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DOCUMENT CONTROL

February 2, 2001

Arizona Corporation Commission  
1300 West Washington  
Phoenix, AZ 85007-2929

DOCKET NO. T-03991A-01-0125

Re: Metropolitan Telecommunications of Arizona, Inc.

Enclosed please find the original and ten (10) copy of the Application for Authority to transact business for the above named corporation. I have enclosed the required expedited filing fee of two hundred and ten dollars (\$210.00).

Please address any questions regarding this application to the undersigned at (301) 699-5300. In addition, the proof of filing and the certificate to should be sent to:

Nichol Hyatt  
Regulatory Specialist  
6811 Kenilworth Avenue, Suite 302  
Riverdale, MD 20737

Respectfully submitted,

Nichol Hyatt  
Regulatory Specialist

Enclosure

NEW APPLICATION

STATE OF ARIZONA  
BEFORE THE ARIZONA CORPORATION COMMISSION

In the Matter of the Application of **DOCKET NO. ~~A-111~~ T - 03991A - 01 - 0125**  
**Metropolitan Telecommunications of Arizona, Inc.** ) **Docket No. \_\_\_\_\_**  
For Authorization as a Facilities-Based and Resale Carrier )  
of Local Telecommunications Services )

**APPLICATION FOR CERTIFICATE OF PUBLIC CONVENIENCE AND  
NECESSITY**

Metropolitan Telecommunications of Arizona, Inc. ("Applicant"), by its undersigned consultant hereby applies to the Arizona Corporation Commission for a certificate of public convenience and necessity authorizing Applicant to operate as a provider of resold and facilities-based local exchange services in the State of Arizona. Applicant requests that under R14-2-1108 the Commission determines the proposed services to be competitive. In support thereof, Applicant provides the following information regarding its technical, financial and managerial qualifications:

1. The legal name, address and telephone number of the Applicant is:

Metropolitan Telecommunications of Arizona, Inc.  
44 Wall Street, 14<sup>th</sup> Floor  
New York, New York 10005  
Voice: 212-607-2000  
Fax: 212-635-5074

2. Correspondence pertaining to this application should be directed to:

Terri K. Firestein  
Consultant  
CCG Consulting, Inc.  
10806 Garrison Hollow Road  
Clear Spring, Maryland 21772  
Voice: 301-842-1437  
Fax: 301-842-1439  
E-mail Address: [tfireccg@aol.com](mailto:tfireccg@aol.com)

Correspondence pertaining to the ongoing operations of the Applicant following certification should be directed to:

Metropolitan Telecommunications of Arizona, Inc.  
Mr. Andoni Economou  
Executive Vice President  
44 Wall Street, 14<sup>th</sup> Floor  
New York, New York 10005  
Voice: 212-607-2000  
Fax: 212-635-5074  
Consumer Complaint Phone # 1-877-638-8351

3. Applicants registered agent in the State of Arizona is:  
  
CT Corporation System  
3225 North Central Avenue  
Phoenix, AZ 85012
4. Applicant is a Delaware corporation, incorporated on October 23, 2000 and is qualified to do business in the State of Arizona. Copies of the applicant's Articles of Incorporation and its Certificate of Authority to Transact Business in the State of Arizona are attached hereto as **Exhibit A**. A list of Applicant's officers is attached hereto as **Exhibit B**.
5. Applicant's proposes to offer it's local and interexchange service statewide to business and residential customers. The Applicant does not propose to provide service to those areas not yet open to competition.
6. The Applicant is financially qualified to provide the proposed services. Applicant's financial statements are attached hereto as **Exhibit C**.

7. Managerial and Technical Experience. Applicant is technically and managerially qualified to render the proposed telecommunications services. A brief description of Applicant's managerial staff's experience is attached as **Exhibit D.**
8. Tariff. Applicant's tariff based on their service offerings setting forth the proposed services and charges to be offered by Applicant is attached hereto as **Exhibit E.**
9. Services to be offered. Applicant will provide customers with a competitive alternative to the incumbent local exchange telephone company and interexchange carriers in its service territory. Applicant's customers will include a broad range of business, government and residential customers, as well as long distance carriers. Applicant will initially utilize the UNE Platform to provide local telecommunications services at discounted rates.

Applicant will also offer enhanced network services to its customers on an extensive intercity network that will connect its customers, either through its own network or through the networks of other carriers, to locations throughout the country and as well as internationally. Specifically, the Applicant will provide the following services throughout the State of Arizona:

**Enhanced Network Services:** Digital data network services provided in Applicant's network platform, which currently utilizes frame relay technology, including flexible bandwidth connectivity and multi-protocol support.

- **Internet Services:** Access to the Internet and hosted applications including a Web site on the Worldwide Web, e-mail, and file transfer protocol (FTP) support.
  
- **Local Exchange Services:** Switched services providing local telephone service, including local dial tone service, to business and government customers or to carriers and other valued-added resellers.
  
- **Long Distance Services:** Switching and transport, billed on a minutes-of-use basis, of interexchange traffic, including voice and data.
  
- **Switched Access Services:** Switched services, offered to IXCs, billed on a minutes-of-use basis.
  
- **Special Access and Private Line Service:** Non-switched dedicated connections, including high capacity interconnections between (a) the POPs of an IXC, (b) the POPs of different IXCs, (c) the POPs of an IXC and LEC end offices, (d) large customers and their selected IXC POPs, and (e) different locations of particular customers. These services are billed at flat, non-usage sensitive, monthly rates.
  
- **Integration Services:** Provision and customized configuration of customer premise equipment (CPE), provision of network equipment and related support, application design support, and other consulting services.

In addition to the above-listed services, Applicant, through its interconnection arrangements with other carriers, will offer 911 Emergency Services, operator services, white page directory services, directory assistance and operator assisted calling, toll-free calling, access to toll blocking, and access to telephone relay services. Applicant is familiar with and will adhere to the Commission's rules, policies and orders relating to the provision of telecommunications service.

10. Complaint resolution. Applicant's customer service representatives will assist customers during normal business hours, 8:30 a.m. to 5:00 p.m., Monday through Friday. After normal business hours customers will receive a recorded message instructing them of their options. A toll-free number that will be answered by a Company representative twenty-four hours a day, seven days a week will be provided to customers. The toll-free number will be used by customers to report trouble or other emergency situations affecting service. The 24 x 7 toll-free number is 1-877-638-8351. If the complaint cannot be solved by Customer Care, the customer will be informed on how to contact the Arizona Corporations Commission.

Applicant's customer service representatives are prepared to respond to a broad range of service matters, including:

- The types of services offered by Applicant
- Rates associated with the services offered by Applicant
- Questions regarding monthly billing statements
- Problems or concerns pertaining to customer's current service
- General telecommunications matters

The Commission's Consumer Complaints and Regulatory Contact for the Applicant is:

Metropolitan Telecommunications of Arizona, Inc.  
Oleksandr Citkin  
Chief Information Officer  
44 Wall Street, 14<sup>th</sup> Floor  
New York, New York 10005  
Voice: 212-607-2000  
Fax: 212-635-5074  
Consumer Complaint Toll-free Phone # 1-877-638-8351

11. Facilities to be used. Applicant does not currently own and will not initially own its own equipment or facilities in the State of Arizona. Applicant intends to launch services by reselling the services and purchasing Unbundled Network Elements (UNEs) from the Incumbent Local Exchange Carrier. These UNE's will include switching and transport facilities as well as loop and sub-loop components. Applicant will lease existing facilities and equipment from incumbent providers and third party vendors.
  
12. Other Authority. Applicant is currently offering local service in the State of New York. Applicant is in the process of becoming certified as a local service provider on a national scale. Applicant has received authority to provide all forms of local exchange telecommunications services in Connecticut, New York, Oregon, Texas, and Vermont. In addition, applicant has filed, or is currently in the process of filing, applications seeking authorization to provide local exchange telecommunications services in California, Delaware, Florida, Georgia, Kansas Kentucky, Maine, Massachusetts, Maryland, Nevada, New Hampshire, Ohio, Oklahoma, Pennsylvania, Rhode Island, Virginia, West Virginia and Wisconsin. Applicant has not yet begun

offering local exchange services in California, Delaware, Florida, Georgia, Kansas Kentucky, Maine, Massachusetts, Maryland, Nevada, New Hampshire, Ohio, Oklahoma, Pennsylvania, Rhode Island, Virginia, West Virginia and Wisconsin. Applicant has not been refused certification in any state, nor has it had a permit, license, or certificate revoked by any state. Applicant intends to complete certification applications in the remaining states, including Hawaii and Alaska, within three months.

13. Access to standard services. Applicant will provide access to the extent required and applicable to ordinary intraLATA and interLATA message toll calling, operator services, directory assistance, directory listings and emergency services such as 911 and E911 either through its own operations or by purchasing those services from underlying carriers.
14. Petition for Competitive Classification. Attached, **Exhibit F**, is Applicant's Petition for Competitive Classification according to A.A.C. R14-2-1108(B).
15. Public Interest. The telecommunications industry is growing and changing at an impressive pace. The entry of Metropolitan Telecommunication of Arizona, Inc. into the telecommunications market will enhance competition in the provision of telecommunications services within the State of Arizona. Applicant will bring significant benefits to telecommunications users in the State of Arizona. Accordingly, Applicant anticipates its proposed service will provide subscribers with better quality services and will increase consumer choice of innovative, diversified, and reliable service offerings.

WHEREFORE, Metropolitan Telecommunications of Arizona, Inc. respectfully requests that the Arizona Corporation Commission issue a Certificate of Public Convenience and Necessity authorizing Applicant to provide resold and facilities based local telecommunications services in the proposed service areas in the State of Arizona.

Respectfully submitted,

Metropolitan Telecommunications of Arizona, Inc.

*Terri K. Firestein* <sup>MC #1</sup>

Terri K. Firestein

Consultant to

Metropolitan Telecommunications of Arizona, Inc.

## **Exhibit Index**

**Exhibit A** – Articles of Incorporation and Authority to Do Business

**Exhibit B** – Officers and Directors

**Exhibit C** – Financial Statements

**Exhibit D** – Managerial Staff Profiles

**Exhibit E** – Proposed Tariff

**Exhibit F** – Petition for Competitive Classification

**EXHIBIT A**

**ARTICLES OF INCORPORATION AND AUTHORITY TO DO BUSINESS**

OCT-23-00 MON 03:34 PM GERALD WEINBERG P.C.

FAX NO. 5184630079

P. 02/02

## CERTIFICATE OF INCORPORATION

## METROPOLITAN TELECOMMUNICATIONS OF ARIZONA, INC.

**FIRST:** The name of the corporation is METROPOLITAN TELECOMMUNICATIONS OF ARIZONA, INC.

**SECOND:** Its Registered Office is to be located at 15 East North Street, Dover, Delaware 19901 in the county of Kent. The Registered Agent in charge thereof is W/K Incorporating Services, Inc.

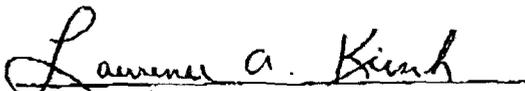
**THIRD:** The purpose of the corporation is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of Delaware.

**FOURTH:** The amount of the total authorized capital stock of this corporation is Two Thousand, Five Hundred (2,500), common shares all of which shall be without par value.

**FIFTH:** The name and mailing address of the incorporator is as follows:

Lawrence A. Kirsch  
90 State Street  
Albany, New York 12207

I, THE UNDERSIGNED, for the purpose of forming a corporation under the laws of the State of Delaware, do make, file and record this Certificate, and do certify that the facts herein are true, and I have accordingly hereunto set my hand this 23rd day of October, 2000.

  
Incorporator  
LAWRENCE A. KIRSCH  
90 State Street  
Albany, New York

STATE OF DELAWARE  
SECRETARY OF STATE  
DIVISION OF CORPORATIONS  
FILED 03:30 PM 10/23/2000  
001533739 - 3308014

STATE CORP COMMISSION  
FOR THE STATE OF AZ.  
DELIVERED

Nov 13 1 52 PM '00

*M. Glavin - M. Kelo*  
FILED BY \_\_\_\_\_  
DATE FILED 11-13-00  
BY \_\_\_\_\_  
ATE \_\_\_\_\_

**APPLICATION FOR AUTHORITY  
TO TRANSACT BUSINESS  
IN ARIZONA  
METROPOLITAN TELECOMMUNICATIONS  
OF ARIZONA, INC.**

**F-0968972-5**

1. The corporate name must contain a 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

The name of the corporation is: Metropolitan Telecommunications of Arizona, Inc.  
A(n) Delaware Corporation  
(State, Province or Country)

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

We are a foreign corporation currently authorized to transact business in Arizona and must now file this Application for New Authority pursuant to A.R.S. § 10-1504 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:

Metropolitan Telecommunications of Arizona, Inc. ~~USA~~

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

\_\_\_\_\_ (FN)

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

Delaware

3. The foreign corporation was incorporated on the 23 day of October, 2000.

\_\_\_\_\_ 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:

15 East North Street, Dover, DE 19901

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

National Document Filing & Retrieval, Inc.

2601 North Third Street, Suite 202

Phoenix, Arizona 85004

**DO NOT PUBLISH THIS SECTION**

5.a. The street address of the known place of business of the foreign corporation in Arizona if DIFFERENT from the street address of the statutory agent is:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

5.b. Indicate to which address the Annual Report should be mailed.

5.b. The Annual Report and general correspondence should be mailed to the address specified above in section 4 \_\_\_\_\_ or 5a  \_\_\_\_\_

6. If the purpose of your corporation has any limitations with regard to this section, so indicate. If not, state no limitations.

6. The purpose of the corporation is to engage in any and all lawful business in which corporations may engage in the state, province or country under whose law the foreign corporation is incorporated, with the following limitations if any:

Telecommunications Services  
\_\_\_\_\_

7. The names and usual business addresses of the current directors and officers of the foreign corporation are: (Attach additional sheets if necessary.)

Name:  
Address:  
City, State, Zip:  
Name:  
Address:  
City, State, Zip:  
Name:  
Address:  
City, State, Zip:

David Aronow, President and Director [title]  
44 Wall Street, 14th Fl.  
NY, NY 10005  
Andoni Economou, Secretary/VP and Director [title]  
44 Wall Street, 14th Floor  
NY, NY 10005  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_ [title]  
\_\_\_\_\_  
\_\_\_\_\_

8. The total number of authorized shares cannot be "zero" or "N/A". Include authorized, not issued shares in this section.

8. The foreign corporation is authorized to issue 2,500 shares, itemized as follows: (Attach additional sheets if necessary.)

2,500 shares of common [class or series] stock at  
X no par value or par value of \$ \_\_\_\_\_ per share.  
\_\_\_\_\_ shares of \_\_\_\_\_ [class or series] stock at  
no par value or par value of \$ \_\_\_\_\_ per share.  
\_\_\_\_\_ shares of \_\_\_\_\_ [class or series] stock at  
no par value or par value of \$ \_\_\_\_\_ per share.

**DO NOT PUBLISH THIS SECTION**

9. The total number of issued shares cannot be "N/A".

The Application must be accompanied by the following: A Certificate of Disclosure, executed within 30 days of delivery to the Commission, by a duly authorized officer

Attach a certified copy of your articles of incorporation, all amendments and mergers (AZ Const. Art. XIV, §8) and a certificate of existence or document of similar import duly authenticated (within 60 days) by the official having custody of corporate records in the state, province or country under whose laws we are incorporated.

The agent may consent to the appointment by either executing the consent, attaching a cover letter, or if paying by check, executing the check.

CF-0024  
Rev. 9/00

The foreign corporation has issued 2,500 shares, itemized as follows:

2,500 shares of common [class or series] stock at  
X no par value or par value of \$ \_\_\_\_\_ per share.  
\_\_\_\_\_ shares of \_\_\_\_\_ [class or series] stock at  
\_\_\_\_\_ no par value or par value of \$ \_\_\_\_\_ per share.  
\_\_\_\_\_ shares of \_\_\_\_\_ [class or series] stock at  
\_\_\_\_\_ no par value or par value of \$ \_\_\_\_\_ per share.

10. The character of business the foreign corporation initially intends to conduct in Arizona is:  
to provide telecommunications services

DATED this 30 day of October, 2000.  
Metropolitan Telecommunications of Arizona, Inc.

[Name of Corporation]

Executed by [Signature]  
Duly Authorized Officer or Director

David Aronow, President

[print name] [title]

PHONE 212-607-2000 FAX 212-635-5074  
[optional] [optional]

**ACCEPTANCE OF APPOINTMENT BY STATUTORY AGENT**

The undersigned hereby acknowledges and accepts the appointment as statutory agent of this corporation effective this 2 day of November, 2000

[Signature]  
Signature

Barbara Savran  
[Print Name]

ARIZONA CORPORATION COMMISSION  
CORPORATIONS DIVISION

Phoenix Address: 1360 West Washington  
Phoenix, Arizona 85007-2929

Tucson Address: 400 West Congress  
Tucson, Arizona 85701-1347

PROFIT  
CERTIFICATE OF DISCLOSURE  
A.R.S. §10-202.D

Metropolitan Telecommunications of Arizona, Inc.

EXACT CORPORATE NAME

A. Has any person serving either by election or appointment as officer, director, trustee, incorporator and persons controlling or holding over 10% of the issued and outstanding common shares or 10% of any other proprietary, beneficial or membership interest in the corporation:

1. Been convicted of a felony involving a transaction in securities, consumer fraud or antitrust in any state or federal jurisdiction within the seven-year period immediately preceding the execution of this Certificate?
2. Been convicted of a felony, the essential elements of which consisted of fraud, misrepresentation, theft by false pretenses, or restraint of trade or monopoly in any state or federal jurisdiction within the seven-year period immediately preceding the execution of this Certificate?
3. Been or are subject to an injunction, judgment, decree or permanent order of any state or federal court entered within the seven-year period immediately preceding the execution of this Certificate wherein such injunction, judgment, decree or permanent order:
  - (a) Involved the violation of fraud or registration provisions of the securities laws of that jurisdiction?; or
  - (b) Involved the violation of the consumer fraud laws of that jurisdiction?; or
  - (c) Involved the violation of the antitrust or restraint of trade laws of that jurisdiction?

Yes \_\_\_\_\_ No X

B. IF YES, the following information MUST be attached:

- |   |  |
|---|--|
| 1. Full name, prior name(s) and aliases, if used.           | 6. Social Security number.   |
| 2. Full birth name.   | 7. The nature and description of each conviction or judicial action, date and location, the court and public agency involved and file or cause number of case. |
| 3. Present home address.                                    |  |
| 4. Prior addresses (for immediate preceding 7-year period). |  |
| 5. Date and location of birth.                              |  |

C. Has any person serving as an officer, director, trustee or incorporator of the corporation served in any such capacity or held or controlled over 20% of the issued and outstanding common shares, or 20% of any other proprietary, beneficial or membership interest in any corporation which has been placed in bankruptcy, receivership or had its charter revoked, or administratively or judicially dissolved by any state or jurisdiction?

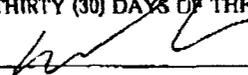
Yes \_\_\_\_\_ No X

IF YOUR ANSWER TO THE ABOVE QUESTION IS "YES", YOU MUST ATTACH THE FOLLOWING INFORMATION FOR EACH CORPORATION:

- |   |   |
|---|---|
| 1. Name and address of the corporation.                               | 3. State(s) in which the corporation:   |
| 2. Full name (including aliases) and address of each person involved. | (a) Was incorporated. (b) Has transacted business.                                      |
|   | 4. Dates of corporate operation.  |
|   | 5. Date and case number of Bankruptcy or date of revocation/administrative dissolution. |

D. The fiscal year end adopted by the corporation is December 31.

Under penalties of law, the undersigned incorporator(s)/officer(s) declare(s) that I(we) have examined this Certificate, including any attachments, and to the best of my(our) knowledge and belief it is true, correct and complete, and hereby declare as indicated above. THE SIGNATURE(S) MUST BE DATED WITHIN THIRTY (30) DAYS OF THE DELIVERY DATE.

BY  BY   
 PRINT NAME: David Aronow PRINT NAME: Andoni Economou  
 TITLE: President DATE 10/30/00 TITLE: Secretary DATE 10/30/00

DOMESTIC CORPORATIONS: ALL INCORPORATORS MUST SIGN THE INITIAL CERTIFICATE OF DISCLOSURE. If within sixty days, any person becomes an officer, director, trustee or person controlling or holding over 10% of the issued and outstanding shares or 10% of any other proprietary, beneficial, or membership interest in the corporation and the person was not included in this disclosure, the corporation must file an AMENDED certificate signed by at least one duly authorized officer of the corporation.

FOREIGN CORPORATIONS: MUST BE SIGNED BY AT LEAST ONE DULY AUTHORIZED OFFICER OF THE CORPORATION.  
 CIP: 0022 - Business Corporations  
 Rev: 2/98

*State of Delaware*  
*Office of the Secretary of State*

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PAGE 1

I, EDWARD J. FREEL, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY "METROPOLITAN TELECOMMUNICATIONS OF ARIZONA, INC." IS DULY INCORPORATED UNDER THE LAWS OF THE STATE OF DELAWARE AND IS IN GOOD STANDING AND HAS A LEGAL CORPORATE EXISTENCE SO FAR AS THE RECORDS OF THIS OFFICE SHOW, AS OF THE FIRST DAY OF NOVEMBER, A.D. 2000.

AND I DO HEREBY FURTHER CERTIFY THAT THE SAID "METROPOLITAN TELECOMMUNICATIONS OF ARIZONA, INC." WAS INCORPORATED ON THE TWENTY-THIRD DAY OF OCTOBER, A.D. 2000.

AND I DO HEREBY FURTHER CERTIFY THAT THE FRANCHISE TAXES HAVE NOT BEEN ASSESSED TO DATE.



Handwritten signature of Edward J. Freel in cursive.

Edward J. Freel, Secretary of State

3308014 8300

AUTHENTICATION: 0767800

001549577

DATE: 11-01-00

*State of Delaware*  
*Office of the Secretary of State*

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PAGE 1

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

THE FOLLOWING DOCUMENTS HAVE BEEN CERTIFIED:

CERTIFICATE OF INCORPORATION, FILED THE TWENTY-THIRD DAY OF OCTOBER, A.D. 2000, AT 3:30 O'CLOCK P.M.

AND I DO HEREBY FURTHER CERTIFY THAT THE AFORESAID CERTIFICATES ARE THE ONLY CERTIFICATES ON RECORD OF THE AFORESAID CORPORATION.



3308014 8100H

001549309

Handwritten signature of Edward J. Freel in cursive.

---

Edward J. Freel, Secretary of State

AUTHENTICATION: 0768468

DATE: 11-01-00

# STATE OF ARIZONA

## Department of State



### TRADE NAME CERTIFICATION

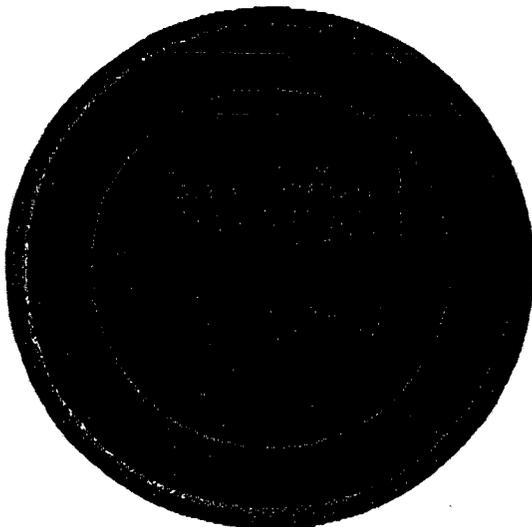
METTEL

I, Betsey Bayless, Secretary of State, do hereby certify that in accordance with the Trade Name Application filed in this Office, the Trade Name herein certified has been duly registered pursuant to Section 44-1460, Arizona Revised Statutes, in behalf of:

METROPOLITAN TELECOMMUNICATIONS OF ARIZONA, INC  
44 WALL STREET  
14TH FLOOR  
NY NY 10005-

11/28/2000

Application



Registration Date: 11/28/2000

Expiration Date: 11/28/2005

Date First Used: 10/20/2000

Trade Name No.: 239867

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Great Seal of the State of Arizona. Done at Phoenix, the capitol, this 30 day of November, 2000.

*Betsey Bayless*

BETSEY BAYLESS

## EXHIBIT B

### OFFICERS AND DIRECTORS

Metropolitan Telecommunications of Arizona, Inc.

Marshall Aronow.

