

RULES, REGULATIONS, AND  
SCHEDULE OF RATES AND CHARGES  
APPLICABLE TO END USER

LOCAL EXCHANGE and TOLL TELECOMMUNICATIONS SERVICES

FURNISHED BY

SPECTROTEL, INC.

WITHIN THE STATE OF TEXAS

---

Issued: May 7, 2004

Effective: May 7, 2004

By: Jacob J. Dayan – President and CEO  
3535 State Highway 66, Suite 7  
Neptune, NJ 07753

TXL0401

---

TABLE OF CONTENTS

Title Page	Cover
Preface	
Table of Contents	1
Check Sheet	2
Explanation of Symbols	4
Application of Rate Sheet	5
Definitions	Section 1
Rules and Regulations	Section 2
Service Areas	Section 3
Services Charges and Surcharges	Section 4
Local Exchange Services	Section 5
Centrex Service	Section 6
Supplementary Services	Section 7
Toll Services	Section 8
Access Service	Section 9
Special Arrangements	Section 10
Promotional Offerings	Section 11

---

Issued: May 7, 2004

Effective: May 7, 2004

By: Jacob J. Dayan – President and CEO  
3535 State Highway 66, Suite 7  
Neptune, NJ 07753

TXL0401

CHECK SHEET

Pages of this Rate Sheet, as indicated below, are effective as of the date shown at the bottom of the respective pages. Original and revised pages, as named below, comprise all changes from the original Rate Sheet and are currently in effect as of the date on the bottom of this page.

SECTION	PAGE	REVISION		SECTION	PAGE	REVISION
	Title	Original		2	18	Original
Preface	1	Original		2	19	Original
Preface	2	5 <sup>th</sup> Rev.	*	2	20	Original
Preface	3	1 <sup>st</sup> Rev.	*	2	21	Original
Preface	4	Original		2	22	Original
Preface	5	Original		2	23	Original
1	1	Original		2	24	Original
1	2	Original		2	25	Original
1	3	Original		2	26	Original
1	4	Original		2	27	Original
1	5	Original		2	28	Original
2	1	Original		2	29	Original
2	2	Original		2	30	Original
2	3	Original		2	31	Original
2	4	Original		2	32	Original
2	5	Original		2	33	Original
2	6	Original		2	34	Original
2	7	Original		2	35	Original
2	8	Original		2	36	Original
2	9	Original		2	37	Original
2	10	Original		2	38	Original
2	11	Original		2	39	Original
2	12	Original		2	40	Original
2	13	Original		2	41	Original
2	14	Original		2	42	4 <sup>th</sup> Revised
2	15	Original		2	43	Original
2	16	Original		2	44	Original
2	17	Original				

\* - indicates those pages included with this filing

CHECK SHEET, (CONT'D.)

SECTION	PAGE	REVISION	SECTION	PAGE	REVISION
3	1	Original	6	7	Original
4	1	Original	6	8	Original
4	2	Original	7	1	Original
4	3	Original	7	2	Original
4	4	Original	7	3	Original
4	5	Original	7	4	Original
4	6	Original	7	5	Original
4	7	Original	7	6	Original
4	8	Original	7	7	Original
5	1	Original	7	8	First Revised *
5	2	Original	7	9	First Revised *
5	3	Original	7	10	First Revised *
5	4	Original	7	11	Original
5	5	Original	7	12	Original
5	6	Original	7	13	Original
5	7	Original	7	14	Original
5	8	Original	7	15	Original
5	9	Original	7	16	Original
5	10	Original	8	1	Original
5	11	Original	8	2	Original
5	12	Original	8	3	Original
5	13	Original	9	1	Original
6	1	Original	10	1	Original
6	2	Original	10	2	Original
6	3	Original	10	3	Original
6	4	Original	10	4	Original
6	5	Original	11	1	Original
6	6	Original			

\* - indicates those pages included with this filing

Issued: May 18, 2016

Effective: June 4, 2016

By: Jacob J. Dayan – President and CEO  
3535 State Highway 66, Suite 7  
Neptune, NJ 07753

### EXPLANATION OF SYMBOLS

The following symbols shall be used in this Rate Sheet for the purpose indicated below:

- (C) - To signify changed regulation.
- (D) - To signify discontinued rate or regulation.
- (I) - To signify increased rate.
- (M) - To signify a move in the location of text.
- (N) - To signify new rate or regulation.
- (R) - To signify reduced rate.
- (S) - To signify reissued matter.
- (T) - To signify a change in text but no change in rate or regulation.

### APPLICATION OF RATE SHEET

This Rate Sheet sets forth the service offerings, rates, terms and conditions applicable to local exchange, exchange access, and intrastate toll communications services within the state of Texas.

---

Issued: February 11, 2015

Effective: March 1, 2015

By: Jacob J. Dayan – President and CEO  
3535 State Highway 66, Suite 7  
Neptune, NJ 07753

---

SECTION 1 - DEFINITIONS

For the purpose of this Rate Sheet, the following definitions will apply:

Advance Payment – Payment of all or part of a charge required before the start of service.

Authorization Code - A numerical code, one or more of which may be assigned to a Customer, to enable Carrier to identify the origin of service of the Customer so it may rate and bill the call. All authorization codes shall be the sole property of Carrier and no Customer shall have any property or other right or interest in the use of any particular authorization code. Automatic numbering identification (ANI) may be used as or in connection with the authorization code.

Authorized User - A person, corporation or other entity who is authorized by the Company's customer to utilize service provided by the Company to the customer. The customer is responsible for all charges incurred by an Authorized

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

Spectrotel - Spectrotel, Inc., issuer of this Rate Sheet.

Commission - Texas Public Utilities Commission.

Common Carrier - An authorized company or entity providing telecommunications services to the public

Company - Spectrotel, Inc., the issuer of this Rate Sheet.

Customer - The person, firm or corporation that orders service and is responsible for the payment of charges and compliance with the terms and conditions of this Rate Sheet.

Customer Premises - A location designated by the Customer for the purposes of connecting to the Company's services.

---

SECTION 1 - DEFINITIONS, (CONT'D.)

Customer Terminal Equipment - Terminal equipment provided by the Customer.

Deposit - Refers to a cash or equivalent of cash security held as a guarantee for payment of the charges.

End Office - The LEC switching system office or serving wire center where Customer station loops are terminated for purposes of interconnection to each other and/or to trunks.

Equal Access - A form of dialed access provided by local exchange companies whereby interexchange calls dialed by the Customer are automatically routed to the Company's network. Presubscribed Customers may also route interexchange calls to the Company's network by dialing an access code supplied by the Company.

Exchange Telephone Company or Telephone Company - Denotes any individual, partnership, association, joint-stock company, trust, or corporation authorized by the appropriate regulatory bodies to engage in providing public switched communication service throughout an exchange area, and between exchange areas within the LATA.

Individual Case Basis (ICB) - A service arrangement in which the regulations, rates and charges are developed based on the specific circumstances of the Customer's situation.

IXC or Interexchange Carrier - long distance telecommunications services provider.

Interruption - The inability to complete calls due to equipment malfunctions or human errors. Interruption shall not include, and no allowance shall be given for service difficulties such as slow dial tone, circuits busy or other network and/or switching capability shortages. Nor shall Interruption include the failure of any service or facilities provided by a common carrier or other entity other than the Carrier. Any Interruption allowance provided within this Rate Sheet by Carrier shall not apply where service is interrupted by the negligence or willful act of the Customer, or where the Carrier, pursuant to the terms of this Rate Sheet, terminates service because of non-payment of bills, unlawful or improper use of the Carrier's facilities or service, or any other reason covered by this Rate Sheet or by applicable law.

---

Issued: May 7, 2004

Effective: May 7, 2004

By: Jacob J. Dayan – President and CEO  
3535 State Highway 66, Suite 7  
Neptune, NJ 07753

TXL0401

---

SECTION 1 - DEFINITIONS, (CONT'D.)

Joint User - A person, firm or corporation designated by the Customer as a user of local exchange service furnished to the Customer by the Company, and to whom a portion of the charges for such facilities are billed under a joint use arrangement.

LATA - A Local Access and Transport Area established pursuant to the Modification of Final Judgment entered by the United States District Court for the District of Columbia in Civil Action No. 82-0192; or any other geographic area designated as a LATA in the National Exchange Carrier Association, Inc. Tariff F.C.C. No. 4, or its successor tariff(s).

LEC - Local Exchange Company refers to the dominant, monopoly local telephone company in the area also served by the Company.

Local Calling - A completed call or telephonic communication between a calling Station and any other Station within the local service area of the Calling Station.

Monthly Recurring Charges - The monthly charges to the Customer for services, facilities and equipment, which continue for the agreed upon duration of the service.

MOU - Minutes of Use.

NECA - National Exchange Carriers Association.

Non-Recurring Charge ("NRC") - The initial charge, usually assessed on a one-time basis, to initiate and establish service.

PIN - Personal Identification Number. See Authorization Code.

---

Issued: May 7, 2004

Effective: May 7, 2004

By: Jacob J. Dayan – President and CEO  
3535 State Highway 66, Suite 7  
Neptune, NJ 07753

TXL0401

---

SECTION 1 - DEFINITIONS, (CONT'D.)

Point of Presence ("POP") - Point of Presence

Premises - The space occupied by a customer or authorized user in a building or buildings or contiguous property not separated by a public right of way.

Recurring Charges - Monthly charges to the Customer for services, and equipment, which continues for the agreed upon duration of the service.

Service - Any means of service offered herein or any combination thereof.

Service Commencement Date - The first day following the date on which the Company notifies the Customer that the requested service or facility is available for use, unless extended by the Customer's refusal to accept service which does not conform to standards set forth in the Service order or this Rate Sheet, in which case the Service Commencement Date is the date of the Customer's acceptance of service. The parties may mutually agree on a substitute Service Commencement Date.

Service Order - The written or verbal request for Company services by the Customer and the Company in the format devised by the Company. A Service Order initiates the respective obligations of the parties as set forth therein and pursuant to this Rate Sheet.

Services - The Company's telecommunications services offered on the Company's network.

Shared Inbound Calls - Refers to calls that are terminated via the Customer's Company-provided local exchange line.

Shared Outbound Calls - Refers to calls in Feature Group (FGD) exchanges whereby the Customer's local telephone lines are presubscribed by the Company to the Company's outbound service such that "1 + 10-digit number" calls are automatically routed to the Company's or an IXC's network. Calls to stations within the Customer's LATA may be placed by dialing "10XXX" or "101XXXX" with 1 + 10-digit number."

---

Issued: May 7, 2004

Effective: May 7, 2004

By: Jacob J. Dayan – President and CEO  
3535 State Highway 66, Suite 7  
Neptune, NJ 07753

TXL0401

SECTION 1 - DEFINITIONS, (CONT'D.)

Station - The network control signaling unit and any other equipment provided at the Customer's premises that enables the Customer to establish communications connections and to effect communications through such connections.

Subscriber - The person, firm, partnership, corporation, or other entity who orders telecommunications service from the Company. Service may be ordered by, or on behalf of, those who own, lease or otherwise manage the pay telephone, PBX, or other switch vehicle from which an End User places a call utilizing the services of the Company.

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

Terminal Equipment - Any telecommunications equipment other than the transmission or receiving equipment installed at a Company location.

Usage Charges - Charges for minutes or messages traversing over local exchange facilities.

User or End User - A Customer, Joint User, or any other person authorized by a Customer to use service provided under this Rate Sheet.

---

Issued: May 7, 2004

Effective: May 7, 2004

By: Jacob J. Dayan – President and CEO  
3535 State Highway 66, Suite 7  
Neptune, NJ 07753

TXL0401

---

## SECTION 2 - RULES AND REGULATIONS

### 2.1 Undertaking of the Company

#### 2.1.1 Scope

The Company undertakes to furnish communications service pursuant to the terms of this Rate Sheet in connection with one-way and/or two-way information transmission originating from points within the State of Texas, and terminating within a local calling area as defined herein.

Customers and users may use service and facilities provided under this Rate Sheet to obtain access to services offered by other service providers. The Company is responsible under this Rate Sheet only for the services and facilities provided hereunder, and it assumes no responsibility for any service provided by any other entity that purchases access to the Company network in order to originate or terminate its own services, or to communicate with its own customers.

Failure by the Company to assert its rights pursuant to one provision of this Rate Sheet does not preclude the Company from asserting its rights under other provisions.

#### 2.1.2 Shortage of Equipment or Facilities

- A. The Company reserves the right to limit or to allocate the use of existing facilities, or of additional facilities offered by the Company, when necessary because of lack of facilities, or due to some other cause beyond the Company's control.
- B. The furnishing of service under this Rate Sheet is subject to the availability on a continuing basis of all the necessary facilities and is limited to the capacity of the Company's facilities as well as facilities the Company may obtain from other carriers to furnish service from time to time as required at the sole discretion of the Company.

---

Issued: May 7, 2004

Effective: May 7, 2004

By: Jacob J. Dayan – President and CEO  
3535 State Highway 66, Suite 7  
Neptune, NJ 07753

TXL0401

---

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.1 Undertaking of the Company, (Cont'd.)

2.1.3 Terms and Conditions

- A. Minimum Period - Service is provided on a term basis only. The minimum term period is 30 days unless otherwise specified in this Rate Sheet or mutually agreed upon by contract.
- B. The Company may require a minimum contract period longer than one month in connection with special, non-standard types or arrangements of equipment, or for unusual construction, necessary to meet special demands for service. Customers may be required to enter into written service orders which shall contain or reference a specific description of the service ordered, the rates to be charged, the duration of the services, and the terms and conditions in this Rate Sheet. Customers will also be required to execute any other documents as may be reasonably requested by the Company.
- C. Except as otherwise stated in the Rate Sheet, at the expiration of the initial term specified in each Service Order, or in any extension thereof, service shall continue on a month to month basis at the then current rates unless terminated by either party upon notice. Any termination shall not relieve the Customer of its obligation to pay any charges incurred under the service order and this Rate Sheet prior to termination. The rights and obligations which by their nature extend beyond the termination of the term of the service order shall survive such termination.
- D. Service may be terminated upon written notice to the Customer if:
  - .1 the Customer is using the service in violation of this Rate Sheet; or
  - .2 the Customer is using the service in violation of the law.
- E. This Rate Sheet shall be interpreted and governed by the laws of the State of Texas without regard for its choice of laws provision.

---

Issued: May 7, 2004

Effective: May 7, 2004

By: Jacob J. Dayan – President and CEO  
3535 State Highway 66, Suite 7  
Neptune, NJ 07753

TXL0401

---

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.1 Undertaking of the Company, (Cont'd.)

2.1.3 Terms and Conditions, (Cont'd.)

- F. Any Other Telephone Company may not interfere with the right of any person or entity to obtain service directly from the Company. No person or entity shall be required to make any payment, incur any penalty, monetary or otherwise, or purchase any services in order to have the right to obtain service directly from the Company.
- G. To the extent that either the Company or any Other Telephone Company exercises control over available cable pairs, conduit, duct space, raceways, or other facilities needed by the other to reach a person or entity, the party exercising such control shall make them available to the other on terms equivalent to those under which the Company makes similar facilities under its control available to its Customers. At the reasonable request of either party, the Company and the Other Telephone Company shall jointly attempt to obtain from the owner of the property access for the other party to serve a person or entity.
- H. The Company hereby reserves its rights to establish service packages specific to a particular Customer. These contracts may or may not be associated with volume and/or term discounts. All service packages established by the Company will be approved by the Commission prior to the furnishing of service.

---

Issued: May 7, 2004

Effective: May 7, 2004

By: Jacob J. Dayan – President and CEO  
3535 State Highway 66, Suite 7  
Neptune, NJ 07753

TXL0401

---

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.1 Undertaking of the Company, (Cont'd.)

