

Agreement Between BellSouth Telecommunications, Inc. and Appliance and TV Rentals, Inc. d/b/a Phones-4-All Regarding The Sale of BellSouth Telecommunications Services to Appliance and TV Rentals, Inc. d/b/a Phones-4-All For The Purposes of Resale

THIS AGREEMENT is by and between **BellSouth Telecommunications, Inc.**, ("BellSouth" or "Company"), a Georgia corporation, and **Appliance and TV Rentals, Inc. d/b/a Phones-4-All** ("Phones-4-All" or "Reseller"), a Florida corporation, and shall be deemed effective as of September 16, 1998.

WITNESSETH

WHEREAS, BellSouth is a local exchange telecommunications company authorized to provide telecommunications services in the states of Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina, and Tennessee; and

WHEREAS, Phones-4-All is or seeks to become an alternative local exchange telecommunications company authorized to provide telecommunications services in the state(s) of Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina, and Tennessee; and;

WHEREAS, Phones-4-All desires to resell BellSouth's telecommunications services; and

WHEREAS, BellSouth has agreed to provide such services to Phones-4-All for resale purposes and pursuant to the terms and conditions set forth herein;

NOW, THEREFORE, for and in consideration of the mutual premises and promises contained herein, BellSouth and Phones-4-All do hereby agree as follows:

I. Term of the Agreement

- A.** The term of this Agreement shall be two years beginning September 16, 1998 and shall apply to all of BellSouth's serving territory as of January 1, 1998 in the state(s) of Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina, and Tennessee; and
- B.** This Agreement shall be automatically renewed for two additional one year periods unless either party indicates its intent not to renew the Agreement. Notice of such intent must be provided, in writing, to the other party no later than 60 days prior to the end of the then-existing contract period. The terms of this Agreement shall remain in effect after the term of the existing agreement has expired and while a new agreement is being negotiated.

The rates pursuant by which Phones-4-All is to purchase services from BellSouth for resale shall be at a discount rate off of the retail rate for the telecommunications service. The discount rates shall be as set forth in Exhibit A, attached hereto and incorporated herein by this reference. Such discount shall reflect the costs avoided by BellSouth when selling a service for wholesale purposes.

II. Definition of Terms

- A.** ALTERNATIVE/COMPETITIVE/OTHER LOCAL EXCHANGE COMPANY (ALEC/CLEC/OLEC) means a telephone company certificated by the public service commissions of the Company's franchised area to provide local exchange service within the Company's franchised area.
- B.** CUSTOMER OF RECORD means the entity responsible for placing application for service; requesting additions, rearrangements, maintenance or discontinuance of service; payment in full of charges incurred such as non-recurring, monthly recurring, toll, directory assistance, etc.

- C. DEPOSIT means assurance provided by a customer in the form of cash, surety bond or bank letter of credit to be held by the Company.
- D. END USER means the ultimate user of the telecommunications services.
- E. END USER CUSTOMER LOCATION means the physical location of the premises where an end user makes use of the telecommunications services.
- F. NEW SERVICES means functions, features or capabilities that are not currently offered by BellSouth. This includes packaging of existing services or combining a new function, feature or capability with an existing service.
- G. RESALE means an activity wherein a certificated CLEC, such as Phones-4-All subscribes to the telecommunications services of the Company and then reoffers those telecommunications services to the public (with or without "adding value").
- H. RESALE SERVICE AREA means the area, as defined in a public service commission approved certificate of operation, within which a CLEC, such as Phones-4-All, may offer resold local exchange telecommunications service.

III. General Provisions

- A. Phones-4-All may resell the tariffed local exchange and toll telecommunications services of BellSouth contained in the General Subscriber Service Tariff and Private Line Service Tariff subject to the terms, and conditions specifically set forth herein. Notwithstanding the foregoing, the exclusions and limitations on services available for resale will be as set forth in Exhibit B, attached hereto and incorporated herein by this reference.

BellSouth shall make available telecommunications services for resale at the rates set forth in Exhibit A to this agreement and subject to the exclusions and limitations set forth in Exhibit B to this agreement. It does not however waive its rights to appeal or otherwise challenge any decision regarding resale that resulted in the discount rates contained in Exhibit A or the exclusions and limitations contained in Exhibit B. BellSouth reserves the right to pursue any and all legal and/or equitable remedies, including appeals of any decisions. If such appeals or challenges result in changes in the discount rates or exclusions and limitations, the parties agree that appropriate modifications to this Agreement will be made promptly to make its terms consistent with the outcome of the appeal.

- B. Phones-4-All may purchase resale services from BellSouth for their own use in operating their business. The resale discount will apply to those services under the following conditions:
 - 1. Phones-4-All must resell services to other end users.
 - 2. Phones-4-All must order services through resale interfaces, i. e., the LCSC and/or appropriate Resale Account Teams.
 - 3. Phones-4-All cannot be an alternative local exchange telecommunications company for the single purpose of selling to themselves.
- C. The provision of services by the Company to Phones-4-All does not constitute a joint undertaking for the furnishing of any service.
- D. Phones-4-All will be the customer of record for all services purchased from BellSouth. Except as specified herein, the Company will take orders from, bill and expect payment from Phones-4-All for all services.

- E.** Phones-4-All will be the Company's single point of contact for all services purchased pursuant to this Agreement. The Company shall have no contact with the end user except to the extent provided for herein.
- F.** The Company will continue to bill the end user for any services that the end user specifies it wishes to receive directly from the Company.
- G.** The Company maintains the right to serve directly any end user within the service area of Phones-4-All. The Company will continue to directly market its own telecommunications products and services and in doing so may establish independent relationships with end users of Phones-4-All.
- H.** Neither Party shall interfere with the right of any person or entity to obtain service directly from the other Party.
- I.** Current telephone numbers may normally be retained by the end user. However, telephone numbers are the property of the Company and are assigned to the service furnished. Phones-4-All has no property right to the telephone number or any other call number designation associated with services furnished by the Company, and no right to the continuance of service through any particular central office. The Company reserves the right to change such numbers, or the central office designation associated with such numbers, or both, whenever the Company deems it necessary to do so in the conduct of its business.
- J.** The Company may provide any service or facility for which a charge is not established herein, as long as it is offered on the same terms to Phones-4-All.
- K.** Service is furnished subject to the condition that it will not be used for any unlawful purpose.
- L.** Service will be discontinued if any law enforcement agency advises that the service being used is in violation of the law.
- M.** The Company can refuse service when it has grounds to believe that service will be used in violation of the law.
- N.** The Company accepts no responsibility to any person for any unlawful act committed by Phones-4-All or its end users as part of providing service to Phones-4-All for purposes of resale or otherwise.
- O.** The Company will cooperate fully with law enforcement agencies with subpoenas and court orders for assistance with the Company's customers. Law enforcement agency subpoenas and court orders regarding end users of Phones-4-All will be directed to Phones-4-All. The Company will bill Phones-4-All for implementing any requests by law enforcement agencies regarding Phones-4-All end users.
- P.** The characteristics and methods of operation of any circuits, facilities or equipment provided by any person or entity other than the Company shall not:
 - 1. Interfere with or impair service over any facilities of the Company, its affiliates, or its connecting and concurring carriers involved in its service;
 - 2. Cause damage to their plant;
 - 3. Impair the privacy of any communications; or
 - 4. Create hazards to any employees or the public.
- Q.** Phones-4-All assumes the responsibility of notifying the Company regarding less than standard operations with respect to services provided by Phones-4-All.
- R.** Facilities and/or equipment utilized by BellSouth to provide service to Phones-4-All remain the property of BellSouth.

- S. White page directory listings will be provided in accordance with regulations set forth in Section A6 of the General Subscriber Service Tariff and will be available for resale.
- T. BellSouth will provide customer record information to Phones-4-All provided Phones-4-All has the appropriate Letter(s) of Authorization. BellSouth may provide customer record information via one of the following methods: US mail, fax, or by electronic interface. BellSouth will provide customer record information via US mail or fax on an interim basis only.
1. Phones-4-All agrees to compensate BellSouth for all BellSouth incurred expenditures associated with providing such information to Phones-4-All. Phones-4-All will adopt and adhere to the BellSouth guidelines associated with each method of providing customer record information.
 2. All costs incurred by BellSouth to develop and implement operational interfaces shall be recovered from CLECs who utilize the services. Charges for use of Operational Support Systems (OSS) shall be as set forth in Exhibit A of this agreement.
- U. Where available to BellSouth's end users, BellSouth shall provide the following telecommunication services at a discount to allow for voice mail services:
- Station Message Desk Interface – Enhanced (“SMDI-E”)
 - Station Message Desk Interface (“SMDI”) Message Waiting Indicator (“MWI”) stutter dialtone and message waiting light feature capabilities
 - Call Forward on Busy/Don't Answer (“CF-B/DA”)
 - Call Forward on Busy (“CF/B”)
 - Call Forward Don't Answer (“CF/DA”)
- Further, BellSouth messaging services set forth in BellSouth's Message Service Information Package shall be made available for resale without the wholesale discount.
- V. BellSouth's Inside Wire Maintenance Plans may be made available for resale at rates, terms and conditions as set forth by BellSouth and without the wholesale discount.
- W. All costs incurred by BellSouth for providing services requested by Phones-4-All that are not covered in the BellSouth tariffs shall be recovered from the Phones-4-All who utilizes those services.

