

ORIGINAL NEW APPLICATION



0000049213

THOMAS M. LYNCH
ATTORNEY AT LAW
252 PROVIDENCE ROAD, SUITE 100
ANNAPOLIS, MARYLAND 21409

April 26, 2006

VIA UPS

Arizona Corporation Commission
Attention: Docket Control
1200 W. Washington Street
Phoenix, AZ 85007-2927

T-20457A-06-0294

Re: Application of IPC Network Services, Inc. for a Certificate of Convenience and Necessity to Provide Intrastate Telecommunications Services

Dear Sir or Madam:

Enclosed please find an original and thirteen copies of the Application of IPC Network Services, Inc. for a Certificate of Convenience and Necessity to Provide Intrastate Telecommunications Services.

If you have any questions, please call me at (410) 349-4990 or contact me by e-mail using the address below.

Sincerely,

Thomas M. Lynch

Arizona Corporation Commission
DOCKETED

APR 28 2006

DOCKETED BY	
-------------	--

AZ CORP COMMISSION
DOCUMENT CONTROL

2006 APR 28 12:16

RECEIVED

RECEIVED

2006 APR 28 P 2:17

AZ CORP COMMISSION
DOCUMENT CONTROL

ARIZONA CORPORATION COMMISSION

Application and Petition for Certificate of Convenience and Necessity to Provide
Intrastate Telecommunications Services

Mail original plus 13 copies of completed application to:

For Docket Control Only:
(Please Stamp Here)

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

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

Type of Service: _____

Docket No.: _____ Date: _____

Date Docketed: _____

Type of Service: _____

Docket No.: _____ Date: _____

Date Docketed: _____

A. COMPANY AND TELECOMMUNICATION SERVICE INFORMATION

(A-1) Please indicate the type of telecommunications services that you want to provide in Arizona and answer the appropriate numbered items:

- Resold Long Distance Telecommunications Services (Answer Sections A, B).
- Resold Local Exchange Telecommunications Services (Answer Sections A, B, C).
- Facilities-Based Long Distance Telecommunications Services (Answer Sections A, B, D).
- Facilities-Based Local Exchange Telecommunications Services (Answer Sections A, B, C, D, E)
- Alternative Operator Services Telecommunications Services (Answer Sections A, B)
- Other Resold Point-to-Point Private Line (Please attach complete description) See Exhibit 1.

(A-2) The name, address, telephone number (including area code), facsimile number (including area code), e-mail address, and World Wide Web address (if one is available for consumer access) of the Applicant:

IPC NETWORK SERVICES, INC.
1 State Street Plaza
New York, NY 10004
(888) 286-2343
Fax: (212) 709-1091
Donna.Dubreuil@ipc.com
www.ipc.com

(A-3) The d/b/a ("Doing Business As") name if the Applicant is doing business under a name different from that listed in Item (A-2):

N/A

(A-4) The name, address, telephone number (including area code), facsimile number (including area code), and E-mail address of the Applicant's Management Contact:

John McSherry, Esq.
General Counsel
IPC Network Services, Inc.
88 Pine Street
New York, NY 10005
(212) 858-7966
Fax: (212) 709-1091
John.McSherry@ipc.com

(A-5) The name, address, telephone number (including area code), facsimile number (including area code), and E-mail address of the Applicant's Attorney and/or Consultant:

Thomas M. Lynch, Esq.
Law Offices of Thomas M. Lynch
252 Providence Road, Suite 100
Annapolis, MD 21409
(410) 349-4990
Fax: (202) 261-6616
tlynch@telecomlaw.net

(A-6) The name, address, telephone number (including area code), facsimile number (including area code), E-mail address of the Applicant's Complaint Contact Person:

Donna Dubreuil
Customer Service Manager
IPC Network Services, Inc.
1 State Street Plaza
New York, NY 10004
(888) 286-2343
Fax: (212) 709-1091
Donna.Dubreuil@ipc.com

(A-7) What type of legal entity is the Applicant?

- Sole proprietorship
- Partnership: ___ Limited, ___ General, ___ Arizona, ___ Foreign
- Limited Liability Company: ___ Arizona, ___ Foreign
- Corporation: ___ "S", X "C", ___ Non-profit
- Other, specify: _____

(A-8) Please include "Attachment A":

Attachment "A" must include the following information:

1. A copy of the Applicant's Certificate of Good Standing as a domestic or foreign corporation, LLC, or other entity in the State of Arizona.
2. A list of the names of all owners, partners, limited liability company managers (or if a member managed LLC, all members), or corporation officers and directors (specify).
3. Indicate percentages of ownership of each person listed in A-8.2.

(A-9) Include your Tariff as "Attachment B".

Your Tariff must include the following information:

1. Proposed Rates and Charges for each service offered (reference by Tariff page number). **Page 32**
2. Tariff Maximum Rate and Prices to be charged (reference by Tariff page number). **Page 32**
3. Terms and Conditions Applicable to provision of Service (reference by Tariff page number).
4. Deposits, Advances, and/or Prepayments Applicable to provision of Service (reference by Tariff page number). **Page 31**
5. The proposed fee that will be charged for returned checks (reference by Tariff page number). **N/A**

(A-10) Indicate the geographic market to be served:



Statewide. (Applicant adopts statewide map of Arizona provided with this application).



Other. Describe and provide a detailed map depicting the area.

(A-11) Indicate if the Applicant or any of its officers, directors, partners, or managers has been or are currently involved in any formal or informal complaint proceedings pending before any state or federal regulatory commission, administrative agency, or law enforcement agency.

Neither IPC Network Services, Inc. nor any of its officers, directors or managers has been or is currently involved in any formal or informal complaint proceedings pending before any state or federal regulatory commission, administrative agency, or law enforcement agency.

Describe in detail any such involvement. Please make sure you provide the following information:

1. States in which the Applicant has been or is involved in proceedings.
2. Detailed explanations of the Substance of the Complaints.
3. Commission Orders that resolved any and all Complaints.
4. Actions taken by the Applicant to remedy and/or prevent the Complaints from re-occurring.

(A-12) Indicate if the Applicant or any of its officers, directors, partners, or managers has been or are currently involved in any civil or criminal investigation, or had judgments entered in any civil matter, judgments levied by any administrative or regulatory agency, or been convicted of any criminal acts within the last ten (10) years.

Neither IPC Network Services, Inc. nor any of its officers, directors or managers has been or is currently involved in any civil or criminal investigation, or had judgments entered in any civil matter, judgments levied by any administrative or regulatory agency, or been convicted of any criminal acts within the last ten (10) years.

Describe in detail any such judgments or convictions. Please make sure you provide the following information:

1. States involved in the judgments and/or convictions.
2. Reasons for the investigation and/or judgment.
3. Copy of the Court order, if applicable.

(A-13) Indicate if the Applicant's customers will be able to access alternative toll service providers or resellers via 1+101XXXX access.

Yes

No

(A-14) Is applicant willing to post a Performance Bond? Please check appropriate box(s). **Not applicable.**

For Long Distance Resellers, a \$10,000 bond will be recommended for those resellers who collect advances, prepayments or deposits.