Co-President

44 Wall Street, 14<sup>th</sup> Floor

New York, New York 10005

Voice: 212-607-2000

Fax: 212-635-5074

David Aronow

Co-President

44 Wall Street, 14<sup>th</sup> Floor

New York, New York 10005

Voice: 212-607-2000

Fax: 212-635-5074

Andoni Economou

Executive Vice President

44 Wall Street, 14<sup>th</sup> Floor

New York, New York 10005

Voice: 212-607-2000

Fax: 212-635-5074

Aizik Leibovitch

Chief Information Technology Officer

44 Wall Street, 14<sup>th</sup> Floor

New York, New York 10005

Voice: 212-607-2000

Fax: 212-635-5074

Frank Lazzara, C.P.A.

Chief Financial Officer

44 Wall Street, 14<sup>th</sup> Floor

New York, New York 10005

Voice: 212-607-2000

Fax: 212-635-5074

Oleksandr Citkin

Chief Information Officer

44 Wall Street, 14<sup>th</sup> Floor

New York, New York 10005

Voice: 212-607-2000

Fax: 212-635-5074

**EXHIBIT C**  
**FINANCIAL STATEMENTS**

# **Manhattan Telecommunications Corporation and Subsidiaries**

**Consolidated Financial Statements  
As of December 31, 1999 and 1998 and for the  
years ended December 31, 1999, 1998 and 1997**

## **Report of Independent Accountants**

To the Board of Directors and Stockholders of  
Manhattan Telecommunications Corporation and Subsidiaries:

In our opinion, the accompanying consolidated balance sheets and the related consolidated statements of operations, stockholders' equity and cash flows present fairly, in all material respects, the financial position of Manhattan Telecommunications Corporation and its subsidiaries at December 31, 1999 and 1998, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 1999 in conformity with accounting principles generally accepted in the United States. These financial statements are the responsibility of the Company's management; our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these statements in accordance with auditing standards generally accepted in the United States, which require that we plan and perform the audits 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, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for the opinion expressed above.

June 9, 2000, except as to the second sentence of paragraph 6  
of Note 4, for which the date is June 26, 2000

# Manhattan Telecommunications Corporation and Subsidiaries

3

## Consolidated Balance Sheets

as of December 31,

	<u>1999</u>	<u>1998</u>
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	\$ 2,387,223	\$ 160,347
Accounts receivable, less allowance of \$1,974,179 and 202,862, respectively	4,954,213	1,692,223
Prepaid and other current assets	<u>65,127</u>	<u>52</u>
<b>Total current assets</b>	<b>7,406,563</b>	<b>1,852,622</b>
Fixed assets, net	1,563,909	540,117
Deferred debt issuance costs, net	9,185,535	-
Other assets	<u>350,034</u>	<u>111,834</u>
<b>Total assets</b>	<b><u>\$ 18,506,041</u></b>	<b><u>\$ 2,504,573</u></b>
 <b>Liabilities and Stockholders' (deficit) equity</b>		
<b>Current liabilities</b>		
Accounts payable and accrued expenses	\$ 4,711,463	\$ 2,601,053
Capital lease obligations, current portion	231,051	35,040
Operating taxes payable	2,547,874	347,260
Debt financing fees payable, current portion	197,500	-
Deferred rent payable, current portion	<u>30,229</u>	<u>-</u>
<b>Total current liabilities</b>	<b><u>7,718,117</u></b>	<b><u>2,983,353</u></b>
Capital lease obligations, net of current portion	110,077	41,134
Debt financing fees payable, net of current portion	197,500	-
Deferred rent payable, net of current portion	79,392	-
Notes payable	<u>6,000,000</u>	<u>646,970</u>
<b>Total liabilities</b>	<b><u>14,105,086</u></b>	<b><u>3,671,457</u></b>
Redeemable warrant	151,193	-
Commitments and contingencies		
<b>Stockholders' equity (deficit)</b>		
Common stock - no par value, 2,500 shares authorized, issued and outstanding	-	-
Additional paid-in capital	10,392,495	1,253,619
Accumulated deficit	<u>(6,142,733)</u>	<u>(2,420,503)</u>
	<u>4,249,762</u>	<u>(1,166,884)</u>
<b>Total liabilities and stockholders' equity</b>	<b><u>\$ 18,506,041</u></b>	<b><u>\$ 2,504,573</u></b>

The accompanying notes are an integral part of these financial statements

**Manhattan Telecommunications Corporation and Subsidiaries**  
**Consolidated Statements of Operations**

4

*For the years ended December 31,*

	<u>1999</u>	<u>1998</u>	<u>1997</u>
<b>Revenues</b>	<u>\$ 24,478,133</u>	<u>\$ 5,414,276</u>	<u>\$ 45,341</u>
<b>Operating costs and expenses</b>			
Cost of revenues	15,075,014	3,806,560	66,704
Selling, general and administrative	11,486,197	2,968,093	821,627
Depreciation and amortization	<u>360,604</u>	<u>32,333</u>	<u>10,608</u>
<b>Total operating cost and expenses</b>	<u>26,921,815</u>	<u>6,806,986</u>	<u>898,939</u>
<b>Loss from operations</b>	(2,443,682)	(1,392,710)	(853,598)
<b>Other expense</b>			
Interest expenses	1,243,288	71,618	-
Other	35,260		
<b>Net loss</b>	<u>\$ (3,722,230)</u>	<u>\$ (1,464,328)</u>	<u>\$ (853,598)</u>

The accompanying notes are an integral part of these financial statements

**Manhattan Telecommunications Corporation and Subsidiaries**  
**Consolidated Statements of Stockholders' Equity (Deficit)**

5

	<u>Common Stock</u>		<u>Additional Paid-in Capital</u>	<u>Accumulated Deficit</u>	<u>Total</u>
	<u>Shares</u>	<u>Amount</u>			
<b>Balance at January 1, 1997</b>	2,500	-	\$ 50,000	\$ (102,577)	\$ (52,577)
Contribution by stockholders	-	-	760,664	-	760,664
Redistribution of common stock, net	-	-	6,636	-	6,636
Net loss	-	-	-	(853,598)	(853,598)
<b>Balance at December 31, 1997</b>	<b>2,500</b>	<b>-</b>	<b>817,300</b>	<b>(956,175)</b>	<b>(138,875)</b>
Contribution by stockholders	-	-	394,291	-	394,291
Redistribution of common stock, net	-	-	42,028	-	42,028
Net loss	-	-	-	(1,464,328)	(1,464,328)
<b>Balance at December 31, 1998</b>	<b>2,500</b>	<b>-</b>	<b>1,253,619</b>	<b>(2,420,503)</b>	<b>(1,166,884)</b>
Redistribution of common stock, net	-	-	(740)	-	(740)
Issuance of warrants in connection with debt issuance	-	-	9,290,809	-	9,290,809
Accretion of redeemable warrants	-	-	(151,193)	-	(151,193)
Net loss	-	-	-	(3,722,230)	(3,722,230)
<b>Balance at December 31, 1999</b>	<b>2,500</b>	<b>-</b>	<b>\$ 10,392,495</b>	<b>\$ (6,142,733)</b>	<b>\$ 4,249,762</b>

The accompanying notes are an integral part of these financial statements

# Manhattan Telecommunications Corporation and Subsidiaries

6

## Consolidated Statements of Cash Flows

For the years ended December 31,

	<u>1999</u>	<u>1998</u>	<u>1997</u>
<b>Cash flows from operating activities</b>			
Net loss	\$ (3,722,230)	\$ (1,464,328)	\$ (853,598)
Adjustments to reconcile net income to net cash used in operating activities			
Bad debt expense	2,605,000	750,000	-
Depreciation and amortization	372,598	32,333	12,141
Amortization of debt issuance costs	682,006	-	-
Noncash compensation	(740)	42,028	6,636
Loss on disposal of fixed assets	35,260	-	-
Changes in assets and liabilities affecting operating cash flows			
Accounts receivable	(5,866,989)	(2,396,515)	(45,709)
Prepaid expenses and other current assets	(65,075)	228	(280)
Other assets	(238,201)	(31,544)	(80,288)
Accounts payable and accrued expenses	2,110,410	2,273,858	281,319
Operating taxes payable	2,200,614	337,090	10,170
Deferred rent payable	109,621	-	-
Other liabilities	-	-	(24,000)
<b>Net cash used in operating activities</b>	<u>(1,777,726)</u>	<u>(456,850)</u>	<u>(693,609)</u>
<b>Cash flows used in investing activity</b>			
Purchases of fixed assets	(1,431,650)	(494,174)	(78,119)
<b>Net cash used in investing activity</b>	<u>(1,431,650)</u>	<u>(494,174)</u>	<u>(78,119)</u>
<b>Cash flows from financing activities</b>			
Proceeds from notes payable	8,740,000	2,550,000	-
Repayment of notes payable	(3,386,970)	(1,903,030)	-
Deferred debt issuance costs	(181,732)	-	-
Repayment of capital lease obligation	264,954	76,174	-
Proceeds from capital contributions	-	394,291	760,664
<b>Net cash provided by financing activities</b>	<u>5,436,252</u>	<u>1,117,435</u>	<u>760,664</u>
<b>Net increase (decrease) in cash and cash equivalents</b>	2,226,876	166,411	(11,064)
<b>Cash and cash equivalents at beginning of period</b>	160,347	(6,064)	5,000
<b>Cash and cash equivalents at end of period</b>	<u>\$ 2,387,223</u>	<u>\$ 160,347</u>	<u>\$ (6,064)</u>
<b>Supplemental disclosure of cash flow information</b>			
Cash paid for interest	\$ 573,484	\$ 69,984	\$ -
<b>Noncash investing activity</b>			
Acquisition of equipment under capital leases	\$ 459,681	\$ 117,025	\$ -

The accompanying notes are an integral part of these financial statements

**1. Description of Business**

Manhattan Telecommunications Corporation, doing business as Metropolitan Telecommunications, also known as MetTel (the "Company"), is a licensed competitive local exchange carrier ("CLEC") whose principal business consists of providing a complete line of local, long distance, internet and data services to businesses and residences located in New York State. The Company was incorporated in April 1996 under the laws of the state of Delaware. The consolidated financial statements include the accounts of the Company and its currently inactive subsidiaries.

**2. Summary of Significant Accounting Policies**

**Cash equivalents**

The Company considers all highly liquid investments purchased with an initial maturity of 90 days or less to be cash equivalents. The Company maintains its cash balances in highly rated financial institutions. At times, such cash balances may exceed federally insurable limits.

**Revenue recognition**

Revenue is recognized in the period in which the service is provided. All costs related to services provided are expensed as incurred. Unbilled revenue included in accounts receivable represents revenue for earned services which will be billed in the subsequent month and totalled \$1,278,514 and \$423,190 as of December 31, 1999 and 1998, respectively.

**Fair value of financial instruments**

Statement of Financial Accounting Standard ("SFAS") No. 107 "Disclosure about Fair Value of Financial Instruments," requires disclosure of fair value about certain financial instruments, whether or not reported on the balance sheet. The Company's financial instruments include cash, accounts receivable and accounts payable which are carried at cost that approximates fair value because of the short term nature of these instruments.

The carrying value of the Company's borrowings under its line of credit and credit facility agreement approximate fair value as the interest rate is the Company's available market interest rate.

**Use of estimates**

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that effect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Changes in such estimates could affect amounts reported in future periods. Estimates are used when accounting for the allowance for doubtful accounts, fixed asset depreciable lives, and the deferred tax valuation allowance, among others.

**Fixed Assets**

Depreciation is calculated using the straight-line method over the estimated useful lives of the related asset, generally three to five years. Amortization of leasehold improvements is provided over the straight-line method over the shorter of the estimated useful life or the lease term. The costs of additions and betterments are capitalized, and repairs and maintenance costs are charged to operations in the periods incurred.

**Software Development Costs**

Certain costs incurred in the development of internal use software are capitalized in accordance with the Statement of Position ("SOP") 98-1, "Accounting for the Costs of Computer Software Developed or Obtained for Internal Use" and are amortized over their useful life of 3 years.

**Long-lived assets**

The Company reviews for the impairment of long-lived assets whenever events or circumstances indicate that the carrying amount of an asset may not be recoverable. An impairment loss would be recognized when estimated, undiscounted, future cash flows expected to result from the use of the asset and its eventual disposition is less than its carrying amount. If such assets are considered impaired, the amount of the impairment loss recognized is measured as the amount by which the carrying value of the asset exceeds the fair value of the asset. To date, the Company has identified no such impairment losses.

**Significant Risks and Uncertainties**

The Company has experienced net operating losses and negative cash flow since its inception. To date, the Company has funded its operations with capital contributions and external financing through debt issuance. The Company's growth anticipates substantial capital expenditures. The Company's ability to fund these expenditures will be dependent upon the Company raising additional financing. Failure to raise sufficient capital could compel the Company to delay or modify some of its expansion plans and/or capital expenditures. However, management believes that the Company's current cash resources and credit facility together with expected revenue growth will be sufficient to fund the Company's operations for the next twelve months.

The Company is dependent on Bell Atlantic as sole provider of the local telecommunications service which the Company provides to its customers. Accordingly, a negative impact on the operations of Bell Atlantic could adversely affect the Company.

**Advertising costs**

The Company expenses the costs of advertising in the period in which the costs are incurred. Advertising expenses were \$49,761, \$10,367 and \$1,509 for the years ended December 31, 1999, 1998 and 1997, respectively.

**Income taxes**

The Company recognizes deferred taxes by the asset and liability method of accounting for income taxes. Under the asset and liability method, deferred income taxes are recognized for differences between the financial statement and tax basis of assets and liabilities at enacted statutory tax rates in effect for the years in which the differences are expected to reverse. The effect on deferred taxes of a change in tax rates is recognized in income in the period that includes the enactment date. In addition, valuation allowances are established when necessary to reduce deferred tax assets to the amounts expected to be realized.

**Comprehensive Income**

In June 1997, the Financial Accounting Standards Board issued SFAS No. 130, "Reporting Comprehensive Income". This statement requires companies to classify items of their comprehensive income by their nature in the financial statements and display the accumulated balance of other comprehensive income separately from retained earnings and additional paid-in capital in the equity section of a statement of financial position. SFAS No. 130 is effective for financial statements issued for fiscal years beginning after December 15, 1997. The Company adopted SFAS No. 130 in fiscal year 1998. There was no difference between net income and comprehensive income for the years ended December 31, 1999 and 1998.

**Segment Reporting**

In June 1997, the FASB issued SFAS No. 131, "Disclosures about Segments of an Enterprise and Related Information", which established standards for reporting information about operating segments in annual financial statements. It also establishes standards for related disclosures about products and services, geographic areas and major customers. SFAS No. 131 was adopted by the Company in fiscal year 1998. Adoption of SFAS No. 131 had no impact on the Company's results of operations, financial position or cash flow as the Company operates only in the landline telecommunications segment.

**Recent Accounting Pronouncements**

In June 1998, the FASB issued SFAS No. 133, "Accounting for Derivatives and Hedging Activities" ("SFAS 133"), which establishes accounting and reporting standards for derivative instruments, including certain derivative instruments embedded in other contracts, (collectively referred to as derivatives) and for hedging activities. SFAS No. 133 is effective for all fiscal quarters of fiscal years beginning after June 15, 2000. The Company does not expect the adoption of this statement to have a significant impact on the Company's results of operations, cash flow or financial position.

In December 1999, the Staff of the Securities and Exchange Commission released Staff Accounting Bulletin No. 101 ("SAB 101"), "Revenue Recognition". SAB 101 provides guidance on the recognition, presentation and disclosure of revenue in financial statements. The Company is in the process of determining the effects of the additional guidance provided by SAB 101 on the Company's financial statements.

**3. Fixed Assets**

Fixed assets consist of the following:

	December 31,	
	1999	1998
Computer equipment	\$ 622,658	\$ 238,496
Furniture and fixtures	198,839	19,206
Leasehold improvements	124,561	36,489
Capitalized software costs	948,933	288,867
	<u>1,894,991</u>	<u>583,058</u>
Less: accumulated depreciation and amortization	(331,082)	(42,941)
Total net fixed assets	<u>\$ 1,563,909</u>	<u>\$ 540,117</u>

Included in computer equipment are \$476,706 and \$117,025 of assets under capital lease at December 31, 1999 and 1998, respectively.

#### **4. Notes Payable**

##### **Line of Credit**

In September 1998, the Company entered into a line of credit agreement with a financial institution under which it could borrow up to \$1,000,000. The line of credit was collateralized by receivables, equipment and certain real property. The Company repaid the line in full in May 1999.

##### **Credit Facility Agreement**

In May 1999, the Company entered into a credit facility with a financial institution. The credit line allows for up to \$5,000,000 to be drawn down subject to a formula based on eligible accounts receivable cash collections. As additional consideration, the Company granted to the financial institution a warrant to purchase 7.5% of the Company's then outstanding common stock (see Note 5).

In December 1999, the credit facility was amended and increased to \$9,000,000 and can be increased up to \$12,000,000 upon the Company meeting certain financial performance benchmarks. As additional consideration, the Company granted the financial institution warrants to purchase an additional 5.5% of the Company's outstanding common stock (see Note 5). At December 31, 1999, \$6,000,000 of Notes were drawn down under the facility. The Notes mature on April 30, 2002. The Notes bear interest at a variable rate selected by the borrower equal to prime rate plus 7% per annum or the adjusted LIBOR plus 8.5% per annum. In addition, there is 6.5% of interest that is deferred. The deferred interest is not payable in the event that the lender exercises the warrant referred to above.

The Company incurred origination fees of \$395,000, which have been recorded as a deferred asset and are being amortized over the life of the loan. The Company also pays annual commitment fees of 0.5% on the unused amount of the facility. At December 31, 1999, the Company was eligible to draw an additional \$1,300,000 under the facility based on the value of eligible accounts receivable cash collections.

The credit facility is collateralized by receivables, inventories, equipment and certain real property and is guaranteed by certain stockholders, but is subordinate to capitalized lease obligations. Under the terms of the agreement, the Company is required to maintain certain financial conditions, number of access lines and level of customer turnover. The agreement also prohibits the Company from incurring certain additional indebtedness, limits certain investments, advances or loans and restricts substantial asset sales, capital expenditures and cash dividends.

At December 31, 1999, the Company was in violation of the covenant to have customer turnover percentage below a certain level, for which they obtained a waiver of default from the applicable lender on June 26, 2000. In addition, on June 26, 2000, the covenants related to the number of access lines and level of customer turnover were modified to make them less restrictive.

## **5. Warrants**

In May 1999, in connection with the execution of the May 1999 credit facility agreement, the Company granted fully vested warrants to the financial institution. Upon exercise of the warrant, the financial institution may acquire 187.5 shares (7.5%) of the Company's issued and outstanding shares of no par value, common stock at an exercise price of \$.01 per share. The warrant is exercisable through April 2009. If the warrant is exercised, the financial institution shall forgo the collection of deferred interest which is accruing on the outstanding balance of the debt at a rate of 6.5%. At December 31, 1999 the deferred interest on the debt was approximately \$151,193.

In December 1999, as a result of the amendment of the credit facility agreement, the Company issued additional warrants to the lender to acquire up to 157.62 shares (5.5%) of the Company's issued and outstanding no par common stock. At December 31, 1999, 114.63 shares of no par value common stock relating to this amendment had vested. The remaining 42.99 shares vest only upon the increase in the available line of credit to \$12 million. The warrant is exercisable through April 2009.

The grant of the warrants was considered for accounting purposes to be an additional debt issuance cost. The fair value of the warrants on the date of issuance was recorded as a deferred asset and is being amortized into the statement of operations as interest expense over the life of the Notes.

## **6. Related Party Transactions**

### **General and administrative**

The Company received legal and consulting services from a firm in which an executive officer of the Company is a principal stockholder. These expenses aggregated approximately \$212,000, \$163,000 and \$110,250 in 1999, 1998 and 1997, respectively.

During 1997, the Company expensed approximately \$60,500 of legal fees paid to officers of the Company.

### **Capital Contributions**

During 1998 and 1997, certain officers performed services for the Company for which they were not compensated. Such contributions are not recorded in the financial statements.

### **Common stock redistribution**

During 1997 and 1998, 161.29 and 34.56 shares of common stock were granted to officers of the Company. At the date of each grant, no additional shares of the Company stock were authorized to be granted. Accordingly, each existing stockholder made a pro-rata constructive transfer to the officers. The Company recorded compensation expense for the fair value of the redistributed shares.

In 1999, 3.85 shares of vested common stock were returned to the Company in connection with a severance agreement. The returned shares were redistributed on a pro-rata basis to the existing shareholders. The Company recorded a credit for the amount of compensation expense previously recognized in connection with the initial grant of these shares.

**7. Income Taxes**

The Company accounts for income tax under the provisions of SFAS No. 109, "Accounting for Income Taxes". SFAS 109 requires an asset and liability approach that requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been recognized in the Company's financial statements. The Company had approximately \$2,144,500 and \$1,278,000 of net operating loss carryforwards for federal income tax purposes at December 31, 1999 and 1998, respectively. The net operating loss carryforwards will begin to expire in the year 2016 if not utilized. The Company has recorded a valuation allowance equal to the net deferred tax assets at December 31, 1999 and 1998, due to the uncertainty of future operating results. The valuation allowance will be reduced at such time as management believes it to be more likely than not that the net deferred tax assets will be realized.

The components of the net deferred tax asset as of December 31, 1999 and 1998 consist of the following:

	1999	1998
Deferred tax assets:		
Net federal and state operating loss carryforwards	\$ 1,486,421	\$ 757,263
Property and equipment		3,741
Allowance for doubtful accounts	671,221	68,973
Gross deferred tax asset	<u>2,157,642</u>	<u>829,977</u>
Deferred tax liabilities:		
Property and equipment	(271,533)	
Less: Valuation allowance	<u>(1,886,109)</u>	<u>(829,977)</u>
Net deferred tax asset	<u>\$ -</u>	<u>\$ -</u>

**8. Commitments**

**Operating and Capital leases**

The Company leases office facilities and equipment under operating leases expiring through 2009. The company also leases telephone and other office equipment under capital leases expiring through 2001. Future minimum lease payments due under noncancellable operating leases and capital leases were as follows:

	<u>Operating</u>	<u>Capital</u>
Year ending December 31,		
2000	\$ 758,548	\$ 263,023
2001	648,487	122,288
2002	495,813	-
2003	456,041	-
2004	471,703	-
Thereafter	1,991,556	-
Total minimum lease payments	<u>\$ 4,822,148</u>	<u>385,311</u>
Less: amount representing interest		(44,183)
Present value of future minimum lease payments		341,128
Less: current portion		(231,051)
Capital lease obligations, net of current portion		<u>\$ 110,077</u>

Rent expense for the years ended December 31, 1999, 1998 and 1997 was approximately \$222,000, \$110,000 and \$110,000, respectively.

In March 2000, the Company entered into a new operating lease for additional office space. Future minimum lease payments under this lease aggregate approximately \$1,945,000.

**Employment agreements**

In the normal course of business, The Company has entered into employment agreements with certain of its officers. These agreements call for aggregate payments over the next four years of \$375,000 per year. Upon attaining certain performance requirements, these individuals are eligible for a defined bonus.

**General and administrative**

In April 1999, the Company entered into a three-year agreement to receive legal services from a related party. Under the terms of this agreement, the Company is required to pay weekly fees of \$4,000 (see Note 6).

**9. Contingencies**

**Litigation**

There are various claims, lawsuits and pending actions against the Company incidental to the operations of its business. It is the opinion of management, after consultation with counsel, that the ultimate resolution of such claims, lawsuits and pending actions will not have a material adverse effect on the Company's financial position, results of operations or liquidity.

**Other**

The Company is subject to state public utilities commission, Federal Communications Commission and court decisions as they relate to the interpretation and implementation of the Telecommunications Act, the interpretation of CLEC interconnection agreements in general and the Company's interconnection agreements in particular. In some cases the Company may be bound by the results of ongoing proceedings of these bodies or the legal outcomes of other contested interconnection agreements that are similar to the Company's agreements. The Company cannot estimate the effect, if any, of these proceedings.

**10. Subsequent events**

On May 22, 2000 the Company amended its Certificate of Incorporation to increase the number of authorized shares of common stock from 2,500 to 5,000. Concurrently, the Company declared a stock dividend of 0.085 of a share of common stock for each share of common stock outstanding.

In March of 2000, the Company drew down an additional \$2,000,000 of its available credit facility.

