JAMES S. ALVES BRIAN H. BIBEAU ROCHELLE A. BIRNBAUM RICHARD S. BRIGHTMAN KEVIN B. COVINGTON PETER C. CUNNINGHAM RALPH A. DEMEO JODY L. FINKLEA WILLIAM H. GREEN WADE L. HOPPING GARY K. HUNTER, JR. JONATHAN T. JOHNSON LEIGH H. KELLETT ROBERT A. MANNING FRANK E. MATTHEWS RICHARD D. MELSON ANGELA R. MORRISON SHANNON L. NOVEY

HOPPING GREEN SAMS & SMITH PROFESSIONAL ASSOCIATION ATTORNEYS AND COUNSELORS 123 SOUTH CALHOUN STREET POST OFFICE BOX 6526 TALLAHASSEE, FLORIDA 32314 (850) 222-7500 FAX (850) 224-8551 FAX (850) 425-3415 www.hass.com

> Writer's Direct Dial No. (850) 425-2313

November 9, 2000

ERIC T. OLSEN GARY V. PERKO MICHAEL P. PETROVICH DAVID L. POWELL JOHN K. POWELL WILLIAM D. PRESTON CAROLYN S. RAEPPLE DOUGLAS S. ROBERTS D. KENT SAFRIET GARY P. SAMS TIMOTHY G. SCHOENWALDER ROBERT P. SMITH DAN R. STENGLE CHERYL G. STUART W. STEVE SYKES

RECEIVED- FPSC

-9 PH 2:

ORIGINATE C. BOWMAN

BY HAND DELIVERY

Blanca Bayó Director, Records and Reporting Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399

> Digital Access, LLC --Re: Application for IXC Certificate

Dear Ms. Bayó:

Enclosed for filing on behalf of Digital Access Communications of Florida, Inc. (the Company) are the original and six copies of its Application for Authority to Provide Interexchange Telecommunications Service in Florida.

Also enclosed is a check for \$250 in payment of the applicable filing fee.

Digital Access believes that the financial statements attached to the application contain proprietary, confidential business information of the Company and its affiliates within the meaning of Section 364.183(1), Florida Statutes. Accordingly, the financial statements included in Exhibit A to the application have been redacted to remove the proprietary information. An unredacted copy is being filed separately, under seal, with a claim of confidentiality pursuant to Section 364.183, Florida, Check received with filing and Statutes. **RECEIVED & FILED** 

W.5

forwarded to Fiscal for deposit UMENT NUMBER-DATE to RAR with proof of deposit. 1.1.5.9.0 NOV -98

FPSC-BUREAU OF RECORDS

mar

661687-TI

initials of person who forwarded ones FPSC-RECORDS/REPORTING Blanca Bayó November 9, 2000 Page 2

Please stamp and return the enclosed extra copy of this filing.

If you have any questions regarding this filing, please give me a call at (850) 425-2313.

Very truly yours,

Paie D. Me

Richard D. Melson

.

RDM/mee Enclosures

cc: Cara Sheppard

## \*\* FLORIDA PUBLIC SERVICE COMMISSION \*\*

# DIVISION OF TELECOMMUNICATIONS BUREAU OF CERTIFICATION AND SERVICE EVALUATION

## **APPLICATION FORM**

## for **AUTHORITY TO PROVIDE INTEREXCHANGE TELECOMMUNICATIONS SERVICE BETWEEN POINTS WITHIN THE STATE OF FLORIDA**

#### Instructions:

- This form is used as an application for an original certificate and for approval of the assignment or transfer of an existing certificate. In the case of an assignment or transfer, the information provided shall be for the assignee or transferee (See Appendix A).
- Print or type all responses to each item requested in the application and appendices. If an item is not applicable, please explain why.
- Use a separate sheet for each answer which will not fit the allotted space.
- Once completed, submit the original and six (6) copies of this form along with a non-٠ refundable application fee of \$250.00 to:

**Florida Public Service Commission Division of Records and Reporting** 2540 Shumard Oak Blvd. Tallahassee, Florida 32399-0850 (850) 413-6770

If you have questions about completing the form, contact:

Florida Public Service Commission **Division of Telecommunications Bureau of Certification and Service Evaluation** 2540 Shumard Oak Blvd. Tallahassee, Florida 32399-0850 (850) 413-6600

FORM PSC/CMU 31 (12/96) Required by Commission Rule Nos. 25.24-470, 25-24.471, and 25-24.473, 25-24.480(2)

DOCUMENT NUMBER-DATE 14522 NOV-98

FPSC-RECORDS/REPORTING

#### APPLICATION

- 1. This is an application for (check one):
  - $(\sqrt{1})$  Original certificate (new company).
  - Approval of transfer of existing certificate: <u>Example</u>, a noncertificated company purchases an existing company and desires to retain the original certificate of authority.
  - Approval of assignment of existing certificate: <u>Example</u>, a certified company purchases an existing company and desires to retain the certificate of authority of that company rather than apply for a new certificate.
  - Approval of transfer of control: <u>Example</u>, a company purchases 51% of a certified company. The Commission must approve the new controlling entity.
- 2. Name of company:

Digital Access Communications of Florida, Inc. ("Digital Access")

3. Name under which the applicant will do business (fictitious name, etc.):

Digital Access Communications of Florida, Inc.

4. Official mailing address (including street name & number, post office box, city, state, zip code):

Digital Access Communications of Florida, Inc 3 Bala Plaza East - Suite 605 Bala Cynwyd, PA 19004

# 5. Florida address (including street name & number, post office box, city, state, zip code):

Although the company will be maintaining an office in Florida, it has not yet secured its space. Digital Access will supply this information once it selects its office location.

- 6. Select what type of business your company will be conducting (check all that apply):
  - () Facilities based carrier company owns and operates or plans to own and operate telecommunications switches and transmission facilities in Florida.
  - (X) **Operator Service Provider** company provides or plans to provide alternative operator services for IXCs; or toll operator services to call aggregator locations; or clearinghouse services to bill such calls.
  - (X) **Reseller** company has or plans to have one or more switches but primarily leases the transmission facilities of other carriers. Bills its own customer base for services used.
  - () Switchless Rebiller company has no switch or transmission facilities but may have a billing computer. Aggregates traffic to obtain bulk discounts from underlying carrier. Rebills end users at a rate above its discount but generally below the rate end users would pay for unaggregated traffic.
  - () Switchless Rebiller company has no switch or transmission facilities but may have a billing computer. Aggregates traffic to obtain bulk discounts from underlying carrier.
  - () **Multi-Location Discount Aggregator** company contracts with unaffiliated entities to obtain bulk/volume discounts under multi-location discount plans from certain underlying carriers. Then offers the resold service by enrolling unaffiliated customers.
  - () **Prepaid Debit Card Provider** any person or entity that purchases 800 access from an underlying carrier or unaffiliated entity for use with prepaid debit card service and/or encodes the cards with personal identification numbers.

## 7. Structure of organization:

- () Individual
- ) Foreign Corporation
- ( ) General Partnership
- () Other

- $(\sqrt{})$  Corporation
  - ) Foreign Partnership
  - ) Limited Partnership

## 8. If individual, provide:

| Name:                     |          |  |
|---------------------------|----------|--|
| Title:                    |          |  |
| Address:                  |          |  |
|                           |          |  |
| Telephone No.:            | Fax No.: |  |
| Internet E-Mail Address:  |          |  |
| Internet Website Address: |          |  |

- 9. <u>If incorporated in Florida</u>, provide proof of authority to operate in Florida:
  - (a) The Florida Secretary of State corporate registration number.

## 10. If foreign corporation, provide proof of authority to operate in Florida:

(a) The Florida Secretary of State corporate registration number:

F0000004281

- 11. <u>If using fictitious name-d/b/a</u>, provide proof of compliance with fictitious name statute (Chapter 865.09, FS) to operate in Florida:
  - (a) The Florida Secretary of State fictitious name registration number:

Not applicable.

12. <u>If a limited liability partnership</u>, provide proof of registration to operate in Florida:

(a) The Florida Secretary of State registration number:

13. **If a partnership,** provide name, title and address of all partners and a copy of the partnership agreement.

| Nam   | e:   |                    |  |
|-------|--|--------------------|--|
| Title | :  |                    |  |
| Add   | ress:  |                    |  |
| City/ | State/Zip:   |                    |  |
| Telej | phone No.:   |                    | Fax No.:   |
| Inter | net E-Mail Addro                                       | ss:                |  |
| Inter | net Website Addı                                       | 'ess:              |  |
|       |  |                    | e proof of compliance with the foreign 69, FS), if applicable. |
| (a)   | The Florida reg  | gistration number  | r:   |
|       | Not applicable   |                    |  |
| Prov  | ide F.E.I. Numbe                                       | (if applicable):   | 23-3048953   |
| Prov  | ide the following (                                    | (if applicable):   |  |
| (a)   | Will the name of                                       | of your company    | appear on the bill for your services?                          |
|       | ( x ) Yes  | ( ) No             |  |
| (b)   | If not, who will                                       | bill for your serv | vices?   |
|       | Name:<br>Address:<br>City/State/Zip:<br>Telephone No.: |                    | Fax No.:   |
| (c)   | How is this info                                       | ormation provide   | d?   |
|       | The Company's  | name, address and  | d toll-free 1/877 number will appear on                        |

the bill insert with every customer bill.

14.

15.