2.1.4 Limitations on Liability

- A. Except as otherwise stated in this section, the liability of the Company for damages arising out of either: (1) the furnishing of its services, including but not limited to mistakes, omissions, interruptions, delays, or errors, or other defects, representations, or use of these services or (2) the failure to furnish its service, whether caused by acts or omission, shall be limited to the extension of allowances to the Customer for interruptions in service as set forth in Section 2.7.
- B. The Company shall not be liable for any act or omission of any connecting carrier, underlying carrier or local exchange Company except where Company contracts the other carrier; for acts or omission of any other providers of connections, facilities, or service; or for culpable conduct of the customer or failure of equipment, facilities or connection provided by the customer.
- C. Except for the extension of allowances to the Customer for interruptions in service as set forth in Section 2.7, the Company shall not be liable to a Customer or third party for any direct, indirect, special, incidental, reliance, consequential, exemplary or punitive damages, including, but not limited to, loss of revenue or profits, for any reason whatsoever, including, but not limited to, any act or omission, failure to perform, delay, interruption, failure to provide any service or any failure in or breakdown of facilities associated with the service.
- D. The liability of the Company for errors in billing that result in overpayment by the Customer shall be limited to a credit equal to the dollar amount erroneously billed or, in the event that payment has been made and service has been discontinued, to a refund of the amount erroneously billed.

---

Issued: May 7, 2004

Effective: May 7, 2004

By: Jacob J. Dayan – President and CEO  
3535 State Highway 66, Suite 7  
Neptune, NJ 07753

TXL0401

---

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.1 Undertaking of the Company, (Cont'd.)

2.1.4 Limitations on Liability, (Cont'd.)

- E. The Company shall be indemnified and saved harmless by the Customer from and against all loss, liability, damage and expense, including reasonable counsel fees, due to:
- .1 Any act or omission of: (a) the Customer, (b) any other entity furnishing service, equipment or facilities for use in conjunction with services or facilities provided by the Company; or (c) common carriers or warehousemen, except as contracted by the Company;
  - .2 Any delay or failure of performance or equipment due to causes beyond the Company's control, including but not limited to, acts of God, fires, floods, earthquakes, hurricanes, or other catastrophes; national emergencies, insurrections, riots, wars or other civil commotions; strikes, lockouts, work stoppages or other labor difficulties; criminal actions taken against the Company; unavailability, failure or malfunction of equipment or facilities provided by the Customer or third parties; and any law, order, regulation or other action of any governing authority or agency thereof;
  - .3 Any unlawful or unauthorized use of the Company's facilities and services;
  - .4 Libel, slander, invasion of privacy or infringement of patents, trade secrets, or copyrights arising from or in connection with the material transmitted by means of Company-provided facilities or services; or by means of the combination of Company-provided facilities or services;
  - .5 Breach in the privacy or security of communications transmitted over the Company's facilities;

---

Issued: May 7, 2004

Effective: May 7, 2004

By: Jacob J. Dayan – President and CEO  
3535 State Highway 66, Suite 7  
Neptune, NJ 07753

TXL0401

---

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.1 Undertaking of the Company, (Cont'd.)

2.1.4 Limitations on Liability, (Cont'd.)

D. (continued)

- .6 Changes in any of the facilities, operations or procedures of the Company that render any equipment, facilities or services provided by the Customer obsolete, or require modification or alteration of such equipment, facilities or services, or otherwise affect their use or performance, except where reasonable notice is required by the Company and is not provided to the Customer, in which event the Company's liability is limited as set forth in paragraph (A) of this Subsection 2.1.4.
- .7 Defacement of or damage to Customer premises resulting from the furnishing of services or equipment on such premises or the installation or removal thereof;
- .8 Injury to property or injury or death to persons, including claims for payments made under Workers' Compensation law or under any plan for employee disability or death benefits, arising out of, or caused by, any act or omission of the Customer, or the construction, installation, maintenance, presence, use or removal of the Customer's facilities or equipment connected, or to be connected to the Company's facilities;
- .9 Any noncompletion of calls due to network busy conditions;
- .10 Any calls not actually attempted to be completed during any period that service is unavailable;
- .11 And any other claim resulting from any act or omission of the Customer or patron(s) of the Customer relating to the use of the Company's services or facilities.

---

Issued: May 7, 2004

Effective: May 7, 2004

By: Jacob J. Dayan – President and CEO  
3535 State Highway 66, Suite 7  
Neptune, NJ 07753

TXL0401

---

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.1 Undertaking of the Company, (Cont'd.)

2.1.4 Limitations on Liability, (Cont'd.)

- F. The Company does not guarantee nor make any warranty with respect to installations provided by it for use in an explosive atmosphere.
- G. THE COMPANY MAKES NO WARRANTIES OR REPRESENTATIONS, EXPRESS OR IMPLIED, EITHER IN FACT OR BY OPERATION OF LAW, STATUTORY OR OTHERWISE, INCLUDING WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR USE, EXCEPT THOSE EXPRESSLY SET FORTH HEREIN.
- H. Failure by the Company to assert its rights pursuant to one provision of this Rate Sheet does not preclude the Company from asserting its rights under other provisions.
- I. Directory Errors - In the absence of gross negligence or willful misconduct, no liability for damages arising from errors or mistakes in or omissions of directory listings, or errors or mistakes in or omissions of listing obtainable from the directory assistance operator, including errors in the reporting thereof, shall attach to the Company. An allowance for errors or mistakes in or omissions of published directory listings or for errors or mistakes in or omissions of listing obtainable from the directory assistance operator shall be at the monthly Rate Sheet rate for each listing, or in the case of a free or no-charge directory listing, credit shall equal two times the monthly Rate Sheet rate for an additional listing, for the life of the directory or the charge period during which the error, mistake or omission occurs.

---

Issued: May 7, 2004

Effective: May 7, 2004

By: Jacob J. Dayan – President and CEO  
3535 State Highway 66, Suite 7  
Neptune, NJ 07753

TXL0401

---

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.1 Undertaking of the Company, (Cont'd.)

2.1.4 Limitations on Liability, (Cont'd.)

J. With respect to Emergency Number 911 Service:

- .1 This service is offered solely as an aid in handling assistance calls in connection with fire, police and other emergencies. The Company is not responsible for any losses, claims, demands, suits or any liability whatsoever, whether suffered, made instituted or asserted by the Customer or by any other party or person for any personal injury or death of any person or persons, and for any loss, damage or destruction of any property, whether owned by the Customer or others, caused or claimed to have been caused by: (1) mistakes, omissions, interruptions, delays, errors or other defects in the provision of service, of (2) installation, operation, failure to operate, maintenance, removal, presence, condition, local or use of any equipment and facilities furnishing this service.
- .2 Neither is the Company responsible for any infringement, nor invasion of the right of privacy of any person or persons, caused or claimed to have been caused directly or indirectly, by the installation, operation, failure to operate, maintenance, removal, presence, condition, occasion or use of emergency 911 service features and the equipment associated therewith, or by any services furnished by the Company, including, but not limited to the identification of the telephone number, address or name associated with the telephone used by the party or parties accessing emergency 911 service, and which arise out of the negligence or other wrongful act of the Company, the Customer, its users, agencies or municipalities, or the employees or agents of any one of them.

---

Issued: May 7, 2004

Effective: May 7, 2004

By: Jacob J. Dayan – President and CEO  
3535 State Highway 66, Suite 7  
Neptune, NJ 07753

TXL0401

---

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.1 Undertaking of the Company, (Cont'd.)

2.1.4 Limitations on Liability, (Cont'd.)

J. With respect to Emergency Number 911 Service, (Cont'd.)

- .3 When a Customer with a nonpublished telephone number, as defined herein, places a call to the emergency 911 service, the Company will release the name and address of the calling party, where such information can be determined, to the appropriate local governmental authority responsible for emergency 911 service upon request of such governmental authority. By subscribing to service under this rate sheet, the Customer acknowledges and agrees with the release of information as described above.

2.1.5 Notification of Service-Affecting Activities

The Company will provide the Customer reasonable notification of service-affecting activities that may occur in normal operation of its business. Such activities may include, but are not limited to, equipment or facilities additions, removals or rearrangements and routine preventative maintenance. Generally, such activities are not specific to an individual Customer but affect many Customers' services. No specific advance notification period is applicable to all service activities. The Company will work cooperatively with the Customer to determine the reasonable notification requirements. With some emergency or unplanned service-affecting conditions, such as an outage resulting from cable damage, notification to the Customer may not be possible.

---

Issued: May 7, 2004

Effective: May 7, 2004

By: Jacob J. Dayan – President and CEO  
3535 State Highway 66, Suite 7  
Neptune, NJ 07753

TXL0401

---

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.1 Undertaking of the Company, (Cont'd.)

2.1.6 Provision of Equipment and Facilities

- A. The Company shall use reasonable efforts to make available services to a Customer on or before a particular date, subject to the provisions of and compliance by the Customer with, the regulations contained in this Rate Sheet. The Company does not guarantee availability by any such date and shall not be liable for any delays in commencing service to any Customer.
- B. The Company shall use reasonable efforts to maintain only the facilities and equipment that it furnishes to the Customer. The Customer may not nor may the Customer permit others to rearrange, disconnect, remove, attempt to repair, or otherwise interfere with any of the facilities or equipment installed by the Company, except upon the written consent of the Company.
- C. The Company may substitute, change or rearrange any equipment or facility at any time and from time to time, but shall not thereby alter the technical parameters of the service provided the Customer.
- D. Equipment the Company provides or installs at the Customer Premises for use in connection with the services the Company offers shall not be used for any purpose other than that for which the equipment is provided.
- E. The Customer shall be responsible for the payment of service charges as set forth herein for visits by the Company's agents or employees to the Premises of the Customer when the service difficulty or trouble report results from the use of equipment or facilities provided by any party other than the Company, including but not limited to the Customer.

---

Issued: May 7, 2004

Effective: May 7, 2004

By: Jacob J. Dayan – President and CEO  
3535 State Highway 66, Suite 7  
Neptune, NJ 07753

TXL0401

---

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.1 Undertaking of the Company, (Cont'd.)

2.1.5 Provision of Equipment and Facilities, (Cont'd.)

F. The Company shall not be responsible for the installation, operation, or maintenance of any Customer provided communications equipment. Where such equipment is connected to the facilities furnished pursuant to this Rate Sheet, the responsibility of the Company shall be limited to the furnishing of facilities offered under this Rate Sheet and to the maintenance and operation of such facilities. Subject to this responsibility, the Company shall not be responsible for:

- .1 the through transmission of signals by Customer provided equipment or for the quality of, or defects in, such transmission; or
- .2 the reception of signals by Customer-provided equipment; or
- .3 network control signaling where such signaling is performed by Customer-provided network control signaling equipment.

---

Issued: May 7, 2004

Effective: May 7, 2004

By: Jacob J. Dayan – President and CEO  
3535 State Highway 66, Suite 7  
Neptune, NJ 07753

TXL0401

---

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.1 Undertaking of the Company, (Cont'd.)

2.1.7 Non-Routine Installation

At the Customer's request, installation and/or maintenance may be performed outside the Company's regular business hours or in hazardous locations. In such cases, charges based on cost of the actual labor, material, or other costs incurred by or charged to the Company will apply. If installation is started during regular business hours but, at the Customer's request, extends beyond regular business hours into time periods including, but not limited to, weekends, holidays, and/or night hours, additional charges may apply.

2.1.8 Special Construction

Subject to the agreement of the Company and to all of the regulations contained in this Rate Sheet, special construction of facilities may be undertaken on a reasonable efforts basis at the request of the Customer. Special construction is construction undertaken:

- A. where facilities are not presently available, and there is no other requirement for the facilities so constructed;
- B. of a type other than that which the Company would normally utilize in the furnishing of its services;
- C. over a route other than that which the Company would normally utilize in the furnishing of its services;
- D. in a quantity greater than that which the Company would normally construct;
- E. on an expedited basis;
- F. on a temporary basis until permanent facilities are available;
- G. involving abnormal costs; or
- H. in advance of its normal construction.

---

Issued: May 7, 2004

Effective: May 7, 2004

By: Jacob J. Dayan – President and CEO  
3535 State Highway 66, Suite 7  
Neptune, NJ 07753

TXL0401

---

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.1 Undertaking of the Company, (Cont'd.)

2.1.9 Ownership of Facilities

Title to all facilities provided in accordance with this Rate Sheet remains in the Company, its partners, agents, contractors or suppliers.

2.2 Prohibited Uses

2.2.1 The services the Company offers shall not be used for any unlawful purpose or for any use as to which the Customer has not obtained all required governmental approvals, authorizations, licenses, consents and permits.

2.2.2 The Company may require applicants for service who intend to use the Company's offerings for resale and/or for shared use to file a letter with the Company confirming that their use of the Company's offerings complies with relevant laws and the Public Utilities Commission of Texas's regulations, policies, orders, and decisions.

2.2.3 The Company may block any signals being transmitted over its Network by Customers which cause interference to the Company or other users. Customer shall be relieved of all obligations to make payments for charges relating to any blocked Service and shall indemnify the Company for any claim, judgment or liability resulting from such blockage.

2.2.4 A Customer, joint user, or authorized user may not assign, or transfer in any manner, the service or any rights associated with the service without the written consent of the Company. The Company will permit a Customer to transfer its existing service to another entity if the existing Customer has paid all charges owed to the Company for regulated communications services. Such a transfer will be treated as a disconnection of existing service and installation of new service, and non-recurring installation charges as stated in this Rate Sheet will apply.

---

Issued: May 7, 2004

Effective: May 7, 2004

By: Jacob J. Dayan – President and CEO  
3535 State Highway 66, Suite 7  
Neptune, NJ 07753

TXL0401

---

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.3 Obligations of the Customer

2.3.1 General

The Customer shall be responsible for:

- A. the payment of all applicable charges pursuant to this Rate Sheet;
- B. reimbursing the company for damage to or loss of the Company's facilities or equipment caused by the acts or omissions of the Customer; or the noncompliance by the Customer, with these regulations; or by fire or theft or other casualty on the Customer Premises, unless caused by the negligence or willful misconduct of the employees or agents of the Company;
- C. providing at no charge, as specified from time to time by the Company, any needed equipment, space and power to operate Company facilities and equipment installed on the premises of the Customer, and the level of heating and air conditioning necessary to maintain the proper operating environment on such premises;
- D. obtaining, maintaining, and otherwise having full responsibility for all rights-of-way and conduit necessary for installation of fiber optic cable and associated equipment used to provide Communications Services to the Customer from the cable building entrance or property line to the location of the equipment space described in Section 2.3.1(C). Any and all costs associated with the obtaining and maintaining the rights-of-way described herein, including the costs of altering the structure to permit installation of the Company provided facilities, shall be borne entirely by, or may be charged by the Company, to the Customer. The Company may require the Customer to demonstrate its compliance with this section prior to accepting an order for service.

---

Issued: May 7, 2004

Effective: May 7, 2004

By: Jacob J. Dayan – President and CEO  
3535 State Highway 66, Suite 7  
Neptune, NJ 07753

TXL0401

---

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.3 Obligations of the Customer, (Cont'd.)

2.3.1 General, (Cont'd.)

- E. providing a safe place to work and complying with all laws and regulations regarding the working conditions on the premises at which Company employees and agents shall be installing or maintaining the Company's facilities and equipment. The Customer may be required to install and maintain Company facilities and equipment within a hazardous area if, in the Company's opinion, injury or damage to the Company employees or property might result from installation or maintenance by the Company. The Customer shall be responsible for identifying, monitoring, removing and disposing of any hazardous material (e.g., friable asbestos) prior to any construction or installation work;
- F. complying with all laws and regulations applicable to, and obtaining all consents, approvals, licenses and permits as may be required with respect to, the location of Company facilities and equipment in any Customer premises or the rights-of-way for which Customer is responsible under Section 2.3.1(D); and granting or obtaining permission for Company agents or employees to enter the premises of the Customer at any time for the purpose of installing, inspecting, maintaining, repairing, or upon termination of service as stated herein, removing the facilities or equipment of the Company;
- G. not creating or allowing to be placed any liens or other encumbrances on the Company's equipment or facilities; and
- H. making Company facilities and equipment available periodically for maintenance purposes at a time agreeable to both the Company and the Customer. No allowance will be made for the period during which service is interrupted for such purposes.