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Jan. 10 2001 09:32AM P3

Manhattan Telecommunications Statement of Operations	6mos ended 6/30/00	6mos ended 6/30/99	3mos ended 6/30/00	3mos ended 3/31/00
Revenues	22,856,775	7,788,839	10,073,922	12,782,852
Operating costs and expenses				
Cost of revenues	12,002,475	5,465,871	5,989,055	6,013,420
Selling, general and administrative	10,560,703	3,057,742	5,885,415	4,675,288
Total operating cost and expenses	<u>22,563,177</u>	<u>8,543,313</u>	<u>11,874,470</u>	<u>10,688,708</u>
EBITDA	293,597	(754,474)	(1,800,547)	2,094,144
Depreciation & Amortization	<u>449,895</u>	<u>192,833</u>	<u>238,857</u>	<u>210,838</u>
Interest expense	678,551	210,445	350,127	328,424
Interest Amortization	1,858,902	0.00%	929,451	929,451
Net loss	<u>(2,693,551)</u>	<u>(1,157,752)</u>	<u>(3,318,983)</u>	<u>625,431</u>
	-11.78%	-14.86%	-32.95%	4.89%
	52.51%	70.43%	59.45%	47.04%
	46.20%	39.26%	58.42%	36.57%
	1.28%	-9.69%	-17.87%	16.38%
	1.97%	2.48%	2.37%	1.65%
	2.97%	2.70%	3.48%	2.57%
	8.13%	0.00%	8.23%	7.27%

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**Manhattan Telecommunications Corporation****Balance Sheet****ASSETS****06/30/00****Current Assets:**

Cash & Cash Equivalents	\$1,239,754
Accounts Receivable, net	\$5,833,830
Prepaid & Other Current Assets	<u>901,199</u>

<b>Total Current Assets</b>	<b>\$7,134,781</b>
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Fixed Assets, net	\$2,380,008
Deferred Debt Issuance Costs, net	\$8,832,807
Other Assets, net	<u>\$1,169,983</u>
<b>Total Assets</b>	<b><u>\$17,517,557</u></b>

**LIABILITIES AND CAPITAL****Current Liabilities:**

Accounts Payable & Accrued Expenses	\$3,502,196
Current Portion of Lease Payment	\$816,734
Operating Taxes Payable	\$3,192,807
Debt Financing Fees Payable	\$228,398
Deferred Rent Payable, Current Portion	<u>\$30,229</u>

<b>Total Current Liabilities</b>	<b>\$7,570,364</b>
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Equipment Lease Obligation, net of Current	\$141,000
Debt Financing Fees Payable, net of Current	\$0
Deferred Rent Payable, net of Current	\$98,787
Notes Payable, net of Current	\$8,000,000

<b>Total Liabilities</b>	<b>\$15,810,151</b>
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Redeemable Warrant	\$388,082
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**Capital**

Common Stock	\$0
Paid-in Capital	\$10,155,808
Retained Earnings	-\$6,142,731
Net Income	-\$2,693,551

<b>Total Capital</b>	<b>\$1,319,324</b>
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<b>Total Liabilities &amp; Capital</b>	<b><u>\$17,517,557</u></b>
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Unaudited - For Management Purposes Only

**EXHIBIT D**

**MANAGERIAL STAFF PROFILES**

### Technical Managers

*Aizik Leibovitch, Chief Technology Officer*, is responsible for developing and maintaining MetTel's comprehensive customer account management and billing systems and has four years telephony experience. These systems integrate front-end applications (which allow order provisioners and the billing department to access customer information and process customer requests) with back-end billing systems. Through these systems, he is able to receive and process call detail records from RBOCs and long distance carriers, update MetTel's internal customer databases, and then generate individual retail invoices, Carrier Access billing, PUC compliance reports and internal tracking reports.

*Olkesandr Citkin, Chief Information Officer*, is responsible for developing, and maintaining MetTel's customer service front-end systems, and integrating these systems with MetTel's back-end systems and has four years telephony experience. This allows MetTel's customer account managers and customer service representatives to access a customer's complete account history. He also maintains MetTel's Automated Ordering Center ("AOC"), an automatic system that provides a direct link with Bell Atlantic's OSS and simultaneously updates MetTel's internal customer databases. This system processes approximately 90% of MetTel's orders for conversions, feature changes, SNPs and restorals of service. Currently, Mr. Citkin is overseeing the development of the second version of AOC to incorporate refinements that will allow MetTel to process customer service requests on an automated basis with greater efficiency. Mr. Citkin also created the communications programs that allow MetTel to receive and process information from RBOCs, long distance carriers, banking institutions, payment centers and collection agencies.

As MetTel's service offerings increase, Mr. Citkin is primarily responsible for creating and implementing the front-end and back-end systems to accommodate the provision of these new services. For example, Mr. Citkin's group recently customized MetTel's IVR system to allow customer service representatives to process credit card payments without having access to the customer's credit card information. This is one example of the technological advancements being developed by MetTel's IT department that are designed to protect the consumer's interests

### Operational Managers

*Marshall Aronow and Andoni Economou, Co-Chief Operating Officers*, are primarily responsible for MetTel's strategic planning, including the procurement of third party financing for future expansion. Both Mr. Aronow and Mr. Economou each have four years telephony experience. In addition, they supervise 150 employees and manage daily operations in the New York office. The Customer Service Department consists of a Director of Customer Service, an Assistant Director of Customer Service, 8 Customer Service Supervisors and over 70 Customer Service Representatives. The Order Provisioning Department consists of a Director of Provisioning, 4 Provisioning Managers, 2 Line Supervisors, a Trouble Resolution Department and a New Line Provisioning Department. Utilization of the UNE platform requires the development and constant refinement of systems for tracking customer information, measuring employee productivity and monitoring Bell Atlantic's implementation of the UNE Platform. To

achieve these goals, M. Aronow and A. Economou work closely with the heads of MetTel's customer service, provisioning and information technology departments on a daily basis to create integrated systems. Specifically, they oversaw the development of:

- ◆ a proprietary retail customer billing system and related Service Optimization Processor, a program for combining retail features in the most cost-effective manner for the customer;
- ◆ CTS, a customer database tracking system;
- ◆ Automatic Ordering Center, which uses an EDI interface to communicate with Bell Atlantic's systems and allows for high-volume order processing;
- ◆ the Interactive Voice Response system, which provides account information and customer payments;
- ◆ an off-sight electronic customer payment processing system;
- ◆ telemarketing and third-party sales verification procedures;
- ◆ internal tracking and monitoring systems.

The development of integrated systems has allowed M. Aronow and A. Economou to track employee productivity and create solutions to increase customer satisfaction.

*David Aronow, Co-President*, heads the legal department and, along with A. Economou, represents MetTel before the New York State Public Service Commission. D. Aronow has four years telephony experience. They are also responsible for monitoring MetTel's relationship with Bell Atlantic under the UNE platform. MetTel relies on the incumbent LEC to provide installation and repair expertise for implementation of the UNE platform. Personnel in the Order Provisioning Department are responsible for monitoring all work performed by the incumbent LEC on behalf of MetTel to ensure customer satisfaction.

In addition, D. Aronow is primarily responsible for the deployment of MetTel's facilities. In this capacity, D. Aronow obtained Bell Atlantic's certification for SS7 interconnection between Bell Atlantic and MetTel's CISCO Signaling Controller SC2200, which permits MetTel to provide local access services to an affiliated ISP, MetConnect. This was the first such SS7 certification in North America. D. Aronow and his staff are responsible for overseeing all aspects of procurement, interconnection, set up, delivery and technical support of MetTel's physical interconnection with Bell Atlantic.

*Joseph Aronow* is MetTel's *General Counsel*. He oversees the development of new business opportunities and provides guidance to MetTel's in-house legal staff. J. Aronow has four years telephony experience.

*Frank Lazzara, Chief Financial Officer*, is responsible for internal accounting operations and controls and has four years telephony experience. In addition, he is responsible for retail credits, collections and enforcement. As MetTel's operations grew, he coordinated the shift from an internal manual customer payment processing system to an off-sight, electronic payment processing system handled by a banking institution. Similarly, as part of MetTel's internal operations, he coordinated the shift from a manual enforcement system to a predominately automated enforcement system for suspending, terminating and restoring service.

**EXHIBIT E**  
**PROPOSED TARIFF**

TARIFF SCHEDULE APPLICABLE TO  
TELECOMMUNICATIONS SERVICES FURNISHED BY  
**METROPOLITAN TELECOMMUNICATIONS OF ARIZONA, INC.**  
**D.B.A. METTEL**  
WITHIN THE  
STATE OF ARIZONA

Issued:

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New York, New York 10005

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Section 1 - General

TARIFF FORMAT

- A. **Page Numbering** - Page numbers appear in the upper right corner of the page. Pages are numbered sequentially. However, new pages are occasionally added to the tariff. When a new page is added between pages already in effect, a decimal is added. For example, a new page added between Page 14 and 15 would be 14.1.
- B. **Page Revision Numbers** - Revision numbers also appear in the upper right corner of each page. These numbers are used to determine the most current page version on file with the Board. For example, the 4<sup>th</sup> revised Page 14 cancels the 3<sup>rd</sup> revised Page 14.
- C. **Paragraph Numbering Sequence** - There are various levels of paragraph coding. Each level of coding is subservient to its next higher level:
  - 2
  - 2.1
  - 2.1.1
  - 2.1.1.1
- D. **Check Sheets** - When a tariff filing is made with the Board, an updated Check Sheet accompanies the tariff filing. The Check Sheet lists the pages contained in the tariff, with a cross-reference to the current revision number. When new pages are added, the Check Sheet is changed to reflect the revision. An asterisk designates all revisions made in a given filing (\*). There will be no other symbols used on this page if these are the only changes made to it (i.e., the format, etc. remain the same, just revised revision levels on some pages.) The tariff user should refer to the latest Check Sheet to find out if a particular page is the most current on file with the Board.

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Section 1 - General

CHECK SHEET

Sheets 1 through 155 inclusive of this tariff are effective as of the date shown at the bottom of the respective sheet(s). Original and revised sheets as named below comprise all changes from the original tariff and are currently in effect as of the date on the bottom of this sheet.

Page	Revision	Page	Revision
1	Original	40	Original
2	Original	41	Original
3	Original	42	Original
4	Original	43	Original
5	Original	44	Original
6	Original	45	Original
7	Original	46	Original
8	Original	47	Original
9	Original	48	Original
10	Original	49	Original
11	Original	50	Original
12	Original	51	Original
13	Original	52	Original
14	Original	53	Original
15	Original	54	Original
16	Original	55	Original
17	Original	56	Original
18	Original	57	Original
19	Original	58	Original
20	Original	59	Original
21	Original	60	Original
22	Original	61	Original
23	Original	62	Original
24	Original	63	Original
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28	Original	67	Original
29	Original	68	Original
30	Original	69	Original
31	Original	70	Original
32	Original	71	Original
33	Original	72	Original
34	Original	73	Original
35	Original	74	Original
36	Original	75	Original
37	Original	76	Original
38	Original	77	Original
39	Original	78	Original

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Section 1 - General

CHECK SHEET  
Continued

79	Original	120	Original
80	Original	121	Original
81	Original	122	Original
82	Original	123	Original
83	Original	124	Original
84	Original	125	Original
85	Original	126	Original
86	Original	127	Original
87	Original	128	Original
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110	Original	151	Original
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113	Original	154	Original
114	Original	155	Original
115	Original		
116	Original		
117	Original		
118	Original		
119	Original		

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Section 1- General

EXPLANATION OF SYMBOLS

- (C) – To signify a changed regulation
- (D) – To signify a discontinued rate or regulation
- (I) – To signify an increase in a rate
- (M) – To signify text or rates relocated without change
- (N) – To signify a new rate or regulation or other text
- (R) – To signify a reduction in a rate
- (S) – To signify reissued regulations
- (T) – To signify a change in text but no change in rate
- (Z) – To signify a correction

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Section 1 – General

TABLE OF CONTENTS

SECTION 1 - GENERAL	
Tariff Format	1
Check Sheet	2
Explanation of Symbols	4
Table of Contents	5
Application of Tariff	7
SECTION 2 - RULES AND REGULATIONS	
2.1 Use of Facilities and Service	8
2.2 Minimum Period of Service	12
2.3 Flexible Pricing	13
2.4 Payment for Service Rendered	14
2.5 Installation Service	18
2.6 Access to Customer Premises	18
2.7 Telephone Surcharges	19
2.8 Reserved for Future Use	20
2.9 Suspension or Termination of Service	21
2.10 Additional Provisions Applicable to Business Customers	29
2.11 Additional Provisions Applicable to Residential Customers	31
2.12 Allowances for Interruptions in Service	40
2.13 Automatic Number Identification	43
SECTION 3 - CONNECTION CHARGES	
3.1 Connection Charge	46
3.2 Restoral Charge	47
3.3 Moves, Adds and Changes	47
3.4 Charges Associated with Premises Visit	48
3.5 Primary Interexchange Carrier Change Charges	51
SECTION 4 - INTRALATA TOLL USAGE AND MILEAGE CHARGES	
4.1 General	52
4.2 Timing of Calls	53
4.3 Time Periods Defined	54
4.4 Regulations and Computation of Mileage	55
4.5 Call Charges	57

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TABLE OF CONTENTS

SECTION 5 - SUPPLEMENTAL SERVICES		
5.1	Custom Calling Service	59
5.2	Class Service	62
5.3	Centrex Service Features	65
5.4	Service and Promotional Trials	68
5.5	Busy Verification and Interrupt Service	70
5.6	Trap Circuit Service	71
5.7	Directory Assistance Service	72
5.8	Local Operator Service	73
5.9	Stand Alone Voice Mail Service	74
5.10	Blocking Service	75
5.11	Custom Number Service	78
5.12	Customer Requested Service Suspensions	80
SECTION 6 - RESIDENTIAL NETWORK SWITCHED SERVICES		
6.1	General	81
6.2	Service Description and Rates	82
SECTION 7 - BUSINESS NETWORK SWITCHED SERVICES		
7.1	General	95
7.2	Service Description and Rates	96
SECTION 8 - SPECIAL SERVICES AND PROGRAMS		
8.1	Lifeline Telephone Service	126
8.2	Link Up America	129
8.3	Special Equipment for the Hearing or Speech Impaired Customer	130
8.4	Discounted Service for the Hearing or Speech Impaired Customer	131
8.5	Universal Emergency Telephone Number Service	132
8.6	Telephone Relay Service	133
8.7	Special Credit for Blind and Disabled Persons	135
SECTION 9 - SPECIAL ARRANGEMENTS		
9.1	Special Construction	137
9.2	Non Routine Installation and/or Maintenance	140
9.3	Individual Case Basis Arrangements	140
SECTION 10 – LOCAL CALLING AREAS		141
SECTION 11 – EXPLANTION OF TERMS		142

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Section 1 - General

APPLICATION OF TARIFF

This Tariff sets forth the regulations and rates applicable to services provided by Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel as follows:

The furnishing of intrastate communications services by virtue of one-way and/or two-way information transmission between points within the State of Arizona.

1.1.1 Service Territory

Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel, will provide service in the areas where interconnection agreements have been signed with the incumbent Local exchange carrier. Calling areas are consistent with Southwestern Bell-Arizona's tariff.

1.1.2 Availability

Service is available where facilities and State of Arizona Corporation Commission regulations permit. The Company's services are available to residential and business customers.

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Section 2 - GENERAL RULES AND REGULATIONS

2.1 USE OF FACILITIES AND SERVICE

2.1.1 Obligation of Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel

In furnishing facilities and service, Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel does not undertake to transmit messages, but furnishes the use of its facilities to its customers for communications.

Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel's obligation to furnish facilities and service is dependent upon its ability (a) to secure and retain, without unreasonable expense, suitable facilities and rights for the construction and maintenance of the necessary circuits and equipment; (b) to secure and retain, without unreasonable expense, suitable space for its plant and facilities in the building where service is or will be provided to the customer; or (c) to secure reimbursement of all costs where the owner or operator of a building demands relocation or rearrangement of plant and facilities used in providing service therein.

Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel shall not be required to furnish, or continue to furnish, facilities or service where the circumstances are such that the proposed use of the facilities or service would tend to adversely affect Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel's plant, property or service.

Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel reserves the right to refuse an application for service made by a present or former customer who is indebted to Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel for service previously rendered pursuant to this Tariff until the indebtedness is satisfied.

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Section 2 - GENERAL RULES AND REGULATIONS (cont'd)

2.1 USE OF FACILITIES AND SERVICE (cont'd)

2.1.2 Limitations on Liability

a. Indemnification by Customer

The customer and any authorized or joint users, jointly and severally shall indemnify, defend and hold Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel harmless against claims, loss, damage, expense (including attorneys' fees and court costs) for libel, slander, or infringement of copyright arising from the material transmitted over its facilities; against claims for infringement of patents arising from combining with, or using in connection with, facilities of Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel, equipment and systems of the customer; and against all other claims arising out of any act or omission of the customer in connection with facilities provided by Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel or the customer. In the event any such infringing use is enjoined, the customer, authorized user or joint user at its option and expense, shall obtain immediately a dismissal or stay of such injunction, obtain a license or other agreement so as to extinguish any claim of infringement, or terminate the claimed infringing use or modify such infringement.

b. Customer-Provided Equipment

The service and facilities furnished by Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel are subject to the following limitations: Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel shall not be liable for damage arising out of mistakes, omissions, interruptions, delays, errors or defects in transmission or other injury, including but not limited to injuries to persons or property from voltages or currents transmitted over the facilities of Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel caused by customer-provided equipment or premises wire.

c. Use of Facilities of Other Companies

When the facilities of other companies are used in establishing a connection, Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel is not liable for any act, error, omission, or interruption caused by the other company or their agents or employees. This includes the provision of a signaling system database by another company.

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Section 2 - GENERAL RULES AND REGULATIONS (cont'd)

2.1 USE OF FACILITIES AND SERVICE (cont'd)

2.1.3 Use Of Service

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 telephone number(s) pursuant to this Tariff, for determining who is authorized to use its service, and for promptly notifying Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel of any unauthorized use. The customer may advise its customers that a portion of its service is provided by Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel, but the customer shall not represent that Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel jointly participates with the customer in the provision of the service.

2.1.4 Use and Ownership of Equipment

Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel's equipment, apparatus, channels and lines shall be carefully used. Equipment furnished by Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel shall remain its property and shall be returned to Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel whenever requested, within a reasonable period following the request, in good condition, reasonable wear and tear accepted. The customer is required to reimburse Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel for any loss of, or damage to, the facilities or equipment on the customer's premises, including loss or damage caused by agents, employees or independent contractors of the customer through any negligence.

2.1.5 Directory Errors

In the absence of gross negligence or willful misconduct and except for the allowances stated below, no liability for damages arising from errors or mistakes in or omissions of directory listings, or errors or mistakes in or omissions of listings obtainable from the directory assistance operator, including errors in the reporting thereof, shall attach to Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel.

An allowance for errors or mistakes in or omissions of published directory listings or for errors or mistakes in or omissions of listings obtainable from the directory assistance operator shall be given as follows:

- 1) Free Listings: For free or no-charge published directory listings, credit shall be given at the rate of two times the monthly Tariff rate for an additional or charge listing for each individual, auxiliary or party line, PBX trunk or Centrex attendant loop affected, for the life of the directory or the charge period during which the error, mistake or omission occurs.

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Section 2 - GENERAL RULES AND REGULATIONS (cont'd)

2.1 USE OF FACILITIES AND SERVICE (cont'd)

2.1.5 Directory Errors

- 2) Charge Listings: For additional or charge published directory listings, credit shall be given at the monthly Tariff rate for each such listing for the life of the directory or the charge period during which the error, mistake or omission occurs.
- 3) Operator records: For free or charge listings obtainable from records used by the directory assistance operator, upon notification to Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel of the error, mistake or omission in such records by the subscriber, Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel shall be allowed a period of three business days to make a correction. If the correction is not made in that time, credit shall be given at the rate of 2/30ths of the basic monthly rate for the line or lines in question for each day thereafter that the records remain uncorrected. (Where Centrex attendant loops are involved, credit shall be given at the rate of 2/30ths of the basic monthly rate for PBX trunks.)
- 4) Credit limitation: The total amount of the credit provided for the preceding paragraphs 1, 2, and 3 shall not exceed, on a monthly basis, the total of the charges for each charge listing plus the basic monthly rate, as specified in paragraph 3, for the line or lines in question.
- 5) Definitions: As used in Paragraphs 1, 2, 3, and 4 above, the terms "error," "mistake" or "omission" shall refer to a discrepancy in the directory listing or directory assistance records which Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel has failed to correct and where the error affects the ability to locate a particular subscriber's correct telephone number. The terms shall refer to addresses only to the extent that an error, mistake or omission of an address places the subscriber on an incorrect street or in an incorrect community.
- 6) Notice: Such allowances or credits as specified in Paragraphs 1, 2, and 3 above, shall be given upon notice to Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel by the subscriber that such error, mistake or omission has occurred; provided, however, that when it is administratively feasible for Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel to have knowledge of such error, mistake or omission, Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel shall give credit without the requirement of notification by the subscribers.

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Section 2 - GENERAL RULES AND REGULATIONS (cont'd)

2.2 MINIMUM PERIOD OF SERVICE

The minimum period of service is one month except as otherwise provided in this Tariff. The customer must pay the regular Tariffed rate for the service they subscribe to for the minimum period of service. If a customer disconnects service before the end of the minimum service period, that customer is responsible for paying the regular rates for the remainder of the minimum service period.

When the service is moved within the same building, to another building on the same premises, or to a different premises entirely, the period of service at each location is accumulated to calculate if the customer has met the minimum period of service obligation.

If service is terminated before the end of the minimum period of service as a result of condemnation of property, damage to property requiring the premises to be abandoned, or by the death of the customer, the customer is not obligated to pay for service for the remainder of the minimum period.

If service is switched over to a new customer at the same premises after the first month's service, the minimum period of service requirements are assigned to the new customer if the new customer agrees in writing to accept them. For facilities not taken over by the new customer, the original customer is responsible for the remaining payment for the minimum service period in accordance with the terms under which the service was originally furnished.

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Section 2 - GENERAL RULES AND REGULATIONS (cont'd)

2.3 FLEXIBLE PRICING

2.3.1 General

Flexible Pricing sets minimum and maximum rates that can be charged for telephone service. Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel may change a specific rate within the range of the established minimum and maximum rates on one day's notice to customers and the Public Service Commission.

2.3.2 Conditions

- a. Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel reserves the right to change prices at any time subject to regulatory requirements by filing a revised Rate Attachment with the Commission.
- b. Individual written notice to Customers of rate changes shall be made in accordance with Commission regulations. Where there are no regulations, notification will be made in a manner appropriate to the circumstances involved.
- c. A rate shall not be changed unless it has been in effect for at least thirty (30) days.
- d. A customer can request that Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel disconnect service that is provided under the Flexible Pricing due to a price increase. The customer will be credited for the difference between the new price and the old price retroactive to the effective date of the price increase if the customer notifies Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel of its desire to disconnect service within 20 days of receiving notification of the price increase.

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Section 2 - GENERAL RULES AND REGULATIONS (cont'd)

2.4 PAYMENT FOR SERVICE RENDERED

2.4.1 Responsibility for All Charges

Any applicant for facilities or service may be required to sign an application form requesting Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel to furnish the facilities or service in accordance with the rates, charges, rules and regulations from time to time in force and effect. The customer is responsible for all local and toll calls originating from the customer's premises and for all calls charged to the customer's line where any person answering the customer's line agrees to accept such charge.

2.4.2 Deposits

Subject to special provisions as may be set forth below and in Sections 2.10 and 2.11 of this Tariff, pursuant to A.A.C. R14-2-503(B), any applicant or customer whose financial responsibility is not established to the satisfaction of Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel may be required to deposit a sum up to and not exceed 2 times that residential customer's estimated average monthly bill or the average monthly bill for the customer class for that customer which ever is greater. Nonresidential customer deposits shall not exceed 2 1/2 times that customer's estimated maximum monthly bill. The term "deposit" refers to all deposits, advance payments, and prepayments. The combined amount charged for deposits, advance payments, and prepayments, must be in compliance with the amount allowed by this rule.

The fact that a deposit has been made shall in no way relieve the applicant or customer from complying with the Tariff regulations for the prompt payment of bills on presentation. Each applicant from whom a deposit is collected will be given a certificate of deposit and circular containing the terms and conditions applicable to deposits, in accordance with the Rules and Regulations of the Commission pertaining to customer deposits.

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Section 2 - GENERAL RULES AND REGULATIONS (cont'd)

2.4 PAYMENT FOR SERVICE RENDERED (cont'd)

2.4.2 Deposits (cont'd)

- a. The Company agrees to abide by the regulations associated with nonresidential customer deposits. The Company agrees to abide by the regulations associated with residential customer deposits.
- b. In order to establish credit, the Company may require an applicant for service to demonstrate good paying habits by showing that the applicant:
  1. Was a customer of a Arizona utility for at least 12 months within the preceding 2 years ( non-residential) or was a customer of a Arizona utility within the preceding 2 years ( residential);
  2. Does not currently owe any outstanding bills for utility service to a utility doing business in Arizona;
  3. Did not have service discontinued for nonpayment of a utility bill during the last 12 months that service was provided; and
  4. Did not fail, on more than two occasions during the last 12 months that service was provided, to pay a utility bill when it became due.
- c. Deposits for establishment or reestablishment of credit will not be more than the estimated charge for service for 2 consecutive billing periods or 90 days, whichever is less.
- d. Advanced payments for installation costs or special construction will be credited on the first bill in their entirety.
- e. Customers who make a deposit for service will receive interest, at a rate set on such deposit not less than the rate calculated by the method set forth by the Board.

