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BEFORE THE ARIZONA CORPORATION COMMISSION

WILLIAM A. MUNDELL
CHAIRMAN
JIM IRVIN
COMMISSIONER
MARK SPITZER
COMMISSIONER

Arizona Corporation Commission

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IN THE MATTER OF DISSEMINATION OF) Docket No.: RT-00000J-02-0066
INDIVIDUAL CUSTOMER PROPRIETARY)
NETWORK INFORMATION BY) COMMENTS OF SPRINT
TELECOMMUNICATIONS CARRIERS) COMMUNICATIONS COMPANY L.P.

Sprint Communications Company L.P. ("Sprint") submits the following Comments in response to the questions posed on Attachment A of the Arizona Corporation Commission Staff's ("Staff") February 15, 2002 Memorandum.

1. The following questions relate to the adoption of an Opt-In policy for use of CPNI as opposed to an Opt-Out policy:

a. Does your company currently share CPNI with other affiliated entities? Does your company use an opt-in or opt-out policy for CPNI sharing? When did you implement this policy? Please provide a copy of the notice that your company sent to its Arizona customers. If you have used an opt-out policy, please provide any data you may have regarding the percentage of customers which opted out and identify the costs associated with administering an opt-out policy.

Answer: Sprint Communications Company L.P. ("Sprint LP") and Sprint PCS are the only two Sprint companies providing service to Arizona residents. Sprint LP provides the CPNI of its customers from whom it has received consent to its affiliates. Sprint LP has utilized an opt-out form of notice since the U.S. Supreme Court declined to review the 10th Circuit's decision in *U.S. West v. FCC*, 182 F.3d 1224 (10th Cir. 1999) *cert. denied*, 120 S.Ct. 2215 (Jun 25, 2000) which struck down the FCC's opt-in regulations as violating First Amendment free speech

policies. Such notice conforms to what the FCC has determined constitutes a "safe harbor" for purposes of Section 222 compliance. See *Telecommunications Carriers Use of Customer Proprietary Network Information and other Customer Information* (CC Docket No. 96-115), *Clarification Order and Second Further Notice of Proposed Rulemaking*, FCC 01-247 (released September 7, 2001) at ¶¶9-11.

Sprint LP first employed the opt-out method after the Supreme Court decided not to review the 10th Circuit's decision in *US West v. FCC*. Prior to that time, Sprint LP continued to employ the opt-in method as prescribed by the FCC which, of course, is unconstitutional. A copy of the opt-out notice that Sprint LD sent to customers in November 2000 is attached as Exhibit A. In September 2001 and again in January 2002, Sprint LD customers received a booklet entitled *Terms and Conditions of Service* that included the CPNI notice (also attached in Exhibit A). New customers receive such booklet as part of their "Welcome to Sprint" package. And the booklet is posted on Sprint's web site as required by the FCC at:

<http://shop.sprint.com/media/voice/pdfs/ratesTermsCond/sprinttermsandconditions.pdf>.

As of February 2002, 6.64% of Sprint's customers have elected to opt-out. Sprint has no estimate of the costs involved in administering an opt-out policy but such costs are significantly less than the costs of administering an opt-in policy.

b. Prior to the Tenth Circuit Decision which vacated portions of the FCC rules, did your company share CPNI with other affiliated entities? Did your company use an opt-in policy as required by the FCC rules? Please provide any data you may have regarding the percentage of customers opting in and the costs associated with administering an opt-in policy.

Answer: Prior to the 10th Circuit's decision, Sprint LP used the opt-in method as prescribed by the FCC for obtaining customer consent to use the customer's CPNI for marketing purposes. If it

received the customer's approval, Sprint certainly could have shared the customer's CPNI with its affiliates, although Sprint LP has no record of having done so. Sprint no longer has any data on the "percentage of customers opting in." Nor does it have any records of the costs "associated with administering an opt-in policy," although it was and is more expensive to administer an opt-in method than an opt-out method.

c. Please identify any competitive concerns associated with the use of an opt-out versus an opt-in policy. If there are competitive concerns associated with an opt-out policy, please identify them with specificity and describe how any adverse competitive impacts would actually occur.

Answer: An opt-in policy provides a significant competitive advantage to the incumbent local exchange carrier, because the ILEC is able to obtain opt-in consent from customers more easily and at less cost than its competitors. As the provider of local service to nearly all of the residents of Arizona, the ILEC is more likely to receive calls from Arizona residents with respect to such service. Thus the ILEC is in the position to obtain opt-in consent on such call. Indeed, the ILEC representative may claim that he/she is unable to help the customer unless the customer gives the ILEC opt-in approval. Of course, once it receives such opt-in approval, the ILEC can share the information with its affiliates. It is Sprint's understanding and belief that during the period when the FCC's opt-in policy was in effect, the percentage of ILEC customers opting in was significantly greater than percentage of customers giving Sprint LP opt-in consent.

d. Is the "implied consent" assumed by an opt-out policy consistent with the language of Section 222 of the Federal Act? Please identify any harms associated with "implied consent" for release of individually identifiable CPNI collected by telecommunications carriers.

Answer: Sprint disagrees with the notion that "implied consent" is assumed under an opt-out policy. It is axiomatic that people will act in their own self-interest. The fact that a customer does not opt-out reflects a conscious decision to allow their carrier of choice to use their CPNI to

provide them with information on products and services provided by the affiliates of such carriers that may be of interest to them.

e. Do you agree with the Tenth Circuit's finding that communications between telecommunications carriers and their affiliates, divisions and employees constitute "commercial speech" for First Amendment purposes?

Answer: Yes.

f. Does a consumer's privacy interest in CPNI rise to a level such that there is a substantial state interest in its protection? The Tenth Circuit identified a substantial state interest in protecting people from the disclosure of sensitive and potentially embarrassing personal information. Please identify any other substantial state interests involved.

Answer: Regardless of how the state interest in protecting privacy is classified, the fact remains that the First Amendment requires the state to adopt the least onerous means for restricting speech in order to protect such interest. The 10th Circuit determined that an opt-out policy would comply with the free speech rights granted by the Constitution whereas the FCC's opt-in policy could not be justified under a First Amendment analysis even assuming that the state had a substantial interest in protecting policy.

g. Does the fact that the Arizona constitutional right to privacy has been interpreted more broadly than the Federal Constitution support the adoption of an opt-in policy in Arizona?

Answer: No.

h. Is an opt-out policy sufficient to protect the substantial state interests involved in protecting people from the disclosure of sensitive and potentially embarrassing personal information?

Answer: Yes. Again, any person who believes that the sharing of his/her CPNI by his/her telecommunications provider for marketing purposes with the affiliates of such

telecommunications provider would adversely affect his/her privacy will act to ensure that such information is not shared.

i. How would an opt-in policy alleviate concerns identified with the release of individually identifiable CPNI? Is an opt-in policy sufficiently narrowly tailored to overcome any First Amendment concerns or should the Commission consider a more flexible opt-in policy?

Answer: Sprint firmly believes that an opt-in policy cannot survive a First Amendment analysis.

j. Does your company disclose CPNI to any non-affiliated companies? Under what circumstances would you release CPNI to a non-affiliated company?

Answer: No. Sprint does not seek approval from its customers to share their CPNI with non-affiliated companies and therefore cannot do so lest it violate its obligations under Section 222 of the Communications Act.

k. Please comment on Arizona Revised Statutes Section 40-202(C)(5) and the importance of it with regard to any rules that the Commission adopts.

Answer: Any rules promulgated by the Commission under ARS 40-202(C)(5) should comply with applicable Arizona and federal law, including the constitutional principles discussed by the 10th Circuit in the *US West v. FCC* case discussed above.

l. Would an opt-in policy result in additional benefits to consumers relative to an opt-out policy? Explain in detail why or why not.

