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JAN 19 1999
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***Also admitted in New York, Illinois and Washington, D.C.

January 15, 1999

Executive Secretary
Kentucky Public Service Commission
730 Schenkel Lane
Frankfort, KY 40602

Re: STORMTEL, INC.
Formerly Z-TEL, INC.

Dear Sir:

~~05138900~~ 05132200

The Kentucky Public Service Commission ("Commission") authorized Z-TEL, INC. ("Company") to provide resold telecommunications services. The Company filed a tariff establishing the rules, rates, and regulations for the furnishing of service to subscribers within the State of Kentucky. With Commission approval, the Company intends to transact business within Kentucky under the new corporate name of STORMTEL, INC. Attached hereto as Exhibit A is the amended Certificate of Authority to transact business in the State of Kentucky as a foreign corporation under the name STORMTEL, INC.

Enclosed herewith for filing with the Commission, please find an original and four (4) copies of the above captioned corporation's revised tariff pages, as follows:

<u>Revision</u>	<u>Pages</u>
First Revised	1-37
Original	36.1

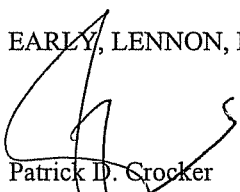
These tariff pages reflect the Company's new corporate name, changes the Company's Calling Card Service to a Travel Card Service with a reduction in usage rates, adds a new Debit Card Service, and includes a reduction in the Company's Switched Inbound and Switched Outbound Usage Rates.

Also enclosed is an exact duplicate of this letter attached to a copy of the Revised Tariff. Please stamp the duplicate received and return same in the self-addressed, stamped envelope.

Should you have any questions, please contact me.

Very truly yours,

EARLY, LENNON, PETERS & CROCKER, P.C.


Patrick D. Crocker
PDC/tms

Z-TEL, Inc.

TARIFF

OF

Z-TEL, INC.

RATES, RULES, REGULATIONS FOR FURNISHING

INTERCITY TELECOMMUNICATIONS SERVICES

WITHIN THE STATE OF KENTUCKY

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

Filed with PUBLIC SERVICE COMMISSION OF
KENTUCKY

JUL 27 1997

Issued: June 26, 1997

Effective: PURSUANT TO 807 KAR 5.011,
SECTION 9(1)

BY: Phyllis Fannin
DIRECTOR, RATES & RESEARCH DIV.

Issued by: Z-TEL, INC.
(Name of Utility)

By James C. Watson

ITS: Vice-President

CHECK SHEET

The title page, pages 1-37 which includes Attachment A of this Tariff are effective as of the date shown. Original and revised pages, as named below, comprise all changes from the original Tariff in effect on the date indicated.

<u>SHEET</u>	<u>REVISION</u>	<u>SHEET</u>	<u>REVISION</u>
1	Original	21	Original
2	Original	22	Original
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4	Original	24	Original
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10	Original	30	Original
11	Original	31	Original
12	Original	32	Original
13	Original	33	Original
14	Original	34	Original
15	Original	35	Original
16	Original	36	Original
17	Original	37	Attachemt A
18	Original		
19	Original		
20	Original		

* New or Revised Pages

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

JUL 27 1997

PURSUANT TO 807 KAR 5.011.
SECTION 9 (1)

BY: Phyllis Lammie
DIRECTOR, RATES & RESEARCH DIV.

Date of Issue: June 26, 1997

Date Effective:

Issued by: James C. Watson

Vice-President

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. _____ dated _____.

CONCURRING, CONNECTING AND OTHER PARTICIPATING CARRIERS

CONCURRING CARRIERS:

No Concurring Carriers

CONNECTING CARRIERS:

No Connecting Carriers

OTHER PARTICIPATING CARRIERS:

No Participating Carriers

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_____ dated _____.

TARIFF FORMAT

Page Numbering - Page numbers appear in the upper right hand corner of the page. Pages are numbered sequentially and from time to time new pages may be added to the tariff. When a new page is added between existing pages, a decimal is added to the preceding page number. For example, a new page added between Pages 3 and 4 would be numbered 3.1.

Paragraph Numbering Sequence - There are nine levels of paragraph coding. Each level of coding is subservient to its next higher level:

- 2.
- 2.1.
- 2.1.1.
- 2.1.1.A.
- 2.1.1.A.1.
- 2.1.1.A.1.(a).
- 2.1.1.A.1.(a).I.
- 2.1.1.A.1.(a).I.(i).
- 2.1.1.A.1.(a).I.(i).(1).

Check Sheets - When a Tariff filing is made with the Commission, an updated check sheet accompanies the Tariff filing. The check sheet lists the pages contained in the Tariff, with a cross reference to the current revision number. When new pages are added, the check sheet is changed to reflect the revision, all revisions made in a given filing are designed by an asterisk (*). There will be no other symbols used on this page if these are the only changes made to it. The Tariff user should refer to the latest check sheet to find out if a particular page is the most current on file with the Commission.

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Vice-President

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APPLICABILITY

This Tariff contains the Service offerings, rates, terms and conditions applicable to the furnishing of intrastate resale telecommunications Services within the State of Kentucky by Z-TEL, INC. (hereinafter "Company").

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

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EXPLANATION OF SYMBOLS

- (D) To signify discontinued material
- (I) To signify a rate or charge increase
- (M) To signify material relocated without change in text or rate
- (N) To signify new material
- (R) To signify a reduction
- (T) To signify a change in text but no change in rate or regulation
- (Z) To signify a correction

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1. DEFINITION OF TERMS

For the purpose of this Tariff, the following definitions will apply:

Access Coordination

Provides for the design, ordering, installation, coordination, pre-service testing, service turn-up and maintenance on a Company or Customer provided Local Access Channel.

Administrative Change

A change in Customer billing address or contact name.

