



RECEIVED
December 7, 2000
Overnight Delivery

2000 DEC 11 A 11:15

AZ CORP COMMISSION
DOCUMENT CONTROL

210 N. Park Ave.
Winter Park, FL
32789

P.O. Drawer 200
Winter Park, FL
32790-0200

Tel: 407-740-8575
Fax: 407-740-0613
tmi@tminc.com

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

DOCKET NO. T-03969A-00-1006

RE: Application of **NxGen Networks, Inc.** for a Certificate of Convenience and Necessity to Provide Competitive Intrastate Telecommunications Services as a Facilities-based Interexchange Carrier.

Dear Sir/Madam:

Enclosed for filing are the original and ten (10) copies of the above-referenced application of NxGen Networks, Inc. for authority to Provide Competitive Intrastate Telecommunications Services in Arizona. The company presently has a application pending before the Commission to provide Resold Interexchange Telecommunications Services in Arizona.

Please acknowledge receipt of this filing by date stamping the extra copy of this cover letter and returning it in the self-addressed, stamped envelope enclosed for this purpose.

Any questions you may have regarding this filing may be directed to me at (407) 740-8575.

Sincerely,

Thomas M. Forte
Consultant to NxGen Networks, Inc.

Enclosures

TMF/hb

cc: Victoria Aguilar, NxGen
file: NxGen - AZ Local
tms: AZ10001



210 N. Park Ave.
Winter Park, FL
32789

P.O. Drawer 200
Winter Park, FL
32790-0200

Tel: 407-740-8575
Fax: 407-740-0613
tmi@tminc.com

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

DOCKET NO. T-03969A-00-1006

December 7, 2000
Overnight Delivery

2000 DEC 11 A 11:15

AZ CORP COMMISSION
DOCUMENT CONTROL

RE: Application of **NxGen Networks, Inc.** for a Certificate of Convenience and Necessity to Provide Competitive Intrastate Telecommunications Services as a Facilities-based Interexchange Carrier.

Dear Sir/Madam:

Enclosed for filing are the original and ten (10) copies of the above-referenced application of NxGen Networks, Inc. for authority to Provide Competitive Intrastate Telecommunications Services in Arizona. The company presently has a application pending before the Commission to provide Resold Interexchange Telecommunications Services in Arizona.

Please acknowledge receipt of this filing by date stamping the extra copy of this cover letter and returning it in the self-addressed, stamped envelope enclosed for this purpose.

Any questions you may have regarding this filing may be directed to me at (407) 740-8575.

Sincerely,

Thomas M. Forte
Consultant to NxGen Networks, Inc.

Enclosures

TMF/hb

cc: Victoria Aguilar, NxGen
file: NxGen - AZ Local
tms: AZ10001

**BEFORE THE
ARIZONA CORPORATION COMMISSION**

Jim Irvine
Renz D. Jennings
Carl J. Kunasek

Chairman
Commissioner
Commissioner

RECEIVED
2009 DEC 11 A 11:15
ARIZONA CORPORATION COMMISSION
DOCUMENT CONTROL

In the Matter of:

Docket No. _____

Application of)
NxGen Networks, Inc. for a)
Certificate of Convenience and Necessity)
to Provide Local and Interexchange Toll)
Competitive Services and Petition for)
for Competitive Classification of Proposed)
Services Within the State of Arizona)

Application is hereby made to the Arizona Corporation Commission (the "Commission") for a Certificate of Convenience and Necessity ("CC&N") authorizing NxGen Networks, Inc. ("Applicant" or "NxGen") to provide Facilities Based Local and Interexchange Toll Competitive Telecommunications Services within the State of Arizona. This application is submitted pursuant to the Commission's new Competitive Telecommunications Rules (the "Rules"), A.A.C. R14-2-1101 -- 1115. Applicant submits the following information in support of its Application:

I. INTRODUCTION

1. Applicant requests authority to provide resold services and facilities-based services. Facilities-based services generally will consist of switched services, such as intraLATA toll services and local exchange services, which are described more fully below.

2. Applicant seeks to provide competitive telecommunications services in the portions of the state currently served by U. S. West Communications Company ("U. S. West"). Applicant's service area shall be coextensive with U. S. West's service area. Attached to this application as Exhibit 1 is a request for waiver of the requirement to provide a map of the state of Arizona.

II. DESCRIPTION OF SERVICES

3. Applicant agrees to abide by and follow the Commission's rules concerning competitive telecommunications services.
4. Applicant requests authority to offer interexchange services and basic local exchange services to customers throughout Arizona in all U.S. West exchanges. NxGen intends to provide both UNE-P and resold bundled local services of the incumbent local exchange carriers ("ILECs") such as U. S. West. However, the Company also seeks authority that will enable the Company to implement its own facilities, which may include, at some future date, without limitation, a switch utilizing unbundled local loops of the ILECs.

Pursuant to a requested waiver, Applicant has not included service area maps with this Application. NxGen will pursue interconnection agreements with local exchange carriers. Applicant also requests authority to resell services of other carriers, to the extent such resale is permitted, and to interconnect with other carriers for the mutual exchange of traffic.

5. Applicant will provide all Customers with access to 911 and E911 emergency services where available, and will cooperate with existing telecommunications companies, and other affected agencies and organizations, to arrange for the necessary interconnections to enable efficient completion of these calls.
6. Service to end users will be accomplished by means of connections from Applicant's network to the end user's facilities, where such connections exist or can be timely and economically constructed. Applicant will use other facilities when its own network cannot be feasibly connected to the Customer's location, and where the use of such alternative facilities is technically and economically feasible.

7. Service quality is one of the important criteria by which Customers will select and judge their local phone company. Applicant will meet the service quality standards as set forth in Rule R14 - 2 - 1114 of the Commission's Rules, and improve upon those standards when Customers so demand.
8. Applicant will offer its services pursuant to tariff, on a non-discriminatory basis. Attached as Exhibit 2 is Applicant's illustrative tariff which sets forth the terms and conditions of its proposed telecommunications services.
9. Applicant is unable to provide rates for its services at this time because the prices for its services are heavily dependent on the potential external costs for call termination over an incumbent local exchange carrier's ("LEC's") network, which are unknown at this time.
10. Applicant, as any new entrant, must interconnect with U. S. West to complete the vast majority of its Customer's calls. Until Applicant and U. S. West reach an agreement on compensation for the interconnection of their networks, (including reciprocal compensation, if any, for the mutual exchange of local traffic), or until the Commission prescribes such arrangements, Applicant cannot accurately determine its costs for providing switched services. Thus, until the terms for carrier-to-carrier interconnection are determined or until an interim agreement can be reached, Applicant cannot accurately set its rates for switched services as required by Rule R14-2-1115.I. Applicant requests that the Commission grant a waiver of Rule R-14-2-1104.A.3. until interconnection and compensation provisions have been established.

III. INTERCONNECTION AND COMPENSATION

11. Applicant will be unable to operate unless economically feasible interconnection and compensation arrangements are established. If Customers are to fully benefit from the opportunities that arise from competition, it is necessary to establish a regulatory framework that facilitates competitive market entry and perpetuates seamless, ubiquitous telephone service.
12. While Commission certification may provide Applicant with the legal basis to provide local telecommunications services, Applicant must also have the technical and operational ability to provide local services. Because any new entrant must interconnect with U. S. West and other LECs to complete the vast majority of its Customers' calls, great attention must be paid to the way in which the carriers interconnect and to the compensation mechanism that governs the exchange of traffic.

IV. PETITION FOR COMPETITIVE CLASSIFICATION

13. If the Commission grants this application, Applicant will enter the intrastate telecommunications market with zero market share.
14. Applicant has no specific knowledge of any telecommunications providers of its proposed services currently operating in its proposed service area, other than U. S. West. However, new entrants are attempting to establish markets throughout the U.S., including Arizona.
15. For the reasons stated herein, the Applicant requests that the Commission find the proposed services set forth in Section II, Description of services, to be competitive as it pertains to the Applicant.

V. QUALIFICATIONS

A. Description of Application

16. The name and address of the Applicant is as follows:

NxGen Networks, Inc.
1700 Lincoln Street, Suite #1920
Denver, Colorado 80203
Telephone: (303) 839 - 9150
Facsimile: (303) 839 - 9149

17. All correspondence, notices, inquiries and other communications regarding this Application should be addressed to:

Thomas M. Forte
Consultant to NxGen Networks, Inc.
Technologies Management, Inc.
210 Park Avenue, North
Winter Park, FL 32789
Telephone: (407) 740-8575
Facsimile: (407) 740-0613

with copies provided to:

Ms. Victoria T. Aguilar
Vice President Legal and Regulatory
NxGen Networks, Inc.
1700 Lincoln Street, Suite #1920
Denver, Colorado 80203
Telephone: (303) 839 - 9143
Facsimile: (303) 839 - 9149

18. NxGen is organized as a corporation under the laws of Nevada. The Applicant has applied for registration as a foreign corporation with the State of Arizona and will be qualified to transact business in the State of Arizona.

B. Financial Qualifications

19. As described herein, Applicant is financially qualified to offer the services proposed herein in its service territory. The Applicant has the financial support necessary to procure, install and operate telecommunications facilities and to hire and train the personnel necessary to operate those facilities. The Applicant's Financial Statement is submitted as Exhibit 4.

C. Technical and Managerial Qualifications

20. Applicant is technically and managerially qualified to provide the proposed competitive services. NxGen intends to initially offer both UNE-P and resold local services of incumbent local exchange carriers ("ILECs") such as U. S. West. However, the Company also seeks authority that will enable the Company to implement its own facilities, which may include, at some future date, without limitation, a switch utilizing unbundled local loops of the ILECs.

The Company also seeks authority to resell long distance services of interexchange carriers ("IXCs") certificated in Arizona. The Company will also purchase other telecommunications and related services to create comprehensive business packages. These packages will likely include local and long distance services. The Applicant's specific information on the Technical and Managerial competencies of the Officers of NxGen are shown in Exhibit 5.

D. Public Interest Benefits

21. As Applicant states in its description of services, all of its facilities are state-of-the-art. Authorizing Applicant to provide telecommunications services within Arizona will accelerate the deployment of a universally available state-of-the-art public switched telecommunications network.

22. Additionally, granting Applicant authority to operate competitive telecommunications services will increase diversity in the supply of existing and future telecommunications services and products in the telecommunications market. Competitive choices, in turn, help to ensure that Customers pay only reasonable charges for local exchange telecommunications services, and will increase diversity in the supply of existing and future telecommunications services and products in the telecommunications market.

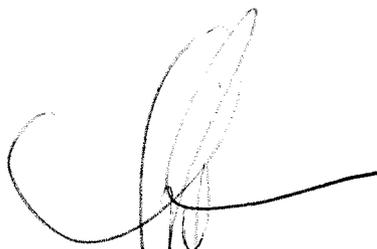
23. Grant of this Application will serve the public interest by providing to Arizona citizens the benefits resulting from competition, such as Customer choice of providers, more efficient and diverse telecommunications infrastructure, higher service quality, new and innovative services, and competitive prices.

VI. CONCLUSION

The Applicant possesses the requisite technical, financial, and managerial resources and capabilities to provide the proposed services. Additionally, Applicant has demonstrated that the services to be offered are competitive services.

Applicant respectfully requests that the Commission enter an Order: (1) granting a Certificate of Convenience and Necessity to authorize NxGen Networks, Inc. to offer such services in its proposed service territory; and (2) determining that the services specified herein are "competitive telecommunications services" as they pertain to NxGen Networks, Inc..

Dated this 31st of October, 2000



Mark Sampson
Chairman/Chief Executive Officer
NxGen Networks, Inc.
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203
Telephone: (303) 839-9150
Facsimile: (303) 839-9149

EXHIBIT 1

NXGEN NETWORKS, INC.

SERVICE AREA MAP

The Applicant intends to offer service within the same geographic boundaries as those of US West in Arizona and, therefore, requests a waiver of the requirement to provide a map.

EXHIBIT 2

NXGEN NETWORKS, INC.

ILLUSTRATIVE ARIZONA TARIFF

NxGen Networks, Inc.
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

LOCAL SERVICES ILLUSTRATIVE TARIFF

Regulations and Schedule of Local Exchange Service Rates
Within the State of Arizona

This tariff includes the rates, charges, terms and conditions of service for the provision of local exchange services by NxGen Networks, Inc. ("NxGen") between locations within the State of Arizona. This tariff is available for public inspection during normal business hours at the main office of NxGen located at 1700 Lincoln Street, Suite 1920, Denver, Colorado 80203.

Issued:
Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

CHECK SHEET

The pages listed below are effective as of the date shown. The original and revised pages contain all changes from the original tariff in effect on the date shown on each page.

<u>Section</u>	<u>Page</u>	<u>Revision</u>	<u>Section</u>	<u>Page</u>	<u>Revision</u>
Preface	1	Original *	2	19	Original *
Preface	2	Original *	2	20	Original *
Preface	3	Original *	2	21	Original *
Preface	4	Original *	2	22	Original *
Preface	5	Original *	2	23	Original *
Preface	6	Original *	2	24	Original *
			2	25	Original *
1	1	Original *	2	26	Original *
1	2	Original *	2	27	Original *
1	3	Original *	2	28	Original *
1	4	Original *	2	29	Original *
1	5	Original *	2	30	Original *
1	6	Original *	2	31	Original *
1	7	Original *	2	32	Original *
			2	33	Original *
			2	34	Original *
2	1	Original *	3	1	Original *
2	2	Original *			
2	3	Original *	4	1	Original *
2	4	Original *			
2	5	Original *	5	1	Original *
2	6	Original *	5	2	Original *
2	7	Original *	5	3	Original *
2	8	Original *	5	4	Original *
2	9	Original *			
2	10	Original *	6	1	Original *
2	11	Original *	6	2	Original *
2	12	Original *	6	3	Original *
2	13	Original *	6	4	Original *
2	14	Original *	6	5	Original *
2	15	Original *	6	6	Original *
2	16	Original *	6	7	Original *
2	17	Original *			
2	18	Original *			

* - indicates pages included in this filing

Issued:

Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

CHECK SHEET, (CONT'D)

<u>Section</u>	<u>Page</u>	<u>Revision</u>	<u>Section</u>	<u>Page</u>	<u>Revision</u>
6	8	Original *	9	1	Original *
6	9	Original *	10	1	Original *
7	1	Original *	11	1	Original *
7	2	Original *	11	2	Original *
7	3	Original *	11	3	Original *
7	4	Original *	11	4	Original *
7	5	Original *	11	5	Original *
7	6	Original *	11	6	Original *
7	7	Original *	11	7	Original *
7	8	Original *	11	8	Original *
7	9	Original *	11	9	Original *
7	10	Original *			
7	11	Original *			
7	12	Original *			
7	13	Original *			
7	14	Original *			
7	15	Original *			
7	16	Original *			
7	17	Original *			
7	18	Original *			
7	19	Original *			
8	1	Original *			
8	2	Original *			
8	3	Original *			

* - indicates pages included in this filing

Issued:
 Issued By: Mark Sampson, Chief Executive Officer
 1700 Lincoln Street, Suite 1920
 Denver, Colorado 80203

Effective:

AZL0000

CONCURRING CARRIERS

None

CONNECTING CARRIERS

None

OTHER PARTICIPATING CARRIERS

None

Issued:

Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

EXPLANATION OF SYMBOLS

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

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

Issued:
Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

TABLE OF CONTENTS

Check Sheet Preface - Page 2

Concurring, Connecting And Participating Carriers Preface - Page 4

Explanation of Symbols Preface - Page 5

Table of Contents Preface - Page 6

Section 1 - Definitions Section1 - Page 1

Section 2 - Rules and Regulations Section 2 - Page 1

Section 3 - Service Areas Section 3 - Page 1

Section 4 - Service Charges Section 4 - Page 1

Section 5 - General Service Descriptions Section 5 - Page 1

Section 6 - Basic Local Service Rates Section 6 - Page 1

Section 7 - Supplemental Services Section 7 - Page 1

Section 8 - Complex Services Section 8 - Page 1

Section 9 - Reserved for Future Use Section 9 - Page 1

Section 10- Promotional Offerings Section 10 - Page 1

Section 11 - Special Contracts, Arrangements and Construction Section 11 - Page 1

Issued:
Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 1 - DEFINITIONS AND ABBREVIATIONS

Access Code - Denotes a uniform code or number dialed by the Customer to reach a service provided by the Company (e.g., Casual Calling Service, Travel Card Service)

Access Line - An arrangement which connects the Customer's local exchange line to a Company designated switching center or point of presence.

Additional Period - The rate element used to bill chargeable time when a call continues beyond the Initial Period. The Additional Period starts when the Initial Period ends. Additional Period rates apply to any fraction of the time period for chargeable time beyond the Initial Period. Additional Periods vary by rate schedule and are specified in each individual rate table contained in later sections of this tariff.

Aggregator - A Customer of the Company, including any person, firm, corporation, or other legal entity which contracts with for installation of the Company's services and makes such services available for use by guests, patrons, visitors or other transient third parties at the Aggregator's location. The Aggregator is responsible for compliance with the terms and conditions of this tariff.

Answer Supervision - The transmission of the switch trunk equipment supervisory signal (off-hook or on-hook) to a carrier's Point of Presence or customer's terminal equipment as an indication that the called party has answered or disconnected.

Authorization Code - A numerical code, one or more of which are assigned to a Customer to enable access to the Company's network, and which is used by the Company both to prevent unauthorized use of its services and to identify the Customer for billing purposes.

Authorized User - Any person, firm, partnership, corporation or other entity who is authorized by the Customer to be connected to and utilize the Company's services under the terms and regulations of this tariff.

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

Bit - The smallest unit of information in a binary system of notation.

Bps - Bits per second. The number of bits transmitted in a one second interval.

Business Customer - For the purposes of this tariff, a Business Customer is a Customer of the Company whose primary use of the Company's service is for business purposes.

Issued:

Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 1 - DEFINITIONS AND ABBREVIATIONS, (CONT'D)

Casual Calling - Where access to the Company's network and the subsequent use of service by the Customer is initiated through the dialing of a toll-free number or Access Code. Casual Calling allows non-Presubscribed customers to utilize the services of the Company.

Central Office - The premises of the Company or another local exchange carrier containing one or more switches where Customer local exchange access lines are terminated for purposes of interconnection to other station loops, trunks or access facilities. The Company location from which the Customer's Premises would normally obtain local exchange service and dial tone from the Company or other local exchange carrier.

Channel - A communications path between two or more points.

CIC - An interexchange carrier identification code.

Commission - Refers to the Arizona State Corporation Commission, unless otherwise indicated.

Company or Carrier - Used throughout this tariff to indicate NxGen Networks, Inc.

CPE - Customer Premises Equipment. All Terminal Equipment or other communications equipment and/or systems provided by the Customer for use with the Company's facilities and services.

Customer - A person, firm, partnership, corporation or other entity which arranges for the Company to provide, discontinue or rearrange telecommunications services on behalf of itself or others; uses the Company's telecommunications services; and is responsible for payment of charges, all under the provisions and terms of this tariff. The term Customer includes persons, firms, partnerships, corporations or other legal entities who do not have a pre-existing account or relationship with the Company but use the services of the Company on Casual Calling Basis or on a per call basis from Aggregator locations through equipment provided by an Aggregator.

Dedicated Access Origination/Termination - Where originating or terminating access between an end user and an interexchange carrier are provided via dedicated facilities, circuits or channels. A method of reaching the Company's or other IXC's communication and switching systems whereby the Customer is connected directly to the Company or other IXC's Point of Presence or designate without utilizing the services of the local switched network.

DID - Direct Inward Dialing.

DS0 - Digital Signal Level 0; a dedicated, full duplex digital channel with line speeds of 2.4, 4.8, 9.6, 19.2, 56 or 64 Kbps.

Issued:

Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 1 - DEFINITIONS AND ABBREVIATIONS, (CONT'D)

DS1 -Digital Signal Level 1; a dedicated, high capacity, full duplex channel with a line speed of 1.544 Mbps isochronous serial data having a line signal format of either Alternate Mark Inversion (AMI) or Bipolar with 8 Zero Substitution (B8ZS) and either Superframe (D4) or Extended Superframe (ESF) formats. DS1 Service has the equivalent capacity of 24 Voice Grade or DS0 services.

DS3 -Digital Signal Level 3; a dedicated, high capacity, full duplex channel with a line speed of 44.736 Mbps isochronous serial data having a line code of bipolar with three zero substitution (B3ZS). Equivalent capacity of 28 DS1 Services.

Dual Tone Multifrequency (DTMF) - Tone signaling, also known as touch tone signaling.

Equal Access - Where the local exchange company central office provides interconnection to interexchange carriers with Feature Group D circuits. In such End Offices, Customers can presubscribe their telephone line(s) to their preferred interexchange carrier. A form of dialed access provided by local exchange companies whereby telephone calls dialed by the Customer are automatically routed to the Company's network. Customers may also route calls to the Company's network by dialing an access code provided by the Company.

Exchange - A group of lines in a unit generally smaller than a LATA established by the Company or other local exchange carrier for the administration of communications service in a specified area. An Exchange may consist of one or more central offices together with the associated facilities used in furnishing communications service within that area.

Gbps - Gigabits per second; billions of bits per second.

Hunting - The routing a call to an idle station line in a prearranged group when the called station line is busy.

Incumbent Local Exchange Carrier ("ILEC") - A local exchange carrier whose services may be resold by the Company to Customers under the terms and conditions of this tariff.

Individual Case Basis or ICB - A process whereby the terms, conditions, rates and/or charges for a service provided under the general provisions of this tariff are developed or modified based on the unique circumstances in each case. ICB rates are determined using the rules and regulations for Special Service Arrangements as contained in Section 14 of this tariff.

Initial Period - The initial period is the length of a call for minimum billing purposes. Initial Periods vary by rate schedule and are specified in each individual rate table contained in other sections of this tariff.

Issued:
Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 1 - DEFINITIONS AND ABBREVIATIONS, (CONT'D)

Inward-Only - A service attribute that restricts outward dial access and routes incoming calls to a designated answer point.

Interexchange Carrier (IXC) - A long distance telecommunications services provider that furnishes services between exchange areas.

Kbps - Kilobits per second; 1000s of bits per second.

LATA - Local Access and Transport Area. A geographic area for the provision and administration of communications services existing on February 8, 1996, as previously established by the U.S. District Court for the District of Columbia in Civil Action No. 82-0192; or established by a Bell operating company after February 8, 1996 and approved by the FCC; or any other geographic area designated as a LATA in the National Exchange Carrier Association (NECA) Tariff F.C.C. No. 4.

LEC - Local Exchange Carrier.

Local Calling Area - A geographical area, as defined in the Company's local or general exchange service tariff in which a party may complete a call without incurring toll usage charges.

Marks - A collective term to mean such items as trademarks, service marks, trade names and logos; copyrighted words, artwork, designs, pictures or images; or any other device or merchandise to which legal rights or ownership are held or reserved by an entity.

Mbps - Megabits per second; millions of bits per second.

N/A - Not Applicable.

NxGen- Used throughout this tariff to refer to NxGen Networks, Inc.

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

NPA - Numbering Plan Area or area code.

Issued:

Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 1 - DEFINITIONS AND ABBREVIATIONS, (CONT'D)

OC-12 - A high capacity channel for full duplex, synchronous, optic transmission of digital signals based on the SONET Standard at a rate of 622.08 Mbps.

OC-3 - A high capacity channel for full duplex, synchronous, optic transmission of digital signals based on the SONET Standard at a rate of 155.52 Mbps.

OC-48 - A high capacity channel for full duplex, synchronous, optic transmission of digital signals based on the SONET Standard at a rate of 2.4 Gbps

One-Way - A service attribute that permits either outward dial capabilities for outbound calls or call termination for inbound calls.

Outward-Only - A service attribute that restricts inward calls to a Customer's line and permits only origination of calls.

Pay Telephone - Telephone instruments provided by the Company, Customer or other third party for use by the transient general public. Pay Telephones permit the user to place local and long distance calls and bill such calls on a non sent-paid or sent paid-basis. To facilitate sent-paid calling, Pay Telephones can be equipped with a credit card reader, coin box, or similar device that allows charges to be collected for each call at the instrument.

PBX - Private Branch Exchange.

PIC Authorization - A Customer's or End User's selection of a PIC that meets the requirements of federal and state law.

PIC - Primary Interexchange Carrier.

Issued:
Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 1 - DEFINITIONS AND ABBREVIATIONS, (CONT'D)

Point of Presence or POP - The physical location associated with an Interexchange Carrier's communication and switching systems.

Premises - A building, portion of a building in a multi-tenant building, or buildings on continuous property not separated by a highway.

Presubscription - An arrangement whereby a Customer selects and designate to the Company or other LEC a carrier he or she wishes to access, without an access code, for completing intraLATA and/or interLATA toll calls. The selected carrier is referred to as the Primary Interexchange Carrier.

Primary Interexchange Carrier - The IXC designated by the Customer as its first routing choice and primary overflow carrier for routing of 1+ direct dialed and operator assisted non-local calls.

Private Line - A service which provides dedicated path between one or more Customer Premises.