---

Issued: May 7, 2004

Effective: May 7, 2004

By: Jacob J. Dayan – President and CEO  
3535 State Highway 66, Suite 7  
Neptune, NJ 07753

TXL0401

---

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.3 Obligations of the Customer, (Cont'd.)

2.3.2 Liability of the Customer

- A. The Customer will be liable for damages to the facilities of the Company and for all incidental and consequential damages caused by the negligent or intentional acts or omissions of the Customer, its officers, employees, agents, invites, or contractors where such acts or omissions are not the direct result of the Company's negligence or intentional misconduct.
- B. To the extent caused by any negligent or intentional act of the Customer as described in (A), preceding, the Customer shall indemnify, defend and hold harmless the Company from and against all claims, actions, damages, liabilities, costs and expenses, including reasonable attorneys' fees, for (1) any loss, destruction or damage to property of any third party, and (2) any liability incurred by the Company to any third party pursuant to this or any other rate sheet of the Company, or otherwise, for any interruption of, interference to, or other defect in any service provided by the Company to such third party.
- C. The Customer shall not assert any claim against any other Customer or user of the Company's services for damages resulting in whole or in part from or arising in connection with the furnishing of service under this rate sheet including but not limited to mistakes, omissions, interruptions, delays, errors or other defects or misrepresentations, whether or not such other Customer or user contributed in any way to the occurrence of the damages, unless such damages were caused solely by the negligent or intentional act or omission of the other Customer or user and not by any act or omission of the Company. Nothing in this rate sheet is intended either to limit or to expand Customer's right to assert any claims against third parties for damages of any nature other than those described in the preceding sentence.

---

Issued: May 7, 2004

Effective: May 7, 2004

By: Jacob J. Dayan – President and CEO  
3535 State Highway 66, Suite 7  
Neptune, NJ 07753

TXL0401

---

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.4 Customer Equipment and Channels

2.4.1 General

A user may transmit or receive information or signals via the facilities of the Company. The Company's services are designed primarily for the transmission of voice-grade telephonic signals, except as otherwise stated in this rate sheet. A user may transmit any form of signal that is compatible with the Company's equipment, but the Company does not guarantee that its services will be suitable for purposes other than voice-grade telephonic communication except as specifically stated in this rate sheet.

2.4.2 Station Equipment

- A. Terminal equipment on the user's premises and the electric power consumed by such equipment shall be provided by and maintained at the expense of the user. The user is responsible for the provision of wiring or cable to connect its terminal equipment to the Company Point of Connection.
- B. The Customer is responsible for ensuring that Customer-provided equipment connected to Company equipment and facilities is compatible with such equipment and facilities. The magnitude and character of the voltages and currents impressed on Company-provided equipment and wiring by the connection, operation, or maintenance of such equipment and wiring shall be such as not to cause damage to the Company-provided equipment and wiring or injury to the Company's employees or to other persons. Any additional protective equipment required to prevent such damage or injury shall be provided by the Company at the Customer's expense, subject to prior Customer approval of the equipment expense.

---

Issued: May 7, 2004

Effective: May 7, 2004

By: Jacob J. Dayan – President and CEO  
3535 State Highway 66, Suite 7  
Neptune, NJ 07753

TXL0401

---

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.4 Customer Equipment and Channels, (Cont'd.)

2.4.3 Interconnection of Facilities

- A. Any special interface equipment necessary to achieve compatibility between the facilities and equipment of the Company used for furnishing Communications Services and the channels, facilities, or equipment of others shall be provided at the Customer's expense.
- B. Communications Services may be connected to the services or facilities of other communications carriers only when authorized by, and in accordance with, the terms and conditions of the tariffs of the other communications carriers which are applicable to such connections.
- C. Facilities furnished under this rate sheet may be connected to Customer provided terminal equipment in accordance with the provisions of this rate sheet. All such terminal equipment shall be registered by the Federal Communications Commission pursuant to Part 68 of Title 47, Code of Federal Regulations; and all user-provided wiring shall be installed and maintained in compliance with those regulations.
- D. Users may interconnect communications facilities that are used in whole or in part for interstate communications to services provided under this rate sheet only to the extent that the user is an "End User", as defined in Section 69.2(m), Title 47, Code of Federal Regulations (1992 edition).

---

Issued: May 7, 2004

Effective: May 7, 2004

By: Jacob J. Dayan – President and CEO  
3535 State Highway 66, Suite 7  
Neptune, NJ 07753

TXL0401

---

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.4 Customer Equipment and Channels, (Cont=d.)

2.4.4 Inspections

- A. Upon suitable notification to the Customer, and at a reasonable time, the Company may make such tests and inspections as may be necessary to determine that the Customer is complying with the requirements set forth in Section 2.4.2(B) for the installation, operation, and maintenance of Customer-provided facilities, equipment, and wiring in the connection of Customer-provided facilities and equipment to Company-owned facilities and equipment.
- B. If the protective requirements for Customer-provided equipment are not being complied with, the Company may take such action as it deems necessary to protect its facilities, equipment, and personnel. The Company will notify the Customer promptly if there is any need for further corrective action. Within ten days of receiving this notice, the Customer must take this corrective action and notify the Company of the action taken. If the Customer fails to do this, the Company may take whatever additional action is deemed necessary, including the suspension of service, to protect its facilities, equipment and personnel from harm.

---

Issued: May 7, 2004

Effective: May 7, 2004

By: Jacob J. Dayan – President and CEO  
3535 State Highway 66, Suite 7  
Neptune, NJ 07753

TXL0401

---

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.5 Payment Arrangements

2.5.1 Payment for Service

The Customer is responsible for the payment of all charges for facilities and services furnished by the Company to the Customer and to all Authorized Users by the Customer, regardless of whether those services are used by the Customer itself or are resold to or shared with other persons. Charges based on actual usage during a month will be billed monthly in the month following the month in which the service was used. All fixed monthly and nonrecurring charges for services ordered will be billed monthly in advance.

The Customer is responsible for payment of any sales, use, gross receipts, excise, access or other local, state, federal and 911 taxes, charges or surcharges (however designated) (excluding taxes on Company net income) imposed on or based upon the provision, sale or use of Network Services.

Customers will only be charged once, on either an interstate or intrastate basis, for any nonrecurring charges.

Service will be billed directly by the Company on a monthly basis and is due and payable upon receipt or as specified on the customer's bill. Service will continue to be provided until canceled by the customer or discontinued by the Company as set forth in Section 2.5.6 of this rate sheet.

The Company reserves the right to require from an applicant for service advance payments of fixed charges and nonrecurring charges. The advance payment will not exceed an amount equal to the nonrecurring charge(s) and one month's charges for the service or facility. In addition, where special construction is involved, the advance payment may also include an amount equal to the estimated nonrecurring charges for the special construction. The advance payment will be applied to any indebtedness for the service and facilities for which the advance payment is made on the customer's initial bill.

---

Issued: May 7, 2004

Effective: May 7, 2004

By: Jacob J. Dayan – President and CEO  
3535 State Highway 66, Suite 7  
Neptune, NJ 07753

TXL0401

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.5 Payment Arrangements (Cont'd.)

2.5.1 Payment for Service (Cont'd.)

Advanced payments for installation costs or special construction will be credited on the first bill in their entirety.

If the Company provides service under a term plan (1,3,5 years, etc.) and (1) automatically renews the contract, and (2) imposes a penalty for early cancellation by the customer, then the customer shall be notified 60 days in advance of the customer's current contract expiration date.

Certain telecommunications services, as defined in the Texas Revised Code, are subject to state sales tax at the prevailing tax rates, if the services originate, or terminate in Texas, or both, and are charged to a subscriber's telephone number or account in Texas.

---

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.5 Payment Arrangements, (Cont=d.)

2.5.2 Billing and Collection of Charges

The Customer is responsible for payment of all charges incurred by the Customer or other users for services and facilities furnished to the Customer by the Company.

- A. Non-recurring charges are due and payable within thirty (30) days after the date the invoice is mailed to the Customer by the Company.
- B. The Company shall present invoices for recurring charges monthly to the Customer, in advance of the month in which service is provided, and recurring charges shall be due and payable within thirty (30) days after the date the invoice is mailed to the Customer by the Company. When billing is based upon Customer usage, usage charges will be billed monthly for the preceding billing period.
- C. When service does not begin on the first day of the month, or end on the last day of the month, the charge for the fraction of the month in which service was furnished will be calculated on a pro rata basis. For this purpose, every month is considered to have thirty (30) days.
- D. Billing of the Customer by the Company will begin on the Service Commencement Date, which is the day on which the Company notifies the Customer that the service or facility is available for use, except that the Service Commencement Date may be postponed by mutual agreement of the parties, or if the service or facility does not conform to standards set forth in this rate sheet or the Service Order. Billing accrues through and includes the day that the service, circuit, arrangement or component is discontinued.

---

Issued: May 7, 2004

Effective: May 7, 2004

By: Jacob J. Dayan – President and CEO  
3535 State Highway 66, Suite 7  
Neptune, NJ 07753

TXL0401

---

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.5 Payment Arrangements, (Cont=d.)

2.5.2 Billing and Collection of Charges, (Cont=d.)

- E. If any portion of the payment is not received by the Company within 30 days of receipt of the bill, or if any portion of the payment is received by the Company in funds that are not immediately available upon presentment, then a late payment charge of 1.5% per month shall be due to the Company. A late payment charge is not applicable to subsequent rebilling of any amount to which a late payment charge has already been applied. Late payment charges are to be applied without discrimination.
- F. A service charge equal to \$25.00 will be assessed in accordance with Texas law for all checks returned by a bank or other financial institution for: Insufficient or uncollected funds, closed account, apparent tampering, missing signature or endorsement, or any other insufficiency or discrepancy necessitating return of the instrument at the discretion of the drawee bank or other financial institution.
- G. If service is disconnected by the Company (in accordance with Section 2.6.3 following) and later re-installed, re-installation of service will be subject to all applicable installation charges. If service is suspended by the Company, in accordance with this Rate Sheet, and later restored, restoration of service will be subject to restoration of service charges as specified in this rate sheet.

---

Issued: May 7, 2004

Effective: May 7, 2004

By: Jacob J. Dayan – President and CEO  
3535 State Highway 66, Suite 7  
Neptune, NJ 07753

TXL0401

---

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.5 Payment Arrangements, (Cont=d.)

2.5.3 Disputed Bills

- A. In the event that a billing dispute occurs concerning any charges billed to the Customer by the Company, the Company may require the Customer to pay the undisputed portion of the bill to avoid discontinuance of service for non-payment. The Customer must submit a documented claim for the disputed amount. The Customer will submit all documentation as may reasonably be required to support the claim. All claims must be submitted to the Company within 90 days of receipt of billing for those services. If the Customer does not submit a claim as stated above, the Customer waives all rights to filing a claim thereafter.
- B. Unless disputed the invoice shall be deemed to be correct and payable in full by the Customer. If the Customer is unable to resolve any dispute with the Company, then the Customer may file a complaint with the Public Utilities Commission of Texas, 7800 Shoal Creek Boulevard, Suite 400N, Austin, Texas 78757.
- C. If the dispute is resolved in favor of the Customer and the Customer has withheld the disputed amount, no interest, credits or penalties will apply.

2.5.4 Advance Payments

To safeguard its interests, the Company may require a Customer to make an advance payment before services and facilities are furnished. The advance payment will not exceed an amount equal to the non-recurring charge(s) and one (1) month's charges for the service or facility, and additional one (1) month advance payment may be required for each subsequent month. In addition, where special construction is involved, the advance payment may also include an amount equal to the estimated non-recurring charges for the special construction and recurring charges (if any) for a period to be set between the Company and the Customer. The advance payment will be credited to the Customer's initial bill. Advance payments do not accrue interest. An advance payment may be required in addition to a deposit.

---

Issued: May 7, 2004

Effective: May 7, 2004

By: Jacob J. Dayan – President and CEO  
3535 State Highway 66, Suite 7  
Neptune, NJ 07753

TXL0401

---

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.5 Payment Arrangements, (Cont=d.)

2.5.5 Deposits

- A. The Company may, in order to safeguard its interests, require a Customer which has a proven history of late payments to the Company or does not have established credit or has a bad credit rating to make a deposit prior to or at any time after the provision of service to the Customer to be held by the Company as a guarantee of the payment of rates and charges. No such deposit will be required of a Customer which has established satisfactory credit and has no history of late payments to the Company.
- B. The amount of the deposit which may be required of a Customer for the purpose of establishing credit shall not exceed two times the average monthly bill for residential Customers whose bills are payable in advance. The amount of deposit may be adjusted at the request of the Customer at any time when the character, purpose, or degree of the Customer=s use of the service has materially changed, or when it is indicated that it will change.
- C. The making of a deposit shall not relieve any Customer of the obligation to pay current bills when due. A deposit shall only be applied to the indebtedness of the Customer for jurisdictional telecommunications services of the provider.
- D. The Company will pay interest on deposits, to accrue from the date the deposit is made until it has been refunded, or until a reasonable effort has been made to effect refund. The Company will pay interest at the rate prescribed by the Commission.

---

Issued: May 7, 2004

Effective: May 7, 2004

By: Jacob J. Dayan – President and CEO  
3535 State Highway 66, Suite 7  
Neptune, NJ 07753

TXL0401

---

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.5 Payment Arrangements, (Cont=d.)

2.5.5 Deposits, (Cont=d.)

- E. The Company shall keep a record of each cash deposit until the deposit is returned. The record will show the name of each Customer making a deposit; the premises occupied by the Customer when making the deposit and each successive premises occupied while the deposit is retained by the Company; the amount and date of making the deposit; and a record of each transaction, such as the payment of interest, interest credited, etc., concerning the deposit. Concurrently with receiving a deposit, the Company will provide the Customer a receipt showing the deposit date, the name and billing address of the Customer and the deposit amount.
- F. Upon discontinuance of service, or when a Customer has established credit by other means, the Company will promptly refund any deposit, plus accrued simple interest, or the balance, if any, in excess of the unpaid bills for the services furnished by the company. A transfer of service from one location to another within the Company=s serving area shall not be deemed a discontinuance with the Company if the character of the service remains unchanged.
- G. Deposits will be refunded after twelve months of timely payment, with interest as specified above.

---

Issued: May 7, 2004

Effective: May 7, 2004

By: Jacob J. Dayan – President and CEO  
3535 State Highway 66, Suite 7  
Neptune, NJ 07753

TXL0401

---

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.5 Payment Arrangements, (Cont=d.)

2.5.6 Discontinuance of Service for Cause

The Company may discontinue service for the following reasons provided in this Section. Customers will be provided five (5) days written notice prior to discontinuance unless otherwise indicated.

- A. Upon nonpayment of any regulated amounts owing to the Company, the Company may discontinue or suspend service without incurring any liability. No basic residential service shall be disconnected for nonpayment until at least 29 days from the date of the bill and only following proper written notification.
- B. Upon violation of any of the other material terms or conditions for furnishing service the Company may, discontinue or suspend service without incurring any liability if such violation continues during that period.
- C. Upon condemnation of any material portion of the facilities used by the Company to provide service to a Customer or if a casualty renders all or any material portion of such facilities inoperable beyond feasible repair, the Company, by notice to the Customer, may discontinue or suspend service without incurring any liability.
- D. Upon the Customer's insolvency, assignment for the benefit of creditors, filing for bankruptcy or reorganization, or failing to discharge an involuntary petition within the time permitted by law, the Company may immediately discontinue or suspend service without incurring any liability.

