 Use of Operator Services

- 2.30.1.A Operator Services may be used for any lawful purpose consistent with the transmission and switching parameters of the telecommunications facilities utilized in the provision of Services.
- 2.30.1.B The use of Operator Services to make calls which might reasonably be expected to frighten, abuse, torment, or harass another or in such a way as to unreasonably interfere with use by others is prohibited.
- 2.30.1.C The use of Operator Services without payment for Service or attempting to avoid payment for Service by fraudulent means or devices, schemes, false or invalid numbers, or false calling or credit cards is prohibited; provided, however, the Company shall have no obligation to prevent such use or attempted use and, except as otherwise provided by Regulation, the Customer shall be fully liable to the Company for any and all Operator Service Charges resulting from the foregoing, subject to the provisions of Section 4.6 hereof.

2.30.2 Operator Service Responsibilities of the Company

- 2.30.2.A The Company (or its agent) shall identify the Company as the Provider of Operator Services by name, audibly and distinctly, to the Consumer at the beginning and at the end of each Operator Assisted Call;
- 2.30.2.B The Company shall permit the Consumer to terminate any Operator Assisted Call at no charge before the call is connected;
- 2.30.2.C With respect to all Operator Assisted Calls not directly billed by the Company or upon request, the Company shall disclose immediately at no charge to the Consumer:
 - 2.30.2.C.1 Quotation of rates or charges for Operator Assisted Calls;
 - 2.30.2.C.2 the methods by which such rates or charges will be collected; and
 - 2.30.2.C.3 the methods by which complaints concerning such rates, charges, or collection practices will be resolved.

2.30.3 Responsibilities of Aggregator Customers

The Aggregator Customer Shall:

- 2.30.3.A Post on or within twelve (12) inches of the telephone instrument, in plain view of Consumers, the following clear and conspicuous disclosures:
 - 2.30.3.A.1 A label stating the following:

"THIS TELEPHONE HAS BEEN PRESUBSCRIBED TO FONIX TELECOM, INC. ("FONIX"), WHO WILL PROVIDE AND BILL FOR OPERATOR SERVICES IN CONNECTION WITH CALLS MADE FROM THIS LOCATION AT ITS RATES. FONIX'S RATES FOR INTRASTATE SERVICE ARE ON FILE WITH THE FLORIDA PUBLIC SEVICE COMMISSION. THESE RATES MAY BE OBTAINED BY CALLING FONIX AT THE FOLLOWING TOLL FREE NUMBER: (FOLLOWED BY THE NAME, ADDRESS, AND TOLL-FREE TELEPHONE NUMBER OF THE COMPANY). YOU MAY REACH THE FONIX OPERATOR DIRECTLY BY DIALING "00".

- 2.30.3.B Ensure that each of its telephones presubscribed to the Company allows the Consumer to use an "800" or "950" access Code number to obtain access to the Provider of Operator Services desired by the Consumer;
- 2.30.3.C Ensure that no charge by the Aggregator Customer to the Consumer for using an "800" or "950" access code number, is greater than the amount the Aggregator Customer charges for calls placed using Operator Services provided by the Company;
- 2.30.4 Be responsible for placing any necessary orders; for complying with all tariffs and regulations approved or promulgated by the Commission, including without limitation this Tariff; and for assuring that Consumers comply with Tariff regulations;
 - 2.30.4.A Comply with any and all other applicable laws, regulations, orders or other requirements (as they exist from time to time) of any Governmental Authority relating to services provided or made available by the Aggregator Customer;
 - 2.30.4.B Be responsible for the payment of charges in accordance with the provisions of Section 2.4 hereof for all charges incurred, whether

fraudulent or otherwise, for all calls originated at the Aggregator Customer's location(s) other than Collect Calls, Third Party Calls, Calling Card Calls, or Credit Card Calls;

- 2.30.4.C Be responsible for any and all charges incurred for special construction and/or special facilities which the Aggregator Customer requests and which are ordered by the Company on the Aggregator Customer's behalf:
- 2.30.4.D Provide without charge any equipment space, supporting structure, conduit or electrical power to the Company as may be required for the provision of Operator Services hereunder for the Aggregator Customer's locations;
- 2.30.4.E Arrange access to the Aggregator Customer's premises at all of its locations at any reasonable time during ordinary business hours upon no less than one (1) day's written notice as may be required for Company personnel to install, repair, maintain, program, inspect or remove equipment associated with the provision of Operator Services at said locations;
- 2.30.4.F Ensure (i) that the Aggregator Customer's terminal equipment and facilities are properly connected with the Company's facilities and Services, (ii) that the signals emitted into the Company's network from the Aggregator Customer's location are of the proper mode, bandwidth, power and signal level for the intended use of the Aggregator Customer and are in compliance with the criteria set forth in Part 68 of the rules of the FCC, and (iii) that such emitted signals do not damage equipment, injure personnel, or degrade service to other Users;
- 2.30.4.G Promptly pay the Company (i) for replacement or repair of damage to the equipment or facilities of the Company caused by negligence or the willful act of the Aggregator Customer, Consumers, or others, or by improper use of equipment provided by the Aggregator Customer, by Consumers, or by others; or (ii) for the loss or theft of any of the Company's equipment installed at any Aggregator Customer's location.