Recurring Charge - The charges to the Customer for services, facilities or equipment, which continue for the agreed upon duration of the service. Recurring charges do not vary based on Customer usage of the services, facilities or equipment provided.

Residence Customer - For the purposes of this tariff, a Residential Customer is a Customer of the Company whose primary use of the Company's service is for personal use in a home, apartment or other residential dwelling unit.

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 in the service order or this tariff, 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 - A written request for network services executed by the Customer and the Company. The signing of a Service Order by the Customer and acceptance by the Company begins the respective obligations of the parties in that order services offered under this tariff. At the Company's discretion, a verbal request for service may also be accepted by the Company as a means of initiating a Service Order.

Serving Wire Center - See Central Office.

Issued:

Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 1 - DEFINITIONS AND ABBREVIATIONS, (CONT'D)

Special Access - See Dedicated Access.

Station - Refers to telephone equipment or an exchange access line or trunk from or to which calls are placed.

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

Telecommunications Device for the Deaf (TDD) - A machine that uses the transmission of coded signals instead of verbal communications to enable hearing impaired users to communicate with each other and with non-hearing impaired individuals.

Terminal Equipment - Telecommunications devices, apparatus and associated wiring on the Customer-designated premises.

Trunk - A communications path connecting two switching systems in a network, used in the establishment of an end-to-end connection.

Trunk Group - A set of trunks which are traffic engineered as a unit for the establishment of connections between switching systems in which all of the communications paths are interchangeable.

Two-Way - A service attribute that includes outward dial capabilities for outbound calls and can also be used to carry inbound calls to a central point for further processing.

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

Issued:
Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 2 - RULES AND REGULATIONS

2.1 Undertaking of NxGen Networks, Inc.

- 2.1.1** The Company undertakes to furnish communications service pursuant to the terms of this tariff in connection with one-way and/or two-way communications originating and terminating between points within the state of Arizona.
- 2.1.2** The Company's services and facilities are available twenty-four (24) hours per day, seven (7) days per week.
- 2.1.3** The Company is responsible under this tariff only for the services and facilities provided hereunder, and it assumes no responsibility for any service provided by any other entity that purchases access to the Company network in order to originate or terminate its own services, or to communicate with its own customers.
- 2.1.4** NxGen arranges for installation, operation, and maintenance of the communications services provided in this tariff for Customers in accordance with the terms and conditions set forth under this tariff. Company may act as the Customer's agent for ordering access connection facilities provided by other carriers or entities, when authorized by the Customer, to allow connection of a Customer's location to the Company's network. The Customer shall be responsible for all charges due for such service arrangements.

Issued:
Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

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

2.2 Use of the Company's Service

- 2.2.1 Services provided under this tariff may be used by the Customer for any lawful telecommunications purpose for which the service is technically suited.
- 2.2.2 The services the Company offers shall not be used for any unlawful purpose or for any use as to which the Customer has not obtained all required governmental approvals, authorizations, licenses, consents and permits.
- 2.2.3 Recording of telephone conversations of service provided by the Company under this tariff is prohibited except as authorized by applicable federal, state and local laws.
- 2.2.4 Any service provided under this tariff may be resold to or shared (jointly used) with other persons at the Customer's option. The Customer remains solely responsible for all use of service ordered by it or billed to its account(s) pursuant to this tariff, for determining who is authorized to use its service, and for promptly notifying the Company of any unauthorized use. The Customer may advise its customers that a portion of its service is provided by the Company, but the Customer shall not represent that the Company jointly participates with the Customer in the provision of the service. The Company may require applicants for service who intend to use the Company's offerings for resale, shared and/or joint use to file a letter with the Company confirming that their use of the Company's offerings complies with relevant laws and the Commission's regulations, policies, orders, and decisions.

Issued:
Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)**2.3 Limitations**

- 2.3.1** The Company does not undertake to transmit messages, but offers the use of its facilities when available, and will not be liable for errors in transmission or for failure to establish connections.
- 2.3.2** The furnishing of service under this tariff is subject to the availability on a continuing basis of all the necessary facilities and equipment and is limited to the capacity of the Company's facilities as well as facilities the Company may obtain from other carriers, from time to time, to furnish service as required at the sole discretion of the Company.
- 2.3.3** The Company reserves the right to limit or to allocate the use of existing facilities, or of additional facilities offered by the Company, when necessary because of lack of facilities, or due to some other cause beyond the Company's control.
- 2.3.4** Service may be limited or discontinued by the Company, without notice to the Customer, by blocking traffic to certain countries, cities, or NXX exchanges, or by blocking calls using certain Account Codes or Authorization Codes, when the Company deems it necessary to take such action to prevent unlawful use of its service. Service will be restored service as soon as it can be provided without undue risk.
- 2.3.5** The Company may block any signals being transmitted over its network by Customers which cause interference to the Company or other users. Customer shall be relieved of all obligations to make payments for charges relating to any blocked service and shall indemnify the Company for any claim, judgment or liability resulting from such blockage.
- 2.3.6** The Company reserves the right to discontinue service when the Customer is using the service in violation of the provisions of this tariff, or in violation of the law.
- 2.3.7** The Company reserves the right to discontinue service, limit service, or to impose requirements as required to meet changing regulatory or statutory rules and standards, or when such rules and standards have an adverse material affect on the business or economic feasibility of providing service, as determined by the Company in its reasonable judgment.
- 2.3.8** Local exchange services provided by the Company are offered for use by Customers of the Company's Digital Subscriber Line Service or other advanced data services which NxGen may offer from time to time. At the Company's discretion, service may also be offered to non-DSL or non-advanced data customers.

Issued:Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

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

2.4 Assignment and Transfer

- 2.4.1** Neither the Company nor the Customer may assign or transfer its rights or duties in connection with the services and facilities provided by the Company without the written consent of the other party, except that the Company may assign its rights and duties to a) any subsidiary, parent Company or affiliate of the Company; b) under any sale or transfer of substantially all the assets of the Company within the state; or c) under any financing, merger or reorganization of the Company.
- 2.4.2** The Company will permit a Customer to transfer its existing service to another entity if the existing Customer has paid all charges owed to the Company for regulated communications services. Transfer of service is subject to credit validation of the transfer-to entity and that entity's providing any necessary deposits or advance payments.
- 2.4.3** No minimum or termination charge will apply (unless otherwise stated specifically in this tariff) where a new Customer takes over contract services subscribed to by a former Customer, provided the service is to be furnished at the same location without interruption and that the new Customer assumes all unpaid charges and termination liabilities of the original contract. Minimum and termination charges will apply for any new service furnished under contract which are not retained by the new Customer.
- 2.4.4** All regulations and conditions contained in this tariff shall apply to all such permitted assignees or transferees, as well as all conditions of service.

Issued:

Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

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

2.5 Application or Service

2.5.1 Customers may be required to enter into written or oral service orders which shall contain or reference a specific description of the service ordered, the rates to be charged, the duration of the services, and the terms and conditions in this tariff. Customers will also be required to execute any other documents as may be reasonably requested by the Company.

2.6 Ownership of Facilities

2.6.1 The Customer obtains no property right or interest in the use of any specific type of facility, service, equipment, number, process, or code.

2.6.2 Title to all facilities utilized by the Company to provide service under the provisions of this tariff shall remain with the Company, its partners, agents, contractors or suppliers. Such facilities shall be returned to the Company, its partners, agents, contractors or suppliers by the Customer, whenever requested, within a reasonable period following the request in as good condition as reasonable wear permits.

2.6.3 The Customer has no property right to the telephone number or any other call number designation associated with services furnished by the Company. The Company reserves the right to change such numbers, or the central office designation associated with such numbers, or both, assigned to the Customer, whenever the Company deems it necessary to do so in the conduct of its business. Nothing in this provision shall be construed to be inconsistent with number portability requirements.

Issued:
Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)**2.7 Liability of the Company**

- 2.7.1** In view of the fact that the Customer has exclusive control of his communications over the facilities furnished him by the Company, and other uses for which facilities may be furnished him by the Company, and because of the unavailability of errors incident to the services and to the use of such facilities of the Company, the services and facilities furnished by the Company are subject to the regulations and limitations specified herein.
- 2.7.2** The Company's liability, if any, for its gross negligence or willful misconduct is not limited by this tariff. With respect to any other claim or suit, by a Customer or any others, for damages arising out of mistakes, omissions, interruptions, delays or errors, or defects in transmission occurring in the course of furnishing service hereunder, the Company's liability, if any, shall not exceed an amount equivalent to the proportionate charge to the Customer for the period of service during which such mistake, omission, interruption, delay, error, or defect in transmission or service occurs and continues. This liability shall be in addition to any amounts that may otherwise be due to the Customer under this tariff as an allowance for interruptions. However, any such mistakes, omission, interruptions, delays, errors, or defects in transmission or service which are caused or contributed to by the negligence or willful act of the Customer, or authorized user, or joint user, or which arise from the use of Customer provided facilities or equipment shall not result in the imposition of any liability whatsoever upon the Company.
- 2.7.3** Indemnification - The Company's liability, if any, for its gross negligence or willful misconduct is not limited by this tariff. With respect to any other claim or suit by a Customer or by any others, the Customer indemnifies and saves harmless the Company against claims, losses or suits for injury to or death of any person, or damage to any property which arises from the use, placement or presence of the Company's equipment, facilities and associated wiring of the Customer's premise and further the Customer indemnifies and saves harmless the Company against claims for libel, slander, invasion of privacy or the infringement of copyright arising directly or indirectly from the material transmitted over the facilities of the Company or the use thereof by the Customer; against claims for infringement of patents arising from combining with or using in connection with, facilities furnished by the Company and apparatus, equipment and systems provided by the Customer; and against all other claims arising out of any act or omission of the Customer in connection with the services or facilities provided by the Company. No agents or employees of other carriers shall be deemed to be agents or employees of the Company.
- 2.7.4** The Company's failure to provide or maintain facilities under this tariff shall be excused by labor difficulties, governmental orders, civil commotions, acts of God and other circumstances beyond the Company's reasonable control, subject to the interruption allowance provisions under this tariff.

Issued:Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)**2.7 Liability of the Company, (Cont'd.)**

2.7.5 No liability shall attach to the Company by reason of any defacement or damage to the Customer's premise resulting from the existence of the Company's equipment or facilities on such premise, or by the installation or removal thereof, when such defacement or damage is not the result of the negligence of the Company or its employees.

2.7.6 The Company does not guarantee nor make any warranty with respect to installations provided by it for use in an explosive atmosphere.

2.7.7 The Company makes no warranties or representations, express or implied, either in fact or by operation of law, statutory or otherwise, including warranties of merchantability or fitness for a particular use, except those expressly set forth herein.

2.7.8 Failure by the Company to assert its rights under a provision of this tariff does not preclude the Company from asserting its rights under other provisions.

2.7.9 When the services or facilities of other common carriers are used separately or in conjunction with the Company's facilities or equipment in establishing connection to points not reached by the Company's facilities or equipment, the Company shall not be liable for any act or omission of such other common carriers or their agents, servants or employees.

2.7.10 With Respect to Directory Listings:

The Company's liability, if any, for its gross negligence or willful misconduct is not limited by this tariff. With respect to any other claim or suit, by a Customer or any others, for damages arising from errors or omissions in the making up or printing of its directories or in accepting listings as presented by Customers or prospective Customers, the Company's liability, if any, shall not exceed the amount paid for local exchange service during the period covered by the directory in which the error or omission occurred.

Issued:

Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)**2.7 Liability of the Company, (Cont'd.)****2.7.11 With respect to Emergency Number 911 Service:**

- (A) This service is offered solely as an aid in handling assistance calls in connection with fire, police and other emergencies. The Company is not responsible for any losses, claims, demands, suits, or any liability whatsoever, whether suffered, made instituted or asserted by the Customer or by any other party or person for any personal injury or death of any person or persons, and for any loss, damage or destruction of any property, whether owned by the Customer or others, caused or claimed to have been caused by : (1) mistakes, omissions, interruptions, delays, errors or other defects in the provision of service, or (2) installation, operation, failure to operate, maintenance, removal, presence, condition, location or use of any equipment and facilities furnishing this service.
- (B) Neither is the Company responsible for any infringement, nor invasion of the right of privacy of any person or persons, caused or claimed to have been caused directly or indirectly, by the installation, operation, failure to operate, maintenance, removal, presence, condition, occasion or use of emergency 911 service features and the equipment associated therewith, or by any services furnished by the Company, including, but not limited to the identification of the telephone number, address or name associated with the telephone used by the party or parties accessing emergency 911 service, and which arise out of the negligence or other wrongful act of the Company, the Customer, its users, agencies, or municipalities, or the employees or agents of any one of them.
- (C) When a Customer with a nonpublished telephone number, as defined herein, places a call to the emergency 911 service, the Company will release the name and address of the calling party, where such information can be determined, to the appropriate local governmental authority responsible for emergency 911 service upon request of such governmental authority. By subscribing to service under this tariff, the Customer acknowledges and agrees with the release of information as described above.

Issued:
Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)**2.8 Liability of the Customer**

- 2.8.1** The Customer will be liable for damages to the facilities of the Company and for all incidental and consequential damages caused by the negligent or intentional acts or omissions of the Customer, its officers, employees, agents, invites, or contractors where such acts or omissions are not the direct result of the Company's negligence or intentional misconduct.
- 2.8.2** To the extent caused by any negligent or intentional act of the Customer as described in 2.8.1, preceding, the Customer shall indemnify, defend and hold harmless the Company from and against all claims, actions, damages, liabilities, costs and expenses, including reasonable attorneys' fees, for (1) any loss, destruction or damage to property of any third party, and (2) any liability incurred by the Company to any third party pursuant to this or any other tariff of the Company, or otherwise, for any interruption of, interference to, or other defect in any service provided by the Company to such third party.
- 2.8.3** The Customer shall not assert any claim against any other Customer or user of the Company's services for damages resulting in whole or in part from or arising in connection with the furnishing of service under this tariff including but not limited to mistakes, omissions, interruptions, delays, errors or other defects or misrepresentations, whether or not such other Customer or user contributed in any way to the occurrence of the damages, unless such damages were caused solely by the negligent or intentional act or omission of the other Customer or user and not by any act or omission of the Company. Nothing in this tariff is intended either to limit or to expand Customer's right to assert any claims against third parties for damages of any nature other than those described in the preceding sentence.
- 2.8.4** The Company shall not be liable for any damages, including usage charges, that the Customer may incur as a result of the unauthorized use of services provide to a Customer. Unauthorized use occurs when a person or entity that does not have actual, apparent, or implied authority to use the network, obtains the Company's services provided under this tariff. The unauthorized use of the Company's services includes, but is not limited to, the placement of calls from the Customer's premise, and the placement of calls through equipment controlled and/or provided by the Customer, that are transmitted over the Company's network without the authorization of the Customer. The Customer shall be fully liable for all such usage charges. The following also apply to unauthorized use of company services:

Issued:
Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)**2.8 Liability of the Customer, (Cont'd.)****2.8.4 (cont'd.)**

- (A) The Customer is liable for the unauthorized use of the network obtained through the fraudulent use of a Company Travel/Calling Card, if such a card is offered by the Company, or an accepted credit card, provided that the unauthorized use occurs before the Company has been notified.
- (B) A Company Travel/Calling Card is a billing mechanism issued by the Company at the Customer's request, which enables the Customer or authorized user to place calls over the network and to have the charges for such calls billed to the Customer's account. An accepted credit card is any credit card that a cardholder has requested or applied for and received, or has signed, used, or authorized another person to use to obtain credit. Any credit card issued as a renewal or substitute in accordance with this paragraph is an accepted credit card when received by the cardholder.
- (C) The Customer must give the Company written or oral notice that an unauthorized use of a Company Travel/Calling Card or an accepted credit card has occurred or may occur as a result of loss or theft.
- (D) The Customer is responsible for payment of all charges for Travel/Calling Card services furnished to the Customer or to users authorized by the Customer to use service provided under this tariff, unless due to the negligence of the Company. This responsibility is not changed due to any use, misuse, or abuse of the Customer's service or Customer-provided equipment by third parties, the Customer's employees, or the public.

Issued:Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)**2.9 Obligations of the Customer**

2.9.1 The Customer is responsible for making proper application for service; placing any necessary orders; for complying with tariff regulations; and payment of charges for services provided. Specific Customer responsibilities include, but are not limited to the following:

- (A) reimbursing the Company for damage to or loss of the Company's facilities or equipment caused by the acts or omissions of the Customer; or the non-compliance by the Customer, with these regulations; or by fire or theft or other casualty on the Customer premise, unless caused by the negligence or willful misconduct of the employees or agents of the Company;
- (B) providing at no charge, as specified from time to time by the Company, any needed equipment, secured space, power, supporting structures, and conduit to operate Company facilities and equipment installed on the premise of the Customer, and the level of heating and air conditioning necessary to maintain the proper operating environment on such premise;
- (C) obtaining, maintaining and otherwise having full responsibility for all rights-of-way and conduit necessary for installation of fiber optic cable and associated equipment used to provide communications services to the Customer from the cable building entrance or property line to the location of the equipment space described in Section 2.9.1(B). Any and all costs associated with the obtaining and maintaining the rights-of-way described herein, including the costs of altering the structure to permit installation of the Company provided facilities, shall be borne entirely by, or may be charged by the Company, to the Customer; the Company may require the Customer to demonstrate its compliance with this section prior to accepting an order for service;
- (D) providing a safe place to work and complying with all laws and regulations regarding the working conditions on the premise at which Company employees and agents shall be installing or maintaining the Company's facilities and equipment; the Customer may be required to install and maintain Company facilities and equipment within a hazardous area if, in the Company's opinion, injury or damage to the Company employees or property might result from installation or maintenance by the Company; the Customer shall be responsible for identifying, monitoring, removing and disposing of any hazardous material (e.g., friable asbestos) prior to any construction or installation work;

Issued:

Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)**2.9 Obligations of the Customer, (Cont'd.)****2.9.1 (cont'd.)**

- (E) complying with all laws and regulations applicable to, and obtaining all consents, approvals, licenses and permits as may be required with respect to, the location of Company facilities and equipment in any Customer premise or the rights-of-way for which Customer is responsible under Section 2.9 (c); and granting or obtaining permission for Company agents or employees to enter the premise of the Customer at any time for the purpose of installing, inspecting, maintaining, repairing, or upon termination of service as stated herein, removing the facilities or equipment of the Company;
- (F) not creating or allowing to be placed any liens or other encumbrances on the Company's equipment or facilities;
- (G) making Company facilities and equipment available periodically for maintenance purposes at a time agreeable to both the Company and the Customer. No allowance will be made for the period during which service is interrupted for such purposes;
- (H) taking all steps necessary to cancel or otherwise discontinue any service(s) to be replaced by any of the Company's service(s) as described herein; and
- (I) ensuring that any Customer provided equipment and/or systems are properly interfaced with Company facilities or services, that the signals emitted into Company's network are of the proper mode, bandwidth, power, and signal level for the intended use of the Customer and in compliance with the criteria set forth in this tariff, and that the signals do not damage equipment, injure personnel, or degrade service to other Customers.

Issued:Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)**2.10 Billing and Payment For Service****2.10.1 Responsibility for Charges**

- (A) The Customer is responsible for payment of all charges for services and equipment furnished to the Customer for transmission of calls via the Company. In particular and without limitation to the foregoing, the Customer is responsible for any and all cost(s) incurred as the result of:
- (1) any delegation of authority resulting in the use of his or her communications equipment and/or network services which result in the placement of calls via the Company;
 - (2) any and all use of the service arrangement provided by the Company, including calls which the Customer did not individually authorize;
 - (3) any calls placed by or through the Customer's equipment via any remote access feature(s);
 - (4) any calls placed via the Company's Travel Service as a result of the Customer's intentional or negligent disclosure of Authorization Codes or PIN numbers assigned to the Customer; and
 - (5) any and all calls placed to an toll-free (e.g., 800, 888) service number provided to the Customer by the Company.

2.10.2 Minimum Period

The minimum period for which services are provided and for which rates and charges are applicable is one (1) month unless otherwise specified in this tariff or by mutually agreed upon contract. When a service is discontinued prior to the expiration of the minimum period, charges are applicable, whether the service is used or not.

Issued:
Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)**2.10 Billing and Payment For Service, (Cont'd.)****2.10.3 Payment for Service**

- (A) All charges due by the Customer are payable to the Company or any agent duly authorized to receive such payments. The billing agent may be the Company, a local exchange telephone company, credit card company, or other billing service. Terms of payment shall be according to the rules and regulations of the agent and subject to the rules of regulatory bodies having jurisdiction.
- (B) Non-recurring charges for installations, service connections, moves or rearrangements are due and payable upon receipt of the Company's invoice by the Customer. At the Company's discretion, payment of all or a portion of any non-recurring charges may be required prior to commencement of facility or equipment installation or construction required to provide the services requested by the Customer.
- (C) The Company shall present invoices for recurring charges monthly to the Customer, in advance of the month in which service is provided.
- (D) When billing is based upon Customer usage, usage charges will be billed monthly in arrears for service provided in the preceding billing period.
- (E) Customer billing will begin on the service commencement date, which is the day the Company notifies the Customer that the service or facility is available for use, except that the service commencement date may be postponed by mutual agreement of the parties, or if the service or facility does not conform to standards under this tariff or the service order. Billing accrues through and includes the day that the service, circuit, arrangement or component is discontinued.
- (F) When service does not begin on the first day of the month, or end on the last day of the month, the charge for the fraction of the month in which service was furnished will be calculated on a pro rata basis. For this purpose, every month is considered to have 30 days.
- (G) Payment shall not be considered past due prior to fifteen (15) days after the mailing of an invoice by the Company requesting said payment.

Issued:
Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)**2.10 Billing and Payment For Service, (Cont'd.)****2.10.4 Disputed Charges**

- (A) Any objections to billed charges must be reported to the Company or its billing agent within ninety (90) days of the mailing of the bill issued to the Customer. Adjustments to Customers' bills shall be made to the extent that circumstances exist which reasonably indicate that such changes are appropriate.
- (B) In the event that a billing dispute occurs concerning any charges billed to the Customer by the Company, the Customer must submit a documented claim for the disputed amount. The Customer will submit all documentation as may reasonably be required to support the claim. All claims must be submitted to the Company within ninety (90) days of mailing date of the bill for the disputed services. If the Customer does not submit a claim as stated above, the Customer waives all rights to filing a claim thereafter.
- (C) If the dispute is resolved in favor of the Customer and the Customer has withheld the disputed amount, no interest credits or penalties will apply.
- (D) If the dispute is resolved in favor of the Company and the Customer has withheld the disputed amount, any payments withheld pending settlement of the disputed amount shall be subject to the late payment penalty as set forth in 2.10.5.
- (E) If the dispute is resolved in favor of the Customer and the Customer has paid the disputed amount, the Customer will receive an interest credit from the Company for the disputed amount times a late factor as set forth in 2.10.5.
- (F) If the dispute is resolved in favor of the Company and the Customer has paid the disputed amount on or before the payment due date, no interest credit or penalties will apply.

Issued:
Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)**2.10 Billing and Payment For Service, (Cont'd.)****2.10.5 Late Payment Fees**

A late payment charge of 1.5% per month shall be due to the Company for any billed amount for which payment has not been received by the Company within fifteen (15) days of the mailing date of the Company's invoice for service or by the due date printed on the invoice, whichever is later, or if any portion of the payment is received by the Company in funds which are not immediately available upon presentment. If the last calendar day for remittance falls on a Sunday, legal holiday or other day when the offices of the Company are closed, the date for acceptance of payments prior to assessment of any late payment fees shall be extended through to the next business day.

2.10.6 Return Check Charge

A service charge equal to \$25.00 will be assessed under Arizona law for all checks returned by a bank or other financial institution for: insufficient or uncollected funds, closed account, apparent tampering, missing signature or endorsement, or any other insufficiency or discrepancy necessitating return of the instrument at the discretion of the drawee bank or other financial institution.

Issued:

Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)**2.11 Taxes, Surcharges and Fees**

- 2.11.1** All state and local taxes (i.e., gross receipts tax, sales tax, municipal utilities tax) are listed as separate line items on the Customer's bill and are not included in the quoted rates and charges set forth in this tariff. To the extent that a municipality, other political subdivision or local agency of government, or Commission imposes upon and collects from the Company a gross receipts tax, sales tax, occupation tax, license tax, permit fee, franchise fee, or other regulatory fee or tax, such and fees and taxes shall, insofar as practicable and allowed by law, be billed pro rata to Customers receiving service from the Company within the territorial limits of such municipality, other political subdivision or local agency of government. It shall be the responsibility of the Customer to pay any such taxes that subsequently become applicable retroactively.
- 2.11.2** The Company may adjust its rates and charges or impose additional rates and charges on its Customers in order to recover amounts it is required by governmental or quasi-governmental authorities to collect from or pay to others in support of statutory or regulatory programs. Examples of such programs include, but are not limited to, the Universal Service Fund (USF), the Presubscribed Interexchange Carrier Charge (PICC), compensation to pay telephone service providers, E911 Assessments and Relay Services. Fees or surcharges for such programs will be included in this section of the Tariff.