---

Issued: May 7, 2004

Effective: May 7, 2004

By: Jacob J. Dayan – President and CEO  
3535 State Highway 66, Suite 7  
Neptune, NJ 07753

TXL0401

---

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.5 Payment Arrangements, (Cont=d.)

2.5.6 Discontinuance of Service for Cause, (Cont=d.)

- E. Upon any governmental prohibition or governmental required alteration of the services to be provided or any violation of an applicable law or regulation, the Company may immediately discontinue service without incurring any liability.
- F. Without notice in the event of fraudulent use of the Company's network. The Customer will be liable for all related costs. The Customer will also be responsible for payment of any reconnection charges.
- G. Upon the Company's discontinuance of service to the Customer under Section 2.5.6(A) or 2.5.6(B), the Company, in addition to all other remedies that may be available to the Company at law or in equity or under any other provision of this rate sheet, may declare all future monthly and other charges which would have been payable by the Customer during the remainder of the term for which such services would have otherwise been provided to the Customer to be immediately due and payable (discounted to present value at six percent).
- H. Without notice in the event of Customer use of equipment or services in such a manner as to adversely affect the Company's service to others.
- I. Without notice in the event of tampering with the equipment or services furnished by the Company.

---

Issued: May 7, 2004

Effective: May 7, 2004

By: Jacob J. Dayan – President and CEO  
3535 State Highway 66, Suite 7  
Neptune, NJ 07753

TXL0401

---

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.5 Payment Arrangements, (Cont=d.)

2.5.7 Cancellation of Application for Service

A. Applications for service cannot be canceled without Company agreement. Where the Company permits a Customer to cancel an application for service prior to the start of service or prior to any special construction, no charges will be imposed except for those specified below. Where special construction of facilities has been started prior to the cancellation, and the Company has another requirement for the specially constructed facilities, no charge applies.

B. Where the installation of facilities, other than those provided by special construction, has been started prior to cancellation, the lower of the following charge applies;

The total costs of installing and removing such facilities; or The monthly charges for the entire initial contract period of the service ordered by the customer as provided in this rate sheet plus the full amount of any applicable installation and termination charges.

C. Where the Company incurs any expense in connection with special construction, or where special arrangements of facilities or equipment have begun, before the Company receives a cancellation notice, a charge equal to the costs incurred, less net salvage, may apply. In such cases, the charge will be based on such elements as the cost of the equipment, facilities, and material, the cost of installation, engineering, labor, and supervision, general and administrative expense, other disbursements, depreciation, maintenance, taxes, provision for return on investment, and any other costs associated with the special construction or arrangements.

D. The special charges described above will be calculated and applied on a case-by-case basis.

---

Issued: May 7, 2004

Effective: May 7, 2004

By: Jacob J. Dayan – President and CEO  
3535 State Highway 66, Suite 7  
Neptune, NJ 07753

TXL0401

---

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.5 Payment Arrangements, (Cont=d.)

2.5.8 Changes in Service Requested

If the Customer makes or requests material changes in circuit engineering, equipment specifications, service parameters, premises locations, or otherwise materially modifies any provision of the application for service, the Customer's installation fee shall be adjusted accordingly.

2.6 Allowances for Interruptions in Service

Credit for failure of service or equipment will be allowed only when failure is caused by or occurs in equipment owned, provided, or billed for, by the Company.

Interruptions in service that are not due to the negligence of, or noncompliance with the provisions of this rate sheet by, the Customer or the operation or malfunction of the facilities, power or equipment provided by the Customer, will be credited to the Customer as set forth in 2.6.1 for the part of the service that the interruption affects.

For the purpose of applying this provision, the word "interruption" shall mean the inability to complete calls, either incoming or outgoing or both, due to equipment malfunction or human errors.

2.6.1 General

- A. A credit allowance will be given when service is interrupted, except as specified below. A service is interrupted when it becomes inoperative to the Customer, e.g., the Customer is unable to transmit or receive, because of a failure of a component furnished by the Company under this rate sheet.
- B. An interruption period begins when the Customer reports a service, facility or circuit to be inoperative and, if necessary, releases it for testing and repair. An interruption period ends when the service, facility or circuit is operative.

---

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.6 Allowances for Interruptions in Service, (Cont'd.)

2.6.1 General, (Cont'd.)

- C. If the Customer reports a service, facility or circuit to be interrupted but declines to release it for testing and repair, or refuses access to its premises for test and repair by the Company, the service, facility or circuit is considered to be impaired but not interrupted. No credit allowances will be made for a service, facility or circuit considered by the Company to be impaired.
- D. The Customer shall be responsible for the payment of service charges as set forth herein for visits by the Company's agents or employees to the premises of the Customer when the service difficulty or trouble report results from the use of equipment or facilities provided by any party other than the Company, including but not limited to the Customer.

2.6.2 Limitations of Allowances

No credit allowance will be made for any interruption in service:

- A. Due to the negligence of or noncompliance with the provisions of this rate sheet by any person or entity other than the Company, including but not limited to the Customer;
- B. Due to the failure of power, equipment, systems, connections or services not provided by the Company;
- C. Due to circumstances or causes beyond the reasonable control of the Company;
- D. During any period in which the Company is not given full and free access to its facilities and equipment for the purposes of investigating and correcting interruptions;
- E. Due to electric power failure where, by the provisions of this rate sheet, the subscriber is responsible for providing electric power;

---

Issued: May 7, 2004

Effective: May 7, 2004

By: Jacob J. Dayan – President and CEO  
3535 State Highway 66, Suite 7  
Neptune, NJ 07753

TXL0401

---

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.6 Allowances for Interruptions in Service, (Cont'd.)

2.6.2 Limitations of Allowances

- F. A service will not be deemed to be interrupted if a Customer continues to voluntarily make use of the such service. If the service is interrupted, the Customer can get a service credit, use another means of communications provided by the Company (pursuant to Section 2.7.3), or utilize another service provider;
- G. During any period when the Customer has released service to the Company for maintenance purposes or for implementation of a Customer order for a change in service arrangements;
- H. That occurs or continues due to the Customer's failure to authorize replacement of any element of special construction; and
- I. That was not reported to the Company within thirty (30) days of the date that service was affected.

2.6.3 Use of Another Means of Communications

If the Customer elects to use another means of communications during the period of interruption, the Customer must pay the charges for the alternative service used.

---

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.6 Allowances for Interruption in Service, (Cont'd.)

2.6.4 Application of Credits for Interruptions in Service

- A. Credits for interruptions in service that is provided and billed on a flat rate basis for a minimum period of at least one month, beginning on the date that billing becomes effective, shall in no event exceed an amount equivalent to the proportionate charge to the Customer for the period of service during which the event that gave rise to the claim for a credit occurred. A credit allowance is applied on a pro rata basis against the rates specified hereunder and is dependent upon the length of the interruption. Only those facilities on the interrupted portion of the circuit will receive a credit.
- B. For calculating credit allowances, every month is considered to have thirty (30) days.
- C. A credit allowance will be given for interruptions of thirty (30) minutes or more. Two or more interruptions of fifteen (15) minutes or more during any one 24-hour period shall be combined into one cumulative interruption.

---

Issued: May 7, 2004

Effective: May 7, 2004

By: Jacob J. Dayan – President and CEO  
3535 State Highway 66, Suite 7  
Neptune, NJ 07753

TXL0401

---

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.6 Allowances for Interruption in Service, (Cont'd.)

2.6.4 Application of Credits for Interruptions in Service, (cont'd.)

D. Interruptions of 24 Hours or Less

Length of Interruption	Amount of Service To Be Credited
Less than 30 minutes	None
30 minutes up to but not including 3 hours	1/10 Day
3 hours up to but not including 6 hours	1/5 Day
6 hours up to but not including 9 hours	2/5 Day
9 hours up to but not including 12 hours	3/5 Day
12 hours up to but not including 15 hours	4/5 Day
15 hours up to but not including 24 hours	One Day

E. Interruptions Over 24 Hours and Less Than 72 Hours

Interruptions over 24 hours and less than 72 hours will be credited 1/5 day for each 3-hour period or fraction thereof. No more than one full day's credit will be allowed for any period of 24 hours.

F. Interruptions Over 72 Hours

Interruptions over 72 hours will be credited 2 days for each full 24-hour period. No more than thirty (30) days credit will be allowed for any one month period.

---

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.6 Allowances for Interruption in Service, (Cont'd.)

2.6.5 Limitations on Allowances

No credit allowance will be made for:

- A. interruptions due to the negligence of or noncompliance with the provisions of this rate sheet by the Customer, authorized user or joint user;
- B. interruptions due to the negligence of any person other than the Company, including but not limited to the Customer;
- C. interruptions of service during any period in which the Company is not given full access to its facilities and equipment for the purpose of investigating and correcting interruptions;
- D. interruptions of service during a period in which the Customer continues to use the service on an impaired basis;
- E. interruptions of service during any period when the Customer has released service to the Company for maintenance purposes or for implementation of a Customer order for a change in service arrangements;
- F. interruption of service due to circumstances or causes beyond the reasonable control of Company; and
- G. that occur or continue due to the Customer's failure to authorize replacement of any element of special construction.

---

Issued: May 7, 2004

Effective: May 7, 2004

By: Jacob J. Dayan – President and CEO  
3535 State Highway 66, Suite 7  
Neptune, NJ 07753

TXL0401

---

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.6 Allowances for Interruption in Service, (Cont'd.)

2.6.6 Cancellation For Service Interruption

Cancellation or termination for service interruption is permitted only if any circuit experiences a single continuous outage of eight (8) hours or more or cumulative service credits equaling sixteen (16) hours in a continuous twelve (12) month period. The right to cancel service under this provision applies only to the single circuit which has been subject to the outage or cumulative service credits.

2.7 Use of Customer's Service by Others

2.7.1 Joint Use Arrangements

Joint use arrangements will be permitted for all services provided under this rate sheet. From each joint use arrangement, one member will be designated as the Customer responsible for the manner in which the joint use of the service will be allocated. The Company will accept orders to start, rearrange, relocate, or discontinue service only from the designated Customer. Without affecting the Customer's ultimate responsibility for payment of all charges for the service, each joint user shall be responsible for the payment of the charges billed to it.

---

Issued: May 7, 2004

Effective: May 7, 2004

By: Jacob J. Dayan – President and CEO  
3535 State Highway 66, Suite 7  
Neptune, NJ 07753

TXL0401

---

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.8 Cancellation of Service/Termination Liability

If a Customer terminates services before the completion of the term for any reason other than a service interruption (as defined in Section 2.7.1) or where the Company breaches the terms in the service contract, Customer may be requested by the Company to pay to Company termination liability charges, which are defined below. These charges shall become due and owing as of the effective date of the cancellation or termination and be payable within the period set forth in Section 2.5.2.

2.8.1 Termination Liability

Customer's termination liability for cancellation of service shall be equal to:

- A. all unpaid non-recurring charges reasonably expended by Company to establish service to Customer, plus;
- B. any disconnection, early cancellation or termination charges reasonably incurred and paid to third parties by Company on behalf of Customer, plus;
- C. all recurring charges specified in the applicable Service Order for the balance of the then current term discounted at the prime rate announced in the Wall Street Journal on the third business day following the date of cancellation;
- D. minus a reasonable allowance for costs avoided by the Company as a direct result of Customer's cancellation.

---

Issued: May 7, 2004

Effective: May 7, 2004

By: Jacob J. Dayan – President and CEO  
3535 State Highway 66, Suite 7  
Neptune, NJ 07753

TXL0401

---

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.9 Customer Responsibility

2.9.1 Cancellation by Customer

Customers may cancel service verbally or in writing. The company shall hold the Customer responsible for payment of all charges, including fixed fees, surcharges, etc., which accrue up to the cancellation date. Customers that cancel the primary local exchange line will have the entire Account disconnected, including any secondary line and all associated features. In the event the Customer executes a term commitment agreement with the Company, the Customer must cancel service and terminate the agreement in accordance with the agreement terms.

2.10 Transfers and Assignments

Neither the Company nor the Customer may assign or transfer its rights or duties in connection with the services and facilities provided by the Company without the written consent of the other party, except that the Company may assign its rights and duties:

2.10.1 to any subsidiary, parent company or affiliate of the Company; or

2.10.2 pursuant to any sale or transfer of substantially all the assets of the Company; or

2.10.3 pursuant to any financing, merger or reorganization of the Company.

---

Issued: May 7, 2004

Effective: May 7, 2004

By: Jacob J. Dayan – President and CEO  
3535 State Highway 66, Suite 7  
Neptune, NJ 07753

TXL0401

---

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.11 Customer Liability for Unauthorized Use of the Network

Unauthorized use of the network occurs when a person or entity that does not have actual, apparent, or implied authority to use the network, obtains the Company's services provided under this rate sheet.

2.11.1 Customer Liability for Fraud and Unauthorized Use of the Network

- A. The Customer is liable for the unauthorized use of the network obtained through the fraudulent use of a Company calling card, if such a card is offered by the Company, or an accepted credit card, provided that the unauthorized use occurs before the Company has been notified.
- B. A Company calling card is a telephone calling card issued by the Company at the Customer's request, which enables the Customer or user(s) authorized by the Customer to place calls over the Network and to have the charges for such calls billed to the Customer's account.

An accepted credit card is any credit card that a cardholder has requested or applied for and received, or has signed, used, or authorized another person to use to obtain credit. Any credit card issued as a renewal or substitute in accordance with this paragraph is an accepted credit card when received by the cardholder

---

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.11 Customer Liability for Unauthorized Use of the Network, (Cont=d.)

2.11.1 Customer Liability for Fraud and Unauthorized Use of the Network, (Cont=d.)

- C. The Customer must give the Company written or oral notice that an unauthorized use of a Company calling card or an accepted credit card has occurred or may occur as a result of loss, and/or theft.
- D. The Customer is responsible for payment of all charges for calling card services furnished to the Customer or to users authorized by the Customer to use service provided under this rate sheet, unless due to the negligence of the Company. This responsibility is not changed due to any use, misuse, or abuse of the Customer's service or Customer-provided equipment by third parties, the Customer's employees, or the public.
- E. The liability of the Customer for unauthorized use of the Network by credit card fraud will not exceed the lesser of fifty dollars (\$50.00) or the amount of money, property, labor, or services obtained by the unauthorized user before notification to the Company.

---

Issued: May 7, 2004

Effective: May 7, 2004

By: Jacob J. Dayan – President and CEO  
3535 State Highway 66, Suite 7  
Neptune, NJ 07753

TXL0401

---

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.12 Notices and Communications

2.12.1 The Customer shall designate on the service order an address to which the Company shall mail or deliver all notices and other communications, except that Customer may also designate a separate address to which the Company's bills for service shall be mailed.

2.12.2 The Company shall designate on the service order an address to which the Customer shall mail or deliver all notices and other communications, except that Company may designate a separate address on each bill for service to which the Customer shall mail payment on that bill.

2.12.3 Except as otherwise stated in this rate sheet, all notices or other communications required to be given pursuant to this rate sheet will be in writing. Notices and other communications of either party, and all bills mailed by the Company, shall be presumed to have been delivered to the other party on the third business day following placement of the notice, communication or bill with the U.S. Mail or a private delivery service, prepaid and properly addressed, or when actually received or refused by the addressee, whichever occurs first.

2.12.4 The Company or the Customer shall advise the other party of any changes to the addresses designated for notices, other communications or billing, by following the procedures for giving notice set forth herein.

