



October 25, 1996

96 1288-TI

Florida Public Service Commission
Division of Administration
2540 Shumard Oak Blvd.
Gunter Building
Tallahassee, FL 32399-0850

RE: Reseller Application of STA Telecommunications Corp.

To the Commission,

Enclosed please find the original plus twelve (12) copies of the application of STA Telecommunications Corp. to provide resold telecommunications services within the State of Florida. As stated in the application, STA is seeking Original Authority in the State of Florida. I have also enclosed check No. 2761 in the amount of \$250.00 to cover the filing fee.

If there are any questions or concerns pertaining to this filing, please do not hesitate to contact me.

Respectfully,

Jarrod Harper
Regulatory Affairs Manager

Initials of person who forwarded check:
A.D.

- ACK
- AFA
- APP
- CAF
- CMU
- CTR
- EAC
- LEG
- LIN
- OPS
- RCH
- SEC
- WAS
- OTH

RECEIVED & FILED

FPSC-BUREAU OF RECORDS

The Strategic Telecommunications Alliance

10300 North Central Expressway, Suite 350, Dallas, Texas 75231
214-365-9800 • Fax 214-365-9600

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MAIL ROOM
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SERVICES DIVISION
OCT 28 1996

DOCUMENT NUMBER - DATE

11417 OCT 28 96

FPSC-RECORDS/REPORTING

FLORIDA PUBLIC SERVICE COMMISSION

DIVISION OF COMMUNICATIONS
BUREAU OF SERVICE EVALUATION

APPLICATION FORM
FOR
AUTHORITY TO PROVIDE INTEREXCHANGE TELECOMMUNICATIONS SERVICE
WITHIN THE STATE OF FLORIDA

1. This is an application for (Check One):

- Original Authority** (New Company)
- Approval of Transfer** (To another certificated company).
- Approval of assignment of existing certificate** (To an uncertificated company).
- Approval for transfer of control** (To another certificated company).

2. 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.
- 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.
- 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.
- Multi-Location Discount Aggregator** - company contracts with unaffiliated entities to obtain bulk/volume discount plans from certain underlying carriers. Then offers the resold service by enrolling unaffiliated customers.

3. Name of corporation, partnership, cooperative, joint venture or sole proprietorship:

STA Telecommunications Corp.

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

STA will not operate under a fictitious name.

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

STA Telecommunications Corp.
10300 North Central Expressway, Suite 350
Dallas, TX 75231

DOCUMENT NUMBER-DATE

11417 OCT 28 88

FPSC-RECORDS/REPORTING

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

STA does not currently have a Florida office or address.

7. Structure of organization;

- | | | | |
|-------------------------------------|---------------------|--------------------------|---------------------|
| <input type="checkbox"/> | Individual | <input type="checkbox"/> | Corporation |
| <input checked="" type="checkbox"/> | Foreign Corporation | <input type="checkbox"/> | Foreign Partnership |
| <input type="checkbox"/> | General Partnership | <input type="checkbox"/> | Limited Partnership |
| <input type="checkbox"/> | Other, _____ | | |

8. If applicant is an individual or partnership, please give name, title, and address of sole proprietor or partners.

N/A

(a) Provide proof of compliance with the foreign limited partnership statute (Chapter 620.169FS), if applicable.

(b) Indicate if the individual or any of the partners have previously been:

(1) adjudged bankrupt, mentally incompetent, or found guilty of any felony or of any crime, or whether such actions may result from pending proceedings.

(2) 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, give reason why not.

9. If incorporated, please give:

(a) Proof from the Florida Secretary of State that the applicant has authority to operate in Florida.

See Exhibit A

Corporate Charter Number: F96000004139

(b) Name and address of the Company's Florida Registered Agent.

Corporations Service Company
1201 Hays Street
Tallahassee, FL 32301

(c) Provide proof of compliance with the fictitious name statute (Chapter 865.09 FS), if applicable.

Fictitious name registration number: _____

(d) Indicate if any of the officers, directors, or any of the ten largest stockholders have previously been:

(1) adjudged bankrupt, mentally incompetent, or found guilty of any felony or of any crime, or whether such actions may result from pending proceedings.

N/A

(2) 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, give reason why not.

N/A

10. Who will serve as liaison with the Commission in regard to (please give name, title, address and telephone number):

(a) The application;

Jarrod Harper,
Regulatory Affairs Manager
STA Telecommunications Corp.
10300 N. Central Expressway, Suite 350
Dallas, TX 75231
(214) 365-9800

(b) Official Point of Contact for the ongoing operations of the company,

Gerard Engel,
President
STA Telecommunications Corp.
10300 N. Central Expressway, Suite 350
Dallas, TX 75231
(214) 365-9800

(c) Tariff;

Jarrod Harper,
Regulatory Affairs Manager
STA Telecommunications Corp.
10300 N. Central Expressway, Suite 350
Dallas, TX 75231
(214) 365-9800

(d) Complaints/Inquiries from customers:

Zabrina Staton,
Customer Service Manager
STA Telecommunications Corp.
10300 N. Central Expressway, Suite 350
Dallas, TX 75231
(214) 365-9800

11. List the states in which the applicant:

- (a) Has operated as an interexchange carrier.

