

NEW APPLICATION



STEVEN ERICK  
SWENSON  
ATTORNEY AT LAW

RECEIVED

1999 DEC -9 P 12:15

AZ CORP COMMISSION  
DOCUMENT CONTROL

T-03815A-99-0711

**Via FedEx**

November 13, 1999

Docket Control Center  
Arizona Corporation Commission  
1200 West Washington Street  
Phoenix, Arizona 85007-2927

**RE: Application and Petition for Certificate of Convenience and Necessity to Provide Local Exchange Telecommunications Services as a Reseller**

To Whom It May Concern:

American Fiber Network, Inc. (a/k/a "AFN") hereby submits the enclosed Application, seeking authority to operate as a reseller of interexchange services and operator services within the State of Arizona. An original and ten (10) copies (including AFN's proposed tariff) are provided herein. Please date-stamp one copy and return it in the postage-paid envelope provided to the undersigned.

I have enclosed the exhibits containing financial information concerning the above-mentioned applicant marked "Confidential" and enclosed in a separate sealed envelope. The company desires to maintain the confidential nature of this information, and has enclosed a Motion requesting that the Commission maintain such information under seal, to the extent such treatment is acceptable and in conformance with Commission rules.

Should there be any questions or addition information required, please do not hesitate to contact me at (801) 596-9381. Thank you for your assistance.

Sincerely,

Steven E. Swenson  
Attorney for American Fiber Network, Inc.

enclosure

FORM A

RECEIVED  
ARIZONA CORPORATION COMMISSION

1999 DEC -9 P 12:14  
Application and Petition for Certificate of Convenience and Necessity to Provide  
Local Exchange Services as a Reseller

AZ CORP COMMISSION  
DOCUMENT CONTROL

Mail original plus 10 copies of completed application to:

For Docket Control Only:  
(Please Stamp Here)

Docket Control Center  
Arizona Corporation Commission  
1200 West Washington Street  
Phoenix, Arizona 85007-2927

If you have current applications pending in Arizona as  
an Interexchange reseller, AOS provider, or as the  
provider of other telecommunication services.

Type of Service: \_\_\_\_\_

Docket No.: \_\_\_\_\_ Date: \_\_\_\_\_

Docket No. \_\_\_\_\_

Type of Service: \_\_\_\_\_

Docket No.: \_\_\_\_\_ Date: \_\_\_\_\_

Docket No. \_\_\_\_\_

A. Company and Telecommunications Service Information

(A-1) The name, address, and telephone number (including area code) of the applicant(company):

AMERICAN FIBER NETWORK, INC. a/k/a "AFN"  
9401 INDIAN CREEK PARKWAY, SUITE 140  
OVERLAND PARK, KS 66210  
(913) 338-2658

(A-2) If doing business (d/b/a) under a name other than the applicant (company) name listed above, specify:

N/A

(A-3) The name, address, telephone number, facsimile number and Email address of the management contact.

ROB HEATH  
VICE PRESIDENT  
9401 INDIAN CREEK PARKWAY, SUITE 140  
OVERLAND PARK, KS 66210  
(913) 338-2658  
(913) 661-0538 EMAIL: Rheath2996@AOL.COM

(A-4) The name, address, telephone number, facsimile number and email address of the Attorney, if any, representing the applicant:

STEVEN ERICK SWENSON, ESQ  
60 South 600 East, Suite 200  
SALT LAKE CITY, UTAH 84102  
(801) 596-9381  
(801) 596-9382 (FAX) E-MAIL: S.E.SWENSON  
@ WORLDNET.  
ATT. NET

(A-5) What type of legal entity is the applicant? DELAWARE CORPORATION

Sole proprietorship

Partnership: \_\_\_ limited, \_\_\_ general, \_\_\_ Arizona, \_\_\_ Foreign

Limited liability company

Corporation: \_\_\_ AS, \_\_\_ AC, \_\_\_ 'c' non-profit, \_\_\_ Arizona, \_\_\_ Foreign

Other, specify:

(A-6) Include Attachment A. Attachment A must list names of all owners, partners, limited liability company managers, or corporation officers and directors (specify), and indicate percentages of ownership.

SEE Attachment "A"

(A-7) 1. Is your company currently offering any telecommunication services in Arizona? If yes, list each service offered and provide the date that you began offering each such service in Arizona. NO

2. If the answer to 1. is "no", when does your company plan to begin reselling services in Arizona?

UPON CERTIFICATION BY THE COMMISSION

(A-8) Include Attachment B. Attachment B, your proposed tariff, must include proposed rates and charges for each service to be provided. State the tariff (maximum) rate as well as the price to be charged, and state other terms and conditions, including deposits, that will apply to provision of the service(s) by your company. SEE Attachment "B"

The Arizona Corporation Commission provides pricing flexibility by allowing competitive telecommunications service companies to price their services at levels equal to or below the tariff (maximum) rates. The prices to be charged by the company are filed with the Commission in the form of price lists. See the "Illustrative Tariff/Price List Example" attached. Note: Price list rate changes that result in rates that are lower than the tariff rate are effective upon concurrent notice to the Commission (See Rule R14-2-1109 (B)(2)). See Rule R14-2-1110 for procedures to make price list changes that result in rates that are higher than the tariff rate.

(A-9) The geographic market to be served is:

statewide.

other, describe and provide a map depicting the area.

(A-10) List the states in which you currently offer, or have been approved to offer, services similar to those you intend to resell in Arizona.

SEE Attachment "C"

(A-11) List the companies with which you have signed resale agreements, along with the states in which they were approved.

None

(A-12) Include Attachment C. (All Applications must include a resale agreement or contract). Attachment C is a copy of the resale agreement or contract between your company and an applicable local exchange service provider.

N/A

(A-13) Provide the name, address, and telephone number of the company's complaint contact person.

Rob Heath and/or JOYCE HUBBARD  
9401 INDIAN CREEK PARKWAY, SUITE 140  
OVERLAND PARK, KS 66210  
TOLL FREE: (800) 864-0583 or (913) 338-2658

(A-14) Provide a list of states in which you have sought authority to resell telecommunications services and in which the state granted the authority with major changes and conditions or did not grant your application for those services. For each state listed, provide a copy of the Commission's decision modifying or denying your application for authority to provide telecommunications services.

N/A

(A-15) Has the company been granted authority to provide or resell telecommunications services in any state where subsequently the authority was revoked? If "yes", provide copies of the State Regulatory Commission's decision revoking its authority.

NO

(A-16) Has the company been or is the company currently involved in any formal complaint proceedings before any State or Federal Regulatory Commission? If "yes", in which states is the company involved in such proceedings and what is the substance of these complaints. Also, provide copies of Commission orders that have resolved any of these complaints *NO*

(A-17) Has the applicant been involved in any civil or criminal investigations related to the delivery of telecommunications services within the last five years? If "yes", in which states has the applicant been involved in investigations and why is the applicant being investigated? *NO*

(A-18) Has the applicant had judgment entered against it in any civil matter or been convicted of criminal acts related to the delivery of telecommunications services within the last five years? If yes, list the states where judgment or conviction was entered and provide a copy of the court order. *NO*

#### B. Technical Information

(B-1) Provide the name of the company or companies whose services you resell.

SEE Attachment "F"

(B-2) Explain what actions the applicant has taken to ensure that basic exchange service to applicant=s customers will not be interrupted in the event the applicant ceases to do business.

SEE Attachment  
"D"

#### C. Financial Review Questions For LEC=S

(C-1) Include "Attachment E". Attachment E must include a copy of your Company=s balance sheet, income statement, audit report (if audited) and all related notes to these financial statements for the two most recent years your Company has been in business.

SEE Attachment "E"

(C-2) If your Company does not have financial statements for the two most recent years, please give the date your Company began operations.

N/A

(C-3) If the balance sheets you submit do not have retained earnings accounts, please provide this account information on a separate sheet for each of the two years.

(C-4) If your Company is a subsidiary, please provide your Parent Company=s financial statements, in addition to your Company=s financial statements.

N/A

(C-5) If your Company intends to rely on the financial resources of its Parent Company, please provide a written statement from your Parent Company attesting that it will provide complete financial backing if your Company experiences a net loss or a business failure and that it will guarantee re-payment of customers; advances, prepayments or deposits held by your Company if, for some reason, your Company cannot provide service or repay the deposits.

N/A

(C-6) Will your customers be required to (or have the option to) pay advances, prepayments, or deposits for any of your products or services.

YES  (If yes, provide an explanation of how and when these customer advances prepayments or deposits will be applied or reference the terms and conditions section of your Company=s tariffs with this explanation. If this information is not explained in the tariff of this application, please provide it on a separate sheet.)

NO  (Note: If at a later date, your Company decides it wants to offer or require customer advances, prepayments or deposits, it must submit financial statements as part of the tariff amendment process.)

I certify that if the applicant is an Arizona corporation, a current copy of the Articles of Incorporation is on file with the Arizona Corporation Commission and the applicant holds a Certificate of Good Standing from the Commission. If the company is a foreign corporation or partnership, I certify that the company has authority to transact business in Arizona. I certify that all appropriate city, county and/or State agency approvals have been obtained. Upon signing of this application, I attest that I have read the Commission's rules and regulations relating to the regulations of telecommunications services and that the company will abide by Arizona State Law including the Arizona Corporation Commission Rules and Regulations. I agree that the Commission's rules apply in the event there is a conflict between those rules and the company's tariff, unless otherwise ordered by the Commission. I certify that to the best of my knowledge the information provided in this Application and Petition is true and correct.

[Signature]  
(Signature of Authorized Representative)

Nov 22, 1999  
(Date)

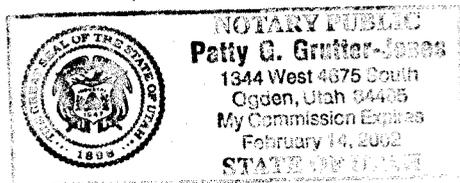
Steven Erick Swenson  
(Print Name of Authorized Representative)

Attorney for America Fiber Network, Inc  
(Title)

SUBSCRIBED AND SWORN to before me this 22<sup>nd</sup> day of November, 1999

[Signature]  
NOTARY PUBLIC

My Commission Expires 2-14-2002



**ATTACHMENT A**  
**Ownership**

**Ownership of American Fiber Network, Inc.**

| <b><u>Name</u></b> | <b><u>Title</u></b>        | <b><u>Ownership Percentage</u></b> |
|--------------------|----------------------------|------------------------------------|
| Douglas Bethell    | Chairman, President & CEO. | 100%                               |

**Resumes of Key Management**

**Douglas Bethell**

Douglas Bethell is President and CEO of American Fiber Network, Inc. Mr. Bethell established AFN in 1991, originally as a consulting firm but the company has emerged as one of the most innovative telecommunications companies offering specialized call processing and accounting services to businesses, hospitality companies, condos and resort locations and extended-stay companies. Mr. Bethell has ten years experience in telecommunications. Prior to AFN, and its affiliates, Mr. Bethell served as Regional Vice President of Sales for One Plus Communications, Inc.

**Rob Heath**

Rob Heath serves as Vice President of American Fiber Network, Inc. Mr. Heath has over fifteen years experience in telecommunications. As Vice President, Mr. Heath is overseeing AFN's expansion into new markets and new services. He oversees all state & federal regulatory activities and all interconnection issues with incumbent Local Exchange Carriers. Prior to joining AFN, Mr. Heath was a founder and principal in Valence Communications, a CLEC in Texas, Oregon and South Carolina.

**Bill Stark**

Mr. Stark serves as AFN's Director of Information Services and has held this position since 1996. Mr. Stark has been instrumental in designing and writing AFN's proprietary Information Systems and call accounting software. Prior to joining AFN, Mr. Stark served as President of BITE Computing, Inc., an innovative computer consulting firm based in Overland Park, Kansas. Since 1986, Mr. Stark has also taught database and computer programming courses at Johnson County Community College. Mr. Stark has over fifteen years in computer technology and information systems experience.

*State of Delaware*  
*Office of the Secretary of State* PAGE 1

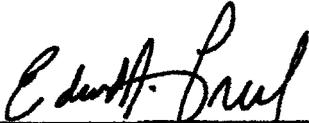
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I, EDWARD J. FREEL, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED ARE TRUE AND CORRECT COPIES OF ALL DOCUMENTS ON FILE OF "AMERICAN FIBER NETWORK, INC." AS RECEIVED AND FILED IN THIS OFFICE.

THE FOLLOWING DOCUMENTS HAVE BEEN CERTIFIED:

CERTIFICATE OF INCORPORATION, FILED THE TWENTY-SIXTH DAY OF MARCH, A.D. 1991, AT 9 O'CLOCK A.M.



  
\_\_\_\_\_  
Edward J. Freel, Secretary of State

STATE OF DELAWARE  
SECRETARY OF STATE  
DIVISION OF CORPORATIONS  
FILED 09:00 AM 03/26/1991  
910845237 - 2258435

CERTIFICATE OF INCORPORATION  
OF  
AMERICAN FIBER NETWORK, INC.

We, the undersigned, of full age, for the purpose of forming a Delaware business corporation, do hereby associate ourselves as a body corporate and adopt the following Articles of Incorporation:

ARTICLE I. NAME

The name of this corporation is American Fiber Network, Inc.

ARTICLE II. PURPOSE

The nature of the business of this business corporation is to engage in any lawful act or activity permitted to business corporations under the laws of the State of Delaware.

ARTICLE III. CORPORATE POWERS

This corporation shall possess all powers provided or not prohibited by law of the State of Delaware, and shall, without limitation, have the power to acquire, hold, mortgage, pledge or otherwise dispose of the shares, bonds, securities and other evidence of indebtedness of any domestic or foreign corporation.

ARTICLE IV. DURATION

The duration of this corporation shall be perpetual.

**ARTICLE V. REGISTERED AGENT**

The address of the registered office of this corporation and the name of its registered agent at such address is as follows:

National Corporation Company of Delaware, Inc.  
381 West North Street, Unit 5  
P. O. Box 1554  
Dover, DE 19903-1554  
County of Kent

**ARTICLE VI. STOCK**

The authorized shares of stock of this corporation shall be three thousand (3,000) shares of common stock having a par value of One Dollar (\$1.00) per share.

No shareholders of the corporation shall have any pre-emptive or other right to acquire the common stock or any other securities of the corporation.

Other than the shares originally issued to the incorporators, no stock shall be issued without unanimous approval of all shareholders.

The shareholders of the corporation shall not be entitled to cumulate their votes in the election of directors.

**ARTICLE VII. DIRECTORS**

The name, post office address and term of office of the first directors of the corporation are as follows:

Douglas C. Bethell  
9705 West 118th Street, Apt. 1  
Overland Park, Kansas 66210

Articles of Incorporation Page 4

The Board of Directors shall have authority from time to time to create and issue rights to convert any of the company's securities into shares of any class or classes of its authorized stock. Such rights or options may be in the form of warrants, purchase certificates, securities or other instruments as determined and approved by the Board of Directors. The terms, conditions and provisions of such conversion rights or options, including the conversion basis or bases and the option price or prices at which shares may be purchased or subscribed for, may be fixed by resolution adopted by the Board of Directors.

ARTICLE IX. BY-LAWS

The Board of Directors of the corporation shall adopt such by-laws as are suitable for the proper regulation of the corporation's affairs and such by-laws shall be in full force and effect unless and until changed or repealed by unanimous vote of the shareholders, or unless and until amended by the Board of Directors of the corporation and by such procedure as they may provide in the by-laws of the corporation.

ARTICLE X. POWERS

In addition to the other powers, the unanimous affirmative vote of the shareholders shall be required to authorize: (1) an amendment to or the restating of the Articles of Incorporation of this corporation; or (2) the sale, lease, exchange or other disposition of all or substantially all of the property and assets of the corporation including its good will; or (3) the

adoption of an agreement of consolidation or merger.

ARTICLE XI. INCORPORATORS

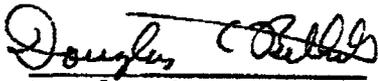
The name and post office address of the incorporators are as follows:

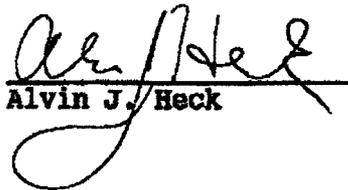
Douglas C. Bethell  
9705 West 118th Street, Apt. 1  
Overland Park, Kansas 66210

Alvin J. Heck  
9705 West 118th Street, Apt. 1  
Overland Park, Kansas 66210

Ronnie J. Spivey  
12016 Ballentine  
Overland Park, Kansas 66213

IN WITNESS WHEREOF, I have hereby set my hand this 19<sup>th</sup>  
day of March, 1991.

  
\_\_\_\_\_  
Douglas C. Bethell

  
\_\_\_\_\_  
Alvin J. Heck

  
\_\_\_\_\_  
Ronnie J. Spivey

STATE OF KANSAS )  
                          ) ss  
COUNTY OF JOHNSON)

On this 19<sup>th</sup> day of March, 1991, before me, a Notary Public, personally appeared Douglas C. Bethell, Alvin J. Heck, and Ronnie J. Spivey, to me known to be the persons described in the above document and who executed the foregoing Articles of Incorporation, and each acknowledged that his was a person of full age and that he executed the same as his free act and deed and for the uses and purposes therein expressed and that any facts stated therein are true and correct.

CARL J. KUNASEK  
CHAIRMAN

JIM IRVIN  
COMMISSIONER

WILLIAM A. MUNDELL  
COMMISSIONER



BRIAN C. MCNEIL  
EXECUTIVE SECRETARY

JOANNE C. MACDONNELL  
DIRECTOR, CORPORATIONS DIVISION

ARIZONA CORPORATION COMMISSION

CT CORPORATION SYSTEM  
3225 N. CENTRAL AVE.  
PHOENIX, AZ 85012

RE: AMERICAN FIBER NETWORK, INC.  
File Number: F-0890514-4

We are pleased to notify you that your Application for Authority to transact business in Arizona was approved and filed on October 8, 1999.

*CT is already funded*

You must publish a copy of your Application for Authority. The publication must be in a newspaper of general circulation in the county of the known place of business in Arizona, for three (3) consecutive publications. An affidavit from the newspaper, evidencing such publication, must be delivered to the Commission for filing WITHIN NINETY (90) DAYS from the File Date.

All corporations transacting business in Arizona are required to file an Annual Report with the Commission, on the anniversary of the date of incorporation. Each year, a preprinted Annual Report Form will be mailed to you prior to the due date of the report.

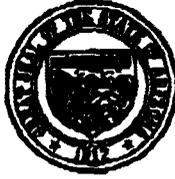
If you have any questions or need further information, please contact us at (602) 542-3135 in Phoenix, (520) 628-6560 in Tucson, or Toll Free (Arizona residents only) at 1-800-345-5819.

Very truly yours,

ARMINDA ROBINSON  
Examiner  
Corporations Division  
Arizona Corporation Commission

CF:07  
Rev: 4/97

# STATE OF ARIZONA



Office of the  
**CORPORATION COMMISSION**

*To all to whom these presents shall come, greeting:*

*I, Brian C. McNeil, Executive Secretary of the Arizona Corporation Commission, do hereby certify that*

**\*\*\*AMERICAN FIBER NETWORK, INC.\*\*\***

*a corporation organized under the laws of the jurisdiction of Delaware was, on the 8th day of October 1999, authorized to transact business in the State of Arizona as a foreign corporation.*

*I further certify that this corporation has filed all affidavits and annual reports and paid all filing fees required to date and, therefore, is in good standing in this state.*

**IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the Arizona Corporation Commission. Done at Phoenix, the Capitol, this 13th day of October, 1999, A. D.**



Executive Secretary

BY: Mindy Robinson

APPLICATION FOR AUTHORITY  
TO TRANACT BUSINESS  
IN ARIZONA

OCT 08 1999

FILED BY Mindy Robinson  
TERM \_\_\_\_\_  
DATE 10-08-99  
F-0890514-4

The name of the corporation is: American Fiber Network, Inc.

A(n) Delaware Corporation  
(State, Province or Country)

We are a foreign corporation applying for authority to transact business in the State of Arizona

We are a foreign corporation currently authorized to transact business in Arizona and must now file this Application for New Authority pursuant to A.R.S. § 10-1304 because we have changed the following in our domicile jurisdiction:

- Our actual corporate name (or the name under which we originally obtained authority in Arizona).
- The period of our duration.
- The state, province or country of our incorporation.

1. The exact name of the foreign corporation is

American Fiber Network, Inc.

If the exact name of the foreign corporation is not available for use in this state, then the fictitious name adopted for use by the corporation in Arizona is:

(FN)

2. The name of the state, province or country in which the foreign corporation is incorporated is:

Delaware

3. The foreign corporation was incorporated on the 26<sup>th</sup> day of March, 1991 and the period of its duration is Perpetual.

4. The street address of the principal office of the foreign corporation in the state, province or country of its incorporation is:

P.O. Box 271, RD2  
Greenwood, Delaware 19950

5. The name and street address of the statutory agent for the foreign corporation in Arizona is:

C T Corporation System  
3225 North Central Avenue  
Phoenix, Arizona 85012

CF: 0024  
Rev: 9/97

**ATTACHMENT B**  
**Proposed Tariff**

**ATTACHMENT C**

The Company has pending applications seeking authority to offer local and intraState interexchange services (primarily on a resold basis) in Kansas, California, Florida, Hawaii, New Mexico and Missouri. A sister company, AFN Consulting, Inc. has been granted Certificates of Public Convenience and Necessity to offer Competitive Local Exchange Services in Utah and Colorado.

**ATTACHMENT D**  
**Interruptions of Service**

American Fiber Network, Inc. has been in business since 1991 and has never experienced a situation where a customer has had services disrupted. The Company is operated very conservatively, and has operated profitably for the last three years.

**ATTACHMENT E**  
**Financial Information**  
**(Confidential – Filed Under Seal)**

**ATTACHMENT F**  
**Names of Companies Whose Services Applicant Resells**

The applicant intends to resell the network and services of: (1) incumbent Local Exchange carriers including US West Communications; and (2) competitive Local Exchange Carriers. Initially, the Company will work primarily with US West Communications.

**COPY**

**American Fiber Network, Inc.**

Schedule of

GENERAL REGULATIONS FOR EXCHANGE SERVICES

Applying to the Intrastate Regulated  
Services and Facilities of this Company  
In the State of Arizona

CHECK SHEET

Current sheets in the tariff are as follows:

| <u>Sheet</u> | <u>Revision</u> | <u>Sheet</u> | <u>Revision</u> |
|--------------|-----------------|--------------|-----------------|
| 1            | Original        | 38           | Original        |
| 2            | Original        | 39           | Original        |
| 3            | Original        | 40           | Original        |
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| 35           | Original        |              |                 |
| 36           | Original        |              |                 |
| 37           | Original        |              |                 |

CHECK SHEET - (cont.)

Current sheets in the tariff are as follows:

| <u>Sheet</u> | <u>Revision</u> | <u>Sheet</u> | <u>Revision</u> |
|--------------|-----------------|--------------|-----------------|
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| 70           | Original        | 107          | Original        |
| 71           | Original        | 108          | Original        |
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| 95           | Original        | 132          | Original        |
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| 99           | Original        | 136          | Original        |
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| 102          | Original        |              |                 |
| 103          | Original        |              |                 |
| 104          | Original        |              |                 |
| 105          | Original        |              |                 |

CHECK SHEET - (cont.)

Current sheets in the tariff are as follows:

| <u>Sheet</u> | <u>Revision</u> | <u>Sheet</u>            | <u>Revision</u> |
|--------------|-----------------|-------------------------|-----------------|
| 137          | Original        | Reserved for future use |                 |
| 138          | Original        |                         |                 |
| 139          | Original        |                         |                 |
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| 142          | Original        |                         |                 |
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| 147          | Original        |                         |                 |
| 148          | Original        |                         |                 |
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APPLICATION OF PRICE LIST

This price list sets forth the service offerings, rates, terms and conditions applicable to the furnishing of intrastate communications services within the State of Arizona by American Fiber Network, Inc. (hereinafter "The Company").