2.13 Taxes, Fees and Surcharges

The Company reserves the right to bill any and all applicable taxes, fees and surcharges in addition to normal rates and charges for services provided to the Customer. Taxes and fees include, but are not limited to: Federal Excise Tax, State Sales Tax, Municipal Tax, and Gross Receipts Tax. Unless otherwise specified in this rate sheet, such taxes, fees and surcharges are in addition to rates as quoted in this rate sheet and will be itemized separately on Customer invoices.

---

Issued: May 7, 2004

Effective: May 7, 2004

By: Jacob J. Dayan – President and CEO  
3535 State Highway 66, Suite 7  
Neptune, NJ 07753

TXL0401

---

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.13 Taxes, Fees and Surcharges, (Cont'd.)

2.13.1 Municipal Franchise Fees

Residential, non-residential and point-to-point access lines provided pursuant to this rate sheet are subject to a municipal franchise fee as established for the city in which the end user of the access lines is located. The monthly recurring municipal charge will be equal to a monthly amount developed using criteria as recommended by your local municipality with information supplied by this local certificated telecommunications provider (CTP). The fee should be assessed as a per-line-charge on the end user bill. This municipal charge results from implementation of House Bill 1777 - Telecommunications Franchise Law which allows all municipalities to be compensated by CTPs for right-of-way usage. The fee has been developed and/or allocated across rate classifications according to local municipal guidelines.

2.13.2 Texas Universal Service (TUS) Charge

Services provided pursuant to this Rate Sheet are subject to an undiscountable monthly Texas Universal Service (TUS) Charge. Based on billing availability, the TUS charge is applied to the Customer's total net intrastate charges for calls that both originate and are billed within the State of Texas, after application of all applicable discounts and credits. Intrastate charges are assessed the TUS Charge under order by the Public Utility Commission of Texas. For Customer invoices dated after March 1, 2015, the TUS charge will be 3.3%. The TUS Charge will be waived to the extent a Customer is exempt from payment of the Texas sales tax.

(T)(R)

---

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.13 Taxes, Fees and Surcharges, (Cont'd.)

2.13.3 Schools and Libraries Discount Program

Qualifying schools, libraries, and consortia are entitled to receive percentage discount rates equivalent to those adopted for interstate serviced pursuant to 47 Code of Federal Regulations part 54, subpart F (relating to Universal Service Support for schools and libraries) on intrastate telecommunications services purchased from this price list.

2.13.4 TIF Assessment

The TIF assessment is imposed upon the telecommunications service provider. It may be passed on to the Customer as a separate line item entitled "Reimbursement of TIF Assessment". If this assessment is labeled as a tax or fee from the Customer the sales tax and the TIF Assessment will both be required to be paid to the state.

Since this assessment is imposed upon the service provider, passing the assessment on to the Customer will cause this amount to be subject to sales tax in Texas.

TIF	1.25%
-----	-------

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.14 Miscellaneous Provisions

2.14.1 Telephone Number Changes

Whenever any Customer's telephone number is changed after a directory is published, the Company shall intercept all calls to the former number for at least one hundred and twenty (120) days and give the calling party the new number provided existing central office equipment will permit, and the Customer so desires.

When service in an existing location is continued for a new Customer, the existing telephone number may be retained by the new Customer only if the former Customer consents in writing, and if all charges against the account are paid or assumed by the new Customer.

2.14.2 Maintenance and Operations Records

Records of various tests and inspections, to include non-routine corrective maintenance actions or monthly traffic analysis summaries for network administration, necessary for the purposes of the Company or to fulfill the requirements of Commission rules shall be kept on file in the office of the Company as required under Commission rules.

### SECTION 3 - SERVICE AREAS

#### 3.1 Exchange Service Areas

Local exchange services are provided, subject to availability of facilities and equipment, in areas currently served by the following Incumbent LECs:

- 1) Southwestern Bell Telephone Company

---

## SECTION 4 - SERVICE CHARGES AND SURCHARGES

### 4.1 Service Order and Change Charges

#### 4.1.1 General

Non-recurring charges apply to processing Service Orders for new service and for changes in service.

New Installation Charge - applies to requests for initial connection or establishment of telephone service to the Company. This charge applies to each line installed.

Technician Dispatch Charge - applies, in addition to all other charges for the visit, when a visit to the Customer's premises is necessary to move, add, change or install service, or to isolate a problem reported to the Company which cannot be handled remotely. This charge also applies when the Customer fails to meet the Company agent or employees for the prearrangement appointment as requested.

Service Order Change Charge - applies to work associated with Customer-requested changes to existing services, including adding or deleting line features. One Service Order Change Charge applies for each change order requested by the Customer. If multiple changes are requested by the Customer and occur on the same order, only one charge applies.

SECTION 4 - SERVICE CHARGES AND SURCHARGES, (CONT'D.)

4.1 Service Order and Change Charges, (Cont'd.)

4.1.2 Rates

	Residence	Business
Service Order Charge, Per Order	\$20.00	\$35.00
Line Connection Charge, per Line:	\$15.00	\$20.00
Service Change Charge, per Order:	\$15.00	\$15.00

---

Issued: February 11, 2015

Effective: March 1, 2015

By: Jacob J. Dayan – President and CEO  
3535 State Highway 66, Suite 7  
Neptune, NJ 07753

---

SECTION 4 - SERVICE CHARGES AND SURCHARGES, (CONT'D.)

4.2 Premises Visit Charge

Premises Visit charges apply when the installation of network access facilities or trouble resolution require a visit to the Customer's premises. This charge applies in addition to the Technician Dispatch Charge.

Premises Visit Charge, Per Request	\$14.00
Premises Visit Rate Per Hour	\$75.00

4.3 Restoral Charge

A restoral charge applies each time a service is reconnected after suspension or termination for nonpayment but before cancellation of the service, as deemed in Section I of this rate sheet.

	Residence	Business
Restoration, per account:	\$25.00	\$25.00

---

SECTION 4 - SERVICE CHARGES AND SURCHARGES, (CONT'D.)

4.4 Carrier Presubscription

4.4.1 General

Carrier Presubscription is a procedure whereby a Customer designates to the Company the carrier that the Customer wishes to be the carrier of choice for intraLATA and interLATA toll calls. Such calls are automatically directed to the designated carrier, without the need to use carrier access codes or additional dialing to direct the call to the designated carrier. Presubscription does not prevent a Customer who has presubscribed to an IntraLATA or InterLATA toll carrier from using carrier access codes or additional dialing to direct calls to an alternative long distance carrier on a per call basis.

4.4.2 Presubscription Options - Customers may select the same carrier or separate carriers for intraLATA and interLATA long distance. The following options for long distance Presubscription are available:

- Option A: Customer selects the Company as the presubscribed carrier for IntraLATA and InterLATA toll calls subject to presubscription.
- Option B: Customer may select the Company as the presubscribed carrier for IntraLATA calls subject to presubscription and some other carrier as the presubscribed carrier for interLATA toll calls subject to presubscription.
- Option C: Customer may select a carrier other than the Company for intraLATA toll calls subject to presubscription and the Company for interLATA toll calls subject to presubscription.

SECTION 4 - SERVICE CHARGES AND SURCHARGES, (CONT'D.)

4.4 Carrier Presubscription, (Cont'd.)

4.4.2 Presubscription Options, (Cont'd.)

- Option D: Customer may select the carrier other than the Company for both intraLATA and interLATA toll calls subject to presubscription
- Option E: Customer may select two different carriers, neither being the Company for intraLATA and interLATA toll calls. One carrier to be the Customer's primary intraLATA interexchange carrier. The other carrier to be the Customer's primary interLATA interexchange carrier.
- Option F: Customer may select a carrier other than the Company for no presubscribed carrier for intraLATA toll calls subject to presubscription which will require the Customer to dial a carrier access code to route all intraLATA toll calls to the carrier of choice for each call.

SECTION 4 - SERVICE CHARGES AND SURCHARGES, (CONT'D.)

4.4 Carrier Presubscription, (Cont'd.)

4.4.3 Rules and Regulations

Customers of record will retain their primary interexchange carrier(s) until they request that their dialing arrangements be changed.

Customers of record or new Customers may select either Options A, B, C, D, E or F for intraLATA Presubscription.

Customers may change their selected Option and/or presubscribed toll carrier at any time subject to charges specified in 4.3.5 below:

4.4.4 Presubscription Procedures

A new Customer will be asked to select intraLATA and interLATA toll carriers at the time the Customer places an order to establish local exchange service with the Company. The Company will process the Customer's order for service. All new Customers' initial requests for intraLATA toll service presubscription shall be provided free of charge.

If a new Customer is unable to make selection at the time the new Customer places an order to establish local exchange service, the Company will read a random listing of all available intraLATA and interLATA carriers to aid the Customer in selection. If selection is still not possible, the Company will inform the Customer that he/she will be given 90 calendar days in which to inform the Company of his/her choice for primary toll carrier(s) free of charge. Until the Customer informs the Company of his/her choice of primary toll carrier, the Customer will not have access to long distance services on a presubscribed basis, but rather will be required to dial a carrier access code to route all toll calls to the carrier(s) of choice. Customers who inform the Company of a choice for toll carrier presubscription within the 90 day period will not be assessed a service charge for the initial Customer request.

Customers of record may initiate a intraLATA or interLATA presubscription change at any time, subject to the charges specified in 4.3.5 below. If a Customer of record inquires of the Company of the carriers available for toll presubscription, the Company will read a random listing of all available intraLATA carriers to aid the Customer in selection.

---

SECTION 4 - SERVICE CHARGES AND SURCHARGES, (CONT'D.)

4.4 Carrier Presubscription, (Cont'd.)

4.4.5 Presubscription Charges

A. Application of Charges

After a Customer's initial selection for a presubscribed toll carrier and as detailed in Paragraph 4.3.4 above, for any change thereafter, a Presubscription Change Charge, as set for the below will apply. Customers who request a change in intraLATA and interLATA carriers with the same order will be assessed a single charge per line.

B. Nonrecurring Charges

Per business or residence line, trunk, or port

Initial Line, or Trunk or Port	\$10.00
Additional Line, Trunk or Port	\$10.00

---

SECTION 4 - SERVICE CHARGES AND SURCHARGES, (CONT'D.)

4.5 Public Telephone Surcharge

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

Pay telephones include coin-operated and coinless phones owned by local telephone companies, independent companies and interexchange carriers. The Public Pay Telephone Surcharge applies to the initial completed call and any reoriginated call (e.g., using the A#@ symbol). The Public Pay Telephone Surcharge does not apply to calls placed from pay telephones at which the Customer pays for service by inserting coins during the progress of the call.

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

Rate Per Call: \$0.45

---

Issued: February 11, 2015

Effective: March 1, 2015

By: Jacob J. Dayan – President and CEO  
3535 State Highway 66, Suite 7  
Neptune, NJ 07753

---

## SECTION 5 – LOCAL EXCHANGE SERVICE

### 5.1 General

Local exchange, intraLATA and interLATA services are offered to business and residential Customers and are available on a presubscription basis from equal access originating end offices only. Rates for service may vary by call type and/or term commitment. Usage rates, per call charges and monthly fees may apply. In addition, applicable Service Order and other non-recurring charges may apply. Call timing is defined in the description for each service. Service is available 24 hours a day, 7 days a week.

#### 5.1.1 Application of Business and Residential Rates

- A. The determination as to whether telephone service should be classified as Business or Residential is based on the character of the use to be made of the service. Service is classified as Business service where the use is primarily or substantially of a business, professional, institutional, or otherwise occupational nature. Where the business use, if any, is incidental and where the major use is of a personal or domestic nature at the person's dwelling, service is classified as Residential service.
- B. Business rates apply at the following locations, among others:
  - .1 In offices, stores and factories, and in quarters occupied by clubs, lodges, fraternal societies, schools, colleges, libraries, hospitals, and other business establishments.
  - .2 In residence locations where the place of residence is in the immediate proximity to a place of business and it is evident that the telephone in the residence is or will be used for business purposes, and in residence locations where an extension is located at a place where business rates would apply.
  - .3 In the residence of a practicing physician, dentist, veterinary, surgeon, or other medical practitioner who has no service at business rates at another location.
  - .4 In any residence location where there is substantial business use of the service and the customer has no service at business rates.

---

SECTION 5 – LOCAL EXCHANGE SERVICE, (CONT'D.)

5.1 General, (Cont'd.)

5.1.2 Application of Business and Residential Rates, (Cont'd.)

C. Residence rates apply at the following locations, among others:

- .1 In private residences; in the residential portion of hotels, apartment houses, boarding houses, churches, or institutions when the use of the service is confined to the domestic use of the customer and listings of a business nature are not furnished.
- .2 In the residence of a practicing physician, dentist, veterinarian, surgeon, or other medical practitioner provided that such residence is not a part of an office building and provided the customer has service charged for at business rates another location.

5.2 Charges Based on Duration of Use

Where charges for a service are specified based on the duration of use, such as the duration of a telephone call, the following rules apply:

- 5.2.1 Calls are measured in durational increments identified for each service. All calls that are fractions of a measurement increment are rounded-up to the next whole unit.
- 5.2.2 Timing on completed calls begins when the call is answered by the called party. Answering is determined by hardware answer supervision in all cases where this signaling is provided by the terminating local carrier and any intermediate carrier(s). Timing for operator service person-to-person calls start with completion of the connection to the person called or an acceptable substitute, or to the PBX station called.
- 5.2.3 Timing terminates on all calls when the calling party hangs up or the Company's network receives an off-hook signal from the terminating carrier.
- 5.2.4 Calls originating in one time period and terminating in another will be billed in proportion to the rates in effect during different segments of the call.
- 5.2.5 All times refer to local time.

---

SECTION 5 – LOCAL EXCHANGE SERVICE, (CONT'D.)

5.3 Basic Local Exchange Service

5.3.1 General

Basic Local Exchange Service provides a Customer with a telephonic connection to, and a unique telephone number on, the Company switching network that enables the Customer to:

- a) receive calls from other stations on the public switched telephone network;
- b) access the Company's Local Calling Services and other Services as set forth in this rate sheet;
- c) access interexchange calling services of the Company and of other carriers;
- d) access (at no additional charge) to the Company's operators and business office for service related assistance;
- e) access toll-free telecommunications services such as 800 NPA; and access toll-free emergency services by dialing 0 or 9-1-1 (where available);
- f) access relay services for the hearing and/or speech impaired.

Basic Local Exchange Services cannot be used to originate calls to caller-paid information services (e.g., 900, 976) provided by other companies. Calls to those numbers and other numbers used for caller-paid information services will be blocked by the Company's switch. Each Basic Local Exchange Service corresponds to one or more telephonic communications channels that can be used to place or receive one call at a time.

Individual line Residence and Business Basic Local Exchange Service is comprised of exchange access lines defined as follows:

Exchange Access Line - The service central office line equipment and all the Company plant facilities up to the demarcation point. These facilities are Company-provided and maintained and provide access to and from the telecommunications network for message toll service and for local calling appropriate to the listed use offering selected by the Customer.

---

SECTION 5 – LOCAL EXCHANGE SERVICE, (CONT'D.)

5.3 Basic Local Exchange Service, (Cont'd.)

5.3.2 Residential Local Exchange Service

Flat Rate Residential Local Exchange Service provides a Customer with a single, analog, voice-grade telephonic communications channel that can be used to place or receive one call at a time. Flat Rate Local Exchange Service lines are provided for the connection of Customer-provided wiring, telephone, facsimile machines or other station equipment. Local exchange service lines and trunks are provided on a single party (individual) basis only. No multi-party lines are provided.

Recurring charges for Flat Rate Local Exchange Service are billed monthly in advance. Non-recurring charges for installation or rearrangement of service are billed on the next month's bill immediately following work performed by the Company.

Flat Rate Local Exchange Service includes unlimited local exchange calling per month. All service is available on a term commitment basis only.

Long distance and intraLATA toll usage will be billed at per-minute rates, as found in Section 8 of this rate sheet.