Answer: No. In fact, it would deprive customers of receiving information about the products and services offered by their telecommunications provider that may be of interest to them.

m. Is the CPNI data collected by telecommunications companies different from the personal data collected by companies in other industries (e.g., banks)? If so, do those differences provide support for an opt-in policy as opposed to an opt-out policy? Explain in detail why or why not.

Answer: Sprint's believes that the CPNI information such as the amount a person spends of telecommunications per month is of less importance that the bank or other financial records of the individual. Given that the Congress has enabled banks and other financial institutions to use an opt-out method demonstrates by way of comparison that the an opt-out method for telecommunications carriers is more than sufficient to protect the privacy rights of individuals with respect to their CPNI.

n. Would an opt-in policy result in any additional costs to telecommunications providers relative to an opt-out policy? Explain in detail what the source of the additional costs would be, if any.

Answer: Yes. Sprint would incur additional costs to administer an opt-in policy since customers would be forced to contact Sprint with their decision. Sprint has approximately 93% of its customers that have decided through an opt-out program to allow Sprint to share their customer information. This means that under an opt-in policy approximately 93% of new customers would need to contact Sprint with their CPNI decision. This means that Sprint would incur a significant financial burden to increase the work force, implement additional training, in addition to other related expenses.

o. What is the difference in customer response likely to be if an opt-in policy is used instead of an opt-out policy? Explain in detail the basis for your answer, citing any studies that support it.

Answer: It is Sprint's experience that use of the opt-in method produces a lower response rate than an opt-out method.

p. Would an opt-in policy create any logistical or administrative problems for telecommunications companies relative to an opt-out policy? Explain in detail the basis for your answer.

Answer: As Sprint has stated above, transitioning from an opt-out to an opt-in policy would impose significant financial burden on telecommunications companies. Sprint historical data indicates that 93% of its customers have opted-out. An opt-in policy would mean that approximately 93% of new customers (if market conditions remain constant) would need to contact Sprint's Customer Service group to record their decision. This represents a significant increase in call volumes and would require additional workforce, training, facilities, etc.

2. The following questions relate to the content and format of the notice telecommunications companies provide to their customers regarding CPNI:

a. Do the issues regarding such notice change substantially if an opt-in policy is used instead of an opt-out policy? Please explain in detail.

Answer: No. The issues do not change regardless of an opt-in or opt-out policy is used. Carriers are bound by Section 64.2007 of the FCC's rules, containing customer notification requirements, which are needed regardless of whether an opt-in or opt-out regime is in effect. These requirements, set forth in paragraph (f) of this rule, ensure that a carrier provides a customer with "sufficient information to enable the customer to make an informed decision as to whether to permit a carrier to use, disclose or permit access to, the customer's CPNI." Among other things, this rule requires carriers to advise the customer of the customer's right to limit access to CPNI and the precise steps the customer would need to take to limit such access.

b. Should notice be provided in multiple languages? If so, what languages should the notice be provided in?

Answer: Sprint provides CPNI notification in English and Spanish.

c. Should rules be adopted to regulate the form that such notice should take; e.g., should the notice be required to be on a separate page, should a specific font size be required, etc.? If so, what should the requirements of such a rule be? Please explain and support your answer in detail.

Answer: No. In its Reconsideration Order, released September 3, 1999, the FCC eliminated section 64.2007(f)(4) of its rules which required a carrier's solicitation for customer approval, if written, to be on the same document as the carrier's notification. The federal rules do not regulate the form, font size or other formatting elements related to a carrier's notice. The FCC left the format of the notice to carrier discretion. In so doing, the FCC allows carriers the flexibility to adopt appropriate format for their notice. Carriers are in the best position to determine what their notice should look like. However, federal rules do mandate specific content for the notice.

d. Should rules be adopted to regulate the content of such notice? If so, what should be required? Please explain and support your answer in detail.

Answer: No. It is the responsibility of each carrier to ensure that the notice be clear and easily understood by its customers.

e. Should rules be adopted that standardize the title and labeling of such notice? If so, what should be required? Please explain and support your answer in detail.

Answer: No.

f. Is the CPNI data collected by telecommunications companies different from the personal data collected by companies in other industries (e.g., banks)? If so, do those differences provide support for imposing different noticing requirements for telecommunications companies than those faced by companies in other industries? Explain in detail why or why not.

Answer: See response to 1.m., above.

3. The following questions related to how often telecommunications companies should be required to provide notice of CPNI issues:

a. For existing customers, how often should telecommunications companies send notice of their CPNI policies if an opt-in system is used? If an opt-out system is used? Please explain your answer in detail.

Answer: Federal rule 64.2007(f) requires telecommunications carriers to provide a one-time notification to the customer of the customer's right to restrict the use of CPNI information.

Sprint has not received any customer complaints related to this issue, and does not believe that multiple notices are necessary.

b. For new customers, when should telecommunications companies send notice of their CPNI policies if an opt-in system is used? If an opt-out system is used? Please explain your answer in detail. ~

Answer: Sprint sends the notice in its Welcome to Sprint package.

c. For customers that are terminating service with a given company is any notice of CPNI policies necessary if an opt-in system is used? If an opt-out system is used? If so, explain in detail what is necessary and why it is necessary.

Answer: No.

4. The following questions relate to the responsibilities telecommunications companies should have for CPNI data of former customers?

a. If a customer terminates service with a given company should the company be obliged to destroy that customer's CPNI data? Explain detail why or why not.

Answer: Under FCC regulation Sprint cannot destroy billing records for 18 months. In practice Sprint retains billing records for longer periods because of the two-year statute of limitations provision of the Act and because of the needs of law enforcement.

b. If a customer terminates service with a given company should the company be permitted to use that customer's CPNI data to market to that customer? That is, should companies be permitted to use CPNI data in win-back efforts? Explain in detail why or why not.

Answer: Yes. Use of such information to win-back customers has been granted by the FCC because it is the essence of competition.

c. If a customer terminates service with a given company should the company be permitted to use that customer's CPNI data for any purpose? Explain in detail what should and should not be allowed and why?

Answer: Section 222 of the FCC's rules allows a carrier to use a customer's CPNI for a number of purposes. It makes no distinction between current and former customers.

5. The following questions relate to the verification telecommunications companies provide to their customers that have opted-in or opted-out:

a. If an opt-out system is used, should companies be required to provide notice to their customers that they have successfully opted-out? Should companies be required to provide notice to their customers that they have not chosen to opt-out? Explain in detail why or why not.

Answer: No. Since a customer has called the carrier to opt-out no verification is needed.

b. If an opt-in system is used, should companies be required to provide notice to their customers that they have successfully opted-in? Should companies be required to (or allowed to) provide notice to their customers that they have not chosen to opt-in? Explain in detail why or why not.

Answer: No. (See response to 5.a.).

c. For either an opt-in or opt-out system, should rules be adopted to govern the form of verification notices? If so, what should be required? For example, should verification be required to be in writing or telephonic verification acceptable? Explain and justify your answers in detail.

Answer: No. (See response to 5.a.).

d. For either an opt-in or opt-out system, should rules be adopted to govern the content of verification notices? If so, what should be required? Explain and justify your answers in detail.

Answer: No. (See response to 5.a.).

6. What obligations should telecommunications companies have regarding CPNI data for customers who have opted-out (or not opted-in)?

Answer: Sprint's obligations with respect to customers who have opted out are governed by section 222 of the Communications Act.

7. The following questions relate to the sharing of CPNI data with affiliates or non-affiliates?

a. Should there be restrictions placed on the entities that telecommunications companies can share CPNI data with? For example, should companies be permitted to sell CPNI data to outside entities or should the sharing of CPNI data be limited to affiliates? Does 47 U.S.C. Section 222 permit CPNI sharing with non-affiliates under any circumstances? Provide detailed justification for your answer.

