Preferred Carrier Services, Inc. d/b/a Phones For All; d/b/a Telefonos Para Todos

Local Exchange tariff

TITLE PAGE

OF

KENTUCKY LOCAL EXCHANGE SERVICES TARIFF

OF

PREFERRED CARRIER SERVICES, INC.
D/B/A PHONES FOR ALL
D/B/A TELÉFONOS PARA TODOS
14681 Midway Road, Suite 105
Dallas, Texas 75244

This tariff, filed with the Kentucky Public Service Commission, contains rates, terms, and conditions applicable to Local Exchange Services within the Commonwealth of Kentucky offered by Preferred Carrier Services, Inc. d/b/a Phones For All; d/b/a Teléfonos Para Todos

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

DEC 24 1998

PURSUANT TO 807 KAR 5:011,
SECTION 9 (1)
BY: Stephan O Bell
SECRETARY OF THE COMMISSION

Issued: Effective:

Issued by: Roberto Sidi – President
Preferred Carrier Services, Inc.
14681 Midway Road, Suite 105
Dallas, Texas 75244

Signed – Roberto Sidi

CHECK SHEET

Sheets 1 through 26 inclusive of this tariff are effective as of the date shown at the bottom of the respective sheet(s). Original and revised sheets as named below comprise all changes from the original tariff and are currently in effect as of the date on the bottom of this sheet.

SHEET	REVISION	SHEET	REVISION
1	Original	14	Original
2	Original	15	Original
3	Original	16	Original
4	Original	17	Original
5	Original	18	Original
6	Original	19	Original
7	Original	20	Original
8	Original	21	Original
9	Original	22	Original
10	Original	23	Original
11	Original	24	Original
12	Original	25	Original
13	Original	26	Original
		Appendix A	Original

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EXPLANATION OF SYMBOLS

C - To signify changed administrative regulation.
D - To signify discontinued rate, administrative regulation or test.
I - To signify increase.
N - To signify new rate and/or new test.
R - To signify reduction.
T - To signify change in text.

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TARIFF FORMAT SHEETS

A. Sheet Numbering - Sheet numbers appear in the upper right corner of the page. Sheets are numbered sequentially. However, new sheets are occasionally added to the tariff. When a new sheet is added between sheets already in effect, a decimal is added. For example, a new sheet added between sheets 14 and 15 would be 14.1.

B. Sheet Revision Numbers - Revision numbers also appear in the upper right corner of each page. These numbers are used to determine the most current sheet revision on file with the KPSC. For example, the 4th revised Sheet 14 cancels the 3rd revised Sheet 14. Because of various suspension periods, deferrals, etc. the KPSC follows in their tariff approval process, the most current sheet number on file with the Commission is not always the tariff page in effect. Consult the Check Sheet for the sheet currently in effect.

C. Paragraph Numbering Sequence - There are eight 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)
2.1.1.A.1.(a).I
2.1.1.A.1.(a).I.(i).

D. Check Sheets - When a tariff filing is made with the KPSC, an updated check sheet accompanies the tariff filing. The check sheet lists the sheets contained in the tariff, with a cross reference to the current revision number. When new pages are added, the check sheet is changed to reflect the revision. All revisions made in a given filing are designated by an asterisk (*). There will be no other symbols used on this page if there are only changes made to it (i.e., the format, etc. remains the same, just revised revision levels on some pages). The tariff user should refer to the latest check sheet to find out if a particular sheet is the most current on file with the KPSC.

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APPLICATION OF TARIFF

This tariff contains the regulations and rates applicable to the reselling of Local Exchange Service by Preferred Carrier Services, Inc. d/b/a Phones For All; d/b/a Teléfonos Para Todos (hereafter referred to as the "Company") between domestic points within the Commonwealth of Kentucky and subject to the jurisdiction of the Kentucky Public Service Commission. Service is furnished subject to the availability of facilities and subject to transmission, atmospheric and like conditions. All terms, conditions and limitations of liability contained in this tariff apply to all Commonwealth of Kentucky services provided by the Company, and including those where charges are established pursuant to contract, unless the contract explicitly provides otherwise.

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SECTION 1 - TECHNICAL TERMS AND ABBREVIATIONS

Access Line- An arrangement which connects the customer's location to an intraexchange switching center.

Authorized User - A user who is a customer, or a person authorized by a customer that uses the Company's Services. An Authorized User is responsible for compliance with this tariff.

Basic Service - See Local Exchange Service

Billed Party - The person or entity responsible for payment for use of the Company 's Service(s).

Central Office - A Local Exchange Carrier switching system where Local Exchange Carrier customer station loops are terminated for purposes of interconnection to each other and to trunks.