Yes

No

If "No", continue to question (A-15).

For Local Exchange Resellers, a \$25,000 bond will be recommended.

Yes

No

If "No", continue to question (A-15).

For Facilities-Based Providers of Long Distance, a \$100,000 bond will be recommended.

Yes

No

If "No", continue to question (A-15).

For Facilities-Based Providers of Local Exchange, a \$100,000 bond will be recommended.

Yes

No

If "No", continue to question (A-15).

Note: Amounts are cumulative if the Applicant is applying for more than one type of service.

(A-15) If No to any of the above, provide the following information. Clarify and explain the Applicant's deposit policy (reference by tariff page number). Provide a detailed explanation of why the applicant's superior financial position limits any risk to Arizona consumers.

Not applicable.

(A-16) Submit copies of affidavits of publication that the Applicant has, as required, published legal notice of the Application in all counties where the applicant is requesting authority to provide service.

Note: For Resellers, the Applicant must complete and submit an Affidavit of Publication Form as Attachment "C" before Staff prepares and issues its report. Refer to the Commission's website for Legal Notice Material (Newspaper Information, Sample Legal Notice and Affidavit of Publication). For Facilities-Based Service Providers, the Hearing Division will advise the Applicant of the date of the hearing and the publication of legal notice. Do not publish legal notice or file affidavits of publication until your are advised to do so by the Hearing Division.

(A-17) Indicate if the Applicant is a switchless reseller of the type of telecommunications services that the Applicant will or intends to resell in the State of Arizona:

Yes No

If "Yes", provide the name of the company or companies whose telecommunications services the Applicant resells.

MCI/Verizon, Qwest, Broadwing.

(A-18) List the States in which the Applicant has had an application approved or denied to offer telecommunications services similar to those that the Applicant will or intends to offer in the State of Arizona:

Approved in the following states (not denied in any states): CA, CT, IL, IN, MA, MI, MO, MT, NC, NY, OH, OR, PA, TX, NV.

Note: If the Applicant is currently approved to provide telecommunications services that the Applicant intends to provide in Arizona in less than six states, excluding Arizona, list the Public Utility Commission ("PUC") of each state that granted the authorization. For each PUC listed provide the name of the contact person, their phone number, mailing address including zip code, and e-mail address.

(A-19) List the States in which the Applicant currently offers telecommunications services similar to those that the Applicant will or intends to offer in the State of Arizona.

CA, CT, DC, IL, IN, MA, MI, MO, MT, NC, NJ, NY, OH, OR, PA, TX, NV.

Note: If the Applicant currently provides telecommunication services that the Applicant intends to provide in Arizona in six or more states, excluding Arizona, list the states. If the Applicant does not currently provide telecommunications services that the Applicant intends to provide in Arizona in five or less states, list the key personnel employed by the Applicant. Indicate each employee's name, title, position, description of their work experience, and years of service in the telecommunications services industry.

(A-20) List the names and addresses of any alternative providers of the service that are also affiliates of the telecommunications company, as defined in R14-2-801.

N/A

B. FINANCIAL INFORMATION

(B-1) Indicate if the Applicant has financial statements for the two (2) most recent years.



Yes



No

If "No," explain why and give the date on which the Applicant began operations.

(B-2) Include "Attachment D".

IPC requests confidential treatment for its financial statements. IPC is willing to permit publication of the following financial information about its business: total assets (\$9,629,421.00), total equity (\$5,252,788.00) and net income (year ended 9/30/05 = \$562,299.31).

Provide the Applicant's financial information for the two (2) most recent years.

1. A copy of the Applicant's balance sheet.
2. A copy of the Applicant's income statement.
3. A copy of the Applicant's audit report. N/A
4. A copy of the Applicant's retained earnings balance.
5. A copy of all related notes to the financial statements and information.

Note: Make sure "most recent years" includes current calendar year or current year reporting period.

(B-3) Indicate if the Applicant will rely on the financial resources of its Parent Company, if applicable.

IPC Network Services, Inc. will not rely on the financial resources of its parent company.

(B-4) The Applicant must provide the following information.

1. Provide the projected total revenue expected to be generated by the provision of telecommunications services to Arizona customers for the first twelve months following certification, adjusted to reflect the maximum rates for which the Applicant requested approval. Adjusted revenues may be calculated as the number of units sold times the maximum charge per unit. **\$10,000.00**
2. Provide the operating expenses expected to be incurred during the first twelve months of providing telecommunications services to Arizona customers following certification. **Expenses not tracked by location.**
3. Provide the net book value (original cost less accumulated depreciation) of all Arizona jurisdictional assets expected to be used in the provision of telecommunications service to Arizona customers at the end of the first twelve months of operation. Assets are not limited to plant and equipment. Items such as office equipment and office supplies should be included in this list. **IPC has no assets in Arizona: net book value = 0.**
4. If the projected value of all assets is zero, please specifically state this in your response.
5. If the projected fair value of the assets is different than the projected net book value, also provide the corresponding projected fair value amounts.

C. RESOLD AND/OR FACILITIES-BASED LOCAL EXCHANGE TELECOMMUNICATIONS SERVICES

(C-1) Indicate if the Applicant has a resale agreement in operation,

Yes No

If "Yes", please reference the resale agreement by Commission Docket Number or Commission Decision Number.

D. FACILITIES-BASED LONG DISTANCE AND/OR FACILITIES BASED LOCAL EXCHANGE TELECOMMUNICATIONS SERVICES

(D-1) Indicate if the Applicant is currently selling facilities-based long distance telecommunications services AND/OR facilities-based local exchange telecommunications services in the State of Arizona. This item applies to an Applicant requesting a geographic expansion of their CC&N:

Yes No

If "Yes," provide the following information:

1. The date or approximate date that the Applicant began selling facilities-based long distance telecommunications services AND/OR facilities-based local exchange telecommunications services for the State of Arizona.
2. Identify the types of facilities-based long distance telecommunications services AND/OR facilities-based local exchange telecommunications services that the Applicant sells in the State of Arizona.

If "No," indicate the date when the Applicant will begin to sell facilities-based long distance telecommunications AND/OR facilities-based local exchange telecommunications services in the State of Arizona:

(D-2) Check here if you wish to adopt as your petition a statement that the service has already been classified as competitive by Commission Decision:

- Decision # 64178 Resold Long Distance
- Decision # 64178 Resold LEC
- Decision # 64178 Facilities Based Long Distance
- Decision # 64178 Facilities Based LEC

E. FACILITIES-BASED LOCAL EXCHANGE TELECOMMUNICATIONS SERVICES

(E-1) Indicate whether the Applicant will abide by the quality of service standards that were approved by the Commission in Commission Decision Number 59421:

- Yes No

(E-2) Indicate whether the Applicant will provide all customers with 911 and E911 service, where available, and will coordinate with incumbent local exchange carriers ("ILECs") and emergency service providers to provide this service:

- Yes No

(E-3) Indicate that the Applicant's switch is "fully equal access capable" (i.e., would provide equal access to facilities-based long distance companies) pursuant to A.A.C. R14-2-1111 (A):

- Yes No

I certify that if the applicant is an Arizona corporation, a current copy of the Articles of Incorporation is on file with the Arizona Corporation Commission and the applicant holds a Certificate of Good Standing from the Commission. If the company is a foreign corporation or partnership, I certify that the company has authority to transact business in Arizona. I certify that all appropriate city, county, and/or State agency approvals have been obtained. Upon signing of this application, I attest that I have read the Commission's rules and regulations relating to the regulations of telecommunications services (A.A.C. Title 14, Chapter 2, Article 11) and that the company will abide by Arizona state law including the Arizona Corporation Commission Rules. I agree that the Commission's rules apply in the event there is a conflict between those rules and the company's tariff, unless otherwise ordered by the Commission. I certify that to the best of my knowledge the information provided in this Application and Petition is true and correct.