Answer: Sprint has taken the position before the FCC that under the Communications Act, the Commission can prevent a carrier from selling a customer's CPNI data to outside entities. Sprint informs its customers that it will not share the customer's CPNI with outside entities without the customer's authorization.

b. If telecommunications companies profit from the sale of CPNI data, should there be a requirement that they share those profits with customers who have opted-in or not opted-out? For example, should such customers receive discounts?

Answer: Sprint takes no position on this since we do not sell our customer's CPNI.

c. Should there be any restrictions on how CPNI data is used by affiliates of telecommunications companies? If so, what are they and how could such requirements be enforced? Justify your answer in detail.

Answer: No.

d. Should there be any restrictions on how CPNI data is used by non-affiliated of telecommunications companies? If so, what are they and how could such requirements be enforced? Justify your answer in detail.

Answer: Sprint takes no position on this since we do not sell our customer's CPNI.

8. Besides an all-inclusive opt-out or opt-in policy, is there merit to a partial opt-in policy? That is, is there merit to requiring an opt-in policy for some categories of customers, but allowing an opt-out policy for other categories? Explain in detail why.

Answer: No. It would be costly to administer and it would be confusing to customers.

Dated this 29th day of March 2002.

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By: 

Exhibit

A

This letter serves as notification that Sprint is your long-distance carrier for long-distance and/or local-toll calling services, if available. There may be a nominal charge from your local carrier for switching long-distance carriers to Sprint's long-distance and/or local-toll calling services, if available. You may switch back to your previous carrier or select a new carrier by calling your previous carrier or your preferred carrier. For more information, call the Customer Service number on the reverse side.

Please note: Your tax status may be affected if you live in an unincorporated area of your city. If you do live in such an area, please call the Customer Service number on the reverse side for additional information.

FORWARD calls made from payphones will be assessed an additional surcharge to cover FCC-mandated payments from long-distance carriers to payphone providers. Calls made from payphones to a residential toll-free number will be assessed an additional surcharge to cover FCC-mandated payments from long-distance carriers to payphone providers.

Missouri Residents:

Unless specifically stated otherwise on the reverse side, per-minute rates as of April 5, 1998, for the following services are:

FORWARD calls: \$.13 to \$.42 from 9:00 am to 8:59 pm. A \$.80 surcharge applies to each call.

In-state long-distance and local-toll calls: \$.13 to \$.31 from 8:00 am to 4:59 pm Monday through Friday; \$.11 to \$.26 from 6:00 pm to 10:59 pm Sunday through Friday; and \$.09 to \$.28 from 11:00 pm to 7:59 am Monday through Friday, all day Saturday and Sunday until 4:59 pm.

State-to-state long-distance and local-toll calls: \$.26 to \$.42 from 9:00 am to 8:59 pm Monday through Friday; \$.14 to \$.32 from 7:00 pm to 8:59 am Monday through Friday; and \$.19 to \$.24 from 9:00 am to 8:59 pm Saturday and Sunday.

Residential toll-free calls: \$.18 to \$.28. A \$.31 per month charge applies.

Station-to-station calls: \$.10 to \$.25. A \$1.58 surcharge per call applies.

Person-to-person calls: \$.16 to \$.25. A \$2.73 surcharge per call applies.

Rates are based on mileage and are subject to change.

The surcharge for a directory assistance call completion is \$1.10 per call. The surcharge for directory assistance call completion is \$2.45 per call.

Use of Customer Information

Sprint has a duty under Federal law to protect the confidentiality of your account information. Protected account information includes your technical configuration, destination of calls and amount of calling or product use. Sprint is required by the FCC to obtain your permission to review your account information in order to inform you of Sprint branded services that may be of interest to you. You have the option to either grant or deny Sprint permission to use your account information to offer you Sprint products and services that fit your needs.

At any time you may choose to grant or deny Sprint's ability to use your account information by calling 1-888-212-2145. Your choice will remain valid until you change your mind and will NOT affect any of your Sprint services. Your approval will greatly enhance our ability to make you aware of our BEST products and services that will meet your changing needs.

**SPRINT
TERMS AND CONDITIONS
OF SERVICE AND
RATE CHANGES**



1. APPLICATION OF TERMS AND CONDITIONS OF SERVICE

1.1. General Application. These Terms and Conditions of Service ("Terms and Conditions"), together with the current rates and restrictions applicable to your calling plan ("Rates" or "Rate Schedules"), constitute your agreement with Sprint ("Agreement") for the Services that you purchase from Sprint Communications Company L.P. ("Sprint"). The Rate Schedules are incorporated into this Agreement by reference and are a part of this Agreement. **YOUR ENROLLMENT IN, USE OF OR PAYMENT FOR THE SERVICES CONSTITUTES YOUR ACCEPTANCE OF AND AGREEMENT TO THIS AGREEMENT. IF YOU DO NOT AGREE WITH SPRINT'S RATE SCHEDULES OR TERMS AND CONDITIONS, DO NOT USE THE SERVICES AND CALL SPRINT CUSTOMER SERVICE IMMEDIATELY FOR INSTRUCTIONS ON HOW TO CANCEL THE SERVICES.**

1.2. Changes to Rates, Terms and Conditions. Sprint reserves the right to change its Rate Schedules or Terms and Conditions at any time. All changes to existing service and product offerings will be posted on Sprint's website at www.sprint.com/ratesandconditions/ at least 15 days before they become effective. In addition, Sprint may notify you in advance of any significant changes to these documents, including any increases to the Rates applicable to your calling plan, in one of the other ways identified in Section 13.9. The rates, terms and conditions of new service or product offerings will be posted on Sprint's website within 24 hours after such new service or product is available to customers. You may also obtain information on Rate Schedules or a copy of the current Terms and Conditions in any of the following ways: by calling the Sprint Customer Service number printed on your invoice; by writing to Sprint Customer Service, P.O. Box 152048, Irving, TX 75015-2048; or by visiting Sprint's Regulatory Department at 8148 Ward Parkway, Kansas City, MO 64114. **YOUR CONTINUED USE OF THE SERVICES CONSTITUTES YOUR AGREEMENT TO SPRINT'S RATES, TERMS AND CONDITIONS THAT ARE IN EFFECT AT THE TIME YOU USE THE SERVICES.**

1.3. Scope. This Agreement applies to state-to-state and international long distance calls, but does not apply to Sprint PCSSM services, which are covered under separate agreements. State regulations and requirements, including tariffs filed with the State Public Service Commissions, will continue to apply to your intrastate telecommunications services.

1.4. Subscribing Through Local Telephone Company. If you select Sprint Services through your Local Telephone Company, you will automatically be put on the Sprint Standard Weekend calling plan. You may call Sprint Customer Service to select another calling plan.

1.5. Casual Callers. These Terms and Conditions along with the Casual Caller Rate Schedule apply to all calls made by Casual Callers. By placing a call on the Sprint network, a Casual Caller accepts and agrees to these Terms and Conditions and Sprint's Casual Caller Rates. Sprint will continue to file tariffs at the Federal Communications Commission that apply to Casual Callers who use dial-around 1+ Services. Please be aware that Casual Caller Rates are considerably higher than Sprint's basic rates or calling plan rates. If you believe that Sprint has charged you Casual Caller Rates in error, please contact Sprint Customer Service immediately. If Sprint has charged you Casual Caller Rates due to its

error, an error by your Local Telephone Company, or some other cause beyond your control, your account will be credited for the erroneous charges.

1.6. LEC Card Calls. These Terms and Conditions and Sprint's applicable Rates apply to calls made on Sprint's network using a calling card issued by a Local Telephone Company ("LEC Calling Card"). By placing a call on the Sprint network using a LEC Calling Card, the caller accepts and agrees to these Terms and Conditions and Sprint's Rates.