Channel - A path for electrical transmission between two or more points, the path having a band width designed to carry voice grade transmission.

Common Carrier - A company or entity providing telecommunications services to the public.

Company - Preferred Carrier Services, Inc.

Credit Card Calls (Calling Card Calls) - A Direct Dialed or Operator Assisted call for which charges are billed not to the originating telephone number, but to a credit card, such as Visa or Master Card, or to a LEC or intraexchange carrier calling card, including calling cards issued by the Company.

Customer - Any person, firm, partnership, association, joint stock company, trust, corporation, governmental entity or any other entity which orders service, that is responsible for payment of charges and for compliance with Company's tariff regulations.

Day - From 8:00 AM up to but not including 5:00 PM local time Sunday through Friday.

Evening - From 5:00 PM up to but not including 11:00 PM local time Sunday through Friday.

Exchange - A geographic area established by the tariff of Local Exchange Carriers for the administration of communications service in a specified area that usually embraces a city, town or village and its environs. It consists of one or more Central Offices together with the associated facilities used in furnishing communications service within that area.

FCC - The Federal Communication Commission.

ILEC – The Incumbent Local Exchange Carrier.

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SECTION 1 - TECHNICAL TERMS AND ABBREVIATIONS (Continued)

Local Exchange Carrier (LEC) - A telephone company utility which provides local telecommunications services to a specific geographical area for business and residential customers.

Local Exchange Service- The furnishing of Direct Dialed Commonwealth of Kentucky services to the Customer for the completion of local voice and/or dial-up data transmissions over voice grade channel(s) between one or more stations within an exchange in the Commonwealth of Kentucky, as specified in this tariff.

MRC - Monthly Recurring Charge – A flat rate charge for services billed to the customer each billing period regardless of usage.

Night/Weekend - From 11:00 PM up to but not including 8:00 AM Sunday through Friday, and 8:00 AM Saturday up to but not including 5:00 PM Sunday.

Non Basic Local Service - Additional services which pertain to local exchange service which may be utilized, the cost of which is not included in charges paid by customers for Basic Local Service. (i.e., call waiting, call forwarding, three way calling, etc.).

Other Common Carrier - A common carrier, other than the Company, providing the Commonwealth of Kentucky intrastate communications service(s) to the public.

Premises - A building or buildings on contiguous property (except railroad rights-of-way, etc.) not separated by a public highway.

Person to Person Calling – An operator-assisted service whereby the person originating the call specifies a particular person to be reached, or a particular station, room number, department, or office to be reached through a PBX attendant. Charges may be billed to the called party, a third number, a credit card, a calling card or designated third party station.

Resold Local Exchange Service – A service composed of the resale of exchange access lines and local calling provided by other authorized Local Exchange Carriers, in combination with Company-provided usage services, miscellaneous services or interstate/international services.

Station-to-Station Calling – A service whereby the originating End User requests the assistance of a Company operator to place or bill the call. Calls billed Collect or to a telephone company-issued Calling Card or to an authorized Credit Card are Operator-Station calls unless the call is placed on a Person-to-person basis. Automated Calling Card calls are not Operator-station calls. Calls may be dialed with or without the assistance of a Company operator. Collect Calls to coin telephones and transfers of charges to third telephones which are coin telephones will not be accepted.

Subscriber - The property, or property owner, to which the Company provides service.

Uncompleted Call - Any call where the communication path between the calling and the called station is not established (i.e., busy, no answer, etc.).

User - The person at the Subscriber's location who actually places the call over the Company's service.

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SECTION 2 - RULES AND REGULATIONS

2.1. Undertaking of the Company

The Company's services offered pursuant to this Tariff are furnished for Local Exchange Service among specified points within a Local Calling Area. The Company may offer these services over its own or resold facilities.

The Company installs, operates and maintains the communications services provided herein under and in accordance with the terms and conditions set forth under this tariff. The Company may act as the Customer's agent for ordering access connection facilities provided by other carriers or entities as required in the Commission's rules and orders, when authorized by the Customer, to allow connection of the Customer's location the Company network. The Customer shall be responsible for all charges due for such service arrangement.

The Company's services and facilities are provided on a monthly basis unless otherwise indicated, and are available twenty-four (24) hours per day, seven day per week.