IV. BellSouth's Provision of Services to Phones-4-All

- A. Phones-4-All agrees that its resale of BellSouth services shall be as follows:
1. The resale of telecommunications services shall be limited to users and uses conforming to the class of service restrictions.
 2. To the extent Phones-4-All is a telecommunications carrier that serves greater than 5 percent of the Nation's presubscribed access lines, Phones-4-All shall not jointly market its interLATA services with the telecommunications services purchased from BellSouth pursuant to this Agreement in any of the states covered under this Agreement. For the purposes of this subsection, to jointly market means any advertisement, marketing effort or billing in which the telecommunications services purchased from BellSouth for purposes of resale to customers and interLATA services offered by Phones-4-All are packaged, tied, bundled, discounted or offered together in any way to the end user. Such efforts include, but are not limited to, sales referrals, resale arrangements, sales agencies or billing agreements. This subsection shall be void and of no effect for a particular state covered under this Agreement as of February 8, 1999 or on the date BellSouth is authorized to offer interLATA services in that state, whichever is earlier.

3. Hotel and Hospital PBX service are the only telecommunications services available for resale to Hotel/Motel and Hospital end users, respectively. Similarly, Access Line Service for Customer Provided Coin Telephones is the only local service available for resale to Independent Payphone Provider (IPP) customers. Shared Tenant Service customers can only be sold those telecommunications services available in the Company's A23 Shared Tenant Service Tariff for the states of Florida, Georgia, North Carolina and South Carolina and in the Company's A27 Shared Tenant Service Tariff for the states of Alabama, Kentucky, Louisiana, Mississippi and Tennessee.
 4. Phones-4-All is prohibited from furnishing both flat and measured rate service on the same business premises to the same subscribers (end users) as stated in A2 of the Company's Tariff except for backup service as indicated in the applicable state tariff Section A3.
 5. If telephone service is established and it is subsequently determined that the class of service restriction has been violated, Phones-4-All will be notified and billing for that service will be immediately changed to the appropriate class of service. Service charges for changes between class of service, back billing, and interest as described in this subsection shall apply at the Company's sole discretion. Interest at a rate as set forth in Section A2 of the General Subscriber Service Tariff and Section B2 of the Private Line Service Tariff for the applicable state, compounded daily for the number of days from the back billing date to and including the date that Phones-4-All actually makes the payment to the Company may be assessed.
 6. The Company reserves the right to periodically audit services purchased by Phones-4-All to establish authenticity of use. Such audit shall not occur more than once in a calendar year. Phones-4-All shall make any and all records and data available to the Company or the Company's auditors on a reasonable basis. The Company shall bear the cost of said audit.
- B.** Resold services can only be used in the same manner as specified in the Company's Tariff. Resold services are subject to the same terms and conditions as are specified for such services when furnished to an individual end user of the Company in the appropriate section of the Company's Tariffs. Specific tariff features, e.g. a usage allowance per month, shall not be aggregated across multiple resold services. Resold services cannot be used to aggregate traffic from more than one end user customer except as specified in Section A23. (A27 in the states of Alabama, Kentucky, Louisiana, Mississippi, and Tennessee). of the Company's Tariff referring to Shared Tenant Service.
- C.** Phones-4-All may resell services only within the specific resale service area as defined in its certificate.
- D.** Telephone numbers transmitted via any resold service feature are intended solely for the use of the end user of the feature. Resale of this information is prohibited.
- E.** No patent, copyright, trademark or other proprietary right is licensed, granted or otherwise transferred by this Agreement. Phones-4-All is strictly prohibited from any use, including but not limited to sales, marketing or advertising, of any BellSouth name or trademark.

V. Maintenance of Services

- A.** Phones-4-All will adopt and adhere to the standards contained in the applicable BellSouth Work Center Interface Agreement regarding maintenance and installation of service.
- B.** Services resold under the Company's Tariffs and facilities and equipment provided by the Company shall be maintained by the Company.
- C.** Phones-4-All or its end users may not rearrange, move, disconnect, remove or attempt to repair any facilities owned by the Company, other than by connection or disconnection to any interface means used, except with the written consent of the Company.

- D. Phones-4-All accepts responsibility to notify the Company of situations that arise that may result in a service problem.
- E. Phones-4-All will be the Company's single point of contact for all repair calls on behalf of Phones-4-All's end users. The parties agree to provide one another with toll-free contact numbers for such purposes.
- F. Phones-4-All will contact the appropriate repair centers in accordance with procedures established by the Company.
- G. For all repair requests, Phones-4-All accepts responsibility for adhering to the Company's prescreening guidelines prior to referring the trouble to the Company.
- H. The Company will bill Phones-4-All for handling troubles that are found not to be in the Company's network pursuant to its standard time and material charges. The standard time and material charges will be no more than what BellSouth charges to its retail customers for the same services.
- I. The Company reserves the right to contact Phones-4-All's customers, if deemed necessary, for maintenance purposes.

VI. Establishment of Service

- A. After receiving certification as a local exchange company from the appropriate regulatory agency, Phones-4-All will provide the appropriate Company service center the necessary documentation to enable the Company to establish a master account for Phones-4-All. Such documentation shall include the Application for Master Account, proof of authority to provide telecommunications services, an Operating Company Number ("OCN") assigned by the National Exchange Carriers Association ("NECA") and a tax exemption certificate, if applicable. When necessary deposit requirements are met, the Company will begin taking orders for the resale of service.
- B. Service orders will be in a standard format designated by the Company.
- C. When notification is received from Phones-4-All that a current customer of the Company will subscribe to Phones-4-All's service, standard service order intervals for the appropriate class of service will apply.
- D. The Company will not require end user confirmation prior to establishing service for Phones-4-All's end user customer. Phones-4-All must, however, be able to demonstrate end user authorization upon request.
- E. Phones-4-All will be the single point of contact with the Company for all subsequent ordering activity resulting in additions or changes to resold services except that the Company will accept a request directly from the end user for conversion of the end user's service from Phones-4-All to the Company or will accept a request from another CLEC for conversion of the end user's service from Phones-4-All to the other LEC. The Company will notify Phones-4-All that such a request has been processed.
- F. If the Company determines that an unauthorized change in local service to Phones-4-All has occurred, the Company will reestablish service with the appropriate local service provider and will assess Phones-4-All as the CLEC initiating the unauthorized change, the unauthorized change charge described in F.C.C. Tariff No. 1, Section 13 or applicable state tariff. Appropriate nonrecurring charges, as set forth in Section A4. of the General Subscriber Service Tariff, will also be assessed to Phones-4-All. These charges can be adjusted if Phones-4-All provides satisfactory proof of authorization.
- G. In order to safeguard its interest, the Company reserves the right to secure the account with a suitable form of security deposit, unless satisfactory credit has already been established.
 - 1. Such security deposit shall take the form of an irrevocable Letter of Credit or other forms of security acceptable to the Company. Any such security deposit may be held during the

continuance of the service as security for the payment of any and all amounts accruing for the service.

2. If a security deposit is required, such security deposit shall be made prior to the inauguration of service.
3. Such security deposit may not exceed two months' estimated billing.
4. The fact that a security deposit has been made in no way relieves Phones-4-All from complying with the Company's regulations as to advance payments and the prompt payment of bills on presentation nor does it constitute a waiver or modification of the regular practices of the Company providing for the discontinuance of service for non-payment of any sums due the Company.
5. The Company reserves the right to increase the security deposit requirements when, in its sole judgment, circumstances so warrant and/or gross monthly billing has increased beyond the level initially used to determine the security deposit.
6. In the event that Phones-4-All defaults on its account, service to Phones-4-All will be terminated and any security deposits held will be applied to its account.
7. Interest on a security deposit shall accrue and be refunded in accordance with the terms in the appropriate BellSouth tariff.