16.

| 17. Who will receive bills for your ser | vice? |
|---|-------|
|---|-------|

- (√) **Residential Customers**
- ( )
- PATs providers Hotels & Motels ( )
- Universities ()
- ()Other (specify)
- (√) **Business Customers**
- PATs station end-users ()
- ( )
- Hotel and Motel guests Universities dormitory residents

#### 18. Who will serve as liaison to the Commission with regard to the following ?

( )

| (a) The application  | n:   |                     |                |
|--|--|---------------------|----------------|
| Name:  | Cara E. Sheppard                                     |                     |                |
| Title:   | Attorney - Fleischman                                | n and Walsh         | , L.L.P.       |
| Address:   | 1400 Sixteenth Street                                | , N.W. <b>-</b> Sui | te 600         |
| City/State/Zip:  | Washington, DC 2003                                  | 36                  |                |
| Telephone No.:   | (202) 939-7900                                       | Fax No.:            | (202) 588-0095 |
| Internet E-Mail Add  | lress:   | csheppard@          | )fw-law.com    |
| Internet Website Ad  | dress:   | www.fw-la           | w.com          |
| (b) Official point of contact for the ongoing operations of the company: |  |                     |                |
| Name:  | Samuel W. Morris, Jr                                 |                     |                |
| Title:   | Vice President                                       |                     |                |
| Address:   | Digital Access, Inc., - 3 Bala Plaza East, Suite 605 |                     |                |
| City/State/Zip:  | Bala Cynwyd, PA 19004                                |                     |                |
| Telephone No.:   | (877) 501-8490                                       | Fax No.:            | (610) 660-8417 |
| Internet E-Mail Address: sam.morris@digitalaccessinc.com                 |  |                     |                |
| Internet Website Address: www.digitalaccessinc.com                       |  |                     |                |

## (c) Complaints/Inquiries from customers:

| Name:  | Thomas A. Gailey, Jr.               |                         |  |
|--|-------------------------------------|-------------------------|--|
| Title:   | Vice President of Corporate Affairs |                         |  |
| Address:   | Bala Plaza East, Suite 605          |                         |  |
| City/State/Zip:  | Bala Cynwyd, PA 19004               |                         |  |
| Telephone:   | (877) 501-8490                      | Fax No.: (610) 660-8417 |  |
| Internet E-Mail Address: tom.gailey@digitalaccessinc.com |                                     |                         |  |
| Internet Website Address: www.digitalaccessinc.com       |                                     |                         |  |

#### 19. List the states in which the applicant:

#### (a) has operated as an interexchange telecommunications company.

Digital Access has not operated as an interexchange telecommunications

company in any state.

## (b) has applications pending to be certificated as an interexchange telecommunications company.

Digital Access has no application pending to be certified as an

interexchange telecommunications company.

(c) is certificated to operate as an interexchange telecommunications company.

Digital Access is certified to operate as an interexchange

telecommunications company in Wisconsin, Indiana, Kansas, Missouri,

and Tennessee.

(d) has been denied authority to operate as an interexchange telecommunications company and the circumstances involved.

Digital Access has not been denied authority to operate as an

interexchange telecommunications company in any state.

# (e) has had regulatory penalties imposed for violations of telecommunications statutes and the circumstances involved.

Digital Access has not had regulatory penalties imposed for violations of

telecommunications statutes by any state.

(f) has been involved in civil court proceedings with an interexchange carrier, local exchange company or other telecommunications entity, and the circumstances involved.

Digital Access has never been involved in civil court proceedings with an

interexchange carrier, local exchange company or other

telecommunications company.

- 20. Indicate if any of the officers, directors, or any of the ten largest stockholders have previously been:
  - (a) adjusted bankrupt, mentally incompetent, or found guilty of any felony or of any crime, or whether such actions may result from pending proceedings. <u>Provide explanation</u>.

None of the officers, directors, or any of the ten largest stockholders of Digital

Access have previously been adjusted bankrupt, mentally incompetent, or found

guilty of any felony or of any crime, nor will such actions result from pending

proceedings.

(b) an officer, director, partner or stockholder in any other Florida certificated telephone company. If yes, give name of company and relationship. If no longer associated with company, <u>give reason why</u> <u>not</u>. None of the officers, directors, or any of the ten largest stockholders of Digital

Access have previously been officers, directors, partners or stockholders in any

other Florida certificated telephone company.

# 21. The applicant will provide the following interexchange carrier services (check all that apply):

- MTS with distance sensitive per minute rates
- \_\_\_\_ Method of access is FGA
- \_\_\_\_\_ Method of access is FGB
- \_\_\_\_\_ Method of access is FGD
- \_\_\_\_ Method of access is 800

#### \_\_\_\_ MTS with route specific rates per minute

- Method of access is FGA
- \_\_\_\_ Method of access is FGB
- Method of access is FGD
- Method of access is 800
- X MTS with statewide flat rates per minute (i.e. not distance sensitive)
- Method of access is FGA
- \_\_\_\_ Method of access is FGB
- X Method of access is FGD
- \_\_\_\_ Method of access is 800
  - MTS for pay telephone service providers
- Block-of-time calling plan (reach out Florida, Ring America, etc.).
- X 800 Service (toll-free)
- WATS type service (bulk or volume discount)
- \_\_\_\_\_ Method of access is via dedicated facilities
- \_\_\_\_\_ Method of access is via switched facilities
- \_\_\_\_ Private line services (Channel Services)
- MTS for pay telephone service providers

- \_\_\_\_ Block-of-time calling plan (Reach out Florida, Ring America etc.).
- \_\_\_\_ 800 Service (toll free)
- \_\_\_\_\_ WATS type service (bulk or volume discount)
- \_\_\_\_\_ Method of access is via dedicated facilities
- \_\_\_\_ Method of access is via switched facilities
- \_\_\_\_ Private Line services (Channel Services) (For ex. 1.544 mbs., DS-3, etc.)
- \_\_\_\_ Travel Service
- \_\_\_\_ Method of access is 950
- \_\_\_\_ Method of access is 800
- \_\_\_\_ 900 services

## \_X\_ Operator Services

- X\_ Available to presubscribed customers
- Available to non-presubscribed customers (for example to patrons of hotels, students in universities, patients in hospitals.
  - \_\_\_\_ Available to inmates

## Services included are:

- \_\_\_\_ Station assistance
- \_\_\_\_\_ Person to Person assistance
- \_\_\_\_ Directory assistance
- \_\_\_\_ Operator verify and interrupt
- \_\_\_\_ Conference Calling
- 22. Please submit the proposed tariff under which the company plans to begin operation. Use the format required by Commission Rule 25-24.485 (example enclosed).

See Exhibit D.

#### 23. Submit the following:

## A. Financial capability.

The application <u>should contain</u> the applicant's audited financial statements for the most recent 3 years. If the applicant does not have audited financial statements, it shall so be stated.

The unaudited financial statements should be signed by the applicant's chief executive officer and chief financial officer <u>affirming that the financial statements</u> are true and correct and should include:

- 1. the balance sheet;
- 2. income statement; and
- 3. statement of retained earnings.

**NOTE:** This documentation may include, but is not limited to, financial statements, a projected profit and loss statement, credit references, credit bureau reports, and descriptions of business relationships with financial institutions.

Further, the following (which includes supporting documentation) should be provided:

- 1. <u>written</u> explanation that the applicant has sufficient financial capability to provide the requested service in the geographic area proposed to be served.
- 2. <u>written explanation</u> that the applicant has sufficient financial capability to maintain the requested service.
- 3. <u>written</u> explanation that the applicant has sufficient financial capability to meet its lease or ownership obligations.

See Exhibit A.

B. Managerial capability: give resumes of employees/officers of the company that would indicate sufficient managerial experiences of each.

See Exhibit B.

C. Technical capability: give resumes of employees/officers of the company that would indicate sufficient technical experiences or indicate what company has been contracted to conduct technical maintenance.

See Exhibit C.

## **\*\* APPLICANT ACKNOWLEDGMENT STATEMENT\*\***

- 1. **REGULATORY ASSESSMENT FEE:** I understand that all telephone companies must pay a regulatory assessment fee in the amount of <u>.15 of one percent</u> of gross operating revenue derived from intrastate business. Regardless of the gross operating revenue of a company, a minimum annual fee of \$50 is required.
- 1. **GROSS RECEIPTS TAX:** I understand that all telephone companies must pay a gross receipts tax of two and one-half percent on all intra and interstate business.
- 2. **SALES TAX:** I understand that a seven percent sales tax must be paid on intra and interstate revenues.
- 3. **APPLICATION FEE:** I understand that a non-refundable application fee of \$250.00 must be submitted with the application.

| UTILITY OFFICIAL: |                              |    |                |   |
|-------------------|------------------------------|----|----------------|---|
| $\sum$            | I be through                 | )  | 6 00           |   |
| - Sig             | nature                       | D  | ate            |   |
| Vie               | e President                  | (( | 610) 949-7571  | _ |
|                   | Title                        | T  | elephone No. # |   |
| Address: _        | 3 Bala Plaza East, Suite 605 | (  | 610) 660-8417  | - |
|                   |                              | Fa | ax. No. #      |   |
|                   | Bala Cynwyd, PA 19004        |    |                |   |

## **CUSTOMER DEPOSITS AND ADVANCE PAYMENTS**

A statement of how the Commission can be assured of the security of the customer's deposits and advance payments may be provided in one of the following ways (applicant, please check one):

- (X) The applicant will not collect deposits nor will it collect payments for service more than one month in advance.
- ( ) The applicant intends to collect deposits and/or advance payments for more than one month's service and will file and maintain a surety bond with the Commission in an amount equal to the current balance of deposits and advance payments in excess of one month. (The bond must accompany the application.)

| UTILITY OFFICIAL:                            | (16/02  |
|--|---|
| Signature                                    | Date  |
| Vice President<br>Title                      | <u>(877) 501-8490</u><br><b>Telephone No.</b> |
| Address: <u>3 Bala Plaza East, Suite 605</u> | (610) 660-8417<br>Fax No.                     |
| Bala Cynwyd, PA 19004                        | F 4A 110.                                     |
|  |   |

## \*\* APPENDIX C \*\*

## **CURRENT FLORIDA INTRASTATE SERVICES**

Applicant has ( ) or has not ( x ) previously provided intrastate telecommunications in Florida.

If the answer is <u>yes</u>, fully describe the following:

What services have been provided and when did these services begin? a)

If the services are not currently offered, when were they discontinued? b)

UTILITY OFFICIAL:

Signature

Vice President Title

Address: <u>3 Bala Plaza East, Suite 605</u>

Bala Cynwyd, PA 19004

116/00

Date

(877) 501-8490 **Telephone No.** 

<u>(610) 660-8417</u> Fax No.