Alternate Access

Alternate Access is a form of Local Access except that the provider of the Service is an entity, other than the Local Exchange Carrier, authorized or permitted to provide such Service. The charges for Alternate Access may be subject to private agreement rather than published or special tariff if permitted by applicable governmental rules.

Application for Service

A standard Company order form which includes all pertinent billing, technical and other descriptive information which will enable the Company to provide a communication Service as required.

ASR

ASR (Access Service Request) means an order placed with a Local Access Provider for Local Access.

Authorized User

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

Bandwidth

The total frequency band, in hertz, allocated for a channel.

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Bill Date

The date on which billing information is compiled and sent to the Customer.

Call

A completed connection between the Calling and Called Stations.

Called Station

The telephone number called.

Calling Station

The telephone number from which a Call originates.

Cancellation of Order

A Customer initiated request to discontinue processing a Service order, either in part or in its entirety, prior to its completion. Cancellation charges will be assessed for each Circuit-end or Dedicated Access line canceled from an order prior to its completion by the Company, under the following circumstances: (1) if the LEC has confirmed in writing to the Company that the Circuit-end or Dedicated Access line will be installed; or (2) if the Company has already submitted facilities orders to an interconnecting telephone company.

Channel or Circuit

A dedicated communications path between two or more points having a Bandwidth or Transmission Speed specified in this Tariff and selected by a Customer.

Commission

Kentucky Public Service Commission (KPSC)

Company

Z-TEL, INC.

PUBLIC SERVICE COMMISSION
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Company Recognized National Holidays

The following are Company Recognized National Holidays determined at the location of the originator of the Call: New Year's Day, Martin Luther King Day, President's Day, Memorial Day, July 4th, Independence Day, Labor Day, Columbus Day, Veteran's Day, Thanksgiving Day, Christmas Day.

The evening rate is used unless a lower rate would normally apply. When a Call begins in one rate period and ends in another, the rate in effect in each rate period applies to the portion of the Call occurring within that rate period. In the event that a minute is split between two rate periods, the rate in effect at the start of that minute applies.

Customer

The person, firm, corporation or governmental unit which orders Service and which is responsible for the payment of charges and for compliance with the Company's Tariff regulations. A Customer is considered to be an account for billing purposes. The term Customer also includes an entity that remains presubscribed to the Company Service after its account(s) are removed from the Company's billing system, subsequently continues to use Company's network, and is billed by a local exchange carrier for such use, or otherwise uses Service for which no other Customer is obligated to compensate Company.

Customer Premises/Customer's Premises

Locations designated by a Customer where Service is originated/terminated whether for its own communications needs or for the use of its resale customers.

DCS

DCS means Digital Cross-Connect System.

Dedicated Access/Special Access

Dedicated Local Access between the Customer's Premises or serving wire center and the Company's Point-of-Presence for origination or termination of Calls.

DS-0

DS-0 means Digital Signal Level 0 Service and is a 64 Kbps signal.

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DS-1

DS-1 means Digital Signal Level 1 Service and is a 1.544 Mbps signal.

DS-0 with VF Access

DS-0 Service with VF Local Access facilities provides for the transmission of analog voice and/or data within 300 Hz to 3000 Hz frequency range.

DS-0 with DDS Access

DS-0 Service with VF Local Access facilities provides for the transmission of digital data at speeds 2.4, 4.8, 9.6 or 56 Kbps.

Due Date

The Due Date is the date on which payment is due.

Expedite

A Service order initiated at the request of the Customer that is processed in a time period shorter than the Company's standard Service interval.

FCC

Federal Communications Commission

Individual Case Basis (ICB)

Individual Case Basis (ICB) determinations involve situations where complex Customer-specific Company arrangements are required to satisfactorily serve the Customer. The nature of such Service requirements makes it difficult or impossible to establish general tariff provisions for such circumstances. When it becomes possible to determine specific terms and conditions for such offerings, they will be offered pursuant to such terms and conditions.

Installation

The connection of a Circuit, Dedicated Access line, or port for new, changed or existing Service.

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BY _____
DIRECTOR, RATES & RESEARCH DIV.
Vice-President

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Interexchange Service

Interexchange Service means that portion of a communications channel between a Company-designated Point-of-Presence in one exchange and a Point-of-Presence in another exchange.

Interruption

Interruption shall mean a condition whereby the Service or a portion thereof is inoperative, beginning at the time of notice by the Customer to Company that such Service is inoperative and ending at the time of restoration.

Kbps

Kilobits per second.

LATA (Local Access Transport Area)

A geographical area established for the provision and administration of communications Service of a local exchange company.

Local Access

Local Access means the Service between a Customer Premises and a Company designated Point-of-Presence.

Local Access Provider

Local Access Provider means an entity providing Local Access.

Local Exchange Carrier (LEC)

The local telephone utility that provides telephone exchange services.

Mbps

Megabits per second.

Multiplexing

Multiplexing is the sequential combining of lower bit rate Private Line Services onto a higher bit rate Private Line Service for more efficient facility capacity usage or vice versa.

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N/A

Not available.

N/C

No charge.

Nonrecurring Charges

Nonrecurring Charges are one-time charges.

Payment Method

The manner which the Customer designates as the means of billing charges for Calls using the Company's Service.

Physical Change

The modification of an existing Circuit, Dedicated Access line or port, at the request of the Customer, requiring some Physical Change or retermination.

Point-of-Presence (POP)

A Company-designated location where a facility is maintained for the purpose of providing access to its Service.

Primary Route

The route which, in the absence of Customer-designated routing or temporary re-routing, would be used by the Company in the provision of Service.

Private Line

A dedicated transmission channel furnished to a customer without intermediate switching arrangements for full-time customer use.