VII. Payment And Billing Arrangements

- A. Prior to submitting orders to the Company for local service, a master account must be established for Phones-4-All. The Phones-4-All is required to provide the following before a master account is established: proof of PSC/PUC certification, the Application for Master Account, an Operating Company Number ("OCN") assigned by the National Exchange Carriers Association ("NECA") and a tax exemption certificate, if applicable.
- B. The Company shall bill Phones-4-All on a current basis all applicable charges and credits.
- C. Payment of all charges will be the responsibility of Phones-4-All. Phones-4-All shall make payment to the Company for all services billed. The Company is not responsible for payments not received by Phones-4-All from Phones-4-All's customer. The Company will not become involved in billing disputes that may arise between Phones-4-All and its customer. Payments made to the Company as payment on account will be credited to an accounts receivable master account and not to an end user's account.
- D. The Company will render bills each month on established bill days for each of Phones-4-All's accounts.
- E. The Company will bill Phones-4-All, in advance, charges for all services to be provided during the ensuing billing period except charges associated with service usage, which charges will be billed in arrears. Charges will be calculated on an individual end user account level, including, if applicable, any charges for usage or usage allowances. BellSouth will also bill all charges, including but not limited to 911 and E911 charges, telecommunications relay charges, and franchise fees, to Phones-4-All.
- F. The payment will be due by the next bill date (i.e., same date in the following month as the bill date) and is payable in immediately available funds. Payment is considered to have been made when received by the Company.
 1. If the payment due date falls on a Sunday or on a Holiday which is observed on a Monday, the payment due date shall be the first non-Holiday day following such Sunday or Holiday. If the payment due date falls on a Saturday or on a Holiday which is observed on Tuesday, Wednesday, Thursday, or Friday, the payment due date shall be the last non-Holiday day preceding such

Saturday or Holiday. If payment is not received by the payment due date, a late payment penalty, as set forth in I. following, shall apply.

2. If Phones-4-All requests multiple billing media or additional copies of bills, the Company will provide these at an appropriate charge to Phones-4-All.

G. Billing Disputes

1. Each Party agrees to notify the other Party upon the discovery of a billing dispute. In the event of a billing dispute, the Parties will endeavor to resolve the dispute within sixty (60) calendar days of the Bill Date on which such disputed charges appear. Resolution of the dispute is expected to occur at the first level of management resulting in a recommendation for settlement of the dispute and closure of a specific billing period. If the issues are not resolved within the allotted time frame, the following resolution procedure will begin:
 - 1.1 If the dispute is not resolved within sixty (60) days of the Bill Date, the dispute will be escalated to the second level of management for each of the respective Parties for resolution. If the dispute is not resolved within ninety (90) days of the Bill Date, the dispute will be escalated to the third level of management for each of the respective Parties for resolution.
 - 1.2. If the dispute is not resolved within one hundred and twenty (120) days of the Bill Date, the dispute will be escalated to the fourth level of management for each of the respective Parties for resolution.
 2. If a Party disputes a charge and does not pay such charge by the payment due date, such charges shall be subject to late payment charges as set forth in the Late Payment Charges provision of this Attachment. If a Party disputes charges and the dispute is resolved in favor of such Party, the other Party shall credit the bill of the disputing Party for the amount of the disputed charges along with any late payment charges assessed no later than the second Bill Date after the resolution of the dispute. Accordingly, if a Party disputes charges and the dispute is resolved in favor of the other Party, the disputing Party shall pay the other Party the amount of the disputed charges and any associated late payment charges assessed no later than the second bill payment due date after the resolution of the dispute. In no event, however, shall any late payment charges be assessed on any previously assessed late payment charges.
- H.** Upon proof of tax exempt certification from Phones-4-All, the total amount billed to Phones-4-All will not include any taxes due from the end user. Phones-4-All will be solely responsible for the computation, tracking, reporting and payment of all federal, state and/or local jurisdiction taxes associated with the services resold to the end user.
- I.** As the customer of record, Phones-4-All will be responsible for, and remit to the Company, all charges applicable to its resold services for emergency services (E911 and 911) and Telecommunications Relay Service (TRS) as well as any other charges of a similar nature.
- J.** If any portion of the payment is received by the Company after the payment due date as set forth preceding, or if any portion of the payment is received by the Company in funds that are not immediately available to the Company, then a late payment penalty shall be due to the Company. The late payment penalty shall be the portion of the payment not received by the payment due date times a late factor. The late factor shall be as set forth in Section A2 of the General Subscriber Service Tariff and Section B2 of the Private Line Service Tariff.
- K.** Any switched access charges associated with interexchange carrier access to the resold local exchange lines will be billed by, and due to, the Company. No additional charges are to be assessed to Phones-4-All.

- L.** The Company will not perform billing and collection services for Phones-4-All as a result of the execution of this Agreement. Requests by the Phones-4-All for assistance with billing services should be referred to the appropriate entity or operational group within the Company.
- M.** Pursuant to 47 CFR Section 51.617, the Company will bill Phones-4-All end user common line charges identical to the end user common line charges the Company bills its end users.
- N.** In general, the Company will not become involved in disputes between Phones-4-All and Phones-4-All's end user customers over resold services. If a dispute does arise that cannot be settled without the involvement of the Company, Phones-4-All shall contact the designated Service Center for resolution. The Company will make every effort to assist in the resolution of the dispute and will work with Phones-4-All to resolve the matter in as timely a manner as possible. Phones-4-All may be required to submit documentation to substantiate the claim.

VIII. Discontinuance of Service

A. The procedures for discontinuing service to an end user are as follows:

1. Where possible, the Company will deny service to Phones-4-All's end user on behalf of, and at the request of, Phones-4-All. Upon restoration of the end user's service, restoral charges will apply and will be the responsibility of Phones-4-All.
2. At the request of Phones-4-All, the Company will disconnect a Phones-4-All end user customer.
3. All requests by Phones-4-All for denial or disconnection of an end user for nonpayment must be in writing.
4. Phones-4-All will be made solely responsible for notifying the end user of the proposed disconnection of the service.
5. The Company will continue to process calls made to the Annoyance Call Center and will advise Phones-4-All when it is determined that annoyance calls are originated from one of their end user's locations. The Company shall be indemnified, defended and held harmless by Phones-4-All and/or the end user against any claim, loss or damage arising from providing this information to Phones-4-All. It is the responsibility of Phones-4-All to take the corrective action necessary with its customers who make annoying calls. Failure to do so will result in the Company's disconnecting the end user's service.
6. BellSouth may disconnect and reuse facilities when the facility is in a denied state and BellSouth has received an order to establish new service or transfer of service from a customer or customer's CLEC at the same address serviced by the denied facility.

B. The procedures for discontinuing service to Phones-4-All are as follows:

1. The Company reserves the right to suspend or terminate service for nonpayment or in the event of prohibited, unlawful or improper use of the facilities or service, abuse of the facilities, or any other violation or noncompliance by Phones-4-All of the rules and regulations of the Company's Tariffs.
2. If payment of account is not received by the bill day in the month after the original bill day, BellSouth may provide written notice to Phones-4-All that additional applications for service will be refused and that any pending orders for service will not be completed if payment is not received by the fifteenth day following the date of the notice. In addition BellSouth may, at the same time,

give thirty days notice to the person designated by Phones-4-All to receive notices of noncompliance, discontinue the provision of existing services to Phones-4-All at any time thereafter.

3. In the case of such discontinuance, all billed charges, as well as applicable termination charges, shall become due.
4. If BellSouth does not discontinue the provision of the services involved on the date specified in the thirty days notice and Phones-4-All's noncompliance continues, nothing contained herein shall preclude BellSouth's right to discontinue the provision of the services to Phones-4-All without further notice.
5. If payment is not received or arrangements made for payment by the date given in the written notification, Phones-4-All's services will be discontinued. Upon discontinuance of service on a Phones-4-All's account, service to Phones-4-All's end users will be denied. The Company will also reestablish service at the request of the end user or Phones-4-All's upon payment of the appropriate connection fee and subject to the Company's normal application procedures. Phones-4-All's is solely responsible for notifying the end user of the proposed disconnection of the service.
6. If within fifteen days after an end user's service has been denied no contact has been made in reference to restoring service, the end user's service will be disconnected.