1.7. Definitions. Capitalized terms are defined in this Agreement or in Attachment A.

2. SERVICES

2.1. Charges. You agree to pay for Services at the current Rates and subject to any restrictions applicable to your calling plan, which are set forth on the Rate Schedules. In addition to the Rates for using the Services, taxes and surcharges may also apply to your Services. These additional charges are set forth in Section 4.

2.2. Requirements for Obtaining Service. Before you receive Services, Sprint may require you to: (a) sign a document authorizing changes in your existing long distance services; and/or (b) verify in writing that you are authorized to order Service at all Locations that you designate and that you assume financial responsibility for Services to those Locations. Sprint may also require you to establish credit as described in Section 3.

2.3. Order Acceptance. Sprint may accept or reject your order for Services in its sole discretion. Sprint will activate the Services as soon as practical after receiving your order, unless Sprint tells you otherwise when you place your order. Sprint's obligation to provide Services is subject to its ability to procure, construct and maintain necessary facilities. Sprint will undertake commercially reasonable efforts to secure necessary facilities, so long as obtaining the facilities or fulfilling your order for Services does not adversely affect Sprint's present services. Sprint's liability for any delay in activating Services is limited as set forth in Section 9.

3. CREDIT

3.1. Establishing Credit; Prepayment. Sprint may require you to establish credit before it provides Services. You may be required to make a prepayment on your account if your credit has not been established to Sprint's satisfaction. Sprint will credit the prepayment to the balance on your first invoice. If your credit or payment history becomes unsatisfactory to Sprint while you are a Sprint customer, or your credit does not support the amount of Services you use, Sprint may require you to make another prepayment or provide other security.

3.2. Sprint will not request a prepayment that exceeds the estimated charges for six months of Services.

3.3. If you terminate Service, Sprint will apply your prepayment to any unpaid bills for Service and refund any remaining balance to you.

3.4. If you make a prepayment, you must still pay your invoices as required in Section 5.

3.5. If you purchase stand-alone FONCARDSM Service, you must receive a satisfactory credit rating from Sprint before Sprint will provide a FONCARD.

4. TAXES AND SURCHARGES. Some or all of the following charges may apply to your calling plan. The charges described in this Section are in addition to all other Rates.

4.1. Carrier Universal Service Charge (CUSC). Sprint will assess a Carrier Universal Service Charge ("CUSC") of 9.9% on all billed interstate and international charges (including usage and non-usage) each month.

4.2. Carrier Property Tax. Sprint will assess a charge equal to 1.08% of your billed interstate and international charges (including usage and non-usage) each month. This charge allows Sprint to recover a portion of the property tax that it pays for Sprint property and equipment used to provide Services.

4.3. Single Bill Fee. If you choose to receive your Sprint charges on the bill you receive from your Local Exchange Carrier, you will be assessed a monthly fee of \$1.50. This fee is not assessed if: (a) your Local Exchange Carrier is Sprint, (b) your usage for the month (including any Monthly Recurring Charge) is greater than \$40 or (c) you subscribe to Sprint 50 at Home™ or Sprint 50 at Home™ International. This fee will not be prorated for partial month's usage and does not apply towards the satisfaction of usage volume requirements. This charge does not apply to blind and visually impaired customers in Missouri who request invoices in Braille or large print.

4.4. Gross Receipts Tax Surcharge. If you live in a jurisdiction that imposes a Gross Receipts Tax on Sprint, Sprint will assess a charge to you as a percentage of your interstate and international charges. The Gross Receipts Tax Surcharge applies in the following jurisdictions:

Jurisdiction Surcharge Factors

District of Columbia	10.00%
State of Colorado	0.47%
State of Hawaii	1.91%
State of Kentucky	1.635%
State of Maryland	2.04%
State of New Mexico	4.25%
State of New York	
Bronx County	2.93%
Dutchess County	2.93%
Kings County	2.93%
Nassau County	2.93%
New York County	2.93%
Orange County	2.93%
Putnam County	2.93%
Queens County	2.93%
Richmond County	2.93%
Rockland County	2.93%
Suffolk County	2.93%
Westchester County	2.93%
All Other New York Counties	2.50%
State of North Dakota	2.58%

State of Rhode Island	2.10%
State of South Carolina	
All cities other than those listed herein	0.30%
Central	0.60%
Charleston	0.32%
Conway	3.00%
Fairfax	3.61%
Irmo	0.56%
Kershaw	3.00%
Kingstree	0.98%
Newberry	3.00%
North Myrtle Beach	0.47%
Pickens	0.78%
Sumter	3.00%
Union	0.80%
State of Texas	1.25%
State of Virginia	0.39%

4.5. Frequent Flyer Excise Charge. If you participate in an Airlines/Sprint Partnership Program, you will incur a monthly Frequent Flyer Excise Charge calculated as follows:

Total Frequent Flyer Miles Earned X \$0.0010

For example: 270 total frequent flyer miles earned from Sprint X \$0.0010 = \$0.27

4.6. Texas Universal Service Fund ("TUSF") Charge. Your Services are subject to an undiscountable monthly Texas Universal Service Fund ("TUSF") Charge. The TUSF Charge is 3.6% of your total net in-state, state-to-state and international charges for calls that are both originated and billed within the state of Texas, after all applicable discounts and credits have been applied.

4.7. Payphone Surcharge. You will incur a per call surcharge of \$0.26 for all calls that Sprint identifies as originating from a Public or Semi-Public Payphone. These include FONCARD calls, prepaid card calls, toll free calls and calls placed by dialing 1010XXX0+ originating from a Public or Semi-Public Payphone. An additional per call surcharge may apply to calls made from a payphone using a prepaid calling card. This additional surcharge is set forth in the Prepaid Card Rate Schedule.

4.8. International Mobile Termination Surcharge. Sprint will apply a per minute surcharge to calls made from your home that terminate to foreign mobile phones in certain countries. A listing of the countries in which the charge applies and the specific charge for each country is at <http://www.sprint.com/mobilesurcharge>. The current version of that listing is hereby incorporated by reference into this Agreement. You will receive notice of increases in the International Mobile Termination Surcharge and of the introduction of new countries if you made a call which terminates to a mobile phone within 3 months of the change. If you have not made a call to a mobile phone, please check the website or call customer service for the current rates.

4.9. Regulatory Programs. You must pay additional charges that Sprint may impose to recover amounts Sprint is required by regulatory or other governmental authorities to collect on behalf of or pay to others in support of statutory or regulatory programs.

4.10. Other Taxes. You must pay all excise, sales, use or other similar taxes levied by a governing body or bodies for Services, unless you provide Sprint with proof that you are exempt from paying those taxes.

4.11. South Carolina Universal Service Charge. Your Services are subject to an undiscountable monthly South Carolina Universal Service Charge. The charge is 2.13% of your total net in-state and state-to-state charges for calls that are both originated and billed within the state of South Carolina, after all applicable discounts and credits have been applied.

5. PAYMENT OF CHARGES

5.1. BILLING.

A. Sprint will begin charging you for Services when they are available for your use. Sprint will prorate fixed recurring charges for an initial partial month on a 30-day basis.

B. Sprint will bill you for Services monthly. Sprint will bill you for usage accrued beginning immediately upon access to the Services and for usage occurring during a specific 30-day billing cycle. Except for Monthly Recurring Charges ("MRCs"), Sprint bills you for charges one month in arrears. When Sprint deletes a charge that is billed in arrears from the applicable Rates or Terms and Conditions, Sprint will invoice the charge on one additional invoice. When an MRC is changed during your billing cycle, the charge in effect on the last date of the billing cycle will apply. Otherwise, Sprint will charge you the MRC in effect on the first day of your billing cycle.