B. Wasilewski

(Signature of Authorized Representative)

4/24/06

(Date)

GREGORY WASILEWSKI

(Print Name of Authorized Representative)

PRESIDENT

(Title)

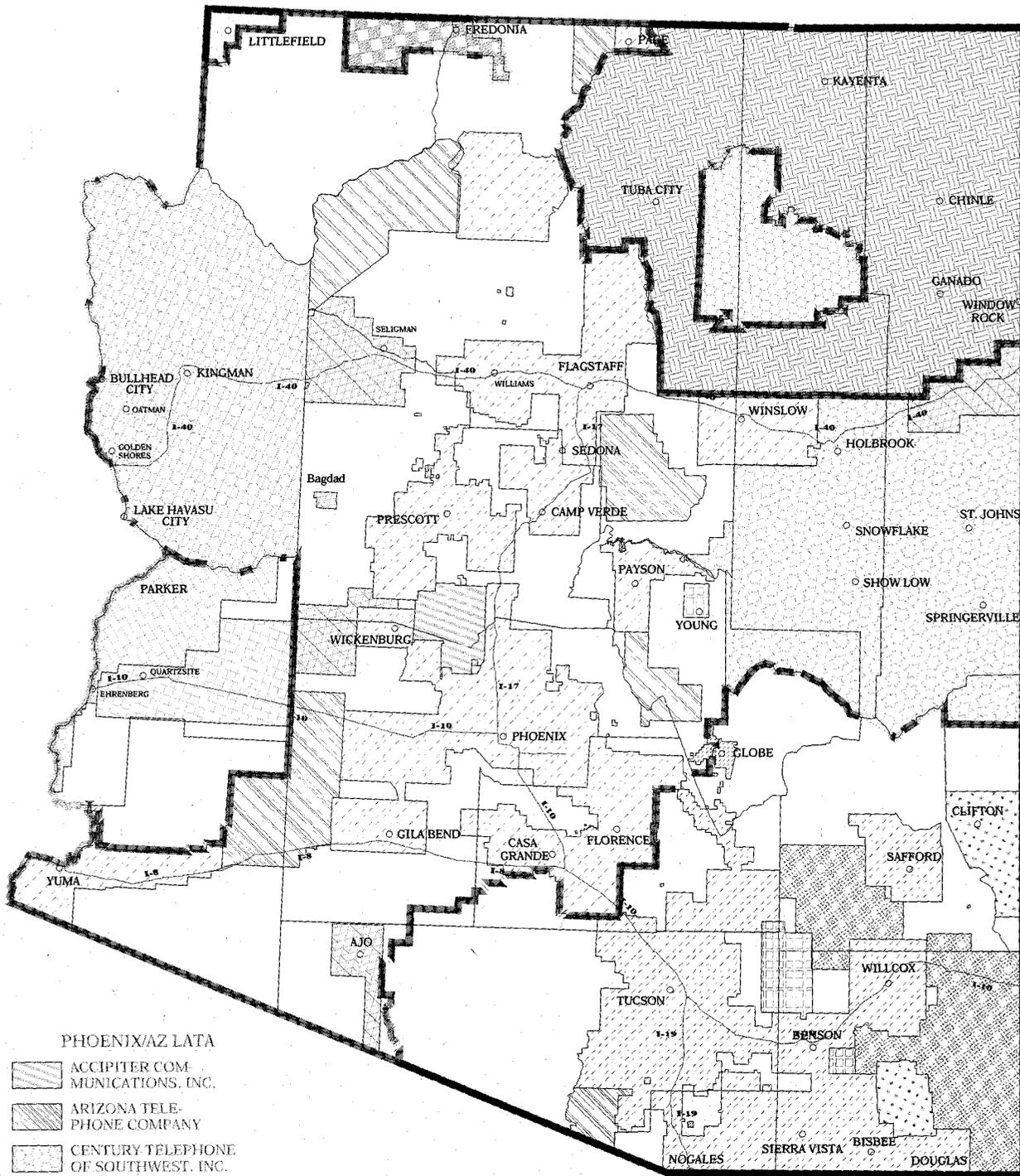
SUBSCRIBED AND SWORN to before me this 24 day of April, 2006

John M. McSherry
Notary Public, State of New York
No. 02MC6029948
Qualified in Westchester County
Commission Expires 8/30/2009

[Signature]

NOTARY PUBLIC

My Commission Expires 8/30/09



- | | | | | | | | | | |
|-----------------|--|----------------|------------------------------------|-------------------------|-------------------------------------|----------------------|----------------------------|--------------|---|
| PHOENIX/AZ LATA | | TUCSON/AZ LATA | | INDEPENDENT MARKET AREA | | LOS ANGELES/ CA LATA | | UTAH/UT LATA | |
| | ACCIPITER COMMUNICATIONS, INC. | | ARIZONA TELEPHONE COMPANY | | NAVAJO COMMUNICATIONS COMPANY, INC. | | VERIZON CALIFORNIA, INC. | | RIO VIRGIN TELEPHONE COMPANY |
| | ARIZONA TELEPHONE COMPANY | | COPPER VALLEY TELEPHONE, INC. | | LOS ANGELES/ CA LATA | | SOUTHWESTERN TELEPHONE CO. | | SOUTH CENTRAL UTAH TELEPHONE ASSOC., INC. |
| | CENTURY TELEPHONE OF SOUTHWEST, INC. | | MIDVALE TELEPHONE EXCHANGE, INC. | | UTAH/UT LATA | | | | |
| | CITIZENS UTILITIES RURAL COMPANY, INC. | | QWEST COMMUNICATIONS, INC. | | | | | | |
| | CITIZENS TELECOMMUNICATIONS COMPANY OF THE WHITE MOUNTAINS, INC. | | VALLEY TELEPHONE COOPERATIVE, INC. | | | | | | |
| | MIDVALE TELEPHONE EXCHANGE, INC. | | | | | | | | |
| | SOUTH CENTRAL UTAH TELEPHONE ASSOC., INC. | | | | | | | | |
| | TABLE TOP TELEPHONE COMPANY, INC. | | | | | | | | |
| | QWEST COMMUNICATIONS, INC. | | | | | | | | |

Revised September 6, 2001

STATE OF ARIZONA TELEPHONE WITH LATA

EXHIBIT 1
IPC NETWORK SERVICES, INC.