- A) Basic Unlimited Residential Local Exchange Service includes unlimited local exchange calling per month, as well as 4 calling features from the following list:

- Call Waiting
- Caller ID – Number Only
- Caller ID – Name Only
- Caller ID Name and Number
- Call Waiting ID
- Call Forwarding
- Call Forwarding Busy
- Call Forwarding No Answer
- Call Forwarding Busy & No Answer
- 3-Way Calling
- Automatic Callback (\*69)
- Repeat Dialing (\*66)

---

SECTION 5 – LOCAL EXCHANGE SERVICE, (CONT'D.)

5.3 Basic Local Exchange Service, (Cont'd.)

5.3.2 Residential Local Exchange Service, (Cont'd.)

- B. Premium Unlimited Residential Local Exchange Service includes unlimited local exchange calling per month, as well as 5 or more calling features from the following list:

- Call Waiting
- Caller ID – Number Only
- Caller ID – Name Only
- Caller ID Name and Number
- Call Waiting ID
- Call Forwarding
- Call Forwarding Busy
- Call Forwarding No Answer
- Call Forwarding Busy & No Answer
- 3-Way Calling
- Automatic Callback (\*69)
- Repeat Dialing (\*66)

- C. Rates

RATE GROUP	SERVICE TYPE	
	Basic Unlimited Residential Local	Premium Unlimited Residential Local
All Rate Groups – MRC	\$24.95	\$29.95

---

Issued: May 7, 2004

Effective: May 7, 2004

By: Jacob J. Dayan – President and CEO  
3535 State Highway 66, Suite 7  
Neptune, NJ 07753

TXL0401

---

SECTION 5 – LOCAL EXCHANGE SERVICE, (CONT'D.)

5.3 Basic Local Exchange Service, (Cont'd.)

5.3.3 Home Free Package

The Home Free Package of services is available to individual residential line customers. The Home Free Package contains the following services: Unlimited Voice Local Calling, Unlimited Voice intraLATA Toll Calling, Call Waiting, Caller ID (with Name) or Call Waiting ID with Name, Anonymous Call Rejection, 3-Way Calling, and Directory Listing. Additional features are available individually at rates exclusive to Home Free Package subscribers.

The Home Free Package includes a blocking service that restricts access to discretionary services. The blocked prefixes are 540, 550, 551, 700, 900, 910, 920, 970, and 977. Subscribers may request unblocking of these prefixes at any time.

Package rate applicable per telephone line, up to 3 lines per residence. Customers with an existing business classification are not eligible for this product. The Company will not allow business customers to change classification to purchase this product. Lifeline customers are not eligible for this service.

This product is intended for residential voice service only. Internet use is considered data service. Monthly local and intraLATA usage in excess of 5,000 minutes is considered Internet usage and will be charged \$0.04 per minute for usage in excess of 5,000 minutes per month.

Unlimited local calling does not include per use features such as Directory Assistance calls, surcharges for \*69, repeat dial, 3 way calling, call trace, Directory Assistance Call Completion, Interrupt, Verification, Operator Services, 500, 900, Follow-Me and other Information Services.

At the time of service connection, the customer will retain their existing eligible calling features at the Home Free per feature rate.

---

SECTION 5 – LOCAL EXCHANGE SERVICE, (CONT'D.)

5.3 Basic Local Exchange Service, (Cont'd.)

5.3.3 Home Free Package (Cont'd)

A. Recurring and Nonrecurring Charges

Nonrecurring charges and service order charges apply, as described in Section 4.3.1 of this rate sheet. Charges for each Home Free Package line include a monthly recurring charge and applicable usage charges.

Monthly Recurring Charges (All Rate Groups): \$34.95

Home Free Package Features:

	Per Line, Per Month
Call Forwarding	\$0.99
Call Forward Busy	\$0.99
Call Forward No Answer	\$0.99
Call Forward Busy/No Answer	\$0.99
Distinctive Ring 1	\$0.99
Distinctive Ring 2	\$0.99
Repeat Dialing (*66)	\$0.99
Automatic Callback (*69)	\$0.99
Speed Dial 8	\$0.99
Speed Dial 30	\$0.99
Per Call Blocking	\$0.99
Remove Call Blocking	\$0.99

---

Issued: May 7, 2004

Effective: May 7, 2004

By: Jacob J. Dayan – President and CEO  
3535 State Highway 66, Suite 7  
Neptune, NJ 07753

TXL0401

---

SECTION 5 – LOCAL EXCHANGE SERVICE, (CONT'D.)

5.3 Basic Local Exchange Service, (Cont'd.)

5.3.4 Business Local Exchange Service

Business Local exchange service lines and trunks are provided on a single party (individual) basis only. No multi-party lines are provided. Service is available on a flat rate, measured rate or message rate basis depending on the service plan selected by the Customer. Not all service plans will be available in all areas.

Recurring charges for Business Local Exchange Service are billed monthly in advance. Usage charges, if applicable, are billed in arrears. Non-recurring charges for installation or rearrangement of service are billed on the next month's bill immediately following work performed by the Company.

There are 6 service options:

A. Basic Measured/Message Business Line Service

Basic Measured/Message Business Line Service provides business customers with local calling service where local calls are billed on a per-message or per-call basis. Basic Measured / Message Service is only offered to Customers served from Central Offices that have both the capability and capacity to offer such service.

B. Premium Measured/Message Business Line Service

Premium Measured/Message Business Line Service provides business customers with local calling service where local calls are billed on a per-message or per-call basis. Premium Measured/Message Business Line Service includes Line Hunting. Premium Measured / Message Service is only offered to Customers served from Central Offices that have both the capability and capacity to offer such service.

C. Basic Flat Rate Local Business Line Service

Basic Flat Rate Local Business Line Service provides business customers with unlimited local calling service. Long distance and IntraLATA toll usage will be billed at per-minute rates, as found in Section 8 of this tariff.

---

SECTION 5 – LOCAL EXCHANGE SERVICE, (CONT'D.)

5.3 Basic Local Exchange Service, (Cont'd.)

5.3.4 Business Local Exchange Service, (Cont'd.)

D. Premium Flat Rate Local Business Line Service

Premium Flat Rate Local Business Line Service provides business customers with unlimited local calling service. Long distance and IntraLATA Toll usage will be billed at per-minute rates, as found in Section 8 of this tariff.

Premium Flat Rate Local Business Line Service includes Line Hunting.

E. Advantage Unlimited Local Service

Advantage Unlimited Local Service provides business customers with unlimited local calling only. Long distance and IntraLATA Toll usage will be billed at per-minute rates, as found in Section 8 of this tariff. Advantage Unlimited Local Service includes Touch Tone and Line Hunting. Additionally, Advantage Unlimited Local Service includes up to 3 of the following calling features at no additional charge:

- Call Waiting
- Caller ID – Number Only
- Caller ID – Name Only
- Caller ID Name and Number
- Call Waiting ID
- Call Forwarding
- Call Forwarding Busy
- Call Forwarding No Answer
- Call Forwarding Busy & No Answer
- 3-Way Calling

---

Issued: May 7, 2004

Effective: May 7, 2004

By: Jacob J. Dayan – President and CEO  
3535 State Highway 66, Suite 7  
Neptune, NJ 07753

TXL0401

---

SECTION 5 – LOCAL EXCHANGE SERVICE, (CONT'D.)

5.3 Basic Local Exchange Service, (Cont'd.)

5.3.4 Business Local Exchange Service, (Cont'd.)

F. Advantage Unlimited Local Plus Service

Advantage Unlimited Local Plus Service provides business customers with unlimited local calling and unlimited IntraLATA Toll calling. Long distance usage will be billed at per-minute rates, as found in Section 8 of this tariff. Advantage Unlimited Local Plus Service includes Touch Tone and Line Hunting. Additionally, Advantage Unlimited Local Service includes up to 3 of the following calling features at no additional charge:

- Call Waiting
- Caller ID – Number Only
- Caller ID – Name Only
- Caller ID Name and Number
- Call Waiting ID
- Call Forwarding
- Call Forwarding Busy
- Call Forwarding No Answer
- Call Forwarding Busy & No Answer
- 3-Way Calling

---

Issued: May 7, 2004

Effective: May 7, 2004

By: Jacob J. Dayan – President and CEO  
3535 State Highway 66, Suite 7  
Neptune, NJ 07753

TXL0401

---

SECTION 5 – LOCAL EXCHANGE SERVICE, (CONT'D.)

5.3 Basic Local Exchange Service, (Cont'd.)

5.3.4 Business Local Exchange Service, (Cont'd.)

C. Pricing

Rate Group	SERVICE TYPE	
	Basic Measured / Message Business Line	Premium Measured / Message Business Line
Urban	\$15.95	\$19.95
Suburban	\$12.95	\$15.95
Rural	N/A	N/A
Touch Tone	\$1.00	\$1.00
Local Usage		
Call Allowance	100	100
Per Additional Message	\$0.069	\$0.069
IntraLATA Toll Usage – Per MOU	See Section 8	See Section 8

---

Issued: May 7, 2004

Effective: May 7, 2004

By: Jacob J. Dayan – President and CEO  
3535 State Highway 66, Suite 7  
Neptune, NJ 07753

TXL0401

SECTION 5 – LOCAL EXCHANGE SERVICE, (CONT'D.)

5.3 Basic Local Exchange Service, (Cont'd.)

5.3.4 Business Local Exchange Service, (Cont'd.)

C. Pricing, (Cont'd)

Rate Group	SERVICE TYPE	
	Basic Flat Rate Local Business Line	Premium Flat Rate Local Business Line
Urban	\$22.95	\$26.95
Suburban	\$19.95	\$22.95
Rural	N/A	N/A
Touch Tone	\$1.00	\$1.00
Local Usage	Included	Included
IntraLATA Toll Usage – Per MOU	See Section 8	See Section 8

Rate Group	SERVICE TYPE	
	Advantage Unlimited	Advantage Unlimited Plus
Urban	\$29.95	\$39.95
Suburban	\$29.95	\$39.95
Rural	N/A	N/A
Touch Tone	Included	Included
Local Usage	Included	Included
IntraLATA Toll Usage – Per MOU	See Section 8	See Section 8

---

SECTION 5 – LOCAL EXCHANGE SERVICE, (CONT'D.)

5.3 Basic Local Exchange Service, (Cont'd.)

5.3.5 Business PBX Trunk Service

PBX Trunk service provides a Customer with a single, voice-grade telephonic communications channel that can be used to place or receive one call at a time. Trunks are provided for connection of Customer-provided private branch exchanges (PBX) or other station equipment to the public switched telecommunications network. An optional per trunk Hunting feature is available for Customers that routes a call to the next idle trunk in a prearranged group.

PBX Trunks are available as Inward, Outward or Two-Way combination trunks where services and facilities permit. PBX Trunks may also be equipped with Direct Inward Dialing (DID) capability and DID number blocks for additional charges.

Recurring charges for PBX Trunk Service are billed monthly in advance. Usage charges, if applicable, are billed in arrears. Non-recurring charges for installation or rearrangement of service are billed on the next month's bill immediately following work performed by the Company.

Monthly Recurring and Usage Sensitive Charges for Business PBX Trunk Service are specified below. Service Charges and Surcharges for Business PBX Trunk Service are listed in Section 4 of this tariff under business rates. Long distance usage will be billed at per-minute rates, as found in Section 8 of this tariff.

Business PBX Trunk Service	
Rate Group	
Urban	\$36.95
Suburban	\$29.95
Rural	N/A
Local Usage	Included
IntraLATA Toll Usage	See Section 8

---

Issued: May 7, 2004

Effective: May 7, 2004

By: Jacob J. Dayan – President and CEO  
3535 State Highway 66, Suite 7  
Neptune, NJ 07753

TXL0401

---

SECTION 5 – LOCAL EXCHANGE SERVICE, (CONT'D.)

5.4 Basic Local Exchange Service, (Cont'd.)

5.3.7 Direct Inward Dialing (DID) Service

Direct Inward Dialing (“DID”) permits calls incoming to a PBX system or other Customer Premises Equipment to be routed to a specific station without the assistance of an attendant. DID calls are routed directly to the station associated with the called number. DID service as offered by the Company provides the necessary trunks, telephone numbers, and out-pulsing of digits to enable DID service at a Customer’s location. DID service requires special PBX software and hardware not provided by the Company. Such hardware and software is the responsibility of the Customer.

The following charges apply to Customers subscribing to DID service provided by the Company. These charges are in addition to recurring and nonrecurring charges for PBX Trunks as shown in this tariff.

	Installation Charge	Monthly Recurring
Each Individual DID Number	\$10.00	\$0.75
Initial Block of 10 DID Numbers	\$95.00	\$18.95
Additional Block of 10 DID Numbers	\$4.00	\$12.00
Additional Block of 10 DID Numbers [Over 100]	\$14.00	\$1.00
Initial Block of 100 DID Numbers	\$125.00	\$125.00
Additional Block of 100 DID Numbers	\$125.00	\$10.95
DID Service		
Each Trunk	\$0.00	\$18.95

---

Issued: May 7, 2004

Effective: May 7, 2004

By: Jacob J. Dayan – President and CEO  
3535 State Highway 66, Suite 7  
Neptune, NJ 07753

TXL0401

---

SECTION 6 – CENTREX SERVICES AND RATES

6.1 General

Centrex Service is a central office-based PBX service offered to business Customers. Standard pricing plans are offered to Customers with two (2) or more station lines. Centrex configurations and/or features not contained in this Section are offered on an individual case basis, subject to the availability of equipment and facilities necessary to provision the service on a continuing and economically feasible basis. The minimum term commitment for Centrex Service is one (1) month.

6.2 Regulations

6.2.1 Service Requirements

- A. Basic Centrex Service is available to Customers served from a compatible central office where adequate facilities are available. A system must have a minimum of two (2) service lines.
- B. The Customer is responsible for notifying the Company thirty (30) calendar days prior to the termination of service.
- C. One free Directory Listing is provided with each Centrex Service system. Additional listings are available at rates specified under Directory Listing Services elsewhere in this rate sheet.

6.2.2 Centrex Basic Lines

- A. Basic Lines provide intercommunication on a two-digit basis (activated by dialing the appropriate, pre-programmed intercom code for an associated line (Station To Station Dialing)) in addition to direct access to (Direct Outbound Dialing (DOD)) and from (Direct Inward Dialing (DID)) the exchange network without the assistance of an attendant. Centrex Lines are assigned a 10-digit telephone number and are provided with DOD and DID capability.

---

Issued: May 7, 2004

Effective: May 7, 2004

By: Jacob J. Dayan – President and CEO  
3535 State Highway 66, Suite 7  
Neptune, NJ 07753

TXL0401

---

SECTION 6 – CENTREX SERVICES AND RATES (CONT'D)

6.2 Regulations (Cont'd)

6.2.2 Centrex Basic Lines, (Cont'd)

B. Centrex Lines can be provided with the following Line Class arrangements:

- .1 Unrestricted - An arrangement that has no restrictions on either incoming or outgoing calling.
- .2 Partially Restricted Originating - An arrangement that restricts a Centrex Line to only receive local and Long Distance calls, and to make/receive calls to/from other stations in the system.
- .3 Fully Restricted - An arrangement that allows intercom-only calling for the Basic Line user.
- .4 700/900/976 Restricted (Originating) - An arrangement which denies the Basic Line user the ability to make outgoing calls to 700/900/976 numbers.

C. There are two types of Centrex Lines:

- .1 Basic Centrex Lines – There is a 2-line minimum and Basic Centrex Lines allow the customer to place an outbound telephone call without first dialing an access code (e.g., 9) (also known as Assume Dial-9 – No Access Code Dialing). Station-to-Station Intercom Dialing is not available for Basic Centrex Lines. Basic Centrex Lines are only available on a Month-to-Month basis.
- .2 SpectroFlex Centrex Lines – There is a 2-line minimum and SpectroFlex Centrex Lines allow Station-to-Station Intercom dialing. SpectroFlex customers must first dial 9 before attempting to dial a telephone number outside of their SpectroFlex Centrex system. SpectroFlex Centrex Lines are available on a month-to-month, 1, 3, and 5-Year term basis.

