
SECTION 2 - RULES AND REGULATIONS

2.1 USE OF FACILITIES AND SERVICE

2.1.1 USE OF SERVICE

Service may be used for any lawful purpose by the Customer or by any End User.

The Customer obtains no property right or interest in the use of any specific type of facility, service, equipment, number, process, or code. All right, title and interest to such items remain, at all times, solely with the Company.

Recording of telephone conversations of service provided by the Company under this tariff is prohibited except as authorized by applicable federal, state and local laws.

Any service provided under this Tariff may be resold to or shared (jointly used) with other persons at the Customer's option. The Customer remains solely responsible for all use of service ordered by it or billed to its account(s) pursuant to this Tariff, for determining who is authorized to use its service, and for promptly notifying the Company of any unauthorized use. The Customer may advise its customers that a portion of its service is provided by the Company, but the Customer shall not represent that the Company jointly participates with the Customer in the provision of the service.

SECTION 2 - RULES AND REGULATIONS

2.1 USE OF FACILITIES AND SERVICE (CONT'D)

2.1.2 LIMITATIONS

Service is offered subject to the availability of the necessary facilities and/or equipment and subject to the provisions of this tariff. The Company may decline applications for service to or from a location where the necessary facilities or equipment are not available. The Company may discontinue furnishing service in accordance with the terms of this tariff.

The Company reserves the right to discontinue or limit service when necessitated by conditions beyond its control (examples of these conditions are more fully set forth elsewhere in this tariff), or when service is used in violation of provisions of this tariff or the law.

The Company does not undertake to transmit messages, but offers the use of its service when available, and, as more fully set forth elsewhere in this tariff, shall not be liable for errors in transmission or for failure to establish connections.

The Company reserves the right to discontinue service, limit service, or to impose requirements as required to meet changing regulatory or statutory rules and standards, or when such rules and standards have an adverse material affect on the business or economic feasibility of providing service, as determined by the Company in its reasonable judgment.

The Company reserves the right to refuse an application for service made by a present or former Customer who is indebted to the Company for service previously rendered pursuant to this Tariff until the indebtedness is satisfied.

2.1.3 CUSTOMER-AUTHORIZED USE

Any service provided under this Tariff may be resold to or shared (jointly used) with other persons at the Customer's option. The Customer remains solely responsible for all use of service ordered by it or billed to its telephone number(s) pursuant to this Tariff, for determining who is authorized to use its service, and for promptly notifying the Company of any unauthorized use. The Customer may advise its customers that a portion of its service is provided by the Company, but the Customer shall not represent that the Company jointly participates with the Customer in the provision of the service.

SECTION 2 - RULES AND REGULATIONS

2.1 USE OF FACILITIES AND SERVICE (CONT'D)

2.1.4 USE AND OWNERSHIP OF EQUIPMENT

The Company's equipment, apparatus, channels and lines shall be carefully used. Equipment furnished by the Company shall remain its property and shall be returned to the Company whenever requested, within a reasonable period following the request, in good condition (subject to reasonable wear and tear). The Customer is required to reimburse the Company for any loss of, or damage to, the facilities or equipment on the Customer's premises, including loss or damage caused by agents, employees or independent contractors of the Customer through any negligence.

2.2 MINIMUM PERIOD OF SERVICE

The minimum period for which services are provided and for which rates and charges are applicable is one month unless otherwise specified. When a service is discontinued prior to the expiration of the minimum period, charges are applicable, whether the service is used or not. In addition to the one (1) month minimum, termination liabilities may apply to early cancellation of a service purchased under a Term Agreement.

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Orders for Switched Access are deemed made by the Customer, and initiation of the respective obligations of the parties as set forth in this Tariff takes place, upon the routing of calls by the Customer to and from the Company.

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SECTION 2 - RULES AND REGULATIONS

2.3 FLEXIBLE PRICING

2.3.1 GENERAL

Flexible Pricing sets minimum and maximum rates that can be charged for access service. The Company may change a specific rate within the range of the established minimum and maximum rates.

2.3.2 CONDITIONS

The Company reserves the right to change prices at any time subject to regulatory requirements by filing a revised Rate Attachment with the Commission.