IPC provides resold voice and data telecommunications services primarily to financial and other trading companies that need near-instantaneous communications. Leveraging its contacts in the financial services industry, IPC serves some of the largest trading companies in the world and has developed a reputation for excellence in its niche market. IPC's services are delivered over point-to-point private lines that are connected to proprietary trading equipment of its customers. At present, the services are not interconnected to the public switched telephone network.

**ATTACHMENT A
IPC NETWORK SERVICES, INC.**

1. Certificate of Good Standing.

See attached.

2. Officers and Directors of IPC Network Services, Inc.

Directors

Jack Daly
Goldman Sachs & Co.
85 Broad Street, NY, NY 10004

Greg Wasilewski
IPC Network Services, Inc.
1 State Street Plaza
New York, NY 10004

Phil Lines
Bucklersbury House, 2d Floor South
83 Cannon St., London, EC4N 8EL

Lauren Cabral
Goldman Sachs & Co.
85 Broad Street
NY, NY 10004

Officers

Gregory Wasilewski
President
IPC Network Services, Inc.
1 State Street Plaza
New York, NY 10004

Greg Kenepp
Vice President
IPC Network Services, Inc.
88 Pine Street
New York, NY 10005

Tim Whelan
Treasurer

IPC Network Services, Inc.
88 Pine Street
New York, NY 10005

3. Ownership.

The individuals listed above own less than 5% collectively of the interests of IPC Network Services, Inc. The ownership of IPC Network Services, Inc. is as follows:

IPC Network Services Inc. is 100% owned (200 shares) by Gains Acquisition Corp., a corporation organized under the laws of the State of Delaware.

The name and address of the sole shareholder of Gains Acquisition Corp. is:

IPC Information Systems, LLC
88 Pine Street
New York, NY 10005

The sole member of IPC Information Systems, LLC. is IPC Acquisition Corp., a Delaware corporation, whose principal place of business is also 88 Pine Street, New York, NY, 10005. The name and address of the shareholders which own greater than 5% of IPC Acquisition Corp. are:

Name: GS Capital Partners 2000, L.P.
Address: 85 Broad Street
New York, NY 10004
Percentage Held: 54.69%

Name: GS Capital Partners 2000 Offshore, L.P.
Address: 85 Broad Street
New York, NY 10004
Percentage Held: 19.87%

Name: GS Capital Partners 2000 Employee Fund, L.P.
Address: 85 Broad Street
New York, NY 10004
Percentage Held: 17.37%

There are no persons that hold 5% or more of the entities listed above. Ownership of these entities is widely dispersed.

COMMISSIONERS
JEFF HATCH-MILLER - Chairman
WILLIAM A. MUNDELL
MARC SPITZER
MIKE GLEASON
KRISTIN K. MAYES



ARIZONA CORPORATION COMMISSION

BRIAN C. MCNEIL
Executive Director

DAVID RABER
Director, Corporations Division

January 26, 2006

LYNDA FEEY-CALVIN
88 PINE ST 15TH FLR
NEW YORK, NY 10005

RE: IPC NETWORK SERVICES, INC.
File Number: F-1243180-4

We are pleased to notify you that your Application for Authority to transact business in Arizona was approved and filed on January 26, 2006.

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

All corporations transacting business in Arizona are required to file an Annual Report with the Commission, on the anniversary of the date of incorporation. Each year, a preprinted Annual Report form will be mailed to the corporation's known place of business approximately two months prior to the due date of the report. Should the report fail to arrive, contact the Commission. It is imperative that corporations notify the Commission immediately (in writing) if they change their corporate address, statutory agent or agent address. Address change orders must be executed (signed) by a corporate officer. Postal forwarding orders are not sufficient.

The Commission strongly recommends that you periodically check Commission records regarding the corporation. The Commission web site www.cc.state.az.us/corp contains information specific to each corporation of record and is a good general source of information.

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

Sincerely,

Yessica Hernandez
Examiner
Corporations Division

CF:07
REV. 01/2003

**ATTACHMENT B
IPC NETWORK SERVICES, INC.**

TARIFF

See attached.

REGULATIONS AND CHARGES APPLYING TO
PRIVATE LINE SERVICES
IN THE STATE OF ARIZONA

IPC NETWORK SERVICES, INC.

Date of Issue: April 18, 2006

Date Effective: May 18, 2006

Issued by: Damian Hart

TABLE OF CONTENTS

	<u>Page</u>
TABLE OF CONTENTS.....	2
EXPLANATION OF SYMBOLS	4
TARIFF FORMAT	5
1.0 DEFINITIONS.....	6
2.0 RULES AND REGULATIONS	8
2.1 Undertaking of the Company.....	8
2.2 Limitations of Service.....	9
2.3 Establishment and Re-establishment of Credit.....	9
2.4 Credit Limit.....	9
2.5 Notice.....	10
2.6 Payment and Service Cancellation.....	11
2.6.1 Billing and Payment of Charges	11
2.6.2 Taxes.....	12
2.6.3 Cancellation of Service by Customer	13
2.6.4 Cancellation or Discontinuance of Service by Company	14
2.6.5 Reconnection Fee.....	15
2.7 Liabilities of the Company.....	16
2.7.1 Exclusion of Liability	16
2.7.2 Limitation of Warranties.....	17
2.7.3 Limitation of Liability and Remedies	17
2.7.4 Limitation of Damages	18
2.8 Indemnity	18
2.9 Full Force and Effect	19
2.10 Interruptions in Service.....	20
2.11 Temporary Service.....	22
2.12 Service Connections and Facilities	23
2.12.1 Provision of Equipment and Facilities.....	24
2.12.2 Customer Premises.....	25

TABLE OF CONTENTS (Continued)

<u>DESCRIPTION/SECTION</u>	<u>Page</u>
2.12.3 Shortage of Equipment or Facilities	26
2.12.4 Interconnection	27
2.12.5 Prohibited Uses	28
2.12.6 Non-Standard Situations	29
2.13 Services Provided by Other Carriers.....	29
2.14 Government Authorizations.....	30
2.15 Temporary Promotional Programs.....	30
2.16 Interconnection	31
2.17 Application for Service	31
2.19 Deposits.....	31
3.0 SERVICE AND RATES.....	32
3.1 Private Line Service.....	32

EXPLANATION OF SYMBOLS

- (C) To signify changed condition or regulation
- (D) To signify deleted or discontinued rate, regulation or condition
- (I) To signify a change resulting in an increase to a Customer's bill
- (M) To signify that material has been moved from another Tariff location
- (N) To signify a new rate, regulation condition or page
- (R) To signify a change resulting in a reduction to a Customer's bill
- (T) To signify a change in text but no change to rate or charge

Date of Issue: April 18, 2006

Date Effective: May 18, 2006

Issued by: Damian Hart

TARIFF FORMAT

- A. Page Numbering - Page numbers appear in the heading of each page. Pages are numbered sequentially. However, occasionally, when a new page is added between pages already in effect, a decimal is added. For example, a new page added between pages 14 and 15 would be 14.1.
- B. Page Revision Numbers - Revision numbers also appear in the heading of each page. These numbers are used to determine the most current page version on file with the Commission. For example, the 4th revised Page 14 cancels the 3rd Revised Page 14. Because of various suspension periods, deferrals, etc. the Commission follows in its Tariff approval process, the most current page number on file with the Commission is not always the page in effect. Consult the Check Sheet for the page currently in effect.
- C. Paragraph Numbering Sequence - There are nine levels of paragraph coding. Each level of code is subservient to its next higher level:
- 2.
 - 2.1.
 - 2.3.6.
 - 2.3.6.A.
 - 2.3.6.A.1.
 - 2.3.6.A.1.(a).
 - 2.3.6.A.1.(a).I.
 - 2.3.6.A.1.(a).I.(i).
 - 2.3.6.A.1.(a).I.(i).(1).