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Section 2 - GENERAL RULES AND REGULATIONS (cont'd)

2.4 PAYMENT FOR SERVICE RENDERED (cont'd)

2.4.3 Payment of Charges

Charges for facilities and service, other than usage charges, are due monthly in advance. All other charges are payable upon request of Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel. Bills are due on the due date shown on the bill and are payable at any business office of Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel, by U.S. Mail, or at any location designated by Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel. If objection is not received by Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel within three months after the bill is rendered, the items and charges appearing thereon shall be determined to be correct and binding upon the customer. A bill will not be deemed correct and binding upon the customer if Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel has records on the basis of which an objection may be considered, or if the customer has in his or her possession such Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel records. If objection results in a refund to the customer, such refund will be with interest at the greater of the unadjusted customer deposit rate or the applicable late payment rate, if any, for the service classification under which the customer was billed. Interest will be paid from the date when the customer overpayment was made, adjusted for any changes in the deposit rate or late payment rate, compounded monthly, until the overpayment is refunded. Notwithstanding the foregoing, no interest will be paid by Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel on customer overpayments that are refunded within 30 days after the overpayment is received by Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel.

Where an objection to the bill involves a superseded service order, the items and charges appearing on the bill shall be deemed to be correct and binding upon the customer if objection is not received by Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel within two months after the bill is rendered.

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Section 2 - GENERAL RULES AND REGULATIONS (cont'd)

2.4 PAYMENT FOR SERVICE RENDERED (cont'd)

2.4.4 Return Check Charge

When a check which has been presented to Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel by a customer in payment for charges is returned by the bank, the customer shall be responsible for the payment of a Returned Check Charge of \$25.00.

2.4.5 Late Payment Charges

- a. Customer bills for telephone service are due on the due date specified on the bill. A customer is in default unless payment is made on or before the due date specified on the bill. If payment is not received by the customer's next billing date, a late payment charge of 1.5% will be applied to all amounts previously billed under this Tariff, excluding one month's local service charge, but including arrears and unpaid late payment charges.
- b. Late payment charges do not apply to those portions (and only those portions) of unpaid balances that are associated with disputed amounts. Undisputed amounts on the same bill are subject to late payment charges if unpaid and carried forward to the next bill.
- c. Late payment charges do not apply to final accounts.

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Section 2 - GENERAL RULES AND REGULATIONS (cont'd)

2.4 PAYMENT FOR SERVICE RENDERED (cont'd)

2.4.6 Customer Overpayments

Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel will provide interest on customer overpayments that are not refunded within 30 days of the date Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel receives the overpayment. An overpayment is considered to have occurred when payment in excess of the correct charges for service is made because of erroneous Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel billing. The customer will be issued reimbursement for the overpayment, plus interest, or, if agreed to by the customer, credit for the amount will be provided on the next regular Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel bill. The rate of interest shall be the greater of the customer deposit interest rate or Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel's applicable Late Payment Charge.

Interest shall be paid from the date when overpayment was made, adjusted for any changes in the deposit rate or late payment rate, and compounded monthly, until the date when the overpayment is refunded. The date when overpayment is considered to have been made will be the date on which the customer's overpayment was originally recorded to the customer's account by Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel.

2.5 INSTALLATION SERVICE

Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel provides a Half-Day Installation Plan, which offers customers half-day appointments (i.e., morning/afternoon or a rolling interval) for connection of Commission regulated service involving a customer premise visit.

2.6 ACCESS TO CUSTOMER'S PREMISES

The customer shall be responsible for making arrangements or obtaining permission for safe and reasonable access for Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel employees or agents of Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel to enter the premises of the customer or any joint user or customer of the customer at any reasonable hour for the purpose of inspecting, repairing, testing or removing any part of Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel's facilities.

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Section 2 - GENERAL RULES AND REGULATIONS (cont'd)

2.7 TELEPHONE SURCHARGES

2.7.1 General

In addition to the rates and charges applicable according to the rules and regulations of this Tariff, various surcharges apply to the customer's monthly bill statement as outlined in 2.7.2 and 2.7.3 below. Surcharge rates applicable to a particular city, village, town or county tax district or other jurisdictional taxing entity may apply.

2.7.2 Surcharge For State Gross Income and Gross Earnings Taxes

A monthly surcharge to recover the additional expense related to any applicable State Gross Income and Gross Earnings Taxes applies to the recurring and nonrecurring rates and charges for all intrastate service except returned check charges, late payment charges and rates for local coin calls. Whenever the state levies a new tax on Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel's gross revenues, repeals such a tax, or changes the rate of such a tax, the Commission may approve new surcharge factors, and Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel will file a revised statement as directed or approved by the Commission.

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Section 2 - GENERAL RULES AND REGULATIONS (cont'd)

2.7 TELEPHONE SURCHARGES (cont'd)

2.7.3 Village or Municipal Surcharge On Local Utility Gross Revenue Taxes

In certain cities and villages a municipal surcharge related to the Local Utility Gross Revenue Taxes applies to the recurring and nonrecurring rates and charges for all intrastate service except returned check charges, late payment charges and rates for local coin calls.

The effective date of the statement shall not be prior to the effective date of the surcharge and no sooner than the date when the tax enactment is filed with the Secretary of State. The surcharge shall be applicable to bills subject to the tax enactment that are rendered on or after the effective date of the statement. If the tax enactment either ceases to be effective or is modified so as to reduce the tax rate, the surcharge will be changed accordingly.

Introduction, cancellation, or modification of a surcharge will be effective on the date of the customer's first bill rendered after the effective date of the change.

2.8 [RESERVED FOR FUTURE USE]

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Section 2 - GENERAL RULES AND REGULATIONS (cont'd)

2.9 SUSPENSION OR TERMINATION OF SERVICE

2.9.1 Suspension or Termination for Nonpayment

In the event that any bill rendered or any deposit required is not paid, Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel may suspend service or terminate service until the bill or the required deposit has been paid. If service is suspended or terminated for nonpayment, the customer will be billed a Connection Charge as well as any payment due and any applicable deposits upon reconnection.

- A. Termination shall not be made until at least 20 days after written notification has been mailed to the billing address of the customer.
- B. Suspension will not be made until at least 8 days after written notification has been mailed to the customer and 20 days before the termination notice.

Telephone service shall only be suspended during the hours between 8:00 AM and 4:00 PM, Monday through Thursday. It shall not be suspended or terminated for nonpayment on weekends, public holidays, other federal and state holidays proclaimed by the President or the Governor, or on days when the main business office of Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel is not open for business, or during the periods from December 23rd through December 26th or December 30th through January 1st.

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Section 2 - GENERAL RULES AND REGULATIONS (cont'd)

2.9 SUSPENSION OR TERMINATION OF SERVICE (cont'd)

2.9.2 Exceptions to Suspension and Termination

Telephone service shall not be suspended or terminated for:

- a. Nonpayment of bills rendered for charges other than telephone service or deposits requested in connection with telephone service;
- b. Nonpayment for service for which a bill has not been rendered;
- c. Nonpayment for service which have not been rendered;
- d. Nonpayment of any billed charge which is in dispute or for the nonpayment of a deposit which is in dispute during the period before a determination of the dispute is made by Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel in accordance with Company's complaint handling procedures. These procedures are in accordance with the Public Service Commission Rules and Regulations.

Telephone service may be suspended or terminated for nonpayment of the undisputed portion of a disputed bill or deposit if the customer does not pay the undisputed portion after being asked to do so.

- e. Nonpayment of backbilled amounts as outlined in 2.11.12.
- c. Nonpayment of service which have not been rendered;
- d. Nonpayment of any billed charge which is in dispute or for the nonpayment of a deposit which is in dispute during the period before a determination of the dispute is made by Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel in accordance with Company's complaint handling procedures.

Telephone service may be suspended or terminated for nonpayment of the undisputed portion of a disputed bill or deposit if the customer does not pay the undisputed portion after being asked to do so.

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Section 2 - GENERAL RULES AND REGULATIONS (cont'd)

- e. Nonpayment of backbilled amounts as outlined in 2.11.12.

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Section 2 - GENERAL RULES AND REGULATIONS (cont'd)

2.9 SUSPENSION OR TERMINATION OF SERVICE (cont'd)

2.9.3 Verification of Nonpayment

Telephone service shall not be suspended or terminated for nonpayment of a bill rendered or a required deposit unless:

- a. Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel has verified, in a manner approved by the Public Service Commission, that payment has not been received at any office of Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel or at any office of an authorized collection agent through the end of the period indicated in the notice, and
- b. Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel has checked the customer's account on the day that suspension or termination is to occur to determine whether payment has been posted to the customer's account as of the opening of business on that day.

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Section 2 - GENERAL RULES AND REGULATIONS (cont'd)

2.9 SUSPENSION OR TERMINATION OF SERVICE (cont'd)

2.9.4 Termination For Cause Other Than Nonpayment

a. General

Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel, after notice in writing to the customer and after having given the customer an appropriate opportunity to respond to such notice, may terminate service and sever the connection(s) from the customer's premises under the following conditions:

1. in the event of prohibited, unlawful or improper use of the facilities or service, or any other violation by the customer of the rules and regulations governing the facilities and service furnished, or
2. if, in the judgment of Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel, any use of the facilities or service by the customer may adversely affect Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel's personnel, plant, property or service. Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel shall have the right to take immediate action, including termination of the service and severing of the connection, without notice to the customer when injury or damage to telephone personnel, plant, property or service is occurring, or is likely to occur, or
3. in the event of unauthorized use, where the customer fails to take reasonable steps to prevent the unauthorized use of the facilities or service received from Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel, or
4. in the event that service is connected for a customer who is indebted to Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel for service or facilities previously furnished, that service may be terminated by Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel unless the customer satisfies the indebtedness within 20 days after written notification. See Section 2.11.7 regarding Deferred Payment Agreements.

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Section 2 - GENERAL RULES AND REGULATIONS (cont'd)

2.9 SUSPENSION OR TERMINATION OF SERVICE (cont'd)

2.9.4 Termination For Cause Other Than Nonpayment (cont'd)

b. Prohibited, Unlawful or Improper Use of the Facilities or Service

Prohibited, unlawful or improper use of the facilities or service includes, but is not limited to:

1. The use of facilities or service of Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel without payment of Tariff charges;
2. Calling or permitting others to call another person or persons so frequently or at such times of the day or in such manner as to harass, frighten, abuse or torment such other person or persons;
3. The use of profane or obscene language;
4. The use of the service in such a manner such that it interferes with the service of other customers or prevents them from making or receiving calls;
5. The use of a mechanical dialing device or recorded announcement equipment to seize a customer's line, thereby interfering with the customer's use of the service;
6. Permitting fraudulent use.

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Section 2 - GENERAL RULES AND REGULATIONS (cont'd)

2.9 SUSPENSION OR TERMINATION OF SERVICE (cont'd)

2.9.4 Termination For Cause Other Than Nonpayment (cont'd)

c. Abandonment or Unauthorized Use of Facilities

1. If it is determined that facilities have been abandoned, or are being used by unauthorized persons, or that the customer has failed to take reasonable steps to prevent unauthorized use, Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel may terminate telephone service.
2. In the event that telephone service is terminated for abandonment of facilities or unauthorized use and service is subsequently restored to the same customer at the same location:
  - a. No charge shall apply for the period during which service had been terminated, and
  - b. Reconnection charges will apply when service is restored. However, no charge shall be made for reconnection if the service was terminated due to an error on the part of Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel.

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Section 2 - GENERAL RULES AND REGULATIONS (cont'd)

2.9 SUSPENSION OR TERMINATION OF SERVICE (cont'd)

2.9.4 Termination For Cause Other Than Nonpayment (cont'd)

- d. Change in Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel's Ability to Secure Access

Any change in Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel's ability (a) to secure and retain suitable facilities and rights for the construction and maintenance of the necessary circuits and equipment or (b) to secure and retain suitable space for its plant and facilities in the building where service is provided to the customer may require termination of a customer's service until such time as new arrangements can be made. No charges will be assessed the customer while service is terminated, and no connection charges will apply when the service is restored.

2.9.5 Emergency Termination of Service

Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel will immediately terminate the service of any customer, on request, when the customer has reasonable belief that the service is being used by an unauthorized person or persons. Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel may require that the request be submitted in writing as a follow-up to a request made by telephone.

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Section 2 - GENERAL RULES AND REGULATIONS (cont'd)

2.10 ADDITIONAL PROVISIONS APPLICABLE TO BUSINESS CUSTOMERS

2.10.1 Application of Rates

- a. Business rates as described in Section 7 apply to service furnished:
  1. In office buildings, stores, factories and all other places of a business nature;
  2. In hotels, apartment houses, clubs and boarding and rooming houses except when service is within the customer's domestic establishment and no business listings are provided; colleges, hospitals and other institutions; and in churches except when service is provided to an individual of the clergy for personal use only and business service is already established for the church at the same location;
  3. At any location when the listing or public advertising indicates a business or a profession;
  4. At any location where the service includes an extension which is at a location where business rates apply unless the extension is restricted to incoming calls;
  5. At any location where the customer resells or shares exchange service;
- b. The use of business facilities and service is restricted to the customer, customers, agents and representatives of the customer, and joint users.

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Section 2 - GENERAL RULES AND REGULATIONS (cont'd)

2.10 ADDITIONAL PROVISIONS APPLICABLE TO BUSINESS CUSTOMERS (Cont'd)

2.10.2 Telephone Number Changes

When a business customer requests a telephone number change, the referral period for the disconnected number is 180 days.

Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel reserves all rights to the telephone numbers assigned to any customer. The customer may order a Customized Number where facilities permit for an additional charge as specified in Section 5.9 of this Tariff.

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

Deposits will be returned to a business customer upon cancellation of service or after one year, whichever event occurs first, unless the customer is delinquent in payment, in which case Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel will continue to retain the deposit until the delinquency is satisfied. If a service is involuntarily discontinued, the deposit is applied against the final bill, and any balance is returned to the customer.

2.10.4 Dishonored Checks

If a business customer who has received a notice of discontinuance pays the bill with a check that is subsequently dishonored, the account remains unpaid and Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel is not required to issue any additional notice before disconnecting service.

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Section 2 - GENERAL RULES AND REGULATIONS (cont'd)

2.11 ADDITIONAL PROVISIONS APPLICABLE TO RESIDENTIAL CUSTOMERS

2.11.1 Application of Rates

Residential rates as described in Section 6 apply to service furnished in private homes or apartments (including all parts of the customer's domestic establishment) for domestic use. Residential rates also apply in college fraternity or sorority houses, convents and monasteries, and to the clergy for domestic use in residential quarters.

Residential rates do not apply to service in residential locations if the listing indicates a business or profession. Residential rates do not apply to service furnished in residential locations if there is an extension line from the residential location to a business location unless the extension line is limited to incoming calls.

The use of residential service and facilities is restricted to the customer, members of the customer's domestic establishment, and joint users.

2.11.2 Telephone Number Changes

When a residential customer requests a telephone number change, the referral period for the disconnected number is 90 days.

Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel reserves all rights to any telephone number assigned to a customer for local service. The customer may order a Customized Number where facilities permit for an additional charge as specified in Section 5.9 of this Tariff.

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

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Section 2 - GENERAL RULES AND REGULATIONS (cont'd)

2.11 ADDITIONAL PROVISIONS APPLICABLE TO RESIDENTIAL CUSTOMERS (cont'd)

2.11.3 Deposits

a. General

Except as provided in (b) following, Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel may require a deposit, as described in Section 2.4.2 of this Tariff, from a residential customer who is applying for service if the customer: 1) has had service terminated for nonpayment once within the preceding six month period, or 2) is delinquent in payment. A customer is delinquent in payment if that customer has received two consecutive telephone bills without making payment of at least one-half the total arrears due on the due date of the second bill. A customer is not considered delinquent, however, if an amount in dispute is not paid before the dispute is resolved.

An existing customer is an applicant for service who was a customer of Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel within twelve months of making the request, provided that prior service was not terminated for nonpayment, unless service is requested within 10 days of such termination for nonpayment. Applicants for residential service and existing residential customers are permitted to pay deposits in installments over a period not to exceed 6 months.

A new customer is an applicant for service who has not been a customer of Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel within twelve months of making the request for service. A new customer shall not be required to post a security deposit as a condition of receiving telephone service.

A seasonal customer is an individual who applies for and receives telephone service periodically each year, intermittently during the year or at other regular intervals scheduled at the time of application. A seasonal customer may be required to post a deposit.

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Section 2 - GENERAL RULES AND REGULATIONS (cont'd)

2.11 ADDITIONAL PROVISIONS APPLICABLE TO RESIDENTIAL CUSTOMERS (cont'd)

2.11.3 Deposits (cont'd)

b. Customers Exempt from Deposits

1. A new customer or existing customer whom is 62 years of age or older shall be exempt from any deposit requirement unless such person's telephone service was terminated for nonpayment during the preceding six months. Proof of age will be required from any person claiming exemption from deposit requirements because of age. If the proof requested by Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel is not received within 30 days from the date service is connected, or 30 days from the date that verification of age is requested from an existing customer, Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel may suspend or terminate service unless the customer pays the required deposit. Any new customer or existing customer 62 years of age or older shall be permitted to pay a deposit in installments over a period not to exceed 12 months.
2. Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel shall not require any person it knows to be a recipient of public assistance, supplemental security income or additional state payments to post a deposit.

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Section 2 - GENERAL RULES AND REGULATIONS (cont'd)

2.11 ADDITIONAL PROVISIONS APPLICABLE TO RESIDENTIAL CUSTOMERS (cont'd)

2.11.3 Deposits (cont'd)

c. Recent Payment History

A customer who has a recent payment history (within the preceding twelve months) with Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel are entitled to service without payment of a deposit unless their records indicate that they are delinquent in payment or have had service terminated for nonpayment. A customer who still owes money to Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel for residential service on a prior account shall be offered a deferred payment plan provided that the customer had service for three months and was not terminated for nonpayment during that period. (See Deferred Payment Agreements, 2.11.7 below.)

New deposits from a residential customer is reviewed after the first 3 monthly bills have been rendered; if too much has been taken, the excess is returned. The entire deposit is returned to a residential customer after 1 year, unless the customer is delinquent in payment, in which case Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel may continue to retain the deposit until the delinquency is satisfied. If the service is discontinued, the deposit is applied against the final bill, and any balance is returned to the customer.

2.11.4 Installment Billing For Nonrecurring Charges

A residential customer may elect to pay service connection and other nonrecurring charges associated with a service order in monthly installments for up to a 12 month period. When installment billing is requested, all nonrecurring charges associated with a given service order will be included in the calculation of the monthly installment.

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Section 2 - GENERAL RULES AND REGULATIONS (cont'd)

2.11 ADDITIONAL PROVISIONS APPLICABLE TO RESIDENTIAL CUSTOMERS (cont'd)

2.11.4 Installment Billing For Nonrecurring Charges (cont'd)

Installment billing is subject to the following restrictions:

- a. Installment billing may be used only by residential customers;
- b. Charges will be billed in the number of installments of equal dollar amounts as requested by the customer up to a maximum of 12 installments over the course of 12 months;
- c. A customer may not pay a portion of the charges and then request installment billing for the remaining charges;
- d. More than one installment plan may be in effect for the same customer at the same time;
- e. If a customer disconnects service during the installment payment period, all unbilled charges will be included in the final bill rendered;
- f. A customer may elect to pay the unbilled charges before the expiration of the installment plan;
- g. Installment billing payments will continue even when an account is temporarily suspended;
- h. No interest or carrying charges will be applied to the outstanding balance during the installment period.

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Section 2 - GENERAL RULES AND REGULATIONS (cont'd)

2.11 ADDITIONAL PROVISIONS APPLICABLE TO RESIDENTIAL CUSTOMERS (cont'd)

2.11.5 Adjusted Payment Schedule

A customer on a fixed income (e.g., pension and public assistance) shall be offered the opportunity to pay his or her bills on a reasonable schedule that is adjusted for periodic receipt of income.

2.11.6 Suspension or Termination for Nonpayment

- a. Suspension/termination notices may not be issued until at least 25 days after the date of the bill. Bills must be mailed to the customer no later than 6 business days after the date of the bill.
- b. After issuing the written notification in accordance with 2.9.1, at least one attempt shall be made during non-working hours to contact the residential customer by telephone before the scheduled date of suspension/termination.
- c. Suspension/termination may occur only between the hours of 8 a.m. and 4 p.m. Monday through Thursday provided that such day or the following day is not a public holiday or a day on which the main office is closed. In addition, service may not be disconnected during the periods of December 23 through the 26 and December 30 through January 2.
- d. Telephone service may be suspended or terminated for nonpayment of the undisputed portion of a disputed bill or deposit if the customer does not pay the undisputed portion after being asked to do so. Suspended or terminated residential service shall be reconnected within 24 hours following payment or within 24 hours of the end of circumstances beyond Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel's control which delay the reconnection. The Commission may direct that service be reconnected in less than 24 hours.

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Section 2 - GENERAL RULES AND REGULATIONS (cont'd)

2.11 ADDITIONAL PROVISIONS APPLICABLE TO RESIDENTIAL CUSTOMERS (cont'd)

2.11.7 Deferred Payment Agreements

Service will not be suspended or terminated unless the customer has been advised that a deferred payment plan can be arranged. An existing residential customer with three or more months service and for whom service has not been terminated for nonpayment is eligible for Deferred Payment Arrangements (DPA). Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel must offer an eligible customer a DPA in accordance with the Commission's order in Case 90-C-1148 issued on August 7, 1992. Final notice of suspension/termination will advise the customer of deferred payment arrangements and will include, in bold print, a notice that assistance in reaching an agreement may be obtained from the Commission. The DPA notice will be mailed no less than six days before termination of total service.

A Deferred Payment Agreement will be for a period agreed to by both the customer and Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel.

If Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel believes that the customer has the resources to pay the bill, it shall notify both the customer and the Commission in writing of the reasons for its belief. The Commission shall make the final determination as to whether a DPA should be provided. A customer with medical emergencies and a customer who is elderly, blind or disabled shall be exempt from such eligibility criteria.

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Section 2 - GENERAL RULES AND REGULATIONS (cont'd)

2.11 ADDITIONAL PROVISIONS APPLICABLE TO RESIDENTIAL CUSTOMERS (cont'd)

2.11.8 Dishonored Checks

When a check received from a residential customer is dishonored, Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel shall make two attempts, one outside of normal business hours, to contact the customer within 24 hours. The customer shall be given an additional 24 hours to pay before suspension/termination. The additional notice will be given provided that the customer has not submitted a dishonored check within the past 12 months.

2.11.9 Suspension or Termination - Abandonment

Suspension/termination of residential service for abandonment or unauthorized use may occur only after Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel makes a reasonable attempt to determine occupancy or authorized use, or the customer takes reasonable steps to prevent unauthorized use. A notice must be sent to the customer five days before such suspension or termination. The notification requirement is waived when previous mailings are returned by the Post Office or Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel is advised that a new customer has moved into the location.

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Section 2 - GENERAL RULES AND REGULATIONS (cont'd)

2.11 ADDITIONAL PROVISIONS APPLICABLE TO RESIDENTIAL CUSTOMERS (cont'd)

2.11.12 Backbilling for Residential Customers

Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel shall not charge a residential customer for previously unbilled service or adjust upward a bill previously rendered when the period for the unbilled service or billing adjustment is more than six months prior to the mailing of the bill or the upward adjustment unless the conduct of the customer caused or contributed to the failure of Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel to render timely accurate billing. Unless the customer causes the late billing, Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel shall explain the reason for the late billing and shall advise the customer that suspension/termination of service is not permitted for charges billed in excess of six months after the service was provided. The customer will be given the opportunity to pay the charges under an installment plan on a schedule equal in time to the length of the backbilling period.

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Section 2 - GENERAL RULES AND REGULATIONS (cont'd)

2.12 ALLOWANCES FOR INTERRUPTIONS IN SERVICE

Interruptions in service, which are not due to the negligence of, or non-compliance with the provisions of this Tariff by the Customer, or the operation or malfunction of the facilities, power, or equipment provided by the Customer, will be credited to the Customer as set forth below for the part of the service that the interruption affects. A credit allowance will be made when an interruption occurs because of a failure of any component furnished by Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel under this Tariff.