C. Sprint will bill any MRC applicable to your calling plan in advance of Service, except for the initial month (or fraction thereof). Sprint will bill the MRC for the initial month (or fraction thereof) on your first invoice, so that the first bill you receive will include a MRC for the first month (or a pro-rated MRC for a partial month) plus the MRC for the next month's Service. Sprint will not prorate the MRC for a partial month's Service when you cancel Service.

D. Sprint will bill you in whole minute increments, unless otherwise stated in the Rates applicable to your calling plan. Partial minutes are rounded up to the next whole minute. Sprint will charge you for the entire minute of a partial minute used.

E. If the total for all computed domestic interstate or international call charges includes a fraction of a cent, the fraction will be rounded down to the next whole cent.

5.2. Payment Terms.

A. You agree to pay for Services at the Rates applicable to your calling plan and according to the terms of this Agreement.

B. You must fully pay all undisputed charges on Sprint's monthly invoice in U.S. currency within 30 days of the invoice date.

C. If you fail to pay all undisputed charges for Services within 30 days of the invoice date, Sprint may charge you interest on those charges equal to the lesser of 1.5% per month or the maximum rate allowed by law. The interest will be applied to the entire unpaid balance, including

taxes. If the Local Telephone Company bills you for Sprint charges on Sprint's behalf, you are subject to the Local Telephone Company's payment policies, including any late payment charges that it may impose.

D. You may in good faith withhold payment of any disputed charges. To dispute a charge on your invoice, you must follow the procedures in Section 8. A charge is not "disputed" until you provide Sprint with a written explanation of the disputed charge. If Sprint determines that the disputed charges are valid, Sprint will notify you of that and you must pay all such charges within 10 days.

E. If you pay by credit card, your payment is also subject to the terms of your agreement with the credit card issuer.

5.3. Unauthorized Charges. You are responsible to pay all charges for Services provided under this Agreement, including, but not limited to, unauthorized charges incurred on calls placed from your premises or using a FONCARD number or authorization code that Sprint has issued to you.

5.4. Refunds. If you believe that you have overpaid Sprint, you must submit a claim to Sprint within 60 days after the claimed overpayment, along with evidence supporting the claim. In calculating any refund, Sprint will adjust usage discounts based on total usage after all credits or adjustments have been applied. If a billing error results in an overbilling or overcharge, Sprint may refund the amount overbilled or overcharged by issuing a credit to your account.

5.5. Returned Check Fee. Sprint may charge you a Return Check Fee if your check, bank draft or electronic funds transfer is returned for insufficient funds. You are responsible for paying this charge. Fees vary by state and are set forth in Sprint in-state tariffs where required by state law. The address where your bill is sent will determine your charge.

6. YOUR RESPONSIBILITIES

6.1. Your Duties and Responsibilities. You must:

A. ensure compliance with this Agreement by anyone who you authorize to use the Services;

B. ensure that any of your equipment and facilities that are connected with any equipment or facilities of Sprint will work satisfactorily with the Services and will not interfere with the Services;

C. cooperate with Sprint in installation, trouble determination and fault isolation;

D. accept responsibility for cabling that connects equipment not provided by Sprint to Services; and

E. notify Sprint of any interruption of Service, after ensuring that the interruption is not the result of anything that you have done or caused by your equipment.

6.2. Use of Services.

A. Neither you nor your Authorized Users may use the Services for any unlawful purpose, or in such a way as to interfere with the use of Services by others. If you fail to comply with this Section, you release Sprint from all liabilities or obligations and you must pay Sprint for all costs or damages that Sprint incurs as a result.

B. You must not permit or assist others to abuse or fraudulently use Services.

C. You must not sell or otherwise distribute FONCARD numbers and authorization codes without Sprint's prior written consent.

D. If you use the Services in any manner that violates this Section, Sprint may immediately suspend or terminate your Service without notice and without further liability to you.

7. CANCELLATION, DISCONTINUATION OR RESTRICTION OF SERVICES

7.1. By You. You may cancel Service at any time. To cancel Service, you should notify your Local Exchange Carrier that you wish to change your long distance service to another carrier, in which case Sprint will cancel your Service and close your account when it receives the order from the Local Exchange Carrier.

7.2. By Sprint.

A. Sprint may discontinue your Service immediately upon written notice and without liability to you for any of the following reasons:

1. you fail to pay any sum due to Sprint, or any Sprint affiliate, for Services for more than 30 days beyond the date of the invoice for such Services, regardless of whether the Service being canceled is related or unrelated to the account or Service for which the sum is past due;
2. you fail to pay a disputed charge within 10 days after Sprint notifies you that the charge is valid;
3. you fail to make a prepayment as required in Section 3;
4. Sprint is prohibited from furnishing Service by order of a court or other government authority having jurisdiction;
5. you use the Services in a manner that violates any law or regulation; or
6. you place harassing phone calls to Sprint or any third party, including calls in which you use abusive language.

B. Fraud or Suspected Fraud.

1. Sprint may immediately and without notice block access to its network from particular phone numbers where Sprint is experiencing significant amounts of toll fraud, or usage of Services in an amount that is not supported by your credit.
2. Sprint may disconnect calls that are in progress that violate Sprint's fraud control parameters. Sprint may deactivate any FONCARD numbers associated with suspected fraud. If Sprint determines that the fraudulent or unlawful use of its FONCARD access service to overseas locations is occurring, Sprint may block access to toll free FONCARD service to those locations.
3. Sprint may block FONCARD calls from certain area codes to certain international locations in order to prevent international toll fraud. If you are willing to accept in writing all liability for fraudulent calls that may be placed using your FONCARD, Sprint will unblock these international locations for you.

C. Restricted Service. Under certain circumstances, Sprint may suspend your Service and route your calls to a receivables operator or a voice response unit if you have incurred significant pre-bill charges and one or more of the following apply:

1. Sprint could not obtain credit information about you from one of the major credit reporting agencies;
2. you have poor credit based on industry standards;
3. you have not paid a bill in a timely manner or;
4. your usage appears to be fraudulent according to standards determined by Sprint.

If you are routed to a voice response unit, you will be advised that your Service has been restricted. You may then make a prepayment using a credit card, or dial a toll free number to speak with a collection representative. The receivables operator or collection representative will explain the reasons for the restricted Service and the requirements for you to receive unrestricted Service again.

7.3. Payment Pending Cancellation. Sprint has up to 30 days to complete the cancellation or disconnection of your Service. You must pay all charges incurred for 30 days after the notice of cancellation/disconnection or until the cancellation/disconnection is completed, whichever is sooner. You are responsible for paying the entire MRC applicable to your calling plan for the month your Service terminates.

8. DISPUTE RESOLUTION

8.1. This Section applies to any dispute between you and Sprint arising out of or relating to this Agreement, including any dispute you may have regarding the Services, charges for Services, advertising, or any other dispute that either you or Sprint has that is related to this Agreement, even if the dispute arises after your Service has terminated. All disputes must be resolved as described in this Section. **YOU AGREE THAT ANY DISPUTE WILL NOT BE RESOLVED BY A JUDGE OR JURY IN COURT (EXCEPT FOR SMALL CLAIMS COURT, IF APPLICABLE). YOU FURTHER AGREE THAT ANY DISPUTE YOU MAY HAVE AGAINST SPRINT CANNOT BE JOINED WITH THE DISPUTE OF ANY OTHER PERSON OR ENTITY IN A LAWSUIT, ARBITRATION OR ANY OTHER PROCEEDING, OR RESOLVED ON A CLASS-WIDE BASIS.**

8.2. If you have a dispute with Sprint, you must first call Sprint's Customer Service department at the number listed on your invoice or write to Sprint at P.O. Box 569290, Dallas, TX 75356-9290, Attention: Manager, Executive Services, to attempt to resolve your dispute. You must describe your dispute and provide Sprint with any supporting documentation. Likewise, if Sprint has a dispute with you, it will notify you by letter sent to your billing address and attempt to resolve it before pursuing arbitration.