The Company has been authorized by the Public Service Commission of Arizona to provide competitive local exchange and interexchange services as a Reseller. The rates and rules contained herein are subject to change pursuant to the rules and regulations of the Public Service Commission of Arizona.

**EXPLANATION OF SYMBOLS REFERENCE MARKS AND ABBREVIATIONS OF  
TECHINICAL TERMS USED IN THIS PRICE LIST**

The following symbols shall be used in this price list for the purpose indicated below:

- C To signify changed listing, rule, or condition which may affect rates or charges.
- D To signify discontinued material, including listing, rate, rule or condition.
- I To signify increase.
- L To signify material relocated from or to another part of the price list schedules with no change in text, rate, rule or condition.
- N To signify new material including listing, rate, rule or condition
- R To signify reduction.
- S To signify reissued matter.
- T To signify a change in wording of text but not a change in rate, rule or condition.

SERVICE AREA

This price list sets forth service offerings, rates, terms and conditions applicable to the furnishing of the Company's end user intrastate telecommunications services to Customers within the State of Arizona.

Customer Contact - For establishment of service, complaints and inquires regarding service and billing, or reporting or inquiring about network outages or service problems.

American Fiber Network, Inc.  
9401 Indian Creek Pkwy, Suite 140  
Overland Park, KS 66210  
Customer Service: Toll Free 1-800-864-0583  
Maintenance Toll Free: 1-800-864-0583

Commission Contact - For complaints, inquiries and matters concerning rates, terms or conditions of this price list.

American Fiber Network, Inc.  
Robert E. Heath, Vice President  
9401 Indian Creek Pkwy, Suite 140  
Overland Park, KS 66210  
Direct: (913) 338-2658  
Fax: (913) 661-0538

## 1.0 DEFINITIONS

The following definitions are used throughout this price list.

**Access Lines:** A telephone facility which permits access to and from both the Customer's premises and the telephone exchange or serving central office.

**Advance Payment:** A payment required before the start of service. It may consist of any required construction cost, all appropriate non-recurring charges, and an estimate of the first months recurring charges.

**Agent:** A business representative authorized by the Company, whose function is to bring about, modify, affect, accept performance of; or terminate contractual obligations between the Company and its applicants or Customers.

**Applicant:** A person who applies for telecommunications service. Includes persons seeking reconnection of their service after Company-initiated termination.

**Application:** A request made in writing for telephone service.

**Authorized User:** A person, firm or corporation, which is authorized by the Company to be connected to the service of the Customer or joint user.

**Automatic Number Identification (ANI):** Allows the automatic transmission of caller's billing account telephone number to a local exchange company, interexchange carrier or a third party subscriber. The primary purpose of ANI is to allow for billing of toll calls.

**Basic Rate Area:** A specific area, within which the schedule rates for local exchange service apply without exchange line mileage or without special rates in lieu of mileage.

**Bit:** The smallest unit of information in the binary system of notation.

1.0 DEFINITIONS - (cont.)

CCS: One hundred call seconds or one hundred seconds of telephone conversation. One hour of traffic is equal to 36 CCS.

Call Blocking: Provides a user the ability to have their number not delivered to the called station.

Call Hold: Allows the user to hold one call for any length of time provided that neither party goes on-hook.

Call Park: Allows a station line to park a call against its own line number. The parked call can be retrieved from any station line by dialing a feature code and the line number against which the call is parked.

Central Office: Company facilities where subscribers' lines are joined to switching equipment for connecting other subscribers to each other, locally and long distance.

Company or American Fiber Network, Inc.: The issuer of this price list.

Customer or Subscriber: The person, firm or corporation which orders service and is responsible for the payment of charges and compliance with the Company's regulations.

Dial Pulse (or "DP"): The pulse type employed by rotary dial station sets.

Dual Tone Multi-Frequency (or DTMF): The pulse type employed by tone dial station sets.

Duplex Service: Service which provides for simultaneous transmission in both directions.

Fiber Optic Cable: A thin filament of glass with a protective outer coating through which a light beam carrying communications signals may be transmitted by means of multiple internal reflections to a receiver, which translates the message.

1.0 DEFINITIONS - (cont.)

Kbps: Kilobits per second, denotes thousands of bits per second.

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

Mbps: Megabits, denotes millions of bits per second.

Multi-Frequency or (MF) : An inter-machine pulse-type used for signaling between telephone switches or between telephone switches and PBXI key systems.

N on listed Service: Means a Customer is not listed in the published directory, but is listed in the directory assistance database.

Non-Published Service: Means a Customer is not listed in the published directory or in the directory assistance database.

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

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 price list, in which case the Service Commencement Date is the date of the Customer's acceptance. The Company and Customer may mutually agree on a substitute Service Commencement Date.

Service Order: The written request for Services executed by the Customer and the Company in the format devised by the Company. The signing of a Service Order by the Customer and

1.0 DEFINITIONS - (cont.)

acceptance by the Company initiates the respective obligations of the parties as set forth therein and pursuant to this price list, but the duration of the service is calculated from the Service Commencement Date.

Shared: A facility or equipment system or subsystem that can be used simultaneously by several Customers.

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

Shared Outbound Calls: Refers to calls in Feature Group D exchanges whereby the Customer's local telephone lines are presubscribed by the local exchange company to the Company's outbound service such that "1 + 10-digit number" calls

are automatically routed to the Company's network. Calls to stations within the Customers LATA may be placed by dialing "10 + XXX'1 or "101XXXX"11'10XXX" plus 1 + 10-digit number.

User or End User: A Customer or any other person authorized by a Customer to use service provided under this price list.

## 2.0 REGULATIONS

### 2.1 Undertaking of the Company:

#### 2.1.1 Scope

The Company undertakes to furnish communications service pursuant to the terms of this price list in connection with one-way and/or two-way information transmission between points within the State of Arizona.

The services offered herein may be used for any lawful purpose. There are no restrictions on sharing or resale of the Company's services. However, the Customer remains liable for all obligations under this price list even if such sharing or resale arrangements exist regardless of the Company's knowledge of these arrangements. If service is jointly ordered by more than one Customer, each is jointly and severally liable for all obligations.

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

Company 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 any tariff or price list of such other communications carriers.

The Company may require a Customer to immediately shut down its transmission of signals if said transmission is causing interference to others.

The services of the Company are furnished for the transmission of voice communications but may also be used for data, facsimile, signaling, metering, or other similar communications, subject to the transmission capabilities of the technologies or

## 2.0 REGULATIONS - (cont.)

combination of technologies available. Service is available twenty-four hours a day, seven days a week.

### 2.2 Shortage of Equipment or Facilities

The Company reserves the right to limit or to allocate the use of its existing and future facilities when necessary because of a lack of facilities or due to any cause beyond the Company's control.

The furnishing of service under this price list is subject to the availability on a continuing basis of all facilities necessary to provide the service. Services will be provided using the Company's fiber optic and other facilities as well as facilities the Company may obtain from other carriers.

### 2.3 Selection of Transmission

The Company selects and/or arranges for directly or with its underlying carrier(s) the channels and/or service components and underlying network facilities used to provide service. The Company may modify or change the channels, service components and underlying Company facilities or underlying carrier at any time subject to Part 68 of the FCC's Rules and Regulations and this price list.

### 2.4 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 preventive 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

## 2.0 REGULATIONS - (cont.)

or unplanned service-affecting conditions, such as outage resulting from cable damage, notification to the Customer may not be possible.

## 2.5 Provision of Equipment and Facilities

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 price list. The Company does not guarantee availability by any such date and shall not be liable for any delays in commencing service to any Customer.

The Company shall use reasonable efforts to maintain facilities 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 installed by the Company, except upon the written consent of the Company.

## 2.6 Terms and Conditions

Service is provided on the basis of a minimum term of at least one-month, 24-hours per day. For purposes of this price list, a month is considered to have 30 days. All calculations of dates set forth in this price list shall be based on calendar days, unless otherwise specified herein. This price list shall be interpreted and governed by the laws of the State of Arizona.

## 2.7 Non-routine Installation and Special Construction

### 2.7.1 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.

2.0 REGULATIONS - (cont.)

2.7 Non-routine Installation and Special Construction -  
(cont.)

2.7.2 Special Construction

Subject to the agreement of the Company, special construction of facilities may be undertaken on a reasonable efforts basis at the request of the Customer. Special construction may include that construction undertaken:

- (a) where facilities are not presently available;
- (b) of a type other than that which the Company would normally utilize in the furnishing of its service;
- (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 utilize in the furnishing of its services;
- (e) on an expedited basis;
- (f) on a temporary basis until permanent facilities are available;
- (g) involving abnormal costs; or
- (h) in advance of normal construction.

Special construction will be undertaken at the discretion of AFN consistent with budgetary responsibilities and consideration for the impact on AFN's other Customers and contractual responsibilities.

2.0 REGULATIONS - (cont.)

2.8 Ownership of Facilities

Title to all facilities and equipment, and related plans and proposals, provided by the Company in furnishing service remains with the Company, its agents or contractors. Such facilities and equipment, plans and proposals shall be returned to the Company by the Customer whenever requested, within a reasonable period following the request in as good condition as reasonable wear will permit.

2.9 Government Authorization

The provision of the Company's services is subject to and contingent upon the Company obtaining and retaining all governmental authorizations that may be required or be deemed necessary by the Company. The Company shall use reasonable efforts to obtain and keep in effect all such Governmental authorizations. The Company shall be entitled to take, and shall have no liability for, any action necessary to bring its facilities and/or services into conformance with any requirement or request of the Federal Communications Commission or other governing entity or agency.

2.10 Rights-of-Way

Provisioning of the Company's services is subject to and contingent upon the Company's ability to obtain and maintain rights-of-way and access to private property necessary for installation of the facilities used to provide the Company's services to the Customer's service point as agreed to by the Company.

2.11 Liability of the Company

The liability of the Company for damages arising out of the furnishing of its services, including but not limited to mistakes, outages, omissions, interruptions, delays, errors, or other defects, representations, failures arising

2.0 REGULATIONS - (cont.)

out of the use of these services or failure to furnish service, whether caused by act, omission or negligence, shall be limited to extension of allowances as set forth in the section of this price list on Allowances for Interruptions in Service. The extension of such allowances for interruption shall be the sole remedy of the Customer or other person, and the sole liability of the Company. The Company will not be liable for any direct, indirect, incidental, special, consequential, exemplary or punitive damages to the Customer as a result of any Company service, equipment or facilities, or the acts or omissions or negligence of the Company's employees or agents.

The Company shall not be liable for any delay or failure of performance of equipment due to causes beyond its control, including but not limited to:

acts of God, fire, flood, explosion or other catastrophes; any law, order, regulation, direction, action or request of the United States government, or of any other government, including state and local agency, commission, bureau, corporation, or other instrumentality of any one or more of these federal, state or local governments, or of any civil or military authority; national emergencies; insurrections; riots; wars; unavailability of rights-of-way or materials; or strikes, lockout, work stoppages, or other labor difficulties.

The Company shall not be liable for any act, omission or defect of any entity furnishing to the Company or to the Customer services, facilities or equipment used for or with the Company's services; or for the acts or omissions of common carriers or warehousemen.

With respect to any service or facility provided by the Company, the Customer shall indemnify, defend and hold harmless the Company from and against all claims, actions, damages, liabilities, costs and expenses, for:

- (a) any loss, destruction or damage to property of the

2.0 REGULATIONS - (cont.)

Customer or any third party, or the death or injury of any person, to the extent caused by or resulting from the negligent or intentional act or omission of the Customer, its employees, agents, representatives or invites; and

(b) any damages or losses due to the fault or negligence of the Customer or due to the failure of malfunction of Customer-provided equipment or facilities.

The Company does not guarantee nor make any warranty with respect to installations it provides for use in an explosive atmosphere. The Customer indemnifies and holds the Company harmless from any liability whatsoever, and for any damages caused or claimed to have been caused in any way, directly or indirectly, as a result of any such installation.

The Company is not liable for any defacement of or damage to Customer's premises resulting from the furnishing of services or equipment or the installation or removal thereof; unless such defacement or damage is caused by the willful misconduct of the Company's employees or agents.

The Company shall be indemnified, defended and held harmless by the Customer against any claim, loss, expense, damage or liability arising from Customer's use of services involving claims for libel, slander, invasion of privacy, or infringement of copyright, patent, trade secret, or proprietary or intellectual property right of any third party arising from any act or omission by the Customer, including without limitation, the Customer's own communications or use of the Company's services and facilities in a manner not contemplated by this price list or any agreement between the Customer and the Company.

The Company's entire liability, if any, for any claim, loss, damage or expense from any cause whatsoever shall in no event exceed sums actually paid the Company by the Customer for the specific services giving rise to the

2.0 REGULATIONS - (cont.)

claim. No action or proceeding against the Company shall be commenced more than one year after the service is rendered.

With respect to the furnishing of Company's services to public safety answering points or municipal emergency service providers, the Company's liability, if any, will be limited to the lesser of:

a) the actual monetary damages incurred and proved by the Customer as the direct result of the Company's action, or failure to act, in providing the service; or

(b) the sum of \$1,000.00.

In the event parties other than Customer, including but not limited to joint users and the Customer's Customers, shall have use of the Company's service directly or indirectly through the Customer, then the Customer agrees to forever indemnify and hold the Company harmless from and against any and all such claims, demands, suits, actions, losses, damages, assessments or payments which may be asserted by said parties arising out of or relating to the Company's furnishing of service.

THE COMPANY MAKES NO WARRANTIES OR REPRESENTATIONS, EXPRESSED 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.

2.12 Indemnification

With respect to any service or facility provided by the Company, the Customer shall indemnify, defend and hold harmless the Company from and against all claims, actions, damages, liabilities, costs and expenses; for:

(a) any loss, destruction or damage to property of the Customer or any third party, or the death or injury of any person, to the extent caused by or resulting from

2.0 REGULATIONS - (cont.)

the negligent or intentional act or omission of the Customer, its employees, agents, representatives or invitees; and

(b) any claim, loss, damage, expense or liability for infringement of any copyright, patent, trade secret, or any proprietary or intellectual property right of any third party, arising from any act or omission by the Customer, including without limitation, use of the Company's services and facilities in a manner not contemplated by this price list or any agreement between the Customer and the Company.

2.13 Allowances for Interruptions in Service

A credit allowance will be given for interruptions of service, subject to the provisions of this section.

2.13.1 Credit for Service Interruptions

A credit allowance will be made when an interruption occurs because of a failure of any component furnished by the Company under this price list. An interruption in service is considered to exist when a circuit, service or facility is unusable.

An interruption period begins when the Customer reports a circuit, service or facility to be interrupted and releases it for testing and repair. An interruption period ends when the circuit, service or facility is operative.

If the Customer reports an interruption but declines to release the circuit, service or facility for testing and repair, no interruption period will be deemed to exist.

A credit allowance is applied on a pro rata basis, dependent on the duration of the interruption, against the monthly recurring charges payable by Customer under this price list, and shall be expressly

## 2.0 REGULATIONS - (cont.)

indicated on the next Customer bill. Only those facilities on an interrupted portion of a circuit or service will receive a credit.

For calculating credit allowances, every month is considered to have 30 days. The credit allowance(s) for an interruption or for a series of interruptions shall not exceed any applicable monthly rates.

### 2.13.2 Limitations on Allowances

No credit allowance will be made for:

(a) interruptions due to the negligence of; or noncompliance with the provisions of this price list by, the Customer, authorized user or joint user.

(b) interruptions of service during any period in which the Company is not given full and free access to its facilities and equipment for the purpose of investigating and correcting interruptions;

(c) interruptions of service during a period in which the Customer continues to use the service on an impaired basis;

(d) interruptions of service during a 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; and

(e) interruption of service due to circumstances or causes beyond the control of Company.

### 2.14 Obligations of the Customer

The obligations of the Customer shall include the following:

2.0 REGULATIONS - (cont.)

(a) The Customer shall be responsible for any damage to or loss of the Company's facilities or equipment caused by the acts or omissions of the Customer.

(b) The Customer shall provide at no charge, as specified by the Company, any personnel, equipment, space, power, heating and air conditioning needed to operate, and maintain a proper operating environment for the Company's facilities and equipment installed on the Customer's premises;

(c) If required by the Company, the Customer shall obtain, maintain, and otherwise have fully responsibility for all rights-of-way and conduit necessary for installation of the Company's facilities from the building entrance or property line to the location of the Company's equipment space on the Customer's premises. The Customer may be required to bear any costs associated with obtaining and maintaining the rights-of-way described herein, including building modification costs. The Customer shall also be responsible for complying with all applicable laws, and obtaining all required permits or other approvals related to the location and installation of the Company's facilities and equipment in the Customer's premises or within the rights-of-way for which the Customer is responsible. The Customer and the Company may mutually agree to enter into a contract under which the Company will provide some or all such non-regulated services and facilities.

(d) The Customer shall grant or obtain permission for the Company's employees or agents to enter the premises of the Customer at any time for the purpose of installing, inspecting, maintaining, repairing, or removing the facilities or equipment of the Company and/or inspecting the Customer-provided equipment which is connected to the Company's facilities.

(e) The Customer shall be responsible for the provision, operation and maintenance of any Customer-

2.0 REGULATIONS - (cont.)

provided terminal equipment connected to the Company's equipment and facilities, and for ensuring compatibility with the Company's equipment and facilities. The Customer shall be responsible for ensuring that the Customer-provided equipment shall not cause damage to the Company's equipment, facilities and wiring or injury to the Company's employees or to other persons. Upon the Company's request, the Customer will submit to the Company a complete manufacturer's specification sheet for each item of the Customer provided equipment that is or is proposed to be attached to the Company's facilities. The Company may provide, at the Customer's expense, any additional protective equipment required, in the sole opinion of the Company, to prevent damage or injury resulting from the connection by any Customer-provided equipment.

(f) The Customer warrants that the services pursuant to this price list are intrastate in nature.

(g) The Customer shall cooperate with the Company to plan, coordinate and undertake any actions required to maintain maximum network capability following natural or manmade disasters which affect telecommunications services.

2.15.1 Prohibited Uses

The Customer shall not use or allow the use of the Company's facilities or equipment installed at the Customer's premises for any purpose other than that for which the Company provides it, without the prior written consent of the Company.

2.15.2 Abuse

The abuse of Company Services is prohibited. Abuse includes, but is not limited to, the following activities:

2.0 REGULATIONS - (cont.)

(a) Using service to make calls which might reasonably be expected to frighten, torment, or harass another; or

(b) Using service in such a way that it interferes unreasonably with the use of Company services by others.

2.15.3 Fraudulent Use

The fraudulent use of; or the intended or attempted fraudulent use of service is prohibited. Fraudulent use consists of using or attempting to use service with the intent to avoid the payment, either in whole or in part, of the price listed charges for the service including but not limited to:

(a) Rearranging, tampering with, or making connections not authorized by this price list to any network components used to furnish service; or

(b) Using fraudulent means or devices, tricks, schemes, false or invalid numbers, false credit devices, or electronic devices.

2.16 Customer Equipment and Channels

2.16.1 General

A Customer 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 price list. A Customer 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 price list.

2.0 REGULATIONS - (cont.)

2.16.2 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 or price lists of the other communications carriers which are applicable to such connections.

(c) Facilities furnished under this price list may be connected to Customer provided terminal equipment in accordance with the provisions of this price list. 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.

2.16.3 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 herein 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-

2.0 REGULATIONS - (cont.)

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.

2.17 Payments

Obligations of the Customer with regard to payments shall include:

(a) The Customer shall pay outstanding charges in full within 30 days of the invoice date. Charges normally will be invoiced in advance, with monthly recurring charges invoiced on or about the first of the month for which the charges apply. Amounts not paid within thirty (30) days after the date of the invoice are considered delinquent and are subject to Late Payment Charges pursuant to section 2.16.1 of this price list.

The Customer is responsible for safeguarding the service from use by unauthorized persons, and to pay all charges for use of the service by any persons whether or not authorized by the Customer, except in those instances where it has been determined that the Customer's present and former employees, agents and authorized users were not responsible for calls billed to the Customer via third party billing and the Company did not verify that the charges for the call would be accepted. The Customer is not responsible for unauthorized use of service to the extent such use is proximately caused by the Company's willful or negligent act.

2.0 REGULATIONS - (cont.)

(b) If required by the Company, the Customer shall make an advance payment before services are furnished, which advance payment will be credited to the Customer's initial bill. The Company may require such an advance payment, which may be in addition to a deposit, if the Company considers this action necessary to safeguard its interests.

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

(d) A \$25.00 service charge shall be imposed for any payment for which a draft is returned for insufficient funds.

(e) Any Customer who has been underbilled for services rendered will be notified by the Company upon the discovery of the underbilling. Notification will include the reason(s) that the underbilling occurred. The Customer is responsible for payment of unbilled charges for services rendered up to and including twenty-four (24) months prior to the issuance of the notification to the Customer.

2.17.1 Late Payment Charge

A Late Payment Charge of 1.50 percent (1 1/2%) will apply to each Customer bill when the previous months bill has not been paid in full, leaving an unpaid balance carried forward. The late payment charge is applied to the total unpaid amount carried forward and is included in the total amount due on the current month's bill. The amount of the late payment penalty shall be indicated on the Customer's bill.

2.17.2 Disputed Bills

## 2.0 REGULATIONS - (cont.)

Any Customer who disputes a portion of a bill rendered for Company services shall pay the undisputed portion of the bill and provide written notice to the Company that such unpaid amount is in dispute within thirty (30) days of receipt of the bill. If such written notice is not received by the Company within thirty (30) days as indicated above, the bill statement shall be deemed to be correct and payable in full by the Customer.

(a) In the event a Customer and the Company cannot resolve the dispute to their mutual satisfaction, the Customer may contact the Public Service Commission of Arizona in accordance with the Commission's rules of procedure.

(b) Once the investigation is completed the Customer shall submit payment of any outstanding amounts deemed due, to the Company, within five (5) working days.

### 2.17.3 Moves Adds and Changes

Upon written request from the Customer, the Company will transfer an existing service from one location to another, change from one class of service to another, or add additional services or features to specific lines and equipment. The Company may charge the Customer a non-recurring charge for such service.

### 2.18 Deposits

(a) If the Customer cannot establish a satisfactory credit standing with the Company, the Customer shall make a deposit before a service is furnished or continued. Such deposit shall be held as a guarantee for the payment of charges. The Company may require such a deposit, which may be in addition to an advance payment, if the Company considers this action necessary to safeguard its interests. The deposit shall not exceed two-twelfths (2/12) of estimated

2.0 REGULATIONS - (cont.)

annual billings. At any time, at its option, or after twelve (12) months of service if the Customer has not been delinquent in the payment of the Company bills, the Company may return the deposit or credit it to the Customer's account. When a service is discontinued the amount of any applicable deposit will be applied to the Customer's account and any credit balance remaining will be refunded.

(b) Interest on deposits held shall be accrued at the rate applicable to the Company's escrow account in which such deposits.

(c) Upon termination of service, the Company shall return to the Customer the amount then on deposit plus accrued interest, less any amounts due to the Company due to the Company by the Customer for service rendered on the telephone account for which the deposit was collected.

(d) Any deposit, plus accrued interest, may be applied to the Customer's telephone account following completion of twelve months' satisfactory payment. The credit will be applied against service in the 13th and, if appropriate, subsequent months once satisfactory credit is established. Upon the Customer's request, the refund shall be made in the form of a check issued and mailed to the subscriber no longer.

2.19 Grounds for Refusal of Service

The Company may refuse to establish service if any of the following conditions exist:

(a) The applicant has an outstanding amount due for similar utility services and the applicant is unwilling to make acceptable arrangements with the utility for payment.