FORM PSC/CMU 31 (12/96) Required by Commission Rule Nos. 25.24-470, 25-24.471, and 25-24.473, 25-24.480(2)

#### \*\* APPENDIX D \*\*

#### **AFFIDAVIT**

By my signature below, I, the undersigned officer, attest to the accuracy of the information contained in this application and attached documents and that the applicant has the technical expertise, managerial ability, and financial capability to provide interexchange telecommunications company service in the State of Florida. I have read the foregoing and declare that, to the best of my knowledge and belief, the information is true and correct. I attest that I have the authority to sign on behalf of my company and agree to comply, now and in the future, with all applicable Commission rules and orders.

Further, I am aware that, pursuant to Chapter 837.06, Florida Statutes, "Whoever knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his official duty shall be guilty of a misdemeanor of the second degree, punishable as provided in s. 775.082 and s. 775.083."

| <b>UTILITY OFFICIAL</b> | <u>[</u> : |
|-------------------------|------------|
| , ju                    | hround     |
| Signature               |            |

Vice President Title

|   | Le   | 6/00 | <br> |
|---|------|------|------|
| 1 | Date |      |      |

Date

(877) 501-8490 Telephone No. #

Address: 3 Bala Plaza East, Suite 605

Bala Cynwyd, PA 19004

(610) 660-8417 Fax. No. #

**EXHIBIT A - FINANCIAL** 

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#### EXHIBIT A – FINANCIAL

Digital Access is financially qualified to provide telecommunications services in Florida. Through its parent LLC and affiliate, Digital Access, Inc., Digital Access has access to the financing and capital necessary to conduct its telecommunications operations in Florida as specified in this application. Filed under seal in a separate envelope as confidential pursuant to Fla. Stat. ch. 364.183(1) are the financial statements of Digital Access LLC (formed in April of 2000) through August 31, 2000 and the audited financial statements of Digital Access, Inc. from August 24<sup>th</sup> through December 31<sup>st</sup>, 1999.

Digital Access has secured commitments of up to \$451 million in equity funding from investors to develop and deploy the Digital Access network. Also attached is a copy of the certification of Committed Capital from the Controller of Digital Access, LLC, Thomas C. MacGuire, Jr., reflecting this funding commitment and the fact that to date, the investor group has invested \$85,000,059 in Digital Access, LLC. Thus, Digital Access possesses adequate resources to construct and maintain its telecommunications system and meet any applicable lease or ownership obligations for its telecommunications network in Florida.

## **Certification of Committed Capital**

October 26, 2000

Pursuant to the agreements between Digital Access, LLC and its group of experienced venture capital investors, the investors have committed to provide up to \$451 million of equity capital to fund the development and deployment of the Digital Access network on an as-needed basis. To date, the investor group has collectively invested \$85,000,059 in Digital Access, LLC.

DIGITAL ACCESS, LLC

By:

Mynn, J

Thomas C. Maguire, Jr. Controller



The next generation digital broadband service provider

## Certificate of Chief Financial Officer Digital Access, LLC

The accompanying unaudited balance sheet and the related statement of operations, to my knowledge, present fairly the financial position Digital Access, LLC at August 31, 2000 in conformity with generally accepted accounting principles.

Site Sim-.45

Thomas J. Fitzpatrick Chief Financial Officer

November 6, 2000

#### DIGITAL ACCESS, LLC INCOME STATEMENT/ START UP COSTS (Unaudited)

Through 8/31/00

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## EXPENSES

| Payroll<br>Wages<br>Bonuses<br>Benefits<br>Payroll Taxes<br>Temporary Help  |    |
|---|----|
| Total Salary & Benefits   | \$ |
| Operating Expenses<br>Recruitment<br>Misc Employee Costs<br>Travel<br>Meals<br>Insurance<br>Rents & Leases<br>Utilities<br>Telephone<br>Professional Fees<br>Management Fees<br>Office Expenses |    |
| Total Operating Expenses  |    |
| Total Start Up Expenses   | \$ |
| Other Income/Expense<br>Interest Income<br>Interest Expense   |    |
| Net Interest (Income)/Expense   | \$ |
| Business Taxes<br>Depreciation  |    |
| Total Other (Income)/Expense  | \$ |
| Net Start Up Expenses   | \$ |

Effective Date: 8/22/00 5:45 pm C:\windows\TEMP\9-11-00 franchmkldevelopcosts.xis}Sheet1

#### DIGITAL ACCESS, LLC BALANCE SHEET (Unaudited)

Cash & Equivalents Short Term Investment Prepaid Expenses Misc Receivables Accounts Receivable Property, Plant & Equipment Accumulated Depreciation Other Assets

#### **Total Assets**

•.

Accounts Payable Accounts Payable Intercompany Accrued Expenses Accrued Employee Compensation

#### **Total Liabilities**

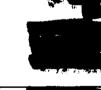
Preferred Stock - \$.01 Par Common Stock - Class A \$.01 Par Common Stock - Class B \$.01 Par Additional Paid In Capital - Preferred Retained Earnings Current Years - Earnings

#### Total Stockholders Equity

Total Liabilities & Equity

# 

FINAL As of 8/31/00







\* K

n server

Effective Date: 8/22/00 5:45 pm C:\windows\TEMP\(9-11-00 franchmktdevelopcosts.xis)Sheet1

## DIGITAL ACCESS, INC. (A Development Stage Company)

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\_\_\_\_\_ ,

> Report on Audit of Financial Statements For the period from August 24, 1999 (inception) to December 31, 1999

## DIGITAL ACCESS, INC. (A Development Stage Company)

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## INDEX TO FINANCIAL STATEMENTS

|  | <u>Page</u> |
|--|-------------|
| Report of PricewaterhouseCoopers LLP   | 2           |
| Balance Sheet as of December 31, 1999  | 3           |
| Statement of Operations for the period August 24, 1999 (inception) to December 31, 1999              | 4           |
| Statement of Changes in Total Equity for the period August 24, 1999 (inception) to December 31, 1999 | 5           |
| Statement of Cash Flows for the period August 24, 1999 (inception) to December 31, 1999              | 6           |
| Notes to Financial Statements  | 7 - 9       |

# PriceWATerhouseCoopers 🛛

PricewaterhouseCoopers LLP 2400 Eleven Penn Center Philadelphia PA 19103-2962 Telephone (215) 963 8000 Facsimile (215) 963 8700

#### **REPORT OF INDEPENDENT ACCOUNTANTS**

To the Board of Directors and Stockholders of Digital Access, Inc.:

In our opinion, the accompanying balance sheet and the related statement of operations, changes in Stockholders' equity and cash flows present fairly, in all material respects, the financial position Digital Access, Inc. at December 31, 1999, and the results of their operations and their cash flows for the period August 24, 1999 (inception) to December 31, 1999 in conformity with accounting principles generally accepted in the United States. These financial statements are the responsibility of the Company's management; our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audit of these statements in accordance with auditing standards generally accepted in the United States, which require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for the opinion expressed above.

Precewatechouseleoper (P

March 8, 2000

Digital Access, Inc (A Development Stage Company) Balance Sheet December 31, 1999

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| ASSETS  | 1999 |
|---|------|
| Current assets:   |      |
| Cash and cash equivalents<br>Prepaid expenses and other<br>Total current assets   |      |
| Property and equipment, net   |      |
| Total assets  |      |
| LIABILITIES AND STOCKHOLDERS' EQUITY  |      |
| Current liabilities:<br>Accounts payable and accrued expenses<br>Accounts payable - affiliate<br>Total liabilities<br>Commitments and Contingent Liabilities  |      |
| Stockholders' equity:<br>Preferred Stock; par value: shares authorized;<br>10,000 shares issued and outstanding<br>Class A Common Stock; par value; shares<br>authorized: sisued and outstanding<br>Class B Common Stock; par value; shares<br>authorized: sisued and outstanding<br>Additional paid-in capital<br>Deficit accumulated during development stage<br>Total stockholders' equity |      |
| Total liabilities and stockholders' equity  |      |

Digital Access, Inc (A Development Stage Company) Statements of Operations for the Period August 24, 1999 (inception) to December 31, 1999

Operating expenses:

•

•

Administrative Expenses Management fees Depreciation

Loss from operations Interest income Net loss 

#### Digital Access, Inc (A Development Stage Company) Statements of Stockholders' Equity for the Period August 24, 1999 (inception) to December 31, 1999

| Preferred Stock     |              | Class A Common Stock |              | Class B Common Stock |              | Additional         | Deficit Accumulated             |              |
|---------------------|--------------|----------------------|--------------|----------------------|--------------|--------------------|---------------------------------|--------------|
| Number<br>of Shares | Par<br>Value | Number<br>of Shates  | Par<br>Value | Number<br>of Shares  | Par<br>Value | Paid-In<br>Capital | During the<br>Development Stage | Total Equity |
|                     |              |                      |              |                      |              |                    |                                 |              |
|                     |              |                      |              |                      |              |                    |                                 | <b>e</b>     |
|                     |              |                      |              |                      |              |                    |                                 | )            |
|                     |              |                      |              |                      |              |                    |                                 |              |
| -                   |              |                      |              |                      |              |                    | 7                               |              |
|                     |              |                      |              |                      |              |                    |                                 |              |
|                     |              |                      |              |                      |              |                    |                                 |              |

Balance as of August 24, 1999 (inception) Issuance of shares of Class A common stock on September 3, 1999 for eash Issuance of shares of Class A common stock on December 10, 1999 for eash Issuance of shares of Class B common stock on September 3, 1999 for eash Issuance of shares of preferred stock on September 3, 1999 for eash Issuance of shares of preferred stock on September 3, 1999 for eash Issuance of shares of preferred stock on December 10, 1999 for eash Net loss Balances at December 31, 1999

Digital Access. Inc (A Development Stage Company) Statement of Cash Flows for the Period August 24, 1999 (inception) to December 31, 1999

Cash flows from operating activities: Net Loss Adjustments to reconcile net loss to net cash provided by operating activities: Depreciation Change in assets and liabilities: Prepaid expenses and other Accounts payable and accrued expenses Amounts due affiliates Net cash used in operating activities

Cash flows from investing activities: Purchase of Property & Equipment Net cash used in investing activities

Cash flows from financing activities: Proceeds from the issuance of common stock Proceeds from the issuance of preferred stock Net cash provided by for financing activities

Net increase in cash and cash equivalents Cash and cash equivalents. beginning of year

Cash and cash equivalents, end of year

#### DIGITAL ACCESS, INC. (A Development Stage Company) NOTES TO FINANCIAL STATEMENTS

#### 1. The Company:

Digital Access, Inc. (the "Company") formed on August 24, 1999 in the state of Delaware is a multi-media. digital broadband service provider who is launching new service across the Unites States with a combination of communications services including telephone, video, and data through a newly constructed single, high quality digital fiber optic network.