None

- (b) Has applications pending to be certificated as an interexchange carrier.

Alabama, Arizona, Georgia, Louisiana, New York, North Carolina, Ohio, Pennsylvania, Tennessee, Washington

- (c) Is certificated to operate as an interexchange carrier.

Colorado, Idaho, Michigan, Montana, New Jersey, Texas, Utah, Virginia, Washington D.C, Wyoming

- (d) Has been denied authority to operate as an interexchange carrier and the circumstances involved.

None

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

None

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

None

12. What services will the applicant offer to other certificated telephone companies:

- | | | | |
|-------------------------------------|-------------------------------|--------------------------|-----------|
| <input checked="" type="checkbox"/> | Facilities | <input type="checkbox"/> | Operators |
| <input checked="" type="checkbox"/> | Billing and Collection | <input type="checkbox"/> | Sales |
| <input type="checkbox"/> | Maintenance | | |
| <input checked="" type="checkbox"/> | Other: <u>Wholesale rates</u> | | |

13. Do you have a marketing program?

Yes

14. Will your marketing program:

- | | |
|-------------------------------------|-------------------------------------|
| <input checked="" type="checkbox"/> | Pay Commissions? |
| <input type="checkbox"/> | Offer sales franchises? |
| <input type="checkbox"/> | Offer multi-level sales incentives? |
| <input checked="" type="checkbox"/> | Offer other sales incentives? |

15. Explain any of the offers checked in question 14 (To whom, what amount, type of franchise, etc.).

See **Exhibit B**

16. Who will receive the bills for your service (Check all that apply)?

- | | | | |
|-------------------------------------|-------------------------|-------------------------------------|----------------------------|
| <input checked="" type="checkbox"/> | Residential customers. | <input checked="" type="checkbox"/> | Business customers. |
| <input type="checkbox"/> | PATS providers. | <input type="checkbox"/> | PATS station end-users. |
| <input type="checkbox"/> | Hotels & Motels. | <input type="checkbox"/> | Hotel & Motel guest. |
| <input type="checkbox"/> | Universities | <input type="checkbox"/> | Univ. dormitory residents. |
| <input type="checkbox"/> | Others: (specify) _____ | | |

17. Please provide the following (if applicable):

- (a) Will the name of your company appear on the bill for your services, and if not who will the billed party contact to ask questions about the bill (provide name and phone number) and how is this information provided.

STA's name and customer service number will appear on the bills.

- (b) Name and address of the firm who will bill for your services.

STA is currently researching billing arrangements with USBI and OAN. At this time there is no agreement with any billing company.

18. Please provide all available documentation demonstrating that the applicant has the following capabilities to provide interexchange telecommunications service in Florida.

A. Financial capability.

Regarding the showing of financial capability, the following applies:

The application should contain the applicant's financial statements for the most recent 3 years, including:

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

Further, a written explanation, which can include supporting documentation, regarding the following should be provided to show financial capability.

1. Please provide documentation that the applicant has sufficient financial capability to provide the requested service in the geographic area proposed to be served.
2. Please provide documentation that the applicant has sufficient financial capability to maintain the requested service.
3. Please provide documentation that the applicant has sufficient financial capability to meet his lease or ownership obligations.

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.

If available, the financial statements should be audited financial statements.

If the applicant does not have audited financial statements, it shall be so stated. The unaudited financial statements should then be signed by the applicant's chief executive officer and chief financial officer. The signatures should affirm that the financial statements are true and correct.

See Exhibit C

B. Managerial capability

See Exhibit D

C. Technical capability.

19. Please submit the proposed tariff under which the company plans to begin operation. Use the format required by the Commission Rule 25-24.485 (example enclosed).

Exhibit E

20. 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

X Method of access is FGB

X Method of access is FGD

_____ Method of access is 800

_____ MTS for pay telephone service provide

_____ Block-of-time calling plan (Reach out Florida, Ring America, etc.).

_____ 800 Service (Toll Free)

X WATS type service (bulk or volume discount)

X Method of access is via dedicated facilities

X 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

X Method of access is 800

_____ 900 Service

_____ **Operator Services**

- _____ 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

21. What does the end user dial for each of the interexchange carrier services that were checked in services included (above).

The customer will access the card services by way of an 800 access number. The specific 800 number has not been determined at this time.

22. Other:

****APPLICANT ACKNOWLEDGEMENT STATEMENT****

1. **REGULATORY ASSESSMENT FEE:** I understand that all telephone companies must pay a regulatory assessment fee in the amount of .15 of one percent of its gross operating revenue derived from intrastate business. Regardless of the gross operating revenue of a company, a minimum annual assessment fee of \$50 is required.
2. **GROSS RECEIPT TAX:** I understand that all telephone companies must pay a gross receipt tax of two and one-half percent on all intra and interstate business.
3. **SALES TAX:** I understand that a seven percent sales tax must be paid on intra and interstate revenues.
4. **APPLICATION FEE:** A non-refundable application fee of \$250.00 must be submitted with the application.
5. **RECEIPT AND UNDERSTANDING OF THE RULES:** I acknowledge receipt and understanding of the Florida Public Service Commission's Rules and Orders relating to my provision of interexchange telephone service in Florida. I also understand that it is my responsibility to comply with all current and future Commission requirements regarding interexchange service.
6. **ACCURACY OF APPLICATION:** By my signature below, I the undersigned owner or officer of the named utility in the application, attest to the accuracy of the information contained in this application and associated attachments. I have read the foregoing and declare that to the best of my belief, the information is a true and correct statement.