Issued:
Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)**2.11 Taxes, Surcharges and Fees, (Cont'd.)****2.11.3 Pay Telephone Surcharge**

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

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

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

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

Rate per Call \$0.35

Issued:
Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)**2.12 Deposits and Advanced Payments****2.12.1 General**

The Company reserves the right to validate the creditworthiness of Customers and billed parties through available verification procedures. Where a Customer's creditworthiness is unacceptable to the Company, NxGen may refuse to provide service, require a deposit or advance payment, or otherwise restrict or interrupt service to a Customer.

2.12.2 Deposits

- (A) To safeguard its interests, the Company may require the Customer to make a deposit to be held as a guarantee for the payment of charges under Commission rules. A deposit may be required if the Customer's financial condition is not acceptable to the Company or is not a matter of general knowledge. A deposit does not relieve the Customer of the responsibility for the prompt payment of bills on presentation. A deposit may be required in addition to an advance payment.
- (B) The maximum amount of any deposit shall not exceed the equivalent of the customers estimated liability for two months service.
- (C) The Company will pay interest on deposits, to accrue from the date the deposit is made until it has been refunded, or until a reasonable effort has been made to effect refund. The Company will pay interest at the rate prescribed by the Commission.
- (D) If the amount of a deposit is proven to be less than required to meet the requirements specified above, the Customer shall be required to pay an additional deposit upon request.
- (E) Upon discontinuance of service, the Company shall promptly and automatically refund the Customer's deposit plus accrued interest, or the balance, if any, in excess of the unpaid bills including any penalties assessed for service furnished by the Company.
- (F) The Company shall annually credit all accrued interest to the customer's account.

Issued:

Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)**2.12 Deposits and Advanced Payments, (Cont'd.)****2.12.3 Advance Payments**

To safeguard its interests, the Company may require a Customer to make an advance payment before services and facilities are furnished. The advance payment will not exceed an amount equal to one (1) month's estimated billing. This will be applied against the next month's charges and a new advance payment may be collected for the next month, if necessary. Advance payments do not accrue interest. An advance payment may be required in addition to a deposit.

Issued:

Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)**2.13 Cancellation by Customer****2.13.1 General**

Customers of the Company's service may cancel service by providing the Company with verbal or written notification thirty (30) days prior to the requested cancellation date. The Company shall hold the Customer responsible for payment of all bills for service furnished until the cancellation date specified by the Customer or until thirty (30) days after the date that the cancellation notice is received, whichever is later.

2.13.2 Cancellation of Contract Services

- (A) If a Customer cancels a service order or terminates services before the completion of the term or where the Customer breaches the terms in the service contract, the Customer may be requested by the Company to pay to Company termination liability charges. These charges shall become due and owing as of the effective date of the cancellation or termination. Unless otherwise specified in this tariff, the termination liability shall be equal to:
- (1) all unpaid nonrecurring charges reasonably expended by the Company to establish service to Customer, plus;
 - (2) any disconnection, early cancellation or termination charges reasonably incurred and paid to third parties by the Company on behalf of Customer, plus;
 - (3) all recurring charges specified in the applicable service order for the balance of the then current term discounted at the prime rate announced in the Wall Street Journal on the third business day following the date of cancellation;
 - (4) minus a reasonable allowance for costs avoided by the Company as a direct result of Customer's cancellation.

Issued:
Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

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

2.13 Cancellation by Customer, (Cont'd.)

2.13.3 Cancellation of Application for Service

- (A) Where the Company permits the Customer to cancel an application for service prior to the start of service or prior to any special construction, no charges will be imposed except for those specified below.
- (B) Where, prior to cancellation by the Customer, the Company incurs any expenses in installing the service or in preparing to install the service that it otherwise would not have incurred, a charge equal to the costs the Company incurred, less net salvage, shall apply, but in no case shall this charge exceed the sum of the charge for the minimum period of services ordered, including installation charges, and all charges others levy against the Company that would have been chargeable to the Customer had service begun.
- (C) Where the Company incurs any expense in connection with special construction, or where special arrangements of facilities or equipment have begun, before the Company receives a cancellation notice, a charge equal to the costs incurred, less net salvage, may apply. In such cases, the charge will be based on such elements as the cost of the equipment, facilities, and material, the cost of installation, engineering, labor, and supervision, general and administrative expense, other disbursements, depreciation, maintenance, taxes, provision for return on investment, and any other costs associated with the special construction or arrangements.
- (D) The charges described above will be calculated and applied on a case-by-case basis.

Issued:

Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

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

2.14 Cancellation by Company

2.14.1 Service continues to be provided until canceled by the Customer pursuant to Section 2.13 or until discontinued by the Company. The Company may render bills subsequent to the termination of service for charges incurred before termination. The Customer shall pay such bills in full in accordance with the payment terms of this tariff.

Issued:
Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)**2.14 Cancellation by Company, (Cont'd.)**

2.14.2 NxGen may refuse or discontinue service to a Customer without notice under the following conditions:

- (A) For violation of law or this tariff: Except as provided elsewhere in this tariff, the Company may refuse, suspend or cancel service, without notice, for any violation of terms of this tariff, for any violation of any law, rule, regulation, order, decree or policy of any government authority of competent jurisdiction, or by reason of any order or decision of a court or other government authority having jurisdiction which prohibits the Company from furnishing such service or prohibits Customer from subscribing to, using, or paying for such service.
- (B) For the Company to comply with any order or request of any governmental authority having jurisdiction: The Company may refuse, suspend or cancel service, without notice, in order to permit the Company to comply with any order or request of any governmental authority having jurisdiction.
- (C) In the event of Customer or Authorized User use of equipment in such a manner as to adversely affect the Company's equipment or service to others.
- (D) In the event of tampering with the equipment or services owned by the Company or its agents.
- (E) In the event of unauthorized or fraudulent use of service. Whenever service is discontinued for fraudulent use of service, the Company may, before restoring service, require the Customer to make, at his or her own expense, all changes in facilities or equipment necessary to eliminate illegal use and to pay an amount reasonably estimated as the loss in revenues resulting from such fraudulent use.
- (F) Without notice in the event of Customer use of equipment or services in such a manner as to adversely affect the Company's equipment or the Company's service to others.
- (G) If any of the facilities, appliances, or apparatus on Customer's premise are found to be unsafe or causing harm to the Company's facilities, and may refuse to furnish service until the applicant or Customer shall have remedied the condition.

Issued:
Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

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

2.14 Cancellation by Company, (Cont'd.)

2.14.3 NxGen may refuse or discontinue service provided that, unless otherwise stated, the Customer shall be given five (5) days written notice to comply with any rule or remedy any deficiency:

- (A) For nonpayment: The Company, by written notice to the Customer and in accordance with applicable law, may refuse, suspend or cancel service without incurring any liability when there is an unpaid balance for service that is past due.
- (B) For returned checks: The Customer whose check or draft is returned unpaid for any reason, after two attempts at collection, shall be subject to refusal, suspension or cancellation of service in the same manner as provided for nonpayment of overdue charges.
- (C) For neglect or refusal to provide reasonable access to the Company or its agents for the purpose of inspection and maintenance of equipment owned by the Company or its agents.
- (D) For Customer use or Customer's permitting use of obscene, profane or grossly abusive language over the Company's facilities, and who, after five (5) days notice, fails, neglects or refuses to cease and refrain from such practice or to prevent the same, and to remove its property from the premise of such person.
- (E) For failure of the Customer to make proper application for service or for use of telephone service for any other property or purpose than that described in the application.
- (F) For Customer's breach of contract for service between the Company and the Customer.
- (G) For periods of inactivity over sixty (60) days.

Issued:

Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

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

2.15 Restoration of Service

- 2.15.1** If service has been discontinued for nonpayment or as otherwise provided herein and the Customer wishes service continued, service shall be restored at the Company's discretion, when all past due amounts are paid or the event giving rise to the discontinuance (if other than nonpayment) is corrected. Customers whose service was disconnect for non-payment may be required to pay a deposit or advance payment prior to service restoration.
- 2.15.2** A restoration fee as specified in Section 4.3 applies to Customers whose service is restored following disconnection by the Company.
- 2.15.3** Restoration of disrupted services shall be in accordance with applicable Commission and/or Federal Communications Commission Rules and Regulations specified in Part 64, Subpart D, which specify the priority system for such activities.

Issued:
Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)**2.16 Provision of Company Equipment and Facilities**

- 2.16.1** The Company shall use reasonable efforts to maintain only the facilities and equipment that it furnishes to the Customer. The Customer may not nor may the Customer permit others to rearrange, disconnect, remove, attempt to repair, or otherwise interfere with any of the facilities or equipment installed by the Company, except upon the written consent of the Company.
- 2.16.2** The Company may substitute, change or rearrange any equipment or facility at any time and from time to time, but shall not thereby alter the technical parameters of the service provided the Customer.
- 2.16.3** Equipment the Company provides or installs at the Customer premise shall not be used for any purpose other than that for which the equipment is provided.
- 2.16.4** The Company shall not be responsible for the installation, operation, or maintenance of any Customer provided communications equipment. Where such equipment is connected to the facilities furnished under this tariff, the responsibility of the Company shall be limited to the furnishing of facilities offered under this tariff and to the maintenance and operation of such facilities. Subject to this responsibility, the Company shall not be responsible for:
- (A) the through transmission of signals by Customer provided equipment or for the quality of, or defects in, such transmission; or
 - (B) the reception of signals by Customer-provided equipment; or
 - (C) network control signaling where such signaling is performed by Customer-provided network control signaling equipment.

Issued:Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)**2.17 Interconnection**

- 2.17.1** Service furnished by the Company may be interconnected with services or facilities of other authorized communications common carriers and with private systems, subject to technical limitations established by the Company. Service furnished by the Company is not part of a joint undertaking with such other common carriers or systems. Any special interface equipment or facilities necessary to achieve compatibility between the facilities of Company and other participating carriers shall be provided at the Customer's expense.
- 2.17.2** Connection with the facilities or services of other carriers shall be under the applicable terms and conditions of the other carriers tariffs. The Customer is responsible for taking all necessary legal steps for interconnecting his Customer-provided terminal equipment or communications systems with Company's facilities. Customer shall secure all licenses, permits, rights-of-way, and other arrangements necessary for such interconnection.
- 2.17.3** The Customer shall ensure that the facilities or equipment provided by another carrier are properly interconnected with the facilities or equipment of the Company. If the Customer maintains or operates the interconnected facilities or equipment in a manner which results or may result in harm to the Company's facilities, equipment, personnel, or the quality of service, the Company may, upon five (5) days written notice, require the use of protective equipment at the Customer's expense. If this written notice fails to eliminate the actual or potential harm, the Company may, upon additional five (5) days written notice, terminate the existing service of the Customer.
- 2.17.4** If harm to the Company's network, personnel or services is imminent due to interconnection with another carrier's services, the Company reserves the right to shut down Customer's service immediately, with no prior notice required.

Issued:Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)**2.18 Customer-Provided Equipment**

- 2.18.1** The Company's services are designed primarily for the transmission of voice-grade telephonic signals, except as otherwise stated in this tariff. A user may transmit any form of signal that is compatible with the Company's equipment, but the Company does not guarantee that its services will be suitable for purposes other than voice-grade telephonic communication except as specifically stated in this tariff.
- 2.18.2** The Company's facilities and service may be used with or terminated in terminal equipment or communications systems such as a PBX, key system, or single line telephone. Such terminal equipment shall be furnished and maintained at the expense of the Customer. The Customer is responsible for all costs at his or her premises, including personnel, wiring, electrical power, and the like, incurred in the use of the Company's service.
- 2.18.3** Terminal equipment on the user's premise and the electric power consumed by such equipment shall be provided by and maintained at the expense of the Customer. The Customer is responsible for the provision of wiring or cable to connect its terminal equipment to the Company's network.
- 2.18.4** The Customer is responsible for ensuring that Customer-provided equipment connected to Company equipment and facilities is compatible with such equipment and facilities. The magnitude and character of the voltages and currents impressed on Company-provided equipment and wiring by the connection, operation, or maintenance of such equipment and wiring shall be such as not to cause damage to the Company-provided equipment and wiring or injury to the Company's employees or to other persons. Any additional protective equipment required to prevent such damage or injury shall be provided by the Company at the Customer's expense, subject to prior Customer approval of the equipment expense.
- 2.18.5** 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 under this Section 2.18 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.

Issued:Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)**2.18 Customer-Provided Equipment, (Cont'd.)**

2.18.6 If the protective requirements for Customer-provided equipment are not being complied with, the Company may take such action as it deems necessary to protect its facilities, equipment, and personnel. The Company may, upon five (5) days written notice, require the use of additional protective equipment at the Customer's expense. If this written notice fails to remedy any protective deficiencies or potential harm, the Company may, upon additional five (5) days written notice, terminate the existing service of the Customer.

2.18.7 If harm to the Company's network, personnel or services is imminent, the Company reserves the right to shut down Customer's service immediately, with no prior notice required.

2.19 Inspection, Testing and Adjustments

2.19.1 The Company may, upon reasonable notice, make such tests and inspections as may be necessary to determine whether the terms and conditions of this tariff are being complied with in the installation, operation or maintenance of the Customer's or the Company's facilities or equipment. The Company may interrupt service at any time, without penalty or liability, due to the departure from or reasonable suspicion of the departure from any of these terms and conditions.

2.19.2 Upon reasonable notice, the facilities or equipment provided by the Company shall be made available to the Company for such tests and adjustments as may be necessary for their maintenance in a condition satisfactory to the Company. No interruption allowance shall be granted for the time during which such tests and adjustments are made, unless such interruption exceeds twenty-four hours in length and is requested by the Customer.

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

Issued:
Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)**2.20 Allowances for Interruptions in Service****2.20.1 General**

- (A) A credit allowance will be given when service is interrupted, except as specified in Section 2.20.2 following. A service is interrupted when it becomes inoperative to the Customer, e.g., the Customer is unable to transmit or receive, because of a failure of a component furnished by the Company under this tariff.
- (B) An interruption period begins when the Customer reports a service, facility or circuit to be inoperative and, if necessary, releases it for testing and repair. An interruption period ends when the service, facility or circuit is operative.
- (C) If the Customer reports a service, facility or circuit to be interrupted but declines to release it for testing and repair, refuses access to its premise for test and repair by the Company, or continues to make voluntary use of the service, the service, facility or circuit is considered to be impaired but not interrupted. No credit allowances will be made for a service, facility or circuit considered by the Company to be impaired.
- (D) The Customer shall be responsible for the payment of Premises Visit and Trouble Isolation Service Charges as specified in Sections 4.1 and 4.2 of this Tariff for visits by the Company's agents or employees to the premise of the Customer when the service difficulty or trouble report results from the use of equipment or facilities provided by any party other than the Company, including but not limited to the Customer.

2.20.2 Limitations of Allowances

- (A) No credit allowances will be provided for monthly recurring surcharges, taxes or fees including, but not limited, to the following:
 - (1) End User Common Line Surcharge
 - (2) Primary Interexchange Carrier Charge
 - (3) Local Number Portability Surcharge

Issued:Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)**2.20 Allowances for Interruptions in Service, (Cont'd.)****2.20.2 Limitations of Allowances**

- (B) No credit allowance will be made for any interruption in service:
- (1) due to the negligence of or noncompliance with the provisions of this tariff by any person or entity other than the Company, including but not limited to the Customer;
 - (2) due to the failure of power, equipment, systems, connections or services not provided by the Company;
 - (3) due to circumstances or causes beyond the reasonable control of the Company;
 - (4) during any period in which the Company is not given full and free access to its facilities and equipment for the purposes of investigating and correcting interruptions;
 - (5) during any period when the Customer has released service to the Company for maintenance purposes or for implementation of a Customer order for a change in service arrangements;
 - (6) that occurs or continues due to the Customer's failure to authorize replacement of any element of special construction; and
 - (7) that was not reported to the Company within 30 days of the date that service was affected.
 - (8) Cellular (wireless) transmission is subject to interruptions including but not limited to, dropped calls, interrupted calls, unintelligible calls, one way audio and other problems created by factors beyond NxGen' ability to control. Therefore, under no circumstances will NxGen provide credit or payment of any kind for calls which experience problems related to cellular (wireless) transmissions.

Issued:Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)**2.20 Allowances for Interruptions in Service, (Cont'd.)****2.20.3 Use of Another Means of Communications**

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

2.20.4 Application of Credits for Interruptions in Service

- (A) If a Customer's service is interrupted other than by the negligence or willful act of the Customer, and it remains out of order for eight normal working hours or longer after access to the premise is made available and after being reported to be out of order, appropriate adjustments or refunds shall be made to the Customer, when such adjustment exceeds \$1.00.
- (B) The amount of adjustment or refund shall be determined on the basis of the known period of interruption, generally beginning from the time the service interruption is first reported. The refund to the Customer shall be a pro rata part of the month's flat rate charges for the period of days and that portion of the service facilities rendered useless or inoperative. The refund may be accomplished by a credit on a subsequent bill for the service.
- (C) For purposes of credit computation every month shall be considered to have seven hundred and twenty (720) hours. For services with a monthly recurring charge, no credit shall be allowed for an interruption of continuous duration of less than eight (8) hours. The Customer shall be credited for an interruption of eight (8) or more hours at the rate of 1/720th of the monthly charge for the services affected for each day that the interruption continues. The formula used for computation of credits is as follows:
- $$\text{Credit} = A/720 \times B$$
- A = outage time in hours (must be 8 or more)
B = total monthly recurring charge for affected service.
- (D) For usage sensitive services, credits will be limited to, at maximum, the price of the initial period of the individual call that was interrupted plus any per call service charges or surcharges required to reconnect the caller.

Issued:

Issued By:

Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)**2.21 Notices and Communications**

- 2.21.1** The Customer shall designate on the service order an address to which the Company shall mail or deliver all notices and other communications, except that Customer may also designate a separate address to which the Company's bills for service shall be mailed.
- 2.21.2** The Company shall designate on the service order an address to which the Customer shall mail or deliver all notices and other communications, except that Company may designate a separate address on bills for service to which the Customer shall mail payment on that bill.
- 2.21.3** Notice of a pending disconnection of a Customer's service shall be delivered by U.S. Postal First Class Mail and shall contain the reason for the notice, the date of the notice, a description of any remedies the Customer may make, the time allotted for the Customer to make remedies (if any), and a toll free customer service number the Customer may call to obtain additional information.
- 2.21.4** Except as otherwise stated in this tariff, all other notices or communications required to be given under this tariff will be in writing.
- 2.21.5** Notices and other communications of either party, and all bills mailed by the Company, shall be presumed to have been delivered to the other party on the second business day following placement of the notice, communication or bill with the U.S. mail or a private delivery service, prepaid and properly addressed, or when actually received or refused by the addressee, whichever occurs first.
- 2.21.5** The Company or the Customer shall advise the other party of any changes to the addresses designated for notices, other communications or billing, by following the procedures for giving notice set forth herein.

2.22 Other Rules and Regulations**2.22.1 Listing and Billing Name Rule**

When the Customer provides a listing name or a name that will appear in Caller ID systems, the Company reserves the right to suppress names that are intentionally misleading or offensive. The Company will notify the Customer before suppressing the name or prior to initiating service to make alternative arrangements. If the Customer is dissatisfied with the Company's determination, the Customer has the right to appeal to the Arizona Corporation Commission for a decision.

Issued:

Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 3.0 - SERVICE AREAS

3.1 Exchange Service Areas

Local exchange services are provided, subject to availability of facilities and equipment, in areas currently served by the following Incumbent LECs: 1) US West Communications

3.2 Rate Groups

Charges for local services provided by the Company may be based, in part, on the Rate Group associated with the Customers End Office. The Rate Group is determined by the total access lines and PBX trunks in the local calling area which can be reached from each End Office.

In the event that an Incumbent LEC or the Public Service Commission reclassifies an exchange or End Office from one Rate Group to another, the reclassification will also apply to One Source Customers who purchase services under this tariff. Local calling areas and Rate Group assignments are equivalent to those areas and groups specified in US West Communications Arizona Exchange and Network Services Tariff .

Issued:
Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 4.0 - SERVICE CHARGES AND SURCHARGES

4.1 Service Order and Change Charges

Non-recurring charges apply to processing Service Orders for new service, for changes in service, and for changes in the Customer's primary interexchange carrier (PIC) code.

Primary Line
Each Additional Line
Customer Requested Service Charge

4.2 Maintenance Visit Charges

Maintenance Visit Charges apply when the Company dispatches personnel to a Customer's premises to perform work necessary for installing new service, effecting changes in service or resolving troubles reported by the Customer when the trouble is found to be caused by the Customer's facilities.

Maintenance Visit Charges will be credited to the Customer's account in the event trouble is not found in the Company facilities, but the trouble is later determined to be in those facilities.

The time period for which the Maintenance Visit Charges is applied will commence when Company personnel are dispatched at the Customer premises and end when work is completed. The rates for Maintenance of Service vary by time per Customer request.

<u>Duration of time, per technician</u>	Residential	Business
Initial 30 minute increment		
Each Additional 15 minute increment		

Trouble Isolation Charge

4.3 Restoration of Service

A restoration charge applies to the restoration of suspended service and facilities because of nonpayment of bills and is payable at the time that the restoration of the suspended service and facilities is arranged. The restoration charge does not apply when, after disconnection of service, service is later re-installed.

Per occasion	Residence	Business
--------------	-----------	----------

Issued:
Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 5.0 - NETWORK SERVICES DESCRIPTIONS

5.1 General

5.1.1 Services Offered

The following Network Services are available to residence/business Customers and for resale by other carriers certificated by the Arizona Corporation Commission:

- Standard Residence Line Service
- Standard Business Line Service
- PBX Trunk Service
- Digital Voice Grade DS-1 Trunk Service
- Direct Inward Dial (DID) Service
- Integrated Services Digital Network (ISDN) Primary Rate Interface (PRI)
- Optional Calling Features
- IntraLATA Toll Services (see Business Telecom, Inc. d/b/a BTI GA Tariff No. (1))
- Private Line Services
- Carrier Access Services

The following services are available to residence/business Customers and are not offered on a resale basis as of the effective date of this page.

- Listing Services (including Non Published and Non-Listed Services)
- Directory Assistance
- Operator Services
- Miscellaneous Services (including Vanity Numbers and Number Portability)

5.1.2 Application of Rates and Charges

All services offered in this tariff are subject to service order and change charges where the Customer requests new services or changes in existing services, as well as indicated Non-Recurring and Monthly Recurring Charges. Charges for local calling services may be assessed on a measured rate basis and are additional to monthly recurring charges shown for Business or Residence lines, PBX Trunks, DID Trunks, Digital/DS1 service, and ISDN PRI.

Issued:
Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 5.0 - NETWORK SERVICES DESCRIPTIONS, (CONT'D.)**5.1 General (Cont'd.)****5.1.3 Emergency Services Calling Plan**

Access (at no additional charge) to the local operator or emergency services bureau by dialing 0- or 9-1-1 is offered at no charge to the Customer.

Message toll telephone calls, to governmental emergency service agencies as set forth in (A) following, having primary or principal responsibility with respect to the provision of emergency services to persons and property in the area from which the call is made, meeting the definition and criteria of an emergency call as set forth in (B) following are offered at no charge to Customers:

- (A) Governmental fire fighting, State Highway Patrol, police, and emergency squad service (as designated by the appropriate governmental agency) qualify as governmental emergency service agencies provided they answer emergency service calls on a personally attended (live) twenty-four (24) hour basis, three hundred sixty-five (365) days a year, including holidays.
- (B) An emergency is an occurrence or set of circumstances in which conditions pose immediate threat to human life, property, or both and necessitate that prompt action be taken. An emergency call is an originated call of short duration to a governmental emergency services agency in order to seek assistance for such an emergency.

Issued:

Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 5.0 - NETWORK SERVICES DESCRIPTIONS, (CONT'D.)

5.2 Call Timing for Usage Sensitive Services

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

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

Issued:
Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 5.0 - NETWORK SERVICES DESCRIPTIONS, (CONT'D.)
5.3 Distance Calculations

Where charges for a service are specified based upon distance, the following rules apply:

5.3.1 Distance between two points is measured as airline distance between the rate centers of the originating and terminating telephone lines. The rate center is a set of geographic coordinates, as referenced in Local Exchange Routing Guide issued by Bellcore, associated with each NPA-NXX combination (where NPA is the area code and NXX is the first three digits of a seven-digit telephone number). Where there is no telephone number associated with an access line on the Company's network (such as a dedicated 800 or WATS access line), the Company will apply the rate center of the Customer's main billing telephone number.

5.3.2 The airline distance between any two rate centers is determined as follows:

Step 1: Obtain the "V" (vertical) and "H" (horizontal) coordinates for each Rate Center from the above-referenced Bellcore document.

Step 2: Compute the difference between the "V" coordinates of the two rate centers; and the difference between the two "H" coordinates.

Step 3: Square each difference obtained in step (b) above.

Step 4: Add the square of the "V" difference and the square of the "H" difference obtained in step C) above.

Step 5: Divide the sum of the squares by 10. Round to the next higher whole number if any fraction is obtained.

Step 6: Obtain the square root of the whole number result obtained above. Round to the next higher whole number if any fraction is obtained. This is the airline mileage.

