

ORIGINAL

NEW APPLICATION



0000166306

CERETEL

T-20943A-15-0343

September 14, 2015

VIA FEDERAL EXPRESS

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

Arizona Corporation Commission
DOCKETED

OCT 1 2015

DOCKETED BY	<i>MK</i>
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AZ CORP COMMISSION
DOCKET CONTROL

2015 OCT -1 P 2:21

RECEIVED

RE: Application Certificate of Convenience and Necessity for CereTel Incorporated.

Dear Sir or Madam:

Pursuant to the requirements set forth by Docket Control, CereTel Incorporated ("CereTel") hereby submits an original and thirteen (13) copies of this cover letter as well as its Application for Certificate of Convenience and Necessity. CereTel has also provided and original and thirteen (13) copies of all supporting documentation.

Please date stamp the additional copy of this cover letter, and return it in the enclosed postage prepaid envelope. If you have any questions concerning this matter, please contact the undersigned.

Respectfully submitted,

Marc Krens
CFO
(212) 660-2726
mkrens@ceretel.com

**APPLICATION
CERTIFICATE OF CONVENIENCE & NECESSITY**

If the Applicant wants to provide any type of Non-Customer Owned Pay Telephone (“COPT”) telecommunications services in Arizona, provide the Arizona Corporation Commission (“Commission”) with information being requested.

Remember that information submitted for a Certificate of Convenience and Necessity (“CC&N”) will be made part of the public record (including financial statements). Any information designated as confidential will not be accepted by Docket Control. Mail your original CC&N application plus thirteen (13) copies to Arizona Corporation Commission, Docket Control, 1200 W. Washington Street, Phoenix, AZ 85007-2927.

Make sure you use the Application form dated May 24, 2010. Also, make sure you answer each numbered item and part of the item in each section of the Application form. If you do not use the correct Application form and/or do not completely answer the numbered item(s), Staff will request the Applicant to re-submit the Application form and/or complete any of the numbered item(s) and part of the item in a data request. In order for Staff to review your Application, complete the following form. Thank you.

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 mark the appropriate box(s).

- 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 _____ (Please attach complete description)

(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:

Marc Krens, CFO
CereTel Incorporated
700 Melvin Avenue, Suite 1
Annapolis, MD 21401

(800) 259-8748/ Phone
(443) 926-0574/ Fax
mkrens@ceretel.com
http://www.ceretel.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):

(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:

Marc Krens, CFO	(800) 259-8748/ Phone
CereTel Incorporated	(443) 926-0574/ Fax
700 Melvin Avenue, Suite 1	mkrens@ceretel.com
Annapolis, MD 21401	http://www.ceretel.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:

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

Marc Krens, CFO	(800) 259-8748/ Phone
CereTel Incorporated	(443) 926-0574/ Fax
700 Melvin Avenue, Suite 1	mkrens@ceretel.com
Annapolis, MD 21401	http://www.ceretel.com

(A-7) What type of legal entity is the Applicant? Mark the appropriate box(s) and category.

- Sole proprietorship
- Partnership: ___ Limited, ___ General, ___ Arizona, ___ Foreign
- Limited Liability Company: ___ Arizona, ___ Foreign
- Corporation: "S", "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 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).
2. Tariff Maximum Rate and Prices to be charged (reference by Tariff page number).
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).
5. The proposed fee that will be charged for returned checks (reference by Tariff page number).

(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 before any state or federal regulatory commission, administrative agency, or law enforcement agency. **No**

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. **No**

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).

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 any box in (A-14) is marked "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 any box in (A-14) is marked "No", 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.

As a prepaid calling provider, applicant does not require deposits. Prepaid cards are available immediately upon purchase.

(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 you 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 Arizona:

Yes No

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

Certified carriers in Arizona.

(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 Arizona:

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.

Applicant is a newly formed entity that is in the process of obtaining authority to operate in the applicable states.

(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 Arizona.

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.

Applicant is a newly formed entity that is in the process of obtaining authority to operate in the applicable states.

(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.

None

(A-21) 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

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.

Applicant is a newly formed entity that is in the process of obtaining authority to operate in the applicable states.

(B-2) Include "Attachment D".

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.
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.

Not applicable.

(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.
2. Provide the operating expenses expected to be incurred during the first twelve months of providing telecommunications services to Arizona customers following certification.
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.
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.

1. Approximately \$5,000.00
2. Approximately \$2,500.00
3. The projected value of all assets is \$ 0.

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 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 in 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 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 Arizona.

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.

Marc Krens

(Signature of Authorized Representative)

9/25/15

(Date)

MARC KRENS

(Print Name of Authorized Representative)

CFO

(Title)

SUBSCRIBED AND SWORN to before me this 25 day of September, 2015



Cherie A. Sampson
NOTARY PUBLIC

My Commission Expires 7/18/2018

ATTACHMENT A

Evidence of Certificate of Good Standing

STATE OF ARIZONA



Office of the
CORPORATION COMMISSION

CERTIFICATE OF GOOD STANDING

To all to whom these presents shall come, greeting:

I, Jodi A. Jerich, Executive Director of the Arizona Corporation Commission, do hereby certify that

*****CERETEL INCORPORATED*****

a foreign corporation organized under the laws of Delaware did obtain authority to transact business in the State of Arizona on the 17th day of March 2015.

I further certify that according to the records of the Arizona Corporation Commission, as of the date set forth hereunder, the said corporation has not had its authority revoked for failure to comply with the provisions of the Arizona Business Corporation Act; and that its most recent Annual Report, subject to the provisions of A.R.S. sections 10-122, 10-123, 10-125 & 10-1622, has been delivered to the Arizona Corporation Commission for filing; and that the said corporation has not filed an Application for Withdrawal as of the date of this certificate.

This certificate relates only to the legal authority of the above named entity as of the date issued. This certificate is not to be construed as an endorsement, recommendation, or notice of approval of the entity's condition or business activities and practices.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the Arizona Corporation Commission. Done at Phoenix, the Capital, this 7th Day of April, 2015, A. D.





Jodi A. Jerich, Executive Director

By: _____ 1213013

Ownership Information

OWNERS, OFFICERS and DIRECTORS

The following are the owners of CereTel Incorporated

Bernt Killingstad – 85%

Thomas Lynch – 15%

The following are the officers and Directors of CereTel Incorporated

Thomas Lynch, President/CEO

Marc Krens, CFO/Secretary

Roland Bopp, CDO

Lydia Jahn, COO

Andrew Garland, CTO

Directors

Bernt Killingstad,

ATTACHMENT B

Proposed Tariff

CereTel Incorporated

THIS TARIFF CONTAINS THE
REGULATIONS AND RATES APPLICABLE TO THE PROVISION
OF COMPETITIVE INTEREXCHANGE TELECOMMUNICATIONS SERVICES
WITHIN THE STATE OF ARIZONA

Issued: September 25, 2015

Thomas Lynch, Chief Executive Officer
700 Melvin Ave, Suite 1, Annapolis, MD 21401

Effective:

CHECK PAGE

Each page of this Tariff is effective as of the date shown at the bottom of the page. The revised pages listed comprise all changes from the original Tariff that are in effect as of the date shown.

Page
1 - 47

Revision
All the pages are original.