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".

UTILITY OFFICIAL:

GR Engel
Signature

10-21-96
Date

Gerard Engel

President

(214) 365-9800

**** APPENDIX B ****

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 responded to 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 will file with the Commission and maintain a surety bond in an amount equal to the current balance of deposits and advance payments in excess of one month. (Bond must accompany application.)

UTILITY OFFICIAL:

GR Engel
Signature

10-21-96
Date

Gerard Engel

President
Title

214-365-9800
Telephone No.

Exhibit A



Department of State

I certify from the records of this office that STA TELECOMMUNICATIONS CORP., is a corporation organized under the laws of Delaware, authorized to transact business in the State of Florida, qualified on August 13, 1996.

The document number of this corporation is F96000004139.

I further certify that said corporation has paid all fees and penalties due this office through December 31, 1996, and its status is active.

I further certify that said corporation has not filed a Certificate of Withdrawal.

Given under my hand and the
Great Seal of the State of Florida,
at Tallahassee, the Capitol, this the
Seventeenth day of October, 1996



CR2EO22 (2-95)

Sandra B. Northam

Sandra B. Northam
Secretary of State

Exhibit B

STA Telecommunications employs a sales philosophy by which customers are acquired via strategic marketing and distribution alliances with organizations and agents that have strong alliances with members of our target markets.

STA's marketing partners are offered residual commissions on monthly net collected revenues as compensation for the dissemination of marketing materials to their existing customer base. These commissions vary, but will generally fall into a range between 10% and 20% of net collected revenues.

On occasion, STA and its marketing partners may also offer enrollment premiums or incentives as a means to improve the take rates of specific sales promotions. These sales premiums may take the form of a discount on our marketing partners' goods and services, free long distance minutes, or carrier conversion charge reimbursements.

Exhibit C

STA Telecommunications Corporation
 (Wholly-owned subsidiary of Alliance Telecommunications Corp.)

BALANCE SHEET as of June 30, 1996

ASSETS

Current Assets:

Cash (Checking Account)	\$ 81,930
Cash (Investor Account)	\$ 913,697
Cash (Petty Cash)	\$ 2,500
Total - Cash	\$ 998,127
Accts.Rec./ Advances - Employees / Other	\$ 38,264
Accounts Receivable - Customer Billing	\$ 90,900
Accounts Receivable - Cellular (UCS)	\$ 195,174
Deposits - Acquisitions / Other	\$ 50,000
Prepaid Exp. / Advances to Suppliers	\$ 16,937
Total - Current Assets	\$ 1,389,402

Investments:

Investment in United Cellular Services Ltd. (UCS)	\$ 147,084
Total (Investments)	\$ 147,084

Property and Equipment:

Computer Equipment (cost)	\$ 105,836
Furniture and Fixtures (cost)	\$ 51,313
Less: Accumulated Depreciation	\$ 15,715
Net Property and Equipment	\$ 141,433

Other Assets:

Organizational Expenses	\$ 92,500
System Development Expenses	\$ 605,770
Total - Other Assets	\$ 698,270

TOTAL ASSETS

\$ 2,376,189

LIABILITIES AND EQUITY

Current Liabilities:

Notes Payable	\$ 15,140
Other Payables	\$ 907
Deposits / Advances Received	\$ 25,000
Accounts Payable	\$ 118,271
Total - Current Liabilities	\$ 159,318

Long-Term Debt:

Long-Term Debt	\$ 492,849
Subordinated Debt	\$ 379,564
Total - Long-Term Debt	\$ 872,413

Total - Net Equity

\$ 1,344,458

TOTAL LIABILITIES AND EQUITY

\$ 2,376,189

VERIFICATION

State of Texas

County of Dallas

Gerard R. Engel, Affiant, being duly affirmed according to law, deposes and says that:

He is the President of STA Telecommunications Corporation;

Daniel J. Moos, Affiant, being duly affirmed according to law, deposes and says that he is the Executive Vice President/CFO of STA

Telecommunications Corporation;

That they are each authorized to and do make this affidavit for said corporation;

STA Telecommunications Corp. does not currently have an audited balance sheet. Company is submitting the most recent unaudited balance sheet.

That the facts above set forth are true and correct to the best of each of the Affiant's knowledge, information, and belief.

GR Engel
Signature of Affiant

Daniel J. Moos
Signature of Affiant

Sworn and subscribed before me this 24th day of October, 1996.