2.2 Service Description

Local Service is offered to residential and business Customers of the Company for the transmission of voice communications calls placed between one or more stations in the Commonwealth of Kentucky. The Company provides services for voice grade and data transmission services. All services are provided subject to the terms and conditions set forth in this tariff. The Company installs, operates, and maintains communication service in accordance with the terms and conditions set forth under this tariff. It may act as the customer's agent for ordering access connection facilities provided by other carriers or entities when authorized by the customer, to allow connection of a customer's location to the Company's network. The customer shall be responsible for all charges due for such service arrangement. The Company's services are provided on a monthly basis unless ordered on a shorter or longer term basis as agreed to by the Company and the customer, and are available twenty-four hours per day, seven days per week.

2.3 Quality of Service

The Company intends to resell services carried on the facilities of Bell South and GTE. Applicant will comply with quality of service standards set forth by the KPSC and any other governing body with jurisdiction over such matters. The quality standards of the incumbent LECs are on file and are adopted herein by this reference.

2.4. Interconnection with Other Common Carriers

The Company reserves the right to interconnect its services with those of any Other Common Carrier, Local Exchange Carrier, or alternate access provider of its election, and to utilize such services concurrently with its own provision of service offered in this tariff.

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SECTION 2 - RULES AND REGULATIONS (Continued)

2.5. Shortage of Facilities

All service is subject to the availability of suitable facilities. The Company reserves the right to limit the length of communications or to discontinue furnishing service when necessary because of the lack of transmission medium capacity or due to any causes beyond its control.

2.6. Uses of Services

2.6.1. Services provided under this tariff may be used only for transmission of communications by customers in a manner consistent with the terms of this tariff and regulations of the FCC and all state and local authorities having jurisdiction over the service.

2.6.2. Services provided in this tariff shall not be used for unlawful purposes.

2.6.3. The use of the Company's service(s) without payment for service or attempting to avoid payment for service(s) by fraudulent means or devices, schemes, false or invalid numbers of false calling or credit cards is prohibited.

2.7. Liability of the Company

2.7.1. Except as stated in Section 2.7, the Company shall have no liability for damages of any kind arising out of or related to events, acts, rights or privileges contemplated in this tariff. This tariff does not limit the liability of the Company for gross negligence or willful misconduct.

2.7.2. The liability of the Company, if any, for damages resulting from or arising in connection with the furnishing of service(s) in this tariff, including but not limited to mistakes, omissions, interruptions, delays, errors, defects in transmission, or failures or defects in facilities furnished by the Company shall in no way exceed an amount of money equivalent to the charges applicable under this tariff. However, any such mistakes, omissions, interruptions, delays, errors, or defects in transmission or service(s) that are caused by or contributed to by the negligence or willful act of the Customer, or which arise from the use of Customer-Provided Facilities or equipment shall not result in the imposition of any liability upon the Company.

2.7.3. THE COMPANY DISCLAIMS ANY EXPRESS OR IMPLIED WARRANTIES WITH RESPECT TO THE SERVICES, INCLUDING WITHOUT LIMITATION, ANY IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

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SECTION 2 - RULES AND REGULATIONS (Continued)

2.7. Liability of the Company (Continued)

2.7.4. The Company is not liable for any act, omission or negligence of any Local Exchange Carrier or other provider whose facilities are used concurrently in furnishing any portion of the service(s) received by Customer, or for the unavailability of or any delays in the furnishing of any service(s) or facilities that are provided by any Local Exchange Carrier. Should the Company employ the service of any Other Common Carrier in furnishing the services provided to Customer, the Company's liability shall be limited according to the provisions of Section 2.7.2 above and elsewhere in this tariff.

2.7.5. Moreover, where the Company's contract with its underlying carrier so provides, the Company's underlying carrier shall not be liable to the Company's end users or any third parties, for any indirect, special or consequential damages including but not limited to economic loss or lost business or profits, whether foreseeable or not, and regardless of notification by the Company of the possibility of such damages and the Company shall only in these circumstances indemnify and hold harmless its underlying carrier from any and all claims, demands, causes of action and liabilities based on any reason from its customers.

2.7.6. The Company shall not be liable for any failure of performance due to causes beyond its control, including but not limited to fire, flood, or other catastrophes; Acts of God; atmospheric conditions or other phenomena of nature; federal, state or local governments having jurisdiction over the Company or the services provided within this tariff; national emergencies; civil disorder, insurrections, riots, wars, strikes, lockouts, work stoppages, or other labor problems or regulations established or actions taken by any court or government agency having jurisdiction over the Company.

2.7.7. The Company shall be indemnified and held harmless by the Customer and Authorized User from all loss, liability, damage, and expense, including reasonable attorney's fees and court costs, due to claims for libel, slander, or infringement of copyright or trademark in connection with any material transmitted by any person using the Company's service(s) and any other claim resulting from any act or omission of the Customer or Authorized User relating to the use of the Company's facilities and service(s).