5.3.3 The formula for distance calculations is:

$$\sqrt{\frac{(V_1 - V_2)^2 + (H_1 - H_2)^2}{10}}$$

 Issued:

Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 5.0 - NETWORK SERVICES DESCRIPTIONS, (CONT'D.)

5.4 Rate Periods for Time of Day Sensitive Services

5.4.1 For time of day, usage sensitive services, the following rate periods apply unless otherwise specified in this tariff:

	MON	TUES	WED	THUR	FRI	SAT	SUN
8:00 AM TO 5:00 PM*	DAYTIME RATE PERIOD						
5:00 PM TO 11:00 PM*	EVENING RATE PERIOD						EVE
11:00 PM TO 8:00 AM*	NIGHT/WEEKEND RATE PERIOD						

* Up to but not including.

5.4.2 Calls are billed based on the rate in effect for the actual time period(s) during which the call occurs. Calls that cross rate period boundaries are billed the rates in effect in that boundary for each portion of the call, based on the time of day at the Customer location.

Issued:
Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 5.0 - NETWORK SERVICES DESCRIPTIONS, (CONT'D.)**5.5 Standard Residence Line**

A Standard Residence Line provides the Customer with a single, analog, voice-grade telephonic communications channel which can be used to place or receive one call at a time. Standard Residence Lines are provided for the connection of Customer-provided wiring and single station sets or facsimile machines. An optional per line Hunting feature is available for multi-line Customers which routes a call to an idle station line in a prearranged group when the called station line is busy.

5.6 Standard Business Line

The Standard Business Line provides a Customer with a single, analog, voice-grade telephonic communications channel which can be used to place or receive one call at a time. Standard Business Lines are provided for the connection of Customer-provided wiring and single station sets or facsimile machines. An optional per line Hunting feature is available for multi-line Customers which routes a call to an idle station line in a prearranged group when the called station line is busy.

5.7 PBX Trunk Service

Basic PBX Trunk Service provides a Customer with a single, voice-grade telephonic communications channel which can be used to place or receive one call at a time. Basic Trunks are provided for connection of Customer-provided private branch exchanges (PBX) to the public switched telecommunications network. Each Basic PBX Trunk is provided with touch tone signaling and may be configured into a hunt group at no additional charge with other Company-provided Basic PBX Trunks. The signal is an analog signal at the DS0 level.

Basic Trunks provided via On-Network services may be equipped with Direct Inward Dialing (DID) capability and DID number blocks for additional charges. DID service in an Off-Network arrangement requires special DID capable trunks plus additional DID number blocks.

Issued:
Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 5.0 - NETWORK SERVICES DESCRIPTIONS, (CONT'D.)**5.8 Digital Voice Grade DS-1 Trunk Service**

Digital Voice Grade DS-1 Trunk Service provides business Customers with PBX or PBX-like equipment or other telephonic equipment with access to switch ports. Customers can purchase this capability for both primary service (listed directory number) and diversity purposes. Customers must have the ability to terminate a DS1 signal. The signal is delivered as a digital signal at the DS1 level. The connection to the Customer's equipment is accomplished using a DS1 for digital connectivity.

5.9 Direct Inward Dialing (DID) Service

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

Issued:
Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 5.0 - NETWORK SERVICES DESCRIPTIONS, (CONT'D.)

5.10 Integrated Services Digital Network (ISDN) Primary Rate Interface (PRI)

Integrated Services Digital Network (ISDN) is a set of transmission protocols that provides end-to-end digital connectivity and integration of voice, data and video, on a single Customer loop to support a wide variety of services via the public switched network. The Primary Rate Interface (PRI) consists of a 23B+D configuration with 23 64Kbps Bearer (B) digital channels and 1 64Kbps Data (D) digital channel. The B channels are designed for voice, data, image and sound transmissions. B channels can support synchronous, asynchronous or isochronous services at rates up to 64Kbps. B channels can be aggregated for higher bandwidth applications. The D channel PRI provides the out of band signaling, call control and messaging.

PRI is provided through standard four wire DS-1 (1.544Mbps) point to point, private line facilities that enables Customer control of the 24 individual channels. PRI supports 1+, 0+, 7 digit, and 10 digit Local, IntraLATA and InterLATA services, as well as 01+ and 011+ international calling. PRI allows Customers to direct voice, data and video over the Public Switched Telephone Network. Channels may be pre-subscribed to an IXC carrier of their Customer's choice or used with 10XXX casual dialing. PRI also allows access to Public Switched Network services, such as Two-Way, Incoming Only, Outgoing Only and DID.

Multiple PRI interfaces can be combined to function as one group. Utilizing a Backup D Channel arrangement, Customers are able to link up to 20 DS-1s together, providing a maximum of 479 64Kbps B channels controlled by a single D (signaling) channel.

Issued:
Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 5.0 - NETWORK SERVICES DESCRIPTIONS, (CONT'D.)

5.11 Optional Calling Features

The features listed in Section 5.11.1 are offered by the Company to Residential and Business Customers. Service availability may vary between On-Net and Off-Net Customers. Refer to Price Lists in Sections 6 and 7 of this tariff for specific features offered with each type of local exchange service.

5.11.1 Feature Descriptions

- (A) **Enhanced Call Forwarding:** Provides end-user control for call forwarding capabilities via dial-accessed voice prompt menus. Customers may forward calls to a primary local or long distance. The end-user may specify a secondary location for routing of go unanswered at the forward-to location or reach a busy signal. This secondary location may be another telephone number, pager or voice messaging service. Other Capabilities included with this feature include:

Speed Forwarding;
Priority Screening;
Ring Control; and
Timed Forwarding.

It is the responsibility of the Customer to subscribe to the telephone number, pager or voice messaging service used as the secondary location.

- (B) **Enhanced Call Forwarding with Audio Calling Name:** Provides all of the functionality of Enhanced Call Forwarding. Also permits the end-user to receive the Directory Name of the party's whose call was forwarded to primary number. In some situations, the end-user may hear the calling party's city and state or telephone number, depending on available call data.
- (C) **Enhanced Call Forwarding Plus:** Provides all of the functionality of Enhanced Call Forwarding. Also includes an additional telephone number with directory listing and distinctive ringing for calls placed to the additional number. Enhanced Call Forwarding Plus allows parties to reach the end-user's location when FCF is active and all calls to the end-users main telephone number would normally forward. Calls to the additional number do not forward even when Enhanced Call Forwarding is active.

Issued:
Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 5.0 - NETWORK SERVICES DESCRIPTIONS, (CONT'D.)**5.11 Optional Calling Features, (Cont'd.)****5.11.1 Feature Descriptions, (cont'd.)**

- (D) **Enhanced Call Forwarding Plus with Audio Calling Name** - Provides all of the functionality of Enhanced Call Forwarding Plus including the additional telephone number with listing and distinctive ringing. Also permits the end-user to receive the Directory Name of the party's whose call was forwarded to primary number. In some situations, the end-user may hear the calling party's city and state or telephone number, depending on available call data.
- (E) **Call Forwarding Variable** - Permits the end-user to automatically forward (transfer) all incoming calls to another telephone number, and to restore it to normal operation at their discretion. The end-user must dial an activation code from his/her exchange line along with the forward-to number in order to turn the feature on. A separate code is dialed by the end-user to deactivate the feature.
- (F) **Call Forwarding Variable, Remote Access** - Permits the end-user to automatically forward (transfer) all incoming calls to another telephone number, and to restore it to normal operation at their discretion. The end-user must dial an activation code along with the forward-to number in order to turn the feature on. A separate code is dialed by the end-user to deactivate the feature. Feature activation may be performed from the end-user's exchange line or remotely from some other line. Remote access requires the end-user to 1) dial a special access number 2) enter their seven-digit telephone number and 3) enter a personal identification number prior to forwarding their calls.
- (G) **Call Forwarding Don't Answer, Basic**: Permits the forwarding of incoming calls when the end-user's line remains unanswered after a pre-designated ringing interval. The ringing interval before forwarding and the forward-to number are fixed by the service order.
- (H) **Call Forwarding Don't Answer w/ Ring Control**: Permits the forwarding of incoming calls when the end-user's line remains unanswered after a pre-designated ringing interval. The forward-to number is fixed by the service order. However, the end-user has the ability to change the time interval before forwarding occurs at his/her discretion.

Issued:
Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 5.0 - NETWORK SERVICES DESCRIPTIONS, (CONT'D.)**5.11 Optional Calling Features, (Cont'd.)****5.11.1 Feature Descriptions, (cont'd.)**

- (I) **Call Forwarding Don't Answer w/ Customer Control:** Permits the forwarding of incoming calls when the end-user's line remains unanswered after a pre-designated ringing interval. The ringing interval before forwarding and the forward-to number are fixed by the service order. However, the end-user has the ability to turn the feature on or off at his/her discretion.
- (J) **Call Forwarding Busy Line, Basic:** Permits the forwarding of incoming calls when the end-user's line is busy. The forwarded number is fixed by the end-user service order.
- (K) **Call Forwarding Busy Line w/ Customer Control:** Permits the forwarding of incoming calls when the end-user's line is busy. The forwarded number is fixed by the end-user service order. However, the end-user has the ability to turn the feature on or off at his/her discretion.
- (L) **Call Waiting - Basic:** Call Waiting provides a tone signal to indicate to a Customer already engaged in a telephone call that a second caller is attempting to dial in. It permits the Customer to place the first call on hold, answer the second call and then alternate between both callers. Cancel Call Waiting is provided with the feature and allows a Call Waiting end-user to disable the Call Waiting feature for the duration of a single outgoing telephone call. Cancel Call Waiting is activated by dialing a special code prior to placing a call, and is automatically deactivated when the Customer disconnects from the call.

Issued:
Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 5.0 - NETWORK SERVICES DESCRIPTIONS, (CONT'D.)

5.11 Optional Calling Features, (Cont'd.)

5.11.1 Feature Descriptions, (cont'd.)

- (M) Call Waiting - Deluxe:** Allows the end-user to control the treatment applied to incoming calls while the Customer is off-hook on an existing call. This feature includes the capabilities of Call Waiting Basic plus additional call treatment options. Treatment options offered with Call Waiting Deluxe include:

- Answer the waiting call and placing the first party on hold;
 - Answer the waiting call and disconnecting from the first party;
 - Direct the waiting caller to hold via a recording
 - Forward the waiting caller to another location (e.g., voice mailbox or telephone answering service)

- Full utilization of Call Waiting Deluxe requires specialized CPE not provided by the Company. It is the responsibility of the Customer to provide the necessary CPE. The end -user must have Caller ID Basic or Deluxe for display of calling party identification information for waiting calls. The end-user must have a Call Forwarding Don't Answer feature active in order to forward a waiting call to another location.

- (N) Call Waiting - Deluxe with Conferencing:** Provides all of the functionality of Call Waiting Deluxe. Also permits the end-user to conference a waiting call with an existing call (first party) and, if desired, subsequently drop either leg of the conferenced call.

- (O) Caller ID - Basic:** Permits the end-user to view a Directory Number of the calling party on incoming telephone calls. Information is displayed on a specialized CPE not provided by the Company. The feature also provides the date and time of each incoming call. It is the responsibility of the Customer to provide the necessary CPE.

SECTION 5.0 - NETWORK SERVICES DESCRIPTIONS, (CONT'D.)**5.11 Optional Calling Features, (Cont'd.)****5.11.1 Feature Descriptions, (cont'd.)**

- (P) **Caller ID - Deluxe:** Permits the end-user to view a Directory Name and Directory Number of the calling party on incoming telephone calls. Information is displayed on a specialized CPE not provided by the Company. The feature also provides the date and time of each incoming call. It is the responsibility of the Customer to provide the necessary CPE. In some situations, the calling party's city and state may be displayed rather than a Directory Name, depending on available call data.
- (Q) **Anonymous Call Rejection:** Permits the end-user to automatically reject incoming calls when the call originates from a telephone number which has blocked delivery of its calling number (see Calling Number Delivery Blocking). When active, calls from private numbers will be routed to a special announcement then terminated. The feature may be turned on or off by the end-user by dialing the appropriate feature control code. Anonymous Call Rejection is offered as a stand alone feature or as an add-on to Caller ID Deluxe.
- (R) **Call Block:** Allows the end-user to automatically block incoming calls from up to six end-user pre-selected telephone numbers programmed into the feature's screening list. Callers whose numbers have been blocked will hear a recorded message stating that their call has been blocked. The end-user controls when the feature is active, and can add or remove calling numbers from the feature's screening list.
- (S) **Call Return:** allows the Customer to return a call to the last incoming call whether answered or not. Upon activation, it will re-dial the number automatically and continue to check the number every 45 seconds for up to 30 minutes if the number is busy. The Customer is alerted with a distinctive ringing pattern when the busy number is free. When the Customer answers the ring, the call is then completed. The calling party's number will not be delivered or announced to the call recipient under any circumstances.

Issued:Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 5.0 - NETWORK SERVICES DESCRIPTIONS, (CONT'D.)**5.11 Optional Calling Features, (Cont'd.)****5.11.1 Feature Descriptions, (cont'd.)**

- (T) **Call Selector:** Allows a Customer to assign a maximum of 15 telephone numbers to a special list. The Customer will hear a distinctive ring when calls are received from telephone numbers on that list.
- (U) **Call Tracing:** Allows the tracing of nuisance calls to a specified telephone number suspected of originating from a given local office. The tracing is activated upon entering the specified dial code. The originating telephone number, outgoing trunk number or terminating number, and the time and date are generated for every call to the specified telephone number can then be identified.
- (V) **Calling Number Delivery Blocking:** Prevents the delivery, display and announcement of the end-user's Directory Number and Directory Name on all calls dialed from an exchange service equipped with this option. When active, the end-user's telephone name and number will not appear on the called party's Caller ID CPE or be disclosed in another way. The feature is available on a per call or per line basis. With per call Calling Number Delivery Blocking, it is necessary for the end-user to dial an activation code prior to placing the call. With the per line version of the feature, all calls are placed with the end-user's number blocked. Per line end-users must dial an activation code prior to utilization.
- (W) **Message Waiting Indication:** Provides the end-user with an audible (stutter dial tone) or visual (lamp or other CPE display) indication that messages are waiting to be retrieved. Message Waiting Indication can only be activated/deactivated by a voice mailbox or other voice messaging service provided by the Company or third party. It is the responsibility of the Customer to subscribe to a compatible voice messaging service. Visual Message Waiting Indication requires specialized CPE not provided by the Company. It is the responsibility of the Customer to provide the necessary CPE.

Issued:
Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 5.0 - NETWORK SERVICES DESCRIPTIONS, (CONT'D.)**5.11 Optional Calling Features, (Cont'd.)****5.11.1 Feature Descriptions, (cont'd.)**

- (X) **Multiple Directory Number Distinctive Ringing:** This feature allows an end user to determine the source of an incoming call from a distinctive ring. The end user may have up to two additional numbers assigned to a single line (i.e. Distinctive Ringing - First Number and Distinctive Ringing - Second Number). The designated primary number will receive a normal ringing pattern, other numbers will receive distinctive ringing patterns. The pattern is based on the telephone number that the calling party dials.
- (Y) **Preferred Call Forwarding:** Permits the end-user to automatically forward to another number calls received from up to six end-user pre-selected telephone numbers programmed into the features screening list. The end-user controls when the feature is active, the forward-to number and can add or remove calling numbers from the feature's screening list.
- (Z) **Repeat Dialing:** Permits the end-user to have calls automatically re-dialed when the first attempt reaches a busy number. The line is checked every 45 seconds for up to 30 minutes and alerts the Customer with a distinctive ringing pattern when the busy number and the Customer's line are free. The Customer can continue to make and receive calls while the feature is activated. The following types of calls cannot be reached using Repeat Dialing:

Calls to 800 Service numbers
Calls to 900 Service numbers
Calls preceded by an interexchange carrier access code
International Direct Distance Dialed calls
Calls to Directory Assistance
Calls to 911

Issued:

Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 5.0 - NETWORK SERVICES DESCRIPTIONS, (CONT'D.)

5.11 Optional Calling Features, (Cont'd.)

5.11.1 Feature Descriptions, (cont'd.)

- (AA) Speed Calling:** Permits the Customer to place calls to other telephone numbers by dialing a one or two digit code rather than the complete telephone number. The feature is available as either an eight (8) code list or a thirty (30) code list. Code lists may include local and/or toll telephone numbers. The Customer has the ability to add or remove telephone numbers and codes to/from the a speed calling list without assistance from the Company.
- (AB) Three Way Calling:** Permits the end-user to add a third party to an established connection. When the third party answers, a two-way conversation can be held before adding the original party for a three-way conference. The end-user initiating the conference controls the call and may disconnect the third party to reestablish the original connection or establish a connection to a different third party. The feature may be used on both outgoing and incoming.

Issued:
Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 5.0 - NETWORK SERVICES DESCRIPTIONS, (CONT'D.)

5.12 Listing Services

For each Customer of Company-provided Exchange Service(s), the Company shall arrange for the listing of the Customer's main billing telephone number in the directory(ies) published by the dominant Local Exchange Carrier in the area at no additional charge. At a Customer's option, the Company will arrange for additional listings for an additional charge.

5.12.1 Non-Published Service

This optional service provides for suppression of printed and recorded directory listings. A Customer's name and number do not appear in printed directories or Directory Assistance Bureau records.

5.12.2 Non-Listed Service

This optional service provides for suppression of printed directory listings only. Parties may still obtain the Customer's number by calling the Directory Assistance Bureau.

5.13 Directory Assistance

Provides for identification of telephone directory numbers, via an operator or automated platform. Customers are provided with a maximum of 2 listings per each call to Directory Assistance.

Issued:
Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 5.0 - NETWORK SERVICES DESCRIPTIONS, (CONT'D.)**5.14 Operator Services**

Provides for live or automated operator treatment when a Customer dials "0". Operator Services can be used to assist the Customer in routing or billing for a call. Billing options include, but are not limited to, bill to originating telephone number, calling card, collect or to a third party.

5.15 IntraLATA Long Distance Services

Long Distance Services are available from the Company pursuant to terms, conditions, regulations and rates as provided for in its Tariff No. 2. service is available for use by Customers twenty-four (24) hours a day. BTI Long Distance Service enables a User of an exchange access line to place calls to any station on the public switched telecommunications network bearing an NPA-NXX designation associated with points outside the Customer's Local Calling Area. BTI Long Distance Service is offered for both interLATA and interLATA calling. Customers must arrange for intraLATA and interLATA service from the interexchange carriers of their choice. Customers may choose the Company as their carrier for intraLATA calls and interLATA calls.

Issued:
Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 5.0 - NETWORK SERVICES DESCRIPTIONS, (CONT'D.)**5.16 Miscellaneous Services****5.16.1 Main Number Retention**

Main Number Retention is an optional feature by which a Customer, who was formally a customer of another certified local exchange carrier at the same premises location, may retain its main telephone numbers and main fax numbers for use with the Company-provided Exchange Services. Main Number Retention service is only available in areas where the Company maintains some form of number retention arrangement with the Customer's former local exchange carrier.

5.16.2 Pay Per Call Blocking/Unblocking

This service provides the option of blocking, or subsequent unblocking, all 900 and 976 calls on a per line basis. The Company will provide for per-line blocking where the Company's switching facilities permit.

5.16.3 Vanity Number Service

This service provides for the reservation of special or unique telephone number and fax number for use with the Company-provided exchange services.

5.16.4 Presubscription Services

This service provides for the Presubscription of local exchange lines provided by the Company to the intraLATA and interLATA long distance carrier(s) selected by the Customer.

5.17 Private Line Services

Refer to Section 12 of this tariff for descriptions of Private Line Services offered by the Company.

5.18 Carrier Access Services

Refer to Section 13 of this tariff for descriptions of Carrier Access Services offered by the Company.

Issued:
Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 6.0 - DIGITAL SUBSCRIBER LINE SERVICES**6.1 Digital Subscriber Line (DSL) Service**

Digital Subscriber Line (DSL) Service is a high-speed data access service that uses digital subscriber line technology. The service will be offered as aDSL or iDSL.

6.1.1 Service Description

(A) DSL is an access service for transportation of information between the Customer and the Customer's Internet Service Provider. The type of technology used is dependent upon the features chosen by the customer. Data traffic generated by the customer is transported to the DSL-equipped central office from a modem on the customer premises. The traffic is then transported to the Internet Service Provider via the Company's Asynchronous Transfer Mode (ATM) network. Specific customer service equipment is installed at the Customer's location to permit the proper routing of the traffic.

(B) aDSL

Various aDSL options are available, based upon the upstream and downstream speed combinations chosen by the Customer. The options are:

- (1) aDSL 640K: provides maximum speeds of 640 kilobits per second (kbps) downstream and 90 kbps upstream.
- (2) aDSL 1.6M: provides maximum speeds of 1.6 megabits per second (Mbps) downstream and 90 kbps upstream.
- (3) aDSL 7.1M: provides maximum speeds of 7.1 Mbps downstream and 680 kbps upstream.

Issued:

Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 6.0 - DIGITAL SUBSCRIBER LINE SERVICES, (CONT'D.)

6.1 Digital Subscriber Line (DSL) Service, (Cont'd.)

6.1.1 Service Description, (cont'd.)

(C) iDSL

(1) iDSL 144K: provides maximum speeds of 144 kilobits per second (kbps) downstream and 144 kbps upstream.

(D) The data speeds specified in paragraphs (B) and (C) are maximum speeds. Actual speeds may be lower due to the impact of loop distance, modem technology and other limiting factors.

(E) Definitions applicable to DSL service

(1) **Downstream Speed** - The amount of bandwidth capacity that the Customer will receive from the Internet to the Customer's location. This number refers to the speed at which files can be downloaded from the Internet.

(2) **Upstream Speed** - The amount of bandwidth capacity that the Customer will have from the location to the Internet. This number refers to the speed at which files can be sent to the Internet.

Issued:
Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 6.0 - DIGITAL SUBSCRIBER LINE SERVICES, (CONT'D.)

6.1 Digital Subscriber Line (DSL) Service, (Cont'd.)

6.1.2 NxGen DSL Services

(A) Low Speed. Asymmetric Virtual Circuits (VC)

(1) 256 Kbps, bi-directional

Connection Type	Monthly	1 Year
Per Session		
Dedicated		

(1) Downstream Rate up to 768 Kbps, Upstream rate up to 512 Kbps

Virtual Circuit Quantity		Monthly Rate per VC	Nonrecurring Charge per VC
Minimum Circuits	Maximum Circuits		
51	500		
501	2,500		
2,501	5,000		
5,001	7,000		
7,501	10,000		
10,001	40,000		
40,000 +			

Issued:
 Issued By: Mark Sampson, Chief Executive Officer
 1700 Lincoln Street, Suite 1920
 Denver, Colorado 80203

Effective:

AZL0000

SECTION 6.0 - DIGITAL SUBSCRIBER LINE SERVICES, (CONT'D.)

6.1 Digital Subscriber Line (DSL) Service, (Cont'd.)

6.1.2 NxGen DSL Services, (cont'd.)

(B) High Speed Asymmetric Virtual Circuits (VC)

- (1) Downstream rate from 1.5 Mbps to 1.8 Mbps, Upstream rate from 512 Kbps to 768 Kbps.

Virtual Circuit Quantity			
Monthly Rate per VC	13-24 Month Rate per VC	25 + Month Rate per VC	Nonrecurring Charge per VC

- (2) Downstream rate from 2.0 Mbps to 4.0 Mbps, Upstream rate from 640 Kbps to 896 Kbps.

Virtual Circuit Quantity			
Monthly Rate per VC	13-24 Month Rate per VC	25 + Month Rate per VC	Nonrecurring Charge per VC

- (3) Downstream rate from 4.0 Mbps to 6.0 Mbps, Upstream rate from 640 Kbps to 896 Kbps.

Virtual Circuit Quantity			
Monthly Rate per VC	13-24 Month Rate per VC	25 + Month Rate per VC	Nonrecurring Charge per VC

Issued:
Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 6.0 - DIGITAL SUBSCRIBER LINE SERVICES, (CONT'D.)

6.1 Digital Subscriber Line (DSL) Service, (Cont'd.)

6.1.2 NxGen DSL Services, (cont'd.)

(C) Symmetric Virtual Circuits

(1) Downstream rate of at least 384 Kbps, Upstream rate of at least 384 Kbps.

Virtual Circuit Quantity			
Monthly Rate per VC	13-24 Month Rate per VC	25 + Month Rate per VC	Nonrecurring Charge per VC

(D) Service Rearrangement Charge

Per Each Virtual Circuit

Issued:
Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 6.0 - DIGITAL SUBSCRIBER LINE SERVICES, (CONT'D.)**6.2 ISDN Services****6.2.1 Primary Rate ISDN****(A) General**

NxGen Primary Rate ISDN is an intraLATA offering supported by the Integrated Services Digital Network (ISDN) architecture.