IX. Liability

- A. The liability of the Company for damages arising out of mistakes, omissions, interruptions, preemptions, delays errors or defects in transmission, or failures or defects in facilities furnished by the Company, occurring in the course of furnishing service or other facilities and not caused by the negligence of Phones-4-All, or of the Company in failing to maintain proper standards of maintenance and operation and to exercise reasonable supervision shall in no event exceed an amount equivalent to the proportionate charge to Phones-4-All for the period of service during which such mistake, omission, interruption, preemption, delay, error or defect in transmission or defect or failure in facilities occur. The Company shall not be liable for damage arising out of mistakes, omission, interruptions, preemptions, delays, errors or defects in transmission or other injury, including but not limited to injuries to persons or property from voltages or currents transmitted over the service of the Company, (1) caused by customer-provided equipment (except where a contributing cause is the malfunctioning of a Company-provided connecting arrangement, in which event the liability of the Company shall not exceed an amount equal to a proportional amount of the Company billing for the period of service during which such mistake, omission, interruption, preemption, delay, error, defect in transmission or injury occurs), or (2) not prevented by customer-provided equipment but which would have been prevented had Company-provided equipment been used.
- B. The Company shall be indemnified and saved harmless by Phones-4-All against any and all claims, actions, causes of action, damages, liabilities, or demands (including the costs, expenses and reasonable attorneys' fees, on account thereof) of whatever kind or nature that may be made by any third party as a result of the Company's furnishing of service to Phones-4-All.
- C. The Company shall be indemnified, defended and held harmless by Phones-4-All and/or the end user against any claim, loss or damage arising from the use of services offered for resale involving:
 1. Claims for libel, slander, invasion of privacy or infringement of copyright arising from Phones-4-All's or end user's own communications.
 2. Claims for patent infringement arising from acts combining or using Company services in connection with facilities or equipment furnished by the end user or Phones-4-All.

3. All other claims arising out of an act or omission of Phones-4-All or its end user in the course of using services.
- D. Phones-4-All accepts responsibility for providing access for maintenance purposes of any service resold under the provisions of this Tariff. The Company shall not be responsible for any failure on the part of Phones-4-All with respect to any end user of Phones-4-All.

X. Treatment of Proprietary and Confidential Information

- A. Both parties agree that it may be necessary to provide each other during the term of this Agreement with certain confidential information, including trade secret information, including but not limited to, technical and business plans, technical information, proposals, specifications, drawings, procedures, customer account data and like information (hereinafter collectively referred to as "Information"). Both parties agree that all Information shall either be in writing or other tangible format and clearly marked with a confidential, private or proprietary legend, or, when the Information is communicated orally, it shall also be communicated that the Information is confidential, private or proprietary. The Information will be returned to the owner within a reasonable time. Both parties agree that the Information shall not be copied or reproduced in any form. Both parties agree to receive such Information and not disclose such Information. Both parties agree to protect the Information received from distribution, disclosure or dissemination to anyone except employees of the parties with a need to know such Information and which employees agree to be bound by the terms of this Section. Both parties will use the same standard of care to protect Information received as they would use to protect their own confidential and proprietary Information.
- B. Notwithstanding the foregoing, both parties agree that there will be no obligation to protect any portion of the Information that is either: 1) made publicly available by the owner of the Information or lawfully disclosed by a nonparty to this Agreement; 2) lawfully obtained from any source other than the owner of the Information; or 3) previously known to the receiving party without an obligation to keep it confidential.

XI. Resolution of Disputes

Except as otherwise stated in this Agreement, the parties agree that if any dispute arises as to the interpretation of any provision of this Agreement or as to the proper implementation of this Agreement, either Party may petition the Commission for a resolution of the dispute. However, each party reserves any rights it may have to seek judicial review of any ruling made by the Commission concerning this Agreement.

XII. Limitation of Use

The parties agree that this Agreement shall not be proffered by either party in another jurisdiction as evidence of any concession or as a waiver of any position taken by the other party in that jurisdiction or for any other purpose.

XIII. Waivers

A failure or delay of either Party to enforce any of the provisions hereof, to exercise any option which is herein provided, or to require performance of any of the provisions hereof shall in no way be construed to be a waiver of such provisions or options, and each Party, notwithstanding such failure, shall have the right thereafter to insist upon the specific performance of any and all of the provisions of this Agreement.

XIV. Governing Law

This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of Georgia, without regard to its conflict of laws principles.

XV. Arm's Length Negotiations

This Agreement was executed after arm's length negotiations between the undersigned parties and reflects the conclusion of the undersigned that this Agreement is in the best interests of all parties.

XVI. Notices

- A.** Every notice, consent, approval, or other communications required or contemplated by this Agreement shall be in writing and shall be delivered in person or given by postage prepaid mail, address to:

BellSouth Telecommunications, Inc.

Appliance and TV Rentals, Inc. d/b/a Phones-4-All

CLEC Account Team
9th Floor
600 North 19th Street
Birmingham, AL 35203

Attn: David Ring
4513 South U.S. Highway 1
Fort Pierce, FL 34982

or at such other address as the intended recipient previously shall have designated by written notice to the other party.

- B.** Where specifically required, notices shall be by certified or registered mail. Unless otherwise provided in this Agreement, notice by mail shall be effective on the date it is officially recorded as delivered by return receipt or equivalent, and in the absence of such record of delivery, it shall be presumed to have been delivered the fifth day, or next business day after the fifth day, after it was deposited in the mails.

XVII. Amendments

This Agreement may be amended at any time upon written agreement of both parties.

XVIII. Entire Agreement

This Agreement sets forth the entire understanding and supersedes prior agreements between the parties relating to the subject matter contained herein and merges all prior discussions between them, and neither party shall be bound by any definition, condition, provision, representation, warranty, covenant or promise other than as expressly stated in this Agreement or as is contemporaneously or subsequently set forth in writing and executed by a duly authorized officer or representative of the party to be bound thereby.

BellSouth Telecommunications, Inc.

BY: Signature on Original
Signature

NAME: Jerry Hendrix
Printed Name

TITLE: Director

DATE: 9/16/98

Appliance and TV Rentals, Inc. d/b/a Phones-4-All

BY: Signature on Original
Signature

NAME: David N. Ring
Printed Name

TITLE: President

DATE: 9/10/98

EXHIBIT A APPLICABLE DISCOUNTS

The telecommunications services available for purchase by Phones-4-All for the purposes of resale to Phones-4-All end users shall be available at the following discount off of the retail rate.

<u>DISCOUNT*</u>		
<u>STATE</u>	<u>RESIDENCE</u>	<u>BUSINESS</u>
ALABAMA	16.3%	16.3%
FLORIDA	21.83%	16.81%
GEORGIA	20.3%	17.3%
KENTUCKY	16.79%	15.54%
LOUISIANA	20.72%	20.72%
MISSISSIPPI	15.75%	15.75%
NORTH CAROLINA	21.5%	17.6%
SOUTH CAROLINA	14.8%	14.8%
TENNESSEE**	16%	16%

* When a CLEC provides Resale service in a cross boundary area (areas that are part of the local service area of another state's exchange) the rates, regulations and discounts for the tariffing state will apply. Billing will be from the serving state.

** In Tennessee, if CLEC provides its own operator services and directory services, the discount shall be 21.56%. CLEC must provide written notification to BellSouth within 30 days prior to providing its own operator services and directory services to qualify for the higher discount rate of 21.56%.

<u>OPERATIONAL SUPPORT SYSTEMS (OSS) RATES</u>				
	Interactive Ordering and Trouble Maintenance System		OSS Order Charge	
	Non-Recurring Establishment Charge	Monthly Recurring Charge	Electronic	Manual
			Per LSR received from the CLEC by one of the OSS interactive interfaces	Per LSR received from the CLEC by means other than one of the OSS interactive interfaces
ALABAMA	\$100.00	\$50.00	\$10.80	\$22.00
FLORIDA	\$100.00	\$50.00	\$10.80	\$22.00
GEORGIA	\$200.00	Per 1,000 electronic LSRs received from the CLEC ¹ First 1,000 - \$550.00 Add'l 1,000 - \$110.00	Note ²	\$22.00
KENTUCKY	\$100.00	\$50.00	\$10.89	\$22.00
LOUISIANA	\$100.00	\$50.00	\$9.16	\$22.00
MISSISSIPPI	\$100.00	\$50.00	\$10.80	\$22.00
NORTH CAROLINA	\$100.00	\$50.00	\$10.80	\$22.00
SOUTH CAROLINA	\$100.00	\$50.00	\$10.80	\$22.00
TENNESSEE	\$100.00	\$50.00	\$10.80	\$22.00

Rates for Operational Support Systems stated above are interim and are subject to modification based upon receipt of a final, non-appealable order by each state's Public Service Commission.