(b) A condition exists which in the utility's judgment

2.0 REGULATIONS - (cont.)

is unsafe or hazardous to the applicant, the general population, or the utility's personnel, agents or facilities.

(c) Refusal by the applicant to provide the utility with a deposit when the customer has failed to meet the credit criteria for waiver of deposit requirements.

(d) The Customer is known to be in violation of the utility's price lists filed with the Commission.

(e) Failure of the Customer to furnish such funds, suitable facilities, and/or rights-of-way necessary to serve the Customer and which have been specified by the utility as a condition for providing service.

(f) The Applicant falsifies his/her identity for the purpose of obtaining service.

2.20 Discontinuance of Service

2.20.1 With Written Notice to the Customer

The Company may, upon reasonable written notice to the Customer, discontinue services for any of the following reasons:

(a) for nonpayment of any amounts owing to the Company;

(b) the premises have been vacated by the Customer;

(c) for tampering with the Company's property;

(d) for violation of rules, service agreements, or filed price lists;

(e) for use of Customer equipment which adversely affects the Company's property, facilities, or

2.0 REGULATIONS - (cont.)

service to its other Customers, or 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; or

(f) for any governmental prohibition, or required alteration of the services provided, or any violation of any applicable law or regulation, or unlawful use of service or use of service for unlawful purposes, the Company may immediately discontinue or suspend service; or

(g) for fraudulent obtaining or use of service, including, but not limited to:

(1) providing false information to carrier the Company regarding the Customer's identity, address, creditworthiness, or current or planned use of common communications;

(2) using or attempting to use service by rearranging, tampering with, or making connection to the Company's service where not authorized by this price list;

(3) using tricks, schemes, false or invalid numbers, false credit devices, electronic devices; or

(4) any other fraudulent means or device.

Whenever a fraudulent obtaining or use of a service is detected, the Company may discontinue service without notice, as described in 2.21.2 of this price list; provided, however, that if the Customer makes immediate payment for the estimated amount due for the service that had been fraudulently obtained, and for all costs resulting from such fraudulent use, the Company may choose to continue such service, subject

2.0 REGULATIONS - (cont.)

to any applicable deposit requirements.

2.20.2 Without Written Notice to the Customer

The Company may deny or discontinue the furnishing of any and/or all service(s) to a Customer immediately and without prior notice to the Customer and without the Customer's permission for one or more of the following reasons:

(a) Dangerous Condition. A condition immediately dangerous or hazardous to the life, physical safety, or property exists, or it is necessary to prevent a violation of federal, state or local safety or health codes.

(b) Ordered to Terminate Service. The Company is ordered to terminate service by any court, the Public Service Commission of Arizona, or any other duly authorized public authority.

(c) Services Obtained Illegally. The services(s) was (were) obtained, diverted or used without the authorization or knowledge of the Company.

(d) Customer Unable to be Contacted. The Company has tried diligently to provide reasonable notice to the Customer, but has been unsuccessful in its attempt to contact the Customer.

(e) Misrepresentation of Identity. The Customer has misrepresented the Customer's identity for purposes of obtaining telephone service and either does not have or has an inadequate security deposit on file with the Company and has an outstanding bill exceeding one hundred dollars (\$100).

2.20.3 Upon Customer Request

The Company will, upon Customer request, discontinue

2.0 REGULATIONS - (cont.)

or suspend services due to the Customer's:

- (a) insolvency;
- (b) assignment for the benefit of creditors;
- (c) filing for bankruptcy or reorganization; or
- (d) failure to discharge an involuntary petition in bankruptcy within the time permitted by law.

2.21 Cancellation of Service

If the Customer cancels a service order or terminates service before the completion of the term of service specified in the service order for any reason, the Customer agrees to pay to the Company all costs, fees, and expenses reasonably incurred in connection with special construction and with the term of service. In addition, the Customer may be liable for termination charges up to a maximum amount equal to the total of charges applicable for the remaining term specified in the service order.

2.22 Termination of Service

(a) After the expiration of the initial contract period and if no new contract period is agreed upon, in writing, by the Company and Customer, service may be terminated upon 30 days advance notice to the Company and payment of all charges due to the date of termination of the service, including charges calculated at a month-to-month rate after the expiration of the contract period.

(b) Prior to the expiration of the initial contract period, service may be terminated upon 30 days advance notice to the Company and upon payment of the termination charges hereinafter provided, in addition to all charges for the period service has been rendered.

## 2.0 REGULATIONS - (cont.)

(c) The Customer is liable for termination charges up to a maximum amount equal to the total charges applicable for the remaining contract term.

(d) The Customer may terminate service prior to the expiration of the term without liability if the Customer orders new service through the Company with a length and a minimum monthly billing commitment exceeding the original agreement. The former service will terminate on the start date of the new service.

### 2.23 Changes in Equipment and Services

The Company may substitute, change or rearrange any equipment, facility or system used in providing services at any time and from time to time, but shall not thereby materially decrease the technical parameters of the services provided pursuant to the Customer's service order.

The Customer shall not cause or allow any facility or equipment of the Company to be rearranged, moved, disconnected, altered or repaired without the Company's prior written consent.

Upon receipt of a written request from the Customer, the Company will add, delete or change locations or features of specific circuits and/or equipment. The Customer shall be liable for nonrecurring charges for such change. If a request for deletion of a service represents a cancellation prior to the applicable term of service, the Customer will be subject to termination charges.

### 2.24 Restoration of Service

A reconnection charge of \$50.00 shall be imposed on any Customer whose service has been discontinued pursuant to the provisions of Section 2.20 of this price list. The Company reserves the right to impose additional advance payment and/or deposit requirements on such Customers prior to restoral of service, and to refuse to restore service until all amounts due have been paid.

2.0 REGULATIONS - (cont.)

Should the Customer request that service be restored during a period other than regular working hours, such as evenings or weekends, the Customer may be required to pay an after-hour charge for service reconnection.

2.25 Assignment

The Company may, without obtaining any further consent from the Customer, assign any of its rights, privileges or obligations under this price list: to any subsidiary, parent company or affiliate of the Company; pursuant to any sale or transfer of substantially all the business of the Company; or pursuant to any financing, merger or reorganization of the Company.

The Customer may, upon prior written consent of the Company, which consent shall not be unreasonably withheld, assign its fights, privileges or obligations under this price list: to any subsidiary, parent company or affiliate of the Customer; pursuant to any sale or transfer of substantially all the business of the Customer; or pursuant to any financing, merger or reorganization of the Customer. The Company reserves the right to terminate service if the Customer makes any assignment, transfer, or disposition of its rights, privileges or obligations under this price list without the consent of the Company. Any lawful successor to the Customer, or any other entity which accepts Company's service shall be obligated to pay to Company any amounts due.

2.26 License, Agency or Partnership

No license, expressed or implied, is granted by the Company to the Customer by virtue of an agreement for the furnishing of service hereunder. Neither the Customer nor any joint or authorized users shall represent or otherwise indicate to its Customers or others that the Company jointly participates in the Customer's or joint user's services. The relationship between the Company and the Customer shall not be that of partners or agents for one or the other, and shall not be deemed to constitute a

2.0 REGULATIONS - (cont.)

partnership or agency agreement, unless such relationship or agreement is expressly agreed to in writing by both the Company and the Customer.

2.27 Proprietary Information

Neither the Company nor the Customer or any joint or authorized user shall disclose any plans, drawings, trade secrets or other proprietary information of the other party which is made known in the course of the furnishing of service hereunder, except as may be required by law, without prior written consent.

2.28 Promotions

The Company reserves the right, from time to time, to provide promotional offerings. These offerings may include the waiver of non-recurring charges, such as installation charges, and the discounting of the monthly charge for a service, by not more than 15%, over a period of time not to exceed six (6) months.

### 3.0 RESALE TELECOMMUNICATIONS SERVICES

#### 3.1 Application to Resale Local Exchange Services

This section contains the regulations and rates applicable to the provision of Resale Local Exchange Services by American Fiber Network, Inc. The Company will offer Resale Local Exchange Services in the US West serving area.

#### 3.2 General

Resale Local Exchange Services provide the Customer with connection to the public switched telecommunications network. In addition, Resale Local Exchange Service provides the Customer with a unique telephone number address on the public switched telecommunications network. Each Resale Local Exchange Service enables users to:

- (a) receive calls from other stations on the public switched telecommunications network;
- (b) access other services offered by the Company as set forth in this price list;
- (c) access certain interstate and international calling services provided by the Company;
- (d) access the Company's operators and business office for service related assistance;
- (e) access emergency services by dialing 0 or 9-1-1; and
- (f) access services provided by other common carriers which purchase the Company's Switched Access Services as provided under the Company's Federal and State tariffs or price lists, or which maintain other types of traffic exchange arrangements with the Company, or which accept 10XXX, 800 or other casual traffic originated through the Company's Resale Local Exchange Services.

3.0 RESALE TELECOMMUNICATIONS SERVICES - (Cont.)

3.3 Termination of Service

The Customer will be billed a Termination Charge if service is discontinued by the Customer under the provisions of the regulations specified in this price list.

3.4 Service Descriptions

Resale Local Exchange Services are categorized as Residential Service, Simple Business Service, Basic Business Service and Digital Trunk Service. Resale Local Exchange Service is provided to Customers who order a minimum of eight lines.

3.4.1 Residential Service

3.4.2 The Simple Business line provides the Customer a single, voice grade channel which can be used to place or receive one call at a time. The Simple Business line is provided for connection of customer-provided single station sets or facsimile machines to the public switched telecommunications network.

3.4.3 Basic Business Line

The Basic Business line provides the Customer the same functionality as Simple Business line service, but may be configured to include the feature of Hunting so that incoming calls to a busy line will overflow to other of the Customer's lines which are not busy.

3.0 RESALE TELECOMMUNICATIONS SERVICES - (cont.)

3.4 Service Descriptions - (cont.)

RESERVED FOR FUTURE USE

3.0 RESALE TELECOMMUNICATIONS SERVICES - (cont.)

3.4 Service Descriptions - (cont.)

3.4.4 Optional Features

3.4.4.1 Call Blocking

Allows a Customer to control the disclosure of his/her name and or telephone number to a subscriber of Caller Identification by dialing a code before each call to change the indicator from public to private.

3.4.4.2 Call Forwarding Variable

Allows the Customer to forward incoming calls to another number by dialing a code, plus the number to receive the call. Call Forward - Variable will work on one trunk at a time when used with PBX trunks. This feature also removes that trunk from rotary hunting during use.

3.4.4.3 Call Forward - Busy

Allows incoming calls to a busy station to be routed to a preselected station line within the same system or outside the system. Internal calls can be arranged to be forwarded to a number different than external calls.

3.4.4.4 Call Forwarding Don't Answer

Allows incoming calls to be automatically routed to a preselected station line in the same system or outside the system, when the called station is not answered after a preset number of rings. Internal calls can be arranged to be forwarded to a number different from DID calls.

3.0 RESALE TELECOMMUNICATIONS SERVICES - (cont.)

3.4 Service Descriptions - (cont.)

3.4.4 Optional Features - (cont.)

3.4.4.5 Call Rejection

Enables the Customer to reject calls, from up to 15 numbers, of calling parties by dialing a code and the telephone numbers of calls to be rejected. Any call attempts to the Customer will be prevented from terminating to the customer and will instead be connected to an announcement informing the caller that the call is not presently being accepted by the called party. A Customer may also reject future calls from the most recent call received by dialing a code after completing the call.

3.4.4.6 Call Transfer

Allows the Customer to transfer an incoming call to a third party or add a third party to an existing call, forming a three party connection, and then to leave the connection without disconnecting the call.

3.4.3.7 Call Waiting

When a Customer is talking on the telephone, a short tone signals that a call is waiting. The tone is heard only by the Call Waiting Customer, while the incoming caller hears a regular ringing signal. Flashing the switchhook holds the first call while the second is answered. The Customer can alternate between calls by flashing the switchhook.

3.0 RESALE TELECOMMUNICATIONS SERVICES - (cont.)

3.4 Service Descriptions - (cont.)

3.4.4 Optional Features - (cont.)

3.4.4.8 Caller Identification - Name and Number

Allows for the automatic delivery of a calling party's name and telephone number (including non-published and non-listed telephone numbers) to the called Customer, which gives the called Customer an opportunity to decide whether to answer the call immediately or not. The name and number are displayed on Customer provided equipment.

3.4.4.9 Caller Identification - Number

Allows for the automatic delivery of a calling party's telephone number (including non-published and non-listed telephone numbers) to the called Customer, which gives the called Customer an opportunity to decide whether to answer the call immediately or not. The name and number are displayed on Customer provided equipment.

3.4.4.10 Continuous Redial

Allows Customer to dial a code that will cause the feature to automatically redial the last number the Customer dialed. If the called number is busy, the feature will redial the called number for a limited period of time. A distinctive ring alerts the customer when the called number becomes available. This service is available on a usage or subscription basis.

3.0 RESALE TELECOMMUNICATIONS SERVICES - (cont.)

3.4 Service Descriptions - (cont.)

3.4.4 Optional Features - (cont.)

3.4.4.11 Directed Call Pick-up

Allows a Customer to answer a call, during the ringing cycle, that is directed to another line by dialing a preset access code and the telephone number of the line to be answered. Both the originating line and the line to be answered must be equipped with the feature.

3.4.4.12 Directed Call Pick-up with Barge-In

Allows the Customer to answer a call directed to another line which has been answered or is ringing by a preset access code and the telephone number of the line to be answered. Both the originating line and the line to be answered must be equipped with the feature.

3.4.4.13 Distinctive Call Alert

Allows a Customer to receive an audible Call Waiting tone or Distinctive Ringing signal from a line equipped with Call Waiting. If the called line is idle, a Distinctive Ringing signal will be heard. If the called line is busy, the called line will receive a Call Waiting tone.

3.0 RESALE TELECOMMUNICATIONS SERVICES - (cont.)

3.4 Service Descriptions - (cont.)

3.4.4 Optional Features - (cont.)

3.4.4.14 Hot Line

Allows a customer, without dialing, to establish a switched connection to a predetermined number when the customer's telephone goes off-hook. No dialing is required and the call is processed automatically to the predetermined telephone number.

3.4.4.15 Hunting

Basic Hunting - Available to Customers with two or more individual line services, so that incoming calls to a busy line will overflow to other of the Customer's lines not busy. The following types of hunting are available; basic hunting, circular, and preferential.

Circular Hunt - an option of Hunting Service that allows for hunting to start at the dialed number and continues in ascending order to the last number in the hunt group. Hunting then proceeds to the first number of the hunt group and continues through the group until an idle line is reached or the number just preceding the dialed number is reached.

Preferential Hunt - an option of Hunting Service that enables incoming calls to a specific number within the hunt group to hunt over a unique hunting sequence of lines within the hunting group. The unique hunting sequence is other than that encountered when a caller dials the first telephone number in the hunt group.

3.0 RESALE TELECOMMUNICATIONS SERVICES - (cont.)

3.4 Service Descriptions - (cont.)

3.4.4 Optional Features - (cont.)

3.4.4.16 Last Call Return

Allows the Customer to dial a code that will cause the feature to automatically redial the number of the last incoming call to that line, whether the call was answered or not. The Customer does not have to know the number of the calling party. If the calling party's number is blocked, by the calling party, the service will not return the call. If the called number is busy the feature will redial the called number for a limited period of time. A tone alerts the Customer when the called line is available. This service is available on a usage subscription basis.

Last Call Return Customers who do not wish to receive blocked calls can activate Anonymous Call Rejection by pressing \*77 (1177 on rotary telephones). The code to deactivate is \*87 (1187 on rotary telephones). While the feature is activated, incoming blocked calls are routed to an announcement in the central office. Anonymous Call Rejection is automatically available to business Customers where technically feasible; and to monthly (subscription) Customers only.

3.4.4.17 Priority Call

Allows a Customer to assign a maximum of 15 callers' telephone numbers to a special list. The Customer will hear a distinctive ring at his/her location when calls are received from callers' telephone numbers on that list.

3.0 RESALE TELECOMMUNICATIONS SERVICES - (cont.)

3.4 Service Descriptions - (cont.)

3.4.4 Optional Features - (cont.)

3.4.4.18 Speed Calling - Send 30

Allows the Customer to call a preselected group of telephone numbers by dialing 1 or 2 digits rather than the actual number. Speed Calling is available with an 8 or 30 telephone capacity. Speed Calling will be provided to PBX Customers only on the basis that all trunks must be equipped with speed calling and have a common numbering plan.

3.4.4.19 Three-Way Calling

Allows the Customer to add a third Customer on an established local or long distance connection without operator assistance. The third Customer may be called by the Customer initiating the Three-Way Calling on either a local or long distance basis.

3.0 RESALE TELECOMMUNICATIONS SERVICES - (cont.)

3.4 Service Descriptions - (cont.)

(RESERVED FOR FUTURE USE)

3.0 RESALE TELECOMMUNICATIONS SERVICES - (cont.)

3.4 Service Descriptions - (cont.)

3.4.5 Centrex Service

Centrex Service is a flat rated central office based business service with capabilities and features provisioned by the use of a common block of numbers. All lines within the common block have access to a predetermined group of system features.

3.4.6 PBX Trunks

PBX trunks provide the Customer with a voice analog or digital voice grade circuit to connect the Customer's PBX or trunk-capable key systems to the Company's switch for access to the public switched network. PBX trunks can be arranged in the following configuration:

Two-way - Calls can be routed either in or out.

In-only - Calls can only come in, no out bound calls can come in.

Out-only - Only outbound calls can be placed, no in bound calls can come in.

Trunks can also be configured with Direct Inward Dialing (DID) capacity. DID services is a trunking arrangement which permits incoming calls from the exchange network to reach a specific PBX station directly without an attendant's assistance.

3.4.7 Digital Trunk Service

Digital Trunk Service provides digital exchange service to the End User. Digital Trunks include digital switched facilities, common equipment, local exchange switching, and flat usage trunks for access to the public switched and toll networks. Digital Trunk Service is available as "Advanced Trunk Service" or "Basic Trunk Service", or as a combination of Advanced and Basic Service.

- (a) Advanced Trunk Service is DID capable.
- (b) Basic Trunk Service is non-DID.

Each digital trunk facility utilizes twenty-four channels and can be configured as "in-only," "out-only," or "two-way."

3.0 RESALE TELECOMMUNICATIONS SERVICES - (cont.)

3.4 Service Descriptions - (cont.)

3.4.8 Direct Inward Dialing (DID) Service

DID Service is an optional feature which can be purchased in conjunction with Company-provided Trunk Service. DID Service transmits the dialed digits for all incoming calls allowing the customer's PBX to route incoming calls directly to individual stations corresponding to each individual DID number. Charges for DID capability and DID number blocks apply in addition to charges specified for Trunk Service.

One DID Additive charge applies for each DID-equipped trunk or DID-equipped channel or channel group.

A Block Compromise Charge will apply for each number a Customer wishes to remove from a reserved DID block of numbers.

3.4.9 Direct Outward Dialing (DOD) Service

DOD Service is an optional feature which can be purchased allowing the Customer to access and dial outside numbers directly without the intervention of the company operator.

3.4.10 Uniform Access Solution (UAS)

Uniform Access Solution provides an arrangement that allows channels to function with one number per channel group. UAS includes a DS-1 facility with common equipment and a network connection which provides switching for local exchange and toll network access. Each DS-1 facility utilizes 1 through 24

3.0 RESALE TELECOMMUNICATIONS SERVICES - (cont.)

3.4 Service Descriptions - (cont.)

channels configured with trunk-side termination and one number functionality.

3.4.11 ISDN - Primary Rate Interface (ISDN-PRI)

The basic PR' service structure consists of 23 B-channels and one DH channel, or 24 B channels, for a total transmission rate of 1.544 Mbit/s, which is equivalent to a T1 facility. Each 64 Kbit/s B-channel carries user information such as voice calls, circuit-switched data, or video. The D-channel is a 64 Kbit/s channel that is used to carry the control or signaling information.

3.4.11.1 ISDN-PRI Configuration Options

a) 23 B + D: This service configuration provides for 23 B-channels and 1 D-channel. The B-channels carry user information such as voice calls, circuit-switched data, or video, while the D-channel handles signaling information. When equipped, the D-channel can control a maximum of 459 B-channels. The B-channels may be provisioned on the same facility as the D-channel or on other PRS T1 facilities.

b) 24 B: This service configuration provides for 24 B-channels. The B-channels carry user information such as voice calls, circuit-switched data, or video. The signaling information is provided by the D-channel on the first T1 facility.

c) 23 B + Back-up D: This service configuration provides for 23 B-channels and a back-up D-channel. The back-up D-Channel is used if the primary D-channel, which provides signaling for multiple T1

3.0 RESALE TELECOMMUNICATIONS SERVICES (cont.)

3.4 Service Descriptions (cont.)

3.4.11 ISDN - Primary Rate Interface (ISDN-PRI)  
(cont.)

facilities, fails. All active calls are maintained during the switchover to the back-up D-channel.

3.4.11.2 Standard Features for ISDN- PRI

a) Calling Number Identification (CNI)  
Displays the call identification information and the calling party's directory number (including nonpublished and non-listed directory numbers) prior to the call being answered. Callers have the ability to block the delivery of calling party information to the terminating number.

b) CNI Blocking - All Calls

This feature allows all outgoing calls to have the associated call identification information blocked.

c) Circuit Switched Data

This feature allows the transmission of circuit-switched data on a voice circuit.

d) Direct Inward Dialing (DID) Service

This feature allows users to place or receive calls by passing the attendant.

3.0 RESALE TELECOMMUNICATIONS SERVICES - (cont.)

3.5 Miscellaneous Charges

3.5.1 Reserved Number Service

Reserved Number Service allows the Customer to reserve a number, or a block of numbers, for future use. A reserved block of numbers can only be assigned to a single Customer for use within a single rate center unless numbers are removed from the block subject to a Block Compromise Charge.

3.5.2 Directory Assistance

Allow the Customer to request assistance in determining the listed telephone number of a specified person.

3.5.3 Directory Call Completion

Provides assistance in determining the listed telephone number of a specified person at the Customer's request and then connects the Customer's call to that telephone number.

3.5.4 Trunk Change Charge

If the Customer requests a change in number, configuration or type of trunks or Trunk Service, a Trunk Change Charge may apply.

3.5.5 Miscellaneous Fee

In addition to the rates and charges described in this price list, the Customer is responsible for payment of a transfer charge when transferring any existing account or line from their current Local Exchange Carrier to the Company.

3.0 RESALE TELECOMMUNICATIONS SERVICES - (cont.)

3.5 Miscellaneous Charges - (cont.)

3.5.6 E-911 TRS. Universal Service

In addition to the rates and charges described in this price list, the Customer is responsible for payment of any taxes, charges or surcharges ordered by the Public Service Commission of Arizona, the Arizona State Legislature, or local and county governments. These surcharges may include, but are not limited to Enhanced 911, Telecommunications Relay Service (IRS), and Universal Service.

3.5.7 Subscriber Line Charge

In addition to the rates described in this price list, the Customer will be responsible for payment of the Subscriber Line Charge which is assessed to the Company by the Local Exchange Carrier for each resold local exchange line.