- (1)** NxGen Primary Rate ISDN provides an ISDN based, DS-1 access to the telecommunications network and includes the flexibility of integration of multiple voice and/or data transmission channels on the same line. The service will provide connectivity between ISDN compatible CPE and a serving central office. The basic channel structure for NxGen Primary Rate ISDN is twenty-three 64 Kbps B-Channels and one 64 Kbps D-Channel. The 23 B-Channels can be used to connect the customer's CPE to the Public Circuit Switched Network, e.g., outward, inward and 2-way network access. Calling Number Delivery, Called Number Delivery, and Hunting functionality are inherent to this service. Telephone numbers for use on NxGen Primary Rate ISDN are available in this Price list.
- (2)** NxGen Primary Rate ISDN provides capability for the transmission of digital signals only. Clear Channel Capability and Extended Superframe Format are inherent to the service.
- (3)** NxGen Primary Rate ISDN is provided within a LATA from wire centers where appropriate ISDN facilities are available as determined by the Company.

Issued:

Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 6.0 - DIGITAL SUBSCRIBER LINE SERVICES, (CONT'D.)

6.2 ISDN Services, (Cont'd.)

6.2.1 Primary Rate ISDN, (cont'd.)

(A) General, (continued)

- (4)** NxGen Primary Rate ISDN Access Lines furnished between a serving wire center and a customer's premises will be offered at a non-distance sensitive rate per NxGen Primary Rate ISDN Access Line.
- (5)** Voice calls on the B-Channel may be completed to both ISDN and non-ISDN lines.
- (6)** Digital Data Transmission on the B-Channel will be circuit switched at 64 Kbps within the switch and between ISDN compatible central offices. ISDN interconnection to non-ISDN equipped central offices may be subjected to analog transmission or sub-rated to 56 Kbps.

Issued:
Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 6.0 - DIGITAL SUBSCRIBER LINE SERVICES, (CONT'D.)

6.2 ISDN Services, (Cont'd.)

6.2.1 Primary Rate ISDN, (cont'd.)

(B) Regulations - Primary Rate ISDN

- (1) NxGen Primary Rate ISDN is available on a month-to-month basis.
- (2) The minimum subscription period for which month-to-month NxGen Primary Rate ISDN is furnished and for which charges are applicable is one month.
- (3) Unless otherwise specified, the regulations for NxGen Primary Rate ISDN stated herein apply in addition to the regulations set forth in Section 2 of this Price list.
- (4) Customer Premises Equipment (CPE) that is compatible with the NxGen Primary Rate ISDN interface is the responsibility of the customer.
- (5) The Company shall not be responsible if changes in any of the equipment, operations, or procedures of the Company utilized in the provisioning of NxGen Primary Rate ISDN render any facilities provided by the customer obsolete, or require modification or alteration of such equipment or system, or otherwise affect its use or performance. Digital transmission rates at speeds less than those indicated may be accomplished as a function of the particular CPE furnished by the customer.

Issued:
Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 6.0 - DIGITAL SUBSCRIBER LINE SERVICES, (CONT'D.)

6.2 ISDN Services, (Cont'd.)

6.2.1 Primary Rate ISDN, (cont'd.)

(B) Regulations - Primary Rate ISDN, (continued)

- (6) Suspension of service is not allowed.
- (7) Regulations for Allowance of Interruptions apply as specified in Section 2. of this Price List.
- (8) Service Charges in Section 6 of this price list do not apply
- (9) Hunting rates, Direct Inward Dialing (DID) rates, Customized Code Restriction rates, Selective Class of Call Screening, and Foreign Exchange rates, do not apply.
- (10) Verification and Emergency Interrupt service is not available.
- (11) Calling telephone numbers transmitted via the NxGen. Primary Rate ISDN are intended solely for the use of the NxGen Primary Rate ISDN subscriber. Resale of this information is prohibited by this Price list except the caller's telephone numbers may be provided to the subscriber's client for those calls sponsored or provided by that client where the client's identity is disclosed to the caller and the client agrees not to distribute such information to others.

Issued:
Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 6.0 - DIGITAL SUBSCRIBER LINE SERVICES, (CONT'D.)

6.2 ISDN Services, (Cont'd.)

6.2.1 Primary Rate ISDN, (cont'd.)

(B) Regulations - Primary Rate ISDN, (continued)

- (12) No usage charges apply for NxGen Primary Rate ISDN calls within the local calling area. Long Distance Message Telecommunications Service rates as specified in this price list apply for intraLATA calls terminated beyond the local calling area.
- (13) NxGen Primary Rate ISDN Digital Data Only Signaling Groups may be configured in one the following arrangement:

 - (a) **2-Way calls:** The number of 2-Way calls accommodated by the Signaling Group will be equal to the number of activated B-Channels.
- (14) The Company reserves the right to audit the customer's traffic usage for the Incoming Call Extension feature to insure that simultaneous calls are not occurring on the low use option. If such calls are occurring, the customer will be required to subscribe to the high use option
- (15) The Service Installation Guarantee as set forth in B2.4.17 of the Private Line Service Tariff applies for NxGen Primary Rate ISDN.

Issued:
Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 6.0 - DIGITAL SUBSCRIBER LINE SERVICES, (CONT'D.)

6.2 ISDN Services, (Cont'd.)

6.2.1 Primary Rate ISDN, (cont'd.)

(C) Rates - Primary Rate Interface - Monthly Recurring Charges

Service Type	Month-to-Month	3 Year Term	5 Year Term	7 Year Term	10 Year Term
Primary Rate Access Facility					
PRI Arrangements					
23 B & D					
24 B					
23 B & Back-up D					

(D) Rates - Primary Rate Interface - Non-recurring Charges

Service Type	Month-to-Month	3 Year Term	5 Year Term	7 Year Term	10 Year Term
Primary Rate Access Facility					
PRI Arrangements					
23 B & D					
24 B					
23 B & Back-up D					

Issued:
 Issued By: Mark Sampson, Chief Executive Officer
 1700 Lincoln Street, Suite 1920
 Denver, Colorado 80203

Effective:

AZL0000

SECTION 6.0 - DIGITAL SUBSCRIBER LINE SERVICES, (CONT'D.)

6.2 ISDN Services, (Cont'd.)

6.2.1 Primary Rate ISDN, (cont'd.)

(E) Trunk Connection

Service Type	Month-to-Month	3 Year Term *	5 Year Term *
Call - by - Call			
Dedicated Service			
In - Only			
Out - Only			
Two - Way			

* - Separate DID Trunk Termination charges do not apply to the term plans.

Issued:
Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 6.0 - DIGITAL SUBSCRIBER LINE SERVICES, (CONT'D.)

6.2 ISDN Services, (Cont'd.)

6.2.2 Basic Rate ISDN

(A) General

ISDN Basic Rate Service is an integrated voice/data communications service. It is offered as a stand-alone digital exchange service and is furnished from specially equipped digital switching equipment located in the Company's central offices, subject to the availability of facilities.

Customer provided terminal equipment which is National ISDN compliant is required to utilize the capabilities of this service. The Subscriber is responsible for the installation, operation and maintenance of any customer-provided terminal equipment, communication system and software. The Company does not guarantee end-to-end capability of customer premises equipment.

ISDN Basic Service provides unlimited voice usage to all other exchange service lines in the extended local calling area of the exchange in which it is furnished. When service is provided to a Subscriber's location that must be served from a specially equipped distant central office and the extended local calling area is different from the exchange in which the subscriber is located, the local calling area will be that of the distant central office.

Issued:
Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 6.0 - DIGITAL SUBSCRIBER LINE SERVICES, (CONT'D.)**6.2 ISDN Services, (Cont'd.)****6.2.2 Basic Rate ISDN, (cont'd.)****(B) Description**

ISDN Basic Rate service provides for simultaneous digital voice and data capabilities over a single access line. The service allows for two 64 kbps switched digital channel ("B Channels") and one 16 kbps packet service channel ("D Channel"). These B channels will be configured with Alternate Data/Voice capabilities and the D channel will be for signaling.

- (1) Alternate Data/Voice - provides the capability to originate and receive circuit-switched voice or data calls sequentially on the same b channel. Switched data calls may be transmitted at speeds up to 64 kbps. Usage rates for circuit-switched data calls placed outside of the extended local area will be rated according to the toll schedule found in Section 9 of this tariff. Usage rates for calls placed within the extended calling area are included in this section.
- (2) Circuit Switched Data - This type of channel provides the capability to originate and receive circuit-switched data calls at speeds up to 65 kbps. Usage rates for circuit switched data calls placed beyond the extended local calling area will be rated according to the rate schedule found in Section 7 of this tariff. Usage rates for calls placed within the extended calling area are included in this section.
- (3) Electronic Key Enhancer - provides the capability for digital voice transmission and electronic key features to a specially equipped Customer provided terminal equipment.
- (4) Call Appearance and Feature Enhancer - provides central office features defined by software to terminate on particular specified button assignments to a specially equipped Customer provided terminal equipment.

Issued:
Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 6.0 - DIGITAL SUBSCRIBER LINE SERVICES, (CONT'D.)

6.2 ISDN Services, (Cont'd.)

6.2.2 Basic Rate ISDN, (cont'd.)

(B) Description, (continued)

- (5) Packet Enhancer - provides the capability to originate and receive X.25 packet calls. Packet Enhancers can be provided as High Speed (up to 127 simultaneous X.25 packet calls at speeds up to 19.2 kbps) or Low Speed (up to 15 simultaneous X.25 packet calls at speeds up to 9.6 kbps). Usage rates for packet switched data are rated according to the rate schedule for Packet Data Service. Service is subject to availability.
- (6) Line Sharing - allows the user to activate an additional voice bearer capability on the line or to share the ISDN line with multiple addressable devices. One line sharing charge per additional device or voice capability applies.
- (7) Secondary Directory Number - each ISDN subscriber is provided one directory number. A secondary number will provide a different number terminating on the same device for use with electronic key telephone sets.
- (8) Integration Access Links - Integration Access Links provide the capability to connect a Customer's premises-based equipment to their servicing central office for the collection and transmission of central office signaling data in support of Simplified Message Service Interface. Other applications requiring Integration Access Links will be handled on an individual case basis.
- (9) Feature Change Charge - a charge will apply per service order with the addition and/or deletion of a feature.

Issued:
Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 6.0 - DIGITAL SUBSCRIBER LINE SERVICES, (CONT'D.)

6.2 ISDN Services, (Cont'd.)

6.2.2 Basic Rate ISDN, (cont'd.)

(C) Termination Liability

Rates and charges for ISDN Basic Rate Service are based on a month-to-month service period.

The Customer will be allowed to increase and/or decrease the line size of the system at any time with a two (2) line minimum and with no maximum line size limitation.

(D) Cancellation

If a Customer should cancel service prior to the completion of installation of service, the Customer shall be liable for payment of all non-recoverable costs incurred by the Company up to the point of cancellation but not to exceed the total of the Nonrecurring Charges for all installation and those Nonrecurring charges that would be applicable to the completed installation as ordered.

If Service is canceled prior to complete installation, or start of service, the Customer is responsible for payment of the actual non-recoverable expenses incurred by the Company in connection with the order. Such payment shall not exceed the total of one half of the monthly rate of ISDN Basic service as well as all installation and Nonrecurring charges that would be applicable to the completed installation as ordered.

Issued:
Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 6.0 - DIGITAL SUBSCRIBER LINE SERVICES, (CONT'D.)

6.2 ISDN Services, (Cont'd.)

6.2.2 Basic Rate ISDN, (cont'd.)

(E) Rates - Basic Rate Interface

Service Type	Month-to-Month	3 Year Term	5 Year Term	7 Year Term	10 Year Term
Per Line Charge					
Non-Recurring Charges (per line)					

Issued:
 Issued By: Mark Sampson, Chief Executive Officer
 1700 Lincoln Street, Suite 1920
 Denver, Colorado 80203

Effective:

AZL0000

SECTION 7.0 - LOCAL SERVICES PRICE LIST

7.1 General

Services provided in this tariff section are available on a both Facilities-based and Resale Service basis. Local Resale Services are provided through the use of resold switching and transport facilities obtained from Other Telephone Companies. Facilities-based services are provided through a combination of Company owned or leased facilities as well as facilities obtained from Other Telephone Companies.

The rates, terms and conditions set forth in the section are applicable where the Company provides specified local exchange services to Customers through resale of BellSouth local exchange services. The rates, terms and conditions set forth in this are not applicable to the Company's provision of service within the service area of any other incumbent local exchange carrier or where the Company provides service, in whole or in part, over its own facilities (On-Net). The rates, terms and conditions set forth in this are available on a retail basis only and will not be provided for resale to any other carrier.

All rates set forth in this are subject to change and may be changed by the Company pursuant to notice requirements established by the Public Service Commission. The rates, terms and conditions set forth in this are applicable as of the effective date hereof and will not apply to any Customer whose services may have been provisioned through resale of US West Communications' local exchange services, in whole or in part, prior to the effective date hereof.

Issued:
Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 7.0 - LOCAL SERVICES PRICE LIST, (CONT'D.)

7.2 Standard Residence Local Exchange Service

Standard Residence Local Exchange Service provides the Customer with a single, analog, voice-grade telephonic communications channel which can be used to place or receive one call at a time. Standard Residence Local Exchange Service lines are provided for the connection of Customer-provided wiring, telephones, facsimile machines or other station equipment. An optional per line Hunting feature is available for multi-line Customers which routes a call to the next idle line in a prearranged group when the called line is busy.

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

Recurring charges for Standard Residence Local Exchange Service are billed monthly in advance. Usage charges, if applicable are billed in arrears. Usage charges may apply for calls placed from the Customer's line. No usage charges will apply to calls received by the Customer. Non-recurring charges for installation or rearrangement of service are billed on the next month's bill immediately following work performed by the Company.

7.2.1 Monthly Recurring Charges

The following charges apply to Standard Residential Local Exchange Service lines per month. Rates and charges include Touchtone Service for each line. The rates and charges below apply to service provided on a month-to-month basis.

RATE GROUP	SERVICE TYPE	
	Flat Rate	Message Rate
Base Rate		
Zone 1 Rate		
Zone 2 Rate		

Issued:
Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 7.0 - LOCAL SERVICES PRICE LIST, (CONT'D.)

7.2 Standard Residence Local Exchange Service (Cont'd.)

7.2.2 Other Monthly Recurring Charges

(A) End-User Common Line (EUCL) Recovery Charge

The following charge applies to recovery of End User Common Line charges billed to the Company by the Incumbent LEC.

Single Line Customer, Per Line
Multiline Customer, Per Line

(B) Hunting (aka. Rotary or Grouping)

The following charges apply to Standard Residence Local Exchange lines equipped with Hunting. Rates vary based on Rate Group.

<u>Rate Group/Calling Plan</u>	<u>Hunting per line</u>
Series Hunting	
Circular Hunting	

7.2.3 Usage Sensitive Charges and Allowances

(A) Flat Rate Service

No measured or message charges apply to calls placed or received from Flat Rate service lines. Customers receive unlimited calling within their local calling area.

Issued:
Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 7.0 - LOCAL SERVICES PRICE LIST, (CONT'D.)

7.2 Standard Residence Local Exchange Service, (Cont'd)

7.2.3 Usage Sensitive Charges and Allowances, (cont'd)

(B) Message Service

Customers subscribing to Message Service will receive a monthly usage allowance of 0 outgoing calls. This allowance is applied to local calls placed from the Customer's line. Local usage in excess of the allowance will be billed in arrears. Local usage is billed on a per call basis.

Per Local Call

Issued:
Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 7.0 - LOCAL SERVICES PRICE LIST, (CONT'D.)

7.2 Standard Residence Local Exchange Service, (Cont'd)

7.2.4 Non-Recurring Charges

Non-recurring charges apply to each line installed for the Customer. Non-recurring charges are in addition to applicable service order charges contained in Section 4 of this tariff. All such charges will appear on the next bill following installation of the service.

A separate non-recurring per line charge will apply where the Customer currently has service from the Incumbent LEC and requests an "As-Is" changeover of all current service(s) and features from the Incumbent LEC to the Company without any changes in such service or features. This Change Over Charge applies in lieu of the nonrecurring charges listed in the table below.

Non-recurring charges for installation of Residential lines are:

First Line
Each Additional Line(1)

Issued:
Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 7.0 - LOCAL SERVICES PRICE LIST, (CONT'D.)

7.3 Standard Business Local Exchange Service

Standard Business Local Exchange Service provides the Customer with a single, analog, voice-grade telephonic communications channel which can be used to place or receive one call at a time. Standard Business Local Exchange Service lines are provided for the connection of Customer-provided wiring, telephones, facsimile machines or other station equipment. An optional per line Hunting feature is available for multi-line Customers which routes a call to the next idle line in a prearranged group when the called line is busy.

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

Recurring charges for Standard Business Local Exchange Service are billed monthly in advance. Usage charges, if applicable are billed in arrears. Usage charges may apply for calls placed from the Customer's line. No usage charges will apply to calls received by the Customer. Non-recurring charges for installation or rearrangement of service are billed on the next month's bill immediately following work performed by the Company.

Issued:
Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 7.0 - LOCAL SERVICES PRICE LIST, (CONT'D.)

7.3 Standard Business Local Exchange Service, (Cont'd)

7.3.1 Monthly Recurring Charges

The following charges apply to Standard Business Local Exchange Service lines per month. Rates and charges include Touchtone Service for each line. The rates and charges below apply to service provided on a month-to-month basis.

RATE GROUP	SERVICE TYPE	
	Flat Rate	Message Rate
Base Rate		
Zone 1 Rate		
Zone 2 Rate		

Issued:
 Issued By: Mark Sampson, Chief Executive Officer
 1700 Lincoln Street, Suite 1920
 Denver, Colorado 80203

Effective:

AZL0000

SECTION 7.0 - LOCAL SERVICES PRICE LIST, (CONT'D.)

7.3 Standard Business Local Exchange Service, (Cont'd)

7.3.2 Other Monthly Recurring Charges

(A) End-User Common Line (EUCL) Recovery Charge

The following charge applies to recovery of End User Common Line charges billed to the Company by the Incumbent LEC.

Single Line Customer, Per Line
Multiline Customer, Per Line

(B) Hunting (aka. Rotary or Grouping)

The following charges apply to Standard Business Local Exchange lines equipped with Hunting. Rates vary based on Rate Group.

<u>Rate Group/Calling Plan</u>	<u>Hunting per line</u>
Series Hunting	
Circular Hunting	

Issued:
Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 7.0 - LOCAL SERVICES PRICE LIST, (CONT'D.)

7.3 Standard Business Local Exchange Service, (Cont'd)

7.3.3 Usage Sensitive Charges and Allowances

(A) Flat Rate Service

No measured or message charges apply to calls placed or received from Flat Rate service lines. Customers receive unlimited calling within their local calling area.

(B) Message Service

Customers subscribing to Message Service will receive a monthly usage allowance of 75 outgoing calls. This allowance is applied to local calls placed from the Customer's line. Local usage in excess of the allowance will be billed in arrears. Local usage is billed on a per call basis.

Per Local Call

Issued:
Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 7.0 - LOCAL SERVICES PRICE LIST, (CONT'D.)

7.3 Standard Business Local Exchange Service, (Cont'd)

7.3.4 Non-Recurring Charges

Non-recurring charges apply to each line installed for the Customer. Non-recurring charges are in addition to applicable service order charges contained in Section 4 of this tariff. All such charges will appear on the next bill following installation of the service.

A separate non-recurring per line charge will apply where the Customer currently has service from the Incumbent LEC and requests an "As-Is" changeover of all current service(s) and features from the Incumbent LEC to the Company without any changes in such service or features. This Change Over Charge applies in lieu of the nonrecurring charges listed in the table below.

Non-recurring charges for installation of Residential lines are:

First Line
Each Additional Line(1)

Issued:
Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 7.0 - LOCAL SERVICES PRICE LIST, (CONT'D.)

7.4 Residence and Business PBX Trunk Service

PBX Trunk service provides a Customer with a single, voice-grade telephonic communications channel which can be used to place or receive one call at a time. Trunks are provided for connection of Customer-provided private branch exchanges (PBX) or other station equipment to the public switched telecommunications network.

PBX Trunks are available to Business and Residence Customers as Inward, Outward or Two-Way combination trunks where services and facilities permit.

Each PBX Trunk is provided with touch tone signaling at no additional charge. An optional per trunk Hunting feature is available for Customers which routes a call to the next idle trunk in a prearranged group (see Sections 7.2 and 7.3).

PBX Trunks may also be equipped with Direct Inward Dialing (DID) capability and DID number blocks for additional charges (see Section 7.5).

7.4.1 Flat Rate Service

RATE GROUP	SERVICE TYPE PER TRUNK			
	Business Comb/Outbdr Two way	Inbound or Outbound Only	2-Way 4-Wire DID/Hunting	1-Way Inbound DID/Hunting
Base Rate				
Zone 1 Rate				
Zone 2 Rate				

Issued:
 Issued By: Mark Sampson, Chief Executive Officer
 1700 Lincoln Street, Suite 1920
 Denver, Colorado 80203

Effective:

AZL0000

SECTION 7.0 - LOCAL SERVICES PRICE LIST, (CONT'D.)

7.5 Direct Inward Dialing (DID) Service

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

The following charges apply to Customers subscribing to DID service provided by the Company. These charges are in addition to recurring and non-recurring charges for PBX Trunks as shown in Section 7.5 of this tariff. The Customer will be charged for the number of DID Number Blocks (20 numbers per block) regardless of the number of DID numbers utilized out of the available 20 numbers.

	<u>Installation Charge</u>	<u>Monthly Recurring</u>
Establish Trunk Group and Provide 1st Block of 20 DID Numbers		
Each Additional Block of 20 DID Numbers		
DID Trunk Termination:		
Per Inward Only Trunk		
Per Combination Trunk with Call Transfer		
DID Change Charge (per change)		
Change of number of digits outpulsed		
Change of Signaling (DTMN to DP or DP to DTMN)		
DID Block Compromise Charge		
Removal of number from sequential block		
Temporary removal of number from sequential block		

Issued:
Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 7.0 - LOCAL SERVICES PRICE LIST, (CONT'D.)

7.6 Optional Calling Features

The features in this section are made available on an individual basis or as part of multiple feature packages. All features are provided subject to availability. Certain features may not be available with all classes of service. Transmission levels for calls forwarded or calls placed or received using optional calling features may not be acceptable for all some uses in some cases.

7.6.1 Features Offered on a Usage Sensitive Basis

The following features are available to all local exchange Business and Residence line Customers where facilities and services permit. Customers may utilize each feature by dialing the appropriate access code. The Customer will be billed the Per Feature Activation Charge shown in the following table each time a feature is used by the Customer. Customers may subscribe to these features on a monthly basis at their option to obtain unlimited use of these features for a fixed monthly charge.

Optional Calling Features	Residence	Business
Three-Way Calling		
Call Return		
Repeat Dialing		
Calling Number Delivery Blocking, Per Call		

Denial of per call activation for Three-Way Calling, Call Return and Repeat Dialing from any line or trunk is available to Customers upon request at no additional charge.

Issued:
 Issued By: Mark Sampson, Chief Executive Officer
 1700 Lincoln Street, Suite 1920
 Denver, Colorado 80203

Effective:

AZL0000

SECTION 7.0 - LOCAL SERVICES PRICE LIST, (CONT'D.)

7.6 Optional Calling Features, (Cont'd.)

7.6.2 Features Offered on Monthly Basis

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

Optional Calling Feature	Residence	Business
Call Forwarding Busy Line (expanded)		
Call Forwarding Busy Line (external)		
Call Forwarding Busy Line (overflow)		
Call Forwarding Busy Line/Don't Ans. (expanded)		
Call Forwarding Busy Line/Don't Ans. (external)		
Call Forwarding Busy Line/Don't Ans. (overflow)		
Call Forwarding Busy Line (programmable)		
Call Forwarding Don't Answer		
Call Forwarding Don't Answer (expanded)		
Call Forwarding Don't Answer (program)		
Call Forward Variable		
Call Rejection		
Call Transfer		
Call Waiting		
Caller ID Name and Number		
Caller ID - Number only		
Caller ID with privacy		
Continuous Redial		
Dial Call Waiting		
Dial Lock		
Directed Call Pick Up		
Directed Call Pick Up with Barge-In		
Distinctive Alert		
Do Not Disturb		

Issued:
Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 7.0 - LOCAL SERVICES PRICE LIST, (CONT'D.)

7.6 Optional Calling Features, (Cont'd.)

7.6.2 Features Offered on Monthly Basis, (cont'd.)

Optional Calling Feature	Residence	Business
Hot Line		
Last Call Return		
No Solicitation		
Priority Call		
Remote Access to Call Forwarding		
Scheduled Forwarding		
Selective Call Forwarding		
Speed Calling (8 code)		
Speed Calling (30 code)		
Three-way Calling		
Warm Line		
Wireless Extension		
Call Trace, per activation		
Remote Call Forwarding		
Custom Ringing Service - one number		
Custom Ringing Service - two number		
Custom Ringing Service - three number		
Custom Number Personalized		
Custom Number Easy Number Pick		
Custom Number Search		
Reserved Number		
Toll Restriction		

Issued:
 Issued By: Mark Sampson, Chief Executive Officer
 1700 Lincoln Street, Suite 1920
 Denver, Colorado 80203

Effective:

SECTION 8.0 - DIRECTORY ASSISTANCE AND LISTING SERVICES

8.1 Directory Listings

8.1.1 General

The following rules apply to standard listings in light face type in the white pages (alphabetical section) of the telephone directory and to the Directory Assistance records of the Company.

