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June 6, 2006

VIA OVERNIGHT DELIVERY

JUN 07 2006 PUBLIC SERVICE COMMISSION

Elizabeth O'Donnell, Executive Director Kentucky Public Service Commission 211 Sower Boulevard Frankfort, Kentucky 40602

Re: Case No. 2005-00186: Supplemental Request to an Inquiry into Limitations of Use for Tariffed Services Designated or Otherwise Referred to as Unlimited

Dear Ms. O'Donnell:

Transmitted herewith on behalf of VarTec Telecom, Inc., please find an original and five (5) copies of the Company's response to the above-referenced supplemental data request as requested by the Kentucky Attorney General's Office. VarTec regrets the delay in issuing its response and appreciates the opportunity to submit this information.

Thank you for your time and consideration regarding this matter. If you have any questions regarding this filing, please contact the undersigned at (972) 478-3309 or at the Company's principal address.

Respectfully submitted,

Becky Gipson

Director, Regulatory Affairs

Enclosures

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JUN 07 2006

Attorney General's Supplemental Requests for Information Case No. 2005-00186

PUBLIC SERVICE COMMISSION

Response of VarTec Telecom, Inc.

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1. State whether your company has changed any tariffs applicable to plans described named or marketed as "unlimited", as previously identified in your responses to the Commission's first set of Data Requests, and if so, please attach/enclose copies of same.

Other than changes to its monthly recurring rates, VarTec Telecom, Inc. ("VarTec") has not modified any of its tariffs applicable to plans named or marketed as "unlimited" since the Company's response to the Commission's first set of Data Requests in this matter.

Proposed Witness:	Rebekah Chance, Director - Residential Products
-	VarTec Telecom, Inc.
	2440 Marsh Lane
	Carrollton, Texas 75006

2. With regard to any such plans, state specifically whether the word "unlimited" refers to minutes of use, area(s) of calling or both. If the word "unlimited" modifies any other term(s) in the applicable tariff(s), please identify the term so modified.

With regard to its Friends-R-Free Classic and Friends-R-Free, "unlimited" refers to quantity of calls and minutes of use for calls placed by customers of these services to other VarTec Friends-R-Free subscribers under the terms of service. For One Choice Classic Unlimited and One Choice Unlimited calling plans, the term "unlimited" refers to minutes of use as well as the quantity of interstate and intrastate long distance calls a customer may place in accordance with the overall terms of service.

Proposed Witness:	Rebekah Chance, Director - Residential Products
-	VarTec Telecom, Inc.
	2440 Marsh Lane
	Carrollton, Texas 75006

Attorney General's Supplemental Requests for Information Case No. 2005-00186

Response of VarTec Telecom, Inc. (Continued)

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- 3. With regard to the any such plans, state:
 - a. whether the tariff indicates a penalty of any type or sort (including relegating the customer to a different plan) may apply in the event the customer exceeds any limitation on number of minutes included in the plan;

Yes. The tariff sections for these calling plans include references to the actions that the Company may take in the event that the customer's calling pattern exceeds residential use. In addition, the Acceptable Use Policy ("AUP") for these plans also informs customers of these actions.

b. nature of penalty;

Yes. As indicated in the tariff and the AUP, customers with usage not typical of a residential user may be assessed a usage fee and/or have their service plan terminated.

c. whether the penalty has ever been imposed;

In those isolated instances where a customer's usage on the "unlimited" calling plans was deemed to be at a non-residential level, the Company has placed the customer on a service plan more suitable to his needs. VarTec has never assessed the above-referenced usage fee to a customer.

Proposed Witness: Rebekah Chance, Director - Residential Products VarTec Telecom, Inc. 2440 Marsh Lane Carrollton, Texas 75006

Attorney General's Supplemental Requests for Information Case No. 2005-00186

Response of VarTec Telecom, Inc. (Continued)

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d. whether notice of the penalty is provided to the consumer, and if so, identify precisely where in the tariff or other materials (including but not limited to contract, advertising or marketing materials) any such notice is located, and cite the complete language of any and all such notice(s).

It is important to note that VarTec is not soliciting new local exchange service customers and has not actively marketed any of its local exchange services since 2004.