8.3. If either party is unable to resolve its dispute within 60 days of notifying the other party of the dispute, either party has the right to take the dispute to small claims court if it qualifies under the rules of that court. Alternatively, either party may request arbitration of the dispute through the American Arbitration Association ("AAA"). All disputes related to this Agreement that are not resolved informally or in small claims court, regardless of the legal or equitable theory under which they are brought, must be resolved through final and binding arbitration in accordance with the Federal Arbitration Act, 9 U.S.C. §§1-16. **ANY REQUEST FOR ARBITRATION OF A DISPUTE ARISING OUT OF OR RELATED TO THIS AGREEMENT MUST BE MADE WITH THE AAA WITHIN TWO YEARS OF: (a) THE DATE ON WHICH THE FIRST ACTION OR EVENT GIVING RISE TO THE DISPUTE OCCURRED, OR (b) IF THE DISPUTE INVOLVES CLAIMED OVERCHARGES BY SPRINT, THE DATE THAT SPRINT NOTIFIES YOU THAT THE CHARGES ARE VALID, WHICHEVER IS LATER.**

8.4. The arbitration will be conducted by one arbitrator in accordance with the procedures outlined in this Section. The arbitrator is bound by

the terms of this Agreement in conducting the arbitration and making any award, and may not modify or change its terms.

8.5. If the dispute involves \$10,000 or less, the arbitration will be conducted according to the AAA's Arbitration Rules for the Resolution of Consumer-Related Disputes in effect as of the date that a dispute is submitted to the AAA, as modified by this Agreement. If the dispute involves more than \$10,000, the arbitration will be conducted according to the AAA's Commercial Arbitration Rules in effect as of the date that a dispute is submitted to the AAA, as modified by this Agreement. You may obtain a copy of the AAA's arbitration rules and procedures from your local AAA office or by visiting their website at www.adr.org.

8.6. You may be represented by an attorney in an arbitration. If the dispute involves less than \$10,000, any in-person arbitration will be held at a location selected by the AAA in the state or area of your primary residence. If the dispute involves \$10,000 or more, any in-person arbitration will be held at a location selected by the AAA in the state or area of your primary residence or in the metropolitan Kansas City metropolitan area, at the option of the party filing the demand for arbitration. You and Sprint agree to keep all aspects of the arbitration confidential, including any testimony, documents, and award, except as may be required by law or to enforce any arbitration award.

8.7. Each party must pay its own expenses associated with any arbitration, including its attorney's fees. If you file a request for arbitration, you will have to pay a filing fee in accordance with the AAA fee schedule. Under AAA rules, some costs such as the arbitrator's fees and expenses will be allocated between the parties.

8.8. The arbitrator may not award punitive, exemplary, or similar damages, or attorneys' fees. The parties agree that an award of such damages or fees will be void if issued. **YOU AND SPRINT BOTH EXPRESSLY WAIVE ANY CLAIMS FOR DAMAGES THAT ARE EXCLUDED UNDER THIS AGREEMENT.**

8.9. Judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof.

8.10. In addition to the procedures described in this Section for resolving a dispute, you may also have the right to file a complaint with an appropriate federal or state regulatory agency.

8.11. If any portion of this Dispute Resolution Section is determined to be invalid or unenforceable, the remainder of the Section remains in full force and effect.

9. LIMITATIONS ON SPRINT'S LIABILITY. This Section describes the full extent of Sprint's liability to you for any claims in connection with the Services or this Agreement.

9.1. Liability Limitations.

A. SPRINT'S LIABILITY ARISING OUT OF OR RELATED TO THIS AGREEMENT, INCLUDING FOR ANY PROBLEM YOU EXPERIENCE WITH THE SERVICES, WILL NOT EXCEED THE AMOUNT YOU ARE CHARGED FOR SERVICES DURING THE AFFECTED PERIOD. THIS INCLUDES, BUT IS NOT LIMITED TO, ANY DAMAGES ARISING OUT OF MISTAKES, OMISSIONS, INTERRUPTIONS, DELAYS, ERRORS, UNAVAILABILITY OR DEFECTS IN THE TRANSMISSION OF THE SERVICES.

B. SPRINT IS NOT LIABLE FOR ANY CONSEQUENTIAL, INCIDENTAL,

SPECIAL, INDIRECT, PUNITIVE OR EXEMPLARY DAMAGES FOR ANY CAUSE OF ACTION, WHETHER IN CONTRACT OR TORT, ARISING OUT OF ITS PROVISION OF SERVICES OR FAILURE TO PROVIDE SERVICES UNDER THIS AGREEMENT. CONSEQUENTIAL, INCIDENTAL, SPECIAL AND INDIRECT DAMAGES INCLUDE, BUT ARE NOT LIMITED TO, LOST PROFITS, LOST REVENUES AND LOSS OF BUSINESS OPPORTUNITY, WHETHER OR NOT SPRINT WAS AWARE OR SHOULD HAVE BEEN AWARE OF THE POSSIBILITY OF THESE DAMAGES.

C. SPRINT IS NOT LIABLE FOR ANY FAILURE OF PERFORMANCE DUE TO CAUSES BEYOND ITS CONTROL, INCLUDING, BUT NOT LIMITED TO, ACTS OF GOD, FIRES, METEOROLOGICAL PHENOMENA, FLOODS OR OTHER CATASTROPHES; NATIONAL EMERGENCIES, INSURRECTIONS, RIOTS OR WARS, STRIKES, LOCKOUTS, WORK STOPPAGES, OR OTHER LABOR DIFFICULTIES, ACTS OF THIRD PARTIES, INCLUDING BUT NOT LIMITED TO LOCAL OR FOREIGN TELEPHONE COMPANIES; AND ANY LAW, ORDER, REGULATION OR OTHER ACTION OF ANY GOVERNMENTAL ENTITY.

D. THIS SECTION CONTINUES TO APPLY AFTER THE AGREEMENT ENDS.

E. Nothing in this Section limits damages that are conclusively determined to be the direct result of Sprint's wanton or intentional misconduct.

9.2. No Warranties. SPRINT MAKES NO EXPRESS OR IMPLIED WARRANTIES ABOUT ITS SERVICES THAT ARE NOT EXPRESSLY CONTAINED IN THIS AGREEMENT. SPRINT DISCLAIMS ANY IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. SPRINT ALSO MAKES NO WARRANTY THAT THE SERVICES WILL BE UNINTERRUPTED OR ERROR-FREE. YOU MAY NOT RELY ON STATEMENTS OF WARRANTY ABOUT SPRINT'S SERVICES; SUCH STATEMENTS ARE NOT AUTHORIZED BY SPRINT AND ARE NOT A WARRANTY BY SPRINT.

9.3. Exclusions. Sprint is not liable for claims or damages from:

- A. your or your Authorized Users' fault, negligence or failure to perform your responsibilities;
- B. third party claims against you that arise out of your or your Authorized Users' use of the Services;
- C. claims for third party acts or omissions;
- D. your or your Authorized Users' acts or omissions;
- E. the acts or omissions of any non-Sprint entity furnishing equipment, services or facilities for use with Services;
- F. claims from a breach in the privacy or security of communications transmitted over Sprint's network, unless caused by some act or omission of Sprint;
- G. claims due to fraudulent or unauthorized use of the Services provided to you, or unauthorized use of your telephone facilities to place calls on the Sprint network; or
- H. a problem with the interconnection of Sprint's Services with the services or equipment of some other party.