Only information necessary to identify the Customer is included in these listings. The Company use abbreviations in listings. The Company may reject a residence listing which is judged to be advertising. It may also reject a listing it judges to be objectionable. A name made up by adding a term such as Company, Shop, Agency, Works, etc. to the name of a commodity or service will not be accepted as a listing unless the subscriber is legally doing business under that name.

A name may be repeated in the white pages only when only when a different address or telephone number is used.

Issued:
Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 8.0 - DIRECTORY ASSISTANCE AND LISTING SERVICES, (CONT'D.)**8.1 Directory Listings, (Cont'd.)****8.1.2 Composition of Listings****(A) Names**

The following names may be included in business service listings:

- (1) The name of subscriber or joint user.
- (2) The name of each business enterprise which the subscriber or joint user conducts.
- (3) The name by which the business of a subscriber or joint user is known to the public. Only one such name representing the same general line of business will be accepted.
- (4) The name of any person associated with the subscriber or joint user in the same business.
- (5) The name of any person, firm or organization which subscriber or joint user is authorized to represent, or the name of an authorized representative of the subscriber or joint user.
- (6) Alternative spelling of an individual name or alternative arrangement of a business name, provided the listing in the judgment of the Company, is not for advertising purposes.
The name of a publication issued periodically by the subscriber or joint user.
- (7) The name of an inactive business organization in a cross-reference listing when authorized by such business or organization.
- (8) The name of a member of subscriber's domestic establishment when business service is furnished in the subscriber's residence.
- (9) The name of a corporation which is the parent or a subsidiary of the subscriber.
- (10) The name of a resident of a hotel, apartment house, boarding house or club which is furnished PBX service, may be included in a residence type listing with the telephone number of the PBX service.
- (11) The name of the subscriber to a sharing arrangement.

Issued:

Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 8.0 - DIRECTORY ASSISTANCE AND LISTING SERVICES, (CONT'D.)**8.1 Directory Listings, (Cont'd.)****8.1.2 Composition of Listings, (cont'd.)****(B) Designation**

The purpose of a business designation is to identify the listed party and not to advertise the business. No designation of the nature of the business is included if this is sufficiently indicated by the name. Where a listed party is engaged in one than one general line of business, one additional business designation may be included in the listing when necessary to identify the listed party. When a listed party has two or more listed telephone numbers or two or more business addresses, designations indicating the branches of the organization may be included where necessary to assist the public in calling.

A designation may include a title to indicate a listed party's official position, but not the name of the firm or corporation with which the individual is connected. Individual names or titles are not shown following the name of a firm or corporation. A term such as "renting agent" may be included in a listing indented under the name of a building, provided the agent maintains a renting office in such a building.

A designation is not ordinarily provided in a residence type listing except for residential service as permitted under the terms of this tariff. A professional designation is permitted on residence service in the case of a physician, surgeon, dentist, osteopath, chiropodist, podiatrist, optometrist, chiropractor, physiotherapist, Christian Science practitioner, veterinary surgeon, registered nurse or licensed practical nurse, provided that the same name and designation is also listed on business service of that subscriber or another subscriber in the same or different directory.

The listing of service in the residence of a clergyman may include the designation "parsonage," "rectory," "parish house," or "manse," and any such listing may be indented under a listing in the name of the church. Where residence service is furnished in a church study, the listing may include the designation "study."

Issued:
Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 8.0 - DIRECTORY ASSISTANCE AND LISTING SERVICES, (CONT'D.)

8.1 Directory Listings, (Cont'd.)

8.1.2 Composition of Listings, (cont'd.)

(C) Address

Each residence or non-profit listing may, but does not have to, include the house number and street name of the residence where the telephone service is provided. Other information, such as a building name or a locality designation, may be included to help identify the Customer.

(D) Telephone Number

Each listing may include only one telephone number, except in an alternate telephone number listing where each number listed is considered a line for rate purposes.

A listing may include only the telephone number of the first line of a PBX system or incoming service group, except that a trunk not included in the incoming service group of a PBX system, or the first trunk of a separate incoming service group of a PBX system may be listed to meet special conditions where a corporation and its subsidiaries use the same PBX system.

Issued:
Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 8.0 - DIRECTORY ASSISTANCE AND LISTING SERVICES, (CONT'D.)**8.1 Directory Listings, (Cont'd.)****8.1.3 Types of Listings****(A) Standard Listing**

A standard listing includes a name, designation, address and telephone number of the Customer. It appears in the White Pages of the telephone directory and in the Company's Directory Assistance records. The designation in the listing will be provided according to the rules in paragraph 5.13.2.2 above.

(B) Indented Listing

An indented listing appears under a standard listing and may include only a designation, address and telephone number. An indented listing is allowed only when a Customer is entitled to two or more listings of the same name with different addresses or different telephone numbers. For example:

Smith, John MD
Office 125 Portland 555-4180
Residence 9 Glenway 555-8345

Issued:
Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 8.0 - DIRECTORY ASSISTANCE AND LISTING SERVICES, (CONT'D.)

8.1 Directory Listings, (Cont'd.)

8.1.3 Types of Listings, (cont'd.)

(C) Alternate Telephone Number Listing and Night Listing

Any listed party who has made the necessary arrangements for receiving telephone calls during his or her absence may have an alternate telephone number listing or a night listing, such as the following.

- If no answer call (telephone number)
- Night calls (telephone number)
- Night calls after __PM (telephone number)
- Nights, Sundays and holidays (telephone number)
- 5PM to 9AM weekdays, Saturday until 9AM, Monday and holidays (telephone number)

Such listing may be furnished as an indented listing or as a sub-caption. The telephone number in such a listing may be that of another service furnished the same subscriber or one of the subscriber' s PBX trunks not included in the incoming service group, or the service furnished a different subscriber.

(D) Duplicate Listing

Any listing may be duplicated in a different directory or under a separate geographical heading in the same directory. Such listing may be duplicated in indented form.

(E) Reference Listing

A subscriber having exchange services listed under different geographical headings may have an indented listing in reference form in lieu of a duplicate listing.

(F) Cross Reference Listing

A cross reference listing may be furnished in the same alphabetical group with the related listing when required for identification of the listed party and not designated for advertising purposes.

SECTION 8.0 - DIRECTORY ASSISTANCE AND LISTING SERVICES, (CONT'D.)

8.1 Directory Listings, (Cont'd.)

8.1.4 Free Listings

The following listings are provided at no additional charge to the Customer:

one listing for each individual line service, auxiliary line or PBX system.

8.1.5 Rates for Additional Listings - Business Customers

The following rates and charges apply to additional listings requested by the Customer over and above those free listings provided for in Section 8.1.4

Type of Listing	Residential Charge	Business Charge
Reference/Cross Reference:		
- Each listing		
Alternate Telephone Number/Night Listing:		
- Night, Sundays & Holidays		
- First Line		
Additional Listings		
Foreign Listing		
Duplicate Listing - Non Recurring		

Issued:
Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 8.0 - DIRECTORY ASSISTANCE AND LISTING SERVICES, (CONT'D.)

8.2 Non-Published Service

8.2.1 General

Non-published service means that the Customer's telephone number is not listed in the directory, nor does it appear in the Company's Directory Assistance Records.

8.2.2 Regulations

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

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

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

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

8.2.3 Rates and Charges

There is a monthly charge for each non-published service. This charges does not apply if the Customer has other listed service at the same location; if the Customer lives in a hotel, boarding house or club with listed service; or if the service is installed for a temporary period.

Non-published service charge, per month:

- Residential Line
- Business Line

Issued:
Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 8.0 - DIRECTORY ASSISTANCE AND LISTING SERVICES, (CONT'D.)

8.3 Non-Listed Service

8.3.1 General

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

8.3.2 Regulations

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

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

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

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

8.3.3 Rates and Charges

There is a monthly charge for each non-listed service. This charges applies if the Customer has other listed service at the same location; if the Customer lives in a hotel, boarding house or club with listed service; or if the service is installed for a temporary period.

Non-listed service charge, per month:

- Residential Line
- Business Line

Issued:
Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 8.0 - DIRECTORY ASSISTANCE AND LISTING SERVICES, (CONT'D.)

8.4 Directory Assistance Services

8.4.1 Directory Assistance

A Directory Assistance charge applies per local directory assistance call. The Customer may make two (2) requests for a telephone number per call. The Directory Assistance Charge applies regardless of whether the Directory Assistance operator is able to supply the requested number. No charge applies for the first call per month per residence line.

Each Local Directory Assistance Call

Issued:
Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 9.0 - OPERATOR SERVICES

9.1 General

Customers may subscribe to intraLATA and interLATA operator services offered by the Company. Customers have the option of selecting another carrier as their primary intraLATA and/or interLATA long distance carrier if requested.

Issued:
Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 10.0 - LONG DISTANCE SERVICES

10.1 General

Customers may subscribe to intraLATA and interLATA long distance services offered by the Company. Customers have the option of selecting another carrier as their primary intraLATA and/or interLATA long distance carrier if requested.

10.2 Direct Dial 1+ Service

Direct Dial 1+ Service allows Customers to make 1+ direct dialed calls from presubscribed switched or dedicated access lines. This service is available from equal access end offices only.

10.2.1 Direct Dial Switched Silver Service

Direct Dial Switched Silver Service allows Customers to make 1+ direct dialed calls from presubscribed switched access lines. This service is available from equal access end offices only. Customers access the service via switched access lines. All Customers are eligible to subscribe to this service.

For billing purposes, call timing is rounded up to the nearest six (6) second increment after the initial minimum period of eighteen (18) seconds.

Per minute rate:

10.2.2 Direct Dial Switched Gold Service

Direct Dial Switched Gold Service allows Customers to make 1+ direct dialed calls from presubscribed switched access lines. This service is available from equal access end offices only. Customers access the service via switched access lines. All NxGen Communications local exchange Customers are eligible to subscribe to this service.

For billing purposes, call timing is rounded up to the nearest six (6) second increment after the initial minimum period of eighteen (18) seconds.

Per minute rate:

SECTION 10.0 - LONG DISTANCE SERVICES, (CONT'D.)

10.2 Direct Dial 1+ Service, (Cont'd)

10.2.3 Dedicated Direct Dial Service

Dedicated Direct Dial Service allows Customers to make 1+ direct dialed calls. Customers access the service via dedicated or special access T-1 (1.544 Mbps) lines. Service is available only where T-1 access is available. The Customer is responsible for payment charges associated with the dedicated T-1 circuit. Such charges are normally billed by and paid directly to the access provider (i.e. local exchange carrier). All Customers are eligible to subscribe to this service.

For billing purposes, call timing is rounded up to the nearest six (6) second increment after the initial minimum period of six (6) seconds.

Per minute rate:

Issued:
Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 10.0 - LONG DISTANCE SERVICES, (CONT'D.)

10.3 Inbound Toll Free (i.e. 800/888) Service

Inbound Toll Free Service provides an inbound toll free calling service to NxGen Communications Customers. The NxGen Communications Customer is billed for each toll free call, rather than the call originator. Toll free calls may be originated from any location throughout the continental United States. Calls terminate to the NxGen Communications toll free Customer via switched or dedicated access lines.

10.3.1 Inbound Switched Silver Service

Inbound Switched Silver Service provides an in-bound toll free calling service to NxGen Communications Customers. Calls terminate to the NxGen Communications Toll Free Customer via switched access lines. All Customers are eligible to subscribe to this service.

For billing purposes, call timing is rounded up to the nearest six (6) second increment after the initial minimum period of eighteen (18) seconds.

Per minute rate:

10.3.2 Inbound Switched Gold Service

Inbound Switched Silver Service provides an in-bound Toll Free calling service to NxGen Communications Customers. Calls terminate to the NxGen Communications Toll Free Customer via switched access lines. All NxGen Communications local exchange Customers are eligible to subscribe to this service.

For billing purposes, call timing is rounded up to the nearest six (6) second increment after the initial minimum period of eighteen (18) seconds.

Per minute rate

Issued:
Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 10.0 - LONG DISTANCE SERVICES, (CONT'D.)

10.3 Inbound Toll Free (i.e. 800/888) Service, (Cont'd)

10.3.3 Dedicated Toll Free Service

Dedicated Toll Free Service calls terminate to the NxGen Communications Toll Free Customer via dedicated T-1 (1.544) access lines. Service is available only where T-1 access is available. The Customer is responsible for payment charges associated with the dedicated T-1 circuit. Such charges are normally billed by and paid directly to the access provider (i.e. local exchange carrier). All NxGen Communications Customers are eligible to subscribe to this service.

For billing purposes, call timing is rounded up to the nearest six (6) second increment after the initial minimum period of six (6) seconds.

Per minute rate:

Issued:
Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 10.0 - LONG DISTANCE SERVICES, (CONT'D.)

10.4 Travel Card

NxGen Communications's Travel Card provide telecommunications services and optional enhanced service to customers while traveling away from the office or home. Customers must dial a Toll-Free (i.e. 800/888) access number followed by their authorization code to make a call or use the service. A monthly credit limit will be assigned to each card for fraud protection. Customers have the option of raising or lowering the limit amount to best suit their calling practices.

For billing purposes, call timing is rounded up to the nearest one (1) minute increment after the initial minimum period of one (1) minute.

Per Minute Rate:

Per Call Surcharge:

Issued:
Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 3.0 - DESCRIPTION OF SERVICE AND RATES, (CONT'D.)

10.5 Casual Calling Service

Casual Calling Service allows end users to obtain NxGen Communications service and become Customers of NxGen Communications without the necessity of presubscription of their local lines. Customers utilizing Casual Calling Service shall access NxGen Communications by dialing an access code in the form of 101XXXX, where "X" is the 4 digit Carrier Identification Code (CIC) assigned to Carrier and provided to Customer. When dialing, the access code shall be followed by the normal sequence of 1+Area Code+Number. Calls placed using Casual Calling Service are billed to Customer through the serving Local Exchange Carrier.

10.5.1 Casual Calling Silver Service

For billing purposes, call timing is rounded up to the nearest six (6) second increment after the initial minimum period of eighteen (18) seconds.

Per Minute Rate

All calls 20 minutes or more in duration
All calls less than 20 minutes in duration

10.5.2 Casual Calling Gold Service

All NxGen Communications local exchange Customers making Casual Calls receive the rates noted below.

For billing purposes, call timing is rounded up to the nearest six (6) second increment after the initial minimum period of eighteen (18) seconds.

Per Minute Rate

All calls 20 minutes or more in duration
All calls less than 20 minutes in duration

Issued:
Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 3.0 - DESCRIPTION OF SERVICE AND RATES, (CONT'D.)**10.6 Public Telephone Surcharge**

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

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

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

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

Per Call Surcharge:

Issued:
Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 11.0 - MISCELLANEOUS SERVICES**11.1 Carrier Presubscription****11.1.1 General**

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

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

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

Issued:

Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 11.0 - MISCELLANEOUS SERVICES, (CONT'D.)**11.1 Carrier Presubscription, (Cont'd.)****11.1.3 Rules and Regulations**

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

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

Customers may change their selected Option and/or presubscribed toll carrier at any time subject to charges specified in 11.4.5 below:

11.1.4 Presubscription Procedures

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

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

Customers of record may initiate a intraLATA or interLATA presubscription change at any time, subject to the charges specified in 11.4.5 below. If a Customer of record inquires of the Company of the carriers available for toll presubscription, the Company will read a random listing of all available intraLATA carriers to aid the Customer in selection.

Issued:

Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 11.0 - MISCELLANEOUS SERVICES, (CONT'D.)

11.1 Carrier Presubscription, (Cont'd.)

11.1.5 Presubscription Charges

(A) Application of Charges

After a Customer's initial selection for a presubscribed toll carrier and as detailed in Paragraph 11.4.4 above, for any change thereafter, an Presubscription Change Charge, as set for the below will apply. Customers who request a change in intraLATA and interLATA carriers with the same order will be assessed a single charge per line.

(B) Nonrecurring Charges

Per business or residence line, trunk, or port

Initial Line, or Trunk or Port
Additional Line, Trunk or Port

Issued:
Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 12.0 - PRIVATE LINE SERVICES

12.1 [Reserved for Future Use]

Issued:
Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 13.0 - CARRIER ACCESS SERVICE

13.1 [Reserved for Future Use]

Issued:
Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 14.0 - SPECIAL ARRANGEMENTS

14.1 [Reserved for Future Use]

Issued:
Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 15.0 - PROMOTIONAL OFFERINGS

15.1 Special Promotions

The Carrier may from time to time engage in special promotional trial service offerings of limited duration (not to exceed ninety days on a per Customer basis for non-optional, recurring charges) designed to attract new subscribers or to increase subscriber awareness of a particular tariff offering. Requests for promotional offerings will be presented to the Commission for its review in accordance with rules and regulations established by the Commission, and will be included in the Carrier's tariff as an addendum to the Carrier's price lists.

15.2 Discounts

The Company may, from time to time as reflected in the price list, offer discounts based on monthly volume (or, when appropriate, "monthly revenue commitment" and/or "time of day" may also be included in the tariff).

Issued:
Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

SECTION 16.0 - CURRENT RATES

Issued:
Issued By: Mark Sampson, Chief Executive Officer
1700 Lincoln Street, Suite 1920
Denver, Colorado 80203

Effective:

AZL0000

EXHIBIT 3

NXGEN NETWORKS, INC.

ARTICLES OF INCORPORATION
AND ARIZONA SECRETARY OF STATE AUTHORITY

Filing Fee: \$50.00
BY: Hilbrecht, Jones, Schreck
600 E Charleston Blvd.
Las Vegas, Neayda 89104

FILED
IN THE OFFICE OF THE
SECRETARY OF STATE OF THE
STATE OF NEVADA

NOV 26 1980

1 ARTICLES OF INCORPORATION

2 OF
3 No. 6780-80 AVERY, ARMSTRONG AND ASSOCIATES,
4 ARCHITECTS AND ENGINEERS

5 KNOW ALL MEN BY THESE PRESENTS:

6 That the undersigned, for the purpose of association to
7 establish a corporation for the transaction of business and
8 the promotion and conduct of the objects and purposes hereinafter
9 stated, under the provisions of and subject to the requirements
10 of the laws of the State of Nevada, do make, record and file
11 these Articles of Incorporation, in writing, and we do hereby
12 certify:

13 I

14 That the name of the corporation shall be:

15 AVERY, ARMSTRONG AND ASSOCIATES,
16 ARCHITECTS AND ENGINEERS.

17 II

18 That the principal office and place of business of the
19 corporation shall be at 600 East Charleston Boulevard, Las Vegas,
20 Nevada, 89104; and that the resident agent in charge thereof
21 shall be: HILBRECHT, JONES, SCHRECK & BERNHARD, CHARTERED.

22 III

23 That this corporation may engage in any lawful activity.

24 IV

25 That this corporation is authorized to issue 2,500
26 shares of common stock of no par value with preemptive rights.

27 V

28 Any and all shares issued by the corporation, the fixed
29 consideration for which has been paid or delivered, shall be
30 deemed fully paid stock and not liable for any further call or
31 assessment thereon, and the holders of such stock shall not
32 be liable for any further assessments, nor shall the private

HILBRECHT, JONES
SCHRECK & BERNHARD
ATTORNEYS AT LAW
600 E. CHARLESTON BLVD.
LAS VEGAS, NV 89104
(702) 388-2101

1 property of the shareholders, officers, or directors be
2 subject to the payment of corporate debts or obligations to
3 any extent whatsoever.

4 VI

5 The members of the governing board shall be styled
6 Directors. The Board of Directors shall consist of not less
7 than one nor more than five members. At all elections of
8 directors of the corporation each holder of stock possessing
9 voting power shall be entitled to as many votes as shall
10 equal the number of his shares of stock multiplied by the
11 number of directors to be elected, and that he may cast all
12 of such votes for a single director or may distribute them
13 among the number to be voted for or any two or more of them,
14 as he may see fit. The name and address of the first Board
15 of Directors which shall consist of three members, and of
16 each of the incorporators signing these Articles are as follows:

17 FIRST BOARD OF DIRECTORS
18 AND INCORPORATORS

19 HELENE FAIRCHILD 600 E. Charleston Blvd., Las Vegas, Nev. 89104
20 PHRONISIE MARKIN 600 E. Charleston Blvd., Las Vegas, Nev. 89104.
21 DEBRA HOUGHTLING 600 E. Charleston Blvd., Las Vegas, Nev. 89104

22 VII

23 This corporation shall have perpetual existence.

24 VIII

25 These articles may be amended by the directors and the
26 stockholders in the manner provided by law.

27 IN WITNESS WHEREOF, the undersigned directors and
28 incorporators have executed these Articles of Incorporation
29 this 6th day of October, 19 80.

30
31 
32 HELENE FAIRCHILD

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32

7

Phronsie Markin
PHRONSIE MARKIN

Debra Houghtling
DEBRA HOUGHTLING

STATE OF NEVADA)

COUNTY OF CLARK)

On this 6th day of October, 1980, before me, a Notary Public in and for said county and state, personally appeared HELENE FAIRCHILD, PHRONSIE MARKIN, and DEBRA HOUGHTLING, known to me to be the persons described in and who executed the foregoing ARTICLES OF INCORPORATION, who acknowledged to me that they executed the same freely and voluntarily and for the uses and purposes therein mentioned.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal.

Lydia Sanchez
NOTARY PUBLIC



FILED
IN THE OFFICE OF THE
SECRETARY OF STATE OF THE
STATE OF NEVADA

STATE OF NEVADA
OFFICE OF THE SECRETARY OF STATE
State Capital Complex
Carson City, Nevada 89710

Phone (702) 687-3203
Fax (702) 687-3471

F49900010495 \$1775

SEP 01 1998

Certificate of Revival Pursuant to NRS 78.730
(Read instructions on reverse side) (Please remit with at least one copy)

No.
Dean Hill
DEAN HILLER, SECRETARY OF STATE

1. The name of the corporation: Avery, Armstrong and Associates, Architects and Engineers
(name must appear exactly the same as last recorded in this office)

2. The name and address of the corporation's resident agent:
Denise Williams
2485 Eastlake Blvd

Carson City, NV 89704
(physical address of Resident Agent) (mailing address, if different from physical)

3. The date when the revival of the charter is to commence or be effective, which may be, before the date of the certificate: 22 July 1998

4. Indicate whether or not the revival is to be perpetual, and, if not perpetual, the time for which the revival is to continue. The corporation's existence shall be: PERPETUAL or _____
(Time for which the revival is to continue)

5. The undersigned declare that the corporation desires to revive its corporate charter and is, or has been, organized and carrying on the business authorized by its existing or original charter and amendments thereto, and desires to continue through revival its existence pursuant to and subject to the provisions of this chapter.

6. The names and addresses of the president, secretary and treasurer and all of the corporation's directors are as follows:

<u>Jon Heidelberg</u> (president)	<u>7066 Sagebrush Way, SLC, UT 84121</u> (address)
<u>Loretta Heidelberg</u> (secretary)	<u>7066 Sagebrush Way, SLC, UT 84121</u> (address)
<u>Loretta Heidelberg</u> (treasurer)	<u>7066 Sagebrush Way, SLC, UT 84121</u> (address)
<u>Jon Heidelberg</u> (director)	<u>7066 Sagebrush Way, SLC, UT 84121</u> (address)
<u>Loretta Heidelberg</u> (director)	<u>7066 Sagebrush Way, SLC, UT 84121</u> (address)

(director) You may attach additional pages, if necessary

The undersigned declare that they have obtained written consent of all the stockholders of the corporation and the unanimous consent was secured and that they are the person(s) designated or appointed by the stockholders of the corporation to revive the corporation.

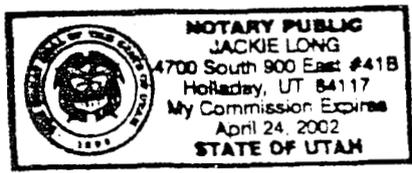
Loretta Heidelberg
(signature)

(signature)

State of Utah County of Salt Lake
Signed and sworn to (or affirmed) before me on 7/22/98

by Loretta Heidelberg (name)

Jackie Long (Notarial Officer)



MAY-29-98 THU 10:41 AM NV SECRETARIAT OF STATE

FILED

IN THE OFFICE OF THE
SECRETARY OF STATE OF THE
STATE OF NEVADA

Application for RENEWAL

SEP 01 1998

No. C 6780-80

Dean Heller

DEAN HELLER, SECRETARY

This application authorizes the office of the secretary of state of Nevada to
reinstate Avery, Armstrong & Assoc., Architects & Engineers^{INC.} (old name)
under the name of:

OLD NIGHT, INC. (new name).

This application is accompanied with the sixty-day list or annual list, the
designation of the resident agent, and all fees and penalties.

Loetta Handberg

(authorized signature)

-
- If a corporation, this application shall be signed by an officer.
 - If a limited partnership, this application shall be signed by a general partner.
 - If a limited-liability company, this application shall be signed by a manager or a member.
 - If a limited-liability partnership, this application shall be signed by a managing partner.