2.7.8. The Company shall not be responsible for the installation, operation or maintenance of any Customer-provided communications equipment.

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SECTION 2 - RULES AND REGULATIONS (Continued)

2.7. Liability of the Company (Continued)

2.7.9. Where Customer-provided equipment is connected to service furnished pursuant to this tariff, the responsibility of the Company shall be limited to the maintenance and operations of such services in the proper manner; subject to this responsibility, the Company shall not be responsible for the through transmission of signals generated by Customer-provided equipment or for the quality of, or defects in, such transmission; or the reception of signals by Customer-provided equipment; or network control signaling where such signaling is performed by Customer-provided network control signaling equipment.

2.7.10. Under no circumstances whatsoever shall the Company or its officers, directors, agents, or employees be liable for any indirect, incidental, special, or consequential damages.

2.8. Assignment

The Customer shall not assign or transfer the use of the Company's services except with the prior written consent of the Company in each and every instance.

2.9. Obligations of the Customer

2.9.1. The Customer is responsible for placing any necessary orders, and for complying with tariff regulations, and for ensuring that authorized users comply with tariff regulations. The Customer is also responsible for the payment of charges for calls originated at the Customer's premises. This includes payment for calls or services originated at the Customer's number(s); accepted at the Customer's number(s) (i.e., collect calls); billed to the Customer's number via Third Number Billing if the Customer is found to be responsible for such call or service, the use of a Calling Card, the use of a Company assigned Special Billing Number and incurred at the specific request of the Customer.

2.9.2. The Customer is responsible for charges incurred for special construction and/or special facilities that the Customer requests and which are ordered by the Company on the Customer's behalf.

2.9.3. If required for the provision of the Company's services, the Customer must provide any equipment space, supporting structure, conduit, and electrical power without charge to the Company.

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SECTION 2 - RULES AND REGULATIONS (Continued)

2.9. Responsibilities of the Customer (Continued)

2.9.4. The Customer is responsible for arranging ingress to its premises at times mutually acceptable to the Customer and the Company when required for the Company personnel to install, repair, maintain, program, inspect, or remove equipment associated with the provision of the Company's service(s). Occasionally customer requested changes and testing for impairment may only be evident at certain times (i.e., a certain hour of the day). In such cases, service must be made available for testing during the same time periods if the trouble condition is to be corrected.

2.9.5. The Customer shall ensure that its terminal equipment and system is properly interfaced with the Company's or incumbent LEC's facilities and services, that the signals and voltages emitted into the Company's or incumbent LEC's facilities are of the proper mode, bandwidth, power, and signal level of the intended use of the Customer and in compliance with the criteria set forth in the rules of the FCC, and that the signals do not damage equipment, injure personnel or degrade service to other Customers.

2.9.6. Interconnection between the Customer's equipment and Company-provided service must be made by the Customer by leased channel or dial-up service. Where interconnection between Customer's equipment and Company-provided service is not made by lease of Company facilities, interconnection must be made by the Customer at the Company's operating offices. Any special interface equipment necessary to achieve the compatibility between facilities of the Company and the channels or facilities of others shall be provided at the Customer's expense.

2.9.7. If the protective requirements in connection with Customer-provided equipment are not being complied with, the Company may take such immediate action as necessary to protect its facilities, services, and personnel and will promptly notify the Customer of the need for protective action. In the event that the Customer fails to advise the Company within 10 days after such notice is received that corrective action has been taken, the Company may take whatever additional action is deemed necessary, including the suspension of service, to protect its facilities and personnel from harm.

2.9.8. The Customer is liable to the Company for replacement and repair of damage to the equipment and facilities of the Company caused by negligence and willful act of the Customer, its Authorized Users, and others, and for improper use of equipment provided by the Customer, its Authorized Users, and others.

2.9.9. The Customer is liable for any of Company equipment installed at the Customer's premises caused by theft, fire, flooding, or any other casualty or criminal act.

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SECTION 2 - RULES AND REGULATIONS (Continued)

2.10. Responsibilities of Authorized Users

2.10.1. The Authorized User is responsible for compliance with applicable regulations set forth in this tariff.

2.10.2. The Authorized User is responsible for establishing its identity as often as necessary during the course of a call.

2.10.3. The Authorized User is responsible for identifying the station, party, or person with whom communication is desired and/or made at the called number

2.10.4. The Authorized User is responsible for providing the Company with a valid method of billing for each call. The Company reserves the right to validate the credit worthiness of Users through available Credit Card, Called Number, Third Party telephone number and Room Number verification procedures. Where a requested billing method cannot be validated, the User may be required to provide an acceptable alternate billing method or the Company may refuse to place the call.