The Company is a development stage enterprise, as defined by Financial Accounting Standards ("FAS") No. 7, "Accounting and Reporting by Development Stage Enterprises."

#### 2. Summary of Significant Accounting Policies:

#### Use of Estimates in the Preparation of Financial Statements:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingencies. Actual results could differ from those estimates.

#### Cash and Cash Equivalents:

Cash and cash equivalents include highly liquid investments purchased with an initial maturity of three months or less.

#### Long-Lived Assets:

**4**.500

The Company's assets are reviewed for impairment whenever events or circumstances provide evidence which suggest the carrying amounts may not be recoverable. The Company assesses the recoverability of its assets by determining whether the net book value of the respective asset balance can be recovered through projected undiscounted future cash flows. To date, no such impairments have occurred.

#### Property and Equipment:

Property and equipment are stated at cost. The cost and related accumulated depreciation of assets fully depreciated, sold, retired or otherwise disposed of are removed from the respective accounts and any resulting gains or losses are included in the statement of operations.

Depreciation is computed for financial reporting purposes using the straight-line method based upon the following lives:

| Computer Equipment | 3 years |
|--------------------|---------|
| Office Equipment   | 3 years |

#### Income Taxes:

The Company accounts for income taxes utilizing the asset and liability approach, whereby deferred tax assets and liabilities are recorded for the tax effect of differences between the financial statement carrying values and tax bases of assets and liabilities. A valuation allowance is recorded for deferred taxes where it appears more likely than not that the Company will not be able to recover the deferred tax asset.

#### Concentration of Credit Risk:

Financial instruments which potentially subject the Company to concentrations of credit risk consist principally of cash and cash equivalents with balances in excess of FDIC limits.

#### DIGITAL ACCESS, INC. (A Development Stage Company) NOTES TO FINANCIAL STATEMENTS

#### 2. Summary of Significant Accounting Policies: - (Continued)

#### New Accounting Pronouncements:

In June 1998, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 133, "Accounting for Derivative Instruments and Hedging Activities" ("SFAS No. 133"). As a result of the subsequent issuance of SFAS No. 137 in July 1999, SFAS No. 133 is now effective for fiscal years beginning after June 15, 2000. SFAS No. 133 establishes accounting and reporting standards for derivative instruments and for hedging activities. The Company does not expect that the adoption of SFAS No. 133 will have a material effect on our business, financial position or results of operations.

December 31, 1999

#### 3. Property and Equipment:

Property and equipment consist of the following:

| Computer Equipment<br>Office Equipment                 |  |
|--|--|
| Accumulated depreciation<br>Net property and equipment |  |

#### 4. Common Stock:

| As of August 24, 1999 (ince | ption) the Company authorized | ar value per share |
|-----------------------------|-------------------------------|--------------------|
| common stock                |                               |                    |

Each share of Class B Common Stock is convertible into one share of Class A Common Stock, adjusted for subsequent issuances of Class A Common Stock. Each holder of Class B Common Stock is entitled to one vote per share of Class A Common Stock into which each share of Class B Common Stock is convertible.

#### 5. Preferred Stock:

In September & December 1999 the Company issued the shares of its Preferred Stock for total proceeds, net of issuance costs the shares were issued in the shares were issued in the share.

The preferred stockholders are entitled to cumulative dividends at a rate of the per annum on the purchase price and any accrued unpaid dividends from previous years. As of December 31, 1999 there is the per share of dividends in arrears. In the event of a liquidation, the holders would be entitled after provision for the payment of the Corporation's debts and other liabilities, to be paid the purchase price per share and any unpaid dividends. There are no voting powers associated with the Preferred Stock.

#### 6. Income Taxes:

The significant components of deferred tax assets at December 31, 1999 are as follows:

| Deferred tax assets:   |  |
|------------------------|--|
| Start-up Costs         |  |
| Valuation allowance    |  |
| Net deferred tax asset |  |

1999

#### DIGITAL ACCESS, INC. (A Development Stage Company) NOTES TO FINANCIAL STATEMENTS

A valuation allowance was established against the Company's net deferred tax asset due to the Company's lack of earnings history and, accordingly, uncertainty as to the realization of the asset.

#### 8. Related Party Transactions:

The Company utilizes the consulting and advisory services of Bachow and Associates whose President is also a director of the Company. For the period August 24, 1999 (inception) to December 31, 1999 the fees paid to Bachow & Associates were advected. Total amounts billed to Bachow & Associates at December 31, 1999 are

#### 9. Subsequent Events:

The Company has entered into three non cancelable operating leases for its office facilities in Brookfield, Wisconsin, Overland Park, Kansas, and Bala Cynwyd. PA. The leases on the office facilities begin in March 2000. The future minimum rental commitments total and the definition of the future set.

The Company established a 401(k) profit sharing plan on January 1, 2000 under which all employees are eligible to participate. Participants may make salary deferral contributions of the salary to the 401(k) Plan.

## EXHIBITS B and C-

## **MANAGERIAL and TECHNICAL**

## EXHIBITS B and C-

## **MANAGERIAL and TECHNICAL**

Digital Access Communications of Florida, Inc. has assembled an experienced team of industry professionals to achieve its mission of market leadership. The following summaries highlight its management's extensive background in management and technology.

## Joseph W. Cece, Chief Executive Officer

As CEO, Mr. Cece will be responsible for overall leadership and for hiring key management representatives with appropriate industry experience.

Mr. Cece brings to Digital Access an extensive background in digital and Internet technologies. His career has been broad, encompassing a wealth of leadership experience in the development and roll-out of telephony, video and data services. His career includes supervising the start-up and operations of Cablevision Lightpath, Inc. a competing local exchange provider in the New York metropolitan region. Mr. Cece helped grow the business of this CLEC from \$1 million in annual revenues to more than \$60 million over a period of years.

Prior to joining Digital Access in January 2000, Mr. Cece served as president and chief operating officer for Suburban Cable, a wholly owned subsidiary of Lenfest Communications, Inc. (LCI). While at Suburban Cable, Mr. Cece was responsible for all of the company's operations, including the rebuild of a 20,000-mile network. During his tenure, the company successfully launched two new services - high speed Internet access (Suburban@Home) and Suburban Digital video.

Preceding his post at LCI, Mr. Cece served as president of digital services for Cablevision Systems Corporation (CSC). He was responsible for executive management of the company's emerging digital services, including commercial and residential telephony, high-speed Internet access and digital video programming. His work included the launch of both Optimum Online, the company's high-speed Internet access service, and Optimum Telephone, one of the cable industry's first deployments of residential phone service.

Mr. Cece received a Bachelor of Science degree in accounting, summa cum laude, from Fairleigh Dickinson University.

#### Steven Rabbitt, President and Chief Operating Officer

Stephen J. Rabbit will manage all business operations for Digital Access, including customer service, sales, marketing, plant and field operations and human resources.

Mr. Rabbit has more than 20 years of senior level experience leading the financial, marketing and customer service operations of communications companies. Prior to joining Digital Access, Mr. Rabbit was Senior Vice President of Retail Businesses for Cablevision Systems Corp. of Bethpage, N.Y. He was responsible for managing Cablevision's retail operations and overseeing the delivery of Cablevision's advanced digital services through the company's The Wiz electronics retail outlet chain.

Before this, Mr. Rabbit was Senior Vice President for Consumer Telecommunications Services for Cablevision. He was responsible for managing all aspects of customer contact for the company's 2.8 million New York metropolitan area consumers. Under his leadership, the company achieved a 2.7 percent increase in video customers and a 370 percent increase in high-speed Internet customers in 1999. Mr. Rabbit also served Cablevision as a Regional Vice President of Operations for New Jersey with responsibility for budgeting, sales, customer service and engineering.

Prior to joining Cablevision, Mr. Rabbitt served as a Senior Vice President for Charter Communications in St. Louis, where he was responsible for 15 cable systems in eight states. His other positions include Executive Vice President for C-TEC Corporation of Princeton, NJ; Executive Vice President and Chief Operating Officer for C-TEC Cable Systems; Senior Vice President for Crown Media, Inc. of Dallas; and Regional Vice President for Jones Intercable.

Mr. Rabbitt received a Master's degree from Fairleigh Dickinson University and a Bachelor's degree from the University of Bridgeport.

## Samuel W. Morris, Jr., Vice President and Secretary

Mr. Morris will serve Digital Access as Vice President and Secretary.

He is also Vice President and Secretary of Digital Access L.L.C.'s subsidiary companies. In this position, Mr. Morris is responsible for overseeing all external affairs of Digital Access, including franchising, public relations, government affairs and legal affairs.

Prior to joining Digital Access on March 20, 2000, Mr. Morris was Senior Vice President-General Counsel of Lenfest Communications, Inc., a diversified entertainment and communications company based in Oaks, Pennsylvania. In that role, Mr. Morris had responsibility for franchising, external affairs and all legal matters for Suburban Cable, Lenfest Communications' 1.1-million-customer multiple cable system operator. Mr. Morris joined Lenfest Communications in November, 1993.

Prior to joining Lenfest Communications, Mr. Morris was a founding and senior partner of Hoyle, Morris & Kerr, and a partner in the law firm of Dilworth, Paxson, Kalish & Kauffman.

He is a graduate of Harvard College and the National Law Center, George Washington University.

# Josephine Young, Chief Information Officer

Josephine Young is the Chief Information Officer at Digital Access and is responsible for overseeing all of the company's information technology (IT) initiatives.

Ms. Young joined Digital Access from Nextlink, where she held was responsible for the company's IT initiatives. Over a period of four (4) years, Ms. Young was instrumental in managing the growth of Nextlink, a leading CLEC, from its inception to the deployment of  $2^{nd}$  generation OSS.