FILED
IN THE OFFICE OF THE
SECRETARY OF STATE OF THE
STATE OF NEVADA

SEP 01 1998

No. 06780-80

Dean Heller
DEAN HELLER, SECRETARY OF STATE

**CERTIFICATE OF CHANGE
OF RESIDENT AGENT AND/OR
LOCATION OF REGISTERED OFFICE
(corporations only)**

Avery, Armstrong and Associates, Architects and Engineers
Name of Corporation

The change(s) below is (are) effective upon the filing of this document with the Secretary of State.

Reason for Change: (check one) Change of Resident Agent Change Location of Registered Office

The former resident agent and/or location of the registered office was:

Resident Agent: Hilbrecht, Jones, Schreck & Bernhard
Street No.: 600 E. Charleston Blvd
City: Las Vegas, Nevada 89104

The resident agent and/or location of the registered office is changed to:

Resident Agent: Denise Williams
Street No.: 2485 Eastlake Blvd
City: Carson City, NV 89704

NOTE: For a corporation to file this certificate, the signature of one officer is required. The certificate does not need to be notarized.

Scotta Newelberger / Secretary
Signature/Title

Certificate of Acceptance of Appointment by Resident Agent: I, Denise Williams
hereby accept the appointment as Resident Agent for the above-named business entity.

Denise Williams
(Signature of Resident Agent)

8/26/98
(Date)

NOTE: The fee is \$15.00 for filing either a certificate of change of location of the registered office or a new designation of resident agent.

ANNUAL LIST OF OFFICERS, DIRECTORS AND AGENT OF

FILE NUMBER

Avery, ARMSTRONG AND ASSOCIATES, ARCHITECTS AND ENGINEERS, INC.

6780-80

The Corporation's duly appointed Resident Agent in the State of Nevada upon whom process can be served is:

Denise Williams
2485 Eastlake Blvd.
Carson City, NV 89704

FILED
IN THE OFFICE OF THE
SECRETARY OF STATE OF THE
STATE OF NEVADA
6780-80
SEP 01 1998

FOR OFFICE USE ONLY

FILED (DATE)	REVIVAL DF
1 CERT. COPY 1981-1998	\$ 10 \$1700
REVIVAL FEE	\$ 50
STOCK FEE	\$ 125
RESOLUTION	\$ 15
EXPEDITE	\$ 50
GS CERT.	\$ 15
EXPEDITE	\$ 25
	\$1990

IF THE ABOVE INFORMATION IS INCORRECT, PLEASE CHECK THIS BOX AND A RESIDENT AGENT/ADDRESS FORM WILL BE SENT.

PLEASE READ INSTRUCTIONS BEFORE COMPLETING AND RETURNING THIS FORM.

1. Include the names and addresses, either residence or business, for all officers and directors. **Secretary, Treasurer and all Directors** must be named. There must be at least one director. Information has been preprinted. If you need to make changes, cross out the incorrect information and insert the new information above it. An officer must sign the form. **FORM WILL BE RETURNED IF UNSIGNED.**
2. If there are additional directors attach a list of them to this form.
3. Return the completed form with the \$85.00 filing fee. A \$15.00 penalty must be added for failure to file the deadline indicated at the top of this form.
4. Make your check payable to the Secretary of State. If you need a receipt, enclose a self-addressed stamped envelope. To receive a certified copy, enclose a copy of this completed form, an additional \$10.00 and appropriate instructions.
5. Return the completed form to: Secretary of State, Capitol Complex, Carson City, NV 89710.

Receipt No.

FY9900010495

MOXLEY, DENISE

08/26/1998

1990.00

REC'D BY KB

FILING FEE: \$85.00

LATE PENALTY: \$15.00

NAME Jon Heidelberg	TITLE(S) PRESIDENT
P.O. BOX	STREET ADDRESS 7066 Sagebrush Way CITY SLC STATE UT ZIP 84121
NAME Loretta Heidelberg	TITLE(S) SECRETARY
P.O. BOX	STREET ADDRESS 7066 Sagebrush Way CITY SLC STATE UT ZIP 84121
NAME Loretta Heidelberg	TITLE(S) TREASURER
P.O. BOX	STREET ADDRESS 7066 Sagebrush Way CITY SLC STATE UT ZIP 84121
NAME Jon Heidelberg	TITLE(S) DIRECTOR
P.O. BOX	STREET ADDRESS 7066 Sagebrush Way CITY SLC STATE UT ZIP 84121
NAME Loretta Heidelberg	TITLE(S) DIRECTOR
P.O. BOX	STREET ADDRESS 7066 Sagebrush Way CITY SLC STATE UT ZIP 84121
NAME	TITLE(S) DIRECTOR
P.O. BOX	STREET ADDRESS CITY STATE ZIP

Signature of this annual list

Loretta Heidelberg

Title(s) *Secretary*

Date *Aug 24, 98*

FILED 02:21P
IN THE OFFICE OF THE
SECRETARY OF STATE OF THE
STATE OF NEVADA

EX-29260
P.02
(100)

DEC 02 1998

No. 06780-80 CERTIFICATE OF AMENDMENT OF ARTICLES OF INCORPORATION
OF OLD NIGHT, INC.

Dean Heller
DEAN HELLER, SECRETARY OF STATE

We the undersigned, Jon Heidelberger, President and Loretta Heidelberger, Secretary of Old Night, Inc., do hereby certify: That the Board of Directors of said corporation at a meeting duly convened, held on the 20th day of August, 1998 adopted a resolution to amend the original articles as follows:

ARTICLE I which presently reads as follows:

That the name of the corporation shall be:

**AVERY, ARMSTRONG AND ASSOCIATES,
ARCHITECTS AND ENGINEERS**

Is hereby amended to read as follows:

That the name of the corporation shall be:

OLD NIGHT, INC.

ARTICLE IV which presently reads as follows:

**ARTICLE FOUR
STOCK**

The total authorized capital stock of this corporation shall consist of Two Thousand Five Hundred (2,500) shares of common stock of no par value of with preemptive rights. All of the voting power of the capital stock of this corporation shall be subject to assessment.

Is hereby amended to read as follows:

**ARTICLE FOUR
AUTHORIZED CAPITAL STOCK**

The total authorized capital stock of the Corporation is 100,000,000 shares of Common Stock, with a par value of \$0.001 (1 mil). All stock when issued shall be deemed fully paid and non-assessable. No cumulative voting, on any matter to which Stockholders shall be entitled to vote, shall be allowed for any purpose.

The authorized stock of this corporation may be issued at such time, upon such terms and conditions and for such consideration as the Board of Directors shall, from time to time, determine. Shareholders shall not have pre-emptive rights to acquire unissued shares of the stock of this Corporation.

ARTICLE SIXDirectors

Members of the governing board shall be styled Directors. The Board of Directors shall consist of not less than one nor more than five members. At all elections of directors of the corporation each holder of stock possessing voting power shall be entitled to as many votes as shall equal the number of his shares of stock multiplied by the number of directors to be elected, and that he may cast all of such votes for a single director or may distribute them among the number to be voted for any two or more of them, as he may see fit. The name and address of the first Board of Directors which shall consist of three members, and of each of the incorporators signing these Articles are as follows:

Article VI which presently reads as follows:

NAME	ADDRESS
Helen Fairchild	600 E. Charleston Blvd., Las Vegas, Nevada 89104
Phronsie Markin	600 E. Charleston Blvd., Las Vegas, Nevada 89104
Debra Houghtling	600 E. Charleston Blvd., Las Vegas, Nevada 89104

Is hereby amended to read as follows:

ARTICLE SIXDIRECTORS

The Directors are hereby granted the authority to do any act on behalf of the Corporation as may be allowed by law. Any action taken in good faith, shall be deemed appropriate and in each instances where the Articles of Incorporation so authorize, such action by the Directors, shall be deemed to exist in these Articles and the authority granted by said Act shall be imputed hereto without the same specifically having been enumerated herein.

The Board of Directors may consist of from one (1) to nine (9) directors, as determined, from time to time, by the then existing Board of Directors.

THE FOLLOWING NEW ARTICLES ARE HEREBY ADOPTED**ARTICLE NINE****COMMON DIRECTORS**

As provide by Nevada Revised Statute 78.140, without repeating the section in full here, the same is adopted and no contract or other transaction between this Corporation and any of its officers, agents or directors shall be deemed void or voidable solely for that reason. The balance of the provisions of the code section cited, as it now exists, allowing such transactions, is hereby incorporated into this Article as though more fully set-forth, and such Article shall be read and interpreted to provide the greatest latitude in its application.

ARTICLE TEN
LIABILITY OF DIRECTORS AND OFFICERS

No Director, Officer or Agent, to include counsel, shall be personally liable to the Corporation or its Stockholders for monetary damage for any breach or alleged breach of fiduciary or professional duty by such person acting in such capacity. It shall be presumed that in accepting the position as an Officer, Director, Agent or Counsel, said individual relied upon and acted in reliance upon the terms and protections provided for by this Article. Notwithstanding the foregoing sentences, a person specifically covered by this Article, shall be liable to the extent provided by applicable law, for acts or omissions which involve intentional misconduct, fraud or a knowing violation of law, or for the payment of dividends in violation of NRS 78.300

ARTICLE ELEVEN
ELECTION REGARDING NRS 78.378 - 78.3793 and 78.411 - 78.444

This Corporation shall NOT be governed by nor shall the provisions of NRS 78.378 through and including 78.3793 and NRS 78.411 through and including 78.444 in any way whatsoever affect the management, operation or be applied in this Corporation. This Article may only be amended by a majority vote of not less than 90% of the then issued and outstanding shares of the Corporation. A quorum of outstanding shares for voting on an Amendment to this article shall not be met unless 95% or more of the issued and outstanding shares are present at a properly called and noticed meeting of the Stockholders. The super-majority set forth in this Article only applies to any attempted amendment to this Article.

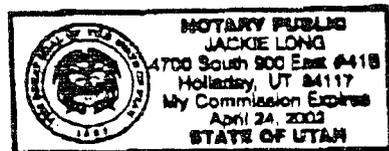
The number of shares of the corporation outstanding and entitled to vote on an amendment to the Articles of Incorporation is 496,400 ; that the said change (s) and amendment have been consented to and approved by a majority vote of the stockholders holding at least a majority of each class of stock outstanding and entitled to vote thereon.

Jon Heidelberg
Jon Heidelberg
President

Loretta Heidelberg
Loretta Heidelberg
Secretary/Treasurer

State of Utah
County of Salt Lake

On Jon & Loretta Heidelberg, personally appeared before me, a Notary Public, Jon Heidelberg and Loretta Heidelberg who acknowledged that they executed the above instrument.



Jackie Long
Notary Public

2116
(\$70.-)

**CERTIFICATE OF AMENDMENT
TO
ARTICLES OF INCORPORATION
OF**

FILED # C4780-80

AUG 31 2000

DEAN HOLLER, SECRETARY OF STATE

OLD NIGHT, INC.

Pursuant to the provisions of section 78.209, Nevada Revised Statutes, the undersigned President and Secretary of Rich Earth, Inc. (the "Corporation"), does hereby certify the Board of Directors of the Corporation adopted a resolution to amend the original articles as follows:

Article I which presently reads as follows:

The name of the Corporation shall be:

OLD NIGHT, INC.

Is hereby amended to read as follows:

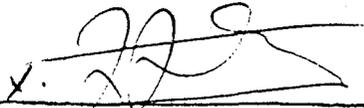
The name of the Corporation is:

NXGEN NETWORKS, INC.

The number of shares of the corporation outstanding and entitled to vote on an amendment to the Articles of Incorporation is 5,460,400; that the said changes and amendments have been consented to and approved by a majority vote of the stockholders holding at least a majority of each class of stock outstanding and entitled to vote thereon.

The effective date of this amendment is August 31, 2000, at the Closing.

X 
Xenios Xenopoulos, Secretary

X 
Xenios Xenopoulos, President

On the ____ Day of August, 2000 Xenios Xenopoulos the sole director and officer of the Company personally appeared before me, a Notary Public in and for the Country of Cyprus, and acknowledged that he executed the above instrument.

Notary Public in and for the
Country of Cyprus

Signed and sealed this day in my presence
by Xenios Xenopoulos

who is/are personally known to me. In testimony
whereof I have hereto set my hand and official seal
this 24th day of August 2000



OCT 10 '00

STATE OF NEVADA
Secretary of State

I hereby certify that this is a
true and complete copy of the
document filed in this office

Dean Heller

DEAN HELLER - Secretary of State

by *Macouline Wray*

DO NOT PUBLISH THIS SECTION

OCT 20 2000 APPLICATION FOR AUTHORITY TO TRANSACT BUSINESS IN ARIZONA

1. The corporate name must contain corporate ending which may be "corporation," "association," "company," "limited," "incorporated" or an abbreviation of any of these words. If you are the holder or assignee of a tradename or trademark, attach Declaration of Tradename Holder form. If your name is not available for use in Arizona, you must adopt a fictitious name and provide a resolution adopting the name, which must be executed by the corporation Secretary.

3. You must provide the total duration in years for which your corporation was formed to endure. If perpetual succession, so indicate in this section. Do not leave blank, or state not applicable.

5. The statutory agent address cannot be a P.O. Box. It must be a physical address in Arizona. Include City, State and Zip code

FILED BY Jeri Little TERM DATE 10/20/2000 F-0965982-6
The name of the corporation is: NxGen Networks, Inc.
A(n) Nevada 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. § 10-1504 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:
NxGen Networks, 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:
Nevada

3. The foreign corporation was incorporated on the 26th day of November, 1980 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:
c/o Denise Williams

2485 East Lake Blvd.
Carson City, NV 89704

5. The name and street address of the statutory agent for the foreign corporation in Arizona is:
National Registered Agents, Inc.
815 N. First Avenue, Suite 4
Phoenix, AZ 85003

EXHIBIT 4

NXGEN NETWORKS, INC.

FINANCIAL STATEMENTS

NxGen Networks, Inc.
Financial Statement Overview

NxGen Networks, Inc. ("NxGen") is providing the financial statements of its subsidiary company, International Long Distance Corporation ("ILDC"), as the financial statements of NxGen. NxGen recently participated in a share exchange with International Long Distance Corporation through which it gained approximately 82% of the assets of ILDC (see Page 17 of the financial statement).¹ The company is in the process of merging ILDC into NxGen. As such, the financial statements of ILDC are in essence the financial statements of NxGen. All future financial statements issued by the company will bare the NxGen Networks, Inc. name.

NxGen has access to additional sources of cash via cash infusions from stockholders, sale of preferred stock and other equity financing sources. NxGen also has access to credit financing sources via lines of credit, loans, capital leases on future purchases of equipment, etc. There are a myriad of options for NxGen to obtain additional sources of cash. At this point, NxGen does not anticipate needing to use any of these sources. NxGen expects their financing to come from the profits of the operation once they are certificated from the Public Utility/Service Commissions.

Summary

NxGen has established a strong team to support its venture into the telecommunications market. NxGen has and will outsource business functions to obtain expertise and provide a financial and technical competitive advantage in the industry.

As noted in the analysis documented above, NxGen has prepared prudently for its venture into the resold interexchange services market. NxGen has positioned itself to add large amounts of revenue growth while keeping expenses under control. NxGen has sufficient financial capability to provide the requested telecommunication services, sufficient financial capability to meet all lease and ownership obligations, and sufficient financial capability to maintain a large Customer base.

¹ NxGen Networks, Inc. was formed as a Nevada Corporation on November 26, 1980 as Avery, Armstrong & Associates, Architects and Engineers, Inc. On September 1, 1998, the company filed for a revival and changed Avery, Armstrong & Associates, Architects & Engineers, Inc. to Old Night, Inc. Again on August 31, 2000, Old Night, Inc. amended the corporation to NxGen Networks, Inc.

46

LANEY
BOTELE &
KILLINGER

Certified Public Accountants

Independent Auditors' Report

Board of Directors
International Long Distance Corporation
Hertford, North Carolina

We have audited the accompanying consolidated balance sheets of International Long Distance Corporation (a development stage company), as of December 31, 1999 and 1998, and the related consolidated statements of operations, changes in stockholder's deficit and cash flows for the years then ended and for the period March 20, 1998 (date of inception), to December 31, 1999. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of International Long Distance Corporation, as of December 31, 1999 and 1998, and the results of its operations and its cash flows for the years then ended and from March 20, 1998 (date of inception), to December 31, 1999, in conformity with generally accepted accounting principles.

Laney, Boteler & Killinger

Atlanta, Georgia
June 2, 2000 (Except Note 15 which is dated August 24, 2000)

2

International Long Distance Corporation
(a development stage company)
Consolidated Balance Sheets
December 31, 1999 and 1998

Assets

	<u>1999</u>	<u>1998</u>
Current assets		
Cash	\$ -	\$ -
Accounts receivable - trade	101,181	-
Accounts receivable - officer	84,060	21,445
Accounts receivable - Prepaid Cellular Services	-	1,356,284
Accounts receivable - affiliate	-	917,560
Total current assets	<u>185,241</u>	<u>2,295,289</u>
Property and equipment		
Land	39,374	-
Leasehold improvements	105,132	-
Computers and software	248,652	-
Furniture and fixtures	4,660	-
Telephone switching equipment	<u>3,100,135</u>	<u>1,016,066</u>
Total property and equipment	3,497,953	1,016,066
Less: accumulated depreciation	<u>718,697</u>	<u>62,761</u>
Property and equipment, net	<u>2,779,256</u>	<u>953,305</u>
Other assets		
Deposits	44,559	14,559
Deferred finance charges, net of amortization of \$121,018 and \$20,710	<u>322,187</u>	<u>272,495</u>
Total other assets	<u>366,746</u>	<u>287,054</u>
 Total assets	 <u>\$3,331,243</u>	 <u>\$3,535,648</u>

See notes to consolidated financial statements.

International Long Distance Corporation
(a development stage company)
Consolidated Balance Sheets
December 31, 1999 and 1998

Liabilities and Stockholders' Deficit

	<u>1999</u>	<u>1998</u>
Current liabilities		
Cash overdraft	\$ 3,118	\$ -
Accounts payable	2,528,020	977,810
Accrued expenses	145,027	-
Accrued interest	3,300	-
Current portion of capital lease obligations	123,715	43,873
Short-term notes payable	1,837,188	-
Unearned revenue	55,000	-
Total current liabilities	<u>4,695,368</u>	<u>1,021,683</u>
Capital lease obligations	<u>255,490</u>	<u>249,112</u>
Stockholders' deficit		
Common stock, \$1.00 par value; 100,000 shares authorized; 500 shares issued and outstanding	500	500
Subscription agreements	6,065,584	2,548,325
Deficit accumulated during the development stage	<u>(7,685,699)</u>	<u>(283,972)</u>
Total stockholders' deficit	<u>(1,619,615)</u>	<u>2,264,853</u>
Total liabilities and stockholders' deficit	<u>\$ 3,331,243</u>	<u>\$ 3,535,648</u>

See notes to consolidated financial statements.

International Long Distance Corporation
(a development stage company)
Consolidated Statements of Operations
Years Ended December 31, 1999 and 1998,
and
the Period March 20, 1998 (Inception) to December 31, 1999

	<u>Year Ended December 31,</u>		<u>March 20, 1998</u>
	<u>1999</u>	<u>1998</u>	<u>(Inception) to</u> <u>December 31, 1999</u>
Revenue			
Service revenue	\$ 173,464	\$ -	\$ 173,464
Other income	1,030	-	1,030
	<u>174,494</u>	<u>-</u>	<u>174,494</u>
Costs and expenses			
Costs of telephone services	895,022	66,652	961,674
Research and development	140,911	-	140,911
General and administrative	330,545	37,558	368,103
Other operating expenses	495,916	15,768	511,684
Maintenance and utilities	47,095	625	47,720
Travel, meals and entertainment	104,819	37,974	142,793
	<u>2,014,308</u>	<u>158,577</u>	<u>2,172,885</u>
Operating loss	<u>(1,839,814)</u>	<u>(158,577)</u>	<u>(1,998,391)</u>
Other expenses			
Amortization and finance costs	1,093,411	20,711	1,114,122
Bad debts	1,300	-	1,300
Charitable contributions	127,664	10,000	137,664
Depreciation	655,936	62,761	718,697
Interest	217,887	31,923	249,810
Loss on impairment of asset	279,071	-	279,071
Loss on uncollectible advances to affiliate	1,085,448	-	1,085,448
Loss on failed venture	2,011,396	-	2,011,396
Rents and leases	89,800	-	89,800
Total other expenses	<u>5,561,913</u>	<u>125,395</u>	<u>5,687,308</u>
Net loss	<u>\$(7,401,727)</u>	<u>\$(283,972)</u>	<u>\$(7,685,699)</u>

See notes to consolidated financial statements.

International Long Distance Corporation
(a development stage company)
Consolidated Statement of Changes in Stockholder's Deficit
Period from March 20, 1998 (Inception) to December 31, 1999

	<u>Common Stock</u>	<u>Subscription Agreements</u>	<u>Retained Earnings (Deficit)</u>	<u>Total Stockholder's Deficit</u>
Balance, March 20, 1998	\$ -	\$ -	\$ -	\$ -
Issuance of 500 shares of common stock	500	-	-	500
Funds / services received for stock subscriptions	-	2,548,325	-	2,548,325
Net loss	<u>-</u>	<u>-</u>	<u>(283,972)</u>	<u>(283,972)</u>
Balance, December 31, 1998	500	2,548,325	(283,972)	2,264,853
Funds / services received for stock subscriptions	-	3,517,259	-	3,517,259
Net loss	<u>-</u>	<u>-</u>	<u>(7,401,727)</u>	<u>(7,401,727)</u>
Balance, December 31, 1999	<u>\$ 500</u>	<u>\$6,065,584</u>	<u>\$(7,685,699)</u>	<u>\$(1,619,615)</u>

See notes to consolidated financial statements.

International Long Distance Corporation
 (a development stage company)
 Consolidated Statements of Cash Flows
 Years Ended December 31, 1999 and 1998,
 and
 the Period March 20, 1998 (Inception) to December 31, 1999

	<u>Year Ended December 31,</u>		<u>March 20, 1998</u>
	<u>1999</u>	<u>1998</u>	<u>(Inception) to</u> <u>December 31, 1998</u>
Cash flows from operating activities			
Cash received from revenue	\$ 128,313	\$ -	\$ 128,313
Cash paid to suppliers, employees and affiliate	(785,552)	(109,440)	(894,992)
Cash paid for interest	(214,587)	(31,923)	(246,510)
Cash advanced to failed joint venture	(473,112)	(1,356,284)	(1,829,396)
Net cash used in operating activities	<u>(1,344,938)</u>	<u>(1,497,647)</u>	<u>(2,842,585)</u>
Cash flows from investing activities:			
Purchases of property and equipment	(2,601,958)	(705,271)	(3,307,229)
Payment of deposits	(30,000)	(14,559)	(44,559)
Net cash used in investing activities	<u>(2,631,958)</u>	<u>(719,830)</u>	<u>(3,351,788)</u>
Cash flows from financing activities:			
Proceeds from issuance of notes payable	2,525,838	-	2,525,838
Proceeds from stock subscription agreements	2,212,488	2,234,787	4,447,275
Proceeds from issuance of common stock	-	500	500
Repayment of notes payable and capital leases	(761,430)	(17,810)	(779,240)
Net cash provided by financing activities	<u>3,976,896</u>	<u>2,217,477</u>	<u>6,194,373</u>
Net increase in cash and cash equivalents	-	-	-
Cash and cash equivalents, beginning of period	-	-	-
Cash and cash equivalents, end of period	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See notes to consolidated financial statements.

International Long Distance Corporation
(a development stage company)
Consolidated Statements of Cash Flows
Years Ended December 31, 1999 and 1998,
and
the Period March 20, 1998 (Inception) to December 31, 1999

	<u>Year Ended December 31.</u>		<u>March 20, 1998</u>
	<u>1999</u>	<u>1998</u>	<u>(Inception) to December 31, 1999</u>
Cash flows from operating activities:			
Net loss	\$(7,401,727)	\$ (283,972)	\$(7,685,699)
Adjustments to reconcile net loss to net cash used in operating activities			
Depreciation	655,936	62,761	718,697
Amortization and finance costs	1,073,079	41,043	1,114,122
Loss on impairment of asset	279,071	-	279,071
Non-cash portion of loss on failed venture	182,000	-	182,000
Conversion of accounts receivable to investment			
Changes in assets and liabilities:			
(Increase) decrease in assets			
Accounts receivable-			
joint venture	1,356,284	(1,356,284)	-
Accounts receivable-affiliate	917,560	(917,560)	-
Accounts receivable-trade	(101,181)	-	(101,181)
Accounts receivable-officer	(62,615)	(21,445)	(84,060)
Increase (decrease) in liabilities			
Cash overdraft	3,118	-	3,118
Accounts payable	1,550,210	977,810	2,528,020
Accrued expenses	145,027	-	145,027
Accrued interest	3,300	-	3,300
Unearned revenue	55,000	-	55,000
Net cash used in operating activities	<u>\$(1,344,938)</u>	<u>\$(1,497,647)</u>	<u>\$(2,842,585)</u>

See notes to consolidated financial statements.