2.11. Termination or Interruption of Services

2.11.1. Without incurring liability, the Company may by 24 hour advance notice discontinue Service(s) to a Customer or to a particular Customer location, or may withhold the provision of ordered or contracted Service(s) under the following conditions:

(i) For past due balances per Section 2.10.5. or when usage has exceeded the estimated credit limit established by the Company;

(ii) For violation of the terms or conditions governing the furnishing of services under this tariff;

2.11.2. The Company will comply with a ruling considering disconnection made by any court with jurisdiction, public utility commission, federal regulatory body or other governing authority prohibiting the Company from furnishing its Service(s).

2.11.3. Without incurring liability, the Company may temporarily interrupt the provision of Service(s) at any time in order to perform test(s) and inspection(s) to assure compliance with tariff regulations and the proper installation and operation of Customer and the Company's equipment and facilities.

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SECTION 2 - RULES AND REGULATIONS (Continued)

2.11. Termination or Interruption of Services (Continued)

2.11.4. In the event that the Company incurs attorneys fees or other costs to recover any sums then due and the Company prevails, the Company shall be entitled to recover, if awarded by the court, its costs of collection, legal costs, court costs, and reasonable attorneys' fees, in addition to whatever other relief the court may award. The Company may assign or sell receivables to collection agencies or other parties and said amounts owed to the Company shall then become due and payable to said third party.

2.11.5. Service(s) may be discontinued by the Company, without notice to the Customer, by blocking traffic to and from certain countries, cities, NXX's, or by blocking calls using certain Customer Authorization Codes or Calling Card Account Numbers when the Company deems it necessary to take such action to prevent fraud or other unlawful use of its Service(s). The Company may restore Service(s) as soon as it can be provided without undue risk.

2.11.6. If, for any reason, Service(s) is interrupted, the Customer will only be charged for the Service(s) that was actually used.

2.12. Payment for Service

The Customer is responsible for payment of all charges for service(s) furnished by the Company, including charges for service(s) originated or charges accepted at the Customer's service point.

2.12.1. Charges for Third Party calls will be included on the Billed Party's local exchange telephone company bill pursuant to billing and collection agreements established with the applicable telephone company.

2.12.2. Charges for Credit Card Calls will be included on the Billed Party's regular monthly statement from the card-issuing company.

2.12.3. The Customer will be billed for and is liable for payment of all applicable federal, state and local use, assessments, surcharges, sales and/or privilege taxes and/or similar liabilities chargeable to or against the Company as a result of the provision of the Company's service(s), in addition to the rates indicated in this tariff. Taxes or surcharges may be passed through to customers of a taxing jurisdiction on a prorated basis such that the total of all such charges aggregated among all customers in the taxing jurisdiction shall approximately equal the total amount of tax due in that jurisdiction.

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SECTION 2 - RULES AND REGULATIONS (Continued)

2.12. Payment for Service (Continued)

2.12.4. The Customer shall remit payment of all charges to the Company or to any agency authorized by the Company to receive such payment. Undisputed amounts may not be withheld. The Commission shall be able to review the Company's billing at any point. Any disputed amounts or claims against any invoice must be made in person by telephone, or in writing within thirty (30) days from the date of invoice in accordance with 807 KAR 5:006, Section 9.

2.12.5. If the bill is not paid within thirty (30) calendar days following the mailing of the bill, the account will be considered delinquent.

2.12.6. Bills are due and payable upon receipt. Interest at the lesser of (1) the rate of one and one-half (1.5%) percent per month, or (2) the highest rate allowed by law per month shall accrue upon any unpaid amount commencing thirty (30) days after the date of the bill.

2.12.7. A delinquent account may subject the Customer's service(s) to temporary disconnection. (See Section 2.11.1.)

2.12.8. Failure to receive a bill will not exempt a Customer from prompt payment of any sum(s) due the Company.

2.12.9. Charges for recurring fees shall be billed one (1) month in advance. Usage charges shall be billed one (1) month in arrears.

2.12.10. The customer may tender payment for activation or renewal of local exchange services by purchasing a designated card from specified retailers for this purpose. The customer must follow the instructions provided with the payment card for payment to be properly applied to the customer's account. Payment will be deemed received at the time customer contacts the Company's call center by calling the toll free number provided with the payment card.

2.12.11. A sample account statement is attached to this tariff as Appendix A.

2.13. Billing Entity Conditions

When the Company's billing functions are performed by credit card companies or others, payment conditions and regulations of such companies apply, including any applicable interest and/or late payment charges. In case of any disputed charges that cannot be resolved by the billing company, the Billed Party may contact the Company directly.