Customer notification of a rate change shall be made in accordance with Commission regulations. Where there are no regulations, notification will be made in a manner appropriate to the circumstances involved.

A rate shall not be changed unless it has been in effect for at least thirty (30) days.

SECTION 2 - RULES AND REGULATIONS

2.4 PAYMENT FOR SERVICE RENDERED

2.4.1 Service is provided and billed on a monthly basis. All bills are due (payment date) within 30 calendar days of the bill date and are payable in immediately available funds. In the event that the Company incurs fees or expenses, including attorney's fees, collecting, or attempting to collect, any charges owed to the Company, the Company may charge the Customer all such fees and expenses reasonably incurred, including a late payment charge on the overdue charges accruing at the rate of 1.5% per month or the highest rate allowed by law, whichever is lower. Late payment charges on overdue charges shall begin to accrue when the Account is assigned to an outside collection agency. Such late payment charges are separate and distinct from attorney's fees and other costs incurred in collecting charges owed to the Company. (C)

2.4.2 The Customer is responsible for payment of all charges for service furnished to the Customer, or the Customer's agents, End Users or Customers. All charges due by the Customer are payable to the Company or to the Company's authorized billing agent. Any objections to billed charges must be reported promptly to the Company. (T)

2.4.3 The Company reserves the right to assess a charge of \$25.00 whenever a check or draft presented for payment of service is not accepted by the institution upon which it is written. The foregoing shall not limit the Company's right to discontinue service for returned checks or drafts under Section 2.9.1 below.

2.4.4 APPLICATION OF LATE PAYMENT CHARGE

Late payment charges do not apply to final accounts.

Late payment charges do not apply to government agencies of the State of New York. These agencies are required to make payment in accordance with the provisions of Article XI-A of the New York State Finance Law (Chapter 153 of the Laws of 1984).

SECTION 2 - RULES AND REGULATIONS

2.5 DEPOSITS

- 2.5.1** The Company reserves the right to examine the credit record of the Customer. If the Customer's financial condition is unknown or unacceptable to the Company, the Customer may be required to provide the Company with a security deposit which the Company may apply against overdue charges. The amount of the security deposit shall be equal to two month's estimated usage but may vary with the Customer's credit history and projected usage. The Customer shall be apprised that after one year of service the Account shall be reviewed, and in the event that all amounts due have been paid within the terms and conditions of this tariff, the deposit shall be refunded in full. If subsequent payment or usage patterns change, the Company may request an increase in or resubmission of the security deposit as appropriate. The Company may also require a security deposit before service is restored (along with the payment of overdue charges) from the Customer whose service has been discontinued for nonpayment of overdue charges. Such security deposit may be based on a new credit history (taking into account the discontinuance of service) and estimates of usage.
- 2.5.2** The fact that a security deposit has been made in no way relieves the Customer from the prompt payment of bills upon presentation.
- 2.5.3** If the amount of a deposit is proven to be less than required to meet the requirements specified above, the Customer shall be required to pay an additional deposit upon request.
- 2.5.4** When a deposit is to be returned, the Customer may request that the full amount of the deposit be issued by check. If the Customer requests that the full amount be credited to amounts owed the Company, the Company will apply the deposit to any amount currently owed to the Company, and return any remaining amount of the deposit to the Customer by check.

SECTION 2 - RULES AND REGULATIONS

2.6 RESERVED

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2.7 DISPUTED BILLS

In the case of a billing dispute between the Customer and the Company for service furnished to the Customer, which cannot be settled with mutual satisfaction, the Customer may, within 30 days of the date of the bill containing the disputed amount, request, and the Company shall comply with the request, an in-depth investigation and review of the disputed amount. (The undisputed portion and subsequent bills must be paid on a timely basis or service shall be subject to cancellation under Section 2.9 following). The Company shall communicate to the Customer the results of such investigation and review as soon as reasonably possible.

The Customer must pay all undisputed charges by the applicable due date. After filing a claim for disputed charges with the Company, the Customer may be required to place all disputed amounts into an account consistent with the dispute resolution guidelines determined by the Commission, or in a U.S.-based, interest bearing escrow account with a third party escrow agent, with costs paid for by the disputing party.