Jill Jeffers
Signature of Official Administering Oath

My commission expires 5-01-00



Exhibit D

Mr. Richard C. Strauss serves as the Chairman of the Board of Directors of STA. Mr. Strauss brings to STA a business acumen that has successfully created operating companies in various industries, as well as having a profound effect on the Texas banking industry. Mr. Strauss has served as director of Team Bank and Valley View State Bank; Chairman of Texas Commerce Bank/Dallas and Main Bank/Dallas; Founder and Chairman of Collin Creek National Bank/Plano, Equitable Bank and DFW Airport Bank; and an Advisory Board Member of Gibraltar-First Texas Savings. In addition to his banking career, Mr. Strauss is presently the Chairman and CEO of RCS Investments and a group of its affiliates - Republic Property Group, Sovereign Homes, Landmark Capitol Corporation and American Financial Title Company.

Mr. Gerard Engel, the Company's President and Board Member, has over 25 years of experience in the communications and information industries, the majority of which were spent with IBM-owned Satellite Business Systems (SBS) and Metromedia Long Distance. As Vice-President and General Manager of SBS he organized and built from its inception the long distance division which grew to almost \$500 million in annual revenue with 2,400 employees. At Metromedia Mr. Engel served as Executive Vice-President and in two years increased profits to \$24 million per year from a \$12 million loss and solidified the company's position as the sixth largest U.S. long distance company at the time.

Mr. Daniel Moos, Executive Vice President and Chief Financial Officer in addition to being a member of the Board of Directors, brings a great deal of experience as it relates to corporate finance and strategic planning for both the public and private sectors. His business credits include a successful financial and operational restructuring of Phone Tel Technologies (NASDAQ), along with raising debt and equity for LDI Corporation (NASDAQ) and Argo-Tech Corporation (privately held). This experience also includes various successful acquisitions and mergers throughout his 25 years of business experience, especially within the telecommunications and computer industries. Mr. Moos has a bachelor's degree and MBA in Finance and Marketing.

Mr. Tom McHale is responsible for System Development and Operations Support, having over 20 years of management experience in the telecommunications field, with 12 years at IBM-owned Satellite Business Systems and Seven years at Metromedia companies. He spent over eight years in senior executive positions with responsibilities for Customer Service, billing, information systems and engineering. Mr. McHale provides the leadership, experience, and creativity necessary for the rapid implementation of the major value-added customer systems and services required to be successful.

Mr. Phil Allen is Director of Sales and has extensive experience in management development, strategic program development and personnel training and development. His skills encompass all phases of business from concept to final implementation in the private, public and non-profit sectors. He graduated from Central Michigan University with a BS and MA in education, business and administration and completed doctoral work in labor and industrial relations at Michigan State University. He held senior management positions with Capital Acceleration Corporation, Automated Communications, Inc., and most recently with Athena International, LLC. For the past decade, his professional focus has been on telecommunications.

Mr. Tom Welch is National Sales Director and has been a successful telecommunications sales executive for over 22 years. As the Western Regional Sales Manager for IBM-owned Satellite Business System he was responsible for revenue growth beginning as a start up to over \$50 million in three years. He most recently served as vice-president of sales for HCC Telecommunications, where he built a sales agent program of over 150 productive agents in one year. These agents were producing over \$50,000 per month initially and will increase their productivity threefold within the next six months.

Mr. Craig Engel is Director of Marketing with over six years of technical, operating, marketing and sales management experience at AT&T. As General Manager he was responsible for the recognition of partnership marketing programs as the most effective vehicle available to impact AT&T market share without discounting the long distance product. His program accounted for over \$150 million in annualized revenue winbacks in 1995. He has earned a BS degree in electrical engineering and an MBA in marketing from Columbia University. His presence on the STA team strengthens both marketing and sales management as STA begins the rapid sales growth phase of its business.

Exhibit E

TITLE SHEET

FLORIDA TELECOMMUNICATIONS TARIFF

This tariff contains the descriptions, regulations, and rates applicable to the furnishing of service and facilities for telecommunications services provided by STA Telecommunications Corp. with principal offices at 10300 N. Central Expressway, Suite 350, Dallas, TX 75231. This tariff applies for services furnished within the state of Florida. This tariff is on file with the Florida Public Service Commission, and copies may be inspected, during normal business hours, at the Company's principal place of business.

Issued:

Effective:

by: Jarrod Harper
Regulatory Affairs Manager
STA Telecommunications Corp.
10300 N. Central Expressway
Suite 350
Dallas, TX 75231

CHECK SHEET

The sheets listed below, which are inclusive of this tariff, are effective as of the date at the bottom of the respective sheet(s). Original and revised sheets as named below comprise all changes from the original tariff and are currently in effect as of the date of the bottom of this page.