---

Issued: May 7, 2004

Effective: May 7, 2004

By: Jacob J. Dayan – President and CEO  
3535 State Highway 66, Suite 7  
Neptune, NJ 07753

TXL0401

---

SECTION 6 – CENTREX SERVICES AND RATES (CONT'D)

6.3 Standard Features

Basic Centrex and SpectroFlex Centrex Line standard features are provided where facilities permit. All Basic and SpectroFlex Lines are equipped with the features as indicated below, but the Customer may choose not to activate all features. The Basic or SpectroFlex Line rates apply regardless of the number of features activated by the Customer.

- 6.3.1 Call Forwarding - Busy Line - Permits the routing of incoming calls to another specified line of the system if the intended line is in use. With this arrangement, more than one (1) station line can forward to a common station line.
- 6.3.2 Call Forwarding - Don't Answer - Permits the routing of incoming calls to another specified line of the system if the intended line is unanswered after approximately three (3) ringing cycles.
- 6.3.3 Call Forwarding - Variable - All Calls: Permits a station user to have incoming calls automatically transferred to another line of the system, or to a line outside the system, for temporary periods. The feature is activated by dialing a code, followed by the line number to which the calls are to be forwarded. The feature is deactivated by dialing another code. Reminder Ring provides for a distinctive ringing signal to be provided to the Call Forward - Variable line at the time the call is forwarded.
- 6.3.4 Call Hold - Permits an in-progress call to be held for extended period in order that another incoming call on another line may be answered.

---

SECTION 6 – CENTREX SERVICES AND RATES (CONT'D)

6.3 Standard Features, (Cont'd.)

6.3.5 Call Pickup - Permits a line user to answer incoming calls to another line within the Centrex System by dialing a special access code.

Call Transfer - Permits a station user to transfer a call to another line either within or outside of the system.

Station Line Hunting - Permits station lines to be arranged in groups so that calls to a busy line in a group will be completed to another line in the group that is not busy.

6.3.8 Three Way Calling - Permits a station user to establish a 3-way conference by placing an in-progress call on hold, through operation of the switch hook, and then dialing another call. By again operating the switch hook, the station user can connect the two calls.

6.3.9 Touch Tone - All Centrex Lines are equipped for Touch Tone Calling.

---

Issued: May 7, 2004

Effective: May 7, 2004

By: Jacob J. Dayan – President and CEO  
3535 State Highway 66, Suite 7  
Neptune, NJ 07753

TXL0401

---

SECTION 6 – CENTREX SERVICES AND RATES (CONT'D)

6.4 Optional Features

Optional features are offered with each Centrex Service Plan in addition to the Standard Features shown in Section 6.3 preceding. Optional features are provided where facilities are available and consist of the following:

- 6.4.1 Call Waiting – Terminating - Permits all incoming calls on lines already in use to be "announced" by a short burst of tone (audible only to the called party) and automatically completed upon termination of the in-progress call, or if the in-progress call is placed on Call Hold. This service can be provided for calls originating outside the system or for all calls. Tone Block allows a station user to temporarily deactivate Call Waiting prior to initiating a call or during a call in progress. The Call Waiting will be automatically reactivated when the call or call attempt is terminated.
- 6.4.2 Common Intercept - Permits incoming exchange calls to unassigned and/or non-working lines to be intercepted by a standard announcement which informs the calling party that the called number is not in service. Intercommunication calls to unassigned station lines will be intercepted by a standard central office recorded announcement for system calls. This announcement will provide a common message that the number is not in service with advice that the in-house directory should be consulted.

---

Issued: May 7, 2004

Effective: May 7, 2004

By: Jacob J. Dayan – President and CEO  
3535 State Highway 66, Suite 7  
Neptune, NJ 07753

TXL0401

---

SECTION 6 – CENTREX SERVICES AND RATES (CONT'D)

6.4 Optional Features (Cont'd.)

- 6.4.3 Centrex Automatic Callback - Permits an originating Basic Centrex line user who attempts an intercommunication call to a busy Basic Centrex line to automatically be connected to that line when both called and calling lines become idle, by dialing an activation code. Automatic Callback Calling will only operate for intercommunication calls between lines of the same system. This feature can be canceled by the originating station user dialing a deactivation code.
- 6.4.4 Directed Call Pickup - Provides the ability for a call directed to a station line to be answered by any other station user by dialing a code number followed by the station line number. This feature offered with or without Barge-In as follows:
- A. With Barge-In - If the call has already been answered, a burst of tone is applied to alert the answering party of the impending presence of a third party. The third party is then bridged into the existing connection.
  - B. Non-Barge In - If the call has already been answered, the station user who dialed the access code receives a busy tone.
- 6.4.5 Inside/Outside Ringing - Permits the station user to identify the source of incoming calls by a unique ringing pattern.
- 6.4.6 Night Service - Permits the routing of calls normally directed to the attendant to be directed to pre-selected lines within the system.

---

Issued: May 7, 2004

Effective: May 7, 2004

By: Jacob J. Dayan – President and CEO  
3535 State Highway 66, Suite 7  
Neptune, NJ 07753

TXL0401

---

SECTION 6 – CENTREX SERVICES AND RATES (CONT'D)

6.4 Optional Features (Cont'd.)

- 6.4.7 Speed Dial – Single Digit - Permits the user to make calls to frequently dialed numbers by using a single-digit dialing code. A Customer-programmable list (eight (8) numbers) is provided per line.
- 6.4.8 Speed Dial – Two Digit - Permits the user to make calls to frequently dialed numbers by using a two-digit code. A Customer-programmable list (thirty (30) numbers) is provided per line.
- 6.4.9 Trunk Answer Any Station - Permits any station user to answer an incoming exchange network call directed to the main listed number by dialing a code.
- 6.4.10 Uniform Call Distribution - UCD with Queuing - Permits the station user to receive more calls than the multi-line hunt group is designed to handle. This is accomplished by providing the Customer with one queue slot.
- 6.4.11 The following features are also available with Centrex Lines: Automatic Callback, Repeat Dialing, Caller ID – Number Only, and Caller ID with Name. Refer to Section 7.1 for descriptions and rates for these Optional Features.

---

Issued: May 7, 2004

Effective: May 7, 2004

By: Jacob J. Dayan – President and CEO  
3535 State Highway 66, Suite 7  
Neptune, NJ 07753

TXL0401

---

SECTION 6 – CENTREX SERVICES AND RATES (CONT'D)

6.5 Rates & Charges

6.5.1 Monthly Recurring and Local Usage Charges:

- A. The following rates apply to all Centrex Service lines provided by the Company, regardless of the number required by the Customer. Charges for monthly usage options apply in addition to the charges for Centrex Service lines. Long distance usage will be billed at per-minute rates, as found in Section 8 of this rate sheet.
- B. Monthly recurring charges and Local Usage Charges per Individual Centrex Service line apply as follows:

	Basic Centrex Lines	SpectroFlex Centrex Lines
Month-to-Month		
Urban	\$32.95	\$32.95
Suburban	\$28.95	\$28.95
Rural	N/A	N/A
1 Year Term	N/A	ICB
3 Year Term	N/A	ICB
5 Year Term	N/A	ICB
Local Usage	Included	Included
IntraLATA Toll Usage – Per MOU	See Section 8	See Section 8

---

Issued: May 7, 2004

Effective: May 7, 2004

By: Jacob J. Dayan – President and CEO  
3535 State Highway 66, Suite 7  
Neptune, NJ 07753

TXL0401

---

SECTION 7 – SUPPLEMENTARY SERVICES

7.1 Custom Calling Features

7.1.1 General

The features in this section are made available on an individual basis or as part of multiple feature packages. All features are provided subject to availability; features may not be available with all classes of service. Transmission levels may not be sufficient in all cases.

7.1.2 Description of Features

Call Forwarding - Automatically routes incoming calls to a predetermined telephone number

Call Forward No Answer - Automatically routes incoming calls to a predetermined telephone number when the called line does not answer within a pre-specified number of rings.

Call Forward Busy - Automatically routes incoming calls to a predetermined telephone number when the called line is busy.

Call Waiting - Signals the Customer with a burst of tone to indicate that another call is waiting. The second call can either be answered by flashing the switch hook or hanging up the phone and being rung back by the caller.

3 – Way Calling - Allows the Customer to add a third party to an existing conversation.

Speed Calling 8 - Allows the Customer to dial an abbreviated code to originate a call to any of 8 programmed telephone numbers.

Speed Calling 30 - Allows the Customer to dial an abbreviated code to originate a call to any of 30 programmed telephone numbers.

---

SECTION 7 – SUPPLEMENTARY SERVICES, (CONT'D.)

7.1 Custom Calling Features, (Cont'd.)

7.1.2 Description of Features, (Cont'd.)

Auto Call Back - Automatically redials the last incoming call.

Repeat Dialing - Automatically redials a busy number for up to 30 minutes until line is available.

Call Screening - Automatically rejects calls from a specified list of numbers or from the incoming number.

Caller ID - Provides for the display of the calling party telephone number on Caller ID compatible customer premises equipment.

Caller ID with Name - Provides for the display of the calling party name and telephone number on Caller ID compatible customer premises equipment.

Multi Ring Service 1 - Provides the Customer with two (2) separate telephone numbers, each with a distinctive ring, associated with one line.

Multi Ring Service 2 - Provides the Customer with three (3) separate telephone numbers, each with a distinctive ring, associated with one line.

Call Originating Trace - Allows the Customer to dial a Call Trace activation code to initiate a trace of the last incoming call without obtaining prior legal authorization or assistance from the Company. The results of a completed trace will be recorded in the Central Office and will be made available only to law enforcement agencies, as directed by the Customers.

---

SECTION 7 – SUPPLEMENTARY SERVICES, (CONT'D.)

7.1 Custom Calling Features, (Cont'd.)

7.1.3 Features Offered on Monthly Basis

The following optional calling features are offered to Customers on a monthly basis. Customers are allowed unlimited use of each feature. No usage sensitive charges apply. Multiline Customers must order the appropriate number of features based on the number of lines that will have access to the feature.

The rates and charges below are provided on a month-to-month basis.

Custom Calling Feature	Residential Monthly Recurring Charge	Business Monthly Recurring Charge
Call Forwarding	\$2.95	\$3.95
Call Forward – No Answer	\$0.50	\$1.95
Call Forward – Busy	\$0.50	\$1.95
Call Forward – Busy and No Answer	\$0.75	\$2.50
Simultaneous Call Forwarding	\$1.95	\$1.95
Call Waiting	\$1.95	\$4.95
3-Way Calling	\$3.25	\$4.25
Speed Calling 8	\$3.25	\$2.50
Speed Calling 30	\$1.95	\$1.95
Auto Call Back	\$3.25	\$3.25
Repeat Dialing	\$2.95	\$3.50
Caller ID – Number Only	\$4.50	\$4.95
Anonymous Call Rejection	\$2.50	\$2.50
Caller ID – Name Only	\$4.50	\$4.95
Caller ID with Name and Number	\$5.95	\$6.50
Call Waiting ID	\$2.95	\$3.25
Distinctive Ring Service - 1 <sup>st</sup> Number	\$1.95	\$3.25
Distinctive Ring Service - 2 <sup>nd</sup> Number	\$0.95	\$1.95

---

Issued: May 7, 2004

Effective: May 7, 2004

By: Jacob J. Dayan – President and CEO  
3535 State Highway 66, Suite 7  
Neptune, NJ 07753

TXL0401

---

SECTION 7 – SUPPLEMENTARY SERVICES, (CONT'D.)

7.1 Custom Calling Features, (Cont'd.)

7.1.3 Rates and Charges, (Cont'd.)

- B. The following features are available to all local exchange Customers on a per use basis. Customers may utilize each feature by dialing the appropriate access code. The Customer will be billed a per use charge each time the feature is used by the Customer. Customers may choose to subscribe to these features on a monthly basis to obtain unlimited use of these features for a fixed monthly charge.

Custom Calling Feature	Rate Per Use
3-Way Calling	\$0.95
Repeat Dialing	\$0.50
Automatic Callback	\$0.95
Caller Originating Trace	\$7.00

---

Issued: May 7, 2004

Effective: May 7, 2004

By: Jacob J. Dayan – President and CEO  
3535 State Highway 66, Suite 7  
Neptune, NJ 07753

TXL0401

---

SECTION 7 – SUPPLEMENTARY SERVICES, (CONT'D.)

7.2 Directory Assistance Service

7.2.1 General

A Customer may obtain Directory Assistance in determining telephone numbers by calling the Directory Assistance operator. The Customer may request a maximum of two (2) telephone numbers per call to Directory Assistance service without additional charges.

7.2.2 Regulations

A Directory Assistance Charge applies for each telephone number, area code, and/or general information requested from the Directory Assistance operator except as follows:

- A. Requests for telephone numbers of non-published service.
- B. Requests in which the Directory Assistance operator provides an incorrect number provided that the calling party reports the wrong number to the Company.
- C. Requests for telephone numbers that were omitted from the alphabetical directory as a result of Company error.
- D. Single line residential customers are allowed 3 Directory Assistance calls per month at no charge. Multiline customers are allowed 2 additional calls per month at no charge.

---

Issued: May 7, 2004

Effective: May 7, 2004

By: Jacob J. Dayan – President and CEO  
3535 State Highway 66, Suite 7  
Neptune, NJ 07753

TXL0401

---

SECTION 7 – SUPPLEMENTARY SERVICES, (CONT'D.)

7.2 Directory Assistance Service, (Cont'd.)

7.2.3 Rates

Unless one of the exceptions listed above applies, the charges as shown below apply for each request made to the Directory Assistance operator:

Local and IntraLATA Toll, Per Call: \$1.25

National DA and InterLATA Toll, Per Call: \$1.50

7.2.4 Call Completion

The charges as shown below apply for each request made to the Directory Assistance Operator in which the operator completes the call to the desired number.

There are no allowances for Directory Assistance Call Completion, however, the Directory Assistance portion of the call is still governed by the appropriate call allowances and exemptions as stated in Section 7.2.2 of this rate sheet.

DACC – Automated - Local and IntraLATA Toll, Per Call: \$0.25

DACC – Semi-Automated - Local and IntraLATA Toll, Per Call: \$0.60

InterLATA Toll, Per Call: N/A

---

SECTION 7 – SUPPLEMENTARY SERVICES, (CONT'D.)

7.3 Operator Service

7.3.1 General

Company operator services, available to presubscribed Customers, are accessible on a twenty-four (24) hour per day seven (7) days per week basis. In addition to the per call service charge, usage rates apply. The types of calls handled are as follows:

Customer Dialed Calling/Credit Card Call - This charge applies in addition to usage charges for station to station calls billed to an authorized Calling Card or Commercial Credit Card. The Customer must dial the destination telephone number where the capability exists for the Customer to do so. A separate rate applies in the event operator assistance is requested for entering the Customer's card number for billing purposes.

Operator Dialed Calling/Credit Card Call - This charge applies in addition to usage charges for station to station calls billed to an authorized telephone Calling Card or Commercial Credit Card and the operator dials the destination telephone number at the request of the Customer.

Operator Station - These charges apply in addition to usage charges for calls placed using the assistance of a Company operator and billed via some method other than a Calling Card or Commercial Credit Card.

(T)

(T)

(D)

|  
|  
|  
|  
|  
|  
|  
|

(D)

SECTION 7 – SUPPLEMENTARY SERVICES, (CONT'D.)