The relevant pages from VarTec's Kentucky local exchange tariff describing the penalties are attached hereto as <u>Exhibit A</u>. The AUP is also included as part of the Welcome Packet which is mailed to all new local customers. <u>Exhibit B</u> following is an excerpt from the Company's Welcome Packet which details VarTec's AUP. Finally, this information is made available under the Legal Notices section of the Company's website at <u>www.vartec.com</u> and is attached as <u>Exhibit C</u>.

Proposed Witness: Rebekah Chance, Director - Residential Products VarTec Telecom, Inc. 2440 Marsh Lane Carrollton, Texas 75006

EXHIBIT A

Pages from VarTec's Kentucky Local Exchange Tariff

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LOCAL EXCHANGE SERVICES TARIFF

3.0 SERVICE DESCRIPTIONS (Continued)

3.2 **Basic Residential Local Service (Continued)**

3.2.5 VarTec Friends-R-FreeSM Classic Package (Continued) (T)

3.2.5.1 Friends-R-FreeSM Classic Feature

Customers of the VarTec Friends-R-FreeSM Classic Package may (T) place unlimited 1+, direct-dialed calls or use a Company-designated casual calling (dial-around) code when dialing long distance calls to other Customers subscribing to VTI's Friends-R-FreeSM Classic (T) Package or VTI's Friends-R-FreeSM Package at no additional charge. However, the long distance usage to other Customers subscribing to VTI's Friends-R-FreeSM Classic Package or VTI's Friends-R-FreeSM (T) Package is not deducted from the included 100 minutes of domestic long distance usage described above.

Customer telephone numbers which are not capable of being (T) subscribed to an interexchange carrier, and telephone numbers which are associated with Company 800/8XX service(s) or access codes associated with Company services other than switched services (e.g., travel calling card service numbers) are not eligible for inclusion in or the benefits of VTI's Friends-R-FreeSM Classic Feature. (T)

If a Customer discontinues his or her VarTec Friends-R-FreeSM Classic Package, only those eligible long distance calls which were (T) made while he or she was a Customer with the VarTec Friends-R-FreeSM Classic Package will receive the Friends-R-FreeSM Classic (T) Feature.

The Friends-R-FreeSM Classic Feature does not apply to service (T) which is provided on any special access line or Local Exchange Company service line for which the Customer pays a rate described as a business or commercial special access line in an applicable Local Exchange Company access service tariff.

The VarTec Friends-R-FreeSM Classic Package is intended for (T) residential use only, and all terms of the Friends-R-FreeSM Classic (T) Package Acceptable Use Policy set forth as follows in Section 3.2.5.2 apply.

ISSUED: November 21, 2002 EFFECTIVEPUBLICBERVICE COMMESION OF KENTUCKY 140 MA O DIANA SELECTIVE BY: Melicos A. Smith, Ecc. DEC & 1 2002 Wice Freedence Enternal Least Afford TURBLAR FORST WAR BO 1660 Vicercy Drive SECTION S(1) Dallas, Texas 75235 hano U. More. (214) 424-1000 EXECUTIVE DIRECTOR

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LOCAL EXCHANGE SERVICES TARIFF

3.0 SERVICE DESCRIPTIONS (Continued)

3.2 Basic Residential Local Service (Continued)

3.2.5 VarTec Friends-R-FreeSM Classic Package (Continued)

3.2.5.2 Acceptable Use Policy

Friends-R-FreeSM Classic service is for residential voice use only and (T) provides unlimited interstate and intrastate long distance calls between residential telephone lines that are enrolled in the Friends-R-FreeSM Classic (T) or Friends-R-FreeSM service plans. Only calls that originate from and terminate at telephone numbers enrolled in the Friends-R-FreeSM Classic (T) or Friends-R-FreeSM service plans are eligible. Certain excessive uses or calling patterns, however, may be considered evidence of abuse or disallowed commercial or data usage and may result in termination of the service and/or assessment of a fee. Calling patterns other than that which are considered usual and normal based on Customer calling history or industry standards may cause termination of service.

The Friends-R-FreeSM Classic service plan is intended only for residential (T) voice use usage. Use for home office, small business, large commercial business, or other commercial use is prohibited and may result in termination of the service. Customer account usage and calling patterns may be reviewed periodically at the discretion of VarTec Telecom. Customer use of the Friends-R-Free SM Classic service plan that reflects (T) calling patterns other than those that are considered usual and normal for residential customers based on industry standards or personal past calling history may be considered abuse and result in termination of service without refund or the possibility of renewal.