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SECTION 2 - RULES AND REGULATIONS

2.8 INSPECTION, TESTING AND ADJUSTMENT

- 2.8.1** The Company may, upon reasonable notice, make such tests and inspections as may be necessary to determine whether the terms and conditions of this tariff are being complied with in the installation, operation or maintenance of the Customer's or the Company's facilities or equipment. The Company may interrupt service at any time, without penalty or liability, due to the departure from or reasonable suspicion of the departure from any of these terms and conditions.
- 2.8.2** The Customer shall be responsible for making arrangements or obtaining permission for safe and reasonable access for Company employees or agents of the Company to enter the premises of the Customer or any joint user or customer of the Customer at any reasonable hour for the purpose of inspecting, repairing, testing or removing any part of the Company's facilities.
- 2.8.3** Upon reasonable notice, the facilities or equipment provided by the Company shall be made available to the Company for such tests and adjustments as may be necessary for their maintenance in a condition satisfactory to the Company. No interruption allowance shall be granted for the time during which such tests and adjustments are made, unless such interruption exceeds twenty-four hours in length and is requested by the Customer.

SECTION 2 - RULES AND REGULATIONS

2.9 SUSPENSION OR TERMINATION OF SERVICE

2.9.1 SUSPENSION OR TERMINATION FOR NONPAYMENT

In the event that any bill rendered or any deposit required is not paid, the Company may suspend service or terminate service until the bill or the required deposit has been paid. If service is suspended or terminated for nonpayment, the Customer must remit a Connection Charge as well as any payment due and any applicable deposits prior to reconnection.

Suspension or termination shall not be made until:

- At least 10 days after written notification has been served personally on the Customer, or at least 20 days after written notification has been mailed to the billing address of the Customer or;
- At least 10 days after the Customer has either signed for or refused a registered letter containing written notification mailed to the billing address of the Customer.
- Access service shall not be suspended or terminated for nonpayment on weekends, public holidays, other federal and state holidays proclaimed by the President or the Governor, or on days when the main business office of the Company is not open for business.

SECTION 2 - RULES AND REGULATIONS

2.9 SUSPENSION OR TERMINATION OF SERVICE (CONT'D)

2.9.2 EXCEPTIONS TO SUSPENSION AND TERMINATION

Access service shall not be suspended or terminated for:

- Nonpayment of bills rendered for charges other than access service or deposits requested in connection with access service;
- Nonpayment for service for which a bill has not been rendered;
- Nonpayment for service which have not been rendered;
- Nonpayment of any billed charge which is in dispute or for the nonpayment of a deposit which is in dispute during the period before a determination of the dispute is made by the Company in accordance with Company's complaint handling procedures. These procedures are in accordance with the Public Service Commission Rules and Regulations contained in 16 NYCRR Sections 631.9 and 631.10.

Access service may be suspended or terminated for nonpayment of the undisputed portion of a disputed bill or deposit if the Customer does not pay the undisputed portion after being asked to do so.

SECTION 2 - RULES AND REGULATIONS

2.9 SUSPENSION OR TERMINATION OF SERVICE (CONT'D)

2.9.3 VERIFICATION OF NONPAYMENT

Access service shall not be suspended or terminated for nonpayment of a bill rendered or a required deposit unless The Company has verified, in a manner approved by the Public Service Commission, that payment has not been received at any office of the Company or at any office of an authorized collection agent through the end of the period indicated in the notice.

SECTION 2 - RULES AND REGULATIONS

2.9 SUSPENSION OR TERMINATION OF SERVICE (CONT'D)

2.9.4 TERMINATION FOR CAUSE OTHER THAN NONPAYMENT

A. General

The Company, after notice in writing to the Customer and after having given the Customer an appropriate opportunity to respond to such notice, may terminate service and sever the connection(s) from the Customer's premises under the following conditions:

1. in the event of prohibited, unlawful or improper use of the facilities or service, or any other violation by the Customer of the rules and regulations governing the facilities and service furnished, or
2. if, in the judgment of the Company, any use of the facilities or service by the Customer may adversely affect the Company's personnel, plant, property or service. The Company shall have the right to take immediate action, including termination of the service and severing of the connection, without notice to the Customer when injury or damage to telephone personnel, plant, property or service is occurring, or is likely to occur, or
3. in the event of unauthorized use, where the Customer fails to take reasonable steps to prevent the unauthorized use of the facilities or service received from the Company, or
4. in the event that service is connected for a Customer who is indebted to the Company for service or facilities previously furnished, that service may be terminated by the Company unless the Customer satisfies the indebtedness within 20 days after written notification.