SHEET	REVISION
1	Original
2	Original
3	Original
4	Original
5	Original
6	Original
7	Original
8	Original
9	Original
10	Original
11	Original
12	Original
13	Original
14	Original
15	Original
16	Original
17	Original
18	Original
19	Original
20	Original
21	Original
22	Original
23	Original
24	Original
24	Original
25	Original
26	Original
27	Original
28	Original
29	Original

Issued:

Effective:

by: Jarrod Harper
Regulatory Affairs Manager
STA Telecommunications Corp.
10300 N. Central Expressway
Suite 350
Dallas, TX 75231

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Section 4 - Rates.....	21

Issued:

Effective:

by: Jarrod Harper
Regulatory Affairs Manager
STA Telecommunications Corp.
10300 N. Central Expressway
Suite 350
Dallas, TX 75231

SYMBOLS SHEET

The following are only symbols used for the purposes indicated below:

- D - Delete or discontinue
- I - Change resulting in an increase to a customer's bill.
- M - Moved from another tariff location
- N - New
- R - Change resulting in a reduction to a customer's bill
- T - Change in text or regulation but no change in rate or charge

Issued:

Effective:

by: Jarrod Harper
Regulatory Affairs Manager
STA Telecommunications Corp.
10300 N. Central Expressway
Suite 350
Dallas, TX 75231

TARIFF FORMAT SHEETS

- A. Sheet Numbering - Sheet 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 sheets already in effect, a decimal is added. For example, a new sheet added between 14 and 15 would be 14.1.
- B. Sheet Revision Number - Revision numbers also appear in the upper right corner of each page. These numbers are used to determine the most current sheet version on file with the FPSC. For example, the 4th revised Sheet 14. Cancels the 3rd revised Sheet 14. Because of various suspension periods, deferrals, etc., the FPSC 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 nine levels of paragraph coding. Each level of coding is subservient to its next higher level:

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

Issued:

Effective:

by: Jarrod Harper
Regulatory Affairs Manager
STA Telecommunications Corp.
10300 N. Central Expressway
Suite 350
Dallas, TX 75231

SECTION 1 - TECHNICAL TERMS AND ABBREVIATIONS

ACCESS LINE - An arrangement which connects the customer's location to Carrier's location to STA's network switching center.

AUTHORIZATION CODE - A numerical code, one or more of which are available to a customer, to enable him/her to access the Carrier, and which are used by the carrier both to prevent unauthorized access to its facilities and to identify the customer for billing purposes.

CHARGEABLE TIME: For billing purposes calls are charged for from the time the connection between the calling party and the called party is established. The time at the beginning of each minute of the connection determines the applicable rate period. Chargeable time ends when the calling station hangs up. If the called party hangs up but the calling party does not, billing stops when the connection is released by automatic timing equipment in the network. See Section D, paragraph 1.c. regarding billing for calls which are allowed to ring for an extended period but are unanswered.

COMPANY OR CARRIER - STA Telecommunications Corp.

CUSTOMER - The person, firm, corporation or other entity which orders service and is responsible for payment of charges due and compliance with the company's tariff regulations.

DAY - From 8:00 AM up to, but not including 5:00 PM local time Sunday through Friday.

EVENING - From 5:00 AM up to, but not including 11:00 PM local time Sunday through Friday.

HOLIDAYS - STA's recognized holiday's are New Years Day, Memorial Day, July 4th, Labor Day, Thanksgiving Day, Christmas Day.

NIGHT/WEEKEND - From 11:00 PM to, but not including 8:00 AM Sunday through Friday, and 8:00 AM Saturday up to but not including 5:00PM Sunday.

PEAK - 8:00 AM to, but not including, 5:00 PM

OFF PEAK - 5:00 PM to, but not including, 8:00 AM

Issued:

Effective:

by: Jarrod Harper
Regulatory Affairs Manager
STA Telecommunications Corp.
10300 N. Central Expressway
Suite 350
Dallas, TX 75231

SECTION 2 - RULES & REGULATIONS

2.1 Undertaking of STA Telecommunications Corp.

STA services and facilities are furnished for communications originating at specified points within the state of Florida under terms of this tariff.

STA installs, operates and maintains the communications services provided herein in accordance with the terms and conditions set forth under this tariff. It may act as the customer's agent for ordering access connection facilities provided by other carriers or entities when authorized by the customer, to allow connection of a customer's location to the STA network. The customer shall be responsible for all charges due for such service arrangement.

The Company's services and facilities are provided on a monthly basis unless ordered on a longer term basis, and are available 24 hours per day, 7 days per week.

2.2 Limitations

2.2.1 Service is offered subject to the availability of facilities and provisions of this tariff.

2.2.2 STA reserves the right to discontinue furnishing service, or limit the use of service necessitated by conditions beyond its control; or when the customer is using service in violation of the law or the provisions of this tariff.

2.2.3 All facilities provided under this tariff are directly controlled by STA and the customer may not transfer or assign the use of service or facilities, except with the express written consent of the company. Such transfer or assignment shall only apply where there is no interruption of the use or location of the service or facilities.

2.2.4 Prior written permission from the company is required before any assignment or transfer. All regulations and conditions contained in this tariff shall apply to all such permitted assignees or transferees, as well as all conditions for service.

Issued:

Effective:

by: Jarrod Harper
Regulatory Affairs Manager
STA Telecommunications Corp.
10300 N. Central Expressway
Suite 350
Dallas, TX 75231

SECTION 2 - RULES & REGULATIONS (continued)

2.3 Liabilities of the Company

2.3.1 STA's liability for damages arising out of mistakes, interruptions, omissions, delays, errors, or defects in the transmission occurring in the course of furnishing service or facilities, and not caused by the negligence of its employees or its agents, in no event shall exceed an amount equivalent to the proportionate charge to the customer for the period during which the aforementioned faults in transmission occur.