In addition to OSS charges, applicable service order and related charges apply per the tariff.

¹ The Charge per 1,000 LSRs applies on a per CLEC basis.

² The Georgia Public Service Commission ("PSC") ordered in Docket 7061 that there would be no OSS charge within the Charge for Electronic Order column. Instead the Georgia PSC ordered monthly recurring charges based on the number of LSRs received from the CLEC.

EXHIBIT B

Type of Service		AL		FL		GA		KY		LA	
		Resale?	Discount?	Resale?	Discount?	Resale?	Discount?	Resale?	Discount?	Resale?	Discount?
1	Grandfathered Services	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
2	Contract Service Arrangements	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes
3	Promotions - > 90 Days (Note 2)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4	Promotions - < 90 Days (Note 2)	Yes	No	Yes	No	Yes	No	No	No	Yes	No
5	Lifeline/Link Up Services	Yes	Yes	Yes	Yes	Yes	Yes	No	No	Yes	Yes
6	911/E911 Services (See Note 8)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	No
7	N11 Services (See Note 8)	Yes	Yes	Yes	Yes	Yes	Yes	No	No	No	No
8	AdWatch SM Svc (See Note 7)	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
9	MemoryCall [®] Service	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
10	Mobile Services	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
11	Federal Subscriber Line Charges	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
12	Non-Recurring Charges	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Type of Service		MS		NC		SC		TN	
		Resale?	Discount?	Resale?	Discount?	Resale?	Discount?	Resale?	Discount?
1	Grandfathered Services	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
2	Contract Service Arrangements	Note 5	Note 5	Yes	Yes	Yes	No	Yes	Yes
3	Promotions - > 90 Days (Note 2)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Note 3
4	Promotions - < 90 Days (Note 2)	Yes	No	Yes	Yes	Yes	No	No	No
5	Lifeline/Link Up Services	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Note 4
6	911/E911 Services (See Note 8)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
7	N11 Services (See Note 8)	No	No	No	No	Yes	Yes	Yes	Yes
8	AdWatch SM Svc (See Note 7)	Yes	No	Yes	No	Yes	No	Yes	No
9	MemoryCall [®] Service	Yes	No	Yes	No	Yes	No	Yes	No
10	Mobile Services	Yes	No	Yes	No	Yes	No	Yes	No
11	Federal Subscriber Line Charges	Yes	No	Yes	No	Yes	No	Yes	No
12	Non-Recurring Charges	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No

Applicable Notes:

- Grandfathered services** can be resold only to existing subscribers of the grandfathered service.
- Where available for resale, **promotions** will be made available only to end users who would have qualified for the promotion had it been provided by BellSouth directly.
- In Tennessee, long-term **promotions** (offered for more than ninety (90) days) may be obtained at one of the following rates:
 - the stated tariff rate, less the wholesale discount;
 - the promotional rate (the promotional rate offered by BellSouth will not be discounted further by the wholesale discount rate)
- Lifeline/Link Up** services may be offered only to those subscribers who meet the criteria that BellSouth currently applies to subscribers National Exchange Carriers Association interstate toll settlement pool just as BellSouth does today. The maximum rate that Phones-4-All may charge for LifeLine Service shall be capped at the flat retail rate offered by BellSouth.
- In Mississippi, all **Contract Service Arrangements** entered into by BellSouth or terminating after the effective date of the Commission Order (3/10/97) will be subject to resale without the wholesale discount. All CSAs which are in place as of the effective date of the Commission order (3/10/97) will not be eligible for resale.
- Some of BellSouth's local exchange and toll telecommunications services are not available in certain central offices and areas.
- AdWatchSM Service is tariffed as BellSouth[®] AIN Virtual Number Call Detail Service
- Exclusions for **N11/911/E911** are also applicable to equipment associated with the service

LINE INFORMATION DATA BASE (LIDB) STORAGE AGREEMENT

This Agreement, effective as of September 16, 1998, is entered into by and between BellSouth Telecommunications, Inc. ("BST"), a Georgia corporation, and Appliance and TV Rentals, Inc. d/b/a Phones-4-All ("Local Exchange Company"), a Florida corporation, and their fully authorized officers.

WHEREAS, in consideration of the mutual covenants, agreements and obligations set forth below, the parties hereby agree as follows:

I. SCOPE

A. This Agreement sets forth the terms and conditions pursuant to which BST agrees to store in its LIDB certain information at the request of the Local Exchange Company and pursuant to which BST, its LIDB customers and Local Exchange Carrier shall have access to such information. Local Exchange Carrier understands that BST provides access to information in its LIDB to various telecommunications service providers pursuant to applicable tariffs and agrees that information stored at the request of Local Exchange Carrier, pursuant to this Agreement, shall be available to those telecommunications service providers. The terms and conditions contained in the attached Addendum No. 1 are hereby made a part of this Agreement as if fully incorporated herein.

B. LIDB is accessed for the following purposes:

1. Billed Number Screening
2. Calling Card Validation
3. Fraud Control

C. BST will provide seven days per week, 24-hours per day, fraud control and detection services. These services include, but are not limited to, such features as sorting Calling Card Fraud detection according to domestic or international calls in order to assist the pinpointing of possible theft or fraudulent use of Calling Card numbers; monitoring bill-to-third number and collect calls made to numbers in BST's LIDB, provided such information is included in the LIDB query, and establishing Account Specific Thresholds, at BST's sole discretion, when necessary. Local Exchange Company understands and agrees BST will administer all data stored in the LIDB, including the data provided by Local Exchange Company pursuant to this Agreement, in the same manner as BST's data for BST's end user customers. BST shall not be responsible to Local Exchange Company for any lost revenue which may result from BST's administration of the LIDB pursuant to its established practices and procedures as they exist and as they may be changed by BST in its sole discretion from time to time.

Local Exchange Company understands that BST currently has in effect numerous billing and collection agreements with various interexchange carriers and billing clearing houses. Local Exchange Company further understands that these billing and collection customers of BST query BST's LIDB to determine whether to accept various billing options from end users.

Additionally, Local Exchange Company understands that presently BST has no method to differentiate between BST's own billing and line data in the LIDB and such data which it includes in the LIDB on Local Exchange Company's behalf pursuant to this Agreement.

Therefore, until such time as BST can and does implement in its LIDB and its supporting systems the means to differentiate Local Exchange Company's data from BST's data and the parties to this Agreement execute appropriate amendments hereto, the following terms and conditions shall apply:

(a) The Local Exchange Company agrees that it will accept responsibility for telecommunications services billed by BST for its billing and collection customers for Local Exchange Customer's end user accounts which are resident in LIDB pursuant to this Agreement. Local Exchange Company authorizes BST to place such charges on Local Exchange Company's bill from BST and agrees that it shall pay all such charges. Charges for which Local Exchange Company hereby takes responsibility include, but are not limited to, collect and third number calls.

(b) Charges for such services shall appear on a separate BST bill page identified with the name of the entity for which BST is billing the charge.

(c) Local Exchange Company shall have the responsibility to render a billing statement to its end users for these charges, but Local Exchange Company's obligation to pay BST for the charges billed shall be independent of whether Local Exchange Company is able or not to collect from the Local Exchange Company's end users.

(d) BST shall not become involved in any disputes between Local Exchange Company and the entities for which BST performs billing and collection. BellSouth will not issue adjustments for charges billed on behalf of an entity to Local Exchange Company. It shall be the responsibility of the Local Exchange Company and the other entity to negotiate and arrange for any appropriate adjustments.

II. TERM

This Agreement will be effective as of September 16, 1998, and will continue in effect for one year, and thereafter may be continued until terminated by either party upon thirty (30) days written notice to the other party.

III. FEES FOR SERVICE AND TAXES

A. The Local Exchange Company will not be charged a fee for storage services provided by BST to the Local Exchange Company, as described in Section I of this Agreement.

B. Sales, use and all other taxes (excluding taxes on BST's income) determined by BST or any taxing authority to be due to any federal, state or local taxing jurisdiction with respect to the provision of the service set forth herein will be paid by the Local Exchange Company. The Local Exchange Company shall have the right to have BST contest with the imposing jurisdiction, at the Local Exchange Company's expense, any such taxes that the Local Exchange Company deems are improperly levied.

IV. INDEMNIFICATION

To the extent not prohibited by law, each party will indemnify the other and hold the other harmless against any loss, cost, claim, injury, or liability relating to or arising out of negligence or willful misconduct by the indemnifying party or its agents or contractors in connection with the indemnifying party's provision of services, provided, however, that any indemnity for any loss, cost, claim, injury or liability arising out of or relating to errors or omissions in the provision of services under this Agreement shall be limited as otherwise specified in this Agreement. The indemnifying party under this Section agrees to defend any suit brought against the other party for any such loss, cost, claim, injury or liability. The indemnified

party agrees to notify the other party promptly, in writing, of any written claims, lawsuits, or demands for which the other party is responsible under this Section and to cooperate in every reasonable way to facilitate defense or settlement of claims. The indemnifying party shall not be liable under this Section for settlement by the indemnified party of any claim, lawsuit, or demand unless the defense of the claim, lawsuit, or demand has been tendered to it in writing and the indemnifying party has unreasonably failed to assume such defense.

V. LIMITATION OF LIABILITY

Neither party shall be liable to the other party for any lost profits or revenues or for any indirect, incidental or consequential damages incurred by the other party arising from this Agreement or the services performed or not performed hereunder, regardless of the cause of such loss or damage.

VI. MISCELLANEOUS

A. It is understood and agreed to by the parties that BST may provide similar services to other companies.

B. All terms, conditions and operations under this Agreement shall be performed in accordance with, and subject to, all applicable local, state or federal legal and regulatory tariffs, rulings, and other requirements of the federal courts, the U. S. Department of Justice and state and federal regulatory agencies. Nothing in this Agreement shall be construed to cause either party to violate any such legal or regulatory requirement and either party's obligation to perform shall be subject to all such requirements.

C. The Local Exchange Company agrees to submit to BST all advertising, sales promotion, press releases, and other publicity matters relating to this Agreement wherein BST's corporate or trade names, logos, trademarks or service marks or those of BST's affiliated

companies are mentioned or language from which the connection of said names or trademarks therewith may be inferred or implied; and the Local Exchange Company further agrees not to publish or use advertising, sales promotions, press releases, or publicity matters without BST's prior written approval.

D. This Agreement constitutes the entire agreement between the Local Exchange Company and BST which supersedes all prior agreements or contracts, oral or written representations, statements, negotiations, understandings, proposals and undertakings with respect to the subject matter hereof.

E. Except as expressly provided in this Agreement, if any part of this Agreement is held or construed to be invalid or unenforceable, the validity of any other Section of this Agreement shall remain in full force and effect to the extent permissible or appropriate in furtherance of the intent of this Agreement.

F. Neither party shall be held liable for any delay or failure in performance of any part of this Agreement for any cause beyond its control and without its fault or negligence, such as acts of God, acts of civil or military authority, government regulations, embargoes, epidemics, war, terrorist acts, riots, insurrections, fires, explosions, earthquakes, nuclear accidents, floods, strikes, power blackouts, volcanic action, other major environmental disturbances, unusually severe weather conditions, inability to secure products or services of other persons or transportation facilities, or acts or omissions of transportation common carriers.

G. This Agreement shall be deemed to be a contract made under the laws of the State of Georgia, and the construction, interpretation and performance of this Agreement and all transactions hereunder shall be governed by the domestic law of such State.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their fully authorized officers.

BELLSOUTH TELECOMMUNICATIONS, INC.

Signature: Signature on Original

Printed Name: Jerry Hendrix

Title: Director

Date: 9/16/98

Address: 675 West Peachtree Street, N.E.
Atlanta, GA 30375

APPLIANCE AND TV RENTALS, INC.
D/B/A PHONES-4-ALL

Signature: Signature on Original

Printed Name: David N. Ring

Title: President

Date: 9/10/98

Address: P.O. Box 535
Crestview, FL 32536

(Resale)

**ADDENDUM NO. 1
TO LINE INFORMATION DATA BASE (LIDB)
STORAGE AGREEMENT**

This Addendum No. 1 to the Line Information Data Base Storage Agreement dated September 16, 1998, between BellSouth Telecommunications, Inc. ("BST"), and Appliance and TV Rentals, Inc. d/b/a Phones-4-All ("Local Exchange Company"), effective the 16th day of September, 1998.

I. GENERAL

This Addendum sets forth the terms and conditions for Local Exchange Company's provision of billing number information to BST for inclusion in BST's LIDB. BST will store in its LIDB the billing number information provided by Local Exchange Company, and BST will provide responses to on-line, call-by-call queries to this information for purposes specified in Section I.B. of the Agreement.

II. DEFINITIONS

A. Billing number - a number used by BST for the purpose of identifying an account liable for charges. This number may be a line or a special billing number.

B. Line number - a ten digit number assigned by BST that identifies a telephone line associated with a resold local exchange service, or with a SPNP arrangement.

C. Special billing number - a ten digit number that identifies a billing account established by BST in connection with a resold local exchange service or with a SPNP arrangement.

- D. Calling Card number - a billing number plus PIN number assigned by BST.
- E. PIN number - a four digit security code assigned by BST which is added to a billing number to compose a fourteen digit calling card number.
- F. Toll billing exception indicator - associated with a billing number to indicate that it is considered invalid for billing of collect calls or third number calls or both, by the Local Exchange Company.
- G. Billed Number Screening - refers to the activity of determining whether a toll billing exception indicator is present for a particular billing number.
- H. Calling Card Validation - refers to the activity of determining whether a particular calling card number exists as stated or otherwise provided by a caller.
- I. Billing number information - information about billing number or Calling Card number as assigned by BST and toll billing exception indicator provided to BST by the Local Exchange Company.

III. RESPONSIBILITIES OF PARTIES

- A. BST will include billing number information associated with resold exchange lines or SPNP arrangements in its LIDB. The Local Exchange Company will request any toll billing exceptions via the Local Service Request (LSR) form used to order resold exchange lines, or the SPNP service request form used to order SPNP arrangements.
- B. Under normal operating conditions, BST shall include the billing number information in its LIDB upon completion of the service order establishing either the resold local exchange service or the SPNP arrangement, provided that BST shall not be held responsible for any delay or failure in performance to the extent such delay or failure is caused by circumstances

or conditions beyond BST's reasonable control. BST will store in its LIDB an unlimited volume of the working telephone numbers associated with either the resold local exchange lines or the SPNP arrangements. For resold local exchange lines or for SPNP arrangements, BST will issue line-based calling cards only in the name of Local Exchange Company. BST will not issue line-based calling cards in the name of Local Exchange Company's individual end users. In the event that Local Exchange Company wants to include calling card numbers assigned by the Local Exchange Company in the BST LIDB, a separate agreement is required.

C. BST will provide responses to on-line, call-by-call queries to the stored information for the specific purposes listed in the next paragraph.

D. BST is authorized to use the billing number information to perform the following functions for authorized users on an on-line basis:

1. Validate a 14 digit Calling Card number where the first 10 digits are a line number or special billing number assigned by BST, and where the last four digits (PIN) are a security code assigned by BST.

2. Determine whether the Local Exchange Company has identified the billing number as one which should not be billed for collect or third number calls, or both.

IV. COMPLIANCE

Unless expressly authorized in writing by the Local Exchange Company, all billing number information provided pursuant to this Addendum shall be used for no purposes other than those set forth in this Addendum.

IN WITNESS WHEREOF, the parties have caused this Addendum to be executed by their fully authorized officers.

BELLSOUTH TELECOMMUNICATIONS, INC.

Signature: Signature on Original

Printed Name: Jerry Hendrix

Title: Director

Date: 9/16/98

Address: 675 West Peachtree Street, NE
Atlanta, GA 30375

SPEEDY CASH, INC. D/B/A PHONES-4-ALL

Signature: Signature on Original

Printed Name: David N. Ring

Title: President

Date: 9/10/98

Address: 675 West Peachtree Street, NE
Atlanta, GA 30375

Optional Daily Usage File Agreement

SECTION 1. SCOPE OF AGREEMENT

- 1.01 This agreement shall apply to the service of the Optional Daily Usage File (ODUF) as provided by BellSouth to Appliance and TV Rentals, Inc. d/b/a Phones-4-All ("Phones-4-All"). The specifications, terms and conditions for the provisions of this service are outlined in the Exhibit A to this Agreement.

SECTION 2. DEFINITIONS

2.01

- A. Compensation is the amount of money due from Phones-4-All to BellSouth for services provided under this Agreement.
- B. Optional Daily Usage File (ODUF) is the compilation of messages or copies of messages in standard Exchange Message Interface (EMI) format exchanged from BellSouth to Phones-4-All.
- C. Exchange Message Interface is the nationally administered standard format for the exchange of data within the telecommunications industry.
- D. Message Distribution is routing determination and subsequent delivery of message data from one company to another.