TABLE OF CONTENTS	PAGE
Title Page	1
Check Page	2
Table of Contents	3
Concurring, Connecting or Other Participating Carriers	4
Symbols	4
Tariff Format	5
Section 1 – Technical Terms and Abbreviations	6
Section 2 – Rules and Regulations	9
Section 3 – Description of Services	40
Section 4 – Maximum Rates and Charges	44

CONCURRING, CONNECTING OR
OTHER PARTICIPATING CARRIERS

None

SYMBOLS

The following are the only symbols used for the purposes indicated below:

- R - To signify reduction
- I - To signify increase
- T - To signify a change in text or regulation but no change in rate
- M - To signify matter moved to or from another location
- N - To signify new rate or regulation
- D - To signify discontinued rate or regulation

TARIFF FORMAT

- A. Page Numbering – Page numbers appear in the upper right corner of the page. Pages are numbered sequentially. However new pages are occasionally added to the tariff. When a new page is added between pages already in effect, a decimal is added. For example, a new page added between pages 14 and 15 would be 14.1.
- B. Page Revision Numbers – Revision numbers also appear in the upper right corner of each page. These numbers are used to determine the most current page version on file with the Commission. For example, the 4th Revised Page 14 cancels the 3rd Revised Page 14.
- C. Paragraph Numbering Sequence - There are six levels of paragraph coding. Each level of coding is subservient to its next higher level:
- 2
 - 2.1
 - 2.1.1
 - 2.1.1(A)
 - 2.1.1(A). 1
 - 2.1.1(A).1.a
- D. Check Page – When a filing is made with the Commission, an updated Check Page accompanies the filing. The Check Page lists the pages contained in the Tariff, with a cross reference to the current revision number. When new pages are added, the Check Pages is changed to reflect the revision.

SECTION 1 – TECHNICAL TERMS AND DEFINITIONS

For the purposes of this Tariff, the following technical terms and abbreviations will apply.

A.C.C.: A.C.C. stands for the Arizona Corporation Commission.

AATU: AATU stands for Average Annual Total Usage.

Access Line: An Access Line is a transmission line from either the LEC's or the DUC's Point-of-Presence (POP) to the Customer's Premise(s) used to transmit voice and data calls.

ANI: ANI stands for Automatic Number Identification.

Applicant: Applicant is any entity or individual who applies for Service under this Tariff.

Application for Service: The Application for Service is the standard Company order form which includes all pertinent billing, technical, and other descriptive information which will enable the Company to provide a communication Service(s) as required.

Authorization Code: An Authorization Code is a code in numbers or letters employed to gain access to Service(s).

Authorized User: An Authorized User is a person, firm, corporation or other entity that either is authorized by the Customer to receive or send communications or is placed in a position by the Customer, either through acts or omissions, to send or receive communications.

Business Customer: A Business Customer is a Customer whose use of the Services is for a business, professional, institutional, or occupational purpose. Any employee of a Business Customer who subscribes to the Service for his or her home telephone will also be classified as a Business Customer.

CAP: CAP is an acronym for Competitive Access Provider.

Cardholder: Cardholder is the associate, member, Customer or other individual that uses the Company's Prepaid Calling Card Service.

CLEC: CLEC stands for Competitive Local Exchange Carrier

Company: Company refers to CereTel, Incorporated.

SECTION 1 – TECHNICAL TERMS AND DEFINITIONS

Commission: Commission refers to the Arizona Corporation Commission.

Customer: A Customer is the person, firm, corporation, governmental unit or other entity which orders Service -- either for its own use, as a resale carrier, or as a non-profit manager of a sharing group -- and which is responsible for the payment of charges and for compliance with this Tariff. If an entity orders Service in more than one city or requests the assignment of multiple account numbers, each such account is a separate Customer for billing purposes. The term Customer also includes an entity that (1) remains presubscribed to Service after its account(s) are removed from Company's billing system, and subsequently continues to use Service, or (2) otherwise uses Service for which no other Customer is obligated to compensate the Company.

Customer Premise(s) / Customer's Premise(s): Customer Premise(s)/ Customer's Premise(s) locations are designated by a Customer where Service is originated/terminated.

DUC: DUC is an acronym for Designated Underlying Carrier.

End User: End User is the person or legal entity which uses the Service provided by the Company.

F.C.C.: F.C.C. stands for Federal Communications Commission.

InterLATA Call: An interLATA call is any call that originates in one LATA and terminates in a different LATA.

IntraLATA Call: An intraLATA call is any call that originates and terminates within the same LATA.

IXC: IXC stands for Interexchange Carrier.

LATA: LATA is an acronym for Local Access Transport Area which is a geographic boundary, within which the LEC provides communications services.

LEC: LEC is an acronym for Local Exchange Carrier.

NPA: NPA literally stands for Numbering Plan Area but is more commonly referred to as an area code.

NXX: NXX represents the first three digits of a Customer's telephone number.

SECTION 1 – TECHNICAL TERMS AND DEFINITIONS

PIC: PIC stands for Primary Interexchange Carrier.

PIN: PIN stands for Personal Identification Number.

Platform: Platform is the proprietary technology and associated computer equipment that is used in conjunction with Prepaid Calling Card Service(s).

Point-of-Sale: Point-of-Sale is the location at which the Cardholder purchases the Prepaid Calling Card.

POP: POP is an acronym for Point-of-Presence. A POP may be (a) the central office of the DUC; (b) a location where the LEC or CLEC hands off the traffic of the Company's Customers to the DUC; or (c) the location where the Customer's facility interconnects with the DUC.

Prepaid Calling Card: Prepaid Calling Card Service allows a Customer to purchase a predetermined amount of access to the Company's long distance Services prior to the use of Service. Prepaid Calling Cards are also called debit cards.

Reseller: Reseller denotes a Customer that resells the Company's service(s).

Service: Service consists of any telecommunications service provided by the Company pursuant to this Tariff.

State: State refers to the State of Arizona.

Switched Access: If the Customer's location has a transmission line that is switched through the LEC or CLEC to reach the network of the DUC, the access is switched.

Switched Services(s): Switched Services(s) are any Services that are described in this Tariff.

Underlying Carrier: Underlying Carrier refers to any interexchange carrier that provides long distance services resold by the Company pursuant to this Tariff.

SECTION 2 – RULES AND REGULATIONS

2.1 Application of Tariff

This Tariff contains the description, regulations, and rates applicable to intrastate InterLATA and intrastate IntraLATA telecommunications Service offered by CereTel Incorporated with principal offices at 700 Melvin Avenue, Suite 1, Annapolis, MD 21401. The Company's Services are provisioned via the DUC.

2.2 Limitations of Services

2.2.1 Services are offered subject to the availability of facilities and/or equipment from the DUC, the Company's ability to provision the order at the time the Applicant or Customer orders Service, and the provisions of this Tariff. The Company reserves the right, without incurring liability, to refuse to provide Service to or from any location where the necessary facilities, equipment, systems, and/or switch software are not available or if any of the following conditions exists:

- The Applicant has an outstanding amount due for similar Services and the Applicant is unwilling to make acceptable arrangements with the Company for payment.
- A condition exists which in the Company's judgment is unsafe or hazardous to the Applicant, the general population, or the Company's or DUC's personnel or the DUC's facilities.
- Refusal by the Applicant to provide the Company with a deposit when the Customer has failed to meet the credit criteria for waiver of deposit requirements.
- Customer is known to be in violation of the Company's Tariff filed with the Commission.
- Applicant falsifies his or her identity for the purpose of obtaining Service.