10. YOUR LIABILITY

You will indemnify, defend and hold Sprint harmless from all claims and demands by third parties for loss or damages arising out of the use of Services by you or your Authorized User, including but not limited to:

claims of libel, slander, or the infringement of copyright; claims for the unauthorized use of any trademark, trade name, or service mark arising from the material transmitted over the Services; claims of infringement of patents arising from, combining with, or using in connection with, the Services, any apparatus and or systems furnished by you or your Authorized User; and all other claims arising out of any act or omission of you or your Authorized User in connection with the Services.

11. INTERNATIONAL SERVICES

11.1. Foreign Carrier Restrictions. Foreign carriers or regulatory agencies may impose, upon the portion of the end-to-end international service or facilities they provide, certain limitations or restrictions that may limit your ability or that of your Authorized Users to use the Sprint Services. You or your Authorized User must conform to any limitations or restrictions imposed by the foreign carriers or agencies.

11.2. Foreign Carrier Acts or Omissions.

A. When other U.S. or foreign carriers and Foreign Telecommunications Administrations use facilities to establish connections to points not reached by Sprint's facilities, Sprint is not liable for acts or omissions of other carriers or Foreign Telecommunications Administrations.

B. International calls are priced on the basis of the country and city codes dialed by you. When the facilities of other U.S. or foreign carriers are used in establishing connections to points not reached by Sprint's facilities, Sprint is not liable for refunds or damages if those calls do not terminate in the country, city, or area codes normally associated with the called number.

12. PRIVACY

12.1. Information Obtained Online. Sprint's privacy policy governing information about you that Sprint obtains over the Internet is at www.sprint.com.

12.2. Customer Proprietary Network Information. As Sprint provides Services to you, Sprint develops information about the quantity, technical configuration, type, destination, amount of Services you use, and other information found on your bill ("Customer Information"). In order to serve you in the most effective and efficient manner, Sprint may use your Customer Information for purposes of determining and offering other Sprint products and services that may interest you. However, if you so desire, we will not use your Customer Information to offer you products and services that are unrelated to the Services you currently receive from Sprint. If you would prefer that Sprint not use your Customer Information for this purpose, please call 1-888-212-2145.

12.3. Use of Recording Devices

A. Sprint's Services are not adapted to the use of recording devices. If you use such devices to record your conversations, or for other purposes, you do so at your own risk.

B. You may use a recording device to record your conversations only if you comply with all applicable laws and regulations, including the following requirements prescribed by the Federal Communications Commission:

1. prior to the conversation taking place, you obtain the written or verbal consent of all parties to the conversation that the conversation is being recorded, or you notify each person on the call at the beginning of the call that you are recording the call (you must record this notification); or

2. you use a distinctive recorder tone, repeated at intervals of approximately 15 seconds, to alert all parties to the conversation that a recording device is being used.

C. These FCC requirements do not apply to recording incoming calls made to emergency telephone number (such as 911) and responsive outgoing calls; to calls made to or from relevant government agencies in emergencies; to calls made for illegal purposes such as bomb threats; kidnap ransom requests and calls made in response; to calls made by the United States Secret Service of the Department of the Treasury concerning the safety and security of the person of the President of the United States, members of the President's immediate family, or the White House and White House grounds; or to calls allowed to be recorded pursuant to court order.

12.4. Caller ID. Sprint's provision of Caller ID Service, including Automatic Number Identification (ANI), is subject to the requirements of Part 47 of the Code of Federal Regulations, Section 64.1800 et seq. 47 C.F.R. 564.1800 et seq.

13. MISCELLANEOUS

13.1. Pay-Per-Call. If you subscribe to the Services (either outbound or inbound) for the purpose of "pay-per-call" services, you must comply with all applicable provisions of 47 C.F.R. 564.711 through 64.716, as well as with Subpart D of Part 64 of the Federal Communications Commission's rules.

13.2. Payphones. If you own a Public or Semi-Public Payphone or make such telephones available to the public or transient users of your premises and use Sprint as your provider of operator services, you must comply with the requirements of 47 U.S.C. 5226(c), if applicable, and 5226(e)(1).

13.3. No Waiver of Rights. If either party fails to enforce any right or remedy under this Agreement, that does not waive the right or remedy for any other breach or failure.

13.4. No Third Party Beneficiaries. The parties do not extend this Agreement's benefits to any third party, unless expressly stated in this Agreement.

13.5. Governing Law. This Agreement and all claims relating to the relationship between the parties are governed by federal law and the laws of the State of Kansas, but excluding Kansas' choice of law principles.

13.6. Severability. If any provision is held to be illegal, or unenforceable, this Agreement's unaffected provisions will remain in effect.

13.7. Headings of No Force or Effect. Headings in this Agreement are for reference only and have no effect on any provision's meaning.

13.8. Assignment. You may not assign this Agreement. Sprint may assign this Agreement.

13.9. Notices. Any notices that Sprint must give you under this Agreement will be made in at least one of the following ways: postcard or letter mailed to the most recent address on your account, bill message, bill insert, e-mail to an address provided by you, recorded announcement, posting on the Sprint website, call to your billed telephone number and speaking to you or leaving a message, or newspaper ad.

13.10. Sprint's Trademarks. You may not use the Sprint name or logo, the name or trademark of the Services, or the Sprint access code in any promotional materials, web site pages, or similar media without Sprint's prior written approval.

13.11. Entire Agreement. These Terms and Conditions and applicable Rate Schedules, as may be modified by Sprint from time to time, constitute the entire agreement between you and Sprint. No prior agreements, understanding, statements, proposals or representation, either oral or written, apply. No written or oral statement, advertisement or service description not expressly contained in this Agreement can be used to alter or supplement its terms. You may not rely on any representations or statements not contained in this Agreement.

If you find any inconsistency between your bill and the rates, terms and conditions on the website, quoted by customer service or contained in any material you receive from Sprint, please contact customer service.

13.12. Bank Card Programs. If you are enrolled in a bank card enhancement program that offers the ability to use Sprint's International VisaPhone or other Sprint Services, you waive any claims against the association of card-issuing entities and its card-issuing members for any claim arising out of the Sprint's negligence in connection with the provision of telecommunication services under the bank card enhancement.

ATTACHMENT A TO SPRINT TERMS AND CONDITIONS OF SERVICE DEFINITIONS

Authorized User – a person, firm, or corporation, who is authorized by you to use your Services.

Automatic Number Identification – the calling telephone number identification that will be forwarded to Sprint's network by the Local Exchange Company (LEC) as a call is placed.

Casual Caller – any person who uses Sprint Service and who does not have a current account with Sprint, including:

- a. Any person who has not established an account with Sprint who places calls over Sprint's network from an equal access area.
- b. Any person located in an equal access area who voluntarily terminated his Sprint account but continues to make calls over Sprint's network.
- c. Any person located in an equal access area who has had his account terminated in accordance with the Terms and Conditions but continues to make calls on Sprint's network.
- d. New or allocated customers whose accounts are not yet established in Sprint's billing system.

Customer, Subscriber, or you –

- a. the person or other entity, including Casual Callers, having a communications requirement of its own and responsible for both the payment of charges and compliance with the Agreement; or
- b. any person with actual or apparent authority to represent that person or to use the Services.

Foreign Telecommunications Administration – an entity duly authorized to provide telecommunications services within a foreign country or between a foreign country and other countries.

Local Telephone Company or Local Exchange Carrier (LEC) – a company that furnishes local exchange service.

Location – a physical premise to or from which Sprint provides Service. In instances where you obtain Services from Sprint at multiple Locations, each of these Locations will be designated as either "Associated" or "Non-Associated."

An "Associated" Location is a Location in which you own or lease, or which is occupied by a business enterprise in which you have an equity interest of 20% or more or which is occupied by your franchisee.

All Locations other than "Associated" Locations will be considered "Non-Associated" Locations.