VarTec Telecom reserves the right in its sole discretion to cancel service for violation of this policy or other terms and conditions of service at any time. By selecting VarTec Telecom Friends-R-FreeSM Classic service plan, (T) Customer agrees to use the service in accordance with this acceptable use policy and other terms and conditions of service and to indemnify and hold VarTec Telecom harmless from any claims resulting from use or misuse of its products and services.

This Acceptable Use Policy may be revised periodically without notice. Customers agree that revisions are applicable to your then current service and usage.

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Dallas, Texas 75235 (214) 424-1000	BYEXECUTIVE DIRECTOR

3.0 SERVICE DESCRIPTIONS (Continued)

3.2 Basic Residential Local Service (Continued)

3.2.5 VarTec Friends-R-FreeSM Classic Package (Continued)

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3.2.5.2 Acceptable Use Policy (Continued)

Prohibited Use/Abuse

The following are prohibited uses of the Friends-R-FreeSM Classic service (T) plan that may result in termination of service:

- Calling patterns and usage that considerably exceed what is considered usual and normal for residential customers by industry standards
- Calling usage that considerably exceeds your established history of usage
- Use for any type of commercial business
- Commercial faxing, fax broadcasting, or fax blasting
- Use of Auto-Dialers or predictive dialer
- Use of Phone Chat Rooms
- Calls to 900 or 976 numbers
- Modem data transfer
- Use for dialing into an ISP or any type of data transmission
- Use for medical transcription
- Use is not for call back, call sell, or debit card services.
- Service is not to be used for call centers or telemarketing
- Any use not consistent with residential voice usage, or for which the service is otherwise intended.

Customers who exceed 2000 minutes of combined intrastate and interstate long distance usage in one month may have their service plan evaluated for compliance with this acceptable use policy. Depending on the evaluation results, Customers whose use constitutes, in VarTec's sole discretion, violation of this policy will be notified in writing that their Friends-R-FreeSM Classic service plan may be terminated and/or a \$50.00 (T) data/commercial usage fee assessed for any subsequent violation.

VTI reserves the right, in the event of fraud, to terminate service immediately without notice or exigent circumstances.

ISSUED: November 21, 2002 EFFECTIVE: December 21, 2002 A PARAMY OF KENTUCKY $\mathbb{P}\mathbb{Y}$: EFFECTIVE Mellese A. Smith, Ber-DEC 2 1 2002 Vice Freshiers - Excense V east writting 1630 Wleersp Drive FURSUANT TO 307 KAR 3011 SECTION S (1) Dallas, Texas 75235 haves U. E Down (214) 424-1000 EXECUTIVE DIRECTOR

3.0 SERVICE DESCRIPTIONS (Continued)

3.2 Basic Residential Local Service (Continued)

3.2.6 VarTec Friends-R-FreeSM Package (Continued)

3.2.6.1 Friends-R-FreeSM Feature

Customers of the VarTec Friends-R-FreeSM Package may place unlimited 1+, direct-dialed calls or use a Company-designated casual calling (dial-around) code when dialing long distance calls to other Customers subscribing to VTI's Friends-R-FreeSM Package or Friends-R-FreeSM Classic Package at no additional charge.

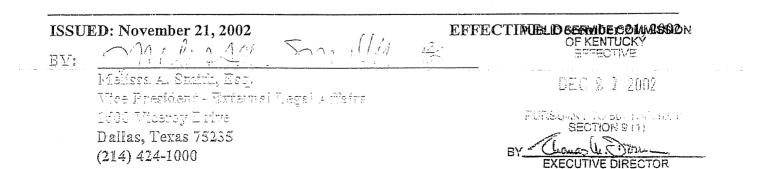
Customer telephone numbers which are not capable of being subscribed to an interexchange carrier, and telephone numbers which are associated with Company 800/8XX service(s) or access codes associated with Company services other than switched services (e.g., travel calling card service numbers) are not eligible for inclusion in or the benefits of VTI's Friends-R-FreeSM Feature.

If a Customer discontinues his or her VarTec Friends-R-FreeSM package, only those eligible long distance calls which were made while he or she was a Customer with the VarTec Friends-R-FreeSM Package will receive the Friends-R-FreeSM Feature.