Prior to joining NextLink, Ms. Young was director of OSS for SP Telecom.

Ms. Young holds a BAA from George Washington University, *summa cum laude*, an MBA from Wichita State University's Barton School of Business, *summa cum laude*, and has completed her course work and exams in Decision & Information System of Arizona State University College of Business.

## Norman E. Shaw, Chief Technology Officer

Mr. Shaw will oversee the development and implementation of Digital Access's broadband communications network. Mr. Shaw's responsibilities will include the meshing of voice, video and data technologies to provide a platform for Digital Access bundled service offerings.

Mr. Shaw was most recently executive director of engineering for Adelphia Business Solutions in Pittsburgh, PA. He was a member of the executive team at Adelphia and responsible for the determination of the technical foundation supporting nationwide integrated communications services.

Before joining Adelphia, Mr. Shaw held several positions at AT&T Wireless Services, including director of transport engineering. He also served as an adjunct professor in the Graduate School of Information Technology at Syracuse University.

Mr. Shaw has Bachelor's and Master's degrees in Electrical Engineering from the University of South Florida. He is completing work at the University of Pittsburgh on a Ph.D. in Electrical Engineering.

## Thomas J. Fitzpatrick, Chief Financial Officer

Mr. Fitzpatrick will direct the financial affairs of Digital Access. He brings more than 20 years of experience in all areas of financial management to Digital Access.

Mr. Fitzpatrick has held several leadership positions in public corporations. Most recently, he was chief financial officer and executive vice president of Inacom, Inc. He also served as executive vice president, chief operating officer and chief financial officer of DecisionOne Corp.

Prior to joining DecisionOne, Mr. Fitzpatrick held positions as vice president of finance for Bell Atlantic's Network Operations division and vice president and chief financial officer for Bell Atlantic Business Systems.

Mr. Fitzpatrick has an MBA from Villanova University and a BS from Penn State University.

# Stephen V. Minshew, Vice President of Information and Technology

Mr. Minshew is Vice President of Information Technology, and is responsible for providing information technology services to the Digital Access enterprise, including networks and systems such as computers, servers, wide-area and local-area networks, and related infrastructure; corporate systems such as groupware, accounting, and human resources systems; and operating support systems (OSS) such as computer care & billing, order management, and network inventory and management.

Prior to joining Digital Access, Mr. Minshew consulted for AT&T where he used his knowledge of telephony and CATV OSSs to integrate TCI's Customer Care & Billing System into the legacy AT&T systems infrastructure.

Prior to his consulting role, Mr. Minshew was Vice President of Information Systems of OnePoint Communications, a 2<sup>nd</sup>-generation CLEC (video, telephony, and data) operating in 13 states, where he was responsible for all computer and telephony infrastructure enterprise-wide, including OSSs. As a member of the Executive Committee, he was responsible for defining, setting, and achieving the direction, strategy, and goals of the company.

Mr. Minshew holds a Masters in Business Administration, all-but-the-dissertation toward a Ph.D. in solid-state device physics, a Masters of Science in Electrical Engineering, and a Bachelors of Science in Electrical Engineering - all from Southern Methodist University. He is a member of the Institute of Electrical and Electronics Engineers, Tau Beta Pi (National Engineering Honorary), Eta Kappa Nu (National Electrical Engineering Honorary), Kappa Mu Epsilon (National Mathematics Honorary), and Beta Gamma Sigma (National Business Honorary).

Lawrence Fyock, Vice President Product Management, Sales and Marketing

Mr. Fyock is responsible for all voice, video and data strategies and tactics to achieve customer and revenue growth targets. He brings over seventeen years of diversified management experience in the telecommunications industry.

Prior to joining Digital Access, Mr. Fyock held positions of District Director and Vice President of Sales and Marketing for Sprint PCS. His responsibilities included the initial launch of wireless operations in the northeastern region of the country and direct sales management.

Before joining Sprint, Mr. Fyock was Vice President of Marketing for RCN, where he led a team in the development and deployment of integrated voice, video and data products. While at RCN, he was instrumental in expanding retail distribution for bundled services. His other positions included corporate Director of Marketing for US Cellular Corporation, General Manager for Centel Corporation and Senior Consultant with Ernst and Young.

Mr. Fyock holds a BBA from Loyola University and an MBA from the University of Chicago.

# Bob Walker, Comsource, Inc.

Digital Access has hired Mr. Walker and his company, Comsource as its technical consultant.

Comsource assists Competitive Local Exchange Carriers (CLECs) entering the telecommunications business. Comsource assists with planning basic design and network architecture(s), product selection, negotiating the technical aspects of interconnect agreements with Incumbent Local Exchange Carrier (ILECs), and technical implementation planning. Comsource also provides guidance and planning on Operation Support Systems (OSS) development and deployment, traffic engineering, networking sizing and many other fundamentals of establishing a new telecommunications company.

Mr. Walker has nearly 40 years experience in the telecommunications industry with 33 years at Illinois Bell and Ameritech. Mr. Walker has held a wide range of technical staff and management positions within Illinois Bell and Ameritech in the switching, transport and OSS arenas. Prior to his departure from Ameritech, Mr. Walker was Director of Transport Planning, and prior to that, the Director of Transmission at Illinois Bell.

Mr. Walker has also held the position of Director of Technical Development at Ameritech Development, an unregulated new venture entity, which provided him with a special insight into the competitive, new venture field. Mr. Walker's many years in the industry and his extensive background in both line and staff positions throughout his career make him uniquely qualified to assist in the creation of new competitive telephone companies.

# **EXHIBIT D - TARIFF**

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## **REGULATIONS RATES AND SCHEDULE**

## **OF CHARGES APPLICABLE TO**

### **MESSAGE TELECOMMUNICATIONS SERVICES**

### **FURNISHED BY**

### DIGITAL ACCESS COMMUNICATIONS OF FLORIDA, INC.

### **BETWEEN POINTS**

### WITHIN THE STATE OF FLORIDA

## FOR INTRASTATE COMMUNICATIONS SERVICES

### AS PROVIDED FOR HEREIN.

Service is provided by means of wire, radio, terrestrial or satellite facilities or any combination thereof, as specified herein.

A copy of this Tariff is on file with the Florida Public Service Commission.

A copy of this Tariff is available for review during normal business hours at the Company's principal place of business located at Suite 605, 3 Bala Plaza East, , Bala Cynwyd, PA 19004.

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#### INTRASTATE MESSAGE TELECOMMUNICATIONS SERVICE

# **CHECK SHEET**

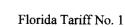
Pages 1-33 inclusive of this tariff as of the date shown.

| <u>SHEET</u> | <b>REVISION</b> | <u>SHEET</u> | <b>REVISION</b> |
|--------------|-----------------|--------------|-----------------|
| 1            | Original        | 19           | Original        |
| 2            | Original        | 20           | Original        |
| 3            | Original        | 21           | Original        |
| 4            | Original        | 22           | Original        |
| 5            | Original        | 23           | Original        |
| 6            | Original        | 24           | Original        |
| 7            | Original        | 25           | Original        |
| 8            | Original        | 26           | Original        |
| 9            | Original        | 27           | Original        |
| 10           | Original        | 28           | Original        |
| 11           | Original        | 29           | Original        |
| 12           | Original        | 30           | Original        |
| 13           | Original        | 31           | Original        |
| 14           | Original        | 32           | Original        |
| 15           | Original        | 33           | Original        |
| 16           | Original        |              |                 |
| 17           | Original        |              |                 |
| 18           | Original        |              |                 |
|              |                 |              |                 |

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### INTRASTATE MESSAGE TELECOMMUNICATIONS SERVICE

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#### INTRASTATE MESSAGE TELECOMMUNICATIONS SERVICE

#### TARIFF FORMAT

- A. Sheet Numbering Page numbers appear in the upper right corner of the page. Sheets are numbered sequentially. However, new sheets are occasionally added to the Tariff. When a new sheet is added between pages already in effect, a decimal is added. For example, a new sheet added between pages 14 and 15 would be 14.1.
- B. Sheet Revision Numbers Revision numbers also appear in the upper right corner of each page. These numbers are used to determine the most current page version on file with the Commission. For example, the 4<sup>th</sup> Revised Page 14 cancels the 3<sup>rd</sup> Revised Page 14. Because of various suspension periods, deferrals, etc., the Florida Public Service Commission follows in their tariff approval process, the most current sheet number on file with the Commission is not always the tariff page in effect. Consult the Check Sheet for the sheet currently in effect.
- C. Paragraph Numbering Sequence there are five levels of paragraph coding. Each level of coding is subservient to its next higher level:

2. 2.1 2.1.1 2.1.1.1 2.1.1.1.A 2.1.1.1.A.1 2.1.1.1.A.1.(a) 2.1.1.1.A.1.(a).I 2.1.1.1.A.1.(a).I.(i) 2.1.1.1.A.1.(a).I.(i).1

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

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INTRASTATE MESSAGE TELECOMMUNICATIONS SERVICE

## **CONCURRING CARRIERS**

None

# **CONNECTING CARRIERS**

None

#### **OTHER PARTICIPATING CARRIERS**

None

#### **REGISTERED SERVICE MARKS**

None

#### REGISTERED TRADEMARKS None

### **EXPLANATION OF SYMBOLS**

- D Delete or Discontinue
- C Changed Regulation
- M Moved from Another Tariff Location
- N New
- R Change Resulting in a Reduction to a Customer's Bill
- T Change in Text But No Change to Rate or Charge

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#### **SECTION 1: GENERAL**

## 1.1 Application of Tariff

- 1.1.1 This Tariff contains the regulations and rates applicable to the provision of Message Telecommunications Service by Digital Access Communications of Florida, Inc., hereinafter referred to as the "Company", from its points of presence in the State of Florida to domestic points, as specified herein. Service is furnished subject to the availability of facilities and subject to transmission, atmospheric and like conditions.
- 1.2.2. The provision of such service by the Company as set forth in this Tariff does not constitute a joint undertaking with the Customer for the furnishing of any service.