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2.30.5 Responsibilities of the Consumer

With respect to any and all Operator Assisted Calls, the Consumer shall;

- 2.30.5.A comply with all applicable Regulations (including without limitation the provisions of this Tariff);
- 2.30.5.B establish its identity as often as the company or any LEC or Aggregator Customer serving the Consumer may reasonably require;
- 2.30.5.C identify the station, party, or person with whom Consumer seeks to communicate.

2.30.6 Consumer Billing

The Consumer shall provide the Company or the Company's agent with a valid method of billing Operator Assisted Calls. At its sole option and discretion, the Company shall have the right to:

- 2.30.6.A validate the credit worthiness of any Consumer through any reasonably applied credit card, calling card, called number, third party telephone number, or room number verification ("Credit Verification") procedure; or
- 2.30.6.B refuse to place any Operator Assisted Calls (i) for which billing cannot be validated, (ii) for which the Consumer fails or refuses to provide an acceptable billing method, (iii) for Consumers lacking credit worthiness as determined by Credit Verification, or (iv) in the event the Company reasonably suspects fraudulent use in connection with such calls.

2.30.7 Remedies

- 2.30.7.A The Company shall withhold payment (on a location-by-location basis) of any compensation, including commissions, to any Customer Aggregator whom the Company reasonably believes is in violation of the provisions set forth in Section 2.30.4 hereof regarding Customer Aggregator responsibilities or of any other applicable Regulation.
- 2.30.7.B In the event that:
 - 2.30.7.B.1 the Aggregator Customer fails to maintain its equipment, facilities or premises in good working order; or
 - 2.30.7.B.2 the Company reasonably determines that the state or operation of said equipment, facilities or premises may (i)

2.30.7 Remedies (Cont'd)

cause harm to the Company's equipment or personnel, (ii) adversely affect the quality of the Services, or (iii) permit fraudulent use of the Services, then the Company may, upon prior written notice and at its sole option and discretion, (i) require the Aggregator Customer (at the Aggregator Customer's sole expense) to take corrective measures with respect to the foregoing, or (ii) terminate the provision of Operator Services to some or all of the Aggregator Customer's locations in accordance with the provisions set forth in Section 2.30.9.A hereof.

2.30.7.C The remedies set forth in this Section 2.30.8 shall be in addition to, and not in lieu of, any other remedies for violation of this Tariff available to the Company under this Tariff or any other applicable Regulation.

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2.30.8 <u>Discontinuation and Interruption of Operator Services</u>

2.30.8.A Discontinuation

The Company may, at its sole option and discretion, Terminate or suspend the provision of Operator Services to an Aggregator Customer or to a particular Aggregator Customer location in accordance with the notice provisions set forth in Section 2.16 hereof, without incurring any liability whatsoever in the event of one or more of the following:

- 2.30.8.A.1 Nonpayment of any amounts more than thirty (30) days past due to the Company for Operator Services provided hereunder;
- 2.30.8.A.2 Violation of any of the provisions of this Tariff or any other Regulation; or
- 2.30.8.A.3 By reason of any order or decision of the Commission or any other Governmental Authority effectively prohibiting the Company from furnishing Operator Services.

2.30.8.B Interruption

The Company, without incurring any liability whatsoever, may make Scheduled Interruptions at any time in order to perform maintenance, tests and/or inspections in order (i) to ensure compliance of the Aggregator Customer or any Consumer with applicable Regulations (including without limitation those set forth in this Tariff), (ii) to ensure proper installation and operation of the Aggregator Customer's and the Company's equipment and facilities, (iii) to prevent fraudulent use of or access to the Services, or (iv) to perform any other maintenance, testing or inspection reasonably required for the provision of Operator Services hereunder.

2.30.9 Billing Arrangements

2.30.9.A Collect Calls, Calling Card Calls, third party Calls and Credit Card Calls

Subject to disclosure of rates pursuant to Section 2.30.2.C hereof, the following billing arrangements will apply to Operator Assisted Calls. Charges for Collect Calls, Calling Card Calls, and Third Party Calls will be included on the Billed Party's telephone bill, pursuant to billing and collection agreements entered into by the Company (or its intermediary) and the applicable Other Provider(s). Charges for Credit Card Calls will be included on the Billed Party's regular monthly statement from the card-issuing company.