2.12.1 Credit for Interruptions

- a. An interruption period begins when the Customer reports a service, facility, or circuit to be interrupted and releases it for testing and repair. An interruption period ends when the service, facility, or circuit is operative. If the Customer reports a service, facility, or circuit to be inoperative but declines to release it for testing and repair, it is considered to be impaired, but not interrupted.
- b. For calculating credit allowances, every month is considered to have 30 days. A credit allowance is applied on a pro rata basis against the rates specified hereunder and is dependent upon the length of the interruption. Only those facilities on the interrupted portion of the circuit will receive a credit.
- c. A credit allowance will be given, upon request of the customer to the business office, for interruptions of 30 minutes or more. Credit allowances will be calculated as follows:
  - i. if interruption continues for less than 24 hours:
    - a) 1/30th of the monthly rate if it is the first interruption in the same billing period.
    - b) 2/30ths of the monthly rate if there was a previous interruption of at least 24 hours in the same billing period.
  - ii. if interruption continues for more than 24 hours:
    - a) if caused by storm, fire, flood or other condition out of Company's control, 1/30th of the monthly rate for each 24 hours of interruption.

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Section 2 - GENERAL RULES AND REGULATIONS (cont'd)

2.12 ALLOWANCES FOR INTERRUPTIONS IN SERVICE (cont'd)

2.12.1 Credit for Interruptions (cont'd)

c. (cont'd)

ii. (cont'd)

- b) for other interruption, 1/30 of the monthly rate for the first 24 hours and 2/30ths of such rate for each additional 24 hours (or fraction thereof); however, if service is interrupted for over 24 hours, more than once in the same billing period, the 2/30ths allowance applies to the first 24 hours of the second and subsequent interruptions

Two or more interruptions of 15 minutes or more during any one 24-hour period shall be considered as one interruption.

d. Credit to Customer

Credits attributable to any billing period for interruptions of service shall not exceed the total charges for that period for the service and facilities furnished by Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel rendered useless or substantially impaired.

e. "Interruption" Defined

For the purpose of applying this provision, the word "interruption" shall mean the inability to complete calls either incoming or outgoing or both due to equipment malfunction or human errors. "Interruption" does not include and no allowance shall be given for service difficulties such as slow dial tone, circuits busy or other network and/or switching capacity shortages. Nor shall the interruption allowance apply where service is interrupted by the negligence or willful act of the subscriber or where Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel, pursuant to the terms of the Tariff, suspends or terminates service because of nonpayment of bills due to Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel, unlawful or improper use of the facilities or service, or any other reason covered by the Tariff. No allowance shall be made for interruptions due to electric power failure where, by the provisions of this Tariff, the subscriber is responsible for providing electric power. Allowance for interruptions of message rate service will not affect the subscriber's local call allowance during a given billing period.

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Section 2 - GENERAL RULES AND REGULATIONS (cont'd)

2.12 ALLOWANCES FOR INTERRUPTIONS IN SERVICE (cont'd)

2.12.2 Limitations on Credit Allowances

No credit allowance will be made for:

- a) interruptions due to the negligence of, or non-compliance with the provisions of this Tariff, by any party other than Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel, including but not limited to the customer, authorized user, or other common carriers connected to, or providing service connected to, the service of Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel or to Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel's facilities;
- b) interruptions due to the failure or malfunction of non-Company equipment, including service connected to customer provided electric power;
- c) interruptions of service during any period in which Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel is not given full and free access to its facilities and equipment for the purpose of investigating and correcting interruptions;
- d) interruptions of service during any period when the customer has released service to Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel for maintenance purposes or for implementation of a customer order for a change in service arrangements;
- e) interruptions of service due to circumstances or causes beyond the control of Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel.

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Section 2 - GENERAL RULES AND REGULATIONS (cont'd)

2.13 AUTOMATIC NUMBER IDENTIFICATION

2.13.1 Regulations

Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel will provide Automatic Number Identification (ANI) associated with an intrastate service, by tariff, to any entity (ANI recipient), only under the following terms and conditions:

- 1) The ANI recipient or its designated billing agent may use or transmit ANI information to third parties for billing and collection, routing, screening, ensuring network performance, and completion of a telephone subscriber's call or transaction, or for performing a service directly related to the telephone subscriber's original call or transaction, or for performing a service directly related to the telephone subscriber's original call or transaction.
- 2) The ANI recipient may offer to any telephone subscriber with whom the ANI recipient has an established customer relationship, a product or service that is directly related to products or service previously purchased by the telephone subscriber from the ANI recipient.
- 3) The ANI recipient or its designated billing agent is prohibited from utilizing ANI information to establish marketing lists or to conduct outgoing marketing calls, except as permitted by the preceding paragraph, unless the ANI recipient obtains the prior written consent of the telephone subscriber permitting the use of ANI information for such purposes. The foregoing provisions notwithstanding, no ANI recipient or its designated billing agent may utilize ANI information if prohibited elsewhere by law.
- 4) The ANI recipient or its designated billing agent is prohibited from reselling, or otherwise disclosing ANI information to any other third party for any use other than those listed in Provision 1, unless the ANI recipient obtains the prior written consent of the subscriber permitting such resale or disclosure.

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Section 2 - GENERAL RULES AND REGULATIONS (cont'd)

2.13 AUTOMATIC NUMBER IDENTIFICATION (cont'd)

2.13.1 Regulations (cont'd)

- 5) Violation of any of the foregoing terms and conditions by any ANI recipient other than a Telephone Corporation shall result, after a determination through the Commission's complaint process, in suspension of the transmission of ANI by the Telephone Corporation until such time as the Commission receives written confirmation from the ANI recipient that the violations have ceased or have been corrected. If the Commission determines that there have been three or more separate violations in a 24 month period, delivery of ANI to the offending party shall be terminated under terms and conditions determined by the Commission.

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Section 2 - GENERAL RULES AND REGULATIONS (cont'd)

2.13 AUTOMATIC NUMBER IDENTIFICATION (cont'd)

2.13.2 Terms and Conditions

Violation of any of the foregoing terms and conditions by a Telephone Corporation may result in Commission prosecution of penalty and enforcement proceedings pursuant to Public Service Law.

2.14 CUSTOMER COMPLAINT AND BILLING DISPUTES

1. Customers may notify the Company of billing or other disputes either orally or in writing. There is no time limit for submitting disputes.
2. Customer complaints and billing disputes that are not satisfactory resolved may be presented by the customer to:

State of Arizona  
Board of Public Utilities  
Two Gateway Center  
Newark, Arizona 07102

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Section 3 - CONNECTION CHARGES

3.1 CONNECTION CHARGE

3.1.1 General

The Connection Charge is a nonrecurring charge which applies to the following: (a) the installation of a new service; (b) the transfer of an existing service to a different location; (c) a change from one class of service to another at the same or a different location; or (d) restoral of service after suspension or termination for nonpayment. Connection Charges are listed with each service to which they apply.

3.1.2 Exceptions to the Charge

- a. No charge applies for a change to a service for which a lower monthly rate applies, made within 90 days after any general rate increase, if a lower grade of service is offered in the customer's exchange.
- b. No charge applies for one change in the class of residence service, provided that the change is ordered within 90 days of the initial connection of the customer's exchange service.
- c. The Company may from time to time waive or reduce the charge as part of a promotion. See Section 5.2.

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Section 3 - CONNECTION CHARGES (cont'd)

3.2 RESTORAL CHARGE

A restoral charge applies each time a service is reconnected after suspension or termination for nonpayment but before cancellation of the service, as deemed in Section 1 of this Tariff.

	<u>Business</u>	<u>Residence</u>
Maximum:	\$\$	\$\$

3.3 MOVES, ADDS AND CHANGES

The Company alone may make changes in the location of its lines and equipment. When it is found that a move or change of such lines or equipment has been made by others, the Connection Charge for the underlying service will apply as if the work had been done by the Company.

The customer will be assessed a charge for any move, add or change of a Company service. Move, Add and Change are defined as follows:

- Move: The disconnection of existing equipment at one location and reconnection of the same equipment at a new location in the same building or in a different building on the same premises.
- Add: The addition of a vertical service to existing equipment and/or service at one location.
- Change: Change - including rearrangement or reclassification - of existing service at the same location.

Residence Charge per:	<u>Move</u>	<u>Add</u>	<u>Change</u>
Maximum:	\$\$	\$\$	\$\$
Business Charge per:	<u>Move</u>	<u>Add</u>	<u>Change</u>
Maximum:	\$\$	\$\$	\$\$

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Section 3 - CONNECTION CHARGES (cont'd)

3.4 CHARGES ASSOCIATED WITH PREMISES VISIT

3.4.1 Terms and Conditions

The customer may request an estimate or a firm bid before ordering wire installation work to be done. When an estimate is provided, the estimate is not binding on the Company and the charge to be billed will be based on the actual time and materials charges incurred. When a firm bid is provided at customer request, the charge to be billed is the amount quoted to the customer for the work requested.

Inside Wire charges apply per service call when billable premises work is performed on noncomplex premises wire and jacks. Residence and Business charges may differ. Such charges are due and payable when billed.

Noncomplex wire, jacks and materials include:

- 2 to 6 pair inside wire
- Faceplates
- RJ11C, RJ14C, RJ11W and RJ14W type station jacks
- Staples, screws, nail, tape, connectors, etc.

3.4.2 Trouble Isolation Charge

When a visit to the customer's premises is necessary to isolate a problem reported to the Company but identified by the Company's technician as attributable to customer-provided equipment or inside wire, a separate charge applies in addition to all other charges for the visit.

Maximum

Per Premises Visit, Residence: \$\$

Per Premises Visit, Business: \$\$

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Section 3 - CONNECTION CHARGES (cont'd)

3.4 CHARGES ASSOCIATED WITH PREMISES VISIT (cont'd)

3.4.3 Inside Wire Maintenance and Installation

The customer may provide inside wiring for single-line station equipment or may elect to have the Company's technicians install or maintain inside wire.

1. Inside Wire Installation Charge

Flat Installation Charges apply when a customer requests new noncomplex wire and jack installation or requests existing noncomplex wire and jack moves, changes, removals, rearrangements, replacements or pre-wiring.

Material is included in each time increment charge.

	<u>Maximum</u>
Flat Jack Installation Charge	
Per order, per premises	
- 1st Jack	\$\$
- Each Additional, Prewired	\$\$
- Each Additional, Unwired	\$\$
Flat Wire Installation Charge	
Per wall, per wire pull, Residence	\$\$
Flat Wire Installation Charge	
Per wall, per wire pull, business	\$\$

2. Flat Inside Wire Maintenance Charge

The Flat Inside Wire Maintenance Charge applies when a customer requests noncomplex wire and jack maintenance and does not subscribe to the Inside Wire Maintenance Option. Material is included in the Flat Time and Materials Charge.

	<u>Maximum</u>
Per Premises Visit, Residence	\$\$
Per Premises Visit, Business	\$\$

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Section 3 - CONNECTION CHARGES (cont'd)

3.4 CHARGES ASSOCIATED WITH PREMISES VISIT (cont'd)

3.4.3 Inside Wire Maintenance and Installation

The customer may provide inside wiring for single-line station equipment or may elect to have the Company's technicians install or maintain inside wire.

1. Inside Wire Installation Charge

Flat Installation Charges apply when a customer requests new noncomplex wire and jack installation or requests existing noncomplex wire and jack moves, changes, removals, rearrangements, replacements or pre-wiring.

Material is included in each time increment charge.

Maximum

Flat Jack Installation Charge

Per order, per premises

- 1st Jack	\$\$
- Each Additional, Prewired	\$\$
- Each Additional, Unwired	\$\$

Flat Wire Installation Charge

Per wall, per wire pull, Residence \$\$

Flat Wire Installation Charge

Per wall, per wire pull, business \$\$

2. Flat Inside Wire Maintenance Charge

The Flat Inside Wire Maintenance Charge applies when a customer requests noncomplex wire and jack maintenance and does not subscribe to the Inside Wire Maintenance Option. Material is included in the Flat Time and Materials Charge.

Maximum

Per Premises Visit, Residence

\$\$

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Section 3 - CONNECTION CHARGES (cont'd)

3.4 CHARGES ASSOCIATED WITH PREMISES VISIT (cont'd)

3.4.3 Inside Wire Maintenance and Installation (cont'd)

3. Monthly Inside Wire Maintenance Option

The Monthly Inside Wire Maintenance Option provides subscribers paying a monthly fee with ongoing maintenance of noncomplex wire and jack. Premises Visit Charges and Time and Material Charges are waived for maintenance work provided under the terms of the Monthly Inside Wire Maintenance Option.

Maximum

Inside Wire Monthly Maintenance Option (per residence account)	\$\$
--	------

3.5 PRIMARY INTEREXCHANGE CARRIER CHANGE CHARGE

The customer will incur a charge each time there is a change in the long distance carrier associated with the customer's line after the initial installation of service.

Maximum:            \$\$

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Section 4 - INTRALATA TOLL USAGE AND MILEAGE CHARGES

4.1 GENERAL

4.1.1 Description

IntraLATA toll service is furnished for communication between telephones in different local calling areas within a particular LATA in accordance with the regulations and schedules of charges specified in this Tariff. The toll service charges specified in this section are in payment for all service furnished between the calling and called telephone, except as otherwise provided in this Tariff.

IntraLATA toll calling includes the following types of calls: direct dialed, calling card, collect, 3rd number billed, special toll billing, requests to notify of time and charges, person to person calling and other station to station calls.

4.1.2 Classes of Calls

Service is offered as two classes: station to station calling and person to person calling.

- a. Station to Station Service is that service where the person originating the call dials the telephone number desired or gives Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel operator the telephone number of the desired telephone station or system.
- b. Person to Person Service is that service where the person originating the call specifies to Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel operator a particular person to be reached, a particular mobile unit to be reached, or a particular station, department or office to be reached. The call remains a person to person call when, after the telephone, mobile telephone, or PBX system has been reached and while the connection remains established, the person originating the call requests or agrees to talk to any person other than the person specified, or to any other agreed upon alternate.

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Section 4 - INTRALATA TOLL USAGE AND MILEAGE CHARGES (cont'd)

4.2 TIMING OF CALLS

- 4.2.1 Unless otherwise indicated, all calls are timed in one minute increments and all calls which are fractions of a minute are rounded up to the next whole minute.
- 4.2.2 For station to station calls, call timing begins when a connection is established between the calling telephone and the called telephone station.
- 4.2.3 For person to person calls, call timing begins when connection is established between the calling person and the particular person, station or mobile unit specified or an agreed alternate.
- 4.2.4 Call timing ends when the calling station "hangs up," thereby releasing the network connection. If the called station "hangs up" but the calling station does not, chargeable time ends when the network connection is released either by automatic timing equipment in the telephone network or by Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel operator.
- 4.2.5 Calls originating in one time period as defined in Section 4.3 and terminating in another will be billed the rates in effect at the beginning of each minute.

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Section 4 - INTRALATA TOLL USAGE AND MILEAGE CHARGES (cont'd)

4.3 TIME PERIODS DEFINED

Unless otherwise indicated in this Tariff, the following time periods apply.

4.3.1 Peak: 7:00 a.m. to, but not including, 7:00 p.m. - Monday through Friday

4.3.2 Off-Peak: 7:00 p.m. to, but not including, 7:00 a.m. - Sunday through Friday  
All day Saturday and Sunday  
All Holidays

4.3.3 Holidays include Christmas, New Year's Day, Thanksgiving, Independence Day, and Labor Day.

4.3.4 All times refer to local time.

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Section 4 - INTRALATA TOLL USAGE AND MILEAGE CHARGES (cont'd)

4.4 REGULATIONS AND COMPUTATION OF MILEAGE

Calls for which rates are mileage sensitive are rated on the airline distance between the originating rate center and the terminating rate center.

4.4.1 Originating Rate Center

A customer's primary local exchange number includes an NXX code that is associated with a specific rate center. The originating point of all calls charged to that customer's account shall be the location of the customer's rate center.

4.4.2 Terminating Rate Center

The terminating point for all calls shall be the location of the local rate center associated with the called number.

4.4.3 Calculation of Mileage

Usage charges for all mileage sensitive products are based on the airline distance between serving wire centers associated with the originating and terminating points of the call. The serving wire centers of a call are determined by the area codes and exchanges of the origination and destination points.

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

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Section 4 - INTRALATA TOLL USAGE AND MILEAGE CHARGES (cont'd)

4.4 REGULATIONS AND COMPUTATION OF MILEAGE (cont'd)

4.4.3 Calculation of Mileage (cont'd)

Airline mileage, where mileage is the basis for rating calls, is obtained by using the "V" and "H" coordinates assigned to each rate center and contained in NECA FCC Tariff No. 4 or successor Tariffs. To determine the airline distance between any two locations, proceed as follows:

- a. Obtain the "V" and "H" coordinates for each location. The "V" coordinate is the first four digits in the "VH" column. The "H" coordinate is the next four digits.
- b. Obtain the difference between the "V" coordinates of each of the locations. Obtain the difference between the "H" coordinates.
- c. Square each difference obtained in step b., above.
- d. Add the square of the "V" difference and the "H" difference obtained in step c., above.
- e. Divide the sum of the square by 10. Round to the next higher whole number if any fraction is obtained.
- f. 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.

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

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Section 4 - INTRALATA TOLL USAGE AND MILEAGE CHARGES (cont'd)

4.5 CALL CHARGES

Rates are based on the duration of the call as measured according to Section 4.2 above, time of day rate period of the call as described in Section 4.3 and the airline mileage between points of the call as described in Section 4.4. In addition, where live or automated operator assistance is required for call completion or billing, a per call service applies.

Charges for all classes of calls may be to the calling station, to the called station when the called party agrees to accept the charges, to an authorized telephone number which is not the called station or the calling station (3rd number billing), or to an authorized calling card.

4.5.1 Usage Charges

Maximum:

Mileage	Peak		Off-Peak	
	First Minute	Each Additional Minute	First Minute	Each Additional Minute
0 - 8	\$0.10	\$0.06	\$0.10	\$0.06
9 - 13	0.20	0.10	0.20	0.10
over 13	0.25	0.15	0.25	0.15

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Section 4 - INTRALATA TOLL USAGE AND MILEAGE CHARGES (cont'd)

4.5 CALL CHARGES (cont'd)

4.5.2 Per Call Service Charges

The following service charges apply to intraLATA toll calls for which live or automated operator assistance is provided for call completion and/or billing.

	<u>Maximum</u>
Customer Dialed Calling Card	\$\$
Person to Person	\$\$
3rd Number Billed	\$\$
All other Operator Assistance	\$\$

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Section 5 - SUPPLEMENTAL SERVICES

5.1 CUSTOM CALLING SERVICE

5.1.1 General

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

5.1.2 Description of Features

a. Three Way Calling/Call Hold

The Three Way Calling feature allows a customer to add a third party to an existing two-way call and form a 3-way call. The call must have been originated from outside the station group and terminate to a station within the station group. The Call Hold feature allows a customer to put any in-progress call on hold by flashing the switchhook and dialing a code. This frees the line to allow the customer to make an outgoing call to another number. Only one call per line can be on hold at a time. The third party cannot be added to the original call.

b. Call Forwarding

Call Forwarding, when activated, redirects attempted terminating calls to another customer-specific line. The customer may have to activate and deactivate the forwarding function and specify the desired terminating telephone number during each activation procedure. Call originating ability is not affected by Call Forwarding.

The calling party is billed for the call to the called number. If the forwarded leg of the call is chargeable, the customer with the Call Forwarding is billed for the forwarded leg of the call.

Call Forwarding - Busy automatically reroutes an incoming call to a customer predesignated number when the called number is busy.

Call Forwarding - Don't Answer automatically reroutes an incoming call to a customer predesignated number when the called number does not answer within the number of rings programmed by Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel.

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SECTION 5 - SUPPLEMENTAL SERVICES (cont'd)

5.1 CUSTOM CALLING SERVICE (cont'd)

5.1.2 Description of Features (cont'd)

b. Call Forwarding (cont'd)

Call Forwarding - Variable allows the customer to choose to reroute incoming calls to another specified telephone number. The customer must activate and deactivate this feature.

c. Call Waiting/Cancel Call Waiting

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 will also permit the customer to place the first call on hold, answer the second call and then alternate between both callers. Cancel Call Waiting (CCW) allows a Call Waiting (CW) customer to disable CW for the duration of an outgoing telephone call. CCW is activated (i.e., CW is disabled) by dialing a special code prior to placing a call, and is automatically deactivated when the customer disconnects from the call.

d. Distinctive Ringing

This feature enables a user to determine the source of an incoming call from a distinctive ring. The user is provided with up to two additional telephone numbers.

e. Regular Multiline Hunting

This feature is a line hunting arrangement that provides sequential search of available numbers within a multiline group.

f. Speed Calling

This feature allows a user to dial selected numbers using one or two digits. Up to eight numbers (single digit, or thirty numbers with two digits) can be selected.

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Section 5 - SUPPLEMENTAL SERVICES (cont'd)

5.1 CUSTOM CALLING SERVICE (cont'd)

5.1.3 Rates and Charges

a. Monthly Rates

Maximum and minimum rates for this service are located in Section 6, Residential Network Switched Service, and Section 7, Business Network Switched Service.

b. Connection Charges

Connection charges may apply when a customer requests connection to one or more custom calling features. Orders requested for the same customer account made at the same time for the same premises will be considered one request. These charges may not apply if the features are ordered at the same time as other work for the same customer account at the same premises.

Maximum: \$\$

c. Trial Period

Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel may elect to offer a free or reduced rate trial of any new custom calling feature(s) to prospective customers within 90 days of the establishment of the new feature. See 5.4, Service and Promotional Trials, below.

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Section 5 - SUPPLEMENTAL SERVICES (cont'd)

5.2 CLASS SERVICES

5.2.1 General

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

5.2.2 Description of Features

a. Call ID

The Call ID feature allows a customer to see a caller's name and number previewed on a display screen before the call is answered allowing a customer to prioritize and or screen incoming calls. Call ID records the name, number, date and time of each incoming call - including calls that aren't answered by the customer. Call ID service requires the use of specialized CPE not provided by Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel. It is the responsibility of the customer to provide the necessary CPE.

b. Automatic Redial

The Automatic Redial feature allows a customer to automatically redial the last number dialed. This is accomplished by the customer activating a code. The network periodically tests the busy/free status of the called line for up to 30 minutes until both lines are found free and then redials the call for the customer.

The Automatic Redial feature also allows customers, having reached a busy number, to dial a code before hanging up. Automatic Redial feature then continues to try the busy number for up to 30 minutes until it becomes free. Once the busy line is free the call is automatically redialed and the customer is notified of the connected call via a distinctive ring.

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Section 5 - SUPPLEMENTAL SERVICES (cont'd)

5.2 CLASS SERVICES (cont'd)

5.2.2 Description of Features (cont'd)

b. Automatic Redial (cont'd)

The following types of calls cannot be Automatically Redialed:

- i) Calls to 800 Service numbers
- ii) Calls to 900 Service numbers
- iii) Calls preceded by an interexchange carrier access code
- iv) International Direct Distance Dialed calls
- v) Calls to Directory Assistance
- vi) Calls to 911

c. Automatic Recall

The Automatic Recall stores the number of the most recent incoming call (including unanswered incoming calls) to a customer's number. This allows a customer to dial back any missed or unanswered telephone calls.

d. Customer Originated Trace

Customer Originated Trace allows customers to key in a code that alerts the network to trace the last call received. The traced telephone number is automatically sent to Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel for storage for a limited amount of time and is retrievable by legally constituted authorities upon proper request by them. By contacting Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel the customer can use this application to combat nuisance calls.

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Section 5 - SUPPLEMENTAL SERVICES (cont'd)

5.2 CLASS SERVICES (cont'd)

5.2.3 Rates and Charges

a. Monthly Rates

Maximum and minimum rates for this service are located in Section 6, Residential Network Switched Service, and Section 7, Business Network Switched Service.

b. Connection Charges

Connection charges may apply when a customer requests connection to one or more features. Orders requested for the same customer account made at the same time for the same premises will be considered one request. These charges may not apply if the features are ordered at the same time as other work for the same customer account at the same premises.

Maximum: \$\$

c. Trial Period

Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel may elect to offer a free or reduced rate trial of any new CLASS feature(s) to prospective customers within 90 days of the establishment of the new feature. See 5.4, Service and Promotional Trials, below.