SECTION 2 – RULES AND REGULATIONS

2.2 Limitations of Services (continued)

- 2.2.2 Pre-Subscribed Service begins on the date that billing becomes effective and is provided on the basis of a minimum period of at least one month, twenty-four (24) hours per day.
- 2.2.3 Service will be provided until canceled by the Customer pursuant to Section 2.9 of this Tariff or suspended or terminated by the Company pursuant to Section 2.10 of this Tariff
- 2.2.4 The Company, when acting at the Customer's request and, as its authorized agent, will make reasonable efforts to arrange for Service requirements such as special routing, route diversity, alternate access, or circuit conditioning.
- 2.2.5 All services are interstate offerings, but the Customer has the option to use the services to place intrastate calls. Intrastate Service is only available if the Customer subscribes to the Company's comparable interstate service offering.
- 2.2.6 Calls that may not be completed using the Company's Prepaid Calling Card service include operator services, busy line verification service, interruption service, calls requiring time and charges, air-to-ground calls, marine/satellite calls, and calls placed via dialing a 700, 800/888, or 900 number.
- 2.2.7 If the Company learns that an Applicant is attempting to sell, barter, trade, or otherwise transfer a toll-free inbound telephone number to another person, the Company may refuse to establish Service.
- 2.2.8 The availability of toll-free numbers from the Company is limited by the Company's ability to obtain toll-free numbers from the DUC.
- 2.2.9 The Company reserves the right to refuse to process calls when the Authorization Code or PIN cannot be validated.

SECTION 2 – RULES AND REGULATIONS

2.3 Liabilities of the Company

- 2.3.1 The Company's liability will be limited to that expressly assumed in Section 2.3 of this Tariff
- 2.3.2 With respect to the Switched Services contained herein and except as otherwise provided herein, the liabilities of the Company for damages arising out of mistakes, omissions, interruptions, delays, errors or defects occurring in the course of furnishing Service hereunder and not caused by the negligence or intentional acts of the Customer will in no event exceed an amount equivalent to the initial period charge to the Customer according to this Tariff for the call during which such mistake, omission, interruption, delay, error or defect in the course of furnishing Service hereunder occurs, except in cases of willful misconduct by the Company.
- 2.3.3 The Company will not be liable to the Customer for damages or statutory penalties or be obligated to make any adjustment, refund or cancellation of charges unless the Customer has notified the Company in writing of any dispute concerning charges, or the basis of any claim for damages, within sixty (60) calendar days after an invoice is rendered or a debit is effected by the Company for the call giving rise to such dispute or claim. Any such notice must set forth sufficient facts to provide the Company with a reasonable basis upon which to evaluate the Customer's claim or demand.
- 2.3.4 No agents or employees of connecting, concurring or other participating carriers or companies will be deemed to be agents or employees of the Company without written authorization.
- 2.3.5 The failure to give notice of default, to enforce or insist upon compliance with any of the terms or conditions herein, the waiver of any term or conditions herein, or the granting of an extension of time for performance by the Company or the Customer will not constitute the permanent waiver of any term or condition herein. Each of the provisions will remain at all time in full force and effect until modified in writing.

SECTION 2 – RULES AND REGULATIONS

2.3 Liabilities of the Company (continued)

2.3.6 The Company is not liable for any damages the Customer may incur as a result of the unlawful or fraudulent use or use by an unauthorized person of the Service(s).

2.3.7 Interruptions, delays, errors, or defects caused by or contributed to, directly or indirectly, by act or omission of Customer or its customers, affiliates, agents, contractors, representatives, invitees, licensees, successors or assigns or which arise from or are caused by the use of facilities or equipment of Customer or related parties will not result in the imposition of any liability whatsoever upon the Company, and Customer will pay to the Company any reasonable costs, expenses, damages, fees or penalties incurred by the Company as a result thereof, including costs of Local Access Providers' labor and materials. In addition, all or a portion of the Service may be provided over facilities of third parties, and the Company will not be liable to Customer or any other person, firm or entity in any respect whatsoever arising out of defects caused by such third parties.

2.3.8 The Company is not liable for any failure of performance hereunder due to causes beyond its control, including, but not limited to:

- (A) Unavoidable interruption in the working of transmission facilities including but not limited to fire, explosion, vandalism, cable cut, or other similar occurrence; or
- (B) Natural disasters such as storms, fire, flood, or other catastrophes; or
- (C) Any law, order, regulation, direction, action or request of the United States Government, or any other governmental entity having jurisdiction over the Company or of any department, agency, commission, bureau, corporation or other instrumentality of any one or more of such governmental entity, or of any civil or military authority; or

SECTION 2 – RULES AND REGULATIONS

2.3 Liabilities of the Company (continued)

- (D) National emergencies, insurrections, riots, rebellions, wars, strikes, lockouts, work stoppages, or other labor difficulties, supplier failures, shortages, breaches or delays, unlawful acts of individuals including acts of the Company's agents, contractors, and employees if committed beyond the scope of their employment, or preemption of existing Services to Restore Service in compliance with Part 64, Subpart D, Appendix A, of the FCC's rules and regulations; or
- (E) Notwithstanding anything in this Tariff to the contrary, the unlawful acts of individuals, including acts of the Company's agents and employees if committed beyond the scope of their employment.

2.3.9 The Company is not liable for:

- (A) Damages caused by the negligence or willful misconduct of the Customer; or
- (B) The use or abuse of any Service described herein by any party including, but not limited to, the Customer's employees or members of the public. "Use or abuse" includes, but is not limited to, any calls placed by means of PBX-reorigination or any other legal or illegal equipment, Service, or device. In the case of Inbound Service, this also applies to third parties who dial the Customer's toll-free inbound number by mistake; or
- (C) Compensation for any injury the Customer may suffer due to the fault of parties other than the Company must be sought from such other parties; or
- (D) Any act or omission of any other company or companies furnishing a portion of the Service(s) or facilities or equipment associated with such Service(s).

SECTION 2 – RULES AND REGULATIONS

2.3 Liabilities of the Company (continued)

- (E) Any action, such as blocking, discontinuing, or interrupting Service(s) by the Company of all traffic or traffic to or from certain NPA-NXXs, certain countries, cities, or individual telephone stations for any Service offered under this Tariff in order to control fraud or non-payment; or
- (F) Any defacement of, or damage to, the equipment or premises of a Customer resulting from the furnishing of Services when such defacement or damage is not the result of the Company's negligence. The Customer will indemnify and hold harmless the Company from any claim of the owner of the Customer's premises or other third party claims for such damages.
- (G) Any other direct, indirect, consequential, special, actual, or punitive damages, or for any lost profits of any kind or nature whatsoever arising out of any furnishing of, or interruption in, Service provided hereunder, absent a determination of willful misconduct by judicial or administrative proceedings. With respect to any Services provided hereunder, the Company hereby expressly disclaims, without limitation, all warranties not stated in this Tariff, whether express, implied or statutory, and in particular disclaims all implied warranties of merchantability and fitness for a particular purpose.