SECTION 2 - RULES AND REGULATIONS

2.9 SUSPENSION OR TERMINATION OF SERVICE

2.9.4 TERMINATION FOR CAUSE OTHER THAN NONPAYMENT(CONT'D)

B. Prohibited, Unlawful or Improper Use of the Facilities or Service

Prohibited, unlawful or improper use of the facilities or service includes, but is not limited to:

1. The use of facilities or service of the Company without payment of tariff charges;
2. Permitting fraudulent use.

C. Abandonment or Unauthorized Use of Facilities

1. If it is determined that facilities have been abandoned, or are being used by unauthorized persons, or that the Customer has failed to take reasonable steps to prevent unauthorized use, the Company may terminate access service.
2. In the event that access service is terminated for abandonment of facilities or unauthorized use and service is subsequently restored to the same Customer at the same location:
 - a. No charge shall apply for the period during which service had been terminated, and
 - b. Reconnection charges will apply when service is restored. However, no charge shall be made for reconnection if the service was terminated due to an error on the part of the Company.

SECTION 2 - RULES AND REGULATIONS

2.9 SUSPENSION OR TERMINATION OF SERVICE

2.9.4 TERMINATION FOR CAUSE OTHER THAN NONPAYMENT (CONT'D)

D. Change in the Company's Ability to Secure Access

Any change in the Company's ability (a) to secure and retain suitable facilities and rights for the construction and maintenance of the necessary circuits and equipment or (b) to secure and retain suitable space for its plant and facilities in the building where service is provided to the Customer may require termination of a Customer's service until such time as new arrangements can be made. No charges will be assessed the Customer while service is terminated, and no connection charges will apply when the service is restored.

2.9.5 EMERGENCY TERMINATION OF SERVICE

The Company will immediately terminate the service of any Customer, on request, when the Customer has reasonable belief that the service is being used by an unauthorized person or persons. The Company may require that the request be submitted in writing as a follow-up to a request made by telephone.

SECTION 2 - RULES AND REGULATIONS

2.10 OBLIGATIONS OF THE CUSTOMER

2.10.1 DAMAGES

The Customer shall reimburse the Company for damages to Company facilities utilized to provide services under this tariff caused by the negligence or willful act of the Customer, or resulting from improper use of the Company's facilities, or due to malfunction of any facilities or equipment provided by other than the Company, except that no Customer shall be liable for another Customer's actions.

2.10.2 OWNERSHIP OF FACILITIES

Facilities utilized by the Company to provide service under the provisions of this tariff shall remain the property of the Company. Such facilities shall be returned to the Company by the Customer, whenever requested, within a reasonable period following the request in as good condition as reasonable wear permits.

SECTION 2 - RULES AND REGULATIONS

2.10 OBLIGATIONS OF THE CUSTOMER (CONT'D)

2.10.3 EQUIPMENT SPACE AND POWER

The Customer shall furnish to the Company, at no charge, equipment space and electrical power required by the Company to provide services under this tariff at the points of termination of such services. The selection of AC or DC power shall be mutually agreed to by the Customer and the Company. The Customer shall make necessary arrangements in order that the Company will have access to such spaces at reasonable times for installation, testing, repair, maintenance or removal of Company service.

2.10.4 TESTING

The services provided under this tariff shall be made available to the Company at mutually agreed upon times in order to permit the Company to test, adjust and maintain the services in satisfactory operating condition. No credit will be allowed for any interruption during such tests and adjustments.

2.10.5 DESIGN OF CUSTOMER SERVICES

The Customer shall be responsible for its own expense for the overall design of its services and for any redesigning or rearrangements of its services which may be required because of changes in facilities, operations or procedures of the Company, minimum protection criteria or operating or maintenance characteristics of the facilities.