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Section 5 - SUPPLEMENTAL SERVICES (cont'd)

5.3 CENTREX SERVICE FEATURES

5.3.1 General

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

5.3.2 Description of Features

a. Camp On

This feature allows the switch to observe that a wanted line is busy, wait until it is free, then automatically and immediately connect the calling line that has been waiting.

b. Call Pickup

This feature allows a user to answer any call within an associated preset pickup group. If more than one line in the pickup group has an unanswered incoming call, the call to be answered is selected by the switching system. Call Pickup answers a call that has been directed to another station within the same preset Call Pickup group.

c. Call Transfer - All Calls

Call Transfer allows a station user to transfer an established call to another station. The station from which the call is transferred will be assessed any long distance charges incurred as a result of the transfer.

d. Directed Call Pickup with Barge-In

This feature answers calls directed to a specific line from any other telephone line in the user group.

e. Directed Call Pickup without Barge-In

This feature is identical to the Directed Call Pickup with Barge-In except, if the line being picked up has already been answered, the party dialing the pickup code is routed to reorder (i.e., fast busy) rather than permitted to barge in on the established connection and create a three-way call.

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Section 5 - SUPPLEMENTAL SERVICES (cont'd)

5.3 CENTREX SERVICE FEATURES (cont'd)

5.3.2 Description of Features (cont'd)

e. Circular Hunting

This feature (similar to regular hunting) is a line hunting arrangement that allows all lines in a multi-line hunt group (MLHG) to be tested for busy, regardless of the point of entry into the group. When a call is to a line in a MLHG, a regular hunt is performed starting at the station associated with the dialed number. It continues to the last station in the MLHG, then proceeds to the first station in the group and continues to hunt sequentially through the remaining lines in the group. Busy tone is returned if the original called station is reached without finding a station that is idle.

f. Series Completion

This feature is a form of hunting similar to the multiline hunt group hunting and the Call Forwarding Busy Line feature. It allows calls to be made to a busy directory number to be routed to another specified directory number. The series completion hunt begins with the originally dialed member of the series completion group, and searches for an idle directory number from the list of directory numbers.

g. Account Codes

This feature adds an account number (code) to an Automatic Message Accounting (AMA) and/or Message Detail Recording (MDR) record for assigning customer charges. The number of digits in a customer's account code group will be defined by Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel.

h. Terminal Group and Station Restriction

This feature defines a station's network access capability either individually within a Centrex group or for the group as a whole. It defines the Centrex group and what level of access a station will have; i.e., intragroup only, toll restriction, etc.

i. Uniform Call Distribution

This feature is a hunting arrangement that assigns incoming calls uniformly among the stations in the group.

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5.3 CENTREX SERVICE FEATURES (cont'd)

5.3.3 Rates and Charges

a. Monthly Rates

Maximum and minimum rates for this service are located in Section 6, Residential Network Switched Service, and Section 7, Business Network Switched Service.

b. Connection Charges

Connection charges may apply when a customer requests connection to one or more features. Orders requested for the same customer account made at the same time for the same premises will be considered one request. These charges may not apply if the features are ordered at the same time as other work for the same customer account at the same premises.

Maximum: \$\$

c. Trial Period

Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel may elect to offer a free or reduced rate trial of any new Centrex feature(s) to prospective customers within 90 days of the establishment of the new feature. See 5.4, Service and Promotional Trials, below.

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Section 5 - SUPPLEMENTAL SERVICES (cont'd)

5.4 SERVICE AND PROMOTIONAL TRIALS

5.4.1 General

Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel may establish temporary promotional programs wherein it may waive or reduce nonrecurring or recurring charges, to introduce a present or potential customer to a service not previously subscribed to by the customer.

5.4.2 Regulations

- a. Appropriate notification of the Trial will be made to all eligible customers and to the Commission. Appropriate notification may include direct mail, bill inserts, broadcast or print media, direct contact or other comparable means of notification.
- b. During a Service Trial, the service(s) is provided automatically to all eligible customers, except those customers who choose not to participate. Customers will be offered the opportunity to decline the trial service both in advance and during the trial. A customer can request that the designated service be removed at any time during the trial and not be billed a recurring charge for the period that the feature was in place. At the end of the trial, customers that do not contact Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel to indicate they wish to retain the service will be disconnected from the service at no charge.

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5.4 SERVICE AND PROMOTIONAL TRIALS (cont'd)

5.4.2 Regulations (cont'd)

- c. During a Promotional Trial, the service is provided to all eligible customers who ask to participate. Customers will be notified in advance of the opportunity to receive the service in the trial for free. A customer can request that the service be removed at any time during the trial and not be billed a recurring charge for the period that the service was in place. At the end of the trial, customers that do not contact Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel will be disconnected from the service.
- d. Customers can subscribe to any service listed as part of a Promotional Trial and not be billed the normal Connection Charge. The offering of this trial period option is limited in that a service may be tried only once per customer, per premises.
- e. Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel retains the right to limit the size and scope of a Promotional Trial.

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Section 5 - SUPPLEMENTAL SERVICES (cont'd)

5.5 BUSY VERIFICATION AND INTERRUPT SERVICE

5.5.1 General

Upon request of a calling party, Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel will verify a busy condition on a called line. An operator will determine if the line is clear or in use and report to the calling party. In addition, the operator will intercept an existing call on the called line if the calling party indicates an emergency and requests interruption.

5.5.2 Rate Application

- a. A Verification Charge will apply when:
  - 1. The operator verifies that the line is busy with a call in progress, or
  - 2. The operator verifies that the line is available for incoming calls.
- b. Both a Verification Charge and an Interrupt Charge will apply when the operator verifies that a called number is busy with a call in progress and the customer requests interruption. The operator will interrupt the call advising the called party of the name of the calling party and the called party will determine whether to accept the interrupt call. Charges will apply whether or not the called party accepts the interruption.
- c. No charge will apply when the calling party advises that the call is from an official public emergency agency.

5.5.3 Rates

	<u>Maximum</u>
Verification Charge, each request	\$\$
Interrupt Charge, each request	\$\$

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Section 5 - SUPPLEMENTAL SERVICES (cont'd)

5.7 DIRECTORY ASSISTANCE SERVICE

5.7.1 General

A customer may obtain assistance, for a charge, in determining a telephone number by dialing Directory Assistance Service. A customer can also receive assistance by writing Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel with a list of names and addresses for which telephone numbers are desired.

5.7.2 Regulations

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

- a. Calls from coin telephones, including COCOTS.
- b. Requests for telephone numbers of non-published service.
- c. Requests in which the Directory Assistance operator provides an incorrect number. The customer must inform Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel of the error in order to receive credit.
- d. Requests from individuals with certified visual or physical handicaps in which the handicap prevents the use of a local directory. Individuals must be certified in accordance with the terms outlined under "Handicapped Person" in Section 10 of this Tariff, up to a maximum of 50 requests per month.

5.7.3 Rates

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

Maximum:     \$\$

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Section 5 - SUPPLEMENTAL SERVICES (cont'd)

5.8 LOCAL OPERATOR SERVICE

Local calls may be completed or billed with the live or mechanical assistance by Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel's operator center. Calls may be billed collect to the called party, to an authorized 3rd party number, to the originating line, or to a valid authorized calling card. Local calls may be placed on a station to station basis or to a specified party (see Person to Person), or designated alternate. Usage charges for local operator assisted calls are those usage charges that would normally apply to the calling party's service. Where no local charge applies (flat rate service), the usage charge is \$0.00. In addition to usage charges, an operator assistance charge applies to each call:

	<u>Maximum</u>
Local Operator Assistance, per call:	\$\$

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5.9 STAND ALONE VOICE MAIL SERVICE

5.9.1 Description

Stand Alone Voice Mail Service is offered to a customer when a physical Service Line is not necessary. The customer must access Voice Mail through the use of other network access service provided by Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel or other Telecommunications Corporation common carriers. Such access, including applicable local usage and toll charges, is the responsibility of the Voice Mail Service customer. Voice mail that is offered in conjunction with line-based service is offered pursuant to the terms specified in the applicable section of this Tariff pertaining to the associated line-based service.

5.9.2 Recurring and Nonrecurring Charges

In addition to the nonrecurring charges listed below, service order charges apply per main billing account as described in Section 3 of this Tariff. Service is offered on a month to month basis or the customer may choose to commit to a minimum service term of twelve months. A twelve month service term is billed in advance. Service will automatically renew at the end of each twelve month term. Renewal charges will be billed in the eleventh month of the term. Twelve month service will be automatically converted to month to month service if the recurring charge is not paid by the end of the first full month of the new service term. Service may be canceled at any time prior to the first month of the new service term.

Per Individual Mail Address (up to 100 Mail Addresses):

	<u>Residence</u> <u>Maximum</u>	<u>Business</u> <u>Maximum</u>
Nonrecurring Charge	\$\$	\$\$
Recurring Charges:		
- Month to Month	\$\$	\$\$
- Twelve Months	\$\$	\$\$

Over 100 Mail Addresses: individual cases basis

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Section 5 - SUPPLEMENTAL SERVICES (cont'd)

5.10 BLOCKING SERVICE

5.10.1 General

Blocking service is a feature that permits customers to restrict access from their telephone line to various discretionary services. The following blocking options are available to residential and business customers:

- a. 900, 700 Blocking - allows the subscriber to block all calls beginning with the 900 and 700 prefixes (i.e. 900-XXX-XXXX) from being placed.
- b. 900, 971, 974, 540, 550, 396, 970, 976, 910, 920 & 700 Blocking - allows the subscriber to block all calls beginning with the above prefixes from being placed.
- c. Third Number Billed and Collect Call Restriction - provides the subscriber with a method of denying all third number billed and collect calls to a specific telephone number provided the transmitting operator checks their validation data base.
- d. Toll Restriction (1+ and 0+ Blocking) - provides the subscriber with local dialing capabilities but blocks any customer-dialed call that has a long distance charge associated with it.

Toll Restriction will not block the following types of calls: 911 (Emergency), 1 + 800 (Toll Free), and operator assisted toll calls.

- e. Toll Restriction Plus - provides subscribers with Toll Restriction, as described in 1.d. of this Section, and blocking of 411 calls.
- f. Direct Inward Dialing Blocking (Third Party and Collect Call) - provides business customers who subscribe to DID service to have Third Party and Collect Call Blocking on the number ranges provided by Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel.

5.10.2 Regulations

- a. Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel will not be liable for any charge incurred when any long distance carrier or alternative operator service provider accepts third number billed or collect calls.
- b. Blocking Service is available where equipment and facilities permit.

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Section 5 - SUPPLEMENTAL SERVICES (cont'd)

5.10 BLOCKING SERVICE, (cont'd)

5.10.3 Rates and Charges

a. Recurring and Nonrecurring Charges

The following rates and charges are in addition to all other applicable rates and charges for the facilities furnished.

	<u>Nonrecurring Charge Maximum</u>
900 and 700 Blocking	
- Residential	\$\$
- Business (up to 200 lines)	\$\$
900, 971, 974, and 700 Blocking	
- Residential	\$\$
- Business (up to 200 lines)	\$\$

The nonrecurring charge for initial request of one and two-line business customers is waived for 90 days from the customer's service establishment date.

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5.10 BLOCKING SERVICE, (cont'd)

5.10.3 Rates and Charges (cont'd)

a. Recurring and Nonrecurring Charges (cont'd)

Third Number Billed and Collect Call Restriction	Monthly Charges <u>Maximum</u>
- Residential	\$\$
- Business (up to 200 lines)	\$\$
Toll Restriction	
- Residential	\$\$
- Business (up to 200 lines)	\$\$
Toll Restriction Plus	
- Residential	\$\$
- Business (up to 200 lines)	\$\$
Direct Inward Dialing Blocking (Third Party and Collect Call)	
- Initial Activation	\$\$
- Subsequent Activation (per line)	\$\$

b. Pricing for Blocking Service for a business customer with more than 200 lines will be based on the costs incurred by Company to provide the service.

c. Connection charges apply as specified in Section 3 of this Tariff.

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Section 5 - SUPPLEMENTAL SERVICES (cont'd)

5.11 CUSTOMIZED NUMBER SERVICE

5.11.1 General

- a. Customized Number Service allows a customer to order a specified telephone number rather than the next available number.
- b. Customized Number Service is furnished subject to the availability of facilities and requested telephone numbers.
- c. Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel will not be responsible for the manner in which Customized Numbers are used for marketing purposes by the customer.
- d. When a new customer assumes an existing service which includes Customized Number Service, the new customer may keep the Customized Number, at the Tariffed rate, with the written consent of Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel and the former customer.
- e. Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel reserves and retains the right:
  1. To reject any request for specialized telephone numbers and to refuse requests for specialized telephone numbers;
  2. Of custody and administration of all telephone numbers, and to prohibit the assignment of the use of a telephone number by or from any customer to another, except as otherwise provided in this Tariff;
  3. To assign or withdraw and reassign telephone numbers in any exchange area as it deems necessary or appropriate in the conduct of its business.
  4. The limitation of liability provisions of this Tariff in Section 2.1.1 are applicable to Customized Number Service.

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5.11 CUSTOMIZED NUMBER SERVICE (cont'd)

5.11.2 Conditions

- a. Charges for Customized Number Service apply when a customer:
  - 1. Requests a telephone number other than the next available number from the assignment control list, and such requested number is placed into service within six months of the date of the request.
  - 2. Requests a number change from the customer's present number to a Customized Number.
- b. Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel shall not be liable to any customer for direct, indirect or consequential damages caused by a failure of service, change of number, or assignment of a requested number to another customer whether prior to or after the establishment of service. In no case shall Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel be liable to any person, firm or corporation for an amount greater than such person, firm or corporation has actually paid to Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel for Customized Number Service.

5.11.3 Rates

	<u>Maximum</u>
Set-up Charges	
Residential Customer	\$\$
Business Customer	\$\$

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Section 5 - SUPPLEMENTAL SERVICES (cont'd)

5.12 CUSTOMER REQUESTED SERVICE SUSPENSIONS

5.12.1 At the request of the customer Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel will suspend incoming and outgoing service on the customer's access line for a period of time not to exceed one year. The equipment is left in place and directory listings are continued during the suspension period without change. At the customer's request Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel will provide the customer with an intercept recording referring callers to another number.

5.12.2 Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel will assess a lower monthly rate for Customer Requested Service Suspension as noted below. However, any mileage charges, monthly cable charges or monthly construction charges are still due, without reduction during the period of suspension.

Period of Suspension

Charge

- First Month or Partial Month

Regular Monthly Rate (no reduction)

- Each Additional Month  
(up to the one year limit)

1/2 Regular Monthly Rate

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Section 6 - RESIDENTIAL NETWORK SWITCHED SERVICES

6.1 GENERAL

Residential Network Switched Service provides a residential customer with a connection to Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel's switching network which enables the customer to:

- a. place and receive calls from other stations on the public switched telephone network;
- b. access Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel's local calling service;
- c. access Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel's operators and business office for service related assistance; access toll-free telecommunications services such as 800 NPA; and access 911 service for emergency calling; and
- d. access the service of providers of interexchange service. A customer may presubscribe to such provider's service to originate calls on a direct dialed basis or to receive 800 service from such provider, or may access a provider on an ad hoc basis by dialing the provider's Carrier Identification Code (101XXXX).

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Section 6 - RESIDENTIAL NETWORK SWITCHED SERVICES (cont'd)

6.2 SERVICE DESCRIPTIONS AND RATES

The following Residential Network Switched Service Options are offered:

Residential Message Rate Service  
Key Residential Line Service

All Residential Network Switched Service may be connected to customer-provided terminal equipment such as station sets or facsimile machines. Service may be arranged for two-way calling, inward calling only or outward calling only. Optional Voice Mail Service is available.

The following Custom Calling Service features are offered to Residential Network Switched Service Subscribers:

Three Way Calling  
Call Forward Busy  
Call Forward Don't Answer  
Call Forward Variable  
Call Hold  
Call Waiting  
Cancel Call Waiting  
Distinctive Ringing  
Regular Multiline Hunting  
Speed Calling

The following CLASS features are offered to Residential Network Switched Service Subscribers:

Call ID  
Automatic Redial  
Automatic Call Back  
Automatic Recall  
Customer Originated Trace

Charges for Residential Network Switched Service include a nonrecurring service connection charge and a monthly recurring charge for each line. Monthly recurring charges apply to optional voice mail and service features. Message charges apply to Message Rated Service, in addition to other rate elements described above.

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Section 6 - RESIDENTIAL NETWORK SWITCHED SERVICES (cont'd)

6.2 SERVICE DESCRIPTIONS AND RATES (cont'd)

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Section 6 - RESIDENTIAL NETWORK SWITCHED SERVICES (cont'd)

6.2 SERVICE DESCRIPTIONS AND RATES (cont'd)

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Section 6 - RESIDENTIAL NETWORK SWITCHED SERVICES (cont'd)

6.2 SERVICE DESCRIPTIONS AND RATES (cont'd)

6.2.2 Message Rate Service

Message Rate Service provides the customer with a single, analog, voice-grade telephonic communications channel that can be used to place or receive one call at a time. Calls to points within the local exchange area are charged on the basis of the number of completed calls during the billing period. Local calling areas are as specified in Section 10.

a. Description

Each Message Rate Service Line corresponds to a single, analog, voice-grade channel that can be used to place or receive one call at a time. Message Rate Service lines are provided for connection to a single, customer-provided station set or facsimile machine.

Each Measured Rate Port has the following characteristics:

Terminal Interface:	2-wire
Signaling Type:	Loop Start
Pulse Type:	Dual Tone Multi-Frequency (DTMF)
Directionality:	Two-way, In-Only, or Out-Only, as specified by the customer.

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Section 6 - RESIDENTIAL NETWORK SWITCHED SERVICES (cont'd)

6.2 SERVICE DESCRIPTIONS AND RATES (cont'd)

6.2.2 Message Rate Service (cont'd)

b. Recurring and Nonrecurring Charges

In addition to the nonrecurring charges listed below, service order charges apply as described in Section 3 of this Tariff.

Charges for each Message Rate Service line include a monthly recurring Base Service Charge and usage charges for completed calls originated from the customer's line based on the total number of calls during the billing period.

	<u>Maximum</u>
Nonrecurring Connection Charge:	\$\$
Monthly Recurring Charges:	
- Each Base Service Line	\$\$
- Voice Mail Option, per line	\$\$
Custom Calling Features (per line, per month)	
- Each feature	\$\$
- Package of 3 features	\$\$
- Package of 6 features	\$\$
- Package of 9 features	\$\$

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Section 6 - RESIDENTIAL NETWORK SWITCHED SERVICES (cont'd)

6.2 SERVICE DESCRIPTIONS AND RATES (cont'd)

6.2.2 Message Rate Service (cont'd)

b. Recurring and Nonrecurring Charges (cont'd)

CLASS Features (per line, per month)	<u>Maximum</u>
- Each feature	\$\$
- Package of 3 features	\$\$
- Package of 6 features	\$\$
- Package of 9 features	\$\$

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Section 6 - RESIDENTIAL NETWORK SWITCHED SERVICES (cont'd)

6.2 SERVICE DESCRIPTIONS AND RATES (cont'd)

6.2.2 Message Rate Service (cont'd)

c. Message Usage Charges

Maximum

Per Message

\$\$

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Section 6 - RESIDENTIAL NETWORK SWITCHED SERVICES (cont'd)

6.2 SERVICE DESCRIPTIONS AND RATES (cont'd)

6.2.3 Key Residential Line Service

a. General

Key Residential Line 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. The Key Residential Line is available as a flat rate or message rated service. Key Residential Line Service is provided for connection of customer-provided key system terminal equipment. All key system lines will be equipped with touchtone and multiline hunt.

Each Key Residential Line has the following characteristics:

Terminal Interface:	2-wire
Signaling Type:	Loop start
Pulse Type:	Dual-tone multifrequency (DTMF)
Directionality:	Two-Way, In-Only or Out-Only, as specified by the customer

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Section 6 - RESIDENTIAL NETWORK SWITCHED SERVICES (cont'd)

6.2 SERVICE DESCRIPTIONS AND RATES (cont'd)

6.2.3 Key Residential Line Service (cont'd)

b. Flat Rate Key Residential Line Service

1. Description

Service to points within the local calling area is included in the charge for Flat Rate Service. Local calling areas are as specified below.

2. Recurring and Nonrecurring Charges

In addition to the nonrecurring charges listed below, service order charges apply as described in Section 3 of this Tariff.

	<u>Maximum</u>
Nonrecurring Connection Charge:	\$\$
Monthly Recurring Charges:	
- Each Service Line	\$\$
- Voice Mail Option, per line	\$\$
Custom Calling Features (per line, per month)	
- Each feature	\$\$
- Package of 3 features	\$\$
- Package of 6 features	\$\$
- Package of 9 features	\$\$

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Section 6 - RESIDENTIAL NETWORK SWITCHED SERVICES (cont'd)

6.2 SERVICE DESCRIPTIONS AND RATES (cont'd)

6.2.3 Key Residential Line Service (cont'd)

b. Flat Rate Key Residential Line Service (cont'd)

2. Recurring and Nonrecurring Charges (cont'd)

CLASS Features (per line, per month)	<u>Maximum</u>
- Each feature	\$\$
- Package of 3 features	\$\$
- Package of 6 features	\$\$
- Package of 9 features	\$\$

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Section 6 - RESIDENTIAL NETWORK SWITCHED SERVICES (cont'd)

6.2 SERVICE DESCRIPTIONS AND RATES (cont'd)

6.2.3 Key Residential Line Service (cont'd)

c. Message Rate Key Residential Line Service

1. Description

Calls to points within the local exchange area are charged on the basis of the number of completed calls originating from the customer's service in addition to a base monthly charge. Local calling areas are as specified in Section 10.

2. Recurring and Nonrecurring Charges

In addition to the nonrecurring charges listed below, service order charges apply as described in Section 3 of this Tariff. Charges for each Message Rate Service line include a monthly recurring Base Service Charge and usage charges for completed calls originated from the customer's line based on the total number of calls during the billing period.

	<u>Maximum</u>
Nonrecurring Connection Charge:	\$\$
Monthly Recurring Charges:	
- Each Base Service Line	\$\$
- Voice Mail Option, per line	\$\$
Custom Calling Features: (per line, per month)	
- Each feature	\$\$
- Package of 3 features	\$\$
- Package of 6 features	\$\$
- Package of 9 features	\$\$

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Section 6 - RESIDENTIAL NETWORK SWITCHED SERVICES (cont'd)

6.2 SERVICE DESCRIPTIONS AND RATES (cont'd)

6.2.3 Key Residential Line Service (cont'd)

c. Message Rate Key Residential Line Service (cont'd)

2. Recurring and Nonrecurring Charges (cont'd)

CLASS Features (per line, per month)	<u>Maximum</u>
- Each feature	\$\$
- Package of 3 features	\$\$
- Package of 6 features	\$\$
- Package of 9 features	\$\$

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Section 6 - RESIDENTIAL NETWORK SWITCHED SERVICES (cont'd)

6.2 SERVICE DESCRIPTIONS AND RATES (cont'd)

6.2.3 Key Residential Line Service (cont'd)

c. Message Rate Key Residential Line Service (cont'd)

3. Message Usage Charges

	<u>Maximum</u>
Per Message	\$\$

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Section 7 - BUSINESS NETWORK SWITCHED SERVICES

7.1 GENERAL

Business Network Switched Service provide a business customer with a connection to Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel's switching network which enables the customer to:

- a) receive calls from other stations on the public switched telephone network;
- b) access Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel's local calling service;
- c) access Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel's operators and business office for service related assistance; access toll-free telecommunications service such as 800 NPA; and access 911 service for emergency calling; and
- d) access the service of providers of interexchange service. A customer may presubscribe to such provider's service to originate calls on a direct dialed basis or to receive 800 service from such provider, or may access a provider on an ad hoc basis by dialing the provider's Carrier Identification Code (101XXXX).

Business Network Switched Service is provided via one or more channels terminated at the customer's premises. Each Business Network Switched Service channel corresponds to one or more analog, voice-grade telephonic communications channels that can be used to place or receive one call at a time.

Connection charges as described in Section 2 apply to all service on a one-time basis unless waived pursuant to this Tariff.

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Section 7 - BUSINESS NETWORK SWITCHED SERVICES

7.2 SERVICE DESCRIPTIONS AND RATES

The following Business Access Service Options are offered:

- Basic Business Line Service
- Business Key System Line Service
- Shared Tenant Service
- PBX Trunks
- Centrex Service

Basic Business Line Service, Key System Line Service, Shared Tenant Service and Analog PBX trunks are offered with flat rate or message rate local service, at the option of the customer. Digital PBX Trunks are offered on a flat rate basis only.

All Business Network Switched Service may be connected to customer-provided terminal equipment such as station sets, key systems, PBX systems, or facsimile machines. Service may be arranged for two-way calling, inward calling only or outward calling only. Optional Voice Mail Service is available.

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Section 7 - BUSINESS NETWORK SWITCHED SERVICES

7.2 SERVICE DESCRIPTIONS AND RATES (cont'd)

7.2.1 Basic Business Line Service

a. General

Basic Business Line Service provides a customer with a one or more analog, voice-grade telephonic communications channel that can be used to place or receive one call at a time. Local calling service is available at a flat rate included in the line price, or on a message usage basis. Basic Business Lines are provided for connection of customer-provided single-line terminal equipment such as station sets or facsimile machines.