2.30.9 Billing Arrangements (Cont'd))

2.30.9.B Billed Party

The Billed Party for Operator Assisted Calls is as follows:

- in the case of a Calling Card Call or Credit Card Call, the holder of the calling card or credit card, respectively, used by the Consumer; and;
- (ii) in the case of a Collect Call or Third Party Call, the person who is responsible for payment for local telephone service at the telephone number called and who agrees to accept charges for the call.

2.30.9.C Room Charge Calls

Charges for Room Charge Calls will be included on the hotel or motel bill of the Consumer subject to (i) the Consumer's request, and (ii) the Aggregator Customer's authorization. The Company shall provide a record of the call detail and charges to the hotel or motel for all Room Charge Calls. The Aggregator Customer shall be solely responsible for the collection of charges for Room Charge Calls from Consumers, and shall remain fully liable to the Company for all such Room Charge Calls, whether or not collected from the Consumer. The Company shall provide Room Charge Calls only subject to express, written authorization by the Aggregator Customer.

2.30.9.D Call Splashing

The Company will not engage in Call Splashing, except under the following conditions:

- 2.30.9.D.1 the Consumer requests to be transferred to another Provider of Operator Services;
- 2.30.9.D.2 the Consumer is informed prior to incurring any charges of any rate changes for Operator Assisted Calls resulting from such transfer; and
- 2.30.9.D.3 the Consumer consents to the transfer after disclosure of the foregoing.

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2.30.9.E Person-to-Person Calls

Person-to-Person Calls will not be deemed completed until either (i) the specific party named by the Consumer is contacted, or (ii) the Consumer agrees to speak to a different party. Person-to-Person calls shall only be offered in conjunction with one of the charges set forth in Sections 2.30.10.A or 2.30.10.B. Any of the Operator Assisted Calls described in Section 3.1 hereof may optionally be placed on a Person-to-Person basis at the Person-to-Person rates set forth in Section 4.6 hereof.

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SECTION 3

DESCRIPTION OF SERVICES

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3.0 <u>Description of Services</u>

3.1 <u>Description of Services</u>

Services consist of Operator Services. Services may be originated and/or terminated at any location in the State of Florida.

3.1.1 Operator Services consist of Operator Assisted Calls, including Collect Calls, Credit Card Calls, Person-to-Person Calls, Room Charge Calls, Third Party Calls, and related Operator Services provided by the Company.

3.2 <u>Timing of Calls</u>

The Customer's monthly charges for Services provided hereunder are based upon either (i) the total time the User actually uses the Services (rounded to the increments set forth in Section 4.6), or (ii) the airline mileage between the originating and the terminating rate centers of each call as calculated using the V and H coordinates set forth in AT&T's FCC Tariff No. 10 on file with the Commission. The method of calculation of the airline mileage between rate centers is calculated according to the following formula.

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

Where V1 and H1 are the V and H coordinates of point 1 and V2 and H2 are the V and H coordinates of point 2. The mileage is rounded up to an integer value to determine the airline mileage.

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SECTION 4

RATES

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4.0 Rates

4.1 Return Check Charge

The Customer will be charged twenty dollars (\$20.00) or the applicable statutory return check charge (if any), whichever is greater, whenever a check or draft presented for payment of Service is dishonored by the institution upon which it is drawn.

4.2 Reconnection Fee

A charge of twenty dollars (\$20.00) or the applicable statutory charge for reconnection of Service (if any), whichever is greater, will apply whenever a User requests to be reconnected to the Services after the Company has Terminated the Services to User for any reason allowed by this Tariff.

4.3 <u>Promotions</u>

The Company may from time to time engage in special promotions of new or existing Service offerings of limited duration designed to attract new customers or to increase existing Customer awareness of a particular offering. The promotional offerings are subject to the availability of the Services and may be limited to a specific geographical area or to a subset of a specific market group; provided, however, all promotional offerings shall be offered in accordance with applicable Regulations (i.e., thirty (30) days written notice to the Commission before implementation).

4.4 <u>Late Payment Charge</u>

Invoices unpaid after thirty (30) days shall incur a monthly finance charge on the unpaid balance at a rate equal to the lesser of one and one-half percent (1.5%) or the maximum rate permitted by law.

4.5 Miscellaneous Rates and Charges

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. Examples of such programs include, but are not limited to, the Universal Service Fund, the Primary Interexchange Carrier Charge, and compensation to pay telephone service providers for the use of their pay telephones to access the Company's Services.