2.3.2 STA shall be indemnified and held harmless by the customer against :

- (A) Claims for libel, slander, or infringement of copyright arising out of the material, data, information, or other content transmitted of the company's facilities.
- (B) All other claims arising out of any act or omission of the customer in connection with any service or facility provided by STA Telecommunications Corp.

2.4 Interruption of Service

2.4.1 Credit allowance for the interruption of service which is not due to the Company's testing or adjusting, negligence or the customer, or to the failure of channels or equipment provided by the customer, are subject to the general liability provisions set forth in 2.3.1 herein. It shall be the obligation of the customer to notify the company immediately of any interruption in service for which a credit allowance is desired. Before giving such notice, the customer shall ascertain that the trouble is not being caused by any action or omission by the customer within his control, if any, furnished by the customer and connected to the company's facilities.

2.4.2 For the purposes of credit computation, every month shall be considered to have 720 hours.

2.4.3 No credit shall be allowed for an interruption of a continuous duration for less than two hours.

2.4.4 The customer shall be credited for an interruption of two hours or more at the rate of 1/720th of the monthly charge for the facilities affected for each hour or major fraction thereof that the interruption continues.

Credit Formula:
Credit = A/720 x B

"A" - outage time in hours
"B" - total monthly charge for affected facility

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SECTION 2 - RULES & REGULATIONS (continued)**2.5 Payment and Billing**

- 2.5.1 Service is provided and billed on a monthly basis. Long distance charges and any recurring monthly charges billed monthly in arrears.
- 2.5.2 Bills are payable and due upon receipt. Interest at a rate of one and one half percent per month or the highest rate lawfully allowed will be charged on any amount unpaid after thirty (30) days from rendition of billing.
- 2.5.3 The customer is responsible for payment of all charges for service furnished to the customer. Charges for installations, moves and rearrangements are payable upon demand by the Carrier.
- 2.5.4 The security of the customer's authorization codes is the responsibility of the customer. All calls placed will be billed and must be paid by the customer.
- 2.5.5 The Carrier reserves the right to examine the credit record of an applicant or customer. A customer whose service has been discontinued for nonpayment of bills will be required to pay any unpaid balance due to the Carrier before service is restored.
- 2.5.6 The name(s) of the customer(s) desiring to use the service must be set forth in the application for service.
- 2.5.6 If notice of a dispute as to charges is not received in writing by the Carrier within thirty (30) days after a bill has been rendered, the billing will be considered correct and binding.
- 2.5.7 In the event of a billing dispute between the customer and the Carrier for service furnished to the customer, which cannot be settled to mutual satisfaction, the customer can take the following action:
- a. Initially the customer may request, and the Carrier will comply with the request, a detailed review of the disputed amount. In this event the undisputed amount and any subsequent billing must be paid on a timely basis as prescribed in this tariff.
 - b. Carrier reserves the right to "pass through" any charges associated with billing and collection of commercial credit card billed messages.
 - c. If after investigation by a manager of the Carrier, there is still a disagreement about the disputed amount the customer may appeal to the Florida Public Service Commission for their investigation and decision.

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SECTION 2 - RULES & REGULATIONS (continued)**2.6 Cancellation of Service by Customers**

- 2.6.1 The Customer may cancel service by giving verbal or written notice; to effect within 24 hours cancellation notice must be in writing.
- 2.6.2 Service may be terminated at any time upon reasonable notice from the customer to the Company. Upon such termination the customer shall be responsible for the payment of all charges due. This includes all charges due for the period service has been rendered plus any non-expired portion of an initial service period. Where the Carrier's service requires the use of a dedicated service line or other special access facility, the customer must request disconnection one month prior to the date on which service is to be discontinued.
- 2.6.3 If the customer orders service which requires special construction or special facilities dedicated to the customer's use and then cancels his order before the service begins, before completion of the minimum period, or before completion of some other period mutually agreed upon by the customer and Carrier a charge will be made to the customer for the non-recoverable portions of the expenditures or liabilities incurred expressly on behalf of the customer by the Carrier and not fully reimbursed by installation and monthly charges. If based on the order, and construction has either begun or been complete, but No. service provided, the non-recoverable cost of such construction shall be borne by the customer.

2.7 Cancellation of Service by Carrier

- 2.7.1 Without incurring liability, the Carrier may immediately discontinue service or cancel an application for service by written notice to the customer:
- a. For nonpayment of any sum due to the Carrier for more than 30 days after the Carrier issues the bill for the amount due.
 - b. For violation of any of the provisions governing the furnishing of service under this tariff.
 - c. For any violation of any law, rule, regulation or policy of any government authority having jurisdiction over service.
 - d. By reason of any order or decision of a court or other government authority having jurisdiction which prohibits the Carrier from furnishing service.