Each Basic Business Line has the following characteristics:

Terminal Interface:	2-wire
Signaling Type:	Loop start
Pulse Types:	Dual Tone Multifrequency (DTMF)
Directionality:	Two-Way, In-Only, or Out-Only, at the option of the customer

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Section 7 - BUSINESS NETWORK SWITCHED SERVICES (cont'd)

7.2 SERVICE DESCRIPTIONS AND RATES (cont'd)

7.2.1 Basic Business Line Service (cont'd)

b. Flat Rate Basic Business Line Service

1. Description

Service to points within the local calling area is included in the charge for Flat Rate Service. Local calling areas are as specified in Section 10.

2. Recurring and Nonrecurring Charges

In addition to the nonrecurring charges listed below, service order charges apply as described in Section 3 of this Tariff.

	<u>Maximum</u>
Nonrecurring Connection Charge:	\$\$
Monthly Recurring Charges:	
- Each Service Line	\$\$
- Voice Mail Option, per line	\$\$
Custom Calling Features (per line, per month)	
- Each feature	\$\$
- Package of 3 features	\$\$
- Package of 6 features	\$\$
- Package of 9 features	\$\$

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Section 7 - BUSINESS NETWORK SWITCHED SERVICES

7.2 SERVICE DESCRIPTIONS AND RATES (cont'd)

7.2.1 Basic Business Line Service (cont'd)

b. Flat Rate Basic Business Line Service

2. Recurring and Nonrecurring Charges (cont'd)

CLASS Features (per line, per month)	<u>Maximum</u>
- Each feature	\$\$
- Package of 3 features	\$\$
- Package of 6 features	\$\$
- Package of 9 features	\$\$

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Section 7 - BUSINESS NETWORK SWITCHED SERVICES

7.2 SERVICE DESCRIPTIONS AND RATES (cont'd)

7.2.1 Basic Business Line Service (cont'd)

c. Message Rate Basic Business Line Service

1. Description

Calls to points within the local exchange area are charged on the basis of the number of completed calls originating from the customer's service in addition to a base monthly charge. Local calling areas are as specified in Section 10.

2. Recurring and Nonrecurring Charges

Charges for each Message Rate Service line include a monthly recurring Base Service Charge and usage charges for completed calls originated from the customer's line based on the total number of calls during the billing period. In addition to the nonrecurring charges listed below, service order charges apply as described in Section 3 of this Tariff.

	<u>Maximum</u>
Nonrecurring Connection Charge:	\$\$
Monthly Recurring Charges:	
- Each Base Service Line	\$\$
- Voice Mail Option, per line	\$\$
Custom Calling Features: (per line, per month)	
- Each feature	\$\$
- Package of 3 features	\$\$
- Package of 6 features	\$\$
- Package of 9 features	\$\$

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Section 7 - BUSINESS NETWORK SWITCHED SERVICES

7.2 SERVICE DESCRIPTIONS AND RATES (cont'd)

7.2.1 Basic Business Line Service (cont'd)

c. Message Rate Basic Business Line Service (cont'd)

2. Recurring and Nonrecurring Charges (cont'd)

CLASS Features (per line, per month)	<u>Maximum</u>
- Each feature	\$\$
- Package of 3 features	\$\$
- Package of 6 features	\$\$
- Package of 9 features	\$\$

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New York, New York 10005

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Section 7 - BUSINESS NETWORK SWITCHED SERVICES

7.2 SERVICE DESCRIPTIONS AND RATES (cont'd)

7.2.1 Basic Business Line Service (cont'd)

c. Message Rate Basic Business Line Service (cont'd)

3. Message Usage Charges

	<u>Maximum</u>
Per Message	\$\$

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Section 7 - BUSINESS NETWORK SWITCHED SERVICES

7.2 SERVICE DESCRIPTIONS AND RATES (cont'd)

7.2.2 Business Key System Line Service

a. Description

Business Key System Line 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. The Business Key System Line is available as a message rated service. Business Key System Line Service is provided for connection of customer-provided key system terminal equipment. All key system lines will be equipped with touchtone and multiline hunt.

Calls to points within the local exchange area are charged on the basis of the number of completed calls originating from the customer's service in addition to a base monthly charge. Local calling areas are as specified in Section 10.

Each Business Key System Line has the following characteristics:

Terminal Interface:	2-wire
Signaling Type:	Loop start
Pulse Types:	Dual Tone Multifrequency (DTMF)
Directionality:	Two-Way, In-Only, or Out-Only, at the option of the customer

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Section 7 - BUSINESS NETWORK SWITCHED SERVICES

7.2 SERVICE DESCRIPTIONS AND RATES (cont'd)

7.2.2 Business Key System Line Service (cont'd)

b. Recurring and Nonrecurring Charges

In addition to the nonrecurring charges listed below, service order charges apply as described in Section 3 of this Tariff.

Charges for each Message Rate Service line include a monthly recurring Base Service Charge and usage charges for completed calls originated from the customer's line based on the total number of calls during the billing period.

	<u>Maximum</u>
Nonrecurring Connection Charge:	\$\$
Monthly Recurring Charges:	
- Flat Rate Business Key	\$\$
- Message Rate Business Key	\$\$
- Voice Mail Option, per line	\$\$
Custom Calling Features (per line, per month)	
- Each feature	\$\$
- Package of 3 features	\$\$
- Package of 6 features	\$\$
- Package of 9 features	\$\$

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Section 7 - BUSINESS NETWORK SWITCHED SERVICES

7.2 SERVICE DESCRIPTIONS AND RATES (cont'd)

7.2.2 Business Key System Line Service (cont'd)

b. Recurring and Nonrecurring Charges (cont'd)

CLASS Features (per line, per month)	<u>Maximum</u>
- Each feature	\$\$
- Package of 3 features	\$\$
- Package of 6 features	\$\$
- Package of 9 features	\$\$

c. Message Usage Charges

	<u>Maximum</u>
Per Message	\$\$

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Section 7 - BUSINESS NETWORK SWITCHED SERVICES

7.2 SERVICE DESCRIPTIONS AND RATES (cont'd)

7.2.3 Shared Tenant Service

a. General

Shared Tenant Service is a multi-station system furnished in apartment and townhouse complexes for the use of the residents. The "customer" for shared tenant service is the owner of an apartment complex or reseller for shared tenant service.

This service enables the customer or locations served by the customer to originate and receive calls within its system at no additional charge. The customer is responsible for payment of all charges, including local and toll charges and all nonrecurring monthly charges.

Each Shared Tenant Service Line has the following characteristics:

Terminal Interface:	2-wire
Signaling Type:	Loop start
Pulse Types:	Dual Tone Multifrequency (DTMF)
Directionality:	Two-Way, In-Only, or Out-Only, at the option of the customer

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Section 7 - BUSINESS NETWORK SWITCHED SERVICES

7.2 SERVICE DESCRIPTIONS AND RATES (cont'd)

7.2.3 Shared Tenant Service (cont'd)

b. Flat Rate Shared Tenant Service

1. Description

Service to points within the local calling area is included in the charge for Flat Rate Shared Tenant Service. Local calling areas are as specified in Section 10.

2. Recurring and Nonrecurring Charges

In addition to the nonrecurring charges listed below, service order charges apply as described in Section 3 of this Tariff.

Per Service Line:

	<u>Maximum</u>
Nonrecurring Connection Charge:	\$\$
Monthly Recurring Charges:	
- Each Service Line	\$\$
- Voice Mail Option, per line	\$\$
Custom Calling Features (per line, per month)	
- Each feature	\$\$
- Package of 3 features	\$\$
- Package of 6 features	\$\$
- Package of 9 features	\$\$

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Section 7 - BUSINESS NETWORK SWITCHED SERVICES

7.2 SERVICE DESCRIPTIONS AND RATES (cont'd)

7.2.3 Shared Tenant Service (cont'd)

b. Flat Rate Shared Tenant Service (cont'd)

2. Recurring and Nonrecurring Charges (cont'd)

CLASS Features (per line, per month)	<u>Maximum</u>
- Each feature	\$\$
- Package of 3 features	\$\$
- Package of 6 features	\$\$
- Package of 9 features	\$\$

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Section 7 - BUSINESS NETWORK SWITCHED SERVICES

7.2 SERVICE DESCRIPTIONS AND RATES (cont'd)

7.2.3 Shared Tenant Service (cont'd)

c. Message Rate Shared Tenant Service

1. Description

Calls to points within the local exchange area are charged on the basis of the number of completed calls originating from the customer's service in addition to a base monthly charge and usage charges for completed calls originated from the customer's line based on the total number of calls during the billing period. Local calling areas are as specified in Section 10.

2. Recurring and Nonrecurring Charges

In addition to the nonrecurring charges listed below, service order charges apply as described in Section 3 of this Tariff.

	<u>Maximum</u>
Nonrecurring Connection Charge:	\$\$
Monthly Recurring Charges:	
- Each Base Service Line	\$\$
- Voice Mail Option, per line	\$\$
Custom Calling Features: (per line, per month)	
- Each feature	\$\$
- Package of 3 features	\$\$
- Package of 6 features	\$\$
- Package of 9 features	\$\$

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Section 7 - BUSINESS NETWORK SWITCHED SERVICES

7.2 SERVICE DESCRIPTIONS AND RATES (cont'd)

7.2.3 Shared Tenant Service (cont'd)

c. Message Rate Shared Tenant Service (cont'd)

2. Recurring and Nonrecurring Charges (cont'd)

CLASS Features (per line, per month)	<u>Maximum</u>
- Each feature	\$\$
- Package of 3 features	\$\$
- Package of 6 features	\$\$
- Package of 9 features	\$\$

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Section 7 - BUSINESS NETWORK SWITCHED SERVICES

7.2 SERVICE DESCRIPTIONS AND RATES (cont'd)

7.2.3 Shared Tenant Service (cont'd)

c. Message Rate Shared Tenant Service (cont'd)

3. Message Usage Charges

	<u>Maximum</u>
Per Message	\$\$

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Section 7 - BUSINESS NETWORK SWITCHED SERVICES

7.2 SERVICE DESCRIPTIONS AND RATES (cont'd)

7.2.4 PBX Trunk Service

a. General

Analog and/or digital PBX trunks are provided for connection of customer-provided PBX terminal equipment. Analog trunks are delivered on a DS0 level and digital trunks are delivered at the DS1 level. All trunks are equipped with multiline hunting.

DID service allows callers to reach the called party without going through a PBX attendant. DOD service allows end users to dial outside of a PBX system without going through the PBX attendant to get access to an outside line. Digital trunks cannot be two-way trunks, but must be ordered as with either Direct Inward Dialing (DID) or Direct Outward Dialing (DOD).

For DID configured PBX trunks additional charges apply for Direct Inward Dial Station numbers.

Each Analog Trunk has the following characteristics:

Terminal Interface:	2-wire or 4-wire, as required for the provision of service
Signaling Type:	Loop, Ground, E&M I, II, III
Pulse Type:	Dual Tone Multi-Frequency (DTMF)
Directionality:	In-Coming Only (DID), Out-Going Only (DOD), or Two-Way

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Section 7 - BUSINESS NETWORK SWITCHED SERVICES

7.2 SERVICE DESCRIPTIONS AND RATES (cont'd)

7.2.4 PBX Trunk Service (cont'd)

b. Flat Rate Analog PBX Trunks

1. General

Service to points within the local calling area is included in the charge for Flat Rate Analog PBX Trunk Service. Local calling areas are as specified in Section 10.

2. Recurring and Nonrecurring Charges

In addition to the nonrecurring charges listed below, service order charges apply as described in Section 3 of this Tariff.

	<u>Maximum</u>
Monthly Recurring Charges:	\$\$
Terminal Numbers:	
1-10 lines in terminal group	\$\$
11-20 lines in terminal group	\$\$
21 + lines in terminal group	\$\$

c. Message Rate Analog PBX Trunks

1. Description

Message Rate Analog PBX Trunks provide the customer with a single, analog, voice grade telephonic communications channel which can be used to place or receive one call at a time. Local calls on two-way trunks and DOD trunks are billed on a message rate basis. DID trunks are arranged for one-way inward calling only.

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Section 7 - BUSINESS NETWORK SWITCHED SERVICES

7.2 SERVICE DESCRIPTIONS AND RATES (cont'd)

7.2.4 PBX Trunk Service (cont'd)

c. Message Rate Analog PBX Trunks (cont'd)

2. Recurring and Nonrecurring Charges

In addition to the nonrecurring charges listed below, service order charges apply as described in Section 3 of this Tariff. Charges for each Message Rate PBX Trunk include a monthly recurring Base Service Charge and usage charges for completed calls originated from the customer's lines based on the total number of calls during the billing period. Local calling areas are as specified in Section 10.

	<u>Maximum</u>
Nonrecurring Connection Charge:	\$\$
Monthly Recurring Charges:	
- Each Trunk	\$\$
Terminal Numbers:	
1-10 lines in terminal group	\$\$
11-20 lines in terminal group	\$\$
21 + lines in terminal group	\$\$

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Section 7 - BUSINESS NETWORK SWITCHED SERVICES

7.2 SERVICE DESCRIPTIONS AND RATES (cont'd)

7.2.4 PBX Trunk Service (cont'd)

c. Message Rate Analog PBX Trunks (cont'd)

3. Message Usage Charges

	<u>Maximum</u>
Per Message Charge	\$\$

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Section 7 - BUSINESS NETWORK SWITCHED SERVICES

7.2 SERVICE DESCRIPTIONS AND RATES (cont'd)

7.2.4 PBX Trunk Service (cont'd)

d. Digital PBX Trunk Service

1. Description

Digital PBX Trunk Service provide a customer with connection to Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel switch via a DS1 digital fiber optic transmission facility operating at 1.544 Mbps and time division multiplexed into 24 analog voice grade telephonic communications channels. Digital PBX Trunks are provided for connection of customer-provided PBX equipment or trunk capable key systems to Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel switch. Each Digital PBX Trunk has the following characteristics:

Terminal Interface:	Channel Bank or DSX-1 panel
Signaling Type:	Loop, Ground, E&M I, II, III
Start Dial Indicator:	Immediate Wink, Delay Dial, Dial Tone
Pulse Type:	Dual Tone Multi-Frequency (DTMF)
Directionality:	In-Coming or Out-Going Only, as specified by the customer

Service to points within the local calling area is included in the charge for Digital PBX Trunk Service. Local calling areas are as specified in Section 10.

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Section 7 - BUSINESS NETWORK SWITCHED SERVICES

7.2 SERVICE DESCRIPTIONS AND RATES (cont'd)

7.2.4 PBX Trunk Service (cont'd)

d. Digital PBX Trunk Service (cont'd)

2. Recurring and Nonrecurring Charges

In addition to the nonrecurring charges listed below, service order charges apply as described in Section 3 of this Tariff. Charges for each Message Rate Digital PBX Trunk include a monthly recurring Base Service Charge and usage charges for completed calls originated from the customer's lines based on the total number of calls during the billing period.

Where appropriate facilities do not exist, Special Construction charges will also apply.

Maximum

Nonrecurring Connection Charge:      \$\$

Monthly Recurring Charges:

Flat Rate:

- Facility      \$\$

- Per Active Channel (DID)      \$\$

- Per Active Channel (DOD)      \$\$

Message Rate:

- Facility      \$\$

- Per Active Channel (DID)      \$\$

- Per Active Channel (DOD)      \$\$

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Section 7 - BUSINESS NETWORK SWITCHED SERVICES

7.2 SERVICE DESCRIPTIONS AND RATES (cont'd)

7.2.4 PBX Trunk Service (cont'd)

d. Digital PBX Trunk Service (cont'd)

3. Message Usage Charges

Maximum

Per Message Charge

\$\$

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Section 7 - BUSINESS NETWORK SWITCHED SERVICES

7.2 SERVICE DESCRIPTIONS AND RATES (cont'd)

7.2.5 Centrex Service

a. Description

Centrex Service is a multi-station system offered to the business customer with 2 or more lines or trunks. It consists of digital switching equipment in Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel's switches connected to station lines on the customer's premises. Centrex Service enables the customer to originate and receive local calls within its system at no additional charge. Service to points within the local calling area is included in the charge for Centrex Service. Local calling areas are as specified in Section 10.

Centrex Service is offered on a contracted basis with four terms: 24, 36, 60 and 84 months. Thirty days prior to the expiration of the contract term, the subscriber may cancel service or renew for a new term commitment. If the subscriber does not cancel or renew the service, service will continue on a month to month basis at the monthly rate associated with the twenty-four month term plan.

Each Centrex Station Line has the following characteristics:

Terminal Interface:	2-Wire or 4-Wire as required for the provision of service
Signaling Type:	Loop Start
Pulse Type:	Dual Tone Multi-Frequency (DTMF)
Directionality:	Two-Way, In-Only or Out-Only

b. Features

The Centrex customer choose one of three feature packages: Basic, Enhanced and Premium. Basic Centrex includes all Centrex features except attendant features and Customer Management System. Enhanced Centrex includes attendant features. Premium Centrex offers all features, attendant features and Customer Management system.

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Section 7 - BUSINESS NETWORK SWITCHED SERVICES

7.2 SERVICE DESCRIPTIONS AND RATES (cont'd)

7.2.5 Centrex Service (cont'd)

b. Features (cont'd)

The following Centrex features are available to the customer of Centrex Service at no additional charge:

	Basic	Enhanced	Premium
Add-On Hold	X	X	X
Attendant Camp On		X	X
Attendant Conference		X	X
Attendant Direct Station Selection		X	X
Automatic Call Distribution			X
Automatic Route Selection (ARS)	X	X	X
Call Forward - Busy	X	X	X
Call Forward - No Answer	X	X	X
Call Pickup	X	X	X
Call Transfer Internal	X	X	X
Call Transfer Outside	X	X	X
Call Waiting	X	X	X
Call Waiting - Attendant Lamp		X	X
Code Calling	X	X	X
6-Way Conference			X
Directed Call Pickup	X	X	X
Group Numbering	X	X	X

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Section 7 - BUSINESS NETWORK SWITCHED SERVICES

7.2 SERVICE DESCRIPTIONS AND RATES (cont'd)

7.2.5 Centrex Service (cont'd)

b. Features (cont'd)

	Basic	Enhanced	Premium
Intercom Dialing	X	X	X
Loudspeaker Paging	X	X	X
Manual Control of ARS		X	X
Make Busy	X	X	X
Multiline Hunt	X	X	X
Night Service	X	X	X
Outward Call for PBX	X	X	X
Power Fail Transfer	X	X	X
Queuing	X	X	X
Single Digit Dialing	X	X	X
Tandem Dialing	X	X	X
Toll Diversion - Attendant		X	X
Uniform Call Distribution	X	X	X
Customer Management System			X
Speed Calling	X	X	X
Three Way Calling	X	X	X

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Section 7 - BUSINESS NETWORK SWITCHED SERVICES

7.2 SERVICE DESCRIPTIONS AND RATES (cont'd)

7.2.5 Centrex Service (cont'd)

c. Recurring and Nonrecurring Charges

In addition to the nonrecurring charges listed below, service order charges apply as described in Section 3 of this Tariff.

1. Basic Centrex (Flat Rated)

Per Station Line:

Maximum

Nonrecurring Connection Charge: \$\$

Monthly Recurring Charges:

Term

24 months \$\$

36 months \$\$

60 months \$\$

84 months \$\$

DS1 Port Charges  
for DS1 Interconnection  
(per 24 Centrex Changes): \$\$

Voice Mail, per line per month: \$\$

Over 200 lines Individual Case Basis

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Section 7 - BUSINESS NETWORK SWITCHED SERVICES

7.2 SERVICE DESCRIPTIONS AND RATES (cont'd)

7.2.5 Centrex Service (cont'd)

c. Recurring and Nonrecurring Charges (cont'd)

2. Enhanced Centrex (Flat Rate)

Per Station Line:

Maximum

Nonrecurring Connection Charge: \$\$

Monthly Recurring Charges:

Term

24 months \$\$

36 months \$\$

60 months \$\$

84 months \$\$

DS1 Port Charges  
for DS1 Interconnection  
(per 24 Centrex Channels): \$\$

Voice Mail, per line per month: \$\$

Over 200 lines Individual Case Basis

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Section 7 - BUSINESS NETWORK SWITCHED SERVICES

7.2 SERVICE DESCRIPTIONS AND RATES (cont'd)

7.2.5 Centrex Service (cont'd)

c. Recurring and Nonrecurring Charges (cont'd)

3. Premium Centrex (Flat Rate)

Per Station Line:

Maximum

Nonrecurring Connection Charge: \$\$

Monthly Recurring Charges:

Term

24 months \$\$

36 months \$\$

60 months \$\$

84 months \$\$

DS1 Port Charges  
for DS1 Interconnection  
(per 24 Centrex Channels): \$\$

Voice Mail, per line per month: \$\$

Over 200 lines Individual Case Basis

4. Direct Inward Dialing

Maximum

Each Group of 20 Numbers \$\$

Each Group of 100 Numbers \$\$

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Section 7 - BUSINESS NETWORK SWITCHED SERVICES

7.2 SERVICE DESCRIPTIONS AND RATES (cont'd)

7.2.5 Centrex Service (cont'd)

c. Recurring and Nonrecurring Charges (cont'd)

Maximum

Terminal Numbers:

1-10 lines in terminal group	\$\$
11-20 lines in terminal group	\$\$
21 + lines in terminal group	\$\$

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Section 8 - SPECIAL SERVICES AND PROGRAMS

8.1 LIFELINE TELEPHONE SERVICE

8.1.1 Lifeline Telephone Service Options

a. Flat Rate Life Line Service

This service provides a full waiver of the \$3.50 federal subscriber line charge for flat rate customers.

b. Basic Lifeline Service

This low priced individual message rate service provides a full waiver of the \$3.50 federal subscriber line charge. There is no monthly allowance for local calls. Primary area and Home Region calls are untimed. Extended area calls (where available) are timed.

8.1.2 Eligibility

This service is restricted to low income residential customers. To qualify for Lifeline service a customer must be income eligible for benefits from any one of the following Entitlement Programs administered by the Arizona State Department of Social Services:

Aid to Families with Dependent Children (AFDC)  
Food Stamps  
Home Energy Assistance Program (HEAP)  
Home Relief  
Medicaid  
Supplemental Security Income (SSI)

The applicant must provide proof to Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel that he or she is certified as income eligible to receive one or more of the above benefits. After initial contact the customer is sent an application form to be completed by the customer or authorized representative of the customer, as designated by the Arizona State Department of Social Services and identified as so authorized on the customer's card for any of the above benefits.

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Section 8 - SPECIAL SERVICES AND PROGRAMS

8.1 LIFELINE TELEPHONE SERVICE (cont'd)

8.1.2 Eligibility (cont'd)

In addition, applicants are eligible for discounted Life Line rates when approved to receive either a Veterans Disability Pension or a Veterans Surviving Spouse Pension. Applicants must provide proof to Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel that they are receiving one of these pensions.

Life Line services are effective upon receipt of a completed and signed form or an application form certified from an entity authorized by Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel. If the form is not returned, no further action is taken by Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel to establish eligibility. The LifeLine discount is credited as of the service connection date.

An individual's eligibility may be documented by information obtained by Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel as a result of enrollment programs, including but not limited to confidential computerized matching programs, conducted by Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel in conjunction with the Arizona State Department of Social Services (DSS).

Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel, in coordination with appropriate agencies, will periodically verify each Lifeline customer's eligibility. If a customer is identified as being ineligible, the customer will be notified that unless the information is shown to be in error, the Lifeline discount will be discontinued. The customer will be billed for discounts received for any period in which he or she is proven to be ineligible for the service.

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Section 8 - SPECIAL SERVICES AND PROGRAMS

8.1 LIFELINE TELEPHONE SERVICE (cont'd)

8.1.3 Charges

A qualified customer may choose one of the Lifeline services as described. For connection of new service, service connection charges apply unless the customer qualifies for connection assistance under the Link Up America plan as outlined in 8.2, following.

Service connection charges do not apply to change existing service from:

- a. Message Rate Service to Basic Lifeline service;
- b. Basic Lifeline service to Message Rate Service.

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Section 8 - SPECIAL SERVICES AND PROGRAMS

8.2 LINK UP AMERICA

The Link Up America program is a connection assistance plan which provides for the reduction of one-half of the charges associated with connection of telephone service, up to \$30.00, subject to the following eligibility criteria:

- a. The applicant must meet the requirements for qualification for Lifeline Telephone Service stipulated in 8.1.2, above;
- b. The assistance can only apply for a single telephone line at the principal place of residence of the applicant;
- c. The applicant must not be a dependent for federal income tax purposes, unless he or she is more than 60 years old.