Private Line Service

A dedicated full-time transmission Service utilizing dedicated access arrangements.

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Rate Center

A specified geographical location used for determining mileage measurements.

Requested Service Date

The Requested Service Date is the date requested by the Customer for commencement of Service and agreed to by the Company.

Restore

To make Service operative following an interruption by repair, reassignment, re-routing, substitution of component parts, or otherwise, as determined by the carrier(s) involved.

Route Diversity

Two channels which are furnished partially or entirely over two physically separate routes.

Service

Service means any or all Service(s) provided pursuant to this Tariff.

Service Commitment Period

The term elected by the Customer and stated on the Service order during which the Company will provide the Services subscribed to by the Customer. The term can be monthly or in the case of Private Line Services for a period of up to 5 years.

Special Promotional Offerings

Special trial offerings, discounts, or modifications of its regular Service offerings which the Company may, from time to time, offer to its Customers for a particular Service. Such offerings may be limited to certain dates, times, and locations.

Start of Service Date

The Requested Service Date or the date Service first is made available by the Company whichever is later.

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Vice-President

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Tariff

The current Intrastate Services Tariff and effective revisions thereto filed by the Company with the Commission.

Transmission Speed

Data transmission speed or rate, in bits per seconds (bps).

Twelve O'Clock

In designated time, 12:00 a.m. refers to 12:00 Midnight and 12:00 p.m. refers to 12:00 Noon.

Two-Way Conversation

A Two-Way Conversation is a telephone conversation between or among two or more parties.

VF

VF is voice frequency or voice-grade Service designed for private-line Service. Normal transmission is in the 300 hertz to 3000 hertz frequency band.

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_____ dated _____.

SECTION 3 - DESCRIPTION OF SERVICES AND RATES, CONT'D.**3.4 Outbound Service**

Outbound Service is available to business and residential Customers for outbound calling. Calls are billed in sixty (60) second increments after the initial minimum period of sixty (60) seconds and originate and terminate on Customer-provided switched access lines. Rates are not mileage or time-of-day sensitive. This service is offered on a month to month basis. No minimum commitment is required.

Per Minute Rate: \$0.10

3.5 Z-Line Outbound Service

Z-Line Outbound Service is available to business and residential Customers for outbound calling. Calls originate via access code dialing. Calls are billed in sixty (60) second increments after the initial minimum period of sixty (60) seconds and originate and terminate on Customer-provided switched access lines. Rates are not mileage or time-of-day sensitive. This service is offered on a month to month basis. No minimum commitment is required.

1.	Installation charge	\$0.00
2.	Monthly Recurring Charge	\$0.00
3.	Per Minute Usage Charge	\$0.095
4.	Promotional Credits	Not applicable

PUBLIC SERVICE COMMISSION
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MAR 18 1999

PURSUANT TO 807 KAR 5.011,
SECTION 9 (1)

BY: Stephan D. Bell
SECRETARY OF THE COMMISSION

**Material found previously on this page, is now found on page 17.2*

Issued: March 17, 1999

Effective: March 18, 1999

Issued by: D. Gregory Smith, Chief Executive Officer
Z-Tel Communications, Inc.
601 South Harbour Island Boulevard, Suite 220
Tampa, Florida 33602

SECTION 3 - DESCRIPTION OF SERVICES AND RATES, CONT'D.

3.6 Z - Basic Outbound Service

Z - Basic Outbound Service is available to business and residential Customers for outbound calling. Calls originate via access code dialing. Calls are billed in sixty (60) second increments after the initial minimum period of sixty (60) seconds and originate and terminate on Customer-provided switched access lines. Rates are not mileage or time-of-day sensitive. This service is offered on a month to month basis. No minimum commitment is required. Rates are dependent upon estimated monthly billing volume. Should the Customer not meet the monthly estimated usage, the Company and the Customer will determine whether this is the correct plan for the Customer. In any case, the Customer will not be billed the minimum usage should the estimated monthly billing not be met. In addition to the per minute rate a monthly recurring charge applies. Customers may choose to be billed via commercial credit card or billed through their Local Exchange Carrier. The Monthly Recurring Charge is waived for the first partial month and last partial month of service. Customers receive a one-time credit of \$3.00 worth of service for the first month.

- 1. Installation Charge: \$0.00
- 2. Monthly Recurring Charge: \$4.95
- 3. Per Minute Usage Charge

<u>Monthly Billing Commitment</u>	<u>Rate Per Minute</u>
Up to \$10.00	\$0.100
\$10.01 - \$24.99	\$0.085
\$25.00 - \$49.99	\$0.079
\$50.00 +	\$0.075

- 4. Promotional Credits \$3.00 one time credit for the first month of service

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SECTION 3 - DESCRIPTION OF SERVICES AND RATES, CONT'D.

3.7 Outbound Service - College Plan

(N)

Outbound Service - College Plan is to students, administration and staff of colleges and universities for outbound calling. Calls originate via access code dialing. Calls are billed in sixty (60) second increments after the initial minimum period of sixty (60) seconds and originate and terminate on Customer-provided switched access lines. Rates are not mileage or time-of-day sensitive. This service is offered on a month to month basis. No minimum commitment is required. Customers receive a one-time bonus of \$9.50 worth of service at no charge.

1.	Installation charge	\$0.00
2.	Monthly Recurring Charge	\$0.00
3.	Per Minute Usage Charge	\$0.095
4.	Promotional Credit	\$9.50 one-time for the first month of service

(N)

3.5 Directory Assistance

(T)(M)

Directory Assistance is available to Customers of Z-Tel. A Directory Assistance charge applies to each call to the Directory Assistance Bureau. Up to two requests may be made on each call to Directory Assistance. The Directory Assistance charge applies to each call regardless of whether the Directory Assistance Bureau is able to furnish the requested telephone number.