The Friends-R-FreeSM Feature does not apply to service which is provided on any special access line or Local Exchange Company service line for which the Customer pays a rate described as a business or commercial special access line in an applicable Local Exchange Company access service tariff.

The VarTec Friends-R-FreeSM Package is intended for residential use only, and all terms of the Friends-R-FreeSM Package Acceptable Use Policy set forth as follows in Section 3.2.6.2 apply.

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LOCAL EXCHANGE SERVICES TARIFF

3.0 SERVICE DESCRIPTIONS (Continued)

3.2 Basic Residential Local Service (Continued)

3.2.6 VarTec Friends-R-FreeSM Package (Continued)

3.2.6.2 Acceptable Use Policy

Friends-R-FreeSM service is for residential voice use only and provides unlimited interstate and intrastate long distance calls between residential telephone lines that are enrolled in the Friends-R-FreeSM or Friends-R-FreeSM Classic service plans. Only calls that originate from and terminate at telephone numbers enrolled in the Friends-R-FreeSM or Friends-R-FreeSM Classic service plans are eligible. Certain excessive uses or calling patterns, however, may be considered evidence of abuse or disallowed commercial or data usage and may result in termination of the service and/or assessment of a fee. Calling patterns other than that which are considered usual and normal based on Customer calling history or industry standards may cause termination of service.

The Friends-R-FreeSM service plan is intended only for residential voice use usage. Use for home office, small business, large commercial business, or other commercial use is prohibited and may result in termination of the service. Customer account usage and calling patterns may be reviewed periodically at the discretion of VarTec Telecom. Customer use of the Friends-R-Free SM service plan that reflects calling patterns other than those that are considered usual and normal for residential customers based on industry standards or personal past calling history may be considered abuse and result in termination of service without refund or the possibility of renewal.

VarTec Telecom reserves the right in its sole discretion to cancel service for violation of this policy or other terms and conditions of service at any time. By selecting VarTec Telecom Friends-R-FreeSM service plan, Customer agrees to use the service in accordance with this acceptable use policy and other terms and conditions of service and to indemnify and hold VarTec Telecom harmless from any claims resulting from use or misuse of its products and services.

This Acceptable Use Policy may be revised periodically without notice. Customers agree that revisions are applicable to your then current service and usage.

ISSUED:-November 21, 2002 EFFECTIVE: DEERVICE COMMISSION S_{0} 1/11Mar Ar 1-1-1-1 OF KENTUCKY BY: Melissa A. Smith. Es7. DEC 2 1 2002 Vice President - External Leral Affairs 1500 Mearoy Elrive PURSUART TO SET ARE SERVICE SECTION 9 (1) Dallas, Texas 75235 anas U. Down. (214) 424-1000 EXECUTIVE DIRECTOR

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LOCAL EXCHANGE SERVICES TARIFF

3.0 SERVICE DESCRIPTIONS (Continued)

- 3.2 Basic Residential Local Service (Continued)
 - 3.2.6 VarTec Friends-R-FreeSM Package (Continued)

3.2.6.2 Acceptable Use Policy (Continued)

Prohibited Use/Abuse

The following are prohibited uses of the Friends-R-FreeSM service plan that may result in termination of service:

- Calling patterns and usage that considerably exceed what is considered usual and normal for residential customers by industry standards
- Calling usage that considerably exceeds your established history of usage
- Use for any type of commercial business
- Commercial faxing, fax broadcasting, or fax blasting
- Use of Auto-Dialers or predictive dialer
- Use of Phone Chat Rooms
- Calls to 900 or 976 numbers
- Modem data transfer
- Use for dialing into an ISP or any type of data transmission
- Use for medical transcription
- Use is not for call back, call sell, or debit card services.
- Service is not to be used for call centers or telemarketing
- Any use not consistent with residential voice usage, or for which the service is otherwise intended.

Customers who exceed 2000 minutes of combined intrastate and interstate long distance usage in one month may have their service plan evaluated for compliance with this acceptable use policy. Depending on the evaluation results, Customers whose use constitutes, in VarTec's sole discretion, violation of this policy will be notified in writing that their Friends-R-FreeSM service plan may be terminated and/or a \$50.00 data/commercial usage fee assessed for any subsequent violation.