Minimum Usage Charge (MUC) – a minimum charge for Services for which you are invoiced and that you must pay each month. Your usage of the Services is applied against the MUC. If the charges for your monthly usage are less than the MUC, you must pay the entire amount of the MUC. To the extent charges for your usage exceed the MUC, you will be required to pay the additional charges according to your calling plan.

Monthly Recurring Charge (MRC) – a charge for Services for which you are invoiced and that you must pay each month.

Pay-Per-Call Services – those telecommunications services in which the called party assesses the calling party a charge that is not dependent on the existence of a presubscription relationship and for which the caller pays a per-call or per-time-interval charge that is greater than, or in addition to, the charge for transmission of the call.

Premises – a building or buildings on contiguous property (except railroad rights-of-way, etc.).

Public/Semi-Public Payphone – a coin operated or coinless telephone that is generally available for public use in the U.S. Mainland, Hawaii, Puerto Rico and the U.S. Virgin Islands. These telephones can be owned by local telephone companies, interexchange carriers and/or private Customers. Calls from coinless telephones must use an alternate billing method such as calling card, commercial credit card, third number or collect.

Services – the state-to-state and international telecommunications service offerings provided by Sprint and purchased by you. Services do not include Sprint PCS™ services, which are governed by separate terms and conditions.

State-to-State Calling – Dial-1 and Operator state-to-state services are available to Customers in the U.S. Mainland, Hawaii, Puerto Rico and the U.S. Virgin Islands. FDNCARD state-to-state service is available from the U.S. Mainland, Alaska, Hawaii, Puerto Rico, the U.S. Virgin Islands, Guam and CNMI. State-to-state calls may terminate to the U.S. Mainland, Alaska, Hawaii, Puerto Rico, the U.S. Virgin Islands, Guam and CNMI, unless otherwise specified in the product.



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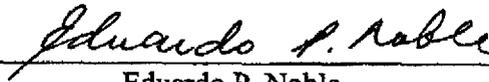
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CERTIFICATE OF SERVICE

I hereby certify that the original and 10 copies of the Comments of Sprint Communications Company L.P. regarding Docket No. RT-00000J-02-0066 were served on all parties of record (see attachment) by placing a copy thereof into the U.S. Mail, postage prepaid.

Dated March 29, 2002 in San Francisco, California.



Eduardo P. Noble

Arizona

Date: 3/29/02

Docket No. T-00000J-02-0066

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Citizens Comm. Company of Arizona
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Salt Lake City, UT 84180

Copper Valley Telephone, Inc.
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Phoenix, AZ 85012

Rio Virgin Telephone Company
Rio Virgin Telephone & Cablevision
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Western CLEC Corporation
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South Central Utah Tel. Assn., Inc.
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Table Top Telephone Company, Inc.
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Valley Telephone Cooperative, Inc.
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Mountain Telecommunications, Inc.
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RCN Telecom Services, Inc.
105 Carnegie Center
Princeton, NJ 08540-0000

TCG Phoenix
111 W. Monroe Street, Suite 1201
Phoenix, AZ 85004

Winstar Wireless of Arizona, Inc.
1577 Spring Hill Road, 2nd Floor
Vienna, VA 22182

Allcom USA
2151 E. Convention Center Way,
Suite 207-A
Ontario, CA 91764-4483

Comm. South Companies, Inc.
2909 N. Buckner Blvd., Suite 800
Dallas, TX 75228-0000

Digital Services Corporation
211 N. Union Street, Suite 300
Alexandria, VA 22314

Eschelon Telecom. of Arizona, Inc.
730 Second Ave., South, Suite 1200
Minneapolis, MN 55402-0000

Williams Local Network, Inc.
1 William Center, MD29-1
Tulsa, OK 74172

MCIMetro
201 Spear Street, 9th Floor
San Francisco, CA 94105

North County Comm. Corporation
3802 Rosecrans, Suite 485
San Diego, CA 92110-000

Reflex Communications, Inc.
83 S. King Street, Suite 106
Seattle, WA 98104

The Phone Company/Network Svcs.
Of New Hope
6805 Route 202
New Hope, PA 18938-0000

XO Arizona, Inc.
3930 E. Watkins, Suite 200
Phoenix, AZ 85034

Alliance Group Services, Inc.
1221 Post Road, East
Westport, CT 06880-0000

Covad Communications Company
4250 Burton Drive
Santa Clara, CA 95054-0000

E.Spire
131 Nat'l. Business Parkway, Ste. 100
Annapolis Junction, MD 20701-0000

Global Crossing Telemangement, Inc.
180 South Clinton
Rochester, NY 14646-0000

Level 3 Communications, LLC
1025 Eldorado Boulevard
Broomfield, CO 80021

Metropolitan Fiber Systems of AZ, Inc.
201 Spear Street, 9th Floor
San Francisco, CA 94105

OnePoint Communications
2 Conway Park
150 Field Drive, Suite 300
Lake Forest, IL 60045-0000

Rhythm Links, Inc.
9100 E. Mineral Circle
Englewood, CO 80112-0000

Verizon Select Services, Inc.
6665 N. MacArthur Blvd., HQK02D84
Irving, TX 75039-0000

360Networks (USA) Inc.
12101 Airport Way
Broomfield, CO 80021

American Telephone Network, Inc..
2313 6th Avenue, South
Birmingham, AL 35233-0000

Archtel, Inc.
1800 W. Park Drive, Suite 250
Westborough, MA 01581-0000

Caprock Telecommunications Corp.
15601 N. Dallas Parkway
Dallas, TX 75248

Michael Patten
Roshka Heyman & DeWulf
400 Fifth Street, Suite 100
Phoenix, AZ 85004

Enhanced Communications Network,
Inc.
37 Winthrop Place
Hazlet, NJ 07730-0000

Ernest Communications, Inc.
6475 Jimmy Carter Blvd., Suite 300
Norcross, GA 30071-0000

GST Net, Inc.
4001 Main Street
Vancouver, WA 98663

IG2, Inc.
80-02 Kew Garden Road, Suite 5000
Kew Gardens, NY 11415-0000

Joan S. Burke
Osborn & Maledon
2929 N. Central Avenue, 21st Floor
Phoenix, AZ 85067-6379

Main Street Telephone Company
200 Ithan Creek Avenue
Villanova, PA 19085

MCI WorldCom Network Services, Inc.
201 Spear Street, 9th Floor
San Francisco, CA 94105

Net-Tel Corporation
11921 Freedom Drive
Reston, VA 20190

Nextlink Long Distance Services, Inc.
3930 E. Watkins, Suite 200
Phoenix, AZ 85034

One Point Communications
2 Conway Park, Suite 300
Lake Forest, IL 60045

Opex Communications, Inc.
500 E. Higgins Road, Suite 200
Elk Grove Village, IL 60007-0000

Pac-West Telecomm. Inc.
1776 W. March Lane, #250
Stockton, CA 95207

Qwest Communications Corporation
555 17th Street
Denver, CO 80202-0000

Single Billing Services, Inc.
9550 Flair Drive, Suite 409
El Monte, CA 91731-0000

Special Accounts Billing Group, Inc.
1523 Withorn Lane
Inverness, IL 60067-0000

Teligent Services, Inc.
8065 Leesburg Pke, Suite 400
Vienna, VA 22182-0000

Tess Communications, Inc.
12050 Pecos Street, Suite 300
Westminster, CO 80234

Touch America
130 N. Main Street
Butte, MT 59701

McLeodUSA Communications
400 S. Highway 169, Suite 750
Minneapolis, MN 55426

Arizona Reporting Service, Inc.
2627 N. Third Street, Suite 3
Phoenix, AZ 85004-1103

Steve Duffy
Ridge & Isaacson
3101 N. Central Avenue, Suite 1090
Phoenix, AZ 85012-2638