1.0 DEFINITIONS

Claims: Any and all claims or demands made against Company or Customer by the other or by any other person or entity, including, but not limited to claims or demands:

For losses, damages, expenditures, loss of use, loss of profits, liability, judgments or costs (including attorney's fees, if awarded),

For any personal injury, death or damage to tangible or intangible property or rights,

Arising directly or indirectly out of any acts, omissions, mistakes of Company, its employees, agents officers or directors, or caused by any interruptions, delays, errors or defects, or the condition, operation or failure of equipment, used to provide Service or Company facilities hereunder,

Regardless of whether the claim or demand is asserted in an arbitration, suit, action, administrative proceeding or any other dispute resolution proceeding, or on any appeal therefrom.

Commission: Arizona Corporation Commission.

Company: IPC Network Services, Inc., also referred to as the Carrier.

Competitive Local Exchange Carrier (CLEC): A company, other than an ILEC, certified by the Commission to offer local exchange telecommunications service.

Customer: The person, firm, corporation or other entity which orders or uses Service, has agreed by signature or otherwise to honor the terms of the Service herein, or any individually negotiated contract, and is responsible for the payment of rates and charges for Service to call customer locations and for compliance with the terms and conditions of this Tariff. The Customer is not necessarily the End User of the Company's Service.

End User: A user of any Service provided by or through the Company's facilities or Service, regardless of whether such person is a Customer.

Date of Issue: April 18, 2006

Date Effective: May 18, 2006

Issued by: Damian Hart

1.0 DEFINITIONS (Continued)

Incumbent Local Exchange Carrier (ILEC): An Incumbent Local Exchange Carrier as defined in Section 251(h)(1) of the federal Telecommunications Act of 1996.

Premises: The space occupied or controlled by a Customer in a building or buildings.

Service: Any Service offered by Company to a Customer.

State: The State of Arizona.

Third Party Billing: Service option that allows a call to be billed to an account different from that of the calling or called party.

2.0 RULES AND REGULATIONS

2.1 Undertaking of the Company

- 2.1.1 Company undertakes to furnish private line communications service under this Tariff in connection with the transmission of one-way and/or two-way communications which originate and terminate within the State, and are jurisdictionally intrastate. The Company is a Competitive Telecommunications Company as defined by the Commission.
- 2.1.2 Company's service offerings consist of any of the Service offered pursuant to this Tariff, either individually or in combination. Each Service is offered independent of the others, unless otherwise noted. Service is offered through Company facilities, resold Service, transmission facilities provided by other communications providers, or any combination thereof.
- 2.1.3 Company is responsible only for the Service and facilities it provides under this Tariff, and it assumes no responsibility for any Service provided by any other entity that provides communications service through Company Service or facilities in order to originate and/or terminate such other company's Service.
- 2.1.4 Company may undertake to use reasonable efforts to make available Service to a Customer on or before a particular date. Company does not guarantee availability by any such date and shall not be liable for any Claims arising out of delays in commencing Service to any Customer.

2.0 RULES AND REGULATIONS (CONT'D)

2.2 Limitations of Service

2.2.1 **SERVICE IS OFFERED TO BUSINESS CUSTOMERS ONLY.**

Service is offered subject to the availability of necessary facilities and subject to the provisions of this Tariff. Company shall have no obligation to construct facilities where they do not exist.

2.2.2 Service may not be used for any unlawful purpose.

2.2.3 Service may be subject to Company's acquisition and maintenance of an agreement to access the Premises under terms and conditions acceptable to Company, and Service may be denied or discontinued if Company is unable to acquire or maintain such agreement.

2.3 Establishment and Re-establishment of Credit

2.3.1 Company may conduct a credit investigation of each new Customer prior to accepting a written application or oral request for Service. Company reserves the right to reject a written application or oral request for Service if its investigation reveals that the applicant is a poor credit risk in Company's sole opinion.

2.3.2 A Customer whose Service from Company was discontinued for nonpayment of bills will not be entitled to restoration of Service or new Service until all past due amounts have been paid, or satisfactory payment arrangements have been agreed upon and made in a timely manner.

2.4 Credit Limit

Company may, at any time and at its sole discretion, set a credit limit or require such other financial terms, including but not limited to, pre-payment, for any Customer's consumption of Service for any period.

2.0 RULES AND REGULATIONS (CONT'D)

2.5 Notice

Notice shall be deemed properly given:

- A. upon delivery, if delivered in person;
- B. on the third day after depositing the notice or communication, prepaid and properly addressed, with a private delivery service or in the U.S. mail, unless deposited in the U.S. mail on a Sunday or holiday in which case notice is deemed to be given on the third day from the next business day;
- C. upon actual receipt, or upon refusal of receipt by the addressee, whichever of the above occurs first; or
- D. by electronic device, facsimile or e-mail with confirmation of receipt.

Date of Issue: April 18, 2006

Date Effective: May 18, 2006

Issued by: Damian Hart

2.0 RULES AND REGULATIONS (CONT'D)

2.6 Payment and Service Cancellation

2.6.1 Billing and Payment of Charges

- A. Unless otherwise indicated in this Tariff or in the specific terms and conditions set forth in the Customer's agreement, Service is billed in advance on or about the first of each month. The Customer is responsible for the payment of all charges for Service furnished by the Company. Customer shall pay the amounts as specified in the Tariff for the Service, unless otherwise set forth in the Customer's agreement.
- B. Unless otherwise indicated in this Tariff, bills are due and payable thirty (30) days from the date of the invoice, or later if required by law. Balances that remain unpaid after the due date will be charged a late fee of one and one-half (1.5) percent per month of the unpaid balance, or the maximum fee allowed by law, whichever is less.
- C. In addition to the late fee set forth in B above, Company shall provide written notice of payment delinquency to Customer. Failure to make payment for all arrearages within seven days from the postmark of such notice shall subject Customer to risk of service interruption or cancellation, in addition to payment of termination liability for that Service in accordance with 2.6.4(C).
- D. Customer is responsible for reviewing each invoice promptly, and notifying Company promptly of any discrepancies. If no notice with proper documentation is received by Company within eighteen (18) months after a bill has been rendered to the Customer, the billing will be considered correct and binding. Bills disputed by a Customer shall be handled as set out in this Tariff.