VTI reserves the right, in the event of fraud, to terminate service immediately without notice or exigent circumstances.

ISSUED: November 21, 2002 EFFECTIVEBBOOGEFENDER COMMISSION San Ulto 2 OF KENTUCKY EFFECTIVE BV: DEC 2 1 2002 Melices A. Staffi, Heg. Mes President - External Legel - Mains 1600 Micercy Eltive Dallas, Texas 75235 Chango le F Merre (214) 424-1000 EXECUTIVE DIRECTOR

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LOCAL EXCHANGE SERVICES TARIFF

3.0 SERVICE DESCRIPTIONS (Continued)

3.2 Basic Residential Local Service (Continued)

3.2.7 One Choice[®] Classic Unlimited Package

One Choice[®] Classic Unlimited Package provides residential Customers in (T) Kentucky with local and long distance calling for a flat rate. As of March 23, (N) 2004, One Choice[®] Classic Unlimited Package is only available to existing (N) customers of the One Choice[®] Classic Unlimited Package (formerly known (N) as One Choice[®] Unlimited Package). In order to select One Choice[®] Classic (N)(T) Unlimited Package, Customers must subscribe to VTI as the primary service provider for local exchange, intraLATA interexchange and interLATA interexchange telecommunications services. The availability of the One Choice[®] Classic Unlimited may be restricted based upon the Customer's (T) creditworthiness as determined by information contained in a credit bureau report received from a credit reporting agency.

One Choice[®] Classic Unlimited includes Basic Residential Local Service as (T) described in Section 3.2, Call Block as described in Section 3.4.2, Call Forwarding as described in Section 3.4.3, Call Waiting as described in Section 3.4.9, Caller ID - Deluxe as described in Section 3.4.11, Speed Calling as described in Section 3.4.12, Anonymous Call Rejection as described in Section 3.4.14 and Call Waiting ID Deluxe as described in Section 3.4.15 and unlimited domestic long distance usage subject to the terms and conditions of the VarTec One Choice[®] Classic Unlimited Package (T) Acceptable Use Policy. The unlimited domestic long distance usage only applies to non-operator assisted, direct dialed domestic calls. One Choice[®] Unlimited Package does not include equipment associated with the Caller ID feature.

One Choice[®] Classic Unlimited Package is intended for residential use only (T) and all terms of the Acceptable Use Policy for One Choice[®] Classic (T) Unlimited Package apply. At VTI's sole discretion, action may be taken to limit access to toll services if the Customer's toll usage exceeds normal calling patterns or differ from usual and normal industry standards for residential Customers. VTI may also limit or prohibit access to toll services if usage exceeds the Customer's established history of toll usage. These actions may be taken without notice and without incurring liability.

ISSUED: February/23,/2004 EFFECTIVE: March 24, 2004 on OF KENTUCKY BY: EFFECTIVE Melissa A. Drennan, Esq.

Vice President - External Legal Affairs

1600 Viceroy Drive

Dallas, Texas 75235

(214) 424 - 1000

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PURSUANT TO 807 KAR 5:011 SECTION 9 (1) Image Bou EXECUTIVE DIRECTOR

3.0 SERVICE DESCRIPTIONS (Continued)

Basic Residential Local Service (Continued) 3.2

3.2.7 One Choice[®] Classic Unlimited Package (Continued)

3.2.7.1 Acceptable Use Policy for One Choice[®] Classic Unlimited Package (T)

One Choice[®] Classic Unlimited service provides unlimited (T) interstate and intrastate long distance calls for residential voice use only. Certain excessive uses or calling patterns, however, may be considered evidence of abuse or disallowed commercial or data usage and may result in termination of service or assessment of a fee. Calling patterns other than that which are considered usual and normal based on Customer calling history or industry standards may cause termination of service.

The One Choice[®] Classic Unlimited plan is intended only for (T) residential voice use usage. Use for home office, small business, large commercial business, or other commercial use is prohibited and may result in termination of the service. Customer account usage and calling patterns may be reviewed periodically at the discretion of VarTec Telecom. Customer use of the One Choice® Classic Unlimited service plan that reflects calling patterns other (T) than those that are considered usual and normal for residential customers based on industry standards or personal past calling history may be considered abuse and result in termination of service without refund or the possibility of renewal.