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DEC 24 1998

PURSUANT TO 807 KAR 5:011, SECTION 9 (1)

BY: Stephanie Bell
SECRETARY OF THE COMMISSION

Issued: Effective:

Issued by: Roberto Sidi – President
Preferred Carrier Services, Inc.
14681 Midway Road, Suite 105
Dallas, Texas 75244

Signed – Roberto Sidi

SECTION 2 - RULES AND REGULATIONS (Continued)

2.14. Deposits

The company may require deposits from the Customer. However, where the customer agrees to have access to certain features blocked, no deposit will be required as explained in 3.1.1.2. below.

2.15 Restoration of Service

The use and restoration of service shall be in accordance with Rules and Regulations of the Commonwealth of Kentucky and/or any other body which has jurisdiction over such issues.

2.16. Right to Backbill for Improper Use of the Company's Services

Any person or entity which uses, appropriates or secures the use of service(s) from the Company, whether directly or indirectly, in any unlawful manner or through the providing of any misleading or false information to the Company shall be liable for an amount equal to the accrued and unpaid charges that would have been applicable to the use of the Company's service(s) actually made by Customer.

2.17 Employee Concessions

The company does not provide for any employee concessions.

2.18 Return Check Charges

If the Company receives a check from a Customer in payment for service rendered or for any other reason of indebtedness and which is returned from the bank due to insufficient or uncollected funds, closed account, apparent tampering, missing signature or endorsement, or for any other reason, a service charge of $15.00 or five percent (5%) of the amount due, whichever is greater, shall be applied. The charge shall be applied to the Customer's monthly billing in addition to any other charges which may apply under this tariff. Payment rendered by check, which is subsequently dishonored shall not constitute payment until such time as repayment is made by valid means.

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SECTION 3 - SERVICE DESCRIPTIONS

3.1 Local Exchange Service - Applicable

The Company's Local Telephone Service provides a Customer with the ability to connect to the Company's switching network which enables the Customer to:

- place or receive calls to any calling Station in the local calling area, as defined herein;
- access basic 911 Emergency Service if available in the Customer's area;
- place or receive calls to 800 telephone numbers.

Local service will be offered on a per call basis or flat rate basis to Customers originating calls from locations within the service area of the incumbent LECs in the Commonwealth of Kentucky. Such service is available twenty-four (24) hours a day and seven (7) days per week.

3.1.1. Basic Local Exchange Services – Availability of Service

3.1.1.1. PREFERRED LOCAL - RESIDENTIAL I: Local telephone service offered to end users at a residence or place of dwelling where the actual or obvious use is for domestic purposes.

3.1.1.2. PREFERRED LOCAL - RESIDENTIAL II and III: Local telephone service offered to end users at a residence or place of dwelling where the actual or obvious use is for domestic purposes and the end user is unable to or chooses not to attempt to establish satisfactory credit for other residential service. End users who choose this service will not be required to post a deposit and agree to have certain features such as directory assistance, operator services, and toll calling blocked. The end user is still responsible for all charges for calls billed to their number.

3.1.2. Customer Calling Features

3.1.2.1. PREFERRED CALL FORWARDING: Allows the automatic forwarding (transfer) of all incoming calls to another telephone number. The line can be restored to normal operation at any time.

3.1.2.2. PREFERRED BUSY CALL FORWARDING: Allows the forwarding of incoming calls when the line is busy. The forwarded number is fixed by the service order. Calls may be forwarded outside the local central office.

3.1.2.3. PREFERRED DELAYED CALL FORWARDING: Allows the forwarding of incoming calls when the line remains unanswered after a preset number of rings. The number of rings and the forwarded number are fixed by the service order. Calls may be forwarded outside the local central office.

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SECTION 3 - SERVICE DESCRIPTIONS (Continued)

3.1. Local Exchange Service (Continued)

3.1.2.4. PREFERRED CALL WAITING: Sends a tone signal while a call is in progress to indicate a second call is waiting; and, by operation of the switchhook, to place the first call on hold and answer the waiting call. Operation of the switchhook permits passage back and forth between the two calls, but a three way conference call cannot be established.

3.1.2.5. PREFERRED CANCEL CALL WAITING: Allows the dialing of an activation code prior to making a call, to cancel the Preferred Call Waiting feature. Preferred Cancel Call Waiting must be activated each time Preferred Call Waiting is to be canceled. Exception: If a Preferred Custom Calling Service that provides "flash privileges" such as Preferred Three Way Calling is subscribed to, the Preferred Cancel Call Waiting feature can be activated while an incoming or outgoing call is in progress.