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SECTION 2 - RULES & REGULATIONS (continued)

2.8 Inspection, Testing & Adjustment

- 2.8.1 The Carrier may, upon reasonable notice, make such tests and inspections as may be necessary to determine whether terms are being met regarding installation, operation or maintenance of the Customer or Carrier's equipment.
- 2.8.2 Upon reasonable notice, facilities provided by the Carrier shall be made available to the Carrier by the customer for such tests and adjustments as may be necessary to restore service to a condition satisfactory to the Carrier.

2.9 Liability

- 2.9.1 The liability of the Carrier for damages arising out of mistakes, omissions, interruptions, delays, errors or defects in transmission occurring in the course of furnishing service and not caused by the negligence of the customer, commences upon activation of the service. In No. event will liability exceed an amount equivalent to the proportionate charge to the customer for the portion of the service during which such mistakes, omissions, interruptions, delays, errors or defects in transmission occur. For the purpose of computing the amount of refund due the customer for such outages a month is considered to have thirty (30) days.
- 2.9.2 The Carrier shall not be liable for and the customer indemnifies and holds the carrier harmless from any and all loss, claims, demands, suits, or other action, or any liability whatsoever, whether suffered, made, instituted, or asserted by the customer or by any other party or persons, for any personal injury to, or death of, any person or persons, and for any loss, damage, defacement or destruction of the premises of the customer or any other property, whether owned by the customer or others, caused or claimed to have been caused directly or indirectly by the installation, operation, failure to operate, maintenance, removal, presence, condition, location or use, not the direct result of the Carrier's negligence. No. agents or employees of other Carriers shall be deemed to be agent or employees of the Carrier.
- 2.9.3 The Carrier shall not be liable for any failure of performance of its services due to causes beyond its control including but not limited to civil disorders, fire, flood, or other disasters, labor problems, or regulations or actions taken by any government agency having jurisdiction over the Carrier.
- 2.9.4 The customer shall indemnify and save harmless the Carrier against claims for libel, slander, or infringement of copyright arising out of the material, data or other content transmitted over facilities furnished by the Carrier.

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SECTION 2 - RULES & REGULATIONS (continued)

2.9 Liability (continued)

- 2.9.5 Any claim which may arise as the result of the customer using the Carrier's service to conduct any business or activity which is illegal or otherwise against State or Federal laws.
- 2.9.6 The Carrier shall not be liable for the actions, omissions or negligence of any other company or companies furnishing a portion of the service.
- 2.9.7 Customer will be billed for and shall be responsible for any applicable state and federal taxes.

2.10 Service Interruptions

- 2.10.1 Damages may arise out of impairment of service provided by the Carrier to its customers. Such impairment may be caused by defects or failures in facilities or by mistakes, omissions, interruptions, delays, errors, or defects in the provision of its services set forth herein. Such impairment may also be caused by the Carrier's failure to maintain proper standards of maintenance and operation, or by its failure to exercise reasonable supervision. The Carrier's liability for damages caused by any such impairment shall not exceed the proportionate charge to the subscriber for the period of service during which the impairment existed. The carrier has No liability for damages caused by the negligence of the subscriber.
- 2.10.2 The Carrier shall not be liable for damage arising out of mistakes, omissions, interruptions, delays, errors or defects in transmission or other injury, including but not limited to, injuries to persons or property from voltages or currents transmitted over the service of the Carrier caused by terminal equipment, except where a contributing cause is the malfunctioning of the Carrier provided connecting arrangement, in which event liability of the Carrier shall not exceed an amount equal to a proportional amount of the Carrier billing for the period of service during which such mistake, omission, interruption, delay, error defect in transmission or injury occurs.

2.11 Terminal Equipment

- 2.11.1 Terminal equipment used in conjunction with this service shall comply with the minimum protection criteria set forth in the appropriate tariff of the network carrier involved, and shall not interfere with the service furnished to other customers.

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SECTION 2 - RULES & REGULATIONS (continued)

2.12 Use of Service

- 2.12.1 Service may be used for the transmission of communications by the customer and the customer's authorized user(s).
- 2.12.2 The customer may not use or permit others to use any of the services or facilities furnished by the carrier under this tariff for any unlawful purpose.
- 2.12.3 The customer shall promptly notify the carrier of service failures and make all reasonable attempts to ascertain that the failure is not caused by customer provided facilities.

2.13 Provision for Local Taxes and Fees

- 2.13.1 Any assessments, franchise fees, privilege, license, occupation excise or any other similar taxes or fees whether in a lump sum or at a flat rate, or based upon receipts, sales or other utility property units, imposed upon the Company by any governmental authority, shall be added pro rata insofar as practical, to the rates and charges stated herein, in amounts which in the aggregate for the Carrier' customers of any political entity shall be equal to the amount of any such tax upon the Carrier. The Carrier shall, so long as such tax or fee is in effect add to the bills of the customers in such political entity pro rata on the basis of the revenue derived by the Carrier for each customer, add a sufficient amount to recover any such tax or fee.

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SECTION 2 - RULES & REGULATIONS (continued)

2.14 Deposits

STA does not require deposits from the customer.