VarTec Telecom reserves the right in its sole discretion to cancel service for violation of this policy or other terms and conditions of service at any time. By selecting VarTec Telecom One Choice[®] Classic Unlimited service plan, Customer agrees to use the service (T) in accordance with this acceptable use policy and other terms and conditions of service and to indemnify and hold the company harmless from any claims resulting from use or misuse of its products and services.

This Acceptable Use Policy may be revised periodically without notice. Customers agree that revisions are applicable to their then current service and usage.

> SECTION 9 (1) Contraction

EFFECTIVE NERGE 24, 2004 ISSUED: February 23./2004 EFFECTIVE BY: 混合日 2 1 2004 Melissa A. Drennan, Esa PURSUANT TO 607 KAR 5:011

Vice President - External Legal Affairs 1600 Viceroy Drive Dallas, Texas 75235 (214) 424-1000

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3.0 SERVICE DESCRIPTIONS (Continued)

Dallas, Texas 75235 (214) 424-1000

3.2 **Basic Residential Local Service (Continued)**

- 3.2.7 One Choice[®] Classic Unlimited Package (Continued)
- (T)
- 3.2.7.1 Acceptable Use Policy for One Choice[®] Classic Unlimited Package (T) (Continued)

Prohibited Use/Abuse

The following are prohibited uses of the One Choice[®] Classic Unlimited (T) service plan that may result in termination of service:

- Calling patterns and usage that considerably exceed what is considered usual and normal for residential customers by industry standards
- Calling usage that considerably exceeds your established history of usage
- Use for any type of commercial business
- Commercial faxing, fax broadcasting, or fax blasting
- Use of Auto-Dialers or predictive dialer
- Use of Phone Chat Rooms
- Calls to 900 or 976 numbers
- Modem data transfer
- Use for dialing into an ISP or any type of data transmission
- Use for medical transcription
- Use is not for call back, call sell, or debit card services
- Service is not to be used for call centers or telemarketing
- Any use not consistent with residential voice usage, or for which the service is otherwise intended.

Customers who exceed 2000 minutes of combined intrastate and interstate long distance usage in one month may have their service plan evaluated for compliance with this acceptable use policy. Depending on the evaluation results, Customers whose use constitutes, in VarTec's discretion, violation of this policy will be notified in writing that their One Choice[®] Classic (T) Unlimited service plan may be terminated and/or a \$50.00 data/commercial usage fee assessed for any subsequent violation.

VTI reserves that right, in the event of fraud, to terminate service immediately without notice or exigent circumstances.

CLANE U. COMMUNE EXECUTIVE DIRECTOR

EFFECTIVE Manch 24, 2004 ISSUED: February 2004 FEECTIVE BY: MAR 光 & 2004 Melissa A. Drennan, Esq. Vice President - External Legal Affairs PURSUANT TO 807 KAR 5:011 SECTION 9(1) **1600 Viceroy Drive**

KY P.S.C. LOCAL TARIFF NO. 1 Original Page No. 56.18

LOCAL EXCHANGE SERVICES TARIFF

3.0 SERVICE DESCRIPTIONS (Continued)

3.2 Basic Residential Local Service (Continued)

3.2.11 One Choice[®] Unlimited Package

One Choice[®] Unlimited provides residential Customers in Kentucky with local and long distance calling for a flat rate. In order to subscribe to One Choice[®] Unlimited, the Customer must select VTI as the primary service provider for local exchange, intraLATA interexchange and interLATA interexchange telecommunications services. Furthermore, the Customer must select the One Choice[®] \$.05 Plan as described in Section 3.42.1 of VTI's K.P.S.C. Tariff No. 2 "Telecommunications Services Tariff." The availability of One Choice[®] Unlimited to the Customer may be restricted based upon both VTI's access to services through the incumbent local exchange carrier and the Customer's creditworthiness as determined by information contained in a credit bureau report received from a credit reporting agency.

One Choice[®] Unlimited is a bundled service package which includes Basic Residential Local Service as described in Section 3.2 and the following eight Call Management Features: Caller ID as described in Section 3.4.11, Call Waiting as described in Section 3.4.9, Three-Way Calling as described in Section 3.4.13, Call Waiting ID as described in Section 3.4.15, Call Return as described in Section 3.4.8, Speed Calling as described in Section 3.4.12, Call Forwarding as described in Section 3.4.1. Customers will also receive unlimited domestic long distance usage. The unlimited domestic long distance usage is for residential voice use only and applies to non-operator assisted, direct-dialed domestic calls. Use for home office, small business, large commercial business, or other commercial use is prohibited and may result in termination of the service.

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ISSUED: February 23, 2004 BY:

> Melissa A. Drennan, Esq. Vice President - External Legal Affairs 1600 Viceroy Drive Dallas, Texas 75235 (214) 424-1000

EFFECTIVE? March 24, 2004

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EXHIBIT B

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Acceptable Use Policy as found in VarTec's Welcome Packet

Acceptable Use Policy

The VarTec Telecom OneChoice® Unlimited^{5M} long distance service plan is for residential voice use only and provides unlimited interstate and intrastate long distance calls. The OneChoice® Friends-R-Free⁵⁰ service plan provides unlimited calls between residential telephone lines that are enrolled in the Friends-R-Free service plan. Only calls that originate from and terminate at telephone numbers enrolled in the Friends-R-Free service plan are eligible. Certain excessive uses or calling patterns, however, may be considered evidence of abuse or disallowed commercial or data usage and may result in termination of the service and/or assessment of an additional fee. Calling patterns other than those, which are considered usual and normal, based on customer calling history or industry standards, may cause termination of service.

The OneChoice Unlimited and Friends-R-Free service plans are intended only for residential voice usage. Use for home office, small business, large commercial business, or other commercial use is prohibited and may result in termination of the service. Customer accounts usage and calling patterns may be reviewed periodically at the discretion of VarTec Telecom. Customer use of the OneChoice Unlimited and Friends-R-Free service plans that reflect calling patterns other than those which are considered usual and normal for residential customers. based on industry standards or personal past calling history, may be considered abuse and result in termination of service without refund of the possibility of renewal.

VarTec Telecom reserves the right in its sole discretion of cancel service for violation of this policy or other terms and conditions of service at any time. By selecting VarTec Telecom's OneChoice Unlimited and Friends-R-Free service plans, the customer agrees to use the service in accordance with this Acceptable Use Policy and other terms and conditions of service and to indemnify and hold VarTec Telecom harmless from any claims resulting from use or misuse of its products and services.

This Acceptable Use Policy may be revised periodically without notice. Customers agree that revisions are applicable to their current service and usage.

Prohibited Use and/or Abuse

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The following are prohibited uses of the OneChoice Unlimited and Friends-R-Free service plans that may result in termination of service:

- Calling patterns and usage which exceed what is considered usual and normal for residential customers by industry standards
- Calling usage which considerably exceeds your established history of usage
- Use for call back, call sell, or debit card services
- Commercial modern data transfer of data transmission
 - Any use not consistent with residential voice usage, or for which the service is not
 - otherwise intended Use for any type of commercial business
- · Use of auto-dialer or predictive dialer
- Use of phone chat rooms Use for medical transcription
- · Calls to 900 or 976 numbers
 - · Use for call centers or telemarketing

Customers with excessive use of combined intrastate and interstate long distance usage in one month may have their service plan evaluated for compliance with this Acceptable Use Policy. Depending on the evaluation results, customers whose use constitutes, in VarTec Telecom's sole discretion, a violation of this policy will be notified in writing that their OneChoice Unlimited and Friends-R-Free service plans may be terminated and an alternative service plan offered, and/or additional data/commercial usage fees will be assessed for any subsequent violations. VarTec Telecom reserves the right in the event of fraud or urgent circumstances, to terminate service immediately without notice.

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EXHIBIT C

Acceptable Use Policy as Found on VarTec's Website

All price increases and other changes will be shown on the respective Domestic and/or International Telecommunications Services Agreements. Please select the appropriate document for updates.

International Rate Change Notice

Local Acceptable Use Policy

Acceptable Use Policy

The VarTec Telecom OneChoice Unlimited long distance service plan is for residential voice use only and provides unlimited interstate and intrastate long distance calls. The OneChoice Friends-R-FreeSM service plan provides unlimited calls between residential telephone lines that are enrolled in the Friends-R-Free service plan. Only calls that originate from and terminate at telephone numbers enrolled in the Friends-R-Free service plan are eligible. Certain excessive uses or calling patterns, however, may be considered evidence of abuse or disallowed commercial or data usage and may result in termination of the service and/or assessment of an additional fee. Calling patterns other than those, which are considered usual and normal, based on customer calling history or industry standards, may cause termination of service.