SECTION 2 – RULES AND REGULATIONS

2.4 Use of Service

- 2.4.1 The Services offered herein may be used for any lawful purpose, including business, governmental, or other use. There are no restrictions on sharing or resale of Services. However, the Customer remains liable for all obligations under this Tariff notwithstanding such sharing or resale and regardless of the Company's knowledge of same. The Company will have no liability to any person or entity other than the Customer and only as set forth herein. The Customer will not use nor permit others to use the Service in a manner that could interfere with Services provided to others or that could harm the facilities of the DUC or others.
- 2.4.2 Upon nonpayment of any sum owing to the Company, or upon a violation of any of the provisions governing the furnishing of Service under this Tariff, the Company may, upon written notification to the Customer, without incurring any liability, discontinue the furnishing of such Service. The Customer will be deemed to have canceled Service as of the date of such disconnection and will be liable for any cancellation charges set forth in this Tariff. If the Customer uses 10XXX or other carrier access codes once the Customer's account has been canceled by the Company, the Customer is a Customer of the DUC not the Company.

SECTION 2 – RULES AND REGULATIONS

2.4 Use of Service (continued)

2.4.3 Service furnished by the Company may be arranged for joint use or authorized use. The joint user or Authorized User will be permitted to use such Service in the same manner as the Customer, but subject to the following:

- (A) One joint user or Authorized User must be designated as the Customer. The designated Customer does not necessarily have to have communications requirements of its own. The Customer must specifically name all joint users or Authorized Users in the application for Service. Service orders which involve the start, rearrangement, or discontinuance of joint use or authorized use Service will be accepted by the Company only from that Customer and will be subject to all regulations of this Tariff.
- (B) All charges for the Service will be computed as if the Service were to be billed to one Customer. The joint user or Authorized User which has been designated as the Customer will be billed for all components of the Service and will be responsible for all payments to the Company. In the event that the designated Customer fails to pay the Company, each joint user or Authorized User will be liable to the Company for all charges incurred as a result of its use of Service(s). Each joint or Authorized User must submit to the designated Customer a letter accepting contingent liability for its portion of all charges billed by the Company to the designated Customer. This letter must also specify that the joint or Authorized User understands that the Company will receive a copy of the guaranty from the designated Customer. The Customer will be responsible for allocating charges to each joint user or Authorized User.

SECTION 2 – RULES AND REGULATIONS

2.4 Use of Service (continued)

2.4.4 Services are furnished subject to the condition that there will be no abuse or fraudulent use of the Services. Abuse or fraudulent use of Services includes, but is not limited to:

- (A) Use of Services to transmit a message or to locate a person or otherwise to give or obtain information, without payment of the applicable charge; or
- (B) Obtaining, or attempting to obtain, or assisting another to obtain or to attempt to obtain Services by rearranging, tampering with, or making connection with any Services components of the Company or of the DUC, or by any trick, scheme, false representation, or false credit device, or by or through any other fraudulent means or device whatsoever, with intent to avoid the payment, in whole or in part, of the charge(s) for such Services; or
- (C) Use of the Service of the Company to send a message or messages, anonymous or otherwise, in a manner reasonably expected to frighten, abuse, torment, or harass another; or
- (D) Use of Services in such a manner as to interfere unreasonably with the use of Services by one or more other Customers.

2.4.5 The Customer may not use Services provided under this Tariff for any unlawful purpose.

SECTION 2 – RULES AND REGULATIONS

2.5 Obligations of the Customer

2.5.1 The Customer will indemnify and hold harmless the Company against:

- (A) Claim(s) for libel, slander, infringement of patent or copyright, or unauthorized use of any trademark, trade name or service mark arising out of the material, data, information, or other content transmitted via Service(s); or
- (B) Violation(s) by the Customer of any other literary, intellectual, artistic, dramatic, or musical right, or other content transmitted via the Service(s); or
- (C) Violation(s) by the Customer of the right to privacy; or
- (D) Claim(s) of patent infringement arising from combining or connecting Company's facilities or the facilities of the DUC with apparatus and systems of the Customer; or
- (E) All lost or stolen travel cards except as described in Section 2.18 of this Tariff; or
- (F) Any other rights whatsoever relating to or arising from message content or the transmission thereof; or
- (G) All other claims arising out of any act or omission of the Customer in connection with any Service; or
- (H) Defacement of, or damage to, the premises of a Customer resulting from the furnishing, installation, and/or removal of Channel facilities or the attachment of instruments, equipment, and associated wiring on or from the Customer's Premises; or

SECTION 2 – RULES AND REGULATIONS

2.5 Obligations of the Customer (continued)

- (I) Claims arising out of the use of Services or associated equipment in an unsafe manner (such as use in an explosive atmosphere) or the negligent or willful act of any person other than the Company; or
- (J) All lost or stolen calling cards or Prepaid Calling Cards; or
- (K) Any and all liabilities, costs, damages, and expenses (including attorney's fees), resulting (1) from Customer (or its employees', agents' or independent contractors') actions hereunder, including, but not limited to breach of any provision in this Tariff, misrepresentation of Company Services or prices to End Users of Customers, or unauthorized or illegal acts of the Customer, its employees, agents, or independent contractor; or (2) from claims by third parties that any Prepaid Calling Cards or PINs have been lost, stolen, or fraudulently issued or used; provided, however, that the Company will have no liability hereunder for special or consequential damages incurred by the Company; (3) or in the event that the Company chooses to have another company print their Prepaid Calling Cards, Company cannot be held liable for delays of delivery or any other problem that are directly to the third party.

2.5.2 In the event parties other than Customer (e.g., Customer's customers) will have use of the Service directly or indirectly through Customer, then Customer agrees to forever indemnify and hold the Company and any affiliated or unaffiliated third-party provider or operator of facilities employed in provision of the Service harmless from and against any and all claims, demands, suits, actions, losses, damages, assessments or payments which may be asserted by said parties.

2.5.3 Upon the Customer's receipt of Company Prepaid Calling Cards, the Customer will assume all risk of loss or misuse of such Prepaid Calling Cards.

SECTION 2 – RULES AND REGULATIONS**2.5 Obligations of the Customer (continued)**

- 2.5.4 Customer will not use the Company name or any service mark or trademark of the Company or refer to the Company in connection with any product, equipment, promotion or promotional material, or publication, contracts, or bills, etc. of the Customer without the express prior written approval of the Company.
- 2.5.5 The Company's failure to provide or maintain Service under this Tariff will be excused by the Customer for all circumstances beyond the Company's reasonable control.
- 2.5.6 The cancellation of Service by the Customer pursuant to Section 2.9 of this Tariff or discontinuance or suspension of Service(s) by the Company pursuant to Section 2.10 of this Tariff does not relieve the Customer of any obligations to pay the Company for charges due and owing for Service(s) furnished up to the time of discontinuance. The remedies set forth herein will not be exclusive and the Company will at all times be entitled to all rights available to it under either law or equity.
- 2.5.7 The Customer is responsible for payment for all long distance calls originated at the Customer's number(s), terminated on the Customer's 800 number, billed to the Customer's travel card or authorization code, accepted at the Customer's number, or incurred at the specific request of the Customer. The Customer is responsible for paying all Services the Company provides to or from the Customer's number(s), regardless of whether the Customer's facilities were used fraudulently.
- 2.5.8 The Company may rely on LECs or other third parties for the performance of Services such as Local Access. Upon Customer request and execution and delivery of appropriate authorizing documents, the Company may act as agent for Customer in obtaining such other Services. Customer's liability for charges hereunder will not be reduced by untimely installation or non-operation of Customer-provided facilities and equipment.

SECTION 2 – RULES AND REGULATIONS

2.5 Obligations of the Customer (continued)

2.5.9 The Customer will indemnify and save the Company harmless from any and all liability not expressly assumed by the Company in Section 2.3 of this Tariff and arising in connection with the provision of Service to the Customer, and will protect and defend the Company from any suits or claims alleging such liability, and will pay all expenses (including attorneys' fees) and satisfy all judgements which may be incurred by or rendered against the Company in connection therewith.

2.5.10 The Customer is responsible for the payment of all charges for Service(s) provided under this Tariff and for the payment of all assessments, duties, fees, surcharges, taxes, or similar liabilities whether charged to or against the Company or the Customer. This includes but is not limited to amounts the Company is required by governmental, quasi-governmental, or other entities to collect and/or to pay to designated entities. The Company may adjust its rates and charges or impose additional rates and charges on its Customer in order to recover these amounts. Unless specified otherwise herein, if an entity other than the Company (e.g., another carrier or supplies) imposes charges on the Company in connection with a Customer's Service, that entity's charges will be passed through to the Customer. The Customer is responsible for the payment of all such charges.

2.5.11 The Customer may not use Services provided under this Tariff for any unlawful purpose.

SECTION 2 – RULES AND REGULATIONS

2.5 Obligations of the Customer (continued)

2.6.1 Application for Service

To obtain Pre-subscribed Service, the Company requires the Customer to complete an application for service which includes the letter of agency or other authorization it deems appropriate. No application is required for non-primary Service or Pre-Paid Calling Card Service.

2.6.2 Establishment of Credit

(A) Applicant

The Company reserves the right to examine the credit record and check the references of all Applicants and Customers. The Company may examine the credit profile/record of any Applicant prior to accepting the Service order. These will not in themselves obligate the Company to provide Services or to continue to provide Services, if a later check of Applicant's credit record is, in the opinion of the Company, contrary to the best interests of the Company.

(B) Customer

If the conditions of Services or the basis on which credit was originally established have materially changed, an existing Customer may be required to establish additional credit. The Company reserves the right to examine the credit record and check the references of any Customer at any time.

2.6.3 Deposits

The Company does not collect deposits for the provision of intrastate Service.

SECTION 2 – RULES AND REGULATIONS**2.7 Rendering and Payment of Bill****2.7.1 General**

Bills are sent to the Customer's billing address as shown on their account no later than forty-five (45) days following the close of billing. The billing period is a month. Charges are payable only in United States currency. Checks should be made payable as named on the bill and should be sent to the address as listed on the bill. Charges may be assessed for unbilled traffic for up to two years in arrears. Usage charges are billed monthly in arrears.

2.7.2 Methods of Payment

The Company may utilize direct billing and LEC billing. The selection of the billing option is made by the Company.

(A) Direct Billing By Company Or Authorized Billing Agent

- .1 Call detail is included with the bill. The due date is disclosed on the bill. Payment in full is due within twenty-two (22) days of the invoice date on the bill.
- .2 If the bill is not paid within thirty (30) days from the invoice date, the Company may impose a late charge of 1.5% per month on the delinquent amount.

(B) LEC Billing

With LEC billing, the Customer's charges for Service(s) are billed with the Customer's bill for local service. Call detail is included with the bill. If LEC billing is utilized, the rules and regulations applying to rendering and payment of the bill and late charges are the same as covered in the applicable LEC tariff. The Company will make every effort to post any credit due to the Customer account(s) on the Customer's next LEC bill. However, based on the date of the resolution of a dispute and the date credits must be provided to the LEC, it may be two billing cycles before a credit will be issued.

SECTION 2 – RULES AND REGULATIONS

2.7 Rendering and Payment of Bill (continued)

2.7.3 Past Due Payments

In the event the Company incurs fees or expenses, including attorney's fees, in collecting, or attempting to collect, any charges owed the Company, the Customer will be liable to the Company for the payment of all such fees and expenses reasonably incurred.

2.7.4 Right to Back Bill for Improper Use of Company's Services

Any person or entity which uses, appropriates or secures the use of Services from the Company, whether directly or indirectly, in any unlawful manner or through the providing of any misleading or false information to Company and which use, appropriation, or securing of Services is inconsistent with the stated uses, intents, and purposes of this Tariff or any restriction, conditions, and limitations stated herein, shall be liable for an amount equal to the accrued and unpaid charges that would have been applicable to the use of Company's Services actually made by Customer. In addition, Company shall be entitled to recover an amount equal to a late payment fee of 1.5 percent per month for the period(s) for which such charges would have been payable.

SECTION 2 – RULES AND REGULATIONS

2.8 Customer Service

2.8.1 General

The Company's name and toll-free number appear on the bill. Customer Service may be contacted in writing at 700 Melvin Ave, Suite 1, Annapolis, MD 21401. Customers may also contact Customer Service by dialing toll-free 877-472-3123. Customer Service representatives are available from 9 a.m. to 9 p.m. business days for normal billing and service questions 877-472-3123. For Cardholders subscribing to Prepaid Calling Card Service or travel card Service, the toll-free number is printed on the card. For Customers subscribing to all other Services, the toll-free number is printed on the Customer's bill.

2.8.2 Billing Inquiries

Billing inquiries may be referred to the Company's customer service organization as indicated in Section 2.8.1 of this Tariff. If the Customer is not satisfied with the resolution of a bill dispute, the Customer may contact the Commission for resolution of the dispute.

2.8.3 Service Difficulties

Service difficulties may be referred to the Company's customer service organization, as indicated in Section 2.8.1 of this Tariff above.

2.9 Cancellation of Service by Customer

A Customer may cancel Service by giving prior written or verbal notice to the Company. Such notice should be addressed to the Company's Customer Service organization at the address specified in Section 2.8.1 of this tariff.

SECTION 2 – RULES AND REGULATIONS

2.10 Termination of Service by Company

2.10.1 Termination of Service with Notice

Conditions under which the Company may, with five (5) days written notice, refuse or terminate Service without liability include, but are not limited to:

- (A) Customer violation of any of the Company's Tariffs filed with the Commission and/or violation of the Commission's rules and regulations.
- (B) Failure of the Customer to pay a bill for Service.
- (C) Failure to meet or maintain the Company's credit and deposit requirements.
- (D) Customer breach of contract for Service between the Company and Customer.
- (E) When necessary for the Company to comply with an order of any governmental agency having such jurisdiction.

2.10.2 Temporary Suspension of Service

In the event of emergency or threatened or actual disruption of Service to other Customers, the Company may temporarily restrict Service without notice and without incurring liability. The Company reserves the right to limit the use of Service(s), without incurring liability, when necessitated by conditions beyond the Company's control, or when the Customer is using Services in violation of the law or of the provisions of this Tariff. In the event that the Company or the DUC learn of possible fraudulent use of any of the Company's travel card Services, the Company will make an effort to contact the Customer, but Service may be terminated or blocked without notice and without liability to the Company.

SECTION 2 – RULES AND REGULATIONS

2.10 Termination of Service by Company (continued)

2.10.3 Conditions under which the company may, without notice, refuse or terminate Service without liability include but are not limited to:

- (A) The existence of an obvious hazard to safety or health of the Customer or the general population or the Company's personnel or the DUC's facilities.
- (B) The Company has evidence of tampering or evidence of fraud.

The Company is not required to restore Service until the conditions which resulted in the termination of Service have been corrected to the satisfaction of the Company.

The Company will maintain a record of all terminations of Service without notice. This record will be maintained for a minimum of one (1) year and will be available to inspection by the Commission.