3.0 RESALE TELECOMMUNICATIONS SERVICES (cont.)

3.6 Initial Rates and Charges

3.6.1 Residential and Business Service Rates and Charges

|                                        | ILEC Service Territory |             |
|----------------------------------------|------------------------|-------------|
|                                        | <u>US West</u>         |             |
| Residential                            | \$14.00                |             |
| Simple Business Basic                  |                        |             |
| Business                               | \$18.00                |             |
| Optional Features:                     | <u>Resi.</u>           | <u>Bus.</u> |
| Call Blocking                          | \$3.00                 | \$4.50      |
| Call Forwarding Var.                   | \$3.00                 | \$4.80      |
| Call Forwarding- Busy                  | \$0.30                 | \$3.00      |
| Call Forwarding-Don't<br>Ans           | \$0.90                 | \$4.00      |
| Call Rejection                         | \$4.50                 | \$4.50      |
| Call Transfer                          | \$6.00                 | \$6.00      |
| Call Waiting                           | \$5.00                 | \$7.50      |
| Caller Identification-<br>Number       | \$5.50                 | \$7.50      |
| Caller Identification<br>Name & Number | \$5.95                 | \$7.95      |
| Continuous Redial                      | \$2.50                 | \$3.50      |
| Directed Call Pick-up                  | \$1.00                 | \$1.00      |
| Directed Call<br>Pick-up/Brg           | \$1.00                 | \$1.00      |
| Distinctive Call Alert                 | \$1.00                 | \$1.00      |
| Hot Line                               | \$2.00                 | \$2.00      |
| Priority Call                          | \$2.50                 | \$3.50      |
| Speed Call - 8                         | \$2.50                 | \$3.50      |
| Speed Call - 30                        | \$3.50                 | \$4.50      |
| Three-way Calling                      | \$3.50                 | \$4.00      |
| Hunting (per line)                     | \$8.00                 | \$8.00      |

3.0 RESALE TELECOMMUNICATIONS SERVICES (cont.)

3.6 Initial Rates and Charges

3.6.2 Centrex Service Rates and Charges

|               | ILEC Service Territory |             |
|---------------|------------------------|-------------|
|               | <u>US West</u>         |             |
|               | <u>Installation</u>    |             |
|               | <u>Charge</u>          | <u>Term</u> |
| Per line      | \$ 95.00               | \$40.00     |
| System Set Up | \$260.00               | \$80.00     |

3.0 RESALE TELECOMMUNICATIONS SERVICES - (cont.)

3.6 Initial Rates and Charges - (cont.)

3.6.3 PBX Trunk Service Rates and Charges - Analog

Monthly Rates

|                            | ILEC Service Territory<br>US West |                |
|----------------------------|-----------------------------------|----------------|
|                            | <u>Installation<br/>Charge</u>    | <u>Monthly</u> |
| Two Way                    | \$ 60.00                          | \$65.71        |
| One Way Incoming<br>to CPE | \$ 60.00                          | \$65.71        |

3.0 RESALE TELECOMMUNICATIONS SERVICES - (cont.)

3.6 Initial Rates and Charges - (cont.)

3.6.4 Digital Trunk Services

Monthly Rates

ILEC Service Territory  
US West

Installation  
Charge                      Monthly

Basic Trunks

|                   |          |         |
|-------------------|----------|---------|
| In-Only w/Hunting | \$ 39.00 | \$30.00 |
| Out-Only          | \$ 39.00 | \$30.00 |
| Two-Way w/Hunting | \$ 39.00 | \$30.00 |

Basic/Combo

|           |          |          |
|-----------|----------|----------|
| Transport | \$900.00 | \$360.00 |
|-----------|----------|----------|

Advanced Trunks

|             |          |         |
|-------------|----------|---------|
| In-Only DID |          |         |
| w/Hunting   | \$ 39.00 | \$30.00 |
| Out-Only    | \$ 39.00 | \$30.00 |
| Two-Way DID |          |         |
| w/Ans Sup.  | \$ 39.00 | \$30.00 |

|                    |          |         |
|--------------------|----------|---------|
| Advanced Transport | \$ 39.00 | \$30.00 |
|--------------------|----------|---------|

3.0 RESALE TELECOMMUNICATIONS SERVICES - (cont.)

3.6 Initial Rates and Charges - (cont.)

3.6.5 Direct Inward Dial(DID) Service Rates and  
Charges

Monthly Rates

|                         | Installation<br>Charge | ILEC Service Territory<br>US West<br>Monthly |
|-------------------------|------------------------|----------------------------------------------|
| DID Number -            | \$4.00                 | \$ 1.00                                      |
| DID Blocks<br>of 20     | \$200.00               | \$20.00                                      |
| Reserved DID<br>Number  | \$4.00                 | \$ 1.00                                      |
| Reserved DID<br>Numbers | \$200.00               | \$20.00                                      |
| - Blocks of 20          | \$200.00               | \$20.00                                      |

Non-Recurring Charge

Block Compromise Charge \$450.00

3.0 RESALE TELECOMMUNICATIONS SERVICES - (cont.)

3.6 Initial Rates and Charges - (cont.)

3.6.6 Uniform Access Solutions (UAS)

Monthly Rates

|                      | ILEC Service Territory |                |
|----------------------|------------------------|----------------|
|                      | US West                |                |
|                      | <u>Installation</u>    | <u>Monthly</u> |
|                      | <u>Charge</u>          |                |
| Trunk &<br>Transport | \$1200                 | \$1100         |

3.0 RESALE TELECOMMUNICATIONS SERVICES - (cont.)

3.6 Initial Rates and Charges - (cont.)

3.6.7 ISDN-PRI Service

|               | ILEC Service Territory |                |
|---------------|------------------------|----------------|
|               | US West                |                |
|               | Installation           |                |
|               | <u>Charge</u>          | <u>Monthly</u> |
| Voice & Data  |                        |                |
| 23B+D         | \$1025                 | \$ 400         |
| Data Only PRI |                        |                |
| 23B+D         | \$1025                 | \$ 400         |
| Data Only FRI |                        |                |
| 24B           | \$1025                 | \$ 400         |

3.0 RESALE TELECOMMUNICATIONS SERVICES - (cont.)

3.6 Initial Rates and Charges - (cont.)

3.6.8 Other Rates and Charges

|                         | ILEC Service Territory |
|-------------------------|------------------------|
|                         | <u>US West</u>         |
| Trunk Change Charge     | \$400.00               |
| Line Change Charge      | \$32.00                |
|                         | <u>Rate Per Call</u>   |
| Directory Assistance    | \$0.35-\$1.25          |
|                         | <u>Rate Per</u>        |
| <u>Customer</u>         |                        |
| Migration Fee           | \$25.00                |
|                         | <u>Rate Per Line</u>   |
| Moves, Adds and Changes | \$56.00                |

#### 4.0 LOCAL EXCHANGE SERVICES

##### 4.1 Application to Local Exchange Services

This section contains the regulations and rates applicable to the provision of Local Exchange Service by American Fiber Network, Inc.

##### 4.2 General

Local Exchange Services provides the Customer with connection to the public switched telecommunications network. In addition, Local Exchange Service provides the Customer with a unique telephone number address on the public switched telecommunications network. Each Local Exchange Service enables the Customer to:

(a) receive calls from other stations on the public switched telecommunications network;

(b) access other services offered by the Company as set forth in this price list;

(c) access certain interstate and international calling services provided by the Company;

(d) access the Company's operators and business offices for service related assistance;

(e) access emergency services by dialing 0-or 9-1-1; and

(f) access services provided by other common carriers which purchase the Company's Switched Access Services as provided under the Company's Federal and State tariffs or price lists, or which maintain other types of traffic exchange arrangements with the Company.

#### 4.0 LOCAL EXCHANGE SERVICES - (cont.)

#### 4.3 Service Descriptions

Local Exchange Services are categorized as Residential, Simple Business Service, Basic Business Service, Enhanced Business, and Digital Trunk Service. Local Exchange Service is provided to Customers who order a minimum of eight lines.

##### 4.3.1 Shared Tenant Service

Shared Tenant Services is a class of local exchange service furnished by the Company through a common switching arrangement to a building or contiguous property. The line is provided for connection of customer-provided single station sets or facsimile machines to the public switched telecommunications network.

##### 4.3.2 Simple Business Service

The Simple Business line provides the Customer a single, voice grade channel which can be used to place or receive one call at a time. The Simple Business line is provided for connection of customer-provided single station sets or facsimile machines to the public switched telecommunications network.

##### 4.3.3 Basic Business Line

The Basic Business line provides the Customer the same functionality as Simple Business line service, but may be configured to include the feature of Hunting so that incoming calls to a busy line will overflow to other of the Customer's lines which are not busy.

4.0 LOCAL EXCHANGE SERVICES - (cont.)

4.3 Service Descriptions - (cont.)

4.3.4 Enhanced Business Service

Enhanced Business Service provides the customer with the capability of abbreviated dialing within their business, together with a set of custom calling features at no extra charge as well as access to a long distance network

4.3.5 PBX Line

A PBX Line is an analog line service used to connect a Customer with a PBX to the Public Switched Network. Ground start or loop start signaling is available to PBX systems. The Central office switch does not send the PBX system any digits, all calls must be directed to an attendant console and then re-directed to a station line. PBX Lines can be assigned optional features.

4.3.6 Hybrid Line

The Hybrid Line provides the customer the ability to terminate 24 lines at their premise at a T-1 level rather than channelized.

4.0 LOCAL EXCHANGE SERVICES - (cont.)

4.3 Service Descriptions - (cont.)

4.3.7 Basic Trunk Service

Basic Trunk Service provides a Customer with a single voice grade channel which can be used to place or receive one call at a time. Basic Trunks are provided for connection of a Customer-provided private branch exchange (PBX) to the public switched network. Basic Trunks may be equipped with Direct Inward Dial (DID) Capability and DID number blocks for an additional charge.

4.3.8 Value Trunks

Value Trunk Service provides a Customer with a digital connection operating at 1.544 Mbps which is time-multiplexed into 24 individual voice grade channels. Value Trunks are provided for connection with a compatible Customer-provided PBX to the public switched telecommunications network. Each Value Trunk is provided with dual tone multi-frequency (DTMF) or multi-frequency (MF) signaling, as specified by the Customer.

Individual channels carried over a Value Trunk may be equipped with DID capability and DID number blocks for an additional charge.

4.0 LOCAL EXCHANGE SERVICES - (cont.)

4.3 Service Descriptions - (cont.)

4.3.9 Optional Features

4.3.9.1 Optional Business Features

a) Speed Call 8 and 30 Allows the Customer to call a preselected group of telephone numbers by dialing 1 or 2 digits rather than the entire telephone number. Speed Calling is available with an 8 or 30 telephone number capacity. In order for Speed Calling to be provided to Customers, all trunks must be equipped with speed calling and have a common numbering plan.

b) Calling Number Delivery

Displays the call identification information and the calling party's directory number (including nonpublished and non-listed directory numbers) prior to the call being answered. Callers have the ability to block the delivery of calling party information to the terminating number,

c) Call Waiting

With this feature, an incoming call encountering a busy signal will receive audible ring, while the called party will receive a call waiting tone. The called party can place the existing caller on hold and then acknowledge the incoming caller or can abandon one of the calls.

4.0 LOCAL EXCHANGE SERVICES - (cont.)

4.3 Service Descriptions - (cont.)

4.3.9 Optional Features - (cont.)

4.3.9.2 Optional Enhanced Business Features

a) Call Forward Busy - Programmable

Allows the Customer to have incoming call forwarded to another predetermined number in a different central office switch if the called number is busy.

b) Call Forward Don't Answer programmable

Allows the Customer to have incoming calls forwarded to another predetermined number in a different central office switch if the Customer does not answer after a preset number of ringing cycles.

c) Six Port Conferencing

This feature allows a station to establish a conference call consisting of more than three conferees (with a maximum of six) without the assistance of an attendant.

4.0 LOCAL EXCHANGE SERVICES - (cont.)

4.3 Service Descriptions - (cont.)

4.3.9 Optional Features - (cont.)

4.3.9.2 Optional Enhanced Business Features -  
(cont.)

d) Music On Hold

Music on Hold provides the capability of terminating an outside music source on a DMS 100 trunk termination. VPX or EBS users have the option of hearing music when a call is parked, placed on hold, calls an attendant queue or waits in a UCD queue.

e) Calling Number Delivery

Displays the call identification information and the calling party's directory number (including nonpublished and non-listed directory numbers) prior to the call being answered. Callers have the ability to block the delivery of calling party information to the terminating number.

f) Distinctive Ring

Allows a Customer to receive an audible Call Waiting tone or Distinctive Ringing signal from a line equipped with Call Waiting. If the called line is idle, a Distinctive Ringing signal will be heard. If the called line is busy, the called line will receive a Call Waiting tone.

4.0 LOCAL EXCHANGE SERVICES - (cont.)

4.3 Service Descriptions - (cont.)

4.3.10 Virtual Private Exchange Service (VPX)

VPX gives customers the flexibility to design their own telecommunications system using Company equipment and some of the most advanced services available. The system can be upgraded at any time VPX has over 40 standard and 20 optional features to choose from. VMS with the optional Electronic Business Sets allows access to over 40 features by pressing a single key. Multiple locations can be connected together, giving the appearance to phone users that they are on one system. Instead of users dialing long strings of digits to call another person in the company, they can dial the calling party's extension number. Equipment is monitored twenty-four hours a day, seven days a week.

4.0 LOCAL EXCHANGE SERVICES - (cont.)

4.3 Service Descriptions - (cont.)

4.3.11 VPX Optional Features

a) Automatic Route Selection

Automatic Route Selection allows customers to have VPX specific trunk routes automatically searched to locate idle outgoing trunks. This feature directs outgoing calls over the customer's most preferred facility routes for call completion. Usually the least expensive route is chosen first. The routes are designed as part of the VPX system software. Facilities used in the routes can be any long distance carrier, direct access line (WATS-like service), Tie-lines or local outgoing facility.

b) Call Forward Busy - programmable

Allows the Customer to have incoming calls forwarded to another predetermined number in a different central office switch if the called number is busy.

c) Call Forward Don't Answer - Programmable

Allows the Customer to have incoming calls forwarded to another predetermined number in a different central office switch if the Customer does not answer after a preset number of ringing cycles.

d) Calling Number Delivery

Displays the call identification information and the calling party's directory number (including nonpublished and non-listed directory numbers) prior to the call being answered. Callers have the ability to block the delivery of calling party information to the terminating number.

4.0 LOCAL EXCHANGE SERVICES - (cont.)

4.3 Service Descriptions - (cont.)

4.3.11 VPX Optional Features - (cont.)

e) Direct Inward System Access

Direct Inward System Access enables a customer's clients or personnel to access network facilities from a remote location without the assistance of an attendant or another station user. Feature capabilities generally include: Security Codes and Access to Private Network facilities, Data Services, Dial Dictation and Paging Equipment.

f) Meet Me Conference

Meet Me Conference provides the ability to establish - at a predetermined time - a conference of up to 30 members. The conferees can be internal or external to the customer group.

g) Music on Hold

Music on Hold provides the capability of terminating an outside music source on a DM5 100 trunk termination. VPX or EBS users have the option of hearing music when a call is parked, placed on hold, calls an attendant queue or waits in a UCD queue.

4.0 LOCAL EXCHANGE SERVICES - (cont.)

4.3 Service Descriptions - (cont.)

4.3.11 VPX Optional Features - (cont.)

h) Message Waiting Visual

This feature provides a visual indication that a message is being held at a message center or that another VPX station wishes to be called back. It is available to non-Electronic Business Set users.

i) Six Port Conferencing

This feature allows a station to establish a conference call consisting of more than three conferees (with a maximum of six) without the assistance of an attendant.

j) Uniform Call Distribution (UCD)

This feature allows for an even distribution of incoming calls to a directory number over a group of predesignated stations. The group of stations is called a UCD group. It may consist of both single line and Electronic Business Set telephones.

4.0 LOCAL EXCHANGE SERVICES - (cont.)

4.3 Service Descriptions - (cont.)

4.3.11 VPX Optional Features - (cont.)

k) Miscellaneous Facility Termination

Facility types allowed to terminate on a common block within the DMS 100 are:

DID To PBX - Direct-Inward Dialing allows station users to make calls to users on a PBX by just dialing an extension number.

DOD From PBX - Utilizing Direct-Outward Dialing, a station user can receive calls from a PBX. The PBX user will dial only the extension number of the called station.

Dial Dictation - Provides trunk side access to a customer provided dial dictation device.

Tie Line To Long Distance Carrier - Allows direct access to and from a long distance provider. These facilities can be reached using the Automatic Route Selection feature or simply a different access code (i.e. 8).

Tie Line To Other VPX - Allows direct access to another Centrex or VPX system. Intercom dialing plans can be utilized.

4.0 LOCAL EXCHANGE SERVICES - (cont.)

4.3 Service Descriptions - (cont.)

4.3.11 VPX Optional Features - (cont.)

l) Loudspeaker Paging. Trunk Side

This feature allows loudspeaker paging equipment to be terminated on a trunk rather than on a line.

m) Electronic Business Set

Used for the provisioning of certain VPX optional features, Electronic Business Sets are proprietary sets available only off the DMS-100. These sets are designed to be practical, functional, and convenient. Each key can be assigned either a Telephone Number or a feature. The later allows the use of a feature without dialing the feature activation code.

4.0 LOCAL EXCHANGE SERVICES - (cont.)

4.3 Service Descriptions - (cont.)

4.3.11 VPX Optional Features - (cont.)

n) Multiple Appearance Directory Number (MADN)

Multiple Appearance Directory Number provides a cost effective way to supply additional call completion capacity to a group by enabling a Directory Number to be assigned to more than one VPX station user at a time. Every MADN must be assigned to one VPX telephone as the Primary Directory Number of that set; and that set is designated as the Primary Member of the MADN. A primary member may be a 2500 set. All sets that are assigned this directory number as known as a MADN group.

There are two possible MADN arrangements: A Single Call Arrangement allows only one set in the group to be active on a MADN call at one time, while a Multiple Call Arrangement permits more than one set to be active on MADN calls simultaneously. In the second case, the number of simultaneous calls is limited only by the number of members in the MADN group. A MADN group may have up to 8 station/members.

4.0 LOCAL EXCHANGE SERVICES - (cont.)

4.3 Service Descriptions - (cont.)

4.3.12 Integrated Services Digital Network Primary Rate Interface (ISDN PR')

The basic PRI service structure consists of 23 B-channels and one channel, or 24 B channels, for a total transmission rate of 1.544 Mbytes, which is equivalent to a T1 facility. Each 64 Kbit/s B-channel carries user information such as voice calls, circuit-switched data, or video. The DH channel is a 64 Kbit/s channel that is used to carry the control or signaling information.

4.3.12.1 Data Only PRI

A Circuit-Switched Data Connection is a central office translation that provisions 23 or 24 B-channels on a PR' TI facility. All B-channels are dedicated with 2-way operation and have access to the exchange network. Incoming calls are restricted to circuit-switched data or video.

4.3.12.2 Dialable Wideband Service

Provides the Customer with a voice/data PR' with Nx64 Kbps bandwidth scalability. This allows CPE to bond and allocate B-channels at their discretion.

4.0 LOCAL EXCHANGE SERVICES - (cont.)

4.3 Service Descriptions - (cont.)

4.3.12 Integrated Services Digital Network Primary  
Rate Interface (ISDN PM)-(cont.)

4.3.12.3 Voice and Data PRI

B-channels carry user information such as voice calls, circuit-switched data, or video, while the D-channel handles signaling information.

4.3.12.4 Standard Features

a) Calling Number Identification

This feature displays the call identification information and the calling party's directory number prior to the call being answered. Callers have the ability to block the delivery of calling party information to the terminating number

b) Calling Number Identification Blocking All Calls

This feature allows all outgoing calls to have the associated call identification information blocked.

c) Circuit-Switched Data

This feature allows the transmission of circuit-switched data on a voice circuit.

d) Direct Inward Dialing (DID) Service

This feature allows users to place or receive calls by passing the attendant.

4.0 LOCAL EXCHANGE SERVICES - (cont.)

4.3 Service Descriptions - (cont.)

4.3.12 Integrated Services Digital Network Primary  
Rate Interface (ISDN PRI)-(cont.)

4.3.12.5 Premier Features Descriptions

a) Call Forwarding Busy Line for circuit-Switched Data. This feature permits all circuit-switched data calls attempting to terminate to a busy public data network to be redirected to another customer-specified directory number. A busy line condition exists when a circuit-switched data B-Channel is unavailable. This feature can either be assigned to the user on an active basis or it can be assigned to a feature button that can be activated or deactivated by the user. If the feature is assigned to a feature button, the directory number can be changed by dialing an access code and programming the new directory number.

b) Call Forwarding Don't Answer For Circuit-Switched Data.

This feature permits all circuit-switched data calls attempting to terminate to an idle public data network to ring a specified number of seconds prior to being forwarded to a previously specified directory number. This feature can either be assigned to the user on an active basis or it can be assigned to a feature button that can be activated or deactivated by the user. If the feature is assigned to a feature button, the directory number can be changed by dialing an access code and programming the new directory number.

4.0 LOCAL EXCHANGE SERVICES - (cont.)

4.3 Service Descriptions - (cont.)

4.3.12 Integrated Services Digital Network Primary  
Rate Interface (ISDN PRI)-(cont.)

4.3.12.5 Premier Features Descriptions

c) Call Forwarding Variable All Calls For  
Circuit-Switched Data.

This feature allows circuit-switched data calls, attempting to terminate to a line, to be redirected to another specified line. The user must activate or deactivate the forwarding function by either using an access code or a feature button. If the feature button is assigned to a feature button, the directory number can be changed by dialing an access code and programming the new directory number.

d) Call-by-Call Selection

The PRI B-Channels are configured to support inward/outward, public/private, international, and WATS call flexibility to be determined by the Customer traffic flow.

4.0 LOCAL EXCHANGE SERVICES - (cont.)

4.3 Service Descriptions - (cont.)

4.3.13 Directory Number Services

4.3.13.1 Vanity Number Service Description

Vanity Number Service is an optional feature by which a new Customer may request a specific or unique telephone number and fax number for use with Company provided Local Exchange Services. This service provides for the assignment of a Customer requested telephone number other than the next available number from the assignment control list.

Vanity Number Service is furnished subject to the availability of numbering resources, facilities and the requirements of Local Exchange Service as defined by the Company. The Company reserves all rights to the Vanity Numbers assigned to Customers and may, therefore, change them if required.

4.3.13.2 Reserved Numbers Service Description

Reserved Numbers Service allows the Customer to reserve a number, or a block of numbers, for future use.

4.3.13.3 Virtual Number Service Description

Virtual Number Service is an optional feature by which a Customer may forward a number via the Company's Central Office to a predetermined telephone number the Customer has chosen. This service is also known in the industry as 'Remote Call Forwarding' and 'Market Expansion Lines'. This service has the ability to forward as many as 99 calls at a time with no additional charge per extra pathway.

4.0 LOCAL EXCHANGE SERVICES - (cont.)

4.3 Service Descriptions - (cont.)

Virtual Number is furnished subject to the type of service the Customer subscribes to on the terminating end.

4.4 Miscellaneous Charges

4.4.1 E-911 TRS, Universal Service

In addition to the rates and charges described in this price list, the Customer is responsible for payment of any taxes, charges or surcharges ordered by the Public Service Commission of Arizona, the Arizona State Legislature, or local and county governments. These surcharges may include, but are not limited to Enhanced 911, Telecommunications Relay Service (TRS), and Universal Service.

4.4.2 Subscriber Line Charge

In addition to the rates described in this price list, the Customer will be responsible for payment of the Subscriber Line Charge which is assess the Company by the Local Exchange Carrier for each resold local exchange line.

4.4.3 High Usage Surcharge

Basic lines have been engineered for traffic usage in the range of SCCS - or being busy 25% of the time. Increases in usage above this level causes a significant increase in cost to the Company. Therefore, a high usage surcharge will be applied to any line which is in use more than 40% of the time during its busy hour. The Company will perform periodic traffic studies on lines at its discretion. If a line's traffic use is greater than 14.5 CCS during its busy hour for the study period, then the line will be charged the high usage surcharge of \$30.00 per month per line exceeding the usage

4.0 LOCAL EXCHANGE SERVICES - (cont.)

4.3 Service Descriptions - (cont.)

threshold. Each Customer will be notified, in writing, of a study resulting in high usage charges being assessed.