Per Call Rate: \$0.95

(M)

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SECTION 4 - PROMOTIONS

4.1 Demonstration Calls

From time to time Z-Tel will demonstrate its services by providing free test calls of up to fifteen minutes duration over its network.

4.2 Promotions - General

From time to time, the Carrier may provide promotional offerings to introduce a current or potential Subscriber to a service not being used by the subscriber. These offerings may be limited to certain dates, times or locations and may waive or reduce recurring or non-recurring charges. The Commission will be notified prior to the introduction of any promotional offerings.

(T)(N)
(N)

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601 South Harbour Island Boulevard, Suite 220
Tampa, Florida 33602

- 2.2.3. Customer agrees to return to the Company all Company-provided equipment delivered to Customer within five (5) days of termination of the Service in connection with which the equipment was used. Said equipment shall be in the same condition as when delivered to Customer, normal wear and tear only excepted. Customer shall reimburse the Company, upon demand, for any costs incurred by the Company due to Customer's failure to comply with this provision.
- 2.2.4. A Customer shall not use any servicemark or trademark of the Company or refer to the Company in connection with any product, equipment, promotion, or publication of the Customer without prior written approval of the Company.
- 2.2.5. The provision of Service will not create a partnership or joint venture between the Company and the Customer nor result in joint Service offerings to their respective Customers.
- 2.2.6. The rate or volume discount level applicable to a Customer for a particular Service or Services shall be the rate or volume discount level in effect at the beginning of the monthly billing period applicable to the Customer for the particular Service or Services. When a Service is subject to a minimum monthly charge, account charge, port charge or other Recurring Charge or Nonrecurring Charge for both intrastate and interstate Service, only one such charge shall apply per account and that charge shall be the interstate charge.
- 2.2.7. Service requested by Customer and to be provided pursuant to this Tariff shall be requested on Company Service Order forms in effect from time to time or Customer's forms accepted in writing by an authorized headquarters representative of the Company (collectively referred to as "Service Orders").
- 2.2.8. If an entity other than the company (e.g., another carrier or a supplier) imposes charges on the Company in connection with a Service that entity's charges will be passed through to the Customer.
- 2.2.9. The Service Commitment Period for any Service shall be established by the Service Order relevant thereto and commence on the Start of Service Date. Upon expiration, each Service Commitment Period for such Service shall automatically be extended subject to written notice of termination by either Company or Customer as of a date not less than thirty (30) days after delivery of said notice to the other. The charges for Interexchange Service during any such extension shall not exceed the then current Company month-to-month charges applicable to such Service.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

JUL 27 1997

PURSUANT TO 807 KAR 5.011.
SECTION 9 (1)

BY: Phyllis Lancia
DIRECTOR, RATES & RESEARCH DIV.

Date of Issue: June 26, 1997

Date Effective:

Issued by: James C. Watson, Vice President, 4403 S.E. 16th Place, Suite #1, Cape Coral, FL 33904

2.3. Liability

- 2.3.1. Except as provided otherwise in this Tariff, the Company shall not be liable to Customer or any other person, firm or entity for any failure of performance hereunder if such failure is due to any cause or causes beyond the reasonable control of the Company. Such causes shall include, without limitation, acts of God, fire, explosion, vandalism, cable cut, storm or other similar occurrence, any law, order, regulation, direction, action or request of the United States government or of any other government or of any civil or military authority, national emergencies, insurrections, riots, wars, strikes, lockouts or work stoppages or other labor difficulties, supplier failures, shortages, breaches or delays, or preemption of existing Services to restore service in compliance with Part 64, Subpart D, Appendix A, of the FCC's Rules and Regulations.
- 2.3.2. With respect to the Services contained herein and except as otherwise provided herein, the Company's liability shall not exceed an amount equal to the charge applicable to a one minute Call to the Called Station at the time the affected Call was made. If the initial minute rate is higher than the additional minute rate, the higher rate shall apply. For those Services with monthly recurring charges, the Company's liability is limited to an amount equal to the proportionate monthly recurring charges for the period during which Service was affected.
- 2.3.3. The Company is not liable for any act or omission of any other company or companies (including any Company affiliate that is a participating or concurring carrier) furnishing a portion of the Service or facilities, equipment, or Services associated with such Service.
- 2.3.4. The Customer is responsible for taking all necessary legal steps for interconnecting the Customer provided terminal equipment with the Company facilities. The Customer shall ensure that the signals emitted into the Company's network do not damage Company equipment, injure personnel or degrade Service to other Customers. The Customer is responsible for securing all licenses, permits, and other arrangements necessary for such interconnection. In addition, the customer shall comply with applicable LEC signal power limitations.
- 2.3.5. The Company may rely on Local Exchange Carriers or other third parties for the performance of other Services such as Local Access. Upon Customer request and execution and delivery of appropriate authorizing documents, the Company may act as agent for Customer in obtaining such other Services. Customer's liability for charges hereunder shall not be reduced by untimely Installation or non-operation of Customer provided facilities and equipment.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
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BY Phillip L. Linn
DIRECTOR, RATES & RESEARCH DIV.
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2.3.6. The failure to give notice of default, to enforce or insist upon compliance with any of the terms or conditions herein, the waiver of any term or conditions herein, or the granting of an extension of time for performance by the Company or the Customer shall not constitute the permanent waiver of any term or condition herein. Each of the provisions shall remain at all time in full force and effect until modified in writing.