SECTION 3. RESPONSIBILITIES OF THE PARTIES

- 3.01 ODUF service provided to Phones-4-All by BellSouth will be in accordance with the methods and practices regularly adopted and applied by BellSouth to its own operations during the term of this agreement, including such revisions as may be made from time to time by BellSouth.
- 3.02 Phones-4-All shall furnish all relevant information required by BellSouth for the provision of the Optional Daily Usage File.

SECTION 4. COMPENSATION ARRANGEMENTS

- 4.01 Applicable compensation amounts will be billed by BellSouth to Phones-4-All on a monthly basis in arrears. Amounts due from Phones-4-All to BellSouth (excluding adjustments) are payable within 30 days of the date of the billing statement.

SECTION 5. ASSOCIATED EXHIBIT

- 5.01 Listed below is the exhibit associated with this Agreement, incorporated herein by this reference.

Exhibit A Optional Daily Usage File (ODUF)

- 5.02 From time to time by written agreement of the parties, new exhibits may be substituted for the attached Exhibit A, superseding and canceling the Exhibit(s) then in effect.

SECTION 6. TERM OF AGREEMENT

- 6.01 This Agreement and its attachment(s) are effective September 16, 1998 and will continue in force until terminated, with or without cause, by thirty (30) days prior notice in writing from either party to the other. This Agreement may be amended from time to time upon written agreement of the parties.

SECTION 7. NOTICES

- 7.01 Any notices required by or concerning this Agreement shall be sent via facsimile and overnight courier to the Parties at the addresses shown below:

Appliance and TV Rentals, Inc. d/b/a Phones-4-All
Attn: David Ring
4513 South U.S. Highway 1
Fort Pierce, FL 34982

CLEC Account Manager
BellSouth Telecommunications, Inc.
South E4E1
3535 Colonnade Parkway
Birmingham, Alabama 35243

- 7.02 Each Party shall inform the other of any changes in the above addresses.

Executed this 16th day of September, 1998.

WITNESS:

APPLIANCE AND TV RENTALS, INC.
D/B/A PHONES-4-ALL

Signature on Original
Signature

Mary V. Gray
Print Name

Signature on Original
Signature

President
Title

David N. Ring
Print Name

WITNESS:

BELLSOUTH TELECOMMUNICATIONS, INC

Signature on Original
Signature

Jim Maziarz
Print Name

Signature on Original
Signature

Director
Title

Jerry Hendrix
Print Name

Exhibit A Optional Daily Usage File

1. Scope of the Exhibit

- 1.1 Upon written request from Phones-4-All, BellSouth will provide the Optional Daily Usage File service to Phones-4-All pursuant to the rates, terms and conditions set forth in this exhibit.

2. General Information

- 2.1 Phones-4-All shall furnish all relevant information required by BellSouth for the provision of the Optional Daily Usage File.
- 2.2 The Optional Daily Usage File will contain billable messages, that were carried over the BellSouth Network and processed in the CRIS Billing System, but billing to a Phones-4-All customer. The Optional Daily Usage Feed also includes operator handled calls originating from Phones-4-All subscriber lines and purchasing Operator Services from BellSouth. Charges for delivery of the Optional Daily Usage File will appear on Phones-4-All's monthly bills. Charges for the ODUF will be as follows:

	ODUF Recording - Per Message (unbundled Op. Serv. msgs only)	ODUF Message Processing - Per Message	ODUF Magnetic Tape Distribution, Per Tape	ODUF CONNECT Direct Distribution Per Message
Alabama	\$0.008	\$0.004	\$54.95	\$0.001
Florida	\$0.008	\$0.004	\$54.95	\$0.001
Georgia	\$0.008	\$0.004	\$54.95	\$0.001
Kentucky*	\$0.0008611	\$0.0032357	\$55.68	\$0.0000365
Louisiana*	\$0.00019	\$0.00240	\$47.30	\$0.00003
Mississippi	\$0.008	\$0.004	\$54.95	\$0.001
N. Carolina	\$0.008	\$0.004	\$54.95	\$0.001
S. Carolina	\$0.008	\$0.004	\$54.95	\$0.001
Tennessee	\$0.008	\$0.004	\$54.95	\$0.001

* Rates ordered by the respective state Commissions.

- 2.3 All messages provided with the Optional Daily Usage File will be in the standard Bellcore EMI record format.

- 2.4 Messages that error in the billing system of Phones-4-All will be the responsibility of Phones-4-All. If, however, Phones-4-All should encounter significant volumes of errored messages that prevent processing by Phones-4-All within its systems, BellSouth will work with Phones-4-All to determine the source of the errors and the appropriate resolution.

3. Usage To Be Transmitted

- 3.1 The following messages recorded by BellSouth will be transmitted to Phones-4-All:
- message recording for per use/per activation type services (examples: Three Way Calling, Verify, Interrupt, Call Return, ETC.)
 - measured billable Local
 - Directory Assistance messages
 - intraLATA Toll
 - WATS & 800 Service
- 3.2 Rated Incollects (originated in BellSouth and from other companies) can also be on ODUF. Rated Incollects will be intermingled with BellSouth recorded rated and unrated usage. Rated Incollects will not be packed separately.
- 3.3 BellSouth will perform duplicate record checks on records processed to the Optional Daily Usage File. Any duplicate messages detected will be dropped and not sent to Phones-4-All.
- 3.4 In the event that Phones-4-All detects a duplicate on the Optional Daily Usage File they receive from BellSouth, Phones-4-All will drop the duplicate message (CLEC will not return the duplicate to BellSouth).

4. File Characteristics and Transmission Method

- 4.1 The Optional Daily Usage Feed will be distributed to Phones-4-All via an agreed upon medium with CONNECT:Direct being the preferred transport method. The ODUF will be a variable block format (2476) with an LRECL of 2472. The data on the ODUF will be in a non-compacted EMI format (175 byte format plus modules). It will be created on a daily basis (Monday through Friday except holidays). Details such as dataset name and delivery schedule will be

addressed during negotiations of the distribution medium. There will be one dataset per workday.

- 4.2 Data circuits (private line or dial-up) may be required between BellSouth and Phones-4-All for the purpose of data transmission. Where a dedicated line is required, Phones-4-All will be responsible for ordering the circuit, overseeing its installation and coordinating the installation with BellSouth. Phones-4-All will also be responsible for any charges associated with this line. Equipment required on the BellSouth end to attach the line to the mainframe computer and to transmit successfully ongoing will be negotiated on a case by case basis. Where a dial-up facility is required, dial circuits will be installed in the BellSouth data center by BellSouth and the associated charges assessed to Phones-4-All. Additionally, all message toll charges associated with the use of the dial circuit by Phones-4-All will be the responsibility of Phones-4-All. Associated equipment on the BellSouth end, including a modem, will be negotiated on a case by case basis between the parties. All equipment, including modems and software, that is required on Phones-4-All end for the purpose of data transmission will be the responsibility of Phones-4-All.

5. Packing Specifications

- 5.1 A pack will contain a minimum of one message record or a maximum of 99,999 message records plus a pack header record and a pack trailer record. One transmission can contain a maximum of 99 packs and a minimum of one pack.
- 5.2 The Operating Company Number (OCN), From Revenue Accounting Office (RAO), and Invoice Number will control the invoice sequencing. The From RAO will be used to identify to Phones-4-All which BellSouth RAO is sending the message. BellSouth and Phones-4-All will use the invoice sequencing to control data exchange. BellSouth will be notified of sequence failures identified by Phones-4-All and resend the data as appropriate.

The data will be packed using Bellcore EMI records.

6. Pack Rejection

- 6.1 Phones-4-All will notify BellSouth within one business day of rejected packs (via the mutually agreed medium). Packs could be rejected because of pack sequencing discrepancies or a critical edit failure on the Pack Header or Pack Trailer records (i.e. out-of-balance condition on grand totals, invalid data populated). Phones-4-All will not be required to return the actual rejected data to BellSouth. Rejected packs will be corrected and/or retransmitted to Phones-4-All by BellSouth.

7. Control Data

Phones-4-All will send one confirmation record per pack that is received from BellSouth. This confirmation record will indicate Phones-4-All received the pack and the acceptance or rejection of the pack. Pack status Code(s) will be populated using standard Bellcore EMI codes for packs that were rejected by Phones-4-All for reasons stated in the above section.

8. Testing

- 8.1 BellSouth shall send test file(s) to Phones-4-All for the Optional Daily Usage File. The parties agree to review and discuss the file's content and/or format. For testing of usage results, BellSouth shall request that Phones-4-All set up a production (LIVE) file. The live test may consist of the Phones-4-All's employees making test calls for the types of services that Phones-4-All wants to see on the ODUF. These test calls are logged by Phones-4-All, and the logs are provided to BellSouth. The logs will be used to verify the files.

AMENDMENT TO
RESALE AGREEMENT BETWEEN
BELLSOUTH TELECOMMUNICATIONS, INC.
AND APPLIANCE AND TV RENTALS, INC. D/B/A PHONES-4-ALL
DATED SEPTEMBER 16, 1998

Pursuant to this Agreement (the "Amendment"), BellSouth Telecommunications, Inc. ("BellSouth or Company") and Appliance and TV Rentals, Inc. d/b/a Phones-4-All ("Phones-4-All") hereinafter referred to collectively as the "Parties" hereby agree to amend that certain Resale Agreement between the Parties dated September 16, 1998 ("Resale Agreement").

NOW THEREFORE, in consideration of the mutual provisions contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby covenant and agree as follows:

1. The parties hereby agree that Section VIII.A of the Resale Agreement is amended by inserting the following sentence as Subsection 6. at the end of Section VIII.A

BellSouth may disconnect and reuse facilities when the facility is in a denied state and BellSouth has received an order to establish new service or transfer of service from a customer or a customer's CLEC at the same address served by the denied facility.

2. The Parties agree that all of the other provisions of the Resale Agreement, dated September 16, 1998, shall remain in full force and effect.
3. The Parties further agree that either or both of the Parties is authorized to submit this Amendment to the appropriate Commission or other regulatory body having jurisdiction over the subject matter of this Amendment, for approval subject to Section 252(e) of the federal Telecommunications Act of 1996.

IN WITNESS WHEREOF, the Parties hereto have caused this Amendment to be executed by their respective duly authorized representatives on the date indicated below.

BELLSOUTH TELECOMMUNICATIONS,

By: _____
Signature on Original
Jerry D. Hendrix - Director

DATE: _____
10/15/98

APPLIANCE AND TV RENTALS, INC.
D/B/A PHONES-4-ALL INC.

By: _____
Signature on Original
David Ring

DATE: _____
11/6/98

**AMENDMENT
TO THE
RESALE AGREEMENT BETWEEN
APPLIANCE AND TV RENTAL, INC. d/b/a PHONES-4-ALL AND
BELLSOUTH TELECOMMUNICATIONS, INC.
DATED SEPTEMBER 16, 1998.**

Pursuant to this Agreement, (the "Amendment") Appliance and TV Rental, Inc. d/b/a Phones-4-All ("Phones-4-Allr") and BellSouth Telecommunications, Inc. ("BellSouth"), hereinafter referred to collectively as the "Parties," hereby agree to amend that certain Resale Agreement between the Parties dated September 16, 1998 ("Resale Agreement").

NOW THEREFORE, in consideration of the mutual provisions contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby covenant and agree as follows:

1. Appliance and TV Rental, Inc. d/b/a Phones-4-All has changed the name of said business to Appliance and TV Rental, Inc., a Florida corporation. The Resale Agreement is hereby amended to reflect the name change.
2. Attachment 1 of this Amendment, Statement of Assumption of Services and All Outstanding Indebtedness and Future Charges, as signed by authorized party of Appliance and TV Rental, Inc., is hereby an attachment to the Resale Agreement.
3. Attachment 2 of this Amendment, Authorization for Transfer and Release Notice, as signed by authorized party of Appliance and TV Rental, Inc., is hereby an attachment to the Resale Agreement.
4. All of the other provisions of the Resale Agreement, dated September 16, 1998 shall remain in full force and effect.
5. Either or both of the Parties is authorized to submit this Amendment to each Public Service Commission for approval subject to Section 252(e) of the Federal Telecommunications Act of 1996.

IN WITNESS WHEREOF, the Parties hereto have caused this Amendment to be executed by their respective duly authorized representatives on the date indicated below.

APPLIANCE AND TV RENTAL, INC

BellSouth Telecommunications, Inc.

By: Signature on Original

By: Signature on Original

Name: David N Ring

Name: Jerry Hendrix

Title: President

Title: Director

Date: 2/24/99

Date: _____

**STATEMENT OF ASSUMPTION OF SERVICES AND
ALL OUTSTANDING INDEBTEDNESS AND FUTURE CHARGES**

For and in consideration of the mutual promises contained herein, BellSouth Telecommunications, Inc. ("BellSouth") and APPLIANCE AND TV RENTAL. INC. agree as follows:

1. BellSouth agrees, pursuant to the terms of this Agreement to furnish telecommunications services to APPLIANCE AND TV RENTAL. INC.. Service includes any service offered by BellSouth Telecommunications under its intrastate tariffs or the Interconnection Agreement executed between BellSouth and PHONES-4-ALL.
2. APPLIANCE AND TV RENTAL. INC. hereby agrees that any transfer of service through the sale, merger, consolidation, acquisition, or any other corporate buy-sell agreement shall be in accordance with the requirements of this Agreement and applicable tariffs or other agreement(s) in effect at the time of the sale, merger, consolidation, acquisition or buy-sell arrangement.
3. APPLIANCE AND TV RENTAL. INC. hereby
 - ☐ assumes all obligations for services provided to PHONES-4-ALL and agrees to pay BellSouth, upon demand, account security, applicable service ordering charges, future, current, past due and presently outstanding bills which are attributed to PHONES-4-ALL for such services pursuant to the applicable tariff or interconnection agreement.
 - ☐ does NOT assume all obligations for services offered to PHONES-4-ALL and thereby agrees to pay BellSouth, upon demand, account security, applicable service ordering charges and future bills.
4. APPLIANCE AND TV RENTAL. INC. specifically agrees to pay all bills and charges for billing account numbers on Attachment(s) that were incurred during the time period the account was in the name of PHONES-4-ALL as well as any and all charges incurred during the time period that APPLIANCE AND TV RENTAL. INC. is a customer.
5. APPLIANCE AND TV RENTAL. INC. specifically agrees to assume the unexpired portion of the minimum period and the termination liability applicable to such services.
6. APPLIANCE AND TV RENTAL. INC. agrees that the requirements of this Agreement apply where PHONES-4-ALL requests a final bill on its account and establishes a new account or requests a modification or change of the existing services of PHONES-4-ALL.
7. APPLIANCE AND TV RENTAL. INC. understands that BellSouth requires 60 days notification prior to the effective date of such assumption of service in order to comply with such request.
8. BellSouth will provide written acknowledgment of such notification 15 days from the receipt of such notification.
9. The undersigned is a duly authorized representative of APPLIANCE AND TV RENTAL. INC. and by the authority granted to the undersigned by PHONES-4-ALL is authorized to bind it to the terms and conditions contained herein.
10. Signed this _____ day of _____ 19 ____.

Mr. David Ring
APPLIANCE AND TV RENTAL. INC.
P.O. Box 535

Crestview, FL 32536

By: _____
(Signature)

AUTHORIZATION FOR TRANSFER AND RELEASE NOTICE

For and in consideration of the mutual promises contained herein, BellSouth Telecommunications, Inc. ("BellSouth") and PHONES-4-ALL agree as follows:

1. PHONES-4-ALL agrees to transfer services in the name of APPLIANCE AND TV RENTAL INC. specifically including attached billing account number(s) and thereby relinquish all claims to this account, together with all rights, privileges, refund rights and credits which may accrue and have not yet been actually provided to PHONES-4-ALL.
2. Payment of any refund or extension of any credit or other rights required by law in connection with the above must be made by BellSouth Telecommunications in the manner and to the person required by the applicable tariff or regulatory authority, notwithstanding anything to the contrary in this document.
3. Notwithstanding any agreement between PHONES-4-ALL and APPLIANCE AND TV RENTAL INC., to the contrary, PHONES-4-ALL recognizes that under applicable tariffs agreements, BellSouth Telecommunications is authorized to demand from PHONES-4-ALL, current, past due and presently outstanding bills which are attributed to PHONES-4-ALL.
4. Notwithstanding any agreement between PHONES-4-ALL and APPLIANCE AND TV RENTAL INC., to the contrary, PHONES-4-ALL recognizes that under applicable tariffs and agreements, the transfer of service(s) does not relieve or discharge PHONES-4-ALL from remaining jointly or severally liable with APPLIANCE AND TV RENTAL INC. for any obligations existing at the time of transfer.
5. Signed this _____ day of _____ 19 ____.

PHONES-4-ALL

Mr. David Ring
P.O. Box 535
Crestview, FL 32536

By: _____
(Signature)