4.0 LOCAL EXCHANGE SERVICES - (cont.)

4.5 Initial Rates and Charges

4.5.1 Business Service

|                       | ILEC Service Territory |
|-----------------------|------------------------|
|                       | <u>US West</u>         |
| Simple Business       | \$25.00                |
| Basic Business        | \$25.00                |
| Enhanced Bus.         | \$25.00                |
| PBX Interface         | \$58.00                |
| Hybrid Line           | \$58.00                |
| High Usage Charge N/A | \$30.00                |
| Change to Line        |                        |
| Per service order     | \$25.00                |
| Change to             |                        |
| LD Provider           | \$15.00                |
| DS1 Interface         |                        |

4.0 LOCAL EXCHANGE SERVICES - (cont.)

4.5 Initial Rates and Charges - (cont.)

4.5.2 Optional Features

|                            | ILEC Service Territory |
|----------------------------|------------------------|
|                            | <u>US West</u>         |
| Business Features          |                        |
| Speed Call - 8             | \$3.00                 |
| Speed Call - 30            | \$4.50                 |
| Calling Nmbr               |                        |
| Dlvry                      | \$7.95                 |
| Call Waiting               | \$7.50                 |
| Enhanced Business Features |                        |
| Call Fwd Busy-Prg          | \$4.50                 |
| Call Fwd DA-Prg            | \$4.50                 |
| Three-Way Conference       | \$4.00                 |
| Music on Hold              |                        |
| Calling Nmbr               |                        |
| Dlvry                      | \$7.95                 |
| Distinctive                |                        |
| Ringing                    | \$7.00                 |

4.0 LOCAL EXCHANGE SERVICES - (cont.)

4.5 Initial Rates and Charges - (cont.)

4.5.3 Virtual Private Exchange Service

ILEC Service Territory  
US West

Lines  
High Usage  
Charge

\$35.00

4.0 LOCAL EXCHANGE SERVICES - (cont.)

4.5 Initial Rates and Charges - (cont.)

4.5.4 VPX Optional Features

|                                  | ILEC Service Territory |                |
|----------------------------------|------------------------|----------------|
|                                  | US West                |                |
|                                  | Installation           |                |
|                                  | <u>Charge</u>          | <u>Monthly</u> |
| Automatic Route Selection        |                        |                |
| System Set-Up                    | \$141.00               | N/A            |
| Changes to Pattern               | \$141.00               | N/A            |
| Changes to Route                 | \$141.00               | N/A            |
| Call Back Queuing                | \$205.00               | \$7.00         |
| Expensive Route Warning          | \$205.00               | 18.33          |
| Off Hook Queuing                 | \$205.00               | N/A            |
| Time of Day Routing              | \$205.00               | 18.33          |
| Call Forward Busy - Programmable |                        |                |
| per set                          | \$26.00                | \$ 9.10        |
| Call Forward DA - Programmable   |                        |                |
| per set                          | \$26.00                | \$ 9.10        |
| Calling Nmbr. Delivery           | \$26.00                | \$ 8.00        |
| Direct Inward System Access      |                        |                |
| per DISA Number                  | \$200.00               | \$ 0.00        |
| Meet Me Conference               | \$150.00               | \$ 83.00       |
| Music on Hold                    |                        |                |
| AFN Supplied-Line                | \$300.00               | \$ 30.00       |
| Customer Supplied                | \$300.00               | \$ 30.00       |
| Message Waiting Visual           |                        |                |
| per station                      | \$ 10.00               | \$ 1.00        |
| Six Port Conferencing            | \$ 26.00               | \$12.50        |
| Uniform Call Distribution        |                        | per System     |
|                                  | \$205.00               | \$100.00       |
|                                  |                        | per Station    |
|                                  | \$ 40.00               | \$ 5.00        |

4.0 LOCAL EXCHANGE SERVICES - (cont.)

4.5 Initial Rates and Charges - (cont.)

4.5.4 VPX Optional Features - (cont.)

ILEC Service Territory

|                                | US West<br>Installation<br>Charge | <u>Monthly</u>     |
|--------------------------------|-----------------------------------|--------------------|
| Misc. Facility Termination     |                                   |                    |
| per Group                      | \$275.00                          | \$ 75.00           |
| per Circuit                    | \$ 85.00                          | \$ 5.00            |
| Loudspeaker Paging, Trunk Side |                                   |                    |
| per Group                      | \$275.00                          | \$ 26.00           |
| Digital Facility Interface     |                                   |                    |
| DS1 Facility                   |                                   | Private Line Rates |
| Common Equipment               | \$275.00                          | \$125.00           |
| Circuit Termination            |                                   |                    |
| VPX to VPX                     | \$ 85.00                          | \$ 11.50           |
| VPX to PBX                     | \$ 85.00                          | \$ 25.00           |
| VPX to Carrier                 | \$ 85.00                          | \$ 11.50           |
| Electronic Business Set        |                                   |                    |
| Set Interface                  | \$ 5.00                           | \$ 4.00            |
| Adjunct                        | \$ 5.00                           | N/A                |
| Add. Nmbrs on Set              | \$ 5.00                           | \$ 1.00            |
| MADN Primary Appearance        | \$ 10.00                          | \$ 6.00            |
| MADN Secondary Appearance      | \$ 10.00                          | \$ 6.00            |
| Call Fwd (per Key)             | \$ 5.00                           | \$ 5.00            |
| Dir. Station Select            | \$ 20.00                          | \$ 5.00            |
| Exec. Msg Waiting              | \$ 5.00                           | \$ 5.00            |
| Intercom Broadcast             | \$ 5.00                           | \$ 5.00            |
| Orig. Line Select              | \$ 5.00                           | \$ 5.00            |
| Term. Line Select              | \$ 5.00                           | \$ 5.00            |

Change Charge

|           |            |
|-----------|------------|
|           | per System |
| \$ 205.00 | N/A        |

per Line

|          |     |
|----------|-----|
| \$ 85.00 | N/A |
|----------|-----|

4.0 LOCAL EXCHANGE SERVICES - (cont.)

4.5 Initial Rates and Charges - (cont.)

4.5.5 Basic Trunk Service

|                                     | ILEC Service Territory<br><u>US West</u> |
|-------------------------------------|------------------------------------------|
| Two-Way                             |                                          |
| Analog Interface                    | \$60.00                                  |
| Digital Interface                   | \$90.00                                  |
| Incoming                            |                                          |
| Analog Interface                    | \$60.00                                  |
| Digital Interface                   | \$90.00                                  |
| Outgoing                            |                                          |
| Analog Interface                    | \$60.00                                  |
| Digital Interface                   | \$90.00                                  |
| Trunk Change<br>(Type or Direction) | \$50.00                                  |

4.0 LOCAL EXCHANGE SERVICES - (cont.)

4.5 Initial Rates and Charges - (cont.)

4.5.6 Value Trunk

|                                             | ILEC Service Territory<br>US West |                |
|---------------------------------------------|-----------------------------------|----------------|
|                                             | <u>Installation<br/>Charge</u>    | <u>Monthly</u> |
| Value Trunk<br>(Two Way or<br>Incoming)     | \$900                             | \$360.00       |
| Value Trunk<br>Change                       | \$200                             |                |
| Trunk Change<br>(Per Trunk<br>Group on DS1) | \$95.00                           |                |

4.0 LOCAL EXCHANGE SERVICES - (cont.)

4.5 Initial Rates and Charges - (cont.)

4.5.7 ISDN PRI Service

|                   | ILEC Service Territory |                |
|-------------------|------------------------|----------------|
|                   | US West                |                |
|                   | <u>Installation</u>    | <u>Monthly</u> |
|                   | <u>Charge</u>          |                |
| Data Only <\$2000 | \$1265                 | \$1100         |
| \$2000-\$4999     | \$1265                 | \$1100         |
| \$5000-\$9999     | \$1265                 | \$1100         |
| \$10,000+         | \$1265                 | \$1100         |
| Voice and Data    |                        |                |
| <\$2000           | \$1265                 | \$1100         |
| \$2000-\$4999     | \$1265                 | \$1100         |
| \$5000-\$9999     | \$1265                 | \$1100         |
| \$10,000+         | \$1265                 | \$1100         |
| Dialable Wideband | \$1400                 | \$2100         |
| Premier Call      |                        |                |
| Features          | \$ 275                 |                |

4.0 LOCAL EXCHANGE SERVICES - (cont.)

4.5 Initial Rates and Charges - (cont.)

4.5.8 Directory Number Services

| Charges Per Each      | ILEC Service Territory<br>US West |                |
|-----------------------|-----------------------------------|----------------|
|                       | <u>Installation<br/>Charge</u>    | <u>Monthly</u> |
| DID                   | \$ 4.00                           | \$ 1.00        |
| DID Change            | \$ 50.00                          |                |
| Reserved Numbers      | \$ 50.00                          | \$ 10.00       |
| Vanity Number         | \$250.00                          |                |
| Virtual Number        | \$ 50.00                          | \$ 22.50       |
| Number<br>Portability | \$ 25.00                          | \$ 5.00        |

4.5.9 Listings

| Additional                         | ILEC Service Territory<br>US West |                |
|------------------------------------|-----------------------------------|----------------|
|                                    | <u>Installation<br/>Charge</u>    | <u>Monthly</u> |
| Listings                           | \$5.00                            | \$ 3.00        |
| Non-Published<br>Listings          | \$5.00                            | \$ 2.50        |
| Change to Listing<br>(per listing) | \$10.00                           | \$10.00        |

## 5.0 LONG DISTANCE SERVICES

### 5.1 Application to Intrastate Long Distance Services

The following regulations, terms and conditions apply to the intrastate common carrier long distance telecommunications services provided by the Company.

### 5.2 General Service Description

Long Distance Services are a general offering of voice and data telecommunications capabilities and may be customized to meet specific Customer requirements. Service can be designed by the Company based on Customer-specific information, e.g., calling patterns and traffic volumes, jointly developed by Company and the Customer. Consistent with the Customer-specific information and objectives, the Company retains the right to use either switched or dedicated facilities to provide service. Long Distance Services may be available for multi-year service periods and may be subject to a minimum monthly charge. Rates for service may be stabilized and can be distance-sensitive or postalized, sensitive to time-of-day, or otherwise developed to suit the Customer's needs as may be specified in each service option. Long Distance Services will support Customer-specific seven and ten digit dialing plans.

5.0 LONG DISTANCE SERVICES - (cont.)

5.3 Fraudulent Use of Verified Account Codes

In order to control fraud, the Company may disable or refuse to accept, Verified Account Codes which it reasonably suspects or determines to be invalid or experiencing abuse. The Company will notify the Customer when Verified Account Codes are disabled.

(a) Invalidation of verified account codes: If the Customer notifies the Company that a Customer-administered verified account code is no longer valid, the Customer shall be liable for any calls placed using the verified account code, until the Company receives confirmation from its underlying carrier(s) that the verified account code has been effectively disabled. Customer notification to the Company may be delivered in writing or given orally when followed by facsimile or electronic mail. The Company will use its best efforts to notify its underlying carrier(s) or undertake other appropriate security measures within the shortest reasonable duration of time after the Customer's written, facsimile, or electronic mail notice is received by the Company.

5.4 Description of Rates and Charges

5.4.1 Application of Charges

Long Distance Communications Service includes recurring and nonrecurring charges. Stabilized recurring charges may be offered on a Customer specific basis where service demands or competitive necessity justify such charges. Recurring charges consist of flat-rated monthly and usage-sensitive charges. Service also may include a Minimum Charge. Nonrecurring charges for installation of a service and additions to service, as well as a Termination Charge and Cancellation Charge, are also included.

(a) Non-Recurring Charges: Non-Recurring Charges are billed in advance.

5.0 LONG DISTANCE SERVICES - (cont.)

5.4 Description of Rates and Charges- (cont.)

(b) Recurring Charges: Recurring Charges, including usage-sensitive charges, are billed in arrears.

5.4.2 Installation Charge

Should a nonrecurring Installation Charge apply to a service option, it shall be as specified in the applicable rate section of this price list.

5.4.3 Changes to Service- (cont.)

As specified for each service option, service components may be added to or deleted from a service. A nonrecurring Installation Charge will apply to additions, and recurring charges will be adjusted, as necessary, to reflect all changes to service.

5.4.4 Rate Changes

The Company expressly reserves the right to initiate price list revisions seeking to change the applicable rates under which the Customer has obtained service during any specified service period greater than any minimum service period provided under this price list, unless otherwise agreed upon between the Company and the Customer.

5.4.5 Changes to Terms and Conditions

During any specified service period other than any minimum service period specified in this price list, the Company expressly reserves the right to initiate changes in the terms and conditions under which service is provided, unless otherwise agreed upon between the Company and the Customer and filed in this price list. If the Company initiates such price list revisions without the Customer's agreement, the Customer may discontinue service without liability. If elected, this provision must be exercised by the

5.0 LONG DISTANCE SERVICES - (cont.)

5.4 Description of Rates and Charges- (cont.)

Customer in writing within 30 days following the date of the Company's price list filing. Any changes in the terms and conditions under which service is provided will be filed in this price list.

5.5 General Practices Affecting Rates

The following set forth factors affecting rates which apply to all Long Distance Services unless modified expressly in this price list.

5.5.1 Gross Receipts Tax

When utility or telecommunications assessments, franchise fees, or privilege, license, occupational, excise, or other similar taxes or fees are imposed by certain taxing jurisdictions upon the Company, its underlying carrier(s) or upon Local Exchange Companies and passed on to the Company, the amounts of such taxes or fees will be billed to Customers in such a taxing jurisdiction on a prorated basis.

The amount of charge that may be prorated to each Customer's bill is determined by the communications services provided to and billed to a Customer's service location equal to the amount of the tax or fee imposed upon or passed on to the Company.

5.6 Other Taxes and Surcharges

The Customer will be billed for, and is responsible for payment of any other taxes, surcharges, fees or assessments (excluding taxes on the Company's net income) imposed on or based upon provision, sale or use of the Company's services.

The Customer agrees to pay to the Company the amount of any monthly Surcharge which a Local Exchange Carrier may collect from or which the Company's underlying carrier(s) may impose on the Company for any services or facilities

5.0 LONG DISTANCE SERVICES - (cont.)

used to provide service, including but not limited to Special Access Surcharges and Switched Access Surcharges.

5.7 Rate Determination

The rate for a long distance call which is charged on a per minute basis may be determined by:

- (a) The locations of the originating (calling) station and the terminating (called) station;
- (b) Minutes of use;
- (c) Length of the contract agreed to by the Customer; and
- (d) The minimum dollar commitment for which the Customer has agreed.

The specific factors which apply to a given call and their application are listed in the rate section applicable to that type of call.

5.7.1 Jurisdiction

When the location of the calling and the called stations is a factor in rate determination, the rate is calculated according to whether the termination of the call is intrastate, interstate or international. This price list contains rates for intrastate calls only.

5.0 LONG DISTANCE SERVICES - (cont.)

5.8 Service Offerings

5.8.1 AFN Switched Long Distance Service

AFN Switched Long Distance Service is a usage based direct dialed interexchange service which utilizes switched access facilities, from equal access locations, on the originating end of each call. Calls are billed in six(6) second increments. All charges are billed monthly in arrears.

5.8.2 AFN Switched Toll-Free Service

AFN Switched Toll-Free Service provides Toll-Free calls to terminating points throughout the United States which utilizes switched access facilities, from equal access locations, on the terminating end of each call. Charges for the Toll-Free calls are billed to American Fiber Network, Inc.'s Customers rather than the caller. Calls are billed in six (6) second increments with an initial call duration of six (6) seconds. All charges are billed monthly in arrears.

5.8.3 AFN Dedicated Long Distance Service

AFN Dedicated Long Distance Service is a flat rate direct dialed interexchange service which utilizes dedicated access facilities on the originating end of each call. Calls are billed in six (6) second increments with an initial call duration of six (6) seconds. All charges are billed monthly in arrears.

5.8.4 AFN Dedicated Toll Free Service

AFN Dedicated Toll Free Service provides inbound '800/888' calling to points terminating within the State of Arizona utilizing dedicated access facilities on the terminating end of each call. Charges for the '800/888' calls are billed to the Company's Customers rather than to the originating caller. Calls are billed in six (6) second increments with an initial

5.0 LONG DISTANCE SERVICES - (cont.)

call duration of eighteen (18) seconds. All charges are billed monthly in arrears.

5.8.5 AFN Advantage Travel Card Service

AFN Travel Card Service is a calling card service that allows Customers to call to and from anywhere in the United States. The caller dials a Toll-Free number plus their identification code for access and then enters the digits of the terminating number. Calls are billed in arrears.

5.8.6 All Calls Service

All Calls Service offers lower long distance rates to the Company's Local Service, ISDN-PRI, and/or VPX Customers.

5.8.7 Operator Services

Operator Service rates apply when calls are completed with the assistance of a Company operator. Operator Service rates apply to calls which are billed to a calling card or to a different telephone number (e.g., collect calls, third party billing).

5.8.8 Directory Assistance Service

Directory Assistance Service provides telephone number information to the requesting Customer. Nonpublished telephone number information is not provided with Directory Assistance.

5.9 Optional Features

5.9.1 Diskette Billing

Diskette Billing is a software application that gives Customers the ability to view and analyze long distance calls and call patterns, and to view phone bills on-line. Diskette Billing is especially useful

5.0 LONG DISTANCE SERVICES - (cont.)

for those Customers with a high volume of long distance phone calls.

5.9.2 Direct Termination Overflow (DTO) Dedicated Service

With DTO Dedicated Service, Customers can choose to have their dedicated Toll Free service overflow automatically to another dedicated facility of their choosing.

5.9.3 Direct Termination Overflow (DTO) Switched Service

With DTO Switched Service, Customers can choose to have their dedicated Toll Free service overflow automatically to a switched line of their choosing.

5.9.4 Premium Reports

The Premium Report Package provides in-depth information regarding calling patterns and includes:

- (a) Standard Reports (including optional)
- (b) Toll Free Summary Data (listing the daily call totals by rate period/cost per toll free number)
- (c) Long Call Summary (listing all calls occurring during a billing cycle that exceed a specified length of time.)
- (d) Frequently Called Summary (listing all ANIs called more than a specified number of times).

5.9.5 Toll Free Call Blocking by Area Code

At the Customer's request, a Toll Free number can be blocked from access by area code parameters. Standard setup of Toll Free numbers is to allow calling access from all fifty states.

5.0 LONG DISTANCE SERVICES - (cont.)

5.9 Optional Features - (cont.)

5.9.6 Toll Free Real Time Automatic Number Identification (ANI)

This feature provides Customers with dedicated T-1 trunks real time ANI information with each Toll Free call received. ANI is provisioned by delivering the outpulsed digits of the originating number.

5.9.7 Toll Free Dialed Number Identification Service (DNIS)

This feature provides the Customer with the dialed number identification, or dummy number, of each Toll Free received.

5.9.8 Toll-Free Time of Day/Day of Week Routing

At the Customer's request, a Toll-Free number can be routed differently based on time of day, or day of week parameters. This feature allows for a Toll-Free/888 number to be routed to multiple locations based on the pre-set pattern.

5.9.9 Verified Account Codes

Authorization codes used by the Customer to restrict and/or monitor long distance usage. Upon the Customer's request, 1+ dialing is limited to callers with authorized access. The caller dials the 1+ number, is prompted for the code, and then connects to the dialed party. This feature is only utilized at the Customer's request.

5.0 LONG DISTANCE SERVICES - (cont.)

5.10 Initial Rates and Charges

5.10.1 AFN Switched Long Distance Service Rate

Per Minute Rate

\$0.06-\$0.25

Monthly Billing Fee

\$0.00-\$8.00

5.10.2 AFN Switched Toll Free Service Rate

Per Minute Rate

\$0.06-\$0.25

Monthly Billing Fee

\$0.00-\$8.00

5.10.3 AFN Dedicated Long Distance Rate

Per Minute Rate

\$0.03-\$0.15

Monthly Billing Fee

\$0.00-\$8.00

5.10.4 AFN Dedicated Toll Free Service Rate

Per Minute Rate

\$0.03-\$0.15

Monthly Billing Fee

\$0.00-\$8.00

5.10.5 AFN Travel Card Service Rate

Per Minute Rate

\$0.10-\$0.75

Monthly Billing Fee

\$0.00-\$8.00

5.0 LONG DISTANCE SERVICES - (cont.)

5.10 Initial Rates and Charges (Cont.)

5.10.1 AFN Switched Long Distance Service Rate (Cont.)

|                                                 | <u>Installation<br/>Charge</u> | <u>Monthly<br/>Rate</u> |
|-------------------------------------------------|--------------------------------|-------------------------|
| Verified Account Codes (1-499)                  | \$ 30.00                       | \$ 15.00                |
| Verified Account Codes (500+)                   | Custom                         | Custom                  |
| Toll Free                                       |                                |                         |
| Directory Listing                               | \$ 18.00                       | \$ 15.00                |
| Call Blocking/Area Code<br>(per change)         | \$100.00                       | \$ 0.00                 |
| Time of Day/Day of Week Routing<br>(per change) | \$100.00                       | \$ 35.00                |
| Real Time ANI                                   | \$200.00                       | \$100.00                |
| DNIS Sending                                    | \$ 75.00                       | \$ 35.00                |
| Overflow to Dedicated<br>rate                   | \$ 50.00                       | dedicated               |
| Overflow to Switched<br>rate                    | \$ 50.00                       | switched                |
| Premium Billing                                 | \$ 10.00                       | \$ 7.50                 |
| Diskette Billing                                | \$ 30.00                       | \$ 25.00                |

5.10.7 Operator Service Rates

|                              | <u>Charges</u> |
|------------------------------|----------------|
| 0 + Calling Card             | \$1.75         |
| 0 + Credit Card              | \$1.75         |
| 0 - Calling Card             | \$3.45         |
| 0 - Credit Card              | \$3.45         |
| Person - Person Calling Card | \$9.95         |
| Person - Person Credit Card  | \$9.95         |
| Collect                      | \$4.95         |
| Person - Person Collect      | \$9.95         |
| Third Party                  | \$5.50         |
| Person - Person Third Party  | \$9.95         |

5.10.8 Directory Assistance Rates

\$0.75-\$1.50 per call

## 6.0 AFN PREPAID PHONE CARD SERVICES

### 6.1 Service Description

AFN Prepaid Phone Card Service provides a User with prepaid calling service for long distance calling within the State of Arizona. Prepaid Phone Card Service provides universal origination and termination from and to anywhere within the state. A call is placed by dialing an 800 number to obtain access to AFN's network. The caller is prompted by an automated voice response system to enter his/her account number, and then to enter the terminating telephone number.

The Company's processor tracks the call duration and destination for rating purposes on a real time basis, such that the cards are decremented as used in one minute increments or units. The total charge for the call, which includes applicable taxes, surcharges and set up, is deducted from the prepaid amount on the user's card.

Special features are available for use with the AFN Prepaid Phone Card. These features include speed calling capability for two-digit dialing of up to ten numbers. In addition, multiple calls can be made without re-dialing an access number or account number.

AFN Prepaid Phone Cards are available at a face value ranging from five (5) minutes to five hundred (500) minutes and can be purchased by the User at a variety of retail outlets or through other distribution channels. All prepaid calling cards are issued with a minimum of a twelve (12) months expiration date.

#### 6.1.1 Prepaid Phone Card Service

To place a long distance call using the Prepaid Phone Card the user dials the toll free 800 access number provided on the back of the card (to access the debit calling platform), enters the card identification number, and then dials the terminating phone number. The platform monitors usage and advises the user of remaining time at the final one minute and at the final thirty (30) second increments. The platform also

## 6.0 AFN PREPAID PHONE CARD SERVICES

advises the user immediately prior to exhaustion of the allotted time for the card. The user may recharge a card or by entering a valid commercial credit card number. Users may also add value to an AFN Prepaid Phone Card by arranging to charge a credit card on a regular basis.