2.3.7. The Company shall not be liable to the Customer or any other person, firm or entity in any respect whatsoever as a result of mistakes, accidents, errors, omissions, interruptions, delays, or defects in Service (collectively "Defects"). Defects caused by or contributed to, directly or indirectly, by any act or omission of Customer or its customers, affiliates, agents, representatives, invitees, licensees, successors or assigns or which arise from or are caused by the use of facilities or equipment of Customer or related parties shall not result in the imposition of an liability whatsoever upon the Company, and Customer shall pay to the Company any reasonable costs, expenses, damages, fees or penalties incurred by the Company as a result thereof, including penalties incurred by the Company as a result thereof, including costs of Local Access Providers' labor and materials. In addition, all or a portion of the Service may be provided over facilities of third parties, or sold by third parties, and the Company shall not be liable to Customer or any other person, firm or entity in any respect whatsoever arising out of Defects caused by such third parties. THE COMPANY SHALL NOT BE LIABLE FOR ANY DIRECT, INDIRECT, CONSEQUENTIAL, SPECIAL, ACTUAL, PUNITIVE OR ANY OTHER DAMAGES, OR BUSINESS INTERRUPTION, FOR ANY LOST PROFITS OF ANY KIND OR NATURE WHATSOEVER ARISING OUT OF ANY DEFECTS OR ANY OTHER CAUSE. THE COMPANY'S LIABILITY, IF ANY, WITH REGARD TO THE DELAYED INSTALLATION OF THE COMPANY'S FACILITIES OR COMMENCEMENT OF SERVICE SHALL NOT EXCEED \$1,000. THIS WARRANTY AND THESE REMEDIES ARE EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES OR REMEDIES, WHETHER EXPRESS, IMPLIED OR STATUTORY, INCLUDING WITHOUT LIMITATION IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. IN THE EVENT OF AN INTERRUPTION IN SERVICE OR ANY DEFECT IN THE SERVICE WHATSOEVER, NEITHER COMPANY NOR ANY AFFILIATED OR UNAFFILIATED THIRD PARTY, THIRD PARTY PROVIDER OR OPERATOR OF FACILITIES EMPLOYED IN THE PROVISION OF THE SERVICE SHALL BE LIABLE FOR ANY DIRECT, INDIRECT, CONSEQUENTIAL, SPECIAL, ACTUAL, PUNITIVE OR ANY OTHER DAMAGES, OR FOR ANY LOST PROFITS OF ANY KIND OR NATURE WHATSOEVER.

2.3.8. With respect to the routing of Calls by the Company to public safety answering points or municipal Emergency Service providers, Company liability, if any, will be limited to the lesser of: (a) the actual monetary damages incurred and proved by the Customer as the direct result of the Company's action, or failure to act, in routing the Call, or (b) the sum of \$1,000.00.

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SECTION 9 (1)
BY: *Phyllis Tamm*
DIRECTOR, RATES & RESEARCH DIV.

- 2.3.9. In the event parties other than Customer (e.g., Customer's customers) shall have use of the Service directly or indirectly through Customer, then Customer agrees to forever indemnify and hold Company and any affiliated or unaffiliated third-party, third-party provider or operator of facilities employed in provision of the Service harmless from and against any and all claims, demands, suits, actions, losses, damages, assessments or payments which may be asserted by said parties arising out of or relating to any Defects.
- 2.3.10. In the event that Company is required to perform a Circuit redesign due to inaccurate information provided by the Customer; or, circumstances in which such costs and expenses are caused by the Customer or reasonably incurred by the Company for the benefit of the Customer, the Customer is responsible for the payment of all such charges.
- 2.3.11. Acceptance by the Commission of the liability provisions contained in this Tariff does not constitute its determination that the limitation of liability imposed by the Company should be upheld in a court of law but the recognition that, as it is the duty of the courts to adjudicate negligence claims and rights to recover damages therefor, so it is the duty of the courts to determine the validity of the exculpatory provisions of this Tariff.
- 2.4. Cancellation of Service by a Customer
- 2.4.1. If a Customer cancels a Service Order before the Service begins, before completion of the Minimum Period, or before completion of some other period mutually agreed upon by the Customer and the Company, a charge will be levied upon the Customer for the nonrecoverable portions of expenditures or liabilities incurred expressly on behalf of the Customer by the Company and not fully reimbursed by Installation and monthly charges. If, based on a Service order by a Customer, any construction has either begun or been completed, but no Services provided, the nonrecoverable costs of such construction shall be borne by the Customer.
- 2.4.2. Upon thirty (30) days' prior written notice, either Customer or Company shall have the right, without cancellation charge or other liability, to cancel the affected portion of the Service, if the Company is prohibited by governmental authority from furnishing said portion, or if any material rate or term contained herein and relevant to the affected Service is substantially changed by order of the highest court of competent jurisdiction to which the matter is appeal, the Federal Communications Commission, or other local, state or federal government authority.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
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PURSUANT TO 807 KAR 5.011,
SECTION 9 (1)

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DIRECTOR, RATES & RESEARCH DIV.

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2.5. Cancellation for Cause by the Company

2.5.1. Upon nonpayment of any sum owing to the Company for a period of twenty (20) days after the mailing date of the original unpaid bill, or upon a violation of any of the provisions governing the furnishing of Service under this Tariff after having made a reasonable effort to obtain Customer compliance, the Company may, upon ten (10) days written notification to the Customer, except in extreme cases, without incurring any liability, immediately discontinue the furnishing of such Service. The written termination notice will be distinguishable and separate from the regular monthly bill for service. Under no circumstances shall service be terminated before twenty (20) days after the mailing date of the original unpaid bill. Customer shall be deemed to have canceled Service as of the date of such disconnection and shall be liable for any cancellation charges set forth in this Tariff.