2.0 RULES AND REGULATIONS (CONT'D)

2.6 Payment and Service Cancellation (Cont'd)

2.6.1 Billing and Payment of Charges (Cont'd)

- E. Initial billing for set-up and installation charges or monthly service fees will be billed with the first month's billing and will not commence for any new Customer until the Customer has actually been placed in service.
- F. Billing for partial months will be pro-rated based on the actual number of days service is provided as compared to the total number of days in that month.

2.6.2 Taxes

A. Sales, Use and Excise Taxes

In addition to all recurring, non-recurring, minimum, usage, surcharges, property service, or special charges, Customer shall also be responsible for and shall pay all applicable federal, state and local sales, use, telecommunications and excise taxes.

2.0 RULES AND REGULATIONS (CONT'D)

2.6 Payment and Service Cancellation (Continued)

2.6.3 Cancellation of Service by Customer

- A. Unless otherwise agreed upon between Company and Customer, the Customer may cancel an order for Service by giving notice to Company on or before the day prior to the day Service is scheduled to commence; provided, however, that in the event of any such cancellation prior to commencement of Service, Customer shall pay any special construction or costs associated with special arrangements or facilities or equipment for Customer that are incurred by the Company prior to receipt of the cancellation notice, less net salvage.
- B. The Customer may cancel Service at any time after Service commences by giving Company at least 30 days prior written notice, unless the contractual Customer's Service agreement with Company requires a minimum term. A termination fee may apply pursuant to the Customer's service agreement. A Reconnection Fee will apply if the Customer requests that Service be temporarily discontinued.

2.0 RULES AND REGULATIONS (CONT'D)

2.6 Payment and Service Cancellation (Continued)

2.6.4 Cancellation or Discontinuance of Service by Company

- A. The Company may immediately and without notice to the Customer, without liability of any nature, temporarily deny, terminate, or suspend Service to any Customer in the event such Customer or his agent or employee willfully damages company equipment; interferes with use of Company's Service by other Customers of Company; unreasonably places capacity demands upon Company's facilities or Service; or violates any statute or provision of law, or any rule or regulation of any state or federal regulatory agency relating to communications, or otherwise fails to comply with the provisions of this Tariff, and/or pertinent contract, or applicable law.
- B. In the event the Customer is the subject of any voluntary or involuntary petition or proceeding in bankruptcy, seeks protection or relief from creditors in a bankruptcy court, or executes an assignment for the benefit of creditors; or in the event of nonpayment of any bill rendered by the Company, the Company may terminate Service. In the case of non-payment of any bill, Service need not be restored until the bill rendered has been paid.
- C. In the event of the nonpayment of any bill rendered by the Carrier, or the non-payment of any required deposit, the Carrier may terminate Service in accordance with 2.6.1C.

2.0 RULES AND REGULATIONS (CONT'D)

2.6 Payment and Service Cancellation (Continued)

2.6.4 Cancellation or Discontinuance of Service by Company (Cont'd)

- D. In the event that, prior to the expiration of the service term, Customer terminates Service as provided elsewhere in the Tariff or in the event that the delivery of Service is terminated by Company pursuant to the terms of this Tariff, a contractual Customer shall pay a termination charge equal to the sum of the monthly recurring charges that would have been incurred for the Service through the end of the service term including the monthly recurring costs associated with any third party service provided to Customer by Company.

2.6.5 Reconnection Fee

- A. A Reconnection Fee will apply whenever a Customer requests to be reconnected to the Service after Company has temporarily or permanently suspended or discontinued Service to Customer for any reason allowed by this Tariff. In addition to the reconnection fee, Customer shall make payment of all outstanding arrearages prior to resumption of Service by Company.

B. Reconnection Schedule

Company will exercise commercially reasonable efforts to timely resume Service to Customer upon Customer's payment of all arrearages and the Reconnection Fee. However, the timing of resumption of any disconnected Service is not guaranteed and may be delayed based on the availability of capacity on Company's network and the reconnection of any third party service necessary for the resumption of Service to Customer.

2.0 RULES AND REGULATIONS (CONT'D)

2.7 Liabilities of the Company

The Company's liability for Claims shall be governed by the following terms and conditions:

- 2.7.1 Exclusion of Liability. The terms of this Section shall apply notwithstanding the failure of any exclusive remedy. Company shall not be liable for Claims made against it:
- A. Due to the fault or negligence of the Customer or any End User of Service, or the failure or malfunction of equipment or facilities provided by Customer, any End User or Customer's vendor or supplier; or for any Claims made by persons or entities who are not the Customer; or
 - B. Due to the acts or omissions of any entity furnishing telecommunications service or equipment to Company or to Customer, that is used with the Service Company offers; or
 - C. Due to conditions beyond the reasonable control of Company, including but not limited to, acts of God or nature, fire, flood, damage to telecommunications cables or equipment, or other catastrophes; any law, order, regulation, direction, action, delay or request of any governmental entity claiming jurisdiction over Company or of any department, agency, commission, bureau, corporation, or other instrumentality of any one or more of the federal, state or local governments, or any civil or military authority; and national emergencies, insurrections, riots, wars, unavailability of rights of way, fiber cuts, permits or materials, strikes, lock-outs, work stoppages or other labor difficulties; or
 - D. For any indirect, incidental, consequential, reliance, special, lost revenue, lost savings, lost profits, or exemplary or punitive damages, regardless of the form of action, whether in contract, tort, negligence of any kind whether active or passive, strict liability or otherwise; or
 - E. For any arbitration, action or proceeding against the Company that is commenced more than one year after the Service was rendered or was to have been rendered by Company.

Date of Issue: April 18, 2006

Date Effective: May 18, 2006

Issued by: Damian Hart

2.0 RULES AND REGULATIONS (CONT'D)

2.7 Liabilities of the Company (Continued)

2.7.2 LIMITATION OF WARRANTIES.

COMPANY MAKES NO WARRANTY OR GUARANTEE, EXPRESS OR IMPLIED, WITH RESPECT TO THE SERVICE OR FACILITIES PROVIDED BY COMPANY OR ANY THIRD PARTY PROVIDERS WHOSE SERVICE WERE ARRANGED FOR AND PROVIDED TO CUSTOMER BY COMPANY AND COMPANY EXPRESSLY DISCLAIMS ANY IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

2.7.3 Limitation of Liability and Remedies

Company's liability for all Claims shall be limited to a credit calculated in accordance with the Commission's out-of-service credit rules, if any. Except with respect to such out-of-service credits, Customer's sole remedy for all Claims against Company by Customer shall be limited to the repair or replacement of the Service or Company facilities affected, subject to the Company's additional right to withdraw or terminate Service as set forth in this Tariff.