#### 1.2 Definitions

Certain terms used throughout this Tariff are defined as follows:

- 1.2.1. <u>Access Code</u> A sequence of numbers that, when dialed, connect the caller to the Provider of Operator Services associated with that sequence.
- 1.2.2. <u>Aggregator</u> Any person that, in the ordinary course of its operations, makes telephones available to the public or to transient users of its premise, for intrastate telephone calls using a Provider of Operator Services.
- 1.2.3. <u>Application for Service</u> A standard order form which includes all pertinent billing, technical, and other descriptive information which will enable the Company to provide the service as required.

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- 1.2.4. <u>Authorization Code</u> A numerical code, one or more of which may be assigned to a Customer to enable the Company to identify the origin of the user or individual users or groups of users on one account so that the Company may rate and bill the call.
- 1.25. Commission

The Florida Public Service Commission.

1.26. Company

Digital Access Communications of Florida, Inc.

1.27. Consumer

A person initiating any intrastate telephone call.

1.28. Customer

Any individual, partnership, association, trust, corporation, cooperative or governmental agency or other entity which utilizes the services provided by the Company on a subscription basis. A Customer, as set forth herein, is responsible for the payment of charges and for compliance with all applicable terms of the Company's Tariff.

#### 1.29. Customer Provided Equipment

Terminal Equipment or facilities provided by persons other than the Company and connected to the Company's services and/or facilities.

1.210. Dialed Access

An arrangement whereby a Customer uses the public switched network facilities of a local exchange telephone company to access the terminal of the Company.

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1.211. Domestic Message Telecommunications Services (MTS)

The term "Domestic Message Telecommunications Service" denotes the furnishing of station-to-station direct dial Intrastate switched network services to the Customer for the completion of long distance voice transmissions from the Company's points of presence to domestic points as specified herein.

## 1.212. Equal Access

Has the meaning given that term in Appendix B of the Modification of Final Judgment entered August 24, 1982, in United States v. Western Electric, Civil Action No. 82-0192 (United States District Court, District of Columbia), as amended by the Court in its orders issued prior to October 17, 1990.

## 1.213. Equal Access Code

An access code that allows the public to obtain an Equal Access connection to the carrier associated with that code.

### 1.214. Local Exchange Carrier (LEC)

A telephone company that furnishes local exchange services.

### 1.215. Measured Usage Charge or Measured Charge

A charge assessed on a per-minute basis in calculating all or a portion of the charges due for a completed call over the Company's facilities.

### 1.216. Other Common Carrier

The term "Other Common Carrier" denotes a common carrier, other than the Company, providing domestic or international communications service to the public.

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#### INTRASTATE MESSAGE TELECOMMUNICATIONS SERVICE

### 1.217. Premise

The space designated by a Customer as its place or places of business for provision of service or for its own communications needs.

## 1.218. Service

The offerings by the Company to the Customer under this Tariff.

### 1.219. Subscriber

An Aggregator that selects the Company as the Presubscribed provider of Operator Services for one or more locations within that Aggregator's control.

## 1.220. Subscriber Surcharge

A surcharge imposed by the Subscriber, to be paid by the consumer, for the use of Subscriber's telephone instruments, and other facilities in obtaining access to the Company's services.

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## **SECTION 2: RULES AND REGULATIONS**

- 2.1 <u>Undertaking of the Company</u>
  - 2.1.1. Scope

The Company is a carrier providing intrastate domestic communications services to Customers for their direct transmission of voice, data and other types of telecommunications within the United States as described in this Tariff.

- 2.1.2. Limitations
  - 2.1.2.1 The services provided pursuant to this Tariff are offered subject to the availability of facilities and the other provisions of this Tariff.
  - 2.1.2.2 The Company does not undertake to transmit communications or messages, but rather furnishes facilities, service and equipment for such transmissions by the Customer.
  - 2.1.2.3 The Company retains the right to deny service to any new Customer which fails to comply with the rules and regulations of this Tariff, or other applicable rules, regulations or laws.

### 2.2 Obligations of the Customer

2.2.1 All Customers assume general responsibilities in connection with the provision and use of the Company's service. General responsibilities are described in this section. When facilities, equipment, and/or communication systems provided by others are connected to the Company's facilities, the Customer assumes the additional responsibilities as set forth in Section 2.2 herein.

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- 2.2.2 The Customer is responsible for the payment of all charges for any and all services or facilities provided by the Company to the Customer.
- 2.2.3 Subject to availability, the Customer may use specific codes to identify the users groups on its account and to allocate the cost of its service accordingly. The numerical composition of such codes shall be set forth by the Company to assure compatibility with the Company's accounting and automation systems and to avoid duplication of such specific codes.
- 2.2.4 The Customer shall indemnify and save harmless the Company from and against all loss, liability, damage and expense, including reasonable counsel fees, due to claims for libel, slander, or infringement of copyright or trademark in connection with any material transmitted by the Customer using the Company's services; and any other claim resulting from any act or omission of the Customer regarding the use of the Company's facilities.
- 2.2.5 Nothing contained herein, or in any other provision of this Tariff or in any marketing materials issued by the Company shall give any Customer or person any ownership interest or proprietary right in any particular code issued by Company; provided, however, that a Customer that continues to subscribe to Company's services will be provided a replacement code in the event such Customer's initial code is canceled.
- 2.2.6 The Customer shall reimburse the Company for damages to the Company's facilities caused by any negligence or willful act or acts on the part of the Customer.
- 2.2.7 The Customer shall pay and hold the Company harmless from the payment of all charges for service ordered by the Customer from the Local Exchange Carriers or other entities for telecommunications services and/or facilities connecting the Customer and the Company.
- 2.2.8 In the event a suit is brought by the Company and won, or an attorney is retained by the Company to collect any bill or enforce the terms of this Tariff against a Customer and Judgment is made for the Company, that Customer shall be responsible for payment of all reasonable attorney's fees, court costs, costs of investigation and any and all other related costs and expenses incurred by the Company in connection therewith.

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- 2.2.9 The Customer understands that the services are furnished subject to the condition that there will be no abuse, fraudulent and/or illegal use thereof. Such activity includes, but is not limited to:
  - A. Using the service for any purpose which is in violation of any law.
  - B. Obtaining or attempting to obtain services through any scheme, false representation and/or use of any fraudulent means or devices whatsoever with the intent to avoid payment, in whole or in part, of charges for services, or assisting any other person or firm in such regard.
  - C. Attempting to, or actually obtaining, accessing, altering or interfering with the communications and/or information by rearranging, tampering with or making any connection with any facilities of the Company or assisting any other person or firm in such regard.
  - D. Using the services in a manner that interferes unreasonably with the use of service by one (1) or more other Customers.
  - E. Using the service to convey information deemed to be obscene, salacious or prurient, to impersonate another person with fraudulent or malicious intent, to call another person or persons so frequently, at such times, or in such a manner as to annoy, abuse or harass, or to convey information of a nature or in a manner that renders such conveyance unlawful.

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- 2.2.10 The Customer shall be responsible for all maintenance of such equipment and/or facilities.
- 2.3 Liabilities of the Company
  - 2.3.1 The liability of the Company for damages resulting in whole or in part from or arising in connection with the furnishing of service under this Tariff, including but not limited to, mistakes, omissions, interruptions, delays, errors or other defects or misrepresentations, shall not exceed an amount equal to the charges under this tariff applicable to the specific call (or portion thereof) that was affected. No other liability shall attach to the Company.
  - 2.3.2 The Company shall not be liable for any failure of performance hereunder due to causes beyond its control, including, but not limited to: (1) acts of God, fires, flood or other catastrophes; (2) any law, order, regulation, directive, action or request of the United States Government, or any other government, including state and local governments having jurisdiction over the Company, or of any department, agency, commission, bureau, corporation or other instrumentality of any one or more of said governments, or of any civil or military authority; or (3) national emergencies, insurrections, riots or wars.
  - 2.3.3 The Company shall not be liable for any act or omission of any other entity furnishing facilities, equipment or services used by a Customer, with the Company's services. In addition, the Company shall not be liable for any damages or losses due to the failure or negligence of any Customer or due to the failure of Customer provided equipment, facilities or services.

#### 2.4 <u>Service Orders</u>

The Customer must place an application for service with the Company to initiate the services provided pursuant to this Tariff. All applications for services must be in writing and provide, at a minimum, the following information:

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- 2.4.1 Customer's names(s), telephone number(s) and address(es). In the case of a corporation or partnership, a designated officer or agent shall be named as the contact person for such corporation or partnership.
- 2.4.2 Names(s), address(es) and telephone number(s) of person(s) to whom notices from the Company to the Customer shall be addressed, if different from 2.4.1 above.
- 2.4.3 The amount of toll service usage the Customer was billed for the two (2) months immediately preceding the request for service if such information is applicable and available.

## 2.5 Charges and Payments for Service Facilities

- 2.5.1 Deposits
  - A. The Company may, in order to safeguard its interests, require a Customer to make a suitable deposit or provide a surety bond or letter of credit in the amount of the required deposit as a guarantee of the payment of charges. The Company shall have the right to require the Customer to make a deposit prior to or at any time after provision of any service, not to exceed one (1) month of estimated charges. The Company may increase the amount of the deposit to reflect increases to the Customer's annual bill, but in no event will the required deposit exceed two and one half (2  $\frac{1}{2}$ ) month's estimated charges. The Customer will receive a receipt for the deposit.
  - B. Any deposit as referred to in this section shall be held by the Company to secure the payment of the Customer's bill. At the Company's option, the deposit may be refunded or credited to the Customer at any time prior to the termination of service.
  - C. Interest will be paid by the Company on all sums held on deposit at a rate not to exceed the rate established annually by the Florida Public Service Commission, respectively, for customer deposits. The interest will be accrued for the period during which the deposit is held by the Company.

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- D. The Company will accept Advance payments and will apply that payment towards the Customer's account.
- E. The fact that a deposit is made does not relieve the Customer from making advance payments or from complying with the Company's regulations for the payment of bills in accordance with the terms herein and does not constitute a waiver or modification of the regulations of the Company providing for the discontinuance of service for nonpayment of any sums due the Company for service rendered.
- F. Upon termination of service and assuming deposits of the Customer are not applied, the deposit will be credited to the Customer's account and any credit balance will be refunded after all amounts due the Company have been paid.
- 2.5.2 Description of Payment and Billing Periods
  - A. Service is provided and billed on a monthly basis. Service continues to be provided and billed on a monthly basis until canceled by the Customer through notice given to the Company.
  - B. The Company's name (Digital Access Communications of Florida, Inc.) and the Company's toll-free number (for receiving inquiries and complaints) will appear on the end-user's bills. The Company's toll-free number is (877) 501-8490.