2.5.2. Without incurring any liability, the Company may discontinue the furnishing of Service(s) to a Customer immediately and without notice only where a dangerous condition is found to exist or for theft or illegal use of service. In addition, Company shall may discontinue service with ten (10) days written notice, under the following circumstances:

2.5.2.A. if the Customer refuses to furnish information to the Company regarding the Customer's credit-worthiness;

2.5.2.B. if the Customer provides false information to the Company regarding the Customer's identity, address, credit-worthiness, past or current use of Customer communications Services, or its planned use of the Company Service(s);

2.5.2.C. if the Customer states that it will not comply with a request of the Company for reasonable security for the payment for Service(s);

2.5.2.D. if the Customer has been given five business days written notice in a separate mailing by the Company of any past due amount (which remains unpaid in whole or in part) for any of the Company's communications Services to which the Customer either subscribes or had subscribed or used;

2.5.2.E. immediately upon written notice to the Customer of any sum thirty (30) days past due; or

2.5.2.F. in the event of unauthorized use.

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2.5.3. Following the disconnection of service for any of these reasons, the Company or the local exchange utility acting as Company agent, will notify the telephone number end-user/customer that service was disconnected and why. The notice will include all reasons for the disconnection and will include a toll-free number where an end-user/customer can obtain additional information. Notice shall be deemed given upon deposit, postage prepaid, in the U.S. Mail to end-user's/customer's last known address and in compliance with the Commission's rules

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

2.6. Use of Service

2.6.1. The Services offered herein may be used for any lawful purpose, including residential, business, governmental, or other use. There are no restrictions on sharing or resale of Services. However, the Customer remains liable for all obligations under this Tariff notwithstanding such sharing or resale and regardless of the Company's knowledge of same. The Company shall have no liability to any person or entity other than the Customer and only as set forth in Section 2.3. The Customer shall not use nor permit others to use the Service in a manner that could interfere with Services provided to others or that could harm the facilities of the Company or others.

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

2.6.2.A. One joint user or Authorized User must be designated as the Customer.

2.6.2.B. All charges for the Service will be computed as if the Service were to be billed to one Customer. The joint user or Authorized User which has been designated as the Customer will be billed for all components of the Service and will be responsible for all payments to the Company. In the event that the designated Customer fails to pay the Company, each joint user or Authorized User shall be liable to the Company for all charges incurred as a result of its use of the Company's Service.

PUBLIC SERVICE COMMISSION
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DIRECTOR, RATES & RESEARCH DIV.

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2.6.3. In addition to the other provisions in this Tariff, Customers reselling company Services shall be responsible for all interaction and interface with their own subscribers or customers. The provision of the Service will not create a partnership or joint venture between Company and Customer nor result in a joint communications Service offering to the Customers of either the Company or the Customer.

2.6.4. Service furnished by the Company shall not be used for any unlawful or fraudulent purposes.

2.6.5. The Customer will be billed directly by the LEC for certain Dedicated Access arrangements selected by the Customer for the provisioning of direct access arrangements. In those instances where the Company at the Customer's request may act as agent in the ordering of such arrangements, the Company will bill the Customer Local Access charges.

2.7. Payment Arrangements

2.7.1. The Customer is responsible for payment of all charges for Services furnished to the Customer or its joint or Authorized Users. This responsibility is not changed due to any use, misuse, or abuse of the Customer's Service or Customer provided equipment by third parties, the Customer's employees, or the public.

2.7.2. Customers shall receive a bill for Services provided by Company in the format set forth in Attachment 1. The Company's bills are due upon receipt. Amounts not paid within 30 days from the Bill Date of the invoice will be considered past due. Customers will be assessed a late fee on past due amounts in the amount of one and one-half percent (1/2 %) per month; however, the late penalty fee will not be assessed on unpaid penalty charges and any payment received shall first be applied to the bill for services rendered. If a Customer presents an undue risk of nonpayment at any time, the Company may require that Customer to pay its bills within a specified number of days and to make such payments in cash or the equivalent of cash. A copy of Company's billing format is attached as Exhibit A.

2.7.3. With regard to the Company's advanced payment policy, in determining whether a Customer presents an undue risk of nonpayment, the Company shall consider the following factors: (A) the Customer's payment history (if any) with the Company and its affiliates, (B) Customer's ability to demonstrate adequate ability to pay for the Service, (C) credit and related information provided by Customer, lawfully obtained from third parties or publicly available, and (D) information relating to Customer's management, owners and affiliates (if any). For end users or Customers whom the Company believes an advanced payment is necessary, Company reserves the right to collect an amount not to exceed one (1) month's estimated charges as a deposit for service. This will be applied against the next month's charges and, if necessary, a new deposit will be collected for the next month.

2.7.4. Disputes with respect to charges must be presented to the Company in writing, by telephone or in person within thirty days from the date the invoice is rendered or such invoice will be deemed to be correct and binding on the Customer.

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2.7.5. If a LEC has established or establishes a Special Access surcharge, the Company will bill the surcharge beginning on the effective date of such surcharge for Special Access arrangements presently in Service. The Company will cease billing the Special Access surcharge upon receipt of an Exemption Certificate or if the surcharge is removed by the LEC.

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

2.8. Assignment

2.8.1. The obligations set forth in this Tariff shall be binding upon and inure to the benefit of the parties hereto and their respective successors or assigns, provided, however, the Customer shall not assign or transfer its rights or obligations without the prior written consent of the Company.

2.9. Tax Adjustments

2.9.1. All stated charges in this Tariff are computed by the Company exclusive of any federal, state, or local use, excise, gross receipts, sales or privilege taxes, duties, fees, or similar liabilities (other than general income or property taxes) whether charged to or against the Company or its Customer. Such taxes, fees, etc. shall be paid by the Customer in addition to the charges stated in this Tariff. All such taxes, duties, and fees shall each be shown as a separate line item on the Customer's monthly invoice.

2.9.2. A surcharge is imposed on all charges for Service originating at addresses in states which levy a gross receipts tax on Company's operations. This surcharge is composed of a factor of the gross receipts tax and taxes imposed directly or indirectly upon Company as measured by the gross receipts payments or revenues of interstate access charges will be shown as a separate line item on the Customer's monthly invoice.