The OneChoice Unlimited and Friends-R-Free service plans are intended only for residential voice usage. Use for home office, small business, large commercial business, or other commercial use is prohibited and may result in termination of the service. Customer account usage and calling patterns may be reviewed periodically at the discretion of VarTec Telecom. Customer use of the OneChoice Unlimited and Friends-R-Free service plans that reflect calling patterns other than those which are considered usual and normal for residential customers, based on industry standards or personal past calling history, may be considered abuse and result in termination of service without refund or the possibility of renewal.

VarTec Telecom reserves the right in its sole discretion to cancel service for violation of this policy or other terms and conditions of service at any time. By selecting VarTec Telecom's OneChoice Unlimited and Friends-R-Free service plans, the customer agrees to use the service in accordance with this Acceptable Use Policy and other terms and conditions of service and to indemnify and hold VarTec Telecom harmless from any claims resulting from use or misuse of its products and services.

This Acceptable Use Policy may be revised periodically without notice. Customers agree that revisions are applicable to their then current service and usage.

Prohibited Use/Abuse

The following are prohibited uses of the OneChoice Unlimited and Friends-R-Free service plans that may result in termination of service:

- Calling patterns and usage which exceed what is considered usual and normal for residential customers by industry standards
- Calling usage which considerably exceeds your established history of usage
- Use for any type of commercial business
- Commercial faxing, fax broadcasting, or fax blasting
- Use of auto-dialers or predictive dialer
- Use of phone chat rooms
- Calls to 900 or 976 numbers
- Commercial modem data transfer or data transmission
- Use for medical transcription
- Use for call back, call sell, or debit card services
- Use for call centers or telemarketing

• Any use not consistent with residential voice usage, or for which the service is not otherwise intended

Customers with excessive use of combined intrastate and interstate long distance usage in one month may have their service plan evaluated for compliance with this Acceptable Use Policy. Depending on the evaluation results, customers whose use constitutes, in VarTec Telecom's sole discretion, violation of this policy will be notified in writing that their OneChoice Unlimited and Friends-R-Free service plans may be terminated and an alternative service plan offered, and/or additional data/commercial usage fees will be assessed for any subsequent violations. VarTec Telecom reserves the right in the event of fraud or urgent circumstances, to terminate service immediately without notice.

California Intrastate & Local Exchange Tariffs

VarTec Telecom, Inc., ("VarTec") has certified to the California Public Utility Commission ("Commission") that this is an accurate electronic representation of the tariff which is officially held at the Commission. Users of electronic tariffs should note, however, that such tariffs are not the official documents, and users assume responsibility for reliance upon tariffs in electronic format.

- Download Current Local Exchange Tariff
- Download Pending Local Exchange Tariff
- Download Current Intrastate Tariff
- Download Pending Intrastate Tariff

Please note that Adobe Acrobat Reader is required to review this file.

Indiana Local Exchange Tariff

VarTec Telecom, Inc., ("VarTec") has certified to the Indiana Public Utility Commission ("Commission") that this is an accurate electronic representation of the tariff which is officially held at the Commission. Users of electronic tariffs should note, however, that such tariffs are not the official documents, and users assume responsibility for reliance upon tariffs in electronic format.

• Download Current Local Exchange Tariff

Please note that Adobe Acrobat Reader is required to review this file.

Pennsylvania Intrastate & Local Exchange Tariffs

VarTec Telecom, Inc., ("VarTec") has certified to the Pennsylvania Public Utility Commission ("Commission") that these are accurate electronic representations of the tariffs which are officially held at the Commission. Users of electronic tariffs should note, however, that such tariffs are not the official documents, and users assume responsibility for reliance upon tariffs in electronic format.

- Download Local Exchange Tariff
- Download Intrastate Tariff
- Download Switched Access Tariff

Please note that Adobe Acrobat Reader is required to review this file.

Washington Intrastate & Local Exchange Tariffs

VarTec Telecom, Inc., ("VarTec") has certified to the Washington Utilities and Transportation Commission ("Commission") that this is an accurate electronic representation of the tariff which is officially held at the