Instructions for using the Prepaid Phone Card are detailed on the reverse side of the calling card.

### 6.2 Application of Rates

Calls processed by the Company are rated and charged in increments of one 'units'. One unit equals one minute of usage. Calls are generally rated using the rate plan designated and chosen for the particular card being utilized to place a call.

Chargeable time begins when the called party answers and a connection has been established. Chargeable time ends when either party "hangs up" thereby releasing the network connection. Calls are measured and billed in one-minute increments; fractional minutes of use are rounded up to the next full minute. Consumers using the Company's Prepaid Phone Cards will not be charged for unanswered or uncompleted calls. The Company may enter into agreements with retailers or other distributors of the Company's Prepaid Phone Cards to discount the price of cards purchased by a particular retailer or other distributor in order to induce the distributor to offer the cards to End Users. These distribution arrangements will not affect a change in the rates listed in this price list.

All rates apply to intrastate calls. Cards are available in \$5, \$10, \$20, \$30, \$50, and \$100 except as otherwise noted. An 800 number for Customer service is listed on the back of the card. All rate and Company contact information is prominently displayed at the dispenser location and is available from the Company via the 800 customer service number.

6.0 AFN PREPAID PHONE CARD SERVICES (Cont.)

6.2 Application of Rates

6.2.1 Other Taxes and Surcharges

The Customer will be charged for, and is responsible for payment of any other taxes, surcharges, fees or assessments (excluding taxes on the Company's net income) imposed on or based upon provision, sale or use of the Company's services.

The Customer agrees to pay to the Company the amount of any Surcharge which a Local Exchange Carrier or Payphone Provider may collect from or which the Company's underlying carrier(s) may impose on the Company for any services or facilities used to provide service, including but not limited to Special Access Surcharges and Switched Access Surcharges.

6.0 AFN PREPAID PHONE CARD SERVICES - (cont.)

6.3 Initial Rates and Charges

Each retail location will be clearly marked with applicable rate for the card being purchased. For call placed anywhere in the state of Arizona, the following rates apply:

6.3.1 AFN Prepaid Phone Card Service Rates

Rate Plans

Rate per minute

\$0.50 No Call Set Up Fee

\$0.35

\$0.25

Call Set Up

Per Call \$1.00 Maximum

Monthly Maintenance Fee

Per Month \$1.00 Maximum

## 7.0 PRIVATE LINE SERVICES

### 7.1 Application to Private Line Services

This section contains particular regulations, rates and charges applicable to the provision of Private Line, Longhaul and SONET Services by the Company.

### 7.2 Private Line/Longhaul Service Description

Private Line and Longhaul Services provide point to point dedicated, private line transmission channels for the Customer's exclusive use between two or more locations.

#### 7.2.1 DS-0 Service

DS-0 Service provides a digital transmission path at speeds up to and including 64 Kbps or, if provided over analog facilities, within the nominal frequency range of 300 and 3,000 Hz.

#### 7.2.2 DS-1 Service

DS-1 Service provides the Customer a high capacity channel for transmission of 1.544 Mbps.

#### 7.2.3 DS-3 Service

DS-3 Service provides the Customer a high capacity channel for transmission of 44.736 Mbps.

#### 7.2.4 OC-3

OC-3 Service provides the Customer a high capacity channel for transmission of 155.52 Mbps.

#### 7.2.5 OC-12

OC-12 Service provides the Customer a high capacity channel for transmission of 622.08 Mbps.

#### 7.2.6 OC-48

## 7.1 Private Line Services (Cont.)

OC-48 Service provides the Customer a high capacity channel for transmission of 2.4 Gbps.

## 7.3 SONET Services Description

### 7.3.1 Point-to-Point Service (PTP)

Point-to-Point Services provide facilities and a medium for transmission of Customer information (data, Video etc.) between two points at high bandwidth rates. These bandwidth rates are 155.52 Mbps (OC-3), 622.08 Mbps (OC-12) and 2.4 Gbps (OC-48). These services are provided on fiber optic facilities.

Point-to-Point via Dedicated Fiber (dedicated bandwidth); This type of service involves dedicating the fiber for the sole use of the Customer.

Point-to-Point via SONET Ring (shared bandwidth): With this type of service the facilities are not dedicated to one Customer alone, but shared among many.

### 7.3.2 Point-to-Multipoint Service (PTM)

With Point-to-Multipoint Service circuits are added or dropped along the way or at the end point. These circuits range from DS-1 and DS-3 to OCN levels. Adding and dropping of circuits is accomplished using a SONET equipment called SONET ADM. PTM services are similar to PTP services with the exception of the capability of adding and dropping circuits.

### 7.3.3 Dedicated Ring

A Dedicated Ring is a dedicated facility among multiple customer nodes with at least one node at the American Fiber Network, Inc. Hub. Dedicated Rings provide dedicated bandwidth capacity to the customer. These rings are self-healing and will survive in the event of a single failure anywhere within the system and to reconfigure itself around that point of

7.0 Private Line Services (Cont.)

failure. This ensures a near continuous flow of information between the locations that are a part of the ring.

The ring is capable of transporting bandwidth capacities of 1.55 MBPS (OC-3), 622.08 Mbps (OC-12), and 2.4 Gbps (OC-48) as well as higher rates.

7.0 PRIVATE LINE SERVICES - (cont.)

7.4 Initial Rates and Charges

7.4.1 Private Line

DS-1

Installation Charge: \$500

|                         | <u>1 Year</u><br><u>Term</u> | <u>3 Year</u><br><u>Term</u> | <u>5 Year</u><br><u>Term</u> |
|-------------------------|------------------------------|------------------------------|------------------------------|
| LSO Channel Termination | ICB                          | ICB                          | ICB                          |
| POP Channel Termination | ICB                          | ICB                          | ICB                          |
| IOC Fixed               | ICB                          | ICB                          | ICB                          |
| IOC Mileage (per mile)  | ICB                          | ICB                          | ICB                          |

DS-3

Installation Charge: \$500

|                         | <u>1 Year</u><br><u>Term</u> | <u>3 Year</u><br><u>Term</u> | <u>5 Year</u><br><u>Term</u> |
|-------------------------|------------------------------|------------------------------|------------------------------|
| LSO Channel Termination | ICB                          | ICB                          | ICB                          |
| POP Channel Termination | ICB                          | ICB                          | ICB                          |
| IOC Fixed               | ICB                          | ICB                          | ICB                          |
| IOC Mileage (per mile)  | ICB                          | ICB                          | ICB                          |

7.0 PRIVATE LINE SERVICES - (cont.)

7.4 Initial Rates and Charges - (cont.)

7.4.2 Longhaul

DS-0

Installation Charge: \$500.00

|               | <u>1 Year</u><br><u>Term</u> | <u>2 Year</u><br><u>Term</u> | <u>3 Year</u><br><u>Term</u> | <u>5 Year</u><br><u>Term</u> |
|---------------|------------------------------|------------------------------|------------------------------|------------------------------|
| Per DS-0 Mile | ICB                          | ICB                          | ICB                          | ICB                          |

DS-1

Installation Charge: \$500.00

|               | <u>1 Year</u><br><u>Term</u> | <u>2 Year</u><br><u>Term</u> | <u>3 Year</u><br><u>Term</u> | <u>5 Year</u><br><u>Term</u> |
|---------------|------------------------------|------------------------------|------------------------------|------------------------------|
| Per DS-0 Mile | ICB                          | ICB                          | ICB                          | ICB                          |

DS-3

Installation Charge: \$2000.00

|               | <u>1 Year</u><br><u>Term</u> | <u>2 Year</u><br><u>Term</u> | <u>3 Year</u><br><u>Term</u> | <u>5 Year</u><br><u>Term</u> |
|---------------|------------------------------|------------------------------|------------------------------|------------------------------|
| Per DS-0 Mile |                              |                              |                              |                              |
| 0-100K        | ICB                          | ICB                          | ICB                          | ICB                          |
| 101-200K      | ICB                          | ICB                          | ICB                          | ICB                          |
| 201-300K      | ICB                          | ICB                          | ICB                          | ICB                          |
| 301-500K      | ICB                          | ICB                          | ICB                          | ICB                          |

7.0 PRIVATE LINE SERVICES (cont.)

7.4 Initial Rates and Charges - (cont.)

7.4.2 Longhaul (cont.)

OC-3

Installation Charge: \$6000.00

|               | 1 Year<br>Term | 2 Year<br>Term | 3 Year<br>Term | 5 Year<br>Term |
|---------------|----------------|----------------|----------------|----------------|
| Per DS-0 Mile |                |                |                |                |
| 0-100K        | ICB            | ICB            | ICB            | ICB            |
| 101-200K      | ICB            | ICB            | ICB            | ICB            |
| 201-300K      | ICB            | ICB            | ICB            | ICB            |
| 301-500K      | ICB            | ICB            | ICB            | ICB            |

OC-12

Installation Charge: \$24000.00

|               | ILEC Service Territory |        |
|---------------|------------------------|--------|
|               | <u>US West</u>         |        |
| Per DS-0 Mile |                        |        |
| 0-100K        | \$0.05                 | \$0.05 |
| 101-300K      | \$0.05                 | \$0.05 |
| 301-500K      | \$0.05                 | \$0.05 |
| 501-700K      | \$0.05                 | \$0.05 |

OC-48

Pricing for OC-48 Service is on an ICB basis.

7.0 PRIVATE LINE SERVICES - (cont.)

7.4 Initial Rates and Charges - (cont.)

7.4.3 SONET

OC-3 - Point-to-Point (PTP)

Channel Terminations: 2

|             | <u>Installation</u><br><u>Charge</u> | <u>Monthly</u><br><u>Charge</u> |
|-------------|--------------------------------------|---------------------------------|
| 1 Year Term | \$10,000.00                          | \$3,963.00                      |
| 3 Year Term | \$ 3,000.00                          | \$3,642.00                      |
| 5 Year Term | \$ 1,500.00                          | \$3,237.00                      |

ILEC Service Territory  
US West

Charge Per Mile

|       |          |
|-------|----------|
| 0-15  | \$ 80.00 |
| 15-30 | \$ 87.00 |
| 30 +  | \$105.00 |

OC-3 - Point-to-Multipoint (PTM)

All terms of Point-to-Point Services apply to Point-to-Multipoint with the addition of the following:

ILEC Service Territory  
US West

Type of Service

|           |     |
|-----------|-----|
| DS-1 Port | ICB |
| DS-S Port | ICB |

7.0 PRIVATE LINE SERVICES - (cont.)

7.4 Initial Rates and Charges - (cont.)

7.4.3 SONET - (cont.)

OC-12 - Point-to-Point (PTP)

Channel Terminations: 2

|             | <u>Installation<br/>Charge</u> | <u>Monthly<br/>Charge</u> |
|-------------|--------------------------------|---------------------------|
| 1 Year Term | \$15,000.00                    | \$10,216.00               |
| 3 Year Term | \$ 5,000.00                    | \$ 9,477.00               |
| 5 Year Term | \$ 2,500.00                    | \$ 8,425.00               |

ILEC Service Territory  
US West

Mileage

Charge Per Mile

|         |          |
|---------|----------|
| 0-15    | \$232.00 |
| 15 - 30 | \$262.00 |
| 30 +    | \$320.00 |

OC-12 Point-to-Multipoint (PTM)

All terms of Point-to-Point Services apply to Point-to-Multipoint with the addition of the following:

ILEC Service Territory  
US West

Type of Service

|           |     |
|-----------|-----|
| DS-1 Port | ICB |
| DS-3 Port | ICB |
| OC-3 Port | ICB |

7.0 PRIVATE LINE SERVICES (cont.)

7.4 Initial Rates and Charges - (cont.)

7.4.3 SONET- (cont.)

OC-48 Point-to-Point (PTP)

Channel Terminations: 2

|             |               | ILEC Service Territory |                |
|-------------|---------------|------------------------|----------------|
|             |               | US West                |                |
|             |               | <u>Installation</u>    | <u>Monthly</u> |
|             | <u>Charge</u> |                        |                |
| 1 Year Term | ICB           |                        | ICB            |
| 3 Year Term | ICB           |                        | ICB            |
| 5 Year Term | ICB           |                        | ICB            |

|                 |  | ILEC Service Territory |     |
|-----------------|--|------------------------|-----|
|                 |  | <u>US West</u>         |     |
| Charge Mileage  |  |                        |     |
| Charge Per Mile |  |                        |     |
| 0-15            |  |                        | ICB |
| 15 - 30         |  |                        | ICB |
| 30 +            |  |                        | ICB |

OC-48 Point-to-Multipoint (PTM)

All terms of Point-to-Point Services apply to Point-to-Multipoint with the addition of the following:

|                 |  | ILEC Service Territory |     |
|-----------------|--|------------------------|-----|
|                 |  | <u>US West</u>         |     |
| Type of Service |  |                        |     |
| DS-1 Port       |  |                        | ICB |
| DS-3 Port       |  |                        | ICB |
| OC-3 Port       |  |                        | ICB |
| OC-12 Port      |  |                        | ICB |

7.0 PRIVATE LINE SERVICES - (cont.)

7.4 Initial Rates and Charges - (cont.)

7.4.3 SONET - (cont.)

Dedicated Ring

All Dedicated Ring Pricing is on an ICB basis.

## 8.0 SWITCHED ACCESS SERVICES

### 8.1 Application to Switched Access Services

This section contains particular regulations, rates and charges applicable to the provision of Switched Access Services by the Company.

### 8.2 Explanation of Abbreviations

|       |                                          |
|-------|------------------------------------------|
| CCS   | Common Channel Signaling                 |
| CCSAC | Common Channel Signaling Access Capacity |
| DLR   | Design Layout Report                     |
| FGD   | Feature Group D                          |
| LIDB  | Line Information Data Base               |
| PIU   | Percent Interstate Usage                 |
| SPOI  | Signaling Point of Interface             |
| SS7   | Signaling System 7                       |
| STP   | Service Transfer Point                   |
| SWC   | Serving Wire Center                      |

### 8.3 General Service Description

Switched Access Service, which is available to Customers for their use in furnishing their own services to End Users, provides a two-point electrical communications path between a Customer's premises and an End User's premises. It provides for the use of terminating, switching, transport facilities and common subscriber plant of the Company. Switched Access Service provides for the ability to originate calls from an End User's premises to an End User's premises in the LATA where it is provided.

8.0 SWITCHED ACCESS SERVICES - (cont.)

8.4 FGD Service Description

FGD Service provides a trunk-side termination through the use of end office or access tandem switch trunk equipment. Wink-start, start pulsing and answer-supervisory signaling are sent by the terminating office. Disconnect-supervisory signaling is sent from the originating or terminating office. When FGD uses SS7 out of band signaling, no signaling will be done via the message channel.

FGD Service is provided with multi-frequency address signaling or SS7 out of band signaling. Up to 12 digits of the called party number dialed by the Customer's End User using dual-tone multi-frequency or dial-pulse address signals will be provide by the Company's equipment to the Customer's premises where the Switched Access Service terminates. Such address signals will be subject to the ordinary transmission capabilities of the switched transport provided.

FGD Service, when used in the terminating direction, may be used to access valid NXX codes served by the Company's switch, community information services of an information provider, and other Customer services (by dialing appropriate codes) when such services can be reached using valid NXX codes. FGD may not be switched, in the terminating direction, to another Trunkside Switched Access Service.

8.0 SWITCHED ACCESS SERVICES - (cont.)

8.4 FGD Service Description - (cont.)

The Company will establish a trunk group or groups for the Customer at the end office switches or access tandem switches where FGD Service is provided. When required by technical limitations, a separate trunk group will be established for each type of FGD switching arrangement provided. Different types of FGD or other switching arrangements may be combined in a single group at the option of the Company.

The access code for FGD switching is a uniform access code of the form 10XXX or 10LXXX. These uniform access codes will be the assigned access numbers of all FGD access provided to the Customer by the Company. No access code is required for calls to a Customer over FGD Switched Access Service if the End User's telephone service is arranged for presubscription to that Customer.

Where no access code is required, the number dialed by the Customer's End User shall be a seven or ten-digit number for calls in the North American Numbering Plan (EANP). For international calls outside the NANP, a seven to twelve-digit number may be dialed. The form of the numbers dialed by the Customer's End User is NXX-XXXX, 0, 00, or 1 + NXX-XXX, NPA + NXX-XXX, 0, 00 or 1 + NPA + NXX-XXXX, and, when the end office is equipped for International Direct Dialing, 01 + CCNN or 011 + CC +NN.

8.0 SWITCHED ACCESS SERVICES - (cont.)

8.4 FGD Service Description - (cont.)

When the 10XXX or 101XXX access code is used, FGD switching also provides for dialing the digit 0 or 00 for access to the Customer's operator, 911 for access to emergency reporting service, or at the Customer's option, the end-of-dialing digit (#) for cut-through access to the Customer's premises.

A Customer may order 950 or FGD to activate a Customer's designated 950-XXXX access code. This will allow the Company to direct those designated 950-XXXX calls dialed by the Customer's End Users to the Customer's access service. The Customer must be prepared to handle normally dialed FGD calls, as well as calls dialed with the designated 950-XXXX access code which requires the Customer to receive additional address signaling. Such calls will be rated as FGD.

8.5 Ordering Procedures

Ordering and provisioning procedures for the Company's Switched Access Service are as set forth in this price list.

The Customer shall provide all information necessary for the Company to provide and bill for the requested service including:

- (a) Customer name and premises address(es).
- (b) Billing name and address (when different from Customer name and address).
- (c) Customer contact name(s) and telephone number(s) for the following provisioning activities: order negotiation, order confirmation, interactive design, installation and billing.

8.0 SWITCHED ACCESS SERVICES - (cont.)

8.5 Ordering Procedures - (cont.)

8.5.1 Ordering Options for Access Service

Switched Access Service is provided by the Company as trunk-side switched access with equal access capabilities compatible with industry standards for FGD Service.

8.5.1.1 Switched Access Service

When a Customer requests new or additional Switched Access Services, one or more Access Orders may be required. The number of orders required is dependent on the type of services and/or facilities being requested.

When placing an Access Order for service, the Customer shall specify, at a minimum: information for Switched Transport as described in this price list. This information is in addition to the basic Trunkside Switched Access Service arrangement information.

8.5.1.2 Trunkside Switched Access Service

For Trunkside Switched Access Service ordered in trunks, the Customer shall specify the number of trunks and the end office when Switched Transport and Local Switching options are desired. When ordering trunks to an access tandem or FGD trunks to a Customer-provided tandem, the Customer must also provide the Company an estimate of the amount of traffic it will generate to and/or from each end office subtending the access tandem or Customer-provided tandem to assist the Company in its own efforts to project further facility requirements. In addition, the Customer shall specify for terminating access, whether the trunks are to be arranged in trunk group arrangements or provided as single trunks. The

8.0 SWITCHED ACCESS SERVICES - (cont.)

8.5 Ordering Procedures - (cont.)

traffic type must also be specified using the same categories as described in this price list, to enable efficient provisioning and billing functions.

When a Customer orders Switched Access Service in trunks, the Customer is responsible to assure that sufficient access facilities have been ordered to handle its traffic.

8.5.1.3 LIDB

When the Customer orders LIDB, the Customer must specify the Originating Point Code(s) and Location Identification Code(s) that will access the Company's LIDB per access order.

8.5.1.4 FGD with SS7

When the Customer orders FGD Service with 557 out of band signaling, the Customer must specify the CCSAC Service required between the Customer's SPOI and the Company's STP location per access order.

8.5.2 Order Modifications

The Customer may request a modification of its Access Order at any time prior to notification by the Company that service is available for the Customer's use. The Company will make every effort to accommodate a requested modification when it is able to do so with the normal work force assigned to complete such an order within normal business hours.

If the modification cannot be made with the normal work force during normal business hours, the Company will notify the Customer. If the Customer still desires the Access Order modification, the Company

8.0 SWITCHED ACCESS SERVICES - (cont.)

8.5 Ordering Procedures - (cont.)

will schedule a new service date. All charges for Access Order modifications will apply on a per-occurrence basis.

8.0 SWITCHED ACCESS SERVICES -(cont.)

8.5 Ordering Procedures - (cont.)

8.5.2 Order Modifications - (cont.)

Any increase in the number of Switched Access Service facilities or trunks will be treated as a new Access Order (for the increased amount only).

8.5.2.1 Design Change

The Customer may request a design change to the service ordered. A design change is any change to an Access Order which requires engineering review. An engineering review is a review by Company personnel of the service ordered and the requested changes to determine what change in the design, if any, is necessary to meet the changes requested by the Customer. Design changes include such things as a change of End User premises within the same serving wire center, the addition or deletion of optional features, functions, or a change in the type of Transport Termination (Switched Access only), type of channel interface, type of Interface Group or technical specification package.

Design changes do not include a change of Customer premises, End User premises to a different serving wire center or end office switch. Changes of this nature will require the issuance of a new order and the cancellation of the original order with appropriate cancellation charges applied.

8.0 SWITCHED ACCESS SERVICES - (cont.)

8.5 Ordering Procedures - (cont.)

8.5.2 Order Modifications - (cont.)

8.5.2.1 Design Change - (cont.)

The Company will review the requested change, notify the Customer whether the change is a design change, if it can be accommodated and if a new service date is required. If the Customer authorizes the Company to proceed with the design change, a Design Change Charge will apply.

A Design Change Charge will apply, on a per order, per occurrence basis. This charge will also apply to change an incorrect address as long as the new address is in the same wire center as the incorrect address and the change is made prior to the issuance of the Design Layout Report (DLR). If a change of service date is required, the Service Date Change Charge will apply. If the change of End User premises within the same serving wire center is requested, Expedited Order Charges may also apply.

8.5.2.2 Service Date Change

Access Order service dates for the installation of new services or rearrangements of existing services may be changed. A Service Date Change Charge will apply, on a per order per occurrence basis, for each service date changed, pursuant to this price list. A new service date may be established that is prior to the original Standard or Negotiated Interval service date if the Company determines it can accommodate the Customer's request without delaying service dates for orders of other Customers.

If the service date is changed to an earlier

8.0 SWITCHED ACCESS SERVICES - (cont.)

8.5 Ordering Procedures - (cont.)

8.5.2 Order Modifications - (cont.)

date, the Customer will be notified by the Company that Expedited Order Charges as set forth in this price list will apply. Such charges will apply in addition to the Service Date Change Charge.

8.5.2.2 Service Date Change - (cont.)

When, for any reason the Customer indicates that service cannot be accepted on the service date, and the Company accordingly delays the start of service, a Service Date Change Charge will apply. If the Customer requested service date is more than 120 calendar days after the original service date, the order will be canceled by the Company and reissued with the appropriate cancellation charges applied.

8.5.2.3 Expedited Orders

A Customer may:

- a) when placing an Access Order for service(s), request a service date that is prior to the assigned service date.
- b) request an earlier service date on a pending or negotiated Access Order, and
- c) request a change of End User premises within the same serving wire center.

If the Customer requests an earlier service date and/or a change of End User premises within the same serving wire center, and the Company agrees to provide the service on an expedited basis, an Expedited Order Charge will apply.

When an expedited service date is missed, the Expedited Order Charge will apply unless the missed service date is caused by the Company.

If costs other than additional labor are to be incurred when an Access Order is expedited, the Company will develop, determine and bill the Customer for the additional costs.

#### 8.6 Presubscription

Presubscription is a procedure whereby an End User or location provider may select and designate to the Company an interexchange carrier(s) to access, without dialing an access code for calls leaving the local service area of the Company. The interexchange carriers are referred to as the End User's or location provider's primary interexchange carrier. The End User or location provider will be allowed to select a primary interexchange carrier for intraLATA calls and a primary interexchange carrier for interLATA calls.