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#### 2.5.3 Taxes, Gross Revenue, Gross Income and Gross Earnings Surcharges

- A. Sales tax is covered by State statute and other applicable taxes may be covered by State or Federal statutes. Any applicable taxes will be included on Customer bills, as separate line items, in accordance with any applicable rules of the state or federal regulatory authority.
- B. In addition to all recurring, non-recurring, minimum, usage, surcharges or special charges, the Customer identified in this Tariff shall also be responsible for and shall pay all applicable federal, state and local taxes or surcharges, including sales, use, excise, gross earnings, and gross income taxes. All such taxes shall be separately shown as line items and charged on bills rendered by Company or its billing agent. Sales and use taxes shall be applied to all charges and shall also be applied to all applicable gross earnings, gross revenue and gross income taxes.

#### 2.5.4 Payment and Late Payment Charge

- A. Payment will be due as specified on the Customer bill. Commencing after that due date, a late charge of up to the highest interest rate allowable by law will be applied to all amounts past due. (Currently, the highest allowable rate is one and one half percent  $(1 \frac{1}{2}\%)$  per month.)
- B. Collection procedures and the requirement for a deposit are unaffected by the application of a late payment charge. The late payment charge does not apply to unpaid balances associated with disputed amounts. Undisputed amounts on the same bill are subject to the late payment charge if unpaid and carried forward to the next bill.
- C. Service may be denied or discounted, with 5 working days notice, at the Company's discretion for nonpayment of amounts due the

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Company past the due date as specified in 2.5.4.A. Restoration will be subject to all applicable installation charges.

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### 2.5.5 Returned Check Charge

In cases where the Company issues direct bills to Customers, and payment by check is returned for insufficient funds, or is otherwise not processed for payment, there will be a charge of \$20. Such charge will be applicable on each occasion when a check is returned or not processed.

#### 2.5.6 Suspension or Termination for Nonpayment

In the event of nonpayment of any bill rendered or any required deposit, the Company may, after giving (5) working days written notice, suspend service to the Customer. The Company will not suspend service for nonpayment unless the payment is at least twenty-nine (29) days past due.

#### 2.5.7 Credit Allowances/Service Interruptions

- A. Credit for interruption of service will be allowed only when the interruption is caused by or occurs in the Company's facilities or equipment owned, provided and billed for by the Company. A credit allowance is not applicable for any period during which Customer cannot utilize the service, except for such period where the service is interrupted by the Company for access to its facilities for the purposes of investigating and clearing troubles and/or maintenance.
- B. Credit allowances for interruption of service or equipment starts when the Customer notifies the Company of the interruption and ceases when the operation has been restored and an attempt has been made to notify the Customer by the Company.
- C. The Customer shall notify the Company of interruptions of service or equipment and make reasonable attempts to ascertain that the interruption is not caused by Customer provided equipment or Customer provided facilities, any act, or omission of the Customer, or in wiring or equipment connected to the Customer's terminal.

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- D. Only those portions of the service or equipment operation disabled will be credited.
- E. Any credit provided to the Customer under this Tariff shall be determined in accordance with the provisions of Section 2.5.8.

### 2.5.8 Service Interruption Measurement

A. In the event of an interruption of service that exceeds the minimum requirements set forth in this paragraph, the Company shall make a credit allowance at the Customer's request for a pro rata adjustment of all service charges billed by the Company for services rendered inoperative by the interruption. The credit allowance will be computed by dividing the duration of the service interruption measured in twenty-four (24) hour days, from the time the interruption is reported to the Company, by a standard thirty (30) day month, and then multiplying the result by the Company's fixed monthly charges for each interrupted service.

The credit allowance formula is as follows:

 $\underline{A \times B} =$ Credit Allowance 720

A=Duration of service interruptions measured in hours.

B=Company's fixed monthly charges for each interrupted service.

A period of time less than six (6) hours shall not be credited. In no case shall the credit exceed the total monthly charges. No adjustments will be made for periods of noncontinuous interruptions, and no other liability shall attach to the Company in consideration of such interruption to service.

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B. A credit allowance will not be given for interruptions caused by the negligence or willful act of the Customer, or interruptions caused by failure of equipment or service not provided by the Company.

## 2.6. <u>Termination or Denial of Service by the Company</u>

- 2.6.1 The Company may, immediately and without notice to the Customer, and without liability of any nature, temporarily deny, terminate, or suspend service to any Customer:
  - A. In the event such Customer or its agent: (a) willfully damages the Company equipment, interferes with the use of the Company's service by other Customers of the Company; (b) violates any statute or provision of law, or any rule or regulation of any state or federal regulatory agency relating to communications; or
  - B. In the event that the Company determines that any service is being used fraudulently or illegally, whether by a Customer or its agent.
- 2.6.2 The Company may, with 5 working days written notice, and without liability of any nature, temporarily deny, terminate, or suspend service to any Customer:
  - A. In the event a customer becomes insolvent, is the subject of any formal legal proceeding commenced in a court involving a voluntary or involuntary petition or proceeding in bankruptcy, seeks protection or relief from creditors in a formal legal proceeding after a filing for such relief, or executes an assignment for the benefit of creditors;

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- B. For the use of telephone service for any other property or purpose other than that described in the application;
- C. For neglect or refusal to provide reasonable access to the Company for the purpose of inspection and maintenance of equipment owned by the Company;
- D. For non-compliance with and/or violation of the Commission's regulations or the Company's rules and regulations on file with the Commission; or
- E. For non-payment of bills for telephone service.
- 2.7. Special Services
  - 2.7.1 General

For the purpose of this Tariff, Special Services are deemed to be any service requested by the Customer and provided by the Company for which there is no prescribed rate in this Tariff. Special Services charges will be developed on an individual case basis (ICB) and may be established by contract between the Company and the Customer. Such contract or ICB rates will be filed with the Commission for its approval thirty (30) days in advance, if required by applicable rules and regulations. The Company will not discriminate between similarly situated customers.

2.7.2 When Applicable

Special Services rates apply in the following circumstances:

A. If at the request of the Customer, the Company obtains facilities not normally used by the Company to provide service to its Customer;

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- B. If at the request of the Customer, the Company provides technical assistance not normally required to provide service;
- C. Where special signaling, conditioning equipment, or other features are required to make Customer provided equipment compatible with the Company's service;
- D. When, at the specific request of the Customer, installation by the Company or its agent and/or routine maintenance is performed outside of the regular business hours.
- E. If installation and/or routine maintenance is extended beyond normal business hours at the request of the Customer and these circumstances are not the fault of the Company, Special Service charges may apply. Such circumstances include, but are not limited to, stand-by in excess of one (1) hours, weekend, holiday or night time cut-over, and additional installation testing in excess of the normal testing required to provide service.

### 2.7.3 Cancellation

If a Customer orders service requiring special facilities dedicated to the Customer's use and then cancels its order before the service begins, before completion of any minimum service periods associated with such special facilities ordered by the Company or before completion of some other period mutually agreed upon by the Customer

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and the Company, a charge will be made to 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 such an order, any construction has either begun or been completed, but no such service provided, the nonrecoverable cost of such construction shall be borne by the Customer.

### 2.8 Special Pricing Arrangements

Customized Service packages and competitive pricing arrangements at negotiated rates may be furnished on a case-bycase basis in response to requests by Customers for proposals or for competitive bids. Special Pricing Arrangements offered under this Tariff will be provided to the Customer pursuant to contract. Unless otherwise specified, the regulations for such arrangements are in addition to the applicable regulations and prices in other sections of the Tariff. Specialized rates or charges will be made available to similarly situated Customers on a non-discriminatory basis. Such contracts will be filed with the Commission for approval if required by applicable rule or regulation.

### 2.9 Special Construction

All rates and charges quoted in this Tariff provide for the furnishing of a service when suitable facilities are available or where the construction of the necessary facilities does not involve unusual costs. When the revenue to be derived from the service does not warrant the Company assuming the unusual costs of providing the necessary construction, the Customer may be required to pay all or a portion of such costs and to contract for the service for a sufficient period to warrant the construction, depending upon the circumstances in each case. The Company's charges for such special construction shall follow the same guidelines for establishing charges for Special Services as described in Section 2.8 of this Tariff.

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### 2.10 Inspection, Testing and Adjustment

- 2.10.1 The Company may, upon reasonable notice, make such tests and inspections as may be necessary to investigate the installation, operation or maintenance of the Customer's or the Company's equipment or connecting facilities. The Company may interrupt service at any time, without penalty or liability to itself, where necessary to prevent improper use of service, equipment, facilities or connections.
- 2.10.2 Upon reasonable notice, the facilities and equipment provided by the Company shall be made available to the Company for such tests and adjustments as may be necessary for its maintenance in a condition satisfactory to the Company. No interruption allowance will be granted for the time during which such tests and adjustments are made, unless such interruption exceeds four (4) hours in length.

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## INTRASTATE MESSAGE TELECOMMUNICATIONS SERVICE

# 3.0 GENERAL CLASSIFICATION AND DESCRIPTION OF SERVICES

## 3.1 <u>Service Points</u>

The Company provides long distance communications to customers for direct transmission of telecommunications throughout the State of Florida.

## 3.2 <u>Measurements</u>

#### 3.2.1 <u>Time-of-Day Rate Period</u>

Time-of-Day Rate Periods do not apply. Digital Access offers a Flat Rate Service.

## 3.2.2 Availability of Service

The service is available at the rates listed in Section 4, through subscription to any of the domestic message telecommunication service offerings available from the Company. Each of these offerings utilizes the same rate schedules but has different rates and billing increments for each of the rate schedules.