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2.10. Method for Calculation of Airline Mileage

- 2.10.1. The airline mileage between two cities can be calculated using the Vertical (V) and Horizontal (H) coordinates of the serving wire centers associated with the Company's POP locations. The method for calculating the airline mileage is obtained by reference to AT&T's Tariff F.C.C. No. 10, using the following formula:

$$\text{the square root of: } \frac{(V_1 - V_2)^2 + (H_1 - H_2)^2}{10}$$

where V1 and H1 correspond to the V & H coordinates of City 1 and V2 and H2 correspond to the V & H coordinates of City 2.

Example:

	<u>V</u>	<u>H</u>
City 1	5004	1406
City 2	5987	3424

$$\text{the square root of: } \frac{(5004 - 5987)^2 + (1406 - 3424)^2}{10}$$

The result is 709.83 miles. Any fractional miles are rounded to the next higher whole number; therefore, the airline mileage for this example is 710 miles.

2.11. Time of Day Rate Periods

- 2.11.1. Time of Day Rate Periods are determined by the time of day at the location of the Calling Station.

The rates shown in Section 4 apply as follows:

DAY: From 8:00 AM to 5:00 PM Monday - Friday

EVENING: From 5:00 PM to 11:00 PM Monday - Friday and Sunday

NIGHT/

WEEKEND: From 11:00 PM to 8:00 AM Everyday

From 8:00 AM to 11:00 PM Saturday

From 8:00 AM to 5:00 PM Sunday

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2.12. Special Customer Arrangements

- 2.12.1. In cases where a Customer requests a special or unique arrangement which may include engineering, conditioning, Installation, construction, facilities, assembly, purchase or lease of facilities and/or other special Services not offered under this Tariff, the Company, at this option, may provide the requested Services. Appropriate recurring charges and/or Nonrecurring Charges and other terms and conditions will be developed for the Customer for the provisioning of such arrangements.

2.13. Inspection

- 2.13.1. The Company may, upon notice, make such tests and inspections as may be necessary to determine that the requirements of this Tariff are being complied with in the Installation, operation or maintenance of Customer or the Company equipment. The Company may interrupt the Service at any time, without penalty to the Company, should Customer violate any provision herein.

2.14. Credit Allowance

- 2.14.1. Credit allowance for the interruption of Service is subject to the general liability provisions set forth in this Tariff. Customers shall receive no credit allowance for the interruption of Service which is due to the Company's testing or adjusting, negligence of the Customer, or to the failure of channels or equipment provided by the Customer. The Customer must notify the Company when the Customer is aware of any interruption in Service for which a credit allowance is desired. Credits are applicable only to that portion of Service interrupted.

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3. DESCRIPTION OF SERVICES

3.1. Wide Area ("WATS") and Message ("MTS") Toll Services

3.1.1. The Company offers WATS and MTS intrastate interexchange long distance service utilizing switched or dedicated access arrangements between the Customer's Premises and the Company's facilities for call origination. Call termination is completed through a combination of Company facilities and LEC switched access arrangements.

3.2. Switched Inbound Service

3.2.1. Switched inbound service permits inward calling (via 800 codes) to a specific location utilizing premium switched Feature Group D access on both ends.

3.3. Dedicated Inbound Service

3.3.1. Dedicated inbound service permits inward calling (via 800 codes) to a specific location featuring the use of a dedicated, special access type connection on the terminating end. The Customer shall be responsible for all LEC charges in addition to the Recurring, Non-recurring and Usage charges set forth hereinafter.

3.4. Switched Outbound Service

3.4.1. Switched outbound service permits outward calling utilizing premium switched Feature Group D access on both the originating and terminating ends.

3.5. Dedicated Outbound Service

3.5.1. Dedicated outbound service permits outward calling to stations in diverse service areas. Dedicated outbound service is distinguished from other services by the existence of a dedicated, special access connection on one end. The Customer shall be responsible for all LEC charges in addition to the Recurring, Non-recurring and Usage charges set forth hereinafter.

3.6. Calling Card Service

3.6.1. The Company's Calling Card Service permits Customers to place long distance calls utilizing Company issued Calling Cards for billing purposes.

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BY: _____
DIRECTOR, RATES & RESEARCH DIV.
Vice-President

Issued by: James C. Watson

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. _____
dated _____.

3.7. Timing of Calls

3.7.1. Long distance usage charges are based on the actual usage of the Company network. Chargeable time begins when a connection is established between the Calling Station and the Called Station. Chargeable time ends when either party "hangs up" thereby releasing the network connection.

3.7.2. Unless otherwise specified in this Tariff, the minimum call duration for billing purposes is eighteen (18) seconds. In addition, unless otherwise specified in this Tariff, usage is measured thereafter in six (6) second increments and rounded to the next higher six (6) second period.

3.8. Minimum Call Completion Rate

3.8.1. A Customer can expect a call completion rate of not less than 90% during peak use periods for all Feature Group D services.

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Vice-President

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. _____ dated _____.

4. RATES AND CHARGES

4.1. Usage Rates

4.1.1. The following are the usage charges which apply to all calls. These charges are in addition to the Non-recurring Charges and Recurring Charges referred to herein.

4.2. Switched Inbound 800 Usage Rates

4.2.1. Switched inbound service permits inward calling (via 800 or 888 codes) to a specific location utilizing premium switched, Feature Group D access on both ends.