Should a caller wish to use the services of an interexchange carrier other than the primary interexchange carrier, it is necessary for the caller to dial the necessary access code(s) to reach that interexchange carrier's services.

8.0 SWITCHED ACCESS SERVICES - (cont.)

8.6 Presubscription - (cont.)

8.6.1 Application of Charges on Presubscription

(a) End users or location providers placing orders for service will be asked to select a primary interexchange carrier at the time they place an order with the Company for Local Exchange Service. There will be no charge for this selection.

(b) End users or location providers that choose to change their primary interexchange carrier within one month of the effective date of their new service will not be charged for the change.

(c) Subsequent to a one-month period following installation of Local Exchange Service, for any change in selection, including a change from one access code to another access code for the same interexchange carrier, a nonrecurring charge applies. The nonrecurring charge for a primary interexchange carrier (PIC) change is billed to the End User who is the subscriber to the Local Exchange Service. However, an interexchange carrier may, at its option, may elect to pay the charge for any End User and/or location provider at any time. The nonrecurring charge for a PIC change is set forth in this price list.

8.6.2 Dispute Application for Presubscription

If the End User or location provider disputes a PIC change, the Company will investigate the origin of the change and shall restore the End User or location provider to their previous PIC. If the change was due to Company error, the End User or location provider will be returned to their previous primary interexchange carrier free of charge. If the change was submitted by an interexchange carrier, and the interexchange carrier is unable to produce the signed End User or location provider Letter of Authorization (LOA), the nonrecurring charges will be assessed to

8.0 SWITCHED ACCESS SERVICES-(cont.)

8.6 Presubscription - (cont.)

8.6.2 Dispute Application for Presubscription -  
(cont.)

the unauthorized interexchange carrier.

If there is a conflict between an End User, a location provider, or their respective agent, on the one hand, and an interexchange carrier on the other hand, over the designation of the primary interexchange carrier, the Company will honor the designation selected by the End User, location provider or their respective agent, regardless of any contractual obligations the End User, location provider or agent may have with one or more interexchange carriers.

If there is a conflict between an End User and/or location provider, on the one hand, and their agent on the other hand, over the designation of the primary interexchange carrier, the Company will honor the designation selected by the End User and/or location provider, regardless of any contractual obligations the End User and/or location provider may have with one or more interexchange carriers or agents.

The nonrecurring charge for an Unauthorized PIC change is set forth in this price list.

8.6.3 Cancellation of Interexchange Participation for Presubscription

If an interexchange carrier elects to discontinue all of its FGD service in the end office, the interexchange carrier is obligated to do the following:

(a) Notify the Company of the cancellation of their FOD service; and

(b) Contact all End Users or location providers that

8.0 SWITCHED ACCESS SERVICES - (cont.)

8.6 Presubscription - (cont.)

8.6.3 Cancellation of Interexchange Participation for Presubscription - (cont.)

are presubscribed to the canceling interexchange carrier as their primary interexchange carrier. Inform these End Users or location providers of the

cancellation and request the End Users or location providers to contact the Company to select a new primary interexchange carrier.

The Company will bill the canceling interexchange carrier the service order charge for each End User and location provider the interexchange carrier has predesignated to it. Such charge will not apply to the canceling interexchange carrier where the canceling interexchange carrier transfers or assigns its FGD services and the associated 10XXX or 101XXX code to another interexchange carrier in such manner that the Company does not change End User or location provider records or End User and/or location provider PIC designation, or if another interexchange carrier elects to pay the service order charge on behalf of the canceling interexchange carrier.

8.6.4 Interexchange Carrier Initiated Conversions for Presubscription

When an interexchange carrier requests that their End User and/or location provider be changed from one access code to another access code on a mass conversion basis, e.g., an interexchange carrier using two or more PIC designations or an interexchange carrier assuming ownership of another interexchange carrier's End Users and/or location providers etc., charges as set forth in this price list shall apply.

8.0 SWITCHED ACCESS SERVICES - (cont.)

8.7 Billing and Jurisdictional Reporting Requirements

The following requirements are in addition to the terms and conditions contained in the general regulations section of this price list.

8.7.1 Obligations of the Customer

The Customer must indicate a projected Percent of Interstate Use (PIU) factor in a whole number (i.e., 1-100) when ordering Switched Access Service. A Customer provided PIU factor is required on each Access Service Request (ASR).

Where jurisdiction can be determined from the call detail, the Company will develop a projected PIU factor from the call detail which will be used to bill the Customer. Where call detail is insufficient to determine the jurisdiction, the Customer will provide a Jurisdictional Report indicating the projected PIU factor. The Company will use the Jurisdictional Report to bill all interstate and intrastate rates and/or nonrecurring charges until the Company receives a revised report from the Customer.

8.7.1.1 Reporting Terminating FGD Service

For terminating access minutes on FGD, the Customer has the following options:

- (1) allow the Company to develop the projected PIU factor; or
- (2) provide the Company with a projected PIU factor.

Upon ordering terminating FGD Service, the Company will develop the projected PIU factor until the Company receives a letter from the Customer (by certified U.S. Mail return receipt requested) authorizing the Company to develop the projected PIU factor from a Customer-provided report.

8.0 SWITCHED ACCESS SERVICES - (cont.)

8.7 Billing and Jurisdictional Reporting Requirements -  
(cont.)

8.7.1 Obligations of the Customer - (cont.)

8.7.1.1 Reporting Terminating FGD Service -  
(cont.)

Customers who choose to provide a projected PIU factor for terminating FGD access minutes shall supply a percentage in whole number (i.e., a number 0-100). The Company will designate the number obtained by subtracting the projected terminating interstate percentage from 100 as the projected terminating intrastate percentage of use. The projected PIU factor supplied by the Customer is used by the Company to apportion the terminating usage between interstate and intrastate until a revised report is received.

The Customer-provided PIU factor will be used until the Customer reports a different projected PIU factor. No prorating or back billing will be done based on the Jurisdictional Report.

8.7.1.2 Failure to Report

When the quarterly reports are not supplied by the Customer, the Company will follow the procedures set out in paragraphs (a)-(c).

a) If the Customer does not supply the reports, the Company will assume the PIU factors to be the same as those provided in the last report. For those cases in which a quarterly report has never been received from the Customer, the Company will assume the PIU factors to be the same as those provided in the order for service.

b) Upon receipt of the Customer's work papers and summary, the Company will begin using the PIU

8.0 SWITCHED ACCESS SERVICES - (cont.)

factors derived from the work papers and summary

with the next billing period and will review the work papers and summary submitted within thirty (30) days from receipt of the information.

c) If after review of the information, it is determined that a billing dispute exists, the Company will continue to use the derived PIU factor and begin audit procedures.

## 8.0 SWITCHED ACCESS SERVICES - (cont.)

### 8.8 Rates

#### 8.8.1 Application of Rates

The rates associated with Carrier Common Line Service, Switched Transport Service and Local Switching Service are applied to all access minutes of use that originate and terminate at the Company's local switch.

#### 8.8.2 Rate Categories

Following is a description of the rate categories for the facilities required to provide Switched Access Services to the Customer.

##### 8.8.2.1 Carrier Common Line Service

Carrier Common Line Service provides for the use of the Company's common lines by Customers for access to End Users to furnish intrastate telecommunications service.

##### 8.8.2.2 Switched Transport Service

Switched Transport Service provides the transmission facilities between the Customer's premises and the end office switch(es) where the Customer's traffic is switched to originate or terminate its communications.

8.0 SWITCHED ACCESS SERVICES - (cont.)

8.8 Rates - (cont.)

8.8.2 Rate Categories (cont.)

8.8.2.3 Local Switching Service

Local Switching Service provides a switch path from the Company's local subscribers to its local switches.

8.8.2.4 Universal Service Fund

The Universal Service Fund rate will be applied to all intrastate switched access minutes of use.

8.8.3 Rating and Billing of Transport Where More Than One Company is Involved.

Switched Access Service to a Customer may involve more than one Company for the provision of transport service. Each Company will provide its portion of transport to the interconnection point with the next Company. The mileage used to calculate charges for the Company's Transport Service will be based the Company's percentage of network facilities used to provide the service. Other companies involved with the transport service may bill according to their own tariffs or price lists.

8.8.4 Carrier Common Line Service Rates

|                                | Rate Per<br><u>Access Minute</u> |
|--------------------------------|----------------------------------|
| Terminating, per access minute | US West                          |
| Originating, per access minute | ICB                              |
|                                | ICB                              |

8.8.5 Switched Transport Service Rates

|                    | Rate Per Access Minute |            |
|--------------------|------------------------|------------|
|                    | US West                |            |
| <u>Mile</u>        | <u>Fixed</u>           | <u>Per</u> |
| Switched Transport | ICB                    | ICB        |

8.8.6 Local Switching Service Rates

|                                  | Rate Per Access Minute |         |
|----------------------------------|------------------------|---------|
|                                  | US West                |         |
|                                  |                        |         |
| Local Switching                  |                        | ICB     |
| 8.8.7 Service Date Change Charge |                        | US West |

|           |                             |          |
|-----------|-----------------------------|----------|
| Per Order | <u>Non-Recurring Charge</u> | \$100.00 |
|-----------|-----------------------------|----------|

|                            |                             |          |
|----------------------------|-----------------------------|----------|
| 8.8.8 Design Change Charge |                             |          |
| Per Order                  | <u>Non-Recurring Charge</u> | \$100.00 |

|                              |                             |          |
|------------------------------|-----------------------------|----------|
| 8.8.9 Expedited Order Charge |                             |          |
| Per Order                    | <u>Non-Recurring Charge</u> | \$100.00 |

8.8.10 Presubscription Rates and Charges

| <u>Recurring Charge</u>                      | <u>Non-</u> |
|----------------------------------------------|-------------|
| PIC Change, per line                         | \$10.00     |
| Unauthorized PIC Change, per line            | \$20.00     |
| Interexchange Initiated Conversion, per line | \$10.00     |

## 9.0 DATA SERVICES

### 9.1 Application to Data Services

This section contains particular regulations, rates and charges applicable to the provision of AFN Data Services including Frame Relay, Transparent LAN Service and Asynchronous Transfer Mode (ATM).

### 9.2 Frame Relay Service

AFN's Frame Relay product offers an alternative to traditional point-to-point networks for WAN connectivity. Frame Relay service provides multi-point, wide-area connectivity using frame relay packet technology that reduces the connection costs of distributed data networks. This service allows bridges, routers, frame relay access devices and other equipment to connect multiple sites.

The components of AFN's Frame Relay service for each customer location/site are the connection between the customer's premise and AFN's nearest point-of-presence at a pre-specified speed, an assigned port on AFN's frame relay switch, and use of AFN's frame relay network all the way to the destination point. Frame Relay offers a choice of interface speeds, which can be different for multiple locations. They range from 56K to 1.536 Mbps.

### 9.3 Transparent LAN Service (TSL)

Transparent LAN (TSL) is a service that connects two or more customer locations at very high speed, typically 10 Mbps to 100 Mbps. TSL service is a full service data connection. Included in the TSL service is point-to-point connectivity, installed customer premise equipment, and the monitoring of the customer's network to ensure connectivity.

TSL allow the Customer to create wide-area networks (WAN) by connecting their campus LAN to a native LAN interface from a public network service provider.

9.0 DATA SERVICES - (cont.)

9.4 Asynchronous Transfer Mode (ATM)

Asynchronous Transfer Mode (ATM) is a high speed service for the delivery of data, voice and video. ATM allows the Customer to connect multiple sites together in a network with a single physical connection at each location, through the use of ATM virtual circuits. Each virtual circuit can provide the unique Quality of Service (QOS) for the applications.

ATM delivers data in 53 byte cells similar to data transport via packets such as frame relay. ATM cell size of 53 bytes is constant and is ideal for mixing services with different characteristics onto a single facility.

9.0 DATA SERVICES (cont.)

9.5 Initial Rates and Charges

9.5.1 Frame Relay Port

Reserved for future use.

9.0 DATA SERVICES (cont.)

9.5 Initial Rates and Charges - (cont.)

9.5.2 Transparent LAN Service Port (TLS)

TLS Port Pricing

Reserved for future usage.

9.0 DATA SBRVICBS - (cont.)

9.5 Initial Rates and Charges - (cont.)

9.5.3 Asynchronous Transfer Mode (ATM) Port

Reserved for Future Usage

9.0 DATA SERVICES - (cont.)

9.5 Initial Rates and Charges - (cont.)

9.5.4. Permanent Virtual Circuits (PVC)

Reserved for Future Usage

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|---------------------------------|----------------------|
| <b>INCOME/EXPENSE</b>           |                      |
| <b>INCOME</b>                   |                      |
| 40000-SALE OF OFFICE FURN/EQUIP | 375.00               |
| 40001-REFUND OFFICE FURN.       | 91.26                |
| 40005-ASI COMMISSION            | 16,488.90            |
| 40999-EARNED INTEREST           | 616.52               |
| 41000-LOAN FROM AMERICAN FIBER  | 626.35               |
| 41008-GTE BRANSON               | 364.41               |
| 41009-ONE PLUS/BRANSON          | 39,486.25            |
| 41010-ONE PLUS REGULAR          | 68,252.49            |
| 41015-DEBIT CARD REC.           | 35,829.00            |
| 41025-OCH ONE PLUS              | 1,086,379.34         |
| 41041-LOAN FROM TELTRUST        | 25,000.00            |
| 41043-TETON                     | 1,489.14             |
| 41070-PHOENIX COMMISSION        | 5,996.57             |
| 41080-HI-RIM COMMISSION         | 1,247.42             |
| 42010-QCOMWEEKLY                | 322,705.21           |
| 42011-QCC ONE PLUS COMS         | 790.38               |
| 42020-QCC TAIL PAYMENT          | 41,396.02            |
| 42046-TELT 4400 TAIL            | 7,682.00             |
| 42047-AFNLPD/TELT TAIL          | 1,033.85             |
| 42048-TELT LDDS                 | 53,763.38            |
| 42050-TELTRUST COMMISSION       | 220,871.07           |
| 42051-TELECOM                   | 11.64                |
| 42060-TELTRUST FRONT MONEY      | 29,480.00            |
| 42065-TMC COMMISSION            | 403,249.44           |
| 42075-TWC COMMISSION            | 2,158.96             |
| 43040-REFUNDS                   | 18.02                |
| 43041-REFUND/INSURANCE          | 107.00               |
| Income - Other                  | 20,000.00            |
| <b>TOTAL INCOME</b>             | <b>2,385,509.62</b>  |
| <b>EXPENSES</b>                 |                      |
| 12020-FURNITURE AND EQUIP.      | 23,014.48            |
| 220520-AUTOMOBILE PAYMENT       | 10,573.74            |
| 220521-AUTO PMT/THORNBRUGH      | 3,601.03             |
| 220525-AUTO LEASE (TOYOTA)      | 768.22               |
| 220530-COPIER LEASE             | 1,887.85             |
| 50010-ACCOUNTANT FEES           | 7,680.00             |
| 50030-ANS SERV/VOICE MAIL       | 768.80               |
| 50040-ATTORNEY FEES             | 5,473.73             |
| 50060-AUTO LICENSE              | 864.78               |
| 50061-DRIVE-OUT COST            | 1,053.47             |
| 50065-AUTO REPAIRS              | 2,827.98             |
| 50067-BANK CHARGES              | 506.28               |
| 50068-BILLING FEES              | 1,092.40             |
| 51010-AFN COMMISSION            | 342,475.18           |
| 51011-BRANSON COMMISSION        | 13,679.26            |
| 51020-QCC/LDDS COMMISSION       | 15,370.74            |
| 51024-OAKWOOD COM               | 373,724.34           |
| 51030-PHOENIX COMMISSION        | 6,301.54             |

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| Category Description            | 1/ 1/97-<br>12/31/97 |
|---------------------------------|----------------------|
| 51039-HOTEL FRONT MONEY         | 1,000.00             |
| 51040-TELTRUST FRONT MONEY      | 5,460.00             |
| 51041-TELTRUST ONE PLUS         | 126.07               |
| 51050-TWC COMMISSION            | 3,094.98             |
| 51054-LCI                       | 55.00                |
| 51060-TMC COMMISSION            | 340,147.73           |
| 52009-COMP SW/C-CAN             | 450.00               |
| 52010-COMPUTER SOFTWARE         | 1,797.82             |
| 52020-CONT. ED./SEMINAR         | 438.00               |
| 52025-CONTRIBUTION              | 175.00               |
| 52027-CUSTOMER SERVICE EXP      | 2,500.00             |
| 52030-DATA PROC./PROGRAMMING    | 52,602.00            |
| 52031-DEBIT CARDS               | 21,701.76            |
| 52032-DONATIONS                 | 200.00               |
| 52040-EQUIP INSTALL/REPAIR      | 23,719.54            |
| 52043-EXP REIMB/C-CAN           | 3,000.00             |
| 52044-EXPENSE REIMBURSEMENT     | 2,000.00             |
| 52046-EQUIP MAINT. AGREEMENT    | 1,093.94             |
| 52047-FARM BUSINESS LOSS        | 10,666.67            |
| 52050-FRANCHISE TAX             | 1,122.80             |
| 52055-FRANCHISE TAX AGENT       | 50.00                |
| 52060-AUTO INSURANCE            | 2,389.00             |
| 52065-LIFE INSURANCE            | 3,900.00             |
| 52070-WORKERS COMP. INS.        | 849.00               |
| 52075-HEALTH INS/DOUG BETHELL   | 2,763.06             |
| 52078-HEALTH INS/DEANNA FANKHAU | 1,814.38             |
| 52080-HEALTH INS/JOYCE HUBBARD  | 2,908.06             |
| 52081-HEALTH INS/DELISA MCKEE   | 622.04               |
| 52083-HEALTH INS/JEFF KRUMME    | 1,390.62             |
| 52095-HEALTH INS/PROCESS FEE    | 300.00               |
| 52099-INTERNET SERVICE          | 97.75                |
| 53020-LDDS/REPAY ADVANCE        | 2,560.52             |
| 53040-MARKETING/MKT RESEARCH    | 539.00               |
| 53058-ONE PLUS COST             | 473,733.42           |
| 53060-OFFICE RENT               | 24,254.27            |
| 53061-RENT/BRANSON OFFICE       | 1,100.00             |
| 53062-RENT                      | 2,351.19             |
| 53070-OFFICE SUPPLIES           | 8,876.83             |
| 53080-OFFICE EQUIP/SERVICE      | 1,361.38             |
| 53082-POSTAGE/MAIL              | 3,735.08             |
| 53090-PRINTING                  | 436.92               |
| 53095-CUSTOMER RELATIONS        | 32.01                |
| 54005-REFUND                    | 219.24               |
| 54020-SHIPPING                  | 1,045.02             |
| 54031-SWIPE EQUIP/C-CAN         | 959.14               |
| 54040-TELEPHONE/CELLULAR        | 6,452.42             |
| 54042-CELL PHONE OFFICE         | 846.87               |
| 54043-CELL PHONE THORNBRUGH     | 46.31                |
| 54045-TELEPHONE/LONG DIST.      | 386.18               |
| 54050-TELEPHONE/LEC             | 8,361.05             |
| 54051-LEC/KARL THORNBRUGH       | 38.77                |
| 54052-LEC/BRANSON               | 2,081.38             |

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| Category Description            | 1/ 1/97-<br>12/31/97 |
|---------------------------------|----------------------|
| 54053-HOTEL (LINE) FEES         | 9,143.45             |
| 54055-TELEPHONE/PAGER           | 1,006.89             |
| 54060-TRANSFER TO AMERICAN FIBE | 14.35                |
| 54070-TRANSPORTATION            | 21,429.68            |
| 54075-LODGING                   | 13,904.76            |
| 54080-MEALS                     | 15,176.06            |
| 54090-ENTERTAINMENT             | 1,279.01             |
| 54093-EXP PD BY OUTSIDE SOURCE  | -9,093.48            |
| 54094-CC ANNUAL FEE             | 45.00                |
| 54095-OTHER EXP/TRAVEL          | 11,816.65            |
| 54096-KARL/OTHER EXP.           | 2,237.73             |
| 54097-SERVICE CHARGE            | 940.51               |
| 54098-FINANCE CHARGE            | 1,335.74             |
| 54099-CASH ADVANCE              | 11,030.23            |
| 55010-PAYROLL/SALARIES          | 83,382.64            |
| 55012-CAR ALLOWANCE             | 17,000.00            |
| 55020-FEDERAL TAX DEP.          | 28,032.03            |
| 55021-LATE CHGS/FED TX          | 811.41               |
| 55030-KS EMPLOYMENT TAX         | 4,318.40             |
| 55050-FUTA                      | 179.60               |
| 55075-PROPERTY TAX/COUNTY       | 318.38               |
| 55076-SALES TAX                 | 36.26                |
| 55077-TAXES/ONE PLUS            | 29,297.24            |
| 55099-STOP PAYMENT ON DEPOSIT   | 22.64                |
| ADVANCE DCB-ADVANCE DCB         | 209,271.00           |
| Expenses - Other                | 8,500.13             |
| <b>TOTAL EXPENSES</b>           | <b>2,300,952.35</b>  |
| <b>TOTAL INCOME/EXPENSE</b>     | <b>84,557.27</b>     |

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| Acct                                  | 12/31/97<br>Balance |
|---------------------------------------|---------------------|
| <b>ASSETS</b>                         |                     |
| Cash and Bank Accounts                |                     |
| BROTHERHOOD CK-46745601               | 57,241.39           |
| UMB CHECK-2170754071 CLSD 11/97       | 0.00                |
| Total Cash and Bank Accounts          | 57,241.39           |
| <b>TOTAL ASSETS</b>                   | <u>57,241.39</u>    |
| <b>LIABILITIES &amp; EQUITY</b>       |                     |
| <b>LIABILITIES</b>                    |                     |
| Credit Cards                          |                     |
| ADVANTIA-5477/5374/0390/0008          | 2,197.73            |
| GE CORPORATE-GE CORP CC               | 3,329.36            |
| Total Credit Cards                    | 5,527.09            |
| <b>TOTAL LIABILITIES</b>              | <u>5,527.09</u>     |
| <b>EQUITY</b>                         | <u>51,714.30</u>    |
| <b>TOTAL LIABILITIES &amp; EQUITY</b> | <u>57,241.39</u>    |