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Section 8 - SPECIAL SERVICES AND PROGRAMS

- 8.3 SPECIAL EQUIPMENT FOR THE HEARING OR SPEECH IMPAIRED CUSTOMER
- 8.3.1 Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel will provide, upon request, specialized telecommunications equipment for a customer certified as hearing or speech impaired.
- 8.3.2 A customer can be certified as hearing or speech impaired by a licensed physician, otolaryngologist, speech-language pathologist, audiologist or an authorized representative of a social agency that conducts programs for persons with hearing or speech impairments in cooperation with an official agency of the State of Arizona.
- 8.3.3 Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel will make every reasonable effort to locate and obtain equipment for a certified customer.
- 8.3.4 The customer may purchase equipment at a price not to exceed the actual purchase price (including any applicable shipping costs) Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel pays.
- 8.3.5 Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel will also advise the customer who requests this equipment of the applicable terms for purchase.

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Section 8 - SPECIAL SERVICES AND PROGRAMS

8.4 DISCOUNTED SERVICE FOR THE HEARING OR SPEECH IMPAIRED CUSTOMER

8.4.1 General

A handicapped person who has been certified to Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel as having a hearing or speech impairment which requires that he or she communicate over telephone facilities by means other than voice, and who either use non-voice equipment or make calls through an interpreter, will receive, upon application to Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel, a 50% discount on local message rate service.

8.4.2 Certification

Acceptable certifications are:

- a. Those made by a licensed physician, otolaryngologist, speech-language pathologist or audiologist or an authorized representative of a social agency that conducts programs for persons with hearing or speech impairment in cooperation with an official agency of the State of Arizona, or
- b. A pre-existing certification establishing the impairment of hearing or speech such as those which qualify the handicapped person for social security benefits on the basis of total hearing impairment or for the use of facilities of an agency for a person with hearing or speech impairment.

8.4.3 Qualification

A customer qualifying for the discount is one whose impairment is such that competent authority would certify him or her as being unable to use a telephone for voice communication. See Section 11, "Handicapped Person," for a listing of the necessary qualifications.

8.4.4 Billing

The reduction in charges is applied only at one location, designated by the impaired person.

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8.5 UNIVERSAL EMERGENCY TELEPHONE NUMBER SERVICE

Universal Emergency Telephone Number Service (911 Service) is an arrangement of Company central office and trunking facilities whereby any telephone user who dials the number 911 will reach the emergency report center for the telephone from which the number is dialed or will be routed to an operator if all lines to an emergency report center are busy. If no emergency report center customer exists for a central office entity, a telephone user who dials the number 911 will be routed to an operator. The telephone user who dials the 911 number will not be charged for the call.

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Section 8 - SPECIAL SERVICES AND PROGRAMS

8.6 TELEPHONE RELAY SERVICE

8.6.1 General

Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel will provide access to a telephone relay center for Telephone Relay Service. The service permits telephone communications between hearing and/or speech impaired individuals who must use a Telecommunications Device for the Deaf (TDD) or a Teletypewriter (TTY) and individuals with normal hearing and speech. The Relay Service can be reached by dialing an 800 number. Specific 800 numbers have been designated for both impaired and non-impaired customers to use.

8.6.2 Regulations

- a. Only intrastate calls can be completed using the Telephone Relay Service under the terms and conditions of this Tariff.
- b. Charges for calls placed through the Relay Service will be billed as if direct distance dialed (DDD) from the point of origination to the point of termination. The actual routing of the call does not affect billing.
- c. Calls through the Relay Service may be billed to a third number only if that number is within Arizona. Calls may also be billed to calling cards issued by Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel or other carriers who may choose to participate in this service.

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8.6 TELEPHONE RELAY SERVICE (cont'd)

8.6.2 Regulations (cont'd)

- d. The following calls may not be placed through the Relay Service:
1. calls to informational recordings and group bridging service;
  2. calls to time or weather recorded messages;
  3. station sent paid calls from coin telephones; and
  4. operator-handled conference service and other teleconference calls.

8.6.3 Liability

Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel contracts with an outside provider for the provision of this service. The outside provider has complete control over the provision of the service except for the facilities provided directly by Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel. In addition to other provisions of this Tariff dealing with liability, in the absence of gross negligence or willful misconduct on the part of Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel, Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel shall not be liable for and the customer, by using the service, agrees to release, defend and hold harmless for all damages, whether direct, incidental or consequential, whether suffered, made, instituted or asserted by the customer or by any other person, for any loss or destruction of any property, whatsoever whether covered by the customer or others, or for any personal injury to or death of, any person. Notwithstanding any provision to the contrary, in no event shall Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel be liable for any special, incidental, consequential, exemplary or punitive damages of any nature whatsoever.

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Section 8 - SPECIAL SERVICES AND PROGRAMS

8.7 SPECIAL CREDIT CARD FOR BLIND AND DISABLED PERSONS

8.7.1 General

Persons who are blind or whose disability causes difficult with hand and finger coordination and use of a telephone qualify for a Special Credit Card. The card may be used from any telephone within Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel's territory to place calls within and outside the state of Arizona at a special rate or to place calls from a telephone outside of Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel's territory, but within the state of Arizona at rates applicable to the territory from which the call is made.

8.7.2 Rates

Within Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel's Territory:

Station to station toll calls placed with operator assistance will be billed at the lower rate normally applicable to calls placed without operator assistance. Local calls cannot be charged to the card. Person-to-person calls charged to the card with be billed at the higher operator handled rate.

Outside Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel's Territory, but within Arizona:

All rates, charges, billing and restriction in effect in the territory from which the call is made will apply.

8.7.3 Qualification

The follow criteria will be used to determine eligibility for the Special Credit Card:

- a. "Legally Blind" - those whose visual acuity is 20/200 or less in the better eye with correcting glasses or whose widest diameter of visual field subtends an angular distance no greater than 20 degrees.
- b. "Physically Handicapped" - those who are certified by competent authority as unable to read or use ordinary printed materials as result of physical limitations.
- c. Persons whose disabling condition causes difficulty with hand and finger coordination and utilization of a coin or noncoin telephone. Acceptable certifications are those made by a licensed physician, ophthalmologist or optometrist.

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Section 8 - SPECIAL SERVICES AND PROGRAMS

8.7 SPECIAL CREDIT CARD FOR BLIND AND DISABLED PERSONS (cont'd)

8.7.4 Billing Authorization

Responsibility for payment of charges may be handled in one of two ways:

- a. The handicapped person (the applicant) may accept responsibility for payment of his or her own bill. In this case, the applicant must be 18 years of age or older and must reside within Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel's service territory, but he or she does not need to have other service from Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel.
- b. Another party may agree to accept responsibility for payment of charges incurred through use of the Special Credit Card by the applicant. When this option is chosen, the person accepting this responsibility must be 18 years of age or older, but does not need to reside within Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel's service territory.

In either case, the applicant is the only authorized user of the Special Credit Card. If the person accepting payment responsibility has service within Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel's service territory, charges will be billed on a regular monthly bill; otherwise a separate bill will be sent.

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Section 9 - SPECIAL ARRANGEMENTS

9.1 SPECIAL CONSTRUCTION

9.1.1 Basis for Charges

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

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

9.1.2 Basis for Cost Computation

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

- a. Costs to install the facilities to be provided including estimated costs for the rearrangements of existing facilities. These costs include:
  1. equipment and materials provided or used;
  2. engineering, labor, and supervision;
  3. transportation; and
  4. rights of way and/or any required easements.
- b. Cost of maintenance.
- c. Depreciation on the estimated cost installed of any facilities provided, based on the anticipated useful service life of the facilities with an appropriate allowance for the estimated net salvage.

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Section 9 - SPECIAL ARRANGEMENTS

9.1 SPECIAL CONSTRUCTION (cont'd)

9.1.2 Basis for Cost Computation (cont'd)

- d. Administration, taxes, and uncollectible revenue on the basis of reasonable average cost for these items.
- e. License preparation, processing, and related fees.
- f. Tariff preparation, processing and related fees.
- g. Any other identifiable costs related to the facilities provided; or
- h. An amount for return and contingencies.

9.1.3 Termination Liability

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

- a. The period on which the termination liability is based is the estimated service life of the facilities provided.
- b. The amount of the maximum termination liability is equal to the estimated amounts (including return) for:

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Section 9 - SPECIAL ARRANGEMENTS

9.1 SPECIAL CONSTRUCTION (cont'd)

9.1.3 Termination Liability (cont'd)

b. (cont'd)

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

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Section 9 - SPECIAL ARRANGEMENTS

9.2 NON-ROUTINE INSTALLATION AND/OR MAINTENANCE

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

9.3 INDIVIDUAL CASE BASIS (ICB) ARRANGEMENTS

Rates for ICB arrangements will be developed on a case-by-case basis in response to a bona fide request from a customer or prospective customer for service which vary from Tariffed arrangements.

Rates quoted in response to such requests may be different for Tariffed service than those specified for such service in the Rate Attachment. ICB rates will be offered to customers in writing and will be made available to similarly situated customers. A summary of each ICB contract pricing arrangement offered pursuant to this paragraph will be filed as an addendum to this Tariff within 30 days after the contract is signed by both the Company and the customer. The following information will be included in the summary:

- 1) LATA and type of switch
- 2) The V&H distance from the central office to the customer's premises
- 3) Service description
- 4) Rates and charges
- 5) Quantity of circuits
- 6) Length of the agreement.

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Section 10 – LOCAL CALLING AREAS

10.1 LOCAL CALLING AREA

Metropolitan Telecommunications of Arizona, Inc. will provide local service in the Arizona exchanges served by Southwestern Bell and will mirror its maps and local calling boundaries.

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Section 11 – EXPLANATION OF TERMS

AGENCY

For 911 or E911 service, the government agency(s) designated as having responsibility for the control and staffing of the emergency report center.

ALTERNATE ROUTING ("AR")

Allows E911 calls to be routed to a designated alternate location if (1) all E911 exchange lines to the primary PSAP (see definition of PSAP below) are busy, or (2) the primary PSAP closes down for a period (night service).

ANALOG

A transmission method employing a continuous (rather than a pulsed or digital) electrical signal that varies in amplitude or frequency in response to changes of sound, light, position, etc., impressed on a transducer in the sending device.

APARTMENTS

A building or group of buildings used primarily to provide complete residential apartments but not lodging on a day-to-day basis.

ASCII

American Standard Code for Information Interchange. An eight-level code for data transfer adopted by the American Standards Association.

ASYNCHRONOUS

Transmission in which each information character is individually synchronized usually by the use of start-stop elements. The gap between each character is not of a fixed length.

AUTHORIZED USER

A person, corporation or other entity who is authorized by Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel's customer to utilize service provided by Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel to the customer. The customer is responsible for all charges incurred by an Authorized User

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Section 11 – EXPLANATION OF TERMS

ATTENDANT

An operator of a PBX console or telephone switchboard.

AUTOMATIC LOCATION IDENTIFICATION ("ALI")

The name and address associated with the calling party's telephone number (identified by ANI as defined below) is forwarded to the PSAP for display. Additional telephones with the same number as the calling party's (secondary locations, off premises, etc.) will be identified with the address of the telephone number at the main location.

AUTOMATIC NUMBER IDENTIFICATION ("ANI")

A system whereby the calling party's telephone number is identified and sent forward with the call record for routing and billing purposes. E911 Service makes use of this system.

BIT

The smallest unit of information in the binary system of notation.

BUILDING

A structure enclosed within exterior walls or fire walls, built, erected and framed of component structural parts and designed for permanent occupancy.

CALL INITIATION

The point in time when the exchange network facility are initially allocated for the establishment of a specific call.

CALL TERMINATION

The point in time when the exchange network facility allocated to a specific call is released for reuse by the network.

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Section 11 – EXPLANATION OF TERMS

CENTRAL OFFICE

An operating office of Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel where connections are made between telephone exchange lines.

CENTRAL OFFICE LINE

A line providing direct or indirect access from a telephone or switchboard to a central office. Central office lines subject to PBX rate treatment are referred to as central office trunks.

CHANNEL

A point-to-point bi-directional path for digital transmission. A channel may be furnished in such a manner as Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel may elect, whether by wire, fiber optics, radio or a combination thereof and whether or not by means of single physical facility or route. One 1.544 Mbps Service is equivalent to 24 channels.

CHANNEL CONVERSION

The termination of 1.544. Mbps Service at a customer's location with conversion of the digital signal to 24 analog voice grade circuits. Channel Conversion can be furnished by the customer.

CHANNEL SERVICE UNIT ("CSU")

The equipment located at the customer's premises which terminates each 1.544 Mbps Digital Loop and performs such functions as proper termination of facilities, regeneration of signals, recognition and correction of signal format errors and provides remote loop-back capability.

COLLEGE

An establishment for higher education authorized to confer degrees where lodging for the students is maintained on the premises.

COMMUNICATIONS SYSTEMS

Channels and other facilities which are capable of two-way communications between subscriber -provided terminal equipment or Telephone Company stations, even when not connected to exchange and message toll communications service.

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Section 11 – EXPLANATION OF TERMS

COMPANY

Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel, unless otherwise clearly indicated from the context.

COMMISSION

Arizona Board of Public Utilities

CUSTOMER

The person, firm, corporation, or other entity which orders service pursuant to this Tariff and utilizes service provided under Tariff by Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel. A customer is responsible for the payment of charges and for compliance with all terms of Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel's Tariff.

CUSTOMER PREMISES EQUIPMENT (CPE)

Equipment provided by the customer for use with Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel's services. CPE can include a station set, facsimile machine, key system, PBX, or other communication system.

DEFAULT ROUTING ("DR")

When an incoming E911 call cannot be selectively routed due to an ANI failure, garbled digits or other causes, such incoming calls are routed from the E911 Control Office to a default PSAP. Each incoming E911 facility group to the Control Office is assigned to a designated default PSAP.

DEMARCATIION POINT

The physical dividing point between Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel's network and the customer.

DIAL PULSE ("DP")

The pulse type employed by a rotary dial station set.

DIRECT INWARD DIAL ("DID")

A service attribute that routes incoming calls directly to stations, by-passing a central answer point.

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Section 11 – EXPLANATION OF TERMS

DIRECT OUTWARD DIAL ("DOD")

A service attribute that allows individual station users to access and dial outside numbers directly.

DIGITAL

A method of storing, processing and transmitting information through the use of distinct electronic or optical pulses that represent the binary digits (bits) 0 and 1. Digital transmission/switching technologies employ a sequence of discrete, individually distinct pulses to represent information, as opposed to the continuously variable signal of analog technologies.

DUAL TONE MULTI-FREQUENCY ("DTMF")

The pulse type employed by tone dial station sets. (Touch tone)

EMERGENCY SERVICE NUMBER ("ESN")

A unique code, assigned by Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel, used to define specific combinations of police, fire and/or ambulance jurisdictions, or any other authorized agency, which are designated by the customer.

E911 SERVICE AREA

The geographic area in which the government agency will respond to all E911 calls and dispatch appropriate emergency assistance.

E911 CUSTOMER

A governmental agency that is the customer of record and is responsible for all negotiations, operations and payment of bills in connection with the provision of E911 service.

ERROR

A discrepancy or unintentional deviation by Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel from what is correct or true. An "error", can also be an omission in records.

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Section 11 – EXPLANATION OF TERMS

EXCHANGE

An area, consisting of one or more central office districts, within which a call between any two points is a local call.

EXCHANGE ACCESS LINE

A central office line furnished for direct or indirect access to the exchange system.

EXCHANGE SERVICE

The provision to the subscriber of access to the exchange system for the purpose of sending and receiving calls. This access is achieved through the provision of a central office line (exchange access line) between the central office and the subscriber's premises.

FINAL ACCOUNT

A customer whose service has been disconnected who has outstanding charges still owed to Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel.

FLAT RATE SERVICE

The type of exchange service provided at a monthly rate with an unlimited number of calls within a specified primary calling area.

GROUND START

Describes the signaling method between the PBX/key system interface and Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel's switch. It is the signal requesting service.

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Section 11 – EXPLANATION OF TERMS

HANDICAPPED PERSON

A person who is legally blind, visually handicapped or physically handicapped, under the following definitions from the Federal Register (Vol. 35 #126 dated June 30, 1970).

Legally Blind - a person whose visual acuity is 20/200 or less in the better eye with correcting glasses, or whose widest diameter of visual field subtends an angular distance no greater than 20 degrees.

Visually Handicapped - a person whose visual disability, with correction and regardless of optical measurement with respect to legal blindness, are certified as unable to read normal printed material.

Physically Handicapped - a person who is certified by competent authority as unable to read or use ordinary printed materials as a result of physical limitation, or a person whose disabling condition causes difficulty with hand and finger coordination and use of a coin telephone.

The term "Handicapped Person", when used in connection with a person having a speech or hearing impairment which requires that they communicate over telephone facilities by means other than voice is defined below:

Hearing - a person with binaural hearing impairment of 60% or higher on the basis of the procedure developed by the American Academy of Otolaryngology (A.A.O.) as set forth in "Guide for Conservation of Hearing in Noise" 38-43, A.A.O., 1973; "guides to the Evaluation of Permanent Impairment" 103-107, American Medical Association, 1971.

Speech - a person with 65% or higher of impairment on the basis of the procedure recommended by the American Medical Association's Committee on Rating of Mental and Physical Impairment to evaluate speech impairment as to three categories: audibility, intelligibility and functional efficiency, as set forth in "Guides to the Evaluation of Permanent Impairment" 109-III, American Medical Association, 1971.

HOSPITAL

An establishment for treatment of human patients by members of the medical profession where lodging for the patients is maintained on the premises.

HOTEL

An establishment offering lodging with or without meals to the general public on a day-to-day basis.

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Section 11 – EXPLANATION OF TERMS

INCOMING SERVICE GROUP

Two or more central office lines arranged so that a call to the First line is completed to a succeeding line in the group when the first line is in use.

INTERFACE

That point on the premises of the subscriber at which provision is made for connection of facilities provided by someone other than Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel to facilities provided by Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel.

INTEROFFICE MILEAGE

The segment of a line which extends between the central offices serving the originating and terminating points.

INTERRUPTION

The inability to complete calls, either incoming or outgoing or both, due to Company facilities malfunction or human errors.

JOINT USER

A person, firm, or corporation which uses the telephone service of a subscriber as provided in Section 1 of the Tariff.

KILOBIT

One thousand bits.

LATA

Local Access and Transport Area. The area within which Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel provides local and long distance ("intraLATA") service. For call to numbers outside this area ("interLATA") service is provided by long distance companies.

LINK

The physical facility from the network interface on an end-user's or carrier's premises to the point of interconnection on the main distribution frame of Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel's central office.

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Section 11 – EXPLANATION OF TERMS

LEASED CHANNEL

A non-switched electrical path used for connection of equipment furnished by the subscriber to equipment furnished by the subscriber or Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel for a specific purpose.

LOCAL CALL

A call which, if placed by a customer over the facilities of Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel, is not rated as a toll call.

LOCAL CALLING AREA

The area, consisting of one or more central office districts, within which a subscriber for exchange service may make telephone calls without a toll charge.

LOCAL SERVICE

Telephone exchange service within a local calling area.

LOOP START

Describes the signaling between the terminal equipment or PBX/key system interface and Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel's switch. It is the signal requesting service.

LOOPS

Segments of a line which extend from the serving central office to the originating and to the terminating point.

MEGABIT

One million bits.

MESSAGE RATE SERVICE

A type of exchange service provided at a monthly rate with an additional charge for local calling based on the usage of the local network. One completed call is equal to one message.

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Section 11 – EXPLANATION OF TERMS

MOVE

The disconnection of existing equipment at one location and reconnection of the same equipment at a new location in the same building or in a different building on the same premises.

MULTI-FREQUENCY ("MF")

An inter-machine pulse-type used for signaling between telephone company switches, or between telephone company switches and PBX/key systems.

MULTILINE HUNT

A method of call signaling by which a call placed to one number is subsequently routed to one or more alternative numbers when the called number is busy.

NETWORK CONTROL SIGNALING

The transmission of signals used in the telecommunications system which perform functions such as supervision (control, status and charging signals), address signaling (e.g. dialing), calling and called number identification, audible tone signals (call progress signals indicating re-order or busy conditions, alerting) to control the operation of switching machines in the telecommunications system.

NETWORK CONTROL SIGNALING UNIT

The terminal equipment furnished, installed and maintained by the Telephone Company for the provision of network control signaling.

NODE

The location to which digital channels are routed and where access is provided to such lines and associated equipment for testing.

PBX

A private branch exchange.

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Section 11 – EXPLANATION OF TERMS

PORT

A connection to the switching network with one or more voice grade communications channels, each with a unique network address (telephone number) dedicated to the customer. A port connects a link to the public switched network.

PREMISES

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

PRIVATE BRANCH EXCHANGE SERVICE

Service providing facilities for connecting central office trunks and tie lines to PBX stations, and for interconnecting PBX station lines by means of a switchboard or dial apparatus.

PUBLIC ACCESS LINE SERVICE

Service providing facilities for a customer owned coin operated telephone ("COCOT").

PUBLIC SAFETY ANSWERING POINT ("PSAP")

An answering location for E911 calls originating in a given area. A PSAP may be designated as primary or secondary, which refers to the order in which calls are directed for answering. Primary PSAPs respond first; secondary PSAPs receive calls on a transfer basis only and generally serve as a centralized answering location for a particular type of emergency call.

RATE CENTER

A geographic reference point with specific coordinates on a map used for determining mileage when calculating charges.

REFERRAL PERIOD

The time frame during which calls to a number which has been changed will be sent to a recording which will inform the caller of the new number.

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Section 11 – EXPLANATION OF TERMS

RESALE OF SERVICE

The subscription to communications service and facilities by one entity and the re-offering of communications service to others (with or without `adding value') for profit.

SAME PREMISES

All space in the same building in which one subscriber has the right of occupancy, and all space in different buildings on contiguous property when occupied solely by the same subscriber. Foyers, hallways and other space for the common use of all occupants of a building are considered the premises of the operator of the building.

SELECTIVE ROUTING ("SR")

A feature that routes an E911 call from a Central Office to the designated primary PSAP based upon the identified number of the calling party.

SERVING CENTRAL OFFICE

The central office from which local service is furnished.

SHARING

An arrangement in which several users collectively use communications service and facilities provided by a carrier, with each user paying a pro-rata share of the communication related costs.

STATION

Each telephone on a line and where no telephone associated with the line is provided on the same premises and in the same building, the first termination in station key equipment or a jack for use with a portable telephone.

SUSPENSION

Suspension of service for nonpayment is interruption of outgoing service only. Suspension of service at the subscriber's request is interruption of both incoming and outgoing service.

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Section 11 – EXPLANATION OF TERMS

SYNCHRONOUS

Transmission in which there is a constant time interval between bits, characters or events.

T-1 SYSTEM

A type of digital carrier system transmitting voice or data at 1.544 Mbps. A T- 1 carrier can handle up to 24 multiplexed 64 Kbps digital voice/data channels. A T-1 carrier system can use metallic cable, microwave radio or optical fiber as transmission media.

TELEPHONE CALL

A voice connection between two or more telephone stations through the public switched exchange system.

TELEPHONE GRADE LINES

Lines furnished for voice transmission or for certain signaling purposes.

TERMINATION OF SERVICE

Discontinuance of both incoming and outgoing service.

TIE LINE

A dedicated line connecting two switchboards or dial systems.

TOLL CALL

Any call extending beyond the local exchange of the originating caller which is rated on a toll schedule by Metropolitan Telecommunications of Arizona, Inc. d/b/a MetTel.

TONE DIAL SIGNALING ("TD")

An electronic signal emitted by the circuitry of Touch-Tone-type push-button dials to represent a dialed digit.

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Section 11 – EXPLANATION OF TERMS

TWO WAY

A service attribute that includes DOD for outbound calls and can also be used to carry inbound calls to a central point for processing.

USER

A customer, joint user, or any other person authorized by a customer to use service provided under this Tariff.

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## **EXHIBIT F**

### **PETITION FOR COMPETITIVE CLASSIFICATION**

Applicant petitions the Commission for a determination that the services it proposes to offer as described in the Application be classified as competitive, pursuant to Commission Rule R14-2-1108. In support thereof, Applicant states as follows:

1. The entry of Applicant into the facilities-based and resold local exchange market will enhance competition in the provision of telecommunications services within the State of Arizona.
2. The Services described in the Application are competitive services because customers may obtain services from a number of other carriers, including Qwest f.k.a US West and various CLECS.
3. Qwest f.k.a US West currently dominates the market for the services requested by Applicant.
4. As a new entrant Applicant has no market share in the services requested.
5. Applicant has no affiliations with any alternative providers in Arizona.