BUSINESS DAY
EVENING/NIGHT/WEEKEND

Mileage	Initial 18 Seconds	Additional 6 Seconds
0 - 292	\$0.0447	\$0.0149
293 - 430	\$0.0447	\$0.0149
431 +	\$0.0447	\$0.0149

4.2.2. Customers will receive the following discounts on base tariff rates when executing term or volume commitments:

DISCOUNTS

VOLUME	1 YEAR TERM
\$500 - \$999	6.7%
\$1,000 - \$1,499	7.2%
\$1,500 - \$2,999	20.1%
\$3,000 - \$3,999	23%
OVER \$4,000	26.8%

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Vice-President

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4.3. Dedicated Inbound 800 Usage Rates

4.3.1 Dedicated inbound service permits inward calling (via 800 or 888 codes) to a specific location featuring the use of a dedicated, special access type connection on the terminating end. Customers will be responsible for all applicable local loop charges.

BUSINESS DAY
EVENING/NIGHT/WEEKEND

Mileage	Initial 18 Seconds	Additional 6 Seconds
0 - 292	\$0.08058	\$0.01343
293 - 430	\$0.08058	\$0.01343
431 +	\$0.08058	\$0.01343

4.3.2. Customers will receive the following discounts on base tariff rates when executing term or volume commitments:

DISCOUNTS

VOLUME	1 YEAR TERM
\$5,000 - \$9,999	18.8%
\$10,000 - \$19,999	26.3%
\$20,000 - \$29,999	33.7%
\$30,000 - \$49,999	39%
OVER \$50,000	44.2%

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DIRECTOR, RATES & RESEARCH DIV.

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Vice-President

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dated _____

4.4. Switched Outbound Usage Rates

4.4.1. Switched outbound services permits outward calling utilizing premium switched Feature Group D access on both the originating and terminating end.

BUSINESS DAY
EVENING/NIGHT/WEEKEND

Mileage	Initial 18 Seconds	Additional Minute
0 - 292	\$0.0447	\$0.0149
293 - 430	\$0.0447	\$0.0149
431 +	\$0.0447	\$0.0149

4.4.2. Customers will receive the following discounts on base tariff rates when executing term or volume commitments:

DISCOUNTS

VOLUME	1 YEAR TERM
\$500 - \$999	6.7%
\$1,000 - \$1,499	7.2%
\$1,500 - \$2,999	20.1%
\$3,000 - \$3,999	23%
OVER \$4,000	28.6%

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DIRECTOR, RATES & RESEARCH DIV.

Date of Issue: June 26, 1997

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Vice-President

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4.5. Dedicated Outbound Usage Rates

4.5.1. Dedicated outbound service permits outward calling to stations in diverse service areas. Dedicated outbound service is distinguished from other services by the existence of a dedicated, special access connection on one end.

BUSINESS DAY
EVENING/NIGHT/WEEKEND

Mileage	Initial Minute	Additional Minute
0 - 292	\$0.08058	\$0.01343
293 - 430	\$0.08058	\$0.01343
431 +	\$0.08058	\$0.01343

4.5.2. Customers will receive the following discounts on base tariff rates when executing term or volume commitments:

DISCOUNTS

VOLUME	1 YEAR TERM
\$5,000 - \$9,999	18.8%
\$10,000 - \$19,999	26.3%
\$20,000 - \$29,999	33.7%
\$30,000 - \$49,999	39%
OVER \$50,000	44.2%

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4.6. Calling Card Usage Rates

- 4.6.1 The Company's Calling Card Service permits Customers to place long distance calls utilizing Company issued Calling Cards for billing purposes using .
- 4.6.2. Customer may receive a 25% discount under a specific term agreement when such agreement relates to the Company's switched outbound service or switched inbound service.

BUSINESS DAY
EVENING/NIGHT/WEEKEND

Mileage	Initial Minute	Additional Minute
0 - 292	\$0.25	\$0.25
293 - 430	\$0.25	\$0.25
431 +	\$0.25	\$0.25

4.7 Recurring Charges

4.7.1. Customers will incur the following monthly Recurring Charges:

	<u>SWITCHED ACCESS</u>	<u>DEDICATED ACCESS</u>
Per 800 Number	\$5.00	\$5.00
Accounting Codes(non-verified)	N/C	N/C
Authorization Codes/BTN (verified)	N/C	N/C
Authorization Code change/add/delete	N/C	N/C
Monthly Recurring Charge Per T-	N/C	\$25.00
Monthly Service Fee	\$3.00	\$3.00

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4.8. Non-recurring Charges

4.8.1. Customers will incur the following Non-recurring Charges:

	<u>SWITCHED ACCESS</u>	<u>DEDICATED ACCESS</u>
Per 800 Number	N/C	N/C
Accounting Codes(non-verified)	N/C	N/C
Authorization Codes/BTN (verified)	\$25.00	N/C
Authorization Code change/add/delete	N/C	N/C
Set and Installation Charge	N/C	N/C

4.9. Special Promotional Offering

4.9.1. The Company may from time to time engage in Special Promotional Offerings or Trial Service Offerings limited to certain dates, times or locations designed to attract new subscribers or increase subscriber usage when approved by the DPUC. Company will not have special promotional offerings for more than 90 days in any 12 month period. In all such cases, the rates charged will not exceed those specified in Section 4 hereof.

4.10. Emergency Calls

4.10.1 Customer shall configure its PBX or other switch vehicle from which a customer places a call so that 911 emergency calls, where available, and similar emergency calls will be automatically routed to the emergency answering point for the geographical location where the call originated without the intervention of Company.

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ATTACHMENT A

Account Number: Z-TEL, INC.
 440 S.E. 16th Place, Suite #1
 Cape Coral, Florida 33904
 (941) 540-8440

-----Please Return this Page with Payment-----

Customer Name
Address

Total Amount Due \$ _____
Please Pay On or Before

Date:
Customer:

Previous Balance	\$ _____
Payment on Account	\$ _____
New Service Charges	\$ _____
Tax	\$ _____
Total Amount Due	\$ _____

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