The rates and charges for Preferred Call Waiting include the Preferred Cancel Call Waiting arrangement.

3.1.2.6. PREFERRED THREE WAY CALLING: Three Way Calling allows the addition of a third party to an established connection. When the third party answers, a two way conversation can be held before adding the original party for a three way call. The initiator of the call controls the call and may disconnect the third party to reestablish the original connection exclusively or establish a connection to a different third party. The feature may be used on outgoing and incoming calls.

3.1.2.7. PREFERRED SPEED CALLING: Allows placing call to other telephone numbers by dialing a one or two digit code rather than the complete telephone number. The feature is available as an eight code list or thirty code list. Either code list may include local and/or toll telephone numbers. To establish or change a telephone number in a code list, an activation code is dialed, a second dial tone is received and a one or two digit code (for the eight and thirty code lists respectively) plus the telephone number is dialed. Preferred Speed Calling is only available to those customers presently subscribing to Speed Calling.

3.1.3. Installation Services

3.1.3.1. PREFERRED WIRING: Installation of simple residential wiring where installation and other related premises work does not require more than one man hour of work.

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SECTION 3 - SERVICE DESCRIPTIONS (Continued)

3.2. Billing Periods

Unless otherwise indicated, for commercial or residential measured rate Commonwealth of Kentucky calls there is generally a one minute minimum charge, with additional time billed in increments of one minute with full minute rounding unless otherwise indicated. Timing on completed calls begins when the call is answered by the called party. Timing terminates on all calls when either party goes to the on-hook mode.

3.3. Timing of Calls

The customer's usage charge is based on the actual usage of The Company's network. Usage begins when the called party picks up the receiver. When the called party picks up is determined by hardware answer supervision in which the local telephone company sends a signal to the switch or the software utilizing audio tone detection. A call is terminated when either party hangs up.

3.4. Minimum Call Completion Rate

The customer can expect a call completion rate (number of calls completed / number of calls attempted) of not less than 98% during peak use periods.

3.5. Uncompleted Calls

There shall be no charge for uncompleted calls.

SECTION 3 - SERVICE DESCRIPTIONS (Continued)

3.6. Calculation of Distance

In the event the company provides mileage sensitive products, then usage charges are based on the airline distance between rate centers associated with the originating and terminating points of the call.

The airline mileage between rate centers is determined by applying the formula below to the vertical and horizontal coordinates associated with the rate centers involved. The Company uses the rate centers and associated vertical and horizontal coordinates that are produced by Bell Communications Research in their NPA-NXX V & H Coordinates Tape and Bell's NECA Tariff No. 4.

FORMULA:

$$\sqrt{\frac{(V1-V2)^2 + (H1-H2)^2}{10}}$$

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SECTION 4 - APPLICATION OF RATES AND CHARGES

This section sets forth the rates and charges applicable to the Company's services. All rates and charges are expressed in U.S. dollars. Calls which overlap rate periods will be charged according to the rates applicable to the time recorded in each period. The Company will charge the customer for applicable federal and state taxes, fees and charges applicable to the service provided.

4.1. Listing of Rates and Charges

4.1.1. Basic Local Exchange Services

4.1.1.1. PREFERRED LOCAL - RESIDENTIAL I
MRC $18.00
Set up fee $56.00

4.1.1.2. PREFERRED LOCAL - RESIDENTIAL II(a) (includes call waiting)
MRC $63.99
Set up fee $79.99 (includes first month of service)

4.1.1.3. PREFERRED LOCAL – RESIDENTIAL II(b) (includes call waiting)
MRC $59.99
Set up fee $89.99 (includes first month service)

4.1.1.4. PREFERRED LOCAL – RESIDENTIAL III (does not include call waiting)
MRC $49.99
Set up fee $69.99

4.1.2. Customer Calling Features

4.1.2.1. PREFERRED CALL FORWARDING
MRC $3.00
Set up fee $10.00

4.1.2.2. PREFERRED BUSY CALL FORWARDING
MRC $1.00
Set up fee $10.00

4.1.2.3. PREFERRED DELAYED CALL FORWARDING
MRC $1.00
Set up fee $10.00

4.1.2.4. PREFERRED CALL WAITING
MRC $5.00
Set up fee $10.00

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SECTION 4 - APPLICATION OF RATES AND CHARGES (Continued)

4.1. Listing of Rates and Charges (Continued)

4.1.2. Customer Calling Features (Continued)

4.1.2.5. PREFERRED CANCEL CALL WAITING
MRC $0.00
Set up fee $0.00

4.1.2.6. PREFERRED THREE WAY CALLING
Unlimited use
MRC $3.75
Set up fee $10.00

Usage basis
Per use $0.75
Set up fee $10.00

4.1.2.7. PREFERRED SPEED CALLING
8 numbers
MRC $2.00
Set up fee $10.00

30 numbers
MRC $3.00
Set up fee $10.00

All customers must pay a mandatory $3.50 End User Common Line (EUCL) FCC fee per month as well as other applicable taxes, fees, and surcharges.

4.1.3. Installation Services

4.1.3.1. PREFERRED WIRING
First Hour - $75.00
Additional Hours - $35.00/hour

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SECTION 4 - APPLICATION OF RATES AND CHARGES (Continued)

4.2. Directory Listings

The Company shall provide for a single directory listing, termed the primary listing, in the telephone directory published by the dominant exchange service provider in the Customer's exchange area of the Station number which is designated as the Customer's main billing number.

4.2.1. The Company reserves the right to limit the length of any listing in the directory by the use of abbreviations when, in its judgment, the clearness of the listing or the identification of the Customer is not impaired thereby. Where more than one line is required to properly list the Customer, no additional charge is made.

4.2.2. The Company may refuse a listing which is known not to constitute a legally authorized or adopted name, obscenities in the name, or any listing which, in the opinion of the Company, is a contrived name used for advertising purposes or to secure a preferential position in the directory or is more elaborate than is reasonably necessary to identify the listed party. The Company, upon notification to the Customer, will withdraw any listing which is found to be in violation of its rules with respect thereto.

4.2.3. In order for listings to appear in an upcoming directory, the Customer must furnish the listing to the Company in time to meet the directory publishing schedule.

4.2.4. Directory listings are provided in connection with each Customer service as specified herein.

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SECTION 4 - APPLICATION OF RATES AND CHARGES (Continued)

4.2. Directory Listings (Continued)

4.2.5. Non-Recurring Charges: Non-Recurring Charges associated with Directory Listings are as follows:

	Non-Recurring
Primary Listing (one number)	N/C

4.2.6. Recurring Charges: Monthly Recurring Charges associated with Directory Listings are as follows:

	Monthly
Primary Listing (one number)	N/C

4.3. Emergency Services (Enhanced 911)

Allows Customers to reach appropriate emergency services including police, fire and medical services. Enhanced 911 has the ability to selectively route an emergency call to the primary E911 provider so that it reaches the correct emergency service located closest to the caller. In addition, the Customer's address and telephone information will be provided to the primary E911 provider for display at the Public Service Answering Point (PSAP).

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SECTION 5 - PROMOTIONAL OFFERINGS

5.1. Promotional Offerings

The Company, from time to time, may make promotional offerings of its services, which may include waiving or reducing the applicable charges for the promoted service. The promotional offerings may be limited as to the duration, the date and times of the offerings and the locations where the offerings are made.

5.1.1. Promotional Rate – PREFERRED RESIDENTIAL II(a) (includes call waiting)

Set up fee $69.99 (includes first month of service)

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BILL FORMAT

PHONES FOR ALL

Local Phone Service

***Call* 1-800-288-0910**

For Billing Inquiries

Account Summary

Account Number:	xxx-xxx-xxxx
Statement Number:	xxxxxxx
Statement Date:	xx/xx/xx
Service Period:	xx/xx/xx-xx/xx/

Current Charges

Monthly Service:	xx.xx
Federal Taxes:	xx.xx
State Taxes:	xx.xx
Local Taxes:	xx.xx
FCC Charges:	xx.xx
TOTAL:	XX.XX*

Your account has been in good standing since xx/xx/xx.

Easy Payment Method

Please visit a participating <retail> location to purchase a <$xx.xx> Monthly Renewal Card. To ensure your service is not interrupted, call us at 1-888-478-0717 to provide us with the PIN on your new Monthly Renewal Card. Please call in your PIN number on, or before, your due date.

*Total price includes all telecommunications surcharges, taxes, and fees.
Sales tax may apply in some areas.

Español

Por favor visite una tienda participante <retail> para comprar una tarjeta de Servicio Mensual (Monthly Renewal Card) por <$xx.xx>. Para asegurar que no sea interrumpido su servicio, llamenos al 1-888-478-0717 con su numero PIN nuevo. Por favor llamenos con su numero PIN nuevo antes de que se expire su servicio.

*El precio total incluye todos los impuestos de telecomunicaciones,
Impuestos de venta seran combrados en algunas areas.

Account Summary

Account Number:	xxx-xxx-xxxx
Invoice Number:	xxxxxxx
Bill Date:	xx/xx/xx

Total Due:	**XX.XX**
Due By:	**XX/XX/XX**

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