International Long Distance Corporation
(a development stage company)
Consolidated Statements of Cash Flows
Years Ended December 31, 1999 and 1998,
and
the Period March 20, 1998 (Inception) to December 31, 1999

	<u>Year Ended December 31.</u>		March 20, 1998
	1999	1998	(Inception) to December 31, 1999
Schedule of non-cash operating, investing, and financing transactions:			
Acquisition of certain property and equipment:			
Capital leases			
Equipment acquired	\$ 159,000	\$ 310,795	\$ 469,795
Capital leases assumed	(86,221)	(292,985)	(379,206)
Cash paid	<u>\$ 72,779</u>	<u>\$ 17,810</u>	<u>\$ 90,589</u>
Conversion of investor services to equity:			
Subscription agreements			
Settlement of claims	\$ 182,000	\$ -	\$ 182,000
Services received	972,771	20,333	993,104
Acquisition of equipment leases	150,000	293,205	443,205
Subscription agreements issued	<u>(1,304,771)</u>	<u>(313,538)</u>	<u>(1,618,309)</u>
Cash paid	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See notes to consolidated financial statements.

International Long Distance Corporation
(a development stage company)
Notes to Consolidated Financial Statements
Years Ended December 31, 1999 and 1998

9

Note 1 - Summary of significant accounting policies

Nature of business and basis of presentation

International Long Distance Corporation ("ILDC" or the "Company") was formed on March 20, 1998, in the State of North Carolina as a long distance service provider dedicated to utilizing state of the art technology to provide premier long distance telephone service both domestically and internationally. The Company is headquartered in Hertford, North Carolina and is currently in the process of raising capital to expand its operations.

Custom Telecom Solutions ("CTS") was formed as a joint venture corporation in November 1999, by an agreement between the Company and StarTouch International. The joint venture agreement was never executed. CTS remains a wholly-owned subsidiary of the Company but currently has no operations. All significant intercompany transactions have been eliminated in consolidation.

Cash and cash equivalents

Cash and cash equivalents include all highly liquid investments with an original maturity of three months or less.

Property, equipment and depreciation

Property and equipment are stated at cost. Maintenance and repairs are charged to operations and major improvements are capitalized. Upon retirement, sale or other disposition, the cost and accumulated depreciation are eliminated from the accounts and any gain or loss is included in operations. Depreciation is computed using the straight-line method for financial reporting purposes and accelerated methods for income tax purposes. Estimated useful lives of the assets range from three to fifteen years.

Property and equipment includes assets acquired under capital leases totaling \$469,795. Equipment acquired through these leases are included as a component of telephone switching equipment.

Revenue recognition

Originally the Company provided services involving the sale of prepaid long distance telephone cards. The corresponding revenue is included in the accompanying financial statements. Proceeds from the sale of prepaid phone cards are recorded as unearned revenue and, as the cards are used, the income earned by ILDC is reported in the statement of operations as service revenue. ILDC's primary source of revenue in the future is anticipated to be generated through the establishment of revenue producing long distance telephone networks.

International Long Distance Corporation
(a development stage company)
Notes to Consolidated Financial Statements
Years Ended December 31, 1999 and 1998

10

Income taxes

ILDC is subject to federal and state corporation income taxes on any net taxable income. Deferred income tax assets and liabilities are computed annually for differences between the financial statement and tax basis of assets and liabilities that will result in taxable or deductible amounts in the future based on enacted tax laws and rates applicable to the periods in which the differences are expected to affect taxable income. Valuation allowances are established when necessary to reduce deferred tax assets and liabilities to the amount expected to be realized. Income tax expense is the tax payable or refundable for the period plus or minus the change during the period in deferred tax assets and liabilities.

Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and revenues and expenses during the period reported. Actual results could differ from those estimates.

Start-Up expenses

In accordance with Statement of Position 98-5, Reporting on the Costs of Start-up Activities, the Company expensed all organization and start-up expenses as incurred.

Allowance for doubtful accounts

Accounts receivable have been reviewed by management and no allowance for doubtful accounts is considered necessary as of December 31, 1999 and 1998.

Deferred finance charges

In the early stages of development, certain investors assisted the Company in obtaining some of the telephone switching equipment necessary to further the Company's operations. The investors leased the equipment and assigned the leases to the Company. These equipment leases are recorded on the books as capital leases (Note 8). The total cost of equipment leased by investors and assigned to ILDC is \$469,795. ILDC has either directly made all payments required under the leases or given credit to the investors for any lease payments made by the investors.

In consideration for the assistance provided by the investors in obtaining the equipment leases, ILDC has credited these investors with joint venture or profit-sharing agreements (Note 2) totaling

International Long Distance Corporation
(a development stage company)
Notes to Consolidated Financial Statements
Years Ended December 31, 1999 and 1998

11

\$443,205. These costs have been recorded as deferred finance charges and are being amortized over the term of the leases. Amortization of deferred finance charges was \$121,018 and \$20,710 at December 31, 1999 and 1998, respectively.

Additionally, ILDC credited investors \$993,104 for providing short-term loans and lines of credit to ILDC or obtaining additional investors. This amount is included as a component of amortization and finance costs in the consolidated statement operations.

Common stock

At December 31, 1999, ILDC had 100,000 shares of \$1.00 par value common stock authorized with 500 shares issued and outstanding. All of the shares outstanding at December 31, 1999, were owned by the Anthony C. Overman Revocable Trust. The trustee is Anthony C. Overman, president of ILDC.

Subsequent to December 31, 1999, as part of the merger and reorganization (Note 3), the stock was split and the number of authorized shares was increased to 11,000,000.

Note 2 - Stock subscription agreements

In order to obtain capital for the purposes of the construction, installation and maintenance of a telephone switching and call routing system and to fulfill liabilities and obligations associated with start-up expenses, the Company entered into joint venture and profit sharing agreements with various investors. In addition, the Company credited certain investors with joint venture or profit-sharing agreements in exchange for services provided to ILDC (Note 1) and in settlement of claims against ILDC (Note 6). Through December 31, 1999, ILDC issued joint venture and profit-sharing agreements totaling \$6,065,584 in exchange for the following consideration:

<u>Consideration</u>	<u>1999</u>	<u>1998</u>
Cash received	\$4,447,275	\$2,234,787
Acquisition of equipment leases	443,205	293,205
Providing short-term loans and raising capital	993,104	20,333
Settlement of claims	182,000	-
	<u>\$6,065,584</u>	<u>\$2,548,325</u>

No payments were made under these agreements since ILDC had not reached profitability.

Subsequent to December 31, 1999, the investors agreed to cancel their joint venture and profit sharing agreements in exchange for common stock of ILDC. In order to facilitate the exchange, the

International Long Distance Corporation
(a development stage company)
Notes to Consolidated Financial Statements
Years Ended December 31, 1999 and 1998

12

Company increased the number of authorized shares from 100,000 to 11,000,000 (Note 1). Generally, each investor will receive one share of common stock for every \$5.00 invested through joint venture or profit sharing agreements whether the investment was in cash or for services provided. The shares will be issued in conjunction with the merger and reorganization (Note 3).

The amount reported in stockholder's deficit as subscription agreements of \$6,065,584 represents the amounts invested through joint venture and profit sharing agreements. The Company expects to issue 1,249,350 shares of stock for the subscription agreements. Subsequent to December 31, 1999, ILDC received additional capital of approximately \$800,000 through the issuance of joint venture agreements. The additional joint venture agreements will also be cancelled in exchange for common stock of ILDC at the merger.

Note 3 - Merger and reorganization

The Company as of May 18, 2000, has finalized plans for a merger and reorganization with a publicly traded entity. Closing on the merger is anticipated to be June 30, 2000. Upon completion of the merger, all of the ILDC stock issued and outstanding at June 30, 2000, will be converted into the right to receive newly issued shares of the publicly traded common stock, par value \$.001. The merger is expected to be a tax free reorganization within the meaning of Section 368 of the Internal Revenue Code.

Note 4 - Income taxes

ILDC has a net operating loss of \$7,685,699 as of December 31, 1999, which will be carried forward to offset future taxable income. The tax benefit and deferred tax asset, totaling \$2,984,000, generated by this net operating loss, has been offset by a valuation allowance due to the uncertainty of profitable operations.

Note 5 - Related party transactions

ILDC was affiliated with National Marketing Corporation (NMC), a marketing organization, which is owned by the president of ILDC. ILDC advanced \$1,085,448 to National Marketing Corporation during the calendar years 1998 and 1999, which will not be repaid since operations of NMC have been discontinued. A substantial portion of the funds advanced to NMC were forwarded to Prepaid Cellular Services, LLC (Note 6) in the form of loans, advances, and direct payment of Prepaid Cellular's liabilities. Prepaid Cellular ceased operations during 1999. At December 31, 1998, advances totaling \$917,560 were classified as advances from affiliate. Due to the operations of NMC and Prepaid Cellular Services being discontinued during 1999, all advances to NMC have been reflected as uncollectible advances to affiliate in the accompanying consolidated financial statements.

International Long Distance Corporation
(a development stage company)
Notes to Consolidated Financial Statements
Years Ended December 31, 1999 and 1998

13

ILDC has advanced the president \$84,060 as of December 31, 1999. No interest is charged on the advance.

ILDC received advances from a relative of the president totaling \$41,985. This amount is included in accounts payable at December 31, 1999.

Note 6 - Prepaid Cellular Services LLC

ILDC entered into various transactions with Prepaid Cellular Services, LLC (PCS) regarding the use of the ILDC telephone switching and network services. As the relationship with PCS progressed, the Company also made cash advances to PCS, purchased equipment for PCS and paid operating expenses of PCS. In addition, Anthony Overman, the president of ILDC, served for a brief period as CEO of PCS. ILDC also attempted to acquire the stock of PCS and merge PCS into ILDC. The acquisition of the stock was rejected and irreconcilable differences between the companies arose. Due to the significant amount invested into PCS, ILDC continued to fund the operations of PCS in an attempt to reach a point where revenue could be generated or some of the investment recovered. PCS ultimately failed. Numerous claims were made against PCS by various creditors and third parties. Due to the close relationship of ILDC with PCS and the fact that the ILDC president served as CEO of PCS, claims have been made against ILDC for some of the PCS debts and obligations (Note 10).

ILDC funded PCS amounts totaling \$2,518,149. These amounts include advances by ILDC to PCS, payment of PCS expenses and obligations, and a settlement of approximately \$468,000 to Garwell Limited Partnership for advances to PCS. The Garwell claim was settled by issuance of ILDC common stock. Subsequent to December 31, 1999, ILDC agreed to issue 200,000 shares of common stock to Garwell or its affiliates in exchange for cancelling the \$468,000 claim and in exchange for \$350,000 which had previously been invested in ILDC (Notes 2 and 3). When PCS ceased operations, ILDC took possession of equipment totaling \$506,753. The remaining costs related to PCS, totaling \$2,011,396, have been charged to expense as loss on failed venture. At December 31, 1998, all advances to PCS, totaling \$1,356,284, were recorded as an advance to PCS.

ILDC has assumed responsibility for the portion of the debts incurred by PCS in cases where management has determined that ILDC has financially benefitted or is ultimately liable for payment. These liabilities have been recorded in the accompanying consolidated financial statements.

International Long Distance Corporation
(a development stage company)
Notes to Consolidated Financial Statements
Years Ended December 31, 1999 and 1998

14

Note 7 - Short-term notes payable

Short-term notes payable consisted of the following:

	1999	1998
Note payable to Comdial due in monthly installments of \$25,550 plus interest at prime plus 2.5% (10.75% at December 31, 1999) with remaining principal and interest due at maturity on September 30, 2000.	\$228,859	\$ -
Note payable to Crafton Matthews originally due January 15, 2000, and extended to April 19, 2000. The note was paid in full at the extended due date.	29,000	-
Note payable to StarTouch International due in one payment including interest at 10% on June 5, 2000. Additional amounts totaling \$488,000 were borrowed during calendar year 2000 and are also due on June 5, 2000. The note arose from advances relating to a proposed joint venture agreement between ILDC and Star Touch (Note 1). When the joint venture was abandoned, all amounts due were converted to a note payable dated February 5, 2000. Interest accrues from the date of the note.	1,579,329	-
	<u>\$1,837,188</u>	<u>\$ -</u>

Note 8 - Capital lease obligations

Included in long-term debt are lease obligations that have been capitalized for financial statement purposes. Minimum future lease payments under capital leases as of December 31, 1999 and 1998, are as follows:

<u>Year ending December 31,</u>	1999	1998
1999	\$ 91,952	\$ 91,952
2000	175,533	91,952
2001	150,464	91,952
2002	106,581	91,952
2003	53,583	53,884
Total minimum lease payments	486,161	421,692
Less: amounts representing interest	(106,956)	(128,707)
Present value of net minimum lease payments	<u>\$ 379,205</u>	<u>\$ 292,985</u>

International Long Distance Corporation
(a development stage company)
Notes to Consolidated Financial Statements
Years Ended December 31, 1999 and 1998

15

Note 9 - Impairment of assets used in operations

During the course of ILDC's review of its operations, the Company assessed the recoverability of the carrying value of the Compaq Tandem SCP platform, which resulted in an impairment loss of \$279,071. This loss reflects the amount by which the carrying value exceeds the estimated fair value of the asset. The impairment loss is reported in the consolidated statement of operation in 1999.

Note 10 - Legal matters

ILDC is currently being sued by Compaq Computer Corporation for \$820,439, which includes interest and court costs, for equipment purchased and currently in the possession of ILDC. The full amount of this potential liability is included in accounts payable in the accompanying consolidated financial statements. The Company and the plaintiff are currently engaged in negotiations in an attempt to settle this liability.

There is a possibility that the Company could be included in some of the numerous claims asserted against Prepaid Cellular Services, LLC (Note 6) due to the relationship between the two entities. The potential liability from these claims can not be estimated in the opinion of management and its counsel.

Note 11- BDR Consulting, Inc.

On February 16, 2000, BDR Consulting, Inc. ("BDR") entered into an agreement with ILDC where BDR would assist ILDC in raising at least \$1,500,000 for its operations and in negotiating a merger between ILDC and a publicly traded company. For its services and the financing, BDR will receive shares of ILDC equal to the then outstanding shares of the Company which would make BDR a 50% shareholder. As of May 31, 2000, BDR has raised approximately \$3,600,000 in financing for ILDC. Shares of ILDC will be issued in a simultaneous transaction with the merger. Until that time all funds received from BDR are being treated as advances.

Note 12 - Commitments

ILDC currently leases an office building for \$5,000 per month under a 24 month lease agreement due to expire October 31, 2001. The lease contains an absolute purchase option requiring the Company to purchase the building upon expiration of the lease for \$750,000. The lease was originally in the name of a company owned by ILDC's sole shareholder. The lease was assigned to ILDC during the development period.

International Long Distance Corporation
(a development stage company)
Notes to Consolidated Financial Statements
Years Ended December 31, 1999 and 1998

16

ILDC also leases office space in Atlanta, Georgia for \$2,797 per month under a 26-month lease assumed from the prior lessee, Prepaid Cellular Services LLC, (Note 6). The lease was due to expire April 30, 2001. The lease was renegotiated in June 2000. Additional space was added to the original lease. The current lease is for \$13,870 per month for a term of five years, to expire in May 2005, with one renewal option of five years.

As of December 31, 1999, ILDC had outstanding purchase orders totaling approximately \$5,500,000 for the purchase of additional telephone switching equipment.

Note 13 - Financial instruments

The Financial Accounting Standards Board requires disclosure of information about financial instruments and related off-balance sheet risk and concentrations of credit risk. The Company places its cash with insured financial institutions. However, at times during the year, the cash balances exceeded the federally insured limits of the Federal Deposit Insurance Corporation.

Note 14 - Continuation as a going concern

The Company incurred operating losses of \$7,685,699 for the period from inception through December 31, 1999. These consolidated financial statements are presented on the basis which assumes the continued existence of International Long Distance Corporation as a going concern. Continuation as a going concern contemplates the realization of assets and the satisfaction of liabilities in the normal course of business over a reasonable length of time. The financial statements do not include any adjustments that might be necessary if the Company is unable to continue as a going concern. Continuation of the Company as a going concern is contingent upon completion of the merger (Note 3), continued financial support from investors and creditors and upon achieving and maintaining profitable operations.

Note 15 - Subsequent events

The following is a series of subsequent events occurring between June 2, 2000 and August 24, 2000.

Common stock

On January 15, 2000, ILDC issued 791 shares of common stock to friends, family, and employees. Additionally, subsequent to the stock split described below, 10,000 shares of common stock at a value of \$5.00 per share were issued to various other investors.

In April 2000, ILDC shareholders approved an amendment to the Articles of Incorporation to increase the number of authorized shares of common stock from 100,000 to 11,000,000.

International Long Distance Corporation
(a development stage company)
Notes to Consolidated Financial Statements
Years Ended December 31, 1999 and 1998

17

On April 15, 2000, ILDC's board of directors declared a 3,032 for 1 split on the shares of ILDC's common stock. Each stockholder of record on April 15, 2000, received 3,032 additional shares of common stock for each share of common stock then held. The stock was issued subsequent to the declaration date.

Merger, reorganization, and share exchange

The Company had finalized plans for a merger and reorganization with a publicly traded entity (Note 3). Closing on the merger was anticipated to be in June 2000. Complications arose and ILDC has since finalized a share exchange with Old Night, Inc. (Old Night), another publically traded entity. An agreement between ILDC and Old Night was reached on June 30, 2000. The agreement provides for an exchange of 4,529,054 shares of Old Night common stock for 4,529,054 shares (82.35%) of ILDC common stock. The exchange offer is contingent on ILDC shareholders holding a minimum of 80% (4,400,000) of the issued and outstanding shares of ILDC tendering their share certificates in the exchange. The share exchange offer expires August 31, 2000.

Investment in Airtime Technologies

During April 2000, ILDC converted \$278,534 in accounts receivable to 150,000 shares (or 5% ownership) of Airtime Technologies (Airtime). The Airtime stock was valued at \$135,000 based on a recent transaction between Airtime and an unrelated party. The difference between the original accounts receivable balance and the value of the stock was written off as bad debt.

Legal matters

On August 14, 2000, ILDC offered to pay the sum of \$156,845 to Compaq Computer Corporation (Note 10) and to return the equipment to settle the claim. The offer has not been accepted as of August 24, 2000.

Commitments

On July 27, 2000, ILDC entered into a one year agreement with Winton Capital Holdings, Inc. (Winton) to lease four Salix switching devices for \$51,250 per quarter.

EXHIBIT 5

NXGEN NETWORKS, INC.

TECHNICAL AND MANAGERIAL QUALIFICATIONS

NxGen Networks, Inc.
Executive Management Overviews

Mr. Mark Sampson, Chief Executive Officer

Mr. Sampson brings 12 years of executive experience in telecommunications and information technology to NxGen Networks. Prior to joining NxGen, he was Senior Vice President and General Manager of Data Services for AT&T Canada (formerly MetroNet Communications), where he was responsible for building their data and Internet businesses from inception to \$80 million in annual revenue. From 1994 to 1998, Mr. Sampson served as Vice President and General Manager for Telus Advanced Communications, where he developed the unregulated ATM-based data and Internet business from start-up to \$75 million in annual revenue. From 1992 to 1994, he served as Chief Operating Officer of Cue Data West, providing banking applications and high-speed managed networks to the financial community. Mr. Sampson is a director of the Colorado Internet and Telecom Alliance (CITA). He studied business at Dalhousie University and is a graduate of the University of British Columbia's sales and marketing executive program (SME).

Mr. Anthony C. Overman, President

Mr. Overman is the founder of International Long Distance Corporation (ILDC), the original company from which NxGen was created. From March 1998 to the present, he has overseen the development of NxGen's business from inception. Mr. Overman has been responsible for supervising the VOIP network design and construction, negotiating business transactions, building the executive management team, and all other aspects of NxGen to date. Prior to undertaking the development of the Company, Mr. Overman was involved in several entrepreneurial enterprises, including security systems, energy management systems and smart house designs. Mr. Overman is active in World Mission and other charitable organizations. As President of NxGen, Mr. Overman will be involved with overall management and business development activities.

NxGen Networks, Inc.
Executive Management Overviews
(Continued)

Mr. Darren Dumba, Senior Vice President, Sales and Operations

Mr. Dumba brings more than 10 years experience in both the telecommunications and information technology industries to NxGen. Prior to joining the company, he was Vice President of Sales and Marketing for Velocity Computer Solutions, Inc., where he was responsible for new revenue generation, development of all products and services, and back office systems. Through his efforts, Velocity realized a 500% revenue increase in less than one year during its second year of operation. From 1996 to 1999, Mr. Dumba served as Director of Sales at MetroNet Communications Inc., where he was instrumental in developing sales organizations and internal processes for both voice and data, providing revenue from start-up to \$30 million, annually. From 1990 to 1996, he served as Branch Manager for Rogers Cantel AT&T Wireless.

Mr. Reginald Ibison, Chief Technology Officer

Mr. Ibison has been in the telecommunications industry since 1965. He is responsible for NxGen's advanced network. Before joining ILDC, Mr. Ibison served as Vice President of Technology and Operations for Internet Passport, Charter Communications, Globalynk Communications (as President/CEO) and Summa Four as National Director of Application Development. He has served as Manager of Client Services for AEL Microtel, and as Director of Marketing for Manitoba Telephone-Export Division. Education credits include: BAsC in Physics from United College, Manitoba; E.E. from Manitoba Institute of Technology; Business Management and Finance at the Canadian Institute of Management. He also studied Advanced Telecommunications at George Washington University. Mr. Ibison will be responsible for the creation and implementation of NxGen's current and future networks.

NxGen Networks, Inc.
Executive Management Overviews
(Continued)

Mr. Bill Neale, Senior Vice President, Marketing

Mr. Neale brings 20 years of experience in the telecommunications industry to NxGen in the fields of service development, operations, business development and marketing. Mr. Neale has held senior management positions at Telus Advanced Communications, Microtel Canada Ltd., Northern Telecom, and Bell Northern Research. From 1992 to 2000, he served as Assistant Vice President of National Data Solutions for Telus Advanced Systems. From 1985 to 1992, Mr. Neale was Director of Digital Products Development for MicroTel. He received a BAsC in Electrical Engineering from Ottawa University in 1976, and an MBA in 1980, and is a Professional Engineer. Mr. Neale is a recognized and regular speaker on the emergence of advanced technologies in the telecommunications industry throughout North America.

Mr. Ralph Proceviat, Chief Financial Officer

Mr. Proceviat has more than 20 years experience in the financial services and technology industries and has held several CFO and COO positions with organizations operating in Canada and the United States. As the CEO of Cue Datawest, one of Canada's largest service providers to the banking industry, he was responsible for the development of a \$50-million banking system now installed throughout the world. As an independent management consultant, he has developed a specialty in launching startups and directing companies towards driving profitable growth and increasing shareholder value. Most recently, he assisted a leading technology based marketing and sales organization realize \$200 million in annualized revenue during its first year of operation. Mr. Proceviat received his Chartered Accountant designation during his tenure with Price Waterhouse Coopers. He received his Bachelor of Commerce from the University of British Columbia.

NxGen Networks, Inc.
Executive Management Overviews
(Continued)

Ms. Victoria Aguilar, Vice President Legal and Regulatory Affairs

Ms. Aguilar has been with NxGen Networks, Inc. since mid-2000, responsible for the legal and regulatory affairs of the company. Prior to joining the company, Ms. Aguilar was Vice President Public Policy, Law and Human Resources for FirstWorld Communications (1999 - 2000). She managed the Public Policy, Government Affairs, Corporate Compliance and Human Resources departments. Ms. Aguilar also served as Vice President - Wholesale Markets, Senior Attorney and Attorney for US West Communications, Inc. from 1994 until 1999. Ms. Aguilar attended Boston College where she received her Bachelors Degree in 1989. She also attended University of Michigan Law School where she received her Doctorate and was a member of Woman and Hispanic Law Students Association.

Mr. Richard A. Wafer, Chief Information Officer

Richard Wafer has over 30 years' experience in Information Technology, having designed, developed, implemented, and managed strategic computer systems since 1967. After 20 years in increasingly senior positions with large software developers in the UK and North America, he spent 12 years as CIO and Executive Vice-President for a \$6.5billion financial institution, and developed innovative retail banking environments which have gained that institution a leading reputation. He believes in planning technology strategy for any corporation in close harmony with, and at the same time as its business strategy, and this has been a major factor in his successes.

Mr. Wafer has gained an international reputation in the Finance industry, and has been in frequent demand at Banking conferences around the world. Over the past few years he has spoken on the subject of ecommerce and technology in banking at more than 25 conferences in the USA, Canada, the UK, Europe, South Africa and Australia. In recognition of his achievements, he was inducted in 1996 into the Canadian Information Technology Hall of Fame.

EXHIBIT 6

NXGEN NETWORKS, INC.

CURRENTLY APPROVED STATE LISTING

NxGen is currently not certificated to provide telecommunications in any jurisdiction. The company anticipates filing Competitive Local Exchange and Interexchange applications in 20 + states by December 31, 2000