## 3.3 Timing and Billing Increments of Calls

3.3.1 Unless otherwise indicated in this Tariff, calls are timed by the Company in sixty (60) second increments. "Ring-busy" and "ring-no-answer" calls will not knowingly be charged to the Customer and if charged in error, will be credited by the Company to the Customer. Timing begins at the "starting event". The starting event occurs when the Company's terminal experiences an "Incoming Signaling Protocol Successful," i.e., upon the seizure of an inbound trunk. Timing ends at the "terminating event," unless otherwise specified. The terminating event occurs when the Company's terminal receives a signal from the LEC that either the calling party or the called party has hung up. Time between the starting event and the terminating event is the call duration. The minimum call duration for a completed call is sixty (60) seconds, unless otherwise specified.

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- 3.3.2 There shall be no charge for unanswered calls. Upon receiving reasonable and adequate notice of billing from a Customer for any such call, the Company may issue a credit in an amount equal to the charge for the call. Calls which are in progress longer than one (1) minute will be presumed to have been answered.
- 3.3.3 Domestic Message Telecommunications Service rates are quoted in terms of initial and additional minutes. The initial minute is the first minute or any fraction thereof after a connection is made. The additional minute is each minute or any fraction thereof after the initial minute.
- 3.3.4 The time of day at the calling party rate center determines what Time-of-Day rate period applies.
- 3.3.5 The minimum call duration for billing purposes is 1 minute for connected calls and calls beyond 1 minute are billed in 1 minute increments.
- 3.3.6 Billing will be rounded up to the nearest penny for each call.

### 3.4. **RESERVED FOR FUTURE USE**

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### 3.5 <u>Method of Applying Rates</u>

- 3.5.1 Time of Rate Period does not apply to Digital Access which offers a Flat Rate Plan.
- 3.5.2 Unless specified otherwise in this Tariff, the duration of each call for billing purposes will be rounded off to the nearest higher minute.

#### 3.6 <u>Promotional Discounts</u>

The Company may from time to time offer promotional discounts. Such discounts will be for a specified period of time, will not exceed published rates, and will be offered to all qualifying Customers on a non-discriminatory basis, under any rules prescribed by the Commission. The promotional discounts will be approved by the Florida Public Service Commission with specific starting and ending dates.

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## 3.7 <u>Dialed Domestic Message Telecommunications Services</u>

- 3.7.1 Dialed Domestic Message Telecommunications Services are measured use, full time services and are offered on a monthly basis, utilizing intrastate communications facilities. When appropriate arrangements exist, these switched services are available on a pre-subscription (Equal Access) basis. Otherwise, the services require that a Customer access the Company's network via an alternative access code arrangements such as "900-XXXX" plus the Customer's security code, a toll-free "1-800" telephone number with the Customer's security code, via "1-0-XXX" code with Customer security code.
- 3.7.2 Depending upon the service option chosen by the Customer, the charges for the use of such domestic intrastate communications facilities may be based upon the time of day, the total minutes of use and/or the distance of each call.
- 3.7.3 All Customers shall be charged the rates identified in Section 4.2.1 for Residential Customers and in Section 4.2.2 for Business Customers.
- 3.8 Calling Card Service

Calling Card Service permits Customers which have arranged for a Companyissued calling card to make calling card calls throughout the domestic United States through the use of a specific "1-800" telephone number provided by the Company. The rates for this service are provided for in Section 4.2.4, herein. If fraud is suspected on a customer's calling card, the Company will attempt to contact the customer 3 times within 30 minutes. Calling Card Fraud is considered any activity on a calling card that is not typical of that cardholder usage or activity that indicates suspicious activity. If the customer does not respond within the 30minute timeframe, the calling card will be suspended immediately.

- A. If the customer is reached within the 30 minute timeframe and
  - 1. does not acknowledge that calls that created the fraud concern, the card will be terminated immediately and a new card will be issued.

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- 2. does acknowledge the calls as made with the customer's knowledge, the customer has the option of leaving the card active or terminating the card.
- B. If the customer is not reached within the 30-minute timeframe, the card will remain suspended for five days. If the customer does not contact the Company, on the sixth day the card will be permanently terminated. If the customer contacts the Company within 5 days, the Company will inform the customer that that the card was suspended due to possible fraud and inform the customer that contact was attempted. The fraud situation will be explained to the customer. If the customer
  - 1. does not acknowledge the calls that created the fraud concern, the card will be terminated and a new card will be created.
  - 2. does acknowledge the calls as made with the customer's knowledge, the customer has the option of reactivating the card, or ordering a new one.
- C. A card that has been terminated for fraud purposes may not be reactivated unless the customer contacts the Company within the above stated timeframe. If the customer needs a calling card, a new card with a new PIN number must be issued to the customer.
- 3.8.1 Lost/Stolen Cards
  - A. Customer is responsible for notifying the Company immediately upon the loss of a calling card or if it is stolen. If the card was stolen from the customer, the customer should contact the appropriate law enforcement agency.
  - B. The Company will immediately terminate the lost or stolen calling card upon notification in order to avoid any fraudulent calls on the card.
  - C. A lost or stolen calling card cannot be reactivated at any time. If the customer needs a calling card, a new card with a new PIN number must be issued to the customer.

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## 3.8.2 <u>Customer Liability</u>

Customer is liable for all calling card activity and charges generated from calling cards. The Company's calling card activity is monitored on a 24x7 basis. Any suspicious calling card activity will be followed up as stated above. If a card is lost or stolen, it is the customer's responsibility to notify the Company immediately and then the Company will terminate the card to avoid fraudulent calls as stated above.

### 3.9 <u>800 Service</u>

800 Service is a one-way inbound service originating on feature group facilities provided by the Company and terminating on a regular telephone line. The Customer is responsible for payment of all charges associated with such terminating calls rather than the calling party.

## 3.10 Directory Assistance

Directory assistance will be provided by the Company as part of the service furnished by the Company. The Customer will be billed usage at the appropriate rate, \$0.30, when a call is placed from its telephone to directory assistance.

### 3.11 <u>Residential Direct Dial Service</u>

Residential Direct Dial Service permits residential customers to make interexchange telecommunications calls at the rates specified in Section 4.2.1.A herein.

### 3.12 Business Direct Dial Service

Business Direct Dial Service permits business customers to make interexchange telecommunications calls at the rates specified in Section 4.2.2.A. herein.

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#### **SECTION 4: RATES AND CHARGES**

4.1 <u>Returned Check Charge</u>

Customers whose payment by check is returned for insufficient funds, or is otherwise not processed for payment, will be subject to a returned check charge. Such charge will be applicable on each occasion when a check is returned or not processed.

Per Occasion \$20.00

- 4.2 <u>Rate Schedules</u>
  - 4.2.1 Residential Direct Dial Service
    - A. Usage Plan

Residential direct dial calls are timed by the Company in sixty (60) second increments. Rates are not mileage or time of day sensitive. Customers will be billed on a minimum monthly commitment. 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 be met.

| Minimum Monthly Billing | Current Rate |
|-------------------------|--------------|
| \$0 - \$34.99           | 0.15/min     |
| \$35.00+                | 0.10/min     |
| Seven Cents Plan        | \$0.07/minu  |

B. <u>Seven Cents Plan</u> \$0.07/minute Per minute \$4.95/month Monthly recurring charge

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### 4.2.2 Business Direct Dial Service

A. Usage Plan

Rates are not mileage or time of day sensitive. Customers are billed on a minimum monthly commitment. Should the Customer not meet the monthly estimated usage, the next higher rate threshold will apply. In any case, the Customer will not be billed the minimum usage should the estimated monthly billing be met.

| Minimum Monthly<br>Billings | No Contract | 1 Year  | 2 Year  |
|-----------------------------|-------------|---------|---------|
| \$0-\$49.9                  | \$0.15/min  | \$0.093 | \$0.085 |
| \$50-\$199.99               | \$0.109/min | \$0.093 | \$0.085 |
| \$200+                      | \$0.099/min | \$0.093 | \$0.085 |

#### 4.2.3 Calling Card Service

A. Availability of Service

The Company will honor Digital Access Calling Cards and Digital Access Corporation of Florida, Inc. Calling Cards.

B. Digital Access Calling Card

Calling Card Calls completed with the Digital Access Calling Card are available at the rates specified below:

| Per Minute Charge  | \$0.27 per minute  |
|--|--------------------|
| Surcharge for Calling Card calls made from<br>Payphones                  | \$0.30/call        |
| The same rate will apply in all times of day and day regard to distance. | ys of week without |

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C. <u>Non-Digital Access Calling Card</u>

The Company allows Customers to utilize the line-based Calling Cards of other local exchange carries. Different pricing applies to the utilization of other carriers' line-based Calling Cards. These prices are established by each individual carrier.

Non-Digital Access Calling Card – Surcharge \$0.80

## 4.2.4 <u>800 Service</u>

A. Monthly Recurring Charge

In addition to the Usage Charge described in this section, there shall be assessed a monthly charge per line for each 800 Service terminating line at the rates specified below:

Monthly Recurring Charge

\$3.00 per month

B. Usage Charge

800 Service is available at the same usage sensitive (per-minute) rate as specified in Section 4.2.1.A for Residential and Section 4.2.2.A. for Business Service.

### 4.3 Discounts for Hearing Impaired Customers

The Company currently does not offer time-of-day rates. However, in the event that this changes, Intrastate toll message rates for TDD users, which is communicated using a telecommunications device for the deaf (TDD) by properly certified business establishments or individuals equipped with TDDs for communications with hearing or speech impaired persons, shall be evening rates for daytime calls and night rates for evening and night calls.

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## INTRASTATE MESSAGE TELECOMMUNICATIONS SERVICE

# 4.4 <u>Directory Assistance Charges for Handicapped Persons</u>

Pursuant to Florida Public Service Commission Rules and regulations, Digital Access will not charge for the first 50 directory assistance calls made each month by a handicapped person.

## 4.5 Operation of Telecommunications Relay Service

Intrastate toll calls received from the relay service will be discounted by 50 percent of the applicable rate for a voice non-relay call except that where either the calling or called party indicates that either party is both hearing and visually impaired, the call will be discounted 60 percent off the applicable rate for a voice non-relay call. The above discounts apply only to time-sensitive elements of a charge for the call and shall not apply to per call charges such as a credit card surcharge.

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