4.0 Rates (Cont'd)

4.6 Operator Service Rates

4.6.1 Rates applicable to all Operator Assisted Calls for all Customers (including all "0+" calls made from Aggregator Customer locations) are as follows:

Rate Plans	Day Rates	N/Wkd./Eve. Rate	Monthly Recurring Fee	Initial Set-Up Fee
Residential Plan I	\$0.099/min.	\$0.099/min.	\$0.00	\$0.00
Residential Plan II	\$0.112/min.	\$0.112/min.	\$3.95	\$0.00
Business Plan I	\$0.099/min.	\$0.099/min.	\$0.00	\$0.00
Business Plan II	\$0.112/min.	\$0.112 min.	\$3.95	\$0.00
Business Dedicated	\$0.092/min.	\$0.092/min.	\$0.00	\$0.00

4.6.2 The following additional Operator Service charges will apply to all Operator Assisted Calls in addition to the Intrastate Service Rates set forth in the preceding Section 4.6.1:

Calling Card Call (automated)	\$.35
Station-to-Station	\$2.50
Collect	\$2.50
Person-to-Person	\$2.50
Directory Assistance Call Completion	\$.85
Third Number Billing	\$2.50
Busy Line Verify	\$3.00
Busy Line Interrupt	\$3.00

4.6.3 An additional \$2.50 surcharge will be added to the charges for any Operator Assisted Call for any Customer requiring live operator assistance. This surcharge does not apply to:

4.0 Rates (Cont'd)

4.6 Operator Service Rates (Cont'd)

- 4.6.3.A Operator Assisted Calls made by a calling party who cannot otherwise dial the call due to defective equipment or trouble on the Company's network;
- 4.6.3.B Operator Assisted Calls placed for a calling party who identifies itself as handicapped and who is unable to place the call as a result of said handicap; or
- 4.6.3.C Operator Assisted Calls placed by a calling party involving police, medical or other emergencies.

4.7 <u>Directory Assistance</u>

Access to long distance directory assistance may be obtained by dialing 411 or 1+(area code)+555-1212. User will be charged (or Customer will be billed) \$0.85 for each intrastate directory assistance call. The directory assistance charge applies to each call regardless of whether the directory assistance bureau is able to furnish the requested telephone number.

4.8 Rates for Hearing or Speech Impaired

For properly certified hearing or speech impaired Subscribers who communicate via a TDD, the Company will issue upon request a credit for certain intrastate toll charges for calls made between TDDs. The credit will appear on the Customer's subsequent bill and will be equal to applying the Evening Rate during business day hours and Night/Weekend rate during the Evening rate period. Subscribers using TDDs with the assistance of the relay center will receive a credit equal to twenty-five (25%) of the rate for the applicable rate period. If either the Subscriber or the called party indicates that either party is both hearing and visually impaired, the call shall be discounted by twenty-five percent (25%) of the applicable rate. Such credit does not apply to surcharges on per call add-on charges for Operator Services when the call is placed by a method that would normally incur the surcharge.

4.0 Rates (Cont'd)

4.9 Application Periods

The following application periods apply to the rates established in this Section 4.

MON. TUES. WED. THU. FRI. SAT. SUN.

8:00 AM to 5:00 PM	Day Rate Period	N/Wkd
5:00 PM to 11:00 PM	Evening Rate Period	
11:00 PM to 8:00 AM	Night/Weekend Rate Pe	eriod

4.10 Holiday

On Holidays the rate applicable is the Evening rate unless a lower rate would normally apply.

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4.0 Rates (Cont'd)

4.11 <u>Computation of Charges</u>

- 4.11.1 Calls will be billed in increments of one (1) minute and additional periods of one (1) minute, as set forth in Section 4.6. Where answer supervision is available, the time of each call begins as set forth in Subsection 4.11.2 below, and ends when the calling party disconnects. In no event will the time of a call be deemed to begin prior to sixty (60) seconds from the time of intervention by an operator or automated equipment with respect to said call, except where answer detection capability exists.
- 4.11.2 Where answer supervision is available, the time of a call begins when the called station is answered, as determined by the standard industry methods selected by the applicable Underlying Carrier. The Company will not knowingly bill any Customer for unanswered calls. Upon the Customer's or Billed Party's request, the Company shall promptly refund or credit, as the case may be, payments or charges for any unanswered calls inadvertently billed due to the unavailability of Feature Group D or to the LEC's failure to provide answer supervision. Where answer supervision is not available, any call for which the billed duration exceeds one minute shall be presumed to have been answered.

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