2.10.4 Charges Owed

The discontinuance of Service(s) by the Company pursuant to this section does not relieve the Customer of any obligations to pay the Company for charges due and owing for Service(s) furnished up to the time of discontinuance. The remedies set forth herein will not be exclusive, and the Company will at all times be entitled to all rights available to it under either law or equity.

SECTION 2 – RULES AND REGULATIONS

2.11 Interruption of Service

2.11.1 General

It is the obligation of the Customer to notify the Company of any interruption in Service for which a credit allowance is desired. Before giving such notice, the Customer will ascertain that the interruption is not being caused by any action or omission by the Customer within his control, or is not in wiring or equipment, if any, furnished by the Customer.

2.11.2 Prepaid Calling Card Calls

Credits will not be issued for cut-off, poor transmission, or wrong number.

SECTION 2 – RULES AND REGULATIONS

2.12 Taxes and Assessments

- 2.12.1 In addition to the charges specifically pertaining to the Services, certain federal, state, and local surcharges, taxes, gross receipts, and fees will be applied to these Services. These taxes, surcharges, and fees are calculated based upon the amount billed to the End User for Service(s). All federal, state, and local taxes, surcharges, and fees (Le., sales tax, gross receipts tax, municipal utilities tax, etc.) are listed on the Customer's invoices, and unless otherwise specified herein, are not included in the rates listed in this Tariff. For Prepaid Calling Card Service, the per minute rate shown in Section 1 of the Price List of this Tariff is inclusive of all surcharges, taxes, and fees except for Point-of-Sale ("sales") taxes.
- 2.12.2 Unless otherwise specified herein, all stated charges in this Tariff are computed by the Company exclusive of any assessments, duties, fees, surcharges, taxes, or similar liabilities levied against the Company by governmental, quasigovernmental, or other entities such as federal, state, or local government. Such assessments, duties, fees, surcharges, taxes, or similar liabilities shall be paid by the Customer in addition to the charges stated in this Tariff. All such charges shall be shown as a separate line item on the Customer's bill.
- 2.12.3 Pending the conclusion of any litigation challenging a jurisdiction's or body's right to impose any assessments, duties, fees, surcharges, taxes, or similar liabilities, the Company may elect to waive or impose and collect a charge covering such assessments, duties, fees, surcharges, taxes, or similar liabilities, unless otherwise constrained by court order or direction. All such charges will be shown as a separate line item on the Customer's bill. If the Company has collected any assessments, duties, fees, surcharges, taxes, or similar liabilities and any of the challenged assessments, duties, fees, surcharges, taxes, or similar liabilities are found to have been invalid and not enforceable, the Company will credit or refund such sums to each affected Customer if (1) the Company has retained such funds or (2) the Company has remitted such funds to the collecting jurisdiction or body and the funds have been returned to the Company.

SECTION 2 – RULES AND REGULATIONS

2.12 Taxes and Assessments (continued)

- 2.12.4 In order to be granted exemption status, a Customer claiming exempt status must provide the Company with copies of all relevant exemption certificates and documents required by the Company. New Customers are required to provide the requested documentation at the time Service is ordered. Failure to provide the required documentation at the time Service is ordered will result in all assessments, duties, fees, surcharges, taxes, or similar liabilities (as described in Section 2.5.10 of this Tariff) being levied by the Company on the Customer's Service. The Customer will be responsible for the payment of all such charges.
- 2.12.5 Failure to provide the required documentation at the time Service is ordered will also result in all taxes as noted herein being levied by the Company on the Customer's Service, and the Customer will be responsible for the payment of all such charges. At the Company's option, the Company may accord the Customer tax exempt status upon receipt of the required documentation after Service is ordered. However, the Customer will be billed for all applicable taxes and responsible for the payment of same until such time as the Company has ceased billing the applicable taxes. The Customer will also be billed for all applicable assessments, duties, fees, surcharges, or similar liabilities as described in Section 2.5.10 of this Tariff. The Company is not liable for refunding the amount of the taxes paid the Customer. The Customer is responsible for seeking refunds for such taxes from the appropriate taxing authority. Failure to pay the appropriate taxes prior to tax exempt status being accorded by the Company will result in termination of Service. In the event taxes are erroneously, paid the Company is not liable for refunding any such payments to the Customer. The Customer is responsible for seeking refunds for such taxes from the appropriate taxing authority. Failure to pay the appropriate taxes prior to tax exempt status being accorded by the Company will result in termination of Service.
- 2.12.6 Failure to pay the appropriate assessments, duties, fees, surcharges, taxes, or similar liabilities prior to exempt status being accorded by the Company will result in termination of Service.

SECTION 2 – RULES AND REGULATIONS

2.13 Obligations of a Reseller

- 2.13.1 In addition to the obligations contained in Section 2.5 of this Tariff, the obligations contained in Sections 2.13.2 through 2.13.14 of this Tariff apply to Customers that are Resellers. Failure to comply with any term, rule, or regulation of this Tariff may result in the Company terminating service(s) without incurring any liability. Notification of termination of service(s) may be done in person or in writing.
- 2.13.2 In addition to the other provisions in this Tariff, Resellers will be responsible for securing and maintaining all necessary state authorizations and tariffs and F.C.C. tariffs for operating as a Reseller and for complying with the rules and regulations as set forth by the Commission. Further, the Reseller also assumes full responsibility for complying with the Communications Act of 1934, as amended; the Telecommunications Act of 1996; and the rules, regulations, and decisions of the F.C.C.
- 2.13.3 If the Customer resells services, the Reseller is responsible for providing all billing, collection, and customer service functions under its own name for all of its Customers, including resolving any unauthorized presubscription disputes.
- 2.13.4 The Reseller must comply with state and federal regulations regarding PIC changes and required authorization from Applicant or Customer.
- 2.13.5 The Reseller will assume all responsibility for PIC disputes and complaints with the local exchange carriers.
- 2.13.6 The Reseller must agree to all credit and collection requirements established by the Company.

SECTION 2 – RULES AND REGULATIONS

2.13 Obligations of a Reseller (continued)

- 2.13.7 If the presubscription of any line of a Reseller is unauthorized, the Company may charge the Reseller for the unauthorized presubscription change charges plus all additional charges imposed and costs incurred. The Reseller is financially liable for all lines at all locations until such time as the lines and/or locations are presubscribed to a different IXC. In instances where the Reseller has presubscribed lines and/or locations to its service without proper authorization, the Reseller must:
- (A) Inform the premises owner/occupant at each location of the unauthorized change in IXCs; and
 - (B) Insure that each such location is returned to the IXC of choice; and
 - (C) Pay all applicable conversion charges.
- 2.13.8 The Reseller must assume all risk for bad debt.
- 2.13.9 In the event of non-payment by a Reseller's end user, the Company may be requested by the Reseller to block such end user's location because of nonpayment of charges. The Reseller must certify that proper notice has been given to the premises owner/occupant at such location. Proper notice must meet state and federal rules for blocking service due to non-payment. The Reseller is responsible for all costs incurred to disconnect or block the location from service(s).
- 2.13.10 The Reseller must use their own product names which do not identify the Company's services and will refrain from using the Company's name in pre-sale activities.

SECTION 2 – RULES AND REGULATIONS

- 2.13.11 Resellers will be responsible for paying all taxes, surcharges, and fees based upon the taxing jurisdiction's rules and regulations.
- 2.13.12 In addition to the other provisions in this Tariff, Resellers will be responsible for all interaction and interface with their own subscribers or customers. The provision of Service to a Reseller will not create a partnership or joint venture between the Company and the Reseller nor result in a joint offering to third parties.
- 2.13.13 A Reseller is required to give prior notice to the Company before termination or cancellation of service to a customer of the Reseller or before the Reseller's customer selects another long distance carrier. Notice to the Company may be verbal or in writing.
- 2.13.14 The Reseller is required to give prior notice to the Company before the effective date of the termination or cancellation of a term plan agreement between the Reseller and its customer.

SECTION 2 – RULES AND REGULATIONS

2.14 Timing of Calls

2.14.1 On Prepaid Calling Card calls, billing begins only when a starting and ending event both occur. Timing is calculated at the starting event and ends at the terminating event. If there is no terminating event, there is no charge. Time between the starting event and the terminating event is the call duration. The starting event occurs when the Platform experiences an incoming signaling protocol successfully, i.e., upon seizure of an inbound trunk. The terminating event occurs when the Platform receives a signal from the LEC that the calling party has terminated the call or when the special audio text and interactive voice response features of the Platform such as news, weather, voice mail, etc. have been accessed by the End User and completed. If the called party hangs up and the Customer re-originates one or more calls utilizing the interactive Platform program features without re-dialing the toll-free access number, the terminating event occurs when the Platform receives a signal from the LEC that calling party hangs up. If the End User of a Prepaid Calling Card call uses the conference feature, the third leg of the call is timed separately. Timing of the third leg of the call begins when the called station answers and terminates when the called station hangs up.

2.14.2 On direct-dialed calls, chargeable time begins when the called station answers and the connection is established between the calling station and the called station, miscellaneous common carrier, mobile radio system, or PBX system. Answer detection is determined on standard industry answer detection methods, including hardware and software answer detection. Chargeable time ends when the calling station hangs up thereby releasing the network connection. If the called station hangs up but the calling station does not, chargeable time ends when the network connection is released by the automatic timing equipment in the telecommunications network.

SECTION 2 – RULES AND REGULATIONS

2.15 Application of Charges

2.15.1 Timing Increments

Calls are billed in various timing increments depending on the Service subscribed to by the Customer. Each Service has its own specific initial period and additional period. Unless the length of the initial period and the additional period is otherwise specified in Section 3 of this Tariff, the initial period is one (1) minute or fraction thereof, and the additional period is each one (1) minute or fraction thereof. Fractions of a timing increment are rounded up to the next highest increment.

2.15.2 Rounding

(A) Payphone Surcharge

If the payphone surcharge includes a fraction of a cent, the fraction is rounded up to the next higher whole cent.

(B) Prepaid Calling Card Calls

If the Customer re-originates one or more calls without re-dialing the toll-free access number, timing of the usage is rounded at the end of the last call.

(C) All Usage-Sensitive Services

Usage charges apply to all completed calls. The usage charges for each completed call during a billing month will be computed. If the charge includes a fraction of a cent of \$.005 or more, the fraction is rounded up to the next higher whole cent. Otherwise, the charge is rounded down to the next lower whole cent.

SECTION 2 – RULES AND REGULATIONS

2.15 Application of Charges

2.15.3 Rates and Charges

Rates and charges specified for Services offered under this Tariff are maximums. Any change to a rate or charge at or below the maximum level shall not be construed as an application to increase rates. The rates and charges applicable at any given time are covered in the Price List furnished to the Commission by the Company.

SECTION 2 – RULES AND REGULATIONS

2.16 Transfer or Assignment

Prior written permission from the Company is required before Customers may assign or transfer any Service. All regulations and conditions contained in this Tariff and all other applicable Service conditions will apply to all such permitted assignees or transferees. After obtaining the Company's written consent, the Customer of record may assign or transfer the use of Service where there is no interruption or physical relocation. All terms and provisions contained in this Tariff will apply to any assignee or transferee. Services provided by the Company may not be transferred or assigned to a new Customer unless the following conditions have been met:

- (A) The Customer of record (assignor Customer) requests such assignment or transfer in writing at least forty-five (45) days prior to the effective date of any requested assignment or transfer; and
- (B) Prior written consent of the Company is secured. The Company agrees to respond to a request to assign or transfer to another Customer within thirty (30) days of receipt of notification; and
- (C) New Customer's (assignee Customer) credit is approved by the Company; and
- (D) The new Customer (assignee Customer) notifies the Company in writing that it agrees to assume all outstanding obligations of the former Customer for use of Service(s). These obligations include all outstanding indebtedness for the use of Service(s). Consent to such assignment or transfer will not be unreasonably withheld.

Any permitted assignment or transfer of Company' Service will not relieve or discharge any Customer from remaining jointly and severally liable with the new Customer for any obligations existing at the time of transfer or assignment.

SECTION 2 – RULES AND REGULATIONS

2.17 Agreements, Proposals, and Warranties

2.17.1 The applicable terms, rates, and conditions specified in this Tariff, before or after subscription, constitute the only agreement between the parties with respect to Service(s) to which the Customer has subscribed, or desires to subscribe. Statements (whether written or oral) may have been made about the Service(s) specified in this Tariff. Such statements, however, do not constitute warranties, shall not be relied upon by the Customer, and are not part of the parties' relationship. All prior agreements, proposals, representations, or understandings concerning the Service(s) are also deemed superseded upon the Customer's subscription. The applicable Tariff sections constitute the complete and exclusive expression of the parties' relationship. These Tariff provisions may only be modified by: (1) a subsequent Tariff filing; or (2) a written agreement, signed by an authorized Company representative, which identifies both the Tariff provisions being modified or superseded, if applicable, and the specific nature of the change.

2.17.2 All implied warranties, including the implied warranty of merchantability, are disclaimed. The Company does not warrant that the Service(s) are fit for the particular purpose of the Customer. The Company makes no warranties with respect to the Service(s) other than that the Service(s) will conform to the description contained in the Tariff. Further Company liability will be such as described in Section 2.3 of this Tariff.

2.18 Lost or Stolen Travel Card or PIN

Upon knowledge of facts which would alert a reasonable person to the possibility of unauthorized use of the Customer's travel card or PIN, the Customer will alert and give notice to the Company of such facts. Upon receipt of notice, the Company will deactivate the PIN associated with the card. If requested by the Customer, a new PIN will be issued to the Customer. The Customer will be excused from liability only with respect to unauthorized calls placed after receipt of such notice by the Company.

SECTION 2 – RULES AND REGULATIONS

2.19 Changes to Service Offerings

The Company reserves the right to add, change, or delete DUCs at any time.

2.20 Restoration of Services

The use and restoration of services in emergencies will be in accordance with the priority system specified in Part 64, Subpart D of the rules and regulations of the Federal Communications Commission.

2.21 Promotions

The Company may from time-to-time engage in special promotional Service offerings designated to attract new Customers or to increase existing Customers awareness of a particular Tariff offering. The Company may offer special promotions to its Customers waiving certain charges or offering a special rate or a special Service. These offerings may be limited to certain dates, times, and/or locations. Details regarding a promotion will be filed with the Commission prior to the effective date of the promotion.

SECTION 3 - DESCRIPTION OF SERVICES

3.1 Prepaid Calling Card Services

3.1.1 General

All Prepaid Calling Card services are interstate offerings with the Cardholder having the option of using the Prepaid Calling Card to place calls within the State.

3.1.2 Description of Service

The Company's Prepaid Calling Card service is a prepaid long distance service that allows Customers to obtain a predetermined amount of access to the Company's long distance services. The card is a dollar based service, meaning there is a fixed amount of dollars (i.e., \$5, \$10, \$20, \$50, or some other denomination) available to the Customer who purchases a card.