7.3 Operator Service, (Cont'd.)

7.3.2 [Reserved for Future Use]

(D)

(D)

SECTION 7 – SUPPLEMENTARY SERVICES, (CONT'D.)

7.3 Operator Service, (Cont'd.)

7.3.3 Local and IntraLATA Operator Service Rates

A. Usage Charges

Usage charges for local and intraLATA operator assisted calls are those usage charges that would normally apply to the calling party's service.

B. Per Call Service Charges

	Per Call
Operator Dialed Calling Card	\$2.95
Operator Dialed Station To Station	\$3.95

(D)  
(D)  
(D)  
|  
|  
|  
|  
|  
(D)

---

SECTION 7 – SUPPLEMENTARY SERVICES, (CONT'D.)

7.5 Directory Listing Service

7.5.1 General Terms and Conditions

- A. The Company shall provide for a single directory listing, termed the primary listing, in the telephone directory published by the dominant exchange service provider in the Customer's exchange areas of the Station number which is designated as the Customer's main billing number. Directory listings of additional Company Station numbers, other than the Customer's main billing number, associated with a Customer's service will be provided for a monthly recurring charge per listing.
- B. The Company reserves the right to limit the length of any listing in the directory by the use of abbreviations when, in its judgment, the clearness of the listing, or the identification of the Customer is not impaired thereby. Where more than one line is required to properly list the Customer, no additional charge is made.
- C. The Company may refuse a listing which is known not to constitute a legally authorized or adopted name, obscenities in the name, or any listing which, in the opinion of the Company, is likely to mislead or deceive calling persons as to the identity of the listed party, or is a contrived name used for advertising purposes or to secure a preferential position in the directory or is more elaborate than is reasonably necessary to identify the listed party. The Company, upon notification to the Customer, will withdraw any listing that is found to be in violation of its rules with respect thereto.

---

Issued: May 7, 2004

Effective: May 7, 2004

By: Jacob J. Dayan – President and CEO  
3535 State Highway 66, Suite 7  
Neptune, NJ 07753

TXL0401

---

SECTION 7 – SUPPLEMENTARY SERVICES, (CONT'D.)

7.5 Directory Listing Service, (Cont'd.)

7.5.1 General Terms and Conditions, (Cont'd.)

- D. Each listing must be designated Government or Business to be placed in the appropriate section of the directory. In order to aid the user of the directory, and to avoid misleading or deceiving the calling party as to the identity of the listed party, only business listings may be placed in the Business Section and only residential listings in the Residential section. The Company, upon notification to the Customer, will withdraw any listing which is found to be in violation of its rules with respect thereto.
- E. In order for listings to appear in an upcoming directory, the Customer must furnish the listing to the Company in time to meet the directory publishing schedule.
- F. Rates and regulations for listing service are applicable only to listings in the alphabetical directories.
- G. Directory listings are limited to such information as is essential to the identification of the listed party. The listing of a service, commodity, or trade name is not permitted unless it is the name, or an integral part of the name, under which the Customer does business.
- H. A listing is limited to one line in the directory, except where in the judgment of the Company, more than one line is required to identify the Customer properly. In such cases, the additional lines required are provided at no extra charge.
- I. Listing services are available with all classes of main telephone exchange service.

---

Issued: May 7, 2004

Effective: May 7, 2004

By: Jacob J. Dayan – President and CEO  
3535 State Highway 66, Suite 7  
Neptune, NJ 07753

TXL0401

---

SECTION 7 – SUPPLEMENTARY SERVICES, (CONT'D.)

7.5 Directory Listing Service, (Cont'd.)

7.5.2 Listings

A. Primary Listing

One listing, termed the initial listing is included with each Customer's service, and with the initial line of a line hunting group.

B. Additional Listings

At a charge, additional listings may be included in the alphabetical directory and on directory assistance records, or appear on directory assistance records only. The monthly rate for additional listings apply when the listings appear in Directory Assistance records in accordance with the date requested by the Customer.

If an additional listing is ordered discontinued by the Customer after the closing of the directory, the monthly rate continues through that issue of the directory and up to the date for rates to be effective for the next directory. If the additional listing is ordered discontinued before the closing date of the directory in which it would first appear the monthly rate continues only to the date of cancellation by the Customer, with a minimum service period of one month.

C. Foreign Listing

Where available, a listing in a telephone directory which is not in the Customer's immediate calling area. The Customer will be charged the rates specified in the rate sheet published by the specific local exchange carrier providing the Foreign Listing.

---

SECTION 7 – SUPPLEMENTARY SERVICES, (CONT'D.)

7.5 Directory Listing Service, (Cont'd.)

7.5.2 Listings, (Cont'd.)

D. Nonpublished Service

Nonpublished service means that the Customer's telephone number is not listed in the directory, nor does it appear in the Company Directory Assistance Records. However, such information may be displayed on a call-by-call basis at Public Safety Answering Point locations where Enhanced Universal Emergency Number service is provided (E911).

The Company will complete calls to a non-published number only when the caller dials direct or gives the operator number. No exceptions will be made, even if the caller says it is an emergency.

When the Company agrees to keep a number unlisted, it does so without any obligation. Except for cases of gross negligence or willful misconduct, the Company is not liable for any damages that might arise from publishing a non-published number in the directory or disclosing it to some. If, in error, the telephone number is published in the directory, the only obligation of the Company is to credit or refund any monthly charges the Customer paid for non-published service.

The subscriber indemnifies (i.e., promises to reimburse the Company for any amount the Company must pay as a result of) and save the Company harmless against any and all claims for damages caused or claimed to have been caused, directly or indirectly, by the publication of a non-published service or the disclosing of said number to any person.

---

Issued: May 7, 2004

Effective: May 7, 2004

By: Jacob J. Dayan – President and CEO  
3535 State Highway 66, Suite 7  
Neptune, NJ 07753

TXL0401

---

SECTION 7 – SUPPLEMENTARY SERVICES, (CONT'D.)

7.5 Directory Listing Service, (Cont'd.)

7.5.2 Listings, (Cont'd.)

E. Nondirectory Listed Service

Nondirectory listed service means that the Customer's telephone number is not listed in the directory, but does it appear in the Company Directory Assistance Records.

This service is subject to the rules and regulations for E911 service, where applicable.

The Company will complete calls to a non-listed number.

When the Company agrees to keep a number unlisted, it does so without any obligation. Except for cases of gross negligence or willful misconduct, the Company is not liable for any damages that might arise from publishing a non-listed number in the directory or disclosing it to some. If, in error, the telephone number is listed in the directory, the only obligation of the Company is to credit or refund any monthly charges the Customer paid for non-listed service.

The subscriber indemnifies (i.e., promises to reimburse the Company for any amount the Company must pay as a result of) and save the Company harmless against any and all claims for damages caused or claimed to have been caused, directly or indirectly, by the publication of a nondirectory listed service or the disclosing of said number to any person.

---

Issued: May 7, 2004

Effective: May 7, 2004

By: Jacob J. Dayan – President and CEO  
3535 State Highway 66, Suite 7  
Neptune, NJ 07753

TXL0401

---

SECTION 7 – SUPPLEMENTARY SERVICES, (CONT'D.)

7.5 Directory Listing Service, (Cont'd.)

7.5.5 Rates

A. Nonrecurring Charges

	Residential	Business
Additional Listing, per listing:	\$10.00	\$15.00
Non-Published, per line	\$0.00	\$0.00
Non-Listed Service, per listing:	\$0.00	\$0.00

A. Monthly Recurring Charges

	Residential	Business
Additional Listing, per listing:	\$2.25	\$5.25
Non-Published, per line	\$4.25	\$4.25
Non-Listed Service, per listing:	\$1.25	\$1.25

---

Issued: May 7, 2004

Effective: May 7, 2004

By: Jacob J. Dayan – President and CEO  
3535 State Highway 66, Suite 7  
Neptune, NJ 07753

TXL0401

---

SECTION 8 – TOLL SERVICES

8.1 Outbound Services

8.1.1 IntraLATA Switched Service

A. IntraLATA Switched Service

IntraLATA Switched Service is an outbound calling plan available to Customers who presubscribe to the any one of the Company local exchange services. Calls are billed in six (6) second increments after an initial period for billing purposes of eighteen (18) seconds.

Residential - Per Minute Rate:	\$0.089
Business – Per Minute Rate:	\$0.089

8.1.2 InterLATA Toll Service

A. InterLATA Toll Service

InterLATA Service Toll is a switched outbound plan available to Customers who presubscribe to any one of the Company local exchange services. Calls are billed in six (6) second increments after an initial period for billing purposes of eighteen (18) seconds.

Residential - Per Minute Rate:	\$0.099
Business – Per Minute Rate:	\$0.099

---

SECTION 8 – TOLL SERVICES, (CONT'D.)

8.2 Toll Free Services

8.2.1 Switched Toll Free

Switched Toll Free is available to Customers for incoming calls. Calls originate from any interstate or intrastate location over a toll free number and terminate to a Customer-provided switched access line. Call charges are billed to the Subscriber rather than to the originating caller. Rates are neither time-of-day sensitive nor mileage sensitive. Calls are billed in six (6) second increments after a minimum call duration for billing purposes of eighteen (18) seconds. Rates are not mileage or time-of-day sensitive. A Monthly Recurring Charge applies in addition to usage rates.

Per Minute Rate:	\$0.15
Monthly Recurring Charge:	\$10.00

---

Issued: May 7, 2004

Effective: May 7, 2004

By: Jacob J. Dayan – President and CEO  
3535 State Highway 66, Suite 7  
Neptune, NJ 07753

TXL0401

---

SECTION 8 – TOLL SERVICES, (CONT'D.)

8.3 Calling Card Service

Calling Card Service is available to Customers for placing calls while away from home or office. Calls are originated by dialing a toll-free access number, followed by an account identification number and personal identification number. Calls may originate from standard residential, business or pay telephone access lines and may terminate to any interstate or intrastate location. Calls are billed in sixty (60) second increments after an initial period for billing purposes of sixty (60) seconds. A one-time charge for card set-up applies. There is no per call charge.

Maximum Per Minute Rate: \$0.12

Maximum Set Up Charge: \$1.99

---

Issued: May 7, 2004

Effective: May 7, 2004

By: Jacob J. Dayan – President and CEO  
3535 State Highway 66, Suite 7  
Neptune, NJ 07753

TXL0401

SECTION 9 – ACCESS SERVICES

9.1 General

Rates and regulations for the Access Services offered by the Company may be found in Texas Rate Sheet No. 2 for Spectrotel, Inc.

---

Issued: May 7, 2004

Effective: May 7, 2004

By: Jacob J. Dayan – President and CEO  
3535 State Highway 66, Suite 7  
Neptune, NJ 07753

TXL0401

SECTION 10 – SPECIAL ARRANGEMENTS

10.1 Special Construction

10.1.1 Basis for Charges

Basis for Charges where the Company furnishes a facility or service for which a rate or charge is not specified in Company rate sheets, charges will be based on the costs incurred by the Company (including return) and may include:

- a) nonrecurring charges;
- b) recurring charges;
- c) termination liabilities; or
- d) combinations of (a), (b), and (c).

---

SECTION 10 – SPECIAL ARRANGEMENTS, CONT'D.

10.1 Special Construction, (Cont'd.)

10.1.2 Basis for Cost Computation

The costs referred to in 9.1.1 preceding may include one or more of the following items to the extent they are applicable:

- A. Costs to install the facilities to be provided including estimated costs for the rearrangements of existing facilities. These costs include:
  - .1 equipment and materials provided or used;
  - .2 engineering, labor, and supervision;
  - .3 transportation; and
  - .4 rights of way and/or any required easements.
- B. Cost of maintenance.
- C. Depreciation on the estimated cost installed of any facilities provided, based on the anticipated useful service life of the facilities with an appropriate allowance for the estimated net salvage.
- D. Administration, taxes, and uncollectible revenue on the basis of reasonable average cost for these items.
- E. License preparation, processing, and related fees.
- F. Tariff preparation, processing and related fees.
- G. Any other identifiable costs related to the facilities provided; or
- H. An amount for return and contingencies.

---

SECTION 10 – SPECIAL ARRANGEMENTS, CONT'D.

10.1 Special Construction, (Cont'd.)

10.1.3 Termination Liability

To the extent that there is no other requirement for use by the Company, a termination liability may apply for facilities specially constructed at the request of a Customer.

- A. The period on which the termination liability is based is the estimated service life of the facilities provided.
- B. The amount of the maximum termination liability is equal to the estimated amounts (including return) for:
  - .1 Costs to install the facilities to be provided including estimated costs for the rearrangements of existing facilities. These costs include:
    - (a.) equipment and materials provided or used;
    - (b.) engineering, labor, and supervision;
    - (c.) transportation; and
    - (d.) rights of way and/or any required easements;
  - .2 license preparation, processing, and related fees;
  - .3 tariff preparation, processing and related fees;
  - .4 cost of removal and restoration, where appropriate; and
  - .5 any other identifiable costs related to the specially constructed or rearranged facilities.
- C. The termination liability method for calculating the unpaid balance of a term obligation is obtained by multiplying the sum of the amounts determined as set forth in Section 9.1.3.B preceding by a factor related to the unexpired period of liability and the discount rate for return and contingencies. The amount determined in Section 9.1.3.B preceding shall be adjusted to reflect the predetermined estimated net salvage, including any reuse of the facilities provided. This amount shall be adjusted to reflect applicable taxes.

---

Issued: May 7, 2004

Effective: May 7, 2004

By: Jacob J. Dayan – President and CEO  
3535 State Highway 66, Suite 7  
Neptune, NJ 07753

TXL0401

---

SECTION 10 – SPECIAL ARRANGEMENTS, CONT'D.

10.2 Non-Routine Installation and/or Maintenance

At the Customer's request, installation and/or maintenance may be performed outside Company regular business hours, or (in sole discretion of the Company and subject to any conditions it may impose) in hazardous locations. In such cases, charges based on the cost of labor, material, and other costs incurred by or charged to the Company will apply. If installation is started during regular business hours but, at the Customer's request, extends beyond regular business hours into time periods including, but not limited to, weekends, holidays, and/or night hours, additional charges may apply.

10.3 Individual Case Basis (ICB) Arrangements

Rates for ICB arrangements will be developed on a case-by-case basis in response to a bona fide request from a Customer or prospective Customer for service which vary from listed arrangements. Rates quoted in response to such requests may be different for listed service than those specified for such service in the Rate Attachment. ICB rates will be offered to Customers in writing and will be made available to similarly situated Customers. A summary of each ICB contract pricing arrangement offered pursuant to this paragraph will be filed as an addendum to this Rate sheet within 30 days after the contract is signed by both the Company and the Customer. The following information will be included in the summary:

- a. LATA and type of switch
- b. The V&H distance from the central office to the Customer's premises
- c. Service description
- d. Rates and charges
- e. Quantity of circuits
- f. Length of the agreement.

---

Issued: May 7, 2004

Effective: May 7, 2004

By: Jacob J. Dayan – President and CEO  
3535 State Highway 66, Suite 7  
Neptune, NJ 07753

TXL0401

## SECTION 11 - PROMOTIONAL OFFERINGS

### 11.1 Demonstration of Service

From time to time the Company may demonstrate service for potential Customers by providing free use of its network on a limited basis for a period of time, not to exceed one (1) month. Demonstration of service and the type, duration or quantity of service provided will be at the Company's discretion.

### 11.2 Special Promotions

From time to time, the Carrier may provide promotional offerings to introduce a current or potential Subscriber to a service not being used by the subscriber. These offerings may be limited to certain dates, times or locations and may waive or reduce recurring or non-recurring charges. The Company will notify the Commission prior to the effective date of any promotional offering.

---

Issued: May 7, 2004

Effective: May 7, 2004

By: Jacob J. Dayan – President and CEO  
3535 State Highway 66, Suite 7  
Neptune, NJ 07753

TXL0401