2.0 RULES AND REGULATIONS (CONT'D)

2.7 Liabilities of the Company (Continued)

2.7.4 Limitation of Damages

If Company has any liability that is not excluded or limited above, Company's entire liability for such Claims regardless of the form of action (including contract, tort, strict liability or otherwise) shall be limited to the following:

- A. For damages to real or tangible personal property, Company's liability shall be limited to proven direct damages;
- B. For bodily injury to or death of any person, Company's liability shall be limited to the proven general and special damages;
- C. Except as provided above in this Limitation of Damages Subsection, Company's aggregate liability for any delayed installation of Company facilities or commencement of Service shall be limited to proven direct damages in an amount not to exceed One Hundred Dollars (\$100.00);
- D. Except as provided above in this Limitation of Damages Subsection, Company's aggregate liability for any other claims shall be limited to proven direct damages in an amount not to exceed the total of all payments made by the Customer to the Company within the twelve month period prior to the date the Claim arose.

2.8 Indemnity

The Company shall be indemnified, defended and held harmless by the Customer, or by others authorized by it to use the Service, against any claim, loss or damage arising from the use or inability to use the Service furnished under this Tariff, including: claims for libel, slander, invasion of privacy or infringement of copyright arising from the material, data, information, or other content transmitted via the Company's Service; patent infringement claims arising from combining or connecting the Service offered by the Company with apparatus and systems of the Customer or others; and all other claims arising out of any act or omission of the Customer or others, in connection with any Service provided by the Company pursuant to this Tariff.

2.0 RULES AND REGULATIONS (CONT'D)

2.9 Full Force and Effect

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

Date of Issue: April 18, 2006

Date Effective: May 18, 2006

Issued by: Damian Hart

2.0 RULES AND REGULATIONS (CONT'D)

2.10 Interruptions in Service (Continued)

2.10.1 Interruptions in Service will be credited to Customer for the part of the Service that the interruption affects, as provided for in the Customer's agreement for private line service, provided that no credit is allowed for the following:

- A. Any continuous period of less than four (4) hours, provided that two (2) or more Service interruptions of the same type to the same line/equipment of four (4) hours or more during any one twenty-four (24) hour period shall be considered one (1) interruption.
- B. Interruptions caused by Customer;
- C. Interruptions due to failure of power, equipment or facilities provided by the Customer or persons or entities other than Company;
- D. Any period in which Company is not given access to the Service
- E. Any period of scheduled maintenance and repair, tests, adjustments and inspections as may be necessary to maintain Company's equipment and facilities in satisfactory operating condition;
- F. Interruptions due to the non-compliance by the Customer with the provisions of this Tariff or the Tariff of other common carriers providing Service connected to the Service of Company; and
- G. Interruptions caused by any failure of performance or equipment due to causes beyond Company's control, including but not limited to: acts of God or nature, fire, flood, damage to telecommunications cables or equipment, or other catastrophes; any law, order, regulation, direction, action, delay or request of any governmental entity claiming jurisdiction over Company, or of any department, agency, commission, bureau, corporation, or other instrumentality of any one or more of the federal, state or local governments, or any civil or military authority; national emergencies; insurrections; riots; wars; unavailability of rights-of-way or materials; or strikes, lock-outs, work stoppages or other labor difficulties.

Date of Issue: April 18, 2006

Date Effective: May 18, 2006

Issued by: Damian Hart

2.0 RULES AND REGULATIONS (CONT'D)

2.10 Interruptions in Service (Continued)

2.10.2 Every month shall be considered to have thirty (30) days for the purposes of computing a credit for a Service interruption to which the Customer is entitled under this Tariff.

2.10.3 A Customer is entitled to an interruption in Service credit upon request for any period during which Service provided to the Customer is out of service, except as specified in this Section or in the Customer's agreement. Out of service conditions are defined as complete loss of the ability to originate or receive a communication through the Service. An interruption period begins when the Customer reports a malfunction in Service to Company. The malfunction period ends when the affected line and/or equipment is fully operative.

2.10.4 The Company will follow the Commission's rules in the case of a major outage and/or service interruption, including the Commission's out-of-service credit rules, if any.

2.0 RULES AND REGULATIONS (CONT'D)

2.11 Temporary Service

Conditions precedent to rendering temporary Service, special arrangements, unique relationships or Service to speculative projects will be developed on an Individual Case Basis. Company will not provide temporary Service or Service to speculative projects unless in its judgment such Service provision is consistent with the best interests of Company and its customers.

Date of Issue: April 18, 2006

Date Effective: May 18, 2006

Issued by: Damian Hart

2.0 RULES AND REGULATIONS (CONT'D)

2.12 Service Connections and Facilities

2.12.1 Provision of Equipment and Facilities

- A. Title to all Company facilities provided in accordance with this Tariff remains with Company, or its agents or subcontractors. The Customer shall not have, nor shall it assert any right, title or interest in any Company facilities and associated equipment provided by Company hereunder.
- B. Company undertakes to use reasonable efforts to maintain only Company facilities and equipment that it furnishes to the Customer. The Customer may not, nor may the Customer permit others to, restrict Company's access to, rearrange, disconnect, remove, attempt to repair or otherwise tamper with any Company facilities or equipment installed by Company, except upon the written consent of Company or as allowed by law.
- C. Any equipment Company provides or installs at the Customer's Premises for use in connection with the Company's Service shall not be used for any purpose other than that for which Company provided the equipment.

2.0 RULES AND REGULATIONS (CONT'D)

2.12 Service Connections and Facilities (Continued)

2.12.1 Provision of Equipment and Facilities (Continued)

- D. Unless otherwise agreed upon between Company and Customer, Company shall not be responsible for the installation, operation, repair or maintenance of any Customer-provided communications equipment. Customer may connect such equipment to Company facilities or equipment furnished pursuant to this Tariff as provided in this Tariff, as allowed by law, or with Company's consent. Unless otherwise specified in this Tariff or in an agreement between Company and Customer, Company will not be responsible for the maintenance, repair and operation of such Customer-provided equipment, and Company will not be responsible for:
1. The transmission of signals by Customer-provided equipment or for the quality of, or defects in, such transmission; or
 2. The reception of signals by Customer-provided equipment.
- E. The Customer is responsible for ensuring that Customer-provided equipment and facilities connected to Company equipment and facilities are compatible with such Company equipment and facilities. The magnitude and character of the voltages and currents impressed on Company-provided facilities and equipment by the connection, operation or maintenance of such equipment and facilities shall be such as not to cause damage to the Company-provided equipment and facilities or injury to the Company's employees or to other persons. Customer will submit to Company, upon request, a complete manufacturer's specification page for each item of equipment that is not provided by Company and which shall be attached to Company's equipment or facilities. Company shall approve the use of such item(s) of equipment unless such item is technically incompatible with Company's equipment or facilities. Any additional protective equipment required to prevent such damage or injury shall be provided by the Company at the Customer's expense.

Date of Issue: April 18, 2006

Date Effective: May 18, 2006

Issued by: Damian Hart

2.0 RULES AND REGULATIONS (CONT'D)

2.12 Service Connections and Facilities (Continued)

2.12.1 Provision of Equipment and Facilities (Continued)

- F. Any special interface equipment necessary to achieve compatibility between Company facilities and equipment used for furnishing Service and the channels, facilities or equipment of others shall be provided by Customer at the Customer's expense.