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|---------------------------------|----------------------|
| <b>INCOME/EXPENSE</b>           |                      |
| <b>INCOME</b>                   |                      |
| 40000-SALE OF OFFICE FURN/EQUIP | 50.00                |
| 40999-EARNED INTEREST           | 164.96               |
| 41007-RHS COMMISSION            | 40,033.50            |
| 41009-ONE PLUS/BRANSON          | 130,681.85           |
| 41010-ONE PLUS REGULAR          | 78,121.96            |
| 41015-DEBIT CARD REC.           | 8,056.15             |
| 41023-OAKWOOD CC COLLECTION     | 1,189.27             |
| 41024-OAKWOOD CREDIT CD DEP     | 10,766.66            |
| 41025-OCH ONE PLUS              | 1,631,167.29         |
| 41080-HI-RIM COMMISSION         | 2,068.23             |
| 42011-QCC ONE PLUS COMS         | 244.55               |
| 42038-TELT SUSPENSE             | 5.97                 |
| 42039-TELT 4403 TAIL            | 212.10               |
| 42040-TELT 4400 WKLY            | 578,043.40           |
| 42041-TELT 4401 WKLY            | 11,167.75            |
| 42042-TELT 4402 WKLY            | 6,860.74             |
| 42043-TELT 4403 WKLY            | 6,984.97             |
| 42044-TELT 4401 TAIL            | 2,970.03             |
| 42045-TELT 4402 TAIL            | 7,981.84             |
| 42046-TELT 4400 TAIL            | 36,043.40            |
| 42048-TELT LDDS                 | 7,639.80             |
| 42050-TELTRUST COMMISSION       | 7,361.70             |
| 42051-TELECOM                   | 10.67                |
| 42060-TELTRUST FRONT MONEY      | 41,940.00            |
| 42061-ILD COMMISSION            | 114,381.18           |
| 42065-TMC COMMISSION            | 50,754.48            |
| 43040-REFUNDS                   | 17.00                |
| 43044-RENT                      | 1,850.00             |
| 45000-TRANS FROM OAKWOOD        | 39,000.00            |
| 45550-BANKCARD/VISA MC          | 44,457.76            |
| 45570-NOVUS DISCOVER            | 1,102.18             |
| 45580-AMERICAN EXPRESS          | 30,031.06            |
| Income - Other                  | 640.08               |
| <b>TOTAL INCOME</b>             | <b>2,892,000.53</b>  |
| <b>EXPENSES</b>                 |                      |
| 12020-FURNITURE AND EQUIP.      | 3,463.39             |
| 220525-AUTO LEASE (TOYOTA)      | 4,609.32             |
| 220526-TOYOTA LEASE/SUPRA       | 10,047.54            |
| 220527-AUTO LEASE/LAND CRUISER  | 3,211.36             |
| 220530-COPIER LEASE             | 4,562.39             |
| 50010-ACCOUNTANT FEES           | 10,873.00            |
| 50030-ANS SERV/VOICE MAIL       | 1,250.72             |
| 50040-ATTORNEY FEES             | 2,841.50             |
| 50060-AUTO LICENSE              | 1,794.62             |
| 50065-AUTO REPAIRS              | 1,341.44             |
| 50066-BOAT REPAIR               | 2,617.10             |
| 50067-BANK CHARGES              | 1,192.46             |
| 50070-BLOCKS/PIC CHARGES        | 330.43               |

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| Category Description            | 1/ 1/98-<br>12/31/98 |
|---------------------------------|----------------------|
| 51006-C-CAN FL COMS             | 2,056.58             |
| 51010-AFN COMMISSION            | 227,284.33           |
| 51011-BRANSON COMMISSION        | 89,702.92            |
| 51020-QCC/LDDS COMMISSION       | 162.63               |
| 51024-OAKWOOD COM               | 541,350.96           |
| 51025-PAYPHONE COMMISSION       | 3,839.67             |
| 51035-RHS-AT&T COMMS            | 6,667.25             |
| 51040-TELTRUST FRONT MONEY      | 4,140.00             |
| 51060-TMC COMMISSION            | 46,076.97            |
| 51090-C-LEC                     | 500.00               |
| 52007-CREDIT CARD CHARGES       | 376.68               |
| 52008-COMPUTER PROGRAMMING      | 891.74               |
| 52010-COMPUTER SOFTWARE         | 4,419.06             |
| 52015-CONSTRUCTION/REMODEL      | 2,691.93             |
| 52020-CONT. ED./SEMINAR         | 657.00               |
| 52025-CONTRIBUTION              | 20.00                |
| 52030-DATA PROC./PROGRAMMING    | 82,647.22            |
| 52031-DEBIT CARDS               | 8,349.69             |
| 52032-DONATIONS                 | 280.00               |
| 52035-DUES/SUBSCRIPTIONS        | 950.00               |
| 52037-ENTERTAINMENT             | 1,051.62             |
| 52040-EQUIP INSTALL/REPAIR      | 25,471.91            |
| 52043-EXP REIMB/C-CAN           | 14,132.10            |
| 52044-EXPENSE REIMBURSEMENT     | 120,616.00           |
| 52045-EQUIP RENTAL              | 2,605.18             |
| 52046-EQUIP MAINT. AGREEMENT    | 121.84               |
| 52047-FARM BUSINESS LOSS        | 10,666.67            |
| 52050-FRANCHISE TAX             | 263.02               |
| 52055-FRANCHISE TAX AGENT       | 50.00                |
| 52060-AUTO INSURANCE            | 5,286.00             |
| 52065-LIFE INSURANCE            | 5,475.00             |
| 52067-LINE OF CR FEE            | 10,000.00            |
| 52070-WORKERS COMP. INS.        | 497.00               |
| 52075-HEALTH INS/DOUG BETHELL   | 2,557.44             |
| 52078-HEALTH INS/DEANNA FANKHAU | 1,906.15             |
| 52080-HEALTH INS/JOYCE HUBBARD  | 2,976.14             |
| 52083-HEALTH INS/JEFF KRUMME    | 5,330.79             |
| 52089-HEALTH INS/KIM LEWIS      | 2,303.53             |
| 52095-HEALTH INS/PROCESS FEE    | 275.00               |
| 52099-INTERNET SERVICE          | 1,577.68             |
| 53030-LOAN                      | 175.00               |
| 53033-MEDICAL EXP.              | 13,481.82            |
| 53040-MARKETING/MKT RESEARCH    | 228.27               |
| 53057-BRANSON ONE PLUS          | 81,141.12            |
| 53058-ONE PLUS COST             | 963,858.57           |
| 53059-1+ REIMBURSEMENT          | 1,620.21             |
| 53060-OFFICE RENT               | 27,724.60            |
| 53062-RENT                      | 3,600.00             |
| 53070-OFFICE SUPPLIES           | 10,438.72            |
| 53071-OFFICE SUP/C-CAN          | 730.16               |
| 53080-OFFICE EQUIP/SERVICE      | 2,547.24             |
| 53081-PIC FEE REIMBURSEMENT     | 90.00                |

PROFIT & LOSS STATEMENT  
1/ 1/98 Through 12/31/98

All Accounts  
11/ 2/99

| Category Description         | 1/ 1/98-<br>12/31/98 |
|------------------------------|----------------------|
| 53082-POSTAGE/MAIL           | 5,866.45             |
| 53083-PIC FEES               | 349.68               |
| 53090-PRINTING               | 3,647.76             |
| 54019-SECURITY FEES          | 150.00               |
| 54020-SHIPPING               | 2,908.00             |
| 54031-SWIPE EQUIP/C-CAN      | 4,643.55             |
| 54040-TELEPHONE/CELLULAR     | 8,103.37             |
| 54041-TELEPHONE CALLING CARD | 196.83               |
| 54042-CELL PHONE OFFICE      | 861.48               |
| 54045-TELEPHONE/LONG DIST.   | 127.97               |
| 54050-TELEPHONE/LEC          | 13,600.37            |
| 54052-LEC/BRANSON            | 1,476.69             |
| 54053-HOTEL (LINE) FEES      | 19,402.11            |
| 54055-TELEPHONE/PAGER        | 3,313.30             |
| 54061-TARIFF FEES            | 2,000.00             |
| 54070-TRANSPORTATION         | 25,287.54            |
| 54075-LODGING                | 11,001.24            |
| 54080-MEALS                  | 35,273.48            |
| 54090-ENTERTAINMENT          | 6,047.83             |
| 54094-CC ANNUAL FEE          | 40.00                |
| 54095-OTHER EXP/TRAVEL       | 7,406.23             |
| 54097-SERVICE CHARGE         | 634.49               |
| 54098-FINANCE CHARGE         | 3,211.28             |
| 54099-CASH ADVANCE           | 8,073.50             |
| 55010-PAYROLL/SALARIES       | 128,796.67           |
| 55011-CONTRACT LABOR (TEMP)  | 5,550.00             |
| 55012-CAR ALLOWANCE          | 18,100.00            |
| 55020-FEDERAL TAX DEP.       | 41,229.82            |
| 55030-KS EMPLOYMENT TAX      | 5,014.28             |
| 55050-FUTA                   | 366.80               |
| 55074-ROYALTIES              | 10,000.00            |
| 55075-PROPERTY TAX/COUNTY    | 1,973.04             |
| 55080-TRANS OCH TO AFN       | 39,000.00            |
| 57060-BANKCARD/VISA MC       | 1,253.54             |
| 57070-NOV/DISC CHARGES       | 74.47                |
| 57090-DUPLICATE CHARGES      | 3,065.42             |
| Expenses - Other             | 15,000.00            |
| <b>TOTAL EXPENSES</b>        | <b>2,823,045.87</b>  |
| <b>TOTAL INCOME/EXPENSE</b>  | <b>68,954.66</b>     |

BALANCE SHEET  
As of 12/31/98

All Accounts  
11/ 2/99

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| Acct                                  | 12/31/98<br>Balance |
|---------------------------------------|---------------------|
| <b>ASSETS</b>                         |                     |
| Cash and Bank Accounts                |                     |
| BROTHERHOOD CK-46745601               | -34,679.18          |
| OCH AT BROTHER-46745602               | 32,197.57           |
| UMB CHECK-2170754071 CLSD 11/97       | 0.00                |
|                                       | <hr/>               |
| Total Cash and Bank Accounts          | -2,481.61           |
| <br>Assets                            |                     |
| 6000-FIXED ASSETS                     | 26,316.84           |
| 6001-ACCUM DEPR                       | -2,347.00           |
| 6002-LOAN TO SH                       | 137,771.00          |
|                                       | <hr/>               |
| Total Assets                          | 161,740.84          |
|                                       | <hr/>               |
| <b>TOTAL ASSETS</b>                   | <b>159,259.23</b>   |
|                                       | <hr/> <hr/>         |
| <b>LIABILITIES &amp; EQUITY</b>       |                     |
| <b>LIABILITIES</b>                    |                     |
| Credit Cards                          |                     |
| ADVANTA-5477/5374/0390/0008           | 2,240.21            |
| GE CORPORATE-GE CORP CC               | 3,468.06            |
|                                       | <hr/>               |
| Total Credit Cards                    | 5,708.27            |
| <br>Liabilities                       |                     |
| 7000-LOAN TO AMFIBER                  | 95,626.00           |
| 7001-LOAN FROM TEQUA                  | 125,000.00          |
| 7002-NP THORNBRUGH                    | 40,000.00           |
| 8000-CAPITAL STOCK                    | 1,000.00            |
| 8001-PAID IN CAPITAL                  | 14,466.00           |
| 8002-DISTRIBUTIONS                    | -121,000.00         |
|                                       | <hr/>               |
| Total Liabilities                     | 155,092.00          |
|                                       | <hr/>               |
| <b>TOTAL LIABILITIES</b>              | <b>160,800.27</b>   |
|                                       | <hr/>               |
| <b>EQUITY</b>                         | <b>-1,541.04</b>    |
|                                       | <hr/>               |
| <b>TOTAL LIABILITIES &amp; EQUITY</b> | <b>159,259.23</b>   |
|                                       | <hr/> <hr/>         |

CONFIDENTIAL

PROFIT & LOSS STATEMENT  
1/ 1/99 Through 10/31/99

All Accounts  
11/ 2/99

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| Category Description           | 1/ 1/99-<br>10/31/99 |
|--------------------------------|----------------------|
| <b>INCOME/EXPENSE</b>          |                      |
| <b>INCOME</b>                  |                      |
| 41007-RHS COMMISSION           | 30,286.50            |
| 41009-ONE PLUS/BRANSON         | 179,294.28           |
| 41010-ONE PLUS REGULAR         | 97,861.97            |
| 41015-DEBIT CARD REC.          | 845.00               |
| 41016-PLASTIC STAND REC.       | 287.02               |
| 41025-OCH ONE PLUS             | 1,977,526.46         |
| 41080-HI-RIM COMMISSION        | 574.41               |
| 42011-QCC ONE PLUS COMS        | 196.46               |
| 42036-TELT ZPDI RESUB          | 41.56                |
| 42037-TELT RECON               | 231.39               |
| 42038-TELT SUSPENSE            | 737.98               |
| 42039-TELT 4403 TAIL           | 1,137.15             |
| 42040-TELT 4400 WKLY           | 339,091.60           |
| 42041-TELT 4401 WKLY           | 67,453.41            |
| 42042-TELT 4402 WKLY           | 31,456.94            |
| 42043-TELT 4403 WKLY           | 2,539.79             |
| 42044-TELT 4401 TAIL           | 6,137.88             |
| 42045-TELT 4402 TAIL           | 1,123.62             |
| 42046-TELT 4400 TAIL           | 49,552.08            |
| 42060-TELTRUST FRONT MONEY     | 34,960.00            |
| 42061-ILD COMMISSION           | 6,015.49             |
| 42065-TMC COMMISSION           | 1,410.21             |
| 43044-RENT                     | 2,506.60             |
| 44500-C-CAN REIMBURSEMENT      | 272,334.29           |
| 45000-TRANS FROM OAKWOOD       | 79,000.00            |
| 45001-TRANS FROM AFN,LTD       | 20,445.03            |
| 45550-BANKCARD/VISA MC         | 26,104.59            |
| 45570-NOVUS DISCOVER           | 238.13               |
| 45580-AMERICAN EXPRESS         | 11,815.75            |
| Income - Other                 | 28,592.08            |
| <b>TOTAL INCOME</b>            | <b>3,269,797.67</b>  |
| <b>EXPENSES</b>                |                      |
| 220525-AUTO LEASE (TOYOTA)     | 5,896.63             |
| 220526-TOYOTA LEASE/SUPRA      | 7,045.30             |
| 220527-AUTO LEASE/LAND CRUISER | 7,140.18             |
| 220530-COPIER LEASE            | 629.40               |
| 220531-EQUIP (AFICIO)LEASE     | 1,810.06             |
| 220532-EQUIP LSE/OCE           | 5,624.03             |
| 220533-EQUIP LSE/RICHO FAX     | 430.10               |
| 220534-EQUIP LS/QUARTLY/PITNEY | 724.45               |
| 220535-EQUIP LSE HP 8100       | 1,285.06             |
| 50010-ACCOUNTANT FEES          | 14,025.38            |
| 50030-ANS SERV/VOICE MAIL      | 1,151.02             |
| 50040-ATTORNEY FEES            | 5,370.66             |
| 50060-AUTO LICENSE             | 478.68               |
| 50061-DRIVE-OUT COST           | -794.42              |
| 50062-BOAT DOCUMENT.TAX        | 3,017.50             |
| 50063-BOAT INSURANCE           | 505.38               |

PROFIT & LOSS STATEMENT  
1/ 1/99 Through 10/31/99

All Accounts  
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| Category Description          | 1/ 1/99-<br>10/31/99 |
|-------------------------------|----------------------|
| 50064-BOAT UTILITIES          | -211.50              |
| 50065-AUTO REPAIRS            | 649.01               |
| 50066-BOAT REPAIR             | 3,400.81             |
| 50067-BANK CHARGES            | 166.84               |
| 50089-C-CAN EQP INSTALL       | 90.00                |
| 50090-C-CAN PLASTIC STANDS    | 3,557.86             |
| 50091-C-CAN LEC CHARGES       | 11,230.69            |
| 50092-C-CAN LEC CREDIT        | 1,081.26             |
| 50093-GTE LD/C-CAN            | 107,539.63           |
| 51000-C-CAN TRANSPORTATION    | 981.87               |
| 51001-C-CAN LODGING           | 2,268.42             |
| 51003-C-CAN HILTON H          | 19,779.65            |
| 51004-C-CAN MB COMS           | 31,357.23            |
| 51005-C-CAN BRAN COMS         | 7,983.22             |
| 51006-C-CAN FL COMS           | 10,611.09            |
| 51007-C-CAN OVERALL/AGENT     | 111.10               |
| 51009-FLORIDA COMS            | 4,464.93             |
| 51010-AFN COMMISSION          | 92,422.63            |
| 51011-BRANSON COMMISSION      | 81,061.35            |
| 51012-GTE ONE PLUS            | 334.23               |
| 51024-OAKWOOD COM             | 680,495.90           |
| 51025-PAYPHONE COMMISSION     | 1,174.47             |
| 51035-RHS-AT&T COMMS          | 2,787.00             |
| 51040-TELTRUST FRONT MONEY    | 360.00               |
| 51060-TMC COMMISSION          | 598.82               |
| 52008-COMPUTER PROGRAMMING    | 215.00               |
| 52009-COMP SW/C-CAN           | 84.00                |
| 52010-COMPUTER SOFTWARE       | 968.11               |
| 52015-CONSTRUCTION/REMODEL    | 2,146.25             |
| 52016-REPAIR/CONDO            | 50.00                |
| 52018-CONSULTING              | 1,000.00             |
| 52025-CONTRIBUTION            | 100.00               |
| 52028-COLLECTION (CREDIT)     | 497.50               |
| 52030-DATA PROC./PROGRAMMING  | 72,000.00            |
| 52031-DEBIT CARDS             | 3,127.50             |
| 52032-DONATIONS               | 125.00               |
| 52035-DUES/SUBSCRIPTIONS      | 593.30               |
| 52037-ENTERTAINMENT           | 40,000.00            |
| 52040-EQUIP INSTALL/REPAIR    | 5,716.76             |
| 52043-EXP REIMB/C-CAN         | 106,208.10           |
| 52044-EXPENSE REIMBURSEMENT   | 53,772.87            |
| 52045-EQUIP RENTAL            | 450.00               |
| 52046-EQUIP MAINT. AGREEMENT  | 1,781.34             |
| 52047-FARM BUSINESS LOSS      | 18,667.67            |
| 52050-FRANCHISE TAX           | 100.86               |
| 52055-FRANCHISE TAX AGENT     | 50.00                |
| 52060-AUTO INSURANCE          | 5,000.00             |
| 52063-LEC BILL CREDIT         | 179.45               |
| 52065-LIFE INSURANCE          | 4,500.00             |
| 52067-LINE OF CR FEE          | 5,000.00             |
| 52070-WORKERS COMP. INS.      | 187.00               |
| 52075-HEALTH INS/DOUG BETHELL | 2,532.96             |

PROFIT & LOSS STATEMENT  
1/ 1/99 Through 10/31/99

All Accounts  
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| Category Description            | 1/ 1/99-<br>10/31/99 |
|---------------------------------|----------------------|
| 52078-HEALTH INS/DEANNA FANKHAU | 1,884.53             |
| 52080-HEALTH INS/JOYCE HUBBARD  | 2,949.85             |
| 52083-HEALTH INS/JEFF KRUMME    | 5,267.55             |
| 52084-HEALTH INS/MCLAREN        | 150.00               |
| 52089-HEALTH INS/KIM LEWIS      | 2,208.78             |
| 52095-HEALTH INS/PROCESS FEE    | 545.00               |
| 52096-HEALTH INS/MARSH          | 1,279.02             |
| 52097-HEALTH INS/ZONGKER        | 790.19               |
| 52099-INTERNET SERVICE          | 3,458.30             |
| 53033-MEDICAL EXP.              | 26,547.82            |
| 53040-MARKETING/MKT RESEARCH    | 2,140.56             |
| 53058-ONE PLUS COST             | 1,042,751.02         |
| 53059-1+ REIMBURSEMENT          | 1,966.44             |
| 53060-OFFICE RENT               | 22,325.65            |
| 53062-RENT                      | 4,800.00             |
| 53070-OFFICE SUPPLIES           | 9,906.69             |
| 53071-OFFICE SUP/C-CAN          | 1,997.64             |
| 53080-OFFICE EQUIP/SERVICE      | 2,100.05             |
| 53081-PIC FEE REIMBURSEMENT     | 1,827.80             |
| 53082-POSTAGE/MAIL              | 9,767.50             |
| 53083-PIC FEES                  | 1,707.26             |
| 53084-PICC FEES                 | 1,439.40             |
| 53090-PRINTING                  | 1,498.89             |
| 54005-REFUND                    | 59.75                |
| 54020-SHIPPING                  | 3,894.08             |
| 54040-TELEPHONE/CELLULAR        | 10,676.18            |
| 54042-CELL PHONE OFFICE         | 553.12               |
| 54044-800 NUMBERS               | 42.07                |
| 54045-TELEPHONE/LONG DIST.      | 14.87                |
| 54050-TELEPHONE/LEC             | 11,540.28            |
| 54052-LEC/BRANSON               | 835.22               |
| 54055-TELEPHONE/PAGER           | 1,069.47             |
| 54056-TELE. GTE FLORIDA         | 85,000.00            |
| 54057-LEC-MYRTLE BEACH          | 0.00                 |
| 54070-TRANSPORTATION            | 1,454.50             |
| 54075-LODGING                   | 101.80               |
| 54080-MEALS                     | 306.17               |
| 54090-ENTERTAINMENT             | 3,000.00             |
| 54095-OTHER EXP/TRAVEL          | 102,456.68           |
| 55010-PAYROLL/SALARIES          | 145,298.45           |
| 55011-CONTRACT LABOR (TEMP)     | 1,812.53             |
| 55012-CAR ALLOWANCE             | 24,800.00            |
| 55020-FEDERAL TAX DEP.          | 46,663.90            |
| 55030-KS EMPLOYMENT TAX         | 5,394.09             |
| 55050-FUTA                      | 435.06               |
| 55061-FEDERAL INCCOME TAX       | -1,851.83            |
| 55062-FICA                      | -1,003.29            |
| 55063-MEDICARE                  | -187.51              |
| 55064-KANSAS WITHHOLDING        | -386.80              |
| 55074-ROYALTIES                 | 2,000.00             |
| 55075-PROPERTY TAX/COUNTY       | 130.59               |
| 55078-TAX REFUND                | 431.74               |

PROFIT & LOSS STATEMENT  
1/ 1/99 Through 10/31/99

All Accounts  
11/ 2/99

Page

| Category Description   | 1/ 1/99-<br>10/31/99 |
|------------------------|----------------------|
| 55080-TRANS OCH TO APN | 68,000.00            |
| 57060-BANKCARD/VISA MC | 890.34               |
| 57070-NOV/DISC CHARGES | 5.05                 |
| 57091-AMEX CHARGES     | 5,224.61             |
| Expenses - Other       | 17,306.50            |
| TOTAL EXPENSES         | 3,128,967.15         |
| TOTAL INCOME/EXPENSE   | 140,830.52           |

BALANCE SHEET  
As of 10/31/99

All Accounts  
11/ 2/99

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| Acct                                  | 10/31/99<br>Balance |
|---------------------------------------|---------------------|
| <b>ASSETS</b>                         |                     |
| Cash and Bank Accounts                |                     |
| BROTHERHOOD CK-46745601               | 65,865.97           |
| OCH AT BROTHER-46745602               | 1,390.14            |
| UMB CHECK-2170754071 CLSD 11/97       | 0.00                |
| <b>Total Cash and Bank Accounts</b>   | <b>67,256.11</b>    |
| Assets                                |                     |
| 6000-FIXED ASSETS                     | 53,409.64           |
| 6001-ACCUM DEPR                       | -2,347.00           |
| 6002-LOAN TO SH                       | 137,771.00          |
| <b>Total Assets</b>                   | <b>188,833.64</b>   |
| <b>TOTAL ASSETS</b>                   | <b>256,089.75</b>   |
| <b>LIABILITIES &amp; EQUITY</b>       |                     |
| <b>LIABILITIES</b>                    |                     |
| Credit Cards                          |                     |
| ADVANTA-5477/5374/0390/0008           | 2,240.21            |
| GE CORPORATE-GE CORP CC               | 3,468.06            |
| <b>Total Credit Cards</b>             | <b>5,708.27</b>     |
| Liabilities                           |                     |
| 7000-LOAN TO AMFIBER                  | 95,626.00           |
| 7001-LOAN FROM TEQUA                  | 125,000.00          |
| 7002-NP THORNBRUGH                    | 40,000.00           |
| 8000-CAPITAL STOCK                    | 1,000.00            |
| 8001-PAID IN CAPITAL                  | 14,466.00           |
| 8002-DISTRIBUTIONS                    | -165,000.00         |
| <b>Total Liabilities</b>              | <b>111,092.00</b>   |
| <b>TOTAL LIABILITIES</b>              | <b>116,800.27</b>   |
| <b>EQUITY</b>                         | <b>139,289.48</b>   |
| <b>TOTAL LIABILITIES &amp; EQUITY</b> | <b>256,089.75</b>   |