2.15 Advance Payments

For customers whom the company feels an advance payment is necessary, the Company reserves the right to collect an amount not to exceed one (1) month's estimated charges as an advance payment for service. This will be applied against the next month's charges and if necessary a new advance payment will be collected for the next month.

2.16 Taxes

All state and local taxes (i.e., gross receipt tax, sales tax, municipal utilities tax) are listed as separate line items and are not included in the quoted rates.

2.17 Employee Concessions

There are no employee concessions at this time.

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SECTION 3 - DESCRIPTION OF SERVICE

3.1 Timing of Calls

3.1.1 When Billing Charges Begin and Terminate For Phone Calls

The customer's long distance usage charge is based on the actual usage of STA's network. Timing for a call begins when the called party picks up the receiver, (i.e. When 2 way communication, often referred to as "conversation time" is possible.). When the called party picks up is determined by hardware answer supervision in which the local telephone company sends a signal to the switch or the software utilizing audio tone detection. When software answer supervision is employed, up to 60 seconds of ringing is allowed before it is billed as usage of the network. A call is terminated when the calling or called party hangs up.

3.1.2 Billing Increments

Unless otherwise specified in this tariff, the minimum call duration for billing purposes is 1 minute for a connected call. Calls beyond 1 minute are billed in one minute increments.

3.1.3 Per Call Billing Charges

Billing will be rounded up to the nearest penny for each call.

3.1.4 Uncompleted Calls

There shall be no charges for uncompleted calls.

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SECTION 3 - DESCRIPTION OF SERVICE (continued)

3.2 Billing of Calls

All charges due by the subscriber are payable at any agency duly authorized to receive such payments. Any objection to billed charges should be promptly reported to the company. Adjustments to customer's bills shall be made to the extent that the records are available and/or circumstances exist which reasonably indicate that an adjustment may be otherwise appropriate.

3.3 Payment of Calls

3.3.1 Late Payment of Charges

Interest charges of 1 ½% per month may be assessed on all unpaid balances more than thirty days old.

3.3.2 Return Check Charges

A return check charge of \$20.00 or 5% of the amount of the check, whichever is greater, will be assessed for checks returned for insufficient funds.

3.4 Restoration of Service

A reconnection fee of \$25.00 per occurrence is charged when service is re-established for customers who had been disconnected for non-payment.

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SECTION 3 - DESCRIPTION OF SERVICE (continued)3.5 Calculation of Distance

Usage charges for all mileage sensitive products are based on the airline distance between rate centers associated with the originating and terminating points of the call.

The airline mileage between rate centers is determined by applying the formula below to the vertical and horizontal coordinates associated with the rate centers involved. The company uses the rate centers that are produced by Bell Communications Research in the NPA-NXX V & H Coordinates Tape and Bell's NECA Tariff No. 4.

$$\text{Formula: } \sqrt{\frac{(V1 - V2)^2 + (H1 - H2)^2}{10}}$$

EXAMPLE: Distance between Miami and Tallahassee

	<u>V</u>	<u>H</u>
Miami	8,354	546
New York	<u>7,871</u>	<u>1,720</u>
Distance	483	-1,174

Square and add: $233,289 + 1,378,276 = 1,611,565$

Divide by 10 and round: $1,611,565/10 = 161,565.5$
 $= 161,567$

Take square root and round: $161,567 = 401.4$
 $= 402 \text{ miles}$

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SECTION 3 - DESCRIPTION OF SERVICE (continued)**3.5 Minimum Call Completion Rate**

A customer can expect a call completion rate (number of calls completed / number of calls attempted) of not less than 90% during peak use periods for all FG D services (1+ dialing).

3.6 Service Offerings**3.6.1 Directory Assistance**

In addition, Directory Assistance Service is available to End Users of the Company's long distance services. Directory Assistance Service is offered on a per query basis.

3.6.2 Residential Switched 1+ Service

Residential 1+ Service is offered to residential Customers in Equal Access exchange areas where the carrier offers Feature Group D service to its Customers. There is no monthly subscription fee. Intrastate service is offered in conjunction with interstate service.

Each Residential 1+ Service Customer is billed individually for each call placed through the Company since the previous month's billing. Rate periods are defined as Peak and Off Peak. Peak is from 8:00AM to, but not including 5:00PM. Off Peak is from 5:00PM to, but not including, 8:00AM. Each call is measured and billed in one minute increments with an initial period of one minute. Reduced rates are offered for increased volume of usage of the Customer's 1+ service. Volume is determined by the actual hours of 1+ traffic in the billing period. Hours are rounded off to whole hours.

3.6.3 Business Switched 1+ Service

The Business 1+ Service is a service which offers a flat per minute usage rate for the customer's 1+ service.

Each customer is billed for each call placed through the Company since the previous billing period. Each call is measured and billed in (1) minute increments with an initial period of one minute. Reduced rates are offered for increased volume of usage of the Customer's 1+ service. Volume is determined by the actual hours of 1+ traffic in the billing period. Hours are rounded off to whole hours.

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SECTION 3 - DESCRIPTION OF SERVICE (continued)**3.6 Service Offerings (continued)****3.6.4 Dedicated Outbound Long Distance**

STA's dedicