

2 - REGULATIONS

2.0 UNDERTAKING OF THE COMPANY

2.1 SCOPE

2.1.1 UNDERTAKING

- A. The Company undertakes to furnish communications service pursuant to the terms of this tariff in connection with one-way and/or two-way information transmission between points within its local exchange service territory within the Commonwealth of Virginia.

2.1.2 SERVICES

- A. Customers and users may use services and facilities provided under this tariff to obtain access to services offered by other service providers. The Company is responsible under this tariff only for the services and facilities provided hereunder, and it assumes no responsibility for any service provided by any other entity that purchases access to the Company network in order to originate or terminate its own services, or to communicate with its own Customers.

2.1.3 SHORTAGE OF EQUIPMENT OR FACILITIES

- A. The Company reserves the right to limit or to allocate the use of existing facilities, or of additional facilities offered by the Company, when necessary because of lack of facilities, or due to some other cause beyond the Company's control.
- B. The furnishing of service under this tariff is subject to the availability on a continuing basis of all the necessary facilities and is limited to the capacity of the Company's facilities as well as facilities the Company may obtain from other carriers to furnish service from time to time as required at the sole discretion of the Company.

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2.1 SCOPE (CONT'D)

2.1.4 TERMS AND CONDITIONS

- A. Except for services specifically offered on a per-use basis, service is provided on the basis of a minimum period of at least one month, 24-hours per day. For the purpose of computing charges in this tariff, a month is considered to have 30 days.
- B. Customers may be required to enter into written service orders which shall contain or reference a specific description of the service ordered, the rates to be charged, the duration of the services, and the terms and conditions in this tariff. Customer will also be required to execute any other documents as may be reasonably requested by the Company.
- C. Except as otherwise stated in this tariff, at the expiration of the initial term specified in each Service Order, or in any extension thereof, service shall continue on a month to month basis at the then current rates unless terminated by either party upon 30 days written notice. Any termination shall not relieve Customer of its obligation to pay any charges incurred under the service order and this tariff prior to termination. The rights and obligations which by their nature extend beyond the termination of the term of the service order shall survive such termination.
- D. In any action between the parties to enforce any provision of this tariff, the prevailing party shall be entitled to recover its legal fees and court costs from the non-prevailing party in addition to other relief a court may award.
- E. Service may be terminated upon written notice to the Customer if:
 - 1. the Customer is using the service in violation of this tariff; or
 - 2. the Customer is using the service in violation of the law.

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2.1 SCOPE

2.1.4 TERMS AND CONDITIONS (CONT'D)

- F. This tariff shall be interpreted and governed by the laws of the Commonwealth of Virginia without regard for its choice of laws provision.
- G. Another Telephone Company must not interfere with the right of any person or entity to obtain service directly from the Company. No person or entity shall be required to make any payment, incur any penalty, monetary or otherwise, or purchase any services in order to have the right to obtain service directly from the Company.
- H. To the extent that either the Company or any other telephone company exercises control over available cable pairs, conduit, duct space, raceways, or other facilities needed by the other to reach a person or entity in connection with the provision of the services offered under this Tariff or the similar service of another telephone company, the party exercising such control shall make them available to the other on terms equivalent to those under which the Company makes similar facilities under its control available to its Customers. At the reasonable request of either party, the Company and the other telephone company shall jointly attempt to obtain from the owner of the property access for the other party to serve a person or entity.

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2.1 SCOPE (CONT'D)

2.1.5 LIMITATIONS ON LIABILITY

- A. Except as otherwise stated in this section, the liability of the Company for damages arising out of either: (1) the furnishing of its services, including but not limited to mistakes, omissions, interruptions, delays, or errors, or other defects, representatives, or use of these services or (2) the failure to furnish its service, whether caused by acts or omission, shall be limited to the extension of allowances to the Customer for interruptions in service as set forth in Section 2.7.
- B. Except for the extension of allowances to the Customer for interruptions in service as set forth in Section 2.7, the Company shall not be liable to a Customer or third party for any direct, indirect, special, incidental, reliance, consequential, exemplary or punitive damages, including, but not limited to, loss of revenue or profits, for any reason whatsoever, including, but not limited to, any act or omission, failure to perform, delay, interruption, failure to provide any service or any failure in or breakdown of facilities associated with the service.
- C. The liability of the Company for errors in billing that result in overpayment by the Customer shall be limited to a credit equal to the dollar amount erroneously billed or, in the event that payment has been made and service has been discontinued, to a refund of the amount erroneously billed.
- D. The Company shall not be liable for any claims for loss or damages involving:
 - 1. Any act or omission of: (a) the Customer, (b) any other entity furnishing service, equipment or facilities for use in conjunction with services or facilities provided by the Company; or (c) common carriers or warehousemen;

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2.1 SCOPE

2.1.5.D (Cont'd)

2. Any delay or failure of performance or equipment due to causes beyond the Company's control, including but not limited to, acts of God, fires, floods, earthquakes, hurricanes, or other catastrophes; national emergencies, insurrections, riots, wars or other civil commotions; strikes, lockouts, work stoppages or other labor difficulties; criminal actions taken against the Company; unavailability, failure or malfunction of equipment or facilities provided by the Customer or third parties; and any law, order, regulation or other action of any governing authority or agency thereof;
3. Any unlawful or unauthorized use of the Company's facilities and services;
4. Libel, slander, invasion of privacy or infringement of patents, trade secrets, or copyrights arising from or in connection with the transmission of communications by means of Company-provided facilities or services; or by means of the combination of Company-provided facilities or services with Customer-provided facilities or services;
5. Breach in the privacy or security of communications transmitted over the Company's facilities;
6. Changes in any of the facilities, operations or procedures of the Company that render any equipment, facilities or services provided by the Customer obsolete, or require modification or alteration of such equipment, facilities or services, or otherwise affect their use or performance, except where reasonable notice is required by the Company and is not provided to the Customer, in which event the Company's liability is limited as set forth in section 2.1.5, preceding.
7. Defacement of or damage to Customer premises resulting from the furnishing of services or equipment on such premises or the installation or removal thereof.

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2.1 SCOPE

2.1.5.D (Cont'd)

8. Injury to property or injury or death to persons, including claims for payments made under Workers' Compensation law or under any plan for employee disability or death benefits, arising out of, or caused by, any act or omission of the Customer, or the construction, installation, maintenance, presence, use or removal of the Customer's facilities or equipment connected, or to be connected to the Company's facilities;
 9. Any intentional, wrongful act of a Company employee when such act is not within the scope of the employee's responsibilities for the Company and/or is not authorized by the Company;
 10. Any representations made by Company employees that do not comport, or that are inconsistent, with the provisions of this Tariff.
 11. Any act or omission in connection with the provision of 911, E911, or similar services;
 12. Any noncompletion of calls due to network busy conditions;
 13. Any calls not actually attempted to be completed during any period that service is unavailable.
- E. The Company shall be indemnified, defended and held harmless by the Customer or end user from and against any and all claims, loss, demands, suits, expense, or other action or any liability whatsoever, including attorney fees, whether suffered, made, instituted, or asserted by the Customer or by any other party, for any personal injury to or death of any person or persons, and for any loss, damage or destruction of any property, including environmental contamination, whether owned by the Customer or by any other party, caused or claimed to have been caused directly or indirectly by the installation, operation, failure to operate, maintenance, presence, condition, location, use or removal of any Company or Customer equipment or facilities or service provided by the Company.

2 - REGULATIONS

2.1 SCOPE

2.1.5 LIMITATIONS ON LIABILITY (CONT'D)

- F. The Company does not guarantee nor make any warranty with respect to installations provided by it for use in an explosive atmosphere. The Company shall be indemnified, defended and held harmless by the Customer from and against any and all claims, loss, demands, suits, or other action, or any liability whatsoever, including attorney fees, whether suffered, made, instituted or asserted by the Customer or by any other party, for any personal injury to or death of any person or persons, and for any loss, damage or destruction of any property, including environmental contamination, whether owned by the Customer or by any other party, caused or claimed to have been caused directly or indirectly by the installation, operation, failure to operate, maintenance, presence, condition, location, use or removal of any equipment or facilities or the service.

- G. The Company assumes no responsibility for the availability or performance of any cable or satellite systems or related facilities under the control of other entities, whether or not affiliated with the Company, or for other facilities provided by other entities used for service to the Customer, even if the Company has acted as the Customer's agent in arranging for such facilities or services. Such facilities are provided subject to such degree of protection or nonpreemptibility as may be provided by the other entities. **THE COMPANY MAKES NO WARRANTIES OR REPRESENTATIONS, EXPRESS OR IMPLIED EITHER IN FACT OR BY OPERATION OF LAW, STATUTORY OR OTHERWISE, INCLUDING WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR USE, EXCEPT THOSE EXPRESSLY SET FORTH HEREIN.**

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2.1 SCOPE (CONT'D)

2.1.6 NOTIFICATION OF SERVICE-AFFECTING CONDITIONS

- A. Except as otherwise stated in this tariff, any claim of whatever nature against the Company shall be deemed conclusively to have been waived unless presented in writing to the Company within thirty (30) days after the date of the occurrence that gave rise to the claim.
- B. The Company will provide the Customer reasonable notification of service-affecting activities that may occur in normal operation of its business. Such activities may include, but are not limited to, equipment or facilities additions, removals or rearrangements and routine preventative maintenance. Generally, such activities are not specific to an individual Customer but affect many Customers' services. No specific advance notification period is applicable to all service activities. The Company will work cooperatively with the Customer to determine the reasonable notification requirements. With some emergency or unplanned service-affecting conditions, such as an outage resulting from cable damage, notification to the Customer may not be possible.

2.1.7 PROVISION OF EQUIPMENT AND FACILITIES

- A. Except as otherwise indicated, Customer-provided station equipment at the Customer's premises for use in connection with this service shall be so constructed, maintained and operated as to work satisfactorily with the facilities of the Company.
- B. The Company shall not be responsible for the installation, operation or maintenance of any Customer-provided communications equipment. Where such equipment is connected to service furnished pursuant to this tariff, the responsibility of the Company shall be limited to the furnishing of services under this tariff and to the maintenance and operation of such services in the proper manner. Subject to this responsibility, the Company shall not be responsible for:
 - 1. the through transmission of signals generated by Customer-provided equipment or for the quality of, or defects in, such transmission; or
 - 2. the reception of signals by Customer-provided equipment; or
 - 3. network control signaling where such signaling is performed by Customer-provided network control signaling equipment.

2 - REGULATIONS

2.1 SCOPE (CONT'D)

2.1.8 NON-ROUTINE INSTALLATION

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

2.1.9 SPECIAL CONSTRUCTION

- A. Subject to the agreement of the Company and to all of the regulations contained in this tariff, special construction of facilities may be undertaken on a reasonable efforts basis at the request of the Customer. Special construction is that construction undertaken:
1. where facilities are not presently available, and there is no other requirement for the facilities so constructed, including a requirement for services subject to Section 10.1 of this tariff;
 2. of a type other than that which the Company would normally utilize in the furnishing of its services;
 3. over a route other than that which the Company would normally utilize in the furnishing of its services;
 4. in a quantity greater than that which the Company would normally construct;
 5. on an expedited basis;
 6. on a temporary basis until permanent facilities are available;
 7. involving abnormal costs; or
 8. in advance of its normal construction.

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2.1 SCOPE (CONT'D)

2.1.10 OWNERSHIP OF FACILITIES

- A. Title to all facilities provided in accordance with this tariff remains in the Company, its agents, contractors, or suppliers.

2.1.11 UNIVERSAL EMERGENCY TELEPHONE NUMBER SERVICE

- A. This tariff does not provide for the inspection or constant monitoring of facilities to discover errors, defects or malfunctions in the service, nor does the Company undertake such responsibility.
- B. 911 information consisting of the names, addresses and telephone numbers of all telephone Customers is confidential. The Company will release such information via the Data Management System only after a 911 call has been received, on a call by call basis, only for the purpose of responding to an emergency call in progress.
- C. The 911 calling party, by dialing 911, waives the privacy afforded by non-listed and non-published service to the extent that the telephone number, name, and address associated with the originating station location are furnished to the Public Safety Answering Point.
- D. After the establishment of service, it is the Public Safety Agency's responsibility to continue to verify the accuracy of and to advise the Company of any changes as they occur in street names, establishment of new streets, changes in address numbers used on existing streets, closing and abandonment of streets, changes in police, fire, ambulance or other appropriate agencies' jurisdiction over any address, annexations and other changes in municipal and county boundaries, incorporation of new cities or any other similar matter that may affect the routing of 911 calls to the proper Public Safety Answering Point.

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2.1 SCOPE (CONT'D)

2.1.12 LIABILITY FOR USE OF 911

- A. The Company assumes no liability for any infringement, or invasion of any right of privacy or any person or persons caused, or claimed to be caused, directly or indirectly by the use of 911 Service. The Public Safety Agency agrees, except where the events, incidents, or eventualities set forth in this sentence are the result of the Company's gross negligence or willful misconduct, to release, indemnify, defend and hold harmless the Company from any and all loss or claims whatsoever, whether suffered, made, instituted, or asserted by the Public Safety Agency or by any other party or person, for any personal injury to or death of any person or persons, or for any loss, damage, or destruction of any property, whether owned by the Customer or others. The Public Safety Agency also agrees to release, indemnify, defend and hold harmless the Company for any infringement of invasion of the right of privacy of any person or persons, caused or claimed to have been caused, directly or indirectly, by the installation, operation, failure to operate, maintenance, removal, presence, condition, occasion, or use of 911 Service features and the equipment associated therewith, or by any services furnished by the Company in connection therewith, including, but not limited to, the identification of the telephone number, address, or name associated with the telephone used by the party or parties accessing 911 Service hereunder, and which arise out of the negligence or other wrongful act of the Public Safety Agency, its user, agencies or municipalities, or the employees or agents of any one of them, or which arise out of the negligence, other than gross negligence or willful misconduct, of the Company, its employees or agents.

2.2 PROHIBITED USES

2.2.1 GENERAL

- A. The services the Company offers shall not be used for any unlawful purpose or for any use as to which the Customer has not obtained all required governmental approvals, authorizations, licenses, consents and permits.

2 - REGULATIONS

2.2 PROHIBITED USES (CONT'D)

2.2.2 RESALE

- A. The Company may offer its services for resale. To the extent the company authorizes resale of its services it may require applicants for service who intend to use the Company's offerings for resale and/or for shared use to file a letter with the Company confirming that their use of the Company's offerings complies with relevant laws, FCC and state regulations, policies, orders, and decisions.

2.2.3 INTERFERENCE

- A. The Company may require a Customer to immediately shut down its transmission of signals if said transmission is causing interference to others.

2.2.4 ASSIGNMENT AND TRANSFER

- A. A Customer, joint user, or authorized user may not assign, or transfer in any manner, the service or any rights associated with the service without the written consent of the Company. The Company will permit a Customer to transfer its existing service to another entity if the existing Customer has paid all charges owed to the Company for regulated communications services. Such a transfer will be treated as a disconnection of existing service and installation of new service, and non-recurring installation charges as stated in this tariff will apply.

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2.3 OBLIGATIONS OF THE CUSTOMER

2.3.1 GENERAL

- A. The Customer shall be responsible for:
1. the payment of all applicable charges pursuant to this tariff;
 2. damage to or loss of the Company's facilities or equipment caused by the acts or omissions of the Customer; or the noncompliance by the Customer with these regulations; or by fire or theft or other casualty on the Customer's Premises, unless caused by the negligence or willful misconduct of the employees or agents of the Company;
 3. providing a safe place to work and complying with all laws and regulations regarding the working conditions on the premises at which Company employees and agents shall be installing or maintaining the Company's facilities and equipment. The Customer may be required to install and maintain Company facilities and equipment within a hazardous area if, in the Company's opinion, injury or damage to the Company employees or property might result from installation or maintenance by the Company. The Customer shall be responsible for identifying, monitoring, removing and disposing of any hazardous material (e.g. friable asbestos) prior to any construction or installation work;
 4. complying with all laws and regulations applicable to, and obtaining all consents, approvals, licenses and permits as may be required with respect to, the location of Company facilities and equipment in any Customer premises or the rights-of-way for which Customer may be responsible; and granting or obtaining permission for Company agents or employees to enter the premises of the Customer at any time for the purpose of installing, inspecting, maintaining, repairing, or upon termination of service as stated herein, removing the facilities or equipment of the Company;
 5. not creating or allowing to be placed any liens or other encumbrances on the Company's equipment or facilities; and
 6. making Company facilities and equipment available periodically for maintenance purposes at a time agreeable to both the Company and the Customer. No allowance will be made for the period during which service is interrupted for such purposes.

2 - REGULATIONS

2.3 OBLIGATIONS OF THE CUSTOMER (CONT'D)

2.3.2 LIABILITY OF THE CUSTOMER

- A. The Customer will be liable for damages to the facilities of the Company and for all incidental and consequential damages caused by the negligent or intentional acts or omissions of the Customer, its officers, employees, agents, invitees, or contractors where such acts or omissions are not the direct result of the Company's negligence or intentional misconduct.
- B. To the extent caused by any negligent or intentional act of the Customer as described in A., preceding, the Customer shall indemnify, defend and hold harmless the Company from and against all claims, actions, damages, liabilities, costs and expenses, including reasonable attorneys' fees, for
 - 1. any loss, destruction or damage to property of any third party,
 - 2. the death of or injury to persons, including, but not limited to, employees or invitees of either party, and
 - 3. any liability incurred by the Company to any third party pursuant to this or any other tariff of the Company, or otherwise, for any interruption of, interference to, or other defect in any service provided by the Company to such third party.
- C. The Customer shall not assert any claim against any other Customer or user of the Company's services for damages resulting in whole or in part from or arising in connection with the furnishing of service under this Tariff including but not limited to mistakes, omissions, interruptions, delays, errors or other defects or misrepresentations, whether or not such other Customer or user contributed in any way to the occurrence of the damages, unless such damages were caused solely by the negligent or intentional act or omission of the other Customer or user and not by any act or omission of the Company. Nothing in this Tariff is intended either to limit or to expand Customer's right to assert any claims against third parties for damages of any nature other than those described in the preceding sentence.

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2.4 CUSTOMER EQUIPMENT AND CHANNELS

2.4.1 GENERAL

- A. A User may transmit or receive information or signals via the facilities of the Company. The Company's services are designed primarily for the transmission of voice-grade telephonic signals, except as otherwise stated in this tariff. A User may transmit any form of signal that is compatible with the Company's equipment, but the Company does not guarantee that its services will be suitable for purposes other than voice-grade telephonic communication except as specifically stated in this tariff.

2.4.2 STATION EQUIPMENT

- A. Terminal equipment on the User's Premises and the electric power consumed by such equipment shall be provided by and maintained at the expense of the User. The User is responsible for the provision of wiring or cable to connect its terminal equipment to the Company Point of Connection. To the extent that the Company provides terminal equipment and/or wiring or cable, those items are offered separately and the terms and conditions of which they are provided are not subject to this tariff.
- B. The Customer is responsible for ensuring that Customer-provided equipment connected to Company equipment and facilities is compatible with such equipment and facilities. The magnitude and character of the voltages and currents impressed on Company provided equipment and wiring by the connection, operation, or maintenance of such equipment and wiring shall be such as not to cause damage to the Company-provided equipment and wiring or injury to the Company's employees or to other persons. Any additional protective equipment required to prevent such damage or injury shall be provided by the Company at the Customer's expense.

2 - REGULATIONS

2.4 CUSTOMER EQUIPMENT AND CHANNELS (CONT'D)

2.4.3 INTERCONNECTION OF FACILITIES

- A. Any special interface equipment necessary to achieve compatibility between the facilities and equipment of the Company used for furnishing Communications Services and the channels, facilities, or equipment of others shall be provided at the Customer's expense.
- B. Communications Services may be connected to the services or facilities of other communications carriers only when authorized by, and in accordance with, the terms and conditions of the tariffs of the other communications carriers which are applicable to such connections.
- C. Facilities furnished under this tariff may be connected to Customer-provided terminal equipment in accordance with the provisions of this tariff. All such terminal equipment shall be registered by the Federal Communications Commission pursuant to Part 68 of Title 47, Code of Federal Regulations; and all User-provided wiring shall be installed and maintained in compliance with those regulations.
- D. Users may interconnect communications facilities that are used in whole or in part for interstate communications to services provided under this tariff only to the extent that the user is an "end user" as defined in Section 69.2(m), Title 47, Code of Federal Regulations (1992 edition).

2 - REGULATIONS

2.4 CUSTOMER EQUIPMENT AND CHANNELS (CONT'D)

2.4.4 INSPECTIONS

- A. Upon suitable notification to the Customer, and at a reasonable time, the Company may make such tests and inspections as may be necessary to determine that the Customer is complying with the requirements set forth in Section 2.4.2.B for the installation, operation, and maintenance of Customer-provided facilities, equipment, and wiring in the connection of Customer-provided facilities and equipment to Company-owned facilities and equipment.
- B. If the protective requirements for Customer-provided equipment are not being complied with, the Company may take such action as it deems necessary to protect its facilities, equipment, and personnel. The Company will notify the Customer promptly if there is any need for further corrective action. Within ten days of receiving this notice, the Customer must take this corrective action and notify the Company of the action taken. If the Customer fails to do this, the Company may take whatever additional action is deemed necessary, including the suspension of service, to protect its facilities, equipment and personnel from harm.

2.5 CUSTOMER DEPOSITS AND ADVANCE PAYMENTS

2.5.1 ADVANCE PAYMENTS

- A. To safeguard its interests, the Company may require a Customer to make an advance payment before services and facilities are furnished. The advance payment will not exceed an amount up to two months of estimated monthly usage charges. In addition, where special construction is involved, the advance payment may also include an amount equal to the estimated non-recurring charges for the special construction and recurring charges (if any) for a period to be set between the Company and the Customer. The advance payment will be credited to the Customer's initial bill. An advance payment may be required in addition to a deposit.

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2.5 CUSTOMER DEPOSITS AND ADVANCE PAYMENTS (CONT'D)

2.5.2 CUSTOMER DEPOSITS

- A. To safeguard its interests, the Company may require a Customer to make a deposit to be held as a guarantee for the payment of charges. A deposit does not relieve the Customer of the responsibility for the prompt payment of bills on presentation. The deposit will not exceed an amount equal to:
1. two month's charges for a service or facility which has a minimum payment period of one month; or
 2. the charges that would apply for the minimum payment period for a service or facility which has a minimum payment period of more than one month; except that the deposit may include an additional amount in the event that a termination charge is applicable.
- B. A deposit may be required in addition to an advance payment.
- C. When a service or facility is discontinued, the amount of a deposit, if any, will be applied to the Customer's account and any credit balance remaining will be refunded. Before the service or facility is discontinued, the Company may, at its option, return the deposit or credit it to the Customer's account. If the amount of the deposit is insufficient to cover the balance due to the Customer's account, the Company retains the right to collect any amounts owing after the deposit has been applied plus any costs related to the collection of any remaining balance.
- D. Deposits held will accrue interest at a rate specified by the Virginia State Corporation Commission.

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2.6 PAYMENT ARRANGEMENTS

2.6.1 PAYMENTS FOR SERVICE

A. General

1. The Customer is responsible for the payment of all charges for facilities and services furnished by the Company to the Customer and to all users authorized by the customer, regardless of whether those services are used by the customer or are shared with other persons.

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2.6.2 BILLING AND COLLECTION OF CHARGES

- A. The Customer is responsible for payment of all charges incurred by the Customer or other users for services and facilities furnished to the Customer by the Company.
 1. Non-recurring charges are due and payable within 30 days after the date of the invoice.
 2. The Company shall present invoices for Recurring Charges monthly to the Customer, in advance of the month in which service is provided, and Recurring Charges shall be due and payable within 30 days after the date of the invoice. When billing is based upon Customer usage, usage charges will be billed monthly for the preceding billing period.
 3. When service does not begin on the first day of the month, or end on the last day of the month, the charge for the fraction of the month in which service was furnished will be calculated on a pro rata basis. For this purpose, every month is considered to have 30 days.
 4. Billing of the Customer by the Company will begin on the Service Commencement Date, which is the day on which the Company notifies the Customer that the service or facility is available for use, except that the Service Commencement Date may be postponed by mutual agreement of the parties, or if the service or facility does not conform to standards set forth in this tariff or the Service Order. Billing accrues through and includes the day that the service, circuit, arrangement or component is discontinued.

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2.6 PAYMENT ARRANGEMENTS

2.6.2.A (Cont'd)

5. If any portion of the payment is received by the Company after the date due, or if any portion of the payment is received by the Company in funds which are not immediately available upon presentment, then a late payment penalty shall be due to the Company. The late payment penalty shall be one and one-half per cent (1.5%) of the amount of the late payment. The Company may, at its option, waive any late payment charge by reason of limitations in its automated billing system or for any other reason.
6. The Customer will be assessed a charge of twenty dollars (\$20.00) for each check submitted by the Customer to the Company which a financial institution refuses to honor.
7. If service is disconnected by the Company (in accordance with Section 2.6.4 following) and later re-installed, re-installation of service will be subject to all applicable installation charges. If service is suspended by the Company (in accordance with Section 2.6.4 following) and later restored, restoration of service will be subject to the rates in Section 8.6.

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2.6 PAYMENT ARRANGEMENTS (CONT'D)

2.6.3 BILLING DISPUTES

- A. All bills are presumed accurate, and shall be binding on the Customer unless notice of the disputed charge(s) is received by the Company within 90 days (commencing 5 days after such bills have been mailed or otherwise rendered per the Company's normal course of business). For the purposes of this section, "notice" is defined as written notice to the Company, containing sufficient documentation to investigate the dispute, including the account number under which the bill has been rendered, the date of the bill, and the specific items on the bill being disputed.
- B. Late Payment Charge
1. The undisputed portions of the bill must be paid by the payment due date to avoid assessment of a late payment charge on the undisputed amount under Section 2.6.2.A.5, preceding.
 2. In the event that a billing dispute is resolved by the Company in favor of the Customer, any disputed amount withheld pending resolution of the billing dispute shall not be subject to the late payment charge.
 3. In the event that a billing dispute is resolved in favor of the Company, the Customer shall pay the late payment charge.
- C. Adjustments or Refunds to the Customer
1. In the event that the Company resolves the billing dispute in favor of a Customer who has withheld payment of the disputed amount pending resolution of the disputed bill, the Company will credit the Customer's account for the disputed amount in the billing period following the resolution of the dispute.
 2. In the event that the Company resolves the billing dispute in favor of a Customer who has paid the total amount of the disputed bill, the Company will credit the Customer's account for any overpayment by the Customer in the billing period following the resolution of the dispute.

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2.6 PAYMENT ARRANGEMENTS

2.6.3.C (Cont'd)

3. In the event that the Company resolves the billing dispute in favor of a Customer who has paid the total amount of the disputed bill but canceled the service, the Company will issue a refund of any overpayment by the Customer.
4. All adjustments or refunds provided by the Company to the Customer at the Customer's request, or provided by the Company to the Customer by way of compromise of a billing dispute, and which are accepted by the Customer, are final and constitute full satisfaction, settlement, and/or compromise of all of the Customer's claims for the billing period for which the adjustment or refund was issued.

D. Unresolved Billing Disputes

1. In the case of a billing dispute between the Customer and the Company for service furnished to the Customer, which cannot be settled to the mutual satisfaction of the Customer and the Company, the Customer has up to 90 days (commencing 5 days after such bills have been mailed or otherwise rendered per the Company's normal course of business) to take the following course of action:
 - (a.) First, the Customer may request and the Company will provide an in-depth review of the disputed amount.
 - (b.) Second, if after investigation and review by the Company, a disagreement remains as to the disputed amount, the Customer may file an appropriate complaint with:

Virginia State Corporation Commission
P.O. Box 1197
Richmond, VA 23218
Telephone: 804-371-9420
Fax: 804-371-9069

2 - REGULATIONS

2.6 PAYMENT ARRANGEMENTS (CONT'D)

2.6.4 DISCONTINUANCE OF SERVICE

- A. Upon nonpayment of any amounts owing to the Company, the Company may, by giving 24 hours prior written notice to the Customer, discontinue or suspend service without incurring any liability.
- B. Upon violation of any of the other material terms or conditions for furnishing service the Company may, by giving 24 hours prior notice in writing to the Customer, discontinue or suspend service without incurring any liability if such violation continues during that period.
- C. Upon condemnation of any material portion of the facilities used by the Company to provide service to a Customer or if a casualty renders all or any material portion of such facilities inoperable beyond feasible repair, the Company, by notice to the Customer, may discontinue or suspend service without incurring any liability.
- D. Upon the Customer's insolvency, assignment for the benefit of creditors, filing for bankruptcy or reorganization, or failing to discharge an involuntary petition within the time permitted by law, the Company may immediately discontinue or suspend service without incurring any liability.
- E. Upon any governmental prohibition or required alteration of the services to be provided or any violation of an applicable law or regulation, the Company may immediately discontinue service without incurring any liability.
- F. In the event of fraudulent use of the Company's network, the Company may without notice suspend or discontinue service. The Customer will be liable for all related costs as set forth in Section 2.9 of this tariff. The Customer will also be responsible for payment of any reconnection charges.

2 - REGULATIONS

2.6 PAYMENT ARRANGEMENTS

2.6.4 DISCONTINUANCE OF SERVICE (CONT'D)

- G. Upon the Company's discontinuance of service to the Customer under Section 2.6.4.A or 2.6.4.B, the Company, in addition to all other remedies that may be available to the Company at law or in equity or under any other provision of this tariff, may declare all future monthly and other charges which would have been payable by the Customer during the remainder of the term for which such services would have otherwise been provided to the Customer to be immediately due and payable (discounted to present value at six percent).
- H. For any Customer which receives calls originally dialed as an 800 or 888 number, the Customer is responsible for providing adequate access lines to enable the Company to terminate all 800/888 Service calls to the Customer's telephone equipment. Should the Customer have insufficient access lines on which to terminate 800/888 Service calls, the Company reserves the right to request the Customer to add additional lines for call terminations. If, after 90 days, the Customer has not made the requested change, the Company, without incurring any liability, reserves the right to terminate any portion of the Customer's 800/888 Service, with 30 days written notice, that may be provided by the Company.
- I. The Company, by written notice to the Customer, may discontinue service to any Company Calling Card authorization code that the Company may have issued if that code has not been used for a period of 120 days.

2.6.5 CANCELLATION OF APPLICATION FOR SERVICE

- A. Applications for service are noncancellable unless the Company otherwise agrees. Where the Company permits Customer to cancel an application for service prior to the start of service or prior to any special construction, no charges will be imposed except for those specified below.
- B. Where, prior to cancellation by the Customer, the Company incurs any expenses in installing the service or in preparing to install the service that it otherwise would not have incurred, a charge equal to the costs the Company incurred, less net salvage, shall apply, but in no case shall this charge exceed the sum of the charge for the minimum period of services ordered, including installation charges, and all charges others levied against the Company that would have been chargeable to the Customer had service begun (all discounted to present value at six percent).

2 - REGULATIONS

2.6 PAYMENT ARRANGEMENTS

2.6.5 CANCELLATION OF APPLICATION FOR SERVICE (CONT'D)

- C. Where the Company incurs any expense in connection with special construction, or where special arrangements of facilities or equipment have begun, before the Company receives a cancellation notice, a charge equal to the costs incurred, less net salvage, applies. In such cases, the charge will be based on such elements as the cost of the equipment, facilities, and material, the cost of installation, engineering, labor, and supervision, general and administrative expense, other disbursements, depreciation, maintenance, taxes, provision for return on investment, and any other costs associated with the special construction or arrangements.
- D. The special charges described in 2.6.5.A through 2.6.5.C will be calculated and applied on a case-by-case basis.

2.6.6 CHANGES IN SERVICE REQUESTED

- A. If the Customer makes or requests material changes in circuit engineering, equipment specifications, service parameters, premises locations, or otherwise materially modifies any provision of the application for service, the Customer's installation fee shall be adjusted accordingly.

2.7 ALLOWANCES FOR INTERRUPTION IN SERVICE

2.7.1 GENERAL

- A. A credit allowance will be given when service is interrupted, except as specified in Section 2.7.2 following. A service is interrupted when it becomes inoperative to the Customer, e.g., the Customer is unable to transmit or receive, because of a failure of a component furnished by the Company under this tariff.
- B. An interruption period begins when the Customer reports a service, facility or circuit to be inoperative and, if necessary, releases it for testing and repair. An interruption period ends when the service, facility or circuit is operative.
- C. If the Customer reports a service, facility or circuit to be interrupted but declines to release it for testing and repair, the service, facility or circuit is considered to be impaired but not interrupted. No credit allowances will be made for a service, facility or circuit considered by the Company to be impaired.

2 - REGULATIONS

2.7 ALLOWANCES FOR INTERRUPTION IN SERVICE (CONT'D)

2.7.2 LIMITATIONS OF ALLOWANCE

- A. No credit allowance will be made for any interruption in service:
1. Due to the negligence of or noncompliance with the provisions of this tariff by any person or entity other than the Company, including but not limited to the Customer or other common carriers connected to the service of the Company;
 2. Due to the failure of power, equipment, systems, connections or services not provided by the Company;
 3. Due to circumstances or causes beyond the control of the Company;
 4. During any period in which the Company is not given full and free access to its facilities and equipment for the purposes of investigating and correcting interruptions;
 5. During any period in which the Customer continues to use the service on an impaired basis;
 6. During any period when the Customer has released service to the Company for maintenance purposes or for implementation of a Customer order for a change in service arrangements;
 7. That occurs or continues due to the Customer's failure to authorize replacement of any element of special construction; and
 8. That was not reported to the Company within thirty (30) days of the date that service was affected.

2 - REGULATIONS

2.7 ALLOWANCES FOR INTERRUPTION IN SERVICE (CONT'D)

2.7.3 USE OF ANOTHER MEANS OF COMMUNICATIONS

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

2.7.4 APPLICATION OF CREDITS FOR INTERRUPTIONS IN SERVICE

- A. Credits for interruptions in service that is provided and billed on a flat rate basis for a minimum period of at least one month, beginning on the date that billing becomes effective, shall in no event exceed an amount equivalent to the proportionate charge to the Customer for the period of service during which the event that gave rise to the claim for a credit occurred. A credit allowance is applied on a pro rate basis against the rates specified hereunder and is dependent upon the length of the interruption. Only those facilities on the interrupted portion of the circuit will receive a credit.
- B. For calculating credit allowances, every month is considered to have thirty (30) days.
- C. A credit allowance will be given for interruptions in service of 15 minutes or more. Two or more interruptions of 15 minutes or more during any one 24-hour period shall be considered as one interruption.
- D. Interruptions of 24 Hours or Less
1. Length of Interruption to be Credited
 - (a.) Less than 15 minutes – None
 - (b.) 15 minutes up to but not including 3 hours - 1/10 Day
 - (c.) 3 hours up to but not including 6 hours - 1/5 Day
 - (d.) 6 hours up to but not including 9 hours - 2/5 Day
 - (e.) 9 hours up to but not including 12 hours - 3/5 Day
 - (f.) 12 hours up to but not including 15 hours - 4/5 Day
 - (g.) 15 hours up to but not including 24 hours - One Day

2 - REGULATIONS

2.7 ALLOWANCES FOR INTERRUPTION IN SERVICE (CONT'D)

2.7.4.D (Cont'd)

2. Continuous Interruption Over 24 Hours and Less Than 72 Hours

- (a.) Interruptions over 24 hours and less than 72 hours will be credited 1/5 day for each three-hour period or fraction thereof that occurs following the expiration of the initial 24-hour period. No more than one full days' credit will be allowed for any period of 24 hours.

3. Interruptions over 72 Hours

- (a.) Interruptions over 72 hours will be credited 2 days for each full 24-hour period that occurs following the expiration of the initial 72-hour period. No more than 30 days credit will be allowed for any one-month period.

2.7.5 CANCELLATION FOR SERVICE INTERRUPTION

A. General

1. Cancellation or termination for service interruption for services as to which the Customer does not otherwise have a right to terminate service is permitted only if any circuit experiences a single continuous outage of 8 hours or more or cumulative service credits equaling 16 hours in a continuous 12 month period. The right to cancel service under this provision applies only to the single circuit which has been subject to the outage or cumulative service credits.

2 - REGULATIONS

2.8 CANCELLATION OF SERVICE/TERMINATION LIABILITY

2.8.1 GENERAL

- A. If a Customer cancels a Service Order or terminates services before the completion of the minimum term for any reason whatsoever other than a service interruption (as defined in Section 2.7.1), the Customer agrees to pay to Company termination liability charges, which are defined below. These charges shall become due and owing as of the effective date of the cancellation or termination and be payable within the period set forth in Section 2.6.2.

2.8.2 TERMINATION LIABILITY

- A. Customer's termination liability for cancellation of service shall be equal to:
1. all unpaid Non-Recurring charges reasonably expended by Company to establish service to Customer, plus;
 2. any disconnection, early cancellation or termination charges reasonably incurred and paid to third parties by Company on behalf of Customer, plus;
 3. all Recurring Charges specified in the applicable Service Order for the balance of the then current term discounted at the prime rate announced in the Wall Street Journal on the third business day following the date of cancellation;
 4. minus a reasonable allowance for costs avoided by the Company as a direct result of Customer's cancellation.

2 - REGULATIONS

2.9 CUSTOMER LIABILITY FOR UNAUTHORIZED USE OF THE NETWORK

2.9.1 UNAUTHORIZED USE OF THE NETWORK

A. Unauthorized use of the network occurs when:

1. a person or entity that does not have actual, apparent, or implied authority to use the Network, obtains the Company's services provided under this tariff; or a person or entity that otherwise has actual, apparent, or implied authority to use the network, makes fraudulent use of the network to obtain the Company's services provided under this tariff, or uses specific services that are not authorized.

B. The following activities constitute fraudulent use:

1. Using the Network to transmit a message, locate a person, or otherwise give or obtain information, without payment for the service;
2. Using or attempting to use the Network with the intent to avoid payment, either in whole or part, of any of the Company's tariffed charges by either rearranging, tampering with, or making connections not authorized by this tariff to any service components used to furnish the Company's services or using fraudulent means or devices, tricks, schemes, false or invalid numbers, false credit devices or electronic devices;
3. 800/888 callers using the network with the intent of gaining access to a Customer's outbound calling capabilities on an authorized basis; and
4. Using fraudulent means or devices, tricks, schemes, false or invalid numbers, false credit devices or electronic devices to defraud or mislead callers.

C. Customers are advised that use of telecommunications equipment and services, including that provided under this tariff, carries a risk of various forms of telecommunications fraud (including, but not limited to, toll and PBX fraud perpetrated by Users who gain access to a Customer's facilities, account numbers, security or authorization codes, etc.). Customers should take all necessary steps to restrict access to their facilities, including the equipment and services provided hereunder, and to detect and prevent unauthorized use of the equipment and services provided by the Company under this tariff.

2 - REGULATIONS

2.9 CUSTOMER LIABILITY FOR UNAUTHORIZED USE OF THE NETWORK (CONT'D)

2.9.2 LIABILITY FOR UNAUTHORIZED USE

- A. Except as provided for elsewhere in this tariff, the Customer is responsible for payment of all charges for services provided under this tariff furnished to the Customer or User. This responsibility is not changed due to any use, misuse, or abuse of the Customer's service or Customer-provided equipment by Users or other third parties, the Customer's employees, or the public.
- B. The Customer is liable for all costs incurred as a result of unauthorized use of the Network, including service charges and any direct, indirect, special, incidental, reliance, consequential, exemplary or punitive charges.
- C. The Customer is responsible for payment of any charges related to the suspension and/or termination of service, and any charges for reconnection of service, incurred as a result of unauthorized use of the Network.

2.9.3 LIABILITY FOR CALLING CARD FRAUD

- A. The Customer is liable for the unauthorized use of the Network obtained through the fraudulent use of any Company Calling Card that the Company may have issued, provided that the unauthorized use occurs before the Company has been notified.
- B. The Customer must give the Company notice that unauthorized use of any Company Calling Card has occurred or may occur as a result of loss, theft or other reasons. For the purposes of this section, "notice" occurs when the Company receives a written confirmation that unauthorized use of a Company Calling Card has occurred or may occur as a result of loss, theft or other reasons. The Company may, but is not required to, advise the Customer of abnormal calling patterns or other possible unauthorized use of any Company Calling Cards assigned to the Customer. In addition, the Company may, but is not required to block calls on Company Calling Card authorization codes which the Company believes to be unauthorized or fraudulent.

2 - REGULATIONS

2.9 CUSTOMER LIABILITY FOR UNAUTHORIZED USE OF THE NETWORK (CONT'D)

2.9.4 LIABILITY FOR CREDIT CARD FRAUD

- A. The Customer is liable for the unauthorized use of the Network obtained through the fraudulent use of a Credit Card, provided:
 - 1. the Credit Card is an accepted credit card, and the unauthorized use occurs before the Company has been notified. An accepted credit card is any credit card that a cardholder has requested or applied for and received, or has signed, used, or authorized another person to use to obtain credit. Any credit card issued as a renewal or substitute in accordance with this paragraph is an accepted credit card when received by the cardholders
- B. The liability of the Customer for unauthorized use of the Network by Credit Card fraud will not exceed the lesser of \$50 or the amount of money, property, labor, or services obtained by the unauthorized user before notification to the Company.
- C. The Customer must give the Company written notice that unauthorized use of a Credit Card has occurred or may occur as a result of loss, theft or other reasons. For the purposes of this section, "notice" occurs when the Company receives a written confirmation that unauthorized use of a Credit Card has occurred or may occur as a result of loss, theft or other reasons.

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2.10 USE OF CUSTOMER'S SERVICE BY OTHERS

2.10.1 RESALE AND SHARING

- A. Any service provided under this tariff may be resold to or shared with other persons at the option of Customer, subject to compliance with any applicable laws or Virginia State Corporation Commission regulations governing such resale or sharing. Customer remains solely responsible for all use of services ordered by it or billed to its telephone number(s) pursuant to this tariff, for determining who is authorized to use its services, and for notifying the Company of any unauthorized use.

2.10.2 JOINT USE ARRANGEMENTS

- A. Joint use arrangements will be permitted for all services provided under this tariff. From each joint use arrangement, one member will be designated as the Customer responsible for the manner in which the joint use of the service will be allocated. The Company will accept orders to start, rearrange, relocate, or discontinue service only from the Customer. Without affecting the Customer's ultimate responsibility for payment of all charges for the service, each joint user shall be responsible for the payment of the charges billed to it.

2.11 TRANSFERS AND ASSIGNMENTS

2.11.1 GENERALLY

- A. Neither the Company nor the Customer may assign or transfer its rights or duties in connection with the services and facilities provided by the Company without the written consent of the other party, except that the Company may assign its rights and duties (a) to any subsidiary, parent company or affiliate of the Company, (b) pursuant to any sale or transfer of substantially all the assets of the Company; or (c) pursuant to any financing, merger or reorganization of the Company.

2 - REGULATIONS

2.12 NOTICES AND COMMUNICATIONS

2.12.1 GENERALLY

- A. The Customer shall designate an address to which the Company shall mail or deliver all notices and other communications, except that Customer may also designate a separate address to which the Company's bills for service shall be mailed. The Company shall designate an address to which the Customer shall mail or deliver all notices and other communications, except that Company may designate a separate address on each bill for service to which the Customer shall mail payment on that bill.
- B. All notices or other communications required to be given pursuant to this tariff will be in writing. Notices and other communications of either party, and all bills mailed by the Company, shall be presumed to have been delivered to the other party on the third business day following placement of the notice, communication or bill with the U.S. Mail or a private delivery service, prepaid and properly addressed, or when actually received or refused by the addressee, whichever occurs first.
- C. The Company or the Customer shall advise the other party of any changes to the addresses designated for notices, other communications or billing, by following the procedures for giving notice set forth herein.

2.13 OPERATOR SERVICES RULES

2.13.1 GENERALLY

- A. The Company will enforce the operator service rules set out below. A provider of intrastate operator assisted communications services must:
 - 1. identify itself at the time the end-user accesses its services;
 - 2. upon request, quote all rates and charges for its services to the end-user accessing its system;
 - 3. arrange to have posted in plain view at each telephone location which automatically accesses the operator service provider's network and where its services are made available to the public or transient end-users:

2 - REGULATIONS

2.13 OPERATOR SERVICES RULES

2.13.1.A.3 (Cont'd)

- (a.) the operator service provider's name and address;
 - (b.) bill and service dispute calling information including the operator service provider's dispute resolution phone number;
 - (c.) clear and specific instructions informing the end-user how to access a local exchange telephone company operator as an alternative available to the end-user; and
 - (d.) notice concerning any and all amounts to be billed by the operator services provider on behalf of any host location or third party which will appear on the operator service provider's bill for services rendered.
4. in instances when the provider is unable to complete the call and it requires transfer to another telephone corporation which may affect the rates and charges applicable to the telephone bill, inform the caller of the transfer and its possible effect on the applicable rates and charges, before any charges are incurred; and
 5. in the case of such transfer, the telephone corporation or provider to which the call is transferred shall identify itself and inform the caller of the transfer's effect on the applicable rates and charges, before any charges are incurred.

2.13.2 THE COMPANY WILL COMPLY WITH THE FOLLOWING PROVISIONS:

- A. Providers of intrastate operator assisted communications services shall not take any action or enter into any arrangement which restricts end-user selection among competing interexchange telephone corporations or end users access to competing providers of intrastate operator assisted communications services, or pay any commissions or other compensation to any entity engaged in such action or arrangement.

2 - REGULATIONS

2.14 TAXES AND OTHER CHARGES

(N)

The customer is responsible for payment of any federal, state or local sales, use, gross receipts, access or other taxes, charges, surcharges (however designated), franchise and permit fees, and all taxes, fees, and other exactions imposed on the Company or its services by governmental jurisdictions, other than taxes imposed generally on the Company's net income. All such taxes, fees, and charges shall be separately designated on the Company's invoices, and are not included in the tariffed rates. The Company will not bill the customer such taxes, fees and other charges as may be exempted by a tax exemption for operations in any jurisdiction in which the customer obtains such a certificate.

(M)

(M)

(N)

The following taxes and surcharges are applied to customer bills.

Federal Excise Tax
Universal Connectivity Charge
Virginia Relay Center Surcharge
City Utility Users Tax
City 911 Tax
Public Rights of Way Use Fee

(N)

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2.15 RESERVED FOR FUTURE USE