Prepaid Calling Card service is offered via toll free access numbers and is available to a Cardholder from a touchtone phone. The Cardholder dials a toll-free number. The Cardholder hears recorded messages that guide the Cardholder through the Platform. The Platform validates the Cardholder's PIN, determines whether time remains on the card and, if so, completes the call to the called telephone number dialed by the Cardholder. The Cardholder is verbally informed of the available balance of the Prepaid Calling Card account.

Calls are real-time rated during call progression. The total price of each call, including applicable taxes, is calculated on the basis of usage and is deducted from the available account balance associated with each Prepaid Calling Card. The Platform debits the Cardholder's account balance as the Cardholders places a call. The Cardholder receives a warning tone one minute before the balance reaches zero. Calls in progress will be terminated when the balance reaches zero.

SECTION 3 - DESCRIPTION OF SERVICES

3.1 Prepaid Calling Card Services (continued)

3.1.2 Description of Service (continued)

The Cardholder may access the network from anywhere in the State by dialing a universal toll free number, a PIN, and the called telephone number. A Prepaid Calling Card is not reusable once the usage has been exhausted. Calls are billed in one minute increments.

3.1.3 Availability

Prepaid Calling Cards are available to Residential Customers and Business Customers.

3.1.4 Features

(A) Instructions Available In Multiple Languages

The Company may make available to the Cardholder different toll free access numbers for instructions in English or Spanish, or other languages as appropriate.

(B) Sequential Calling

Sequential calling allows the Cardholder to make several calls without disconnecting from the Platform after the completion of each call.

SECTION 4 - MAXIMUM RATES AND CHARGES

4.1 The actual rate-per-minute will vary from depending on the prepaid calling card. The actual per-minute rates will be marked on the card or available on the Company's website or by calling toll free 877-472-3123. However, the following are the maximum rates applicable to the calling cards for use in Arizona:

4.1.1 Intrastate surcharge: \$0.60 per minute.

4.1.2 Maintenance fee: \$0.99 on midnight of first use and weekly thereafter.

4.1.3 Disconnect fee

4.1.3(A) Calls less than five minutes: \$0.99

4.1.3(B) Calls of five minutes or longer: \$1.50

4.1.4 Payphone fee: \$0.99 per call.

ATTACHMENT C
Affidavit of Publication

COPY

AFFIDAVIT OF PUBLICATION
for Arizona Corporation Commission

ARIZONA CAPITOL TIMES

P.O. Box 2260 Phoenix, AZ 85002
Phone: (602) 258-7026 Fax: (602) 258-2504
F-1992056-9

RECEIVED
JUN 15 2015

ARIZONA CORP COMMISSION
CORPORATIONS DIVISION

STATE OF ARIZONA)
County of Maricopa) ss

I, Ginger Lamb as Publisher of the Arizona Capitol Times (AZ), am
authorized by the publisher as agent to make this affidavit of publication. Under
oath, I state that the following is true and correct.

The Arizona Capitol Times (AZ) which is published weekly, is of general
circulation and is in compliance with Arizona Revised Statutes §§ 10-140.34 &
39-201.A & B. . The notice will be/has been published 3 consecutive times in the
newspaper listed above.

DATES OF PUBLICATION:

6/12/2015 6/19/2015 6/26/2015

CORPORATION NAME:

CERETEL INCORPORATED

FILE NUMBER:

F-1992056-9

DOCUMENT TYPE:

Application for Authority

Ginger Lamb (signature)

AUTHORIZED SIGNATURE
Ginger Lamb

SUBSCRIBED AND SWORN TO BEFORE ME
ON THE 12th DAY OF June 2015



Maria Englemann (signature)

NOTARY SIGNATURE
Maria Englemann

CERETEL INCORPORATED

APPLICATION FOR AUTHORITY TO TRANSACT BUSINESS
IN ARIZONA

A.C.C. FILE NUMBER: F-1992056-9.

1. ENTITY TYPE: The type of entity applying for authority is:
FOR-PROFIT CORPORATION.

2. NAME IN STATE OR COUNTRY OF INCORPORATION
(FOREIGN NAME): The exact, true name of the foreign corpo-
ration is: Ceretel Incorporated.

3. NAME TO BE USED IN ARIZONA (ENTITY NAME): The
name the foreign corporation will use in Arizona is: 3.1 [X]
Name in state or country of incorporation, with no changes.

4. FOREIGN DOMICILE: The state or country in which the
foreign corporation is incorporated is: Delaware.

5. DATE OF INCORPORATION IN FOREIGN DOMICILE:
3/10/2015.

6. DURATION: The duration or life period of the foreign corpo-
ration is: Perpetual.

7. PURPOSE: The foreign corporation's purpose is to engage
in any or all lawful business or affairs in which corporations
may engage in the state or country under whose law the
foreign corporation is incorporated, subject to the following limi-
tations, if any: (blank).

8. CHARACTER OF BUSINESS: The character of business or
affairs the foreign corporation initially intends to conduct in
Arizona. The character of business or affairs that the foreign
corporation ultimately conducts is not limited by the description
provided: Telecommunications Services.

9. PRINCIPAL OFFICE ADDRESS - FOREIGN DOMICILE
STREET ADDRESS: The physical or street address of the
foreign corporation required to be maintained in its state or
country of incorporation, or, if not so required, of the foreign
corporation's statutory agent in its state or country of incorpo-
ration is: National Registered Agents, Inc., 160 Greentree
Drive, Suite 101, Dover, DE 19904.

10. ARIZONA KNOWN PLACE OF BUSINESS ADDRESS: The
Arizona known place of business street address is the same as
the street address of the statutory agent.

11. STATUTORY AGENT IN ARIZONA: The name and
physical or street address in Arizona of the Statutory Agent is:
National Registered Agents, Inc., 2390 East Camelback Road,
Phoenix, AZ 85016.

12. DIRECTORS: The name and business address of each
and every Director of the corporation are: Berni Killingstad, 700
Melvin Avenue, Suite 1, Annapolis, MD 21401.

13. OFFICERS: The name and business address of all
principal Officers of the corporation are: Berni Killingstad, Pres-
ident, 700 Melvin Avenue, Suite 1, Annapolis, MD 21401;
Thomas Lynch, Secretary, 700 Melvin Avenue, Suite 1, Annapo-
lis, MD 21401.

14. FOR-PROFITS ONLY - SHARES AUTHORIZED: List the
class and total number of shares the foreign corporation is
AUTHORIZED to issue. This information must match the
original Articles of Incorporation plus any attachments thereto.
Class: V; sdd, Series: Common Stock, Total: 1000, Par Value:
0.001.

15. FOR-PROFITS ONLY - SHARES ISSUED: List each
class/series of authorized shares and give the total number
and par value of shares of that class that have been ISSUED.
If no shares of that class have been issued, put the number
zero. Class: Common, Series: Common Stock, Total: 85, Par
Value: 0.00; Class: Common, Series: Common Stock, Total:
15, Par Value: 0.02

I accept and acknowledge under penalty of perjury that this
document together with any attachments is submitted in
compliance with Arizona law. Date: 3/12/2015. /s/ Thomas
Lynch. I am a duly-authorized Officer of the corporation filing
this document.

6/12, 6/19, 6/26, 2015 editions Arizona Capitol Times