2.10.6 NETWORK CONTINGENCY COORDINATION

The Customer shall, in cooperation with the Company, coordinate in planning the actions to be taken to maintain maximum network capability following natural or man-made disasters which affect telecommunications service.

SECTION 2 - RULES AND REGULATIONS

2.10 OBLIGATIONS OF THE CUSTOMER (CONT'D)

2.10.7 DETERMINATION OF JURISDICTION

When ordering Switched Access Service, the Customer may be required to provide a projected Percent of Interstate Use (PIU) factor, which may be subject to audit by the Company. Where jurisdiction can be determined from the call detail, the Company will develop a projected PIU factor from the call detail which will be used to bill the Customer.

The Company will use the jurisdictional report provided by the Customer, or, in the absence of such report, the Company projected PIU factor developed from the call detail, to bill all interstate and intrastate rates and/or nonrecurring charges until the Company receives a revised report from the Customer or updates the Company projected PIU factor developed from the call detail.

The Customer shall keep sufficient detail from which the PIU can be ascertained for at least 18 months and upon request of the Company make the records available for inspection. Such a request will be initiated by the Company no more than once per year. The Customer shall supply the data within thirty (30) calendar days of the Company request.

The Company may, in its sole discretion:

- waive any and all of the jurisdictional reporting obligations imposed by this tariff on the Customer and/or the Company, or
- assign a default PIU of 50% if the Customer fails to provide a PIU factor to the Company.

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SECTION 2 - RULES AND REGULATIONS

2.10 OBLIGATIONS OF THE CUSTOMER (CONT'D)

2.10.8 RESERVED FOR FUTURE USE

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SECTION 2 - RULES AND REGULATIONS

2.11 RESERVED FOR FUTURE USE

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SECTION 2 - RULES AND REGULATIONS

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SECTION 2 - RULES AND REGULATIONS

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SECTION 2 - RULES AND REGULATIONS

2.11 RESERVED FOR FUTURE USE

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2.12 DETERMINATION OF MILEAGE

Distance between two points is measured as airline distance. In the case of distance measurement for tandem transport, the two points are the access tandem and the Company's End Office, Trunk Gateway, or other functionally equivalent location. Their measurement points are a set of geographic "V" (vertical) and "H" (horizontal) coordinates.

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SECTION 2 - RULES AND REGULATIONS

2.13 TELEPHONE SURCHARGES

2.13.1 GENERAL

In addition to the rates and charges applicable according to the rules and regulations of this Tariff, various surcharges apply to the customer's monthly bill statement as outlined in 2.13.2 and 2.13.3 below. If there are surcharge rates applicable, the rate will be listed in the Effective Rate Schedule of this tariff

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Any changes to the surcharge rates will be filed on a 15 days' notice to the Commission, and as directed by the Commission. Customers will be notified of any introduction, cancellation or modification of a surcharge rate and such changes will be effective on the first bill following the rate change.

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2.13.2 NEW YORK STATE GROSS REVENUE TAX SURCHARGE

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A surcharge to recover the State Excise Tax on Telecommunications Services and Gross Earnings Tax (Gross Revenue Tax), applies to all rates and charges for services in this tariff. The applicable Gross Revenue Tax Surcharge rates are shown in the Rate Schedule which is attached to this tariff. Whenever the state levies a new tax on the Company's gross revenues, repeals such a tax, or changes the rate of such tax, the Commission may approve new surcharge factors, and the Company will file revised surcharges as directed by the Commission.

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SECTION 2 - RULES AND REGULATIONS

2.13 TELEPHONE SURCHARGES (CONT'D)

2.13.3 METROPOLITAN COMMUTER TRANSPORTATION DISTRICT TAX SURCHARGE

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In the counties listed following, a surcharge to recover the additional expense related to the Temporary Metropolitan Transportation Business Tax Surcharge (MTA Tax) applies to all rates and charges for services in this tariff:

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Dutchess County
Bronx County
Nassau County
Kings County
Orange County
New York County
Putman County
Queens County
Rockland County
Richmond County
Suffolk County
Westchester County

The applicable MTA Tax rates are shown in the Rate Schedule which is attached to this tariff. Any changes to this rate will be filed on 15 days' notice to the Commission, and as directed by the Commission.

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SECTION 2 - RULES AND REGULATIONS

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