2.12.2 Customer Premises

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

2.0 RULES AND REGULATIONS (CONT'D)

2.12 Service Connections and Facilities (Continued)

2.12.3 Shortage of Equipment or Facilities

- A. Company's acceptance of orders for Service and reconnection of any Service pursuant to §2.6 is subject to the availability of adequate Company facilities and equipment to provide the Service as ordered. Company reserves the right to reject an order or cancel an accepted order for Service without liability if there are inadequate Company facilities or equipment available to provide the Service.
- B. Company reserves the right to limit or to allocate the use of existing Company facilities, or of additional facilities offered by Company, when necessary, because of a lack of Company facilities, or due to any other cause beyond Company's control.
- C. The furnishing of Service under this Tariff is subject to the availability on a continuing basis of all the necessary Company facilities and is limited to the capacity of Company facilities, as well as facilities Company may obtain from other carriers to furnish Service.

Date of Issue: April 18, 2006

Date Effective: May 18, 2006

Issued by: Damian Hart

2.0 RULES AND REGULATIONS (CONT'D)

2.12 Service Connections and Facilities (Continued)

2.12.4 Interconnection

- A. Service furnished by Company may be interconnected with Service or facilities of other authorized communications common carriers and with private systems, subject to the technical limitations established by Company. Any special interface equipment or facilities necessary to achieve compatibility between the Company facilities and other carriers shall be provided at the Customer's expense. However, Service furnished by Company is not part of a joint undertaking with any other provider.

- B. Interconnection with the facilities or Service of other carriers shall be subject to the applicable terms and conditions of this Tariff and the other carriers' tariffs, if any. The Customer shall be solely responsible for satisfying all legal requirements for interconnecting Customer-provided terminal equipment or communications systems with the other companies' facilities, including, without limitation, all licenses, permits, right-of-way and other arrangements necessary for such interconnection.

2.0 RULES AND REGULATIONS (CONT'D)

2.12 Service Connections and Facilities (Continued)

2.12.5 Prohibited Uses

- A. The Service Company offers shall not be used for any unlawful purpose or for any use as to which the Customer has not obtained all governmental approvals, authorizations, licenses, consents and permits required to be obtained by the Customer with respect thereto.
- B. Company may, without obtaining any further consent from the Customer, assign any rights, privileges or obligations under this Tariff. The Customer shall not, without prior written consent of Company, which consent shall not be unreasonably withheld, assign, transfer or in any other manner dispose of, any of its rights, privileges or obligations under this Tariff, and any attempt to make such an assignment, transfer, disposition without consent shall be null and void.
- C. Company may require a Customer to immediately shut down its transmission of signals if said transmission is causing interference to others.
- D. A Customer may not use the Service so as to interfere with or impair Service over any Company facilities and associated equipment, or so as to impair the privacy of any communications over such Company facilities and associated equipment.

2.0 RULES AND REGULATIONS (CONT'D)

2.12 Service Connections and Facilities (Continued)

2.12.6 Non-Standard Situations

At the Customer's request and the acceptance by Company, at Company's sole discretion, installation and/or maintenance may be performed outside Company's regular business hours, on an expedited basis, in hazardous locations, or in other non-standard situations. In such cases, charges will be arranged on an individual case basis (ICB). If installation is started during regular business hours but, at the Customer's request and Company's acceptance, extends beyond regular business hours into time periods including, but not limited to, weekends, holidays and/or night hours, additional charges may apply.

2.13 Service Provided by Other Carriers

Company shall have no responsibility with respect to billings, charges or disputes related to Service used by the Customer or End User which are not included in the Service herein. The Customer or End User shall be fully responsible for the payment of any bills for such Service and for the resolution of any disputes or discrepancies with other Carriers.

2.0 RULES AND REGULATIONS (CONT'D)

2.14 Governmental Authorizations

The provision of Company's Service is subject to, and contingent upon, Company obtaining and retaining such approvals, consents, governmental authorizations, licenses and permits, as may be required or be deemed necessary by the Company. Company shall use reasonable efforts to obtain and keep in effect all such approvals, consents, authorizations, licenses and permits that may be required to be obtained by it. Company shall be entitled to take, and shall have no liability whatsoever for, any action necessary to bring the Service into conformance with any rules, regulations, orders, decisions or directives imposed by the Federal Communications Commission or other applicable agency, and the Customer shall fully cooperate in and take such action as may be requested by Company to comply with any such rules, regulations, orders, decisions or directives. Company's obligation to provide Service hereunder will terminate if any required governmental authorization or grant is withdrawn, revoked or otherwise terminated.

2.15 Temporary Promotional Programs

The Company may establish temporary promotional programs, wherein it may waive or reduce recurring or non-recurring charges, to introduce a present or potential Customer to a Service not previously received by the Customer. The specific terms of each such promotional program shall be filed with the Commission as part of Company's flexible rate schedule at least three days prior to its effective date.

2.0 RULES AND REGULATIONS (CONT'D)

2.16 Interconnection

Interconnection with the facilities or service of other carriers shall be under the terms and conditions as mutually agreed between the parties, or as ordered by the Commission. The Customer is responsible for taking all necessary legal steps for interconnecting Customer-provided terminal equipment or communications systems with the other carrier's facilities. The Customer shall secure all licenses, permits, right-of-way, and other arrangements necessary for such interconnection. Any special interface equipment of facilities necessary to achieve compatibility between the facilities of the Company and other participating carriers shall be provided at the Customer's expense.

2.17 Application for Service

Application for Service may be made verbally or in writing. The name(s) of the Customer(s) desiring to use the Service must be set forth in the application for Service. Company will have no obligation to provide Service until and unless Customer's authorized representative duly executes appropriate documentation.

2.19 Deposits

Deposits may be required when, in the sole judgment of the Company, security is required to assure payment by the Customer of projected billing. Deposits shall be limited to two months charges as estimated by the Company.

3.0 SERVICE AND RATES

3.1. Private Line Service

3.1.1. Non-Recurring Charges. A one-time installation charge of \$500 applies to the Service.

3.1.2 Recurring Charges per DS0 – Other. Service is available between endpoints other than the city pairs listed above at the rate of \$0.55 per DS0 mile, plus applicable local access charges, based on V&H coordinates established by Telcordia Routing Administration.

3.1.3 Pricing. In response to a Customer's bona fide request to develop competitive pricing for private line DS-0, DS-1, DS-3 or higher capacity Service, when available, Company may provide in an individual contract with such Customer pricing other than that specified herein for installation, recurring, non-recurring and other rate elements. Such contracts may contain volume and term commitments and/or discounts, and may contain provisions governing termination of Service prior to expiration of contracts. Relevant summaries of such contracts shall be reported as required to the Commission. All private line Service will be available on the same terms and conditions to all similarly situated Customers on a non-discriminatory basis.

3.1.4 Unless otherwise specified in such individual contracts, the rules, regulations, terms and conditions set forth in this tariff shall be incorporated into, and shall be an integral part of, said individual contracts. In the event of any conflict between the terms of this tariff and the terms of an individually negotiated contract between Customer and Company, the terms of the individually negotiated contract shall prevail.

Date of Issue: April 18, 2006

Date Effective: May 18, 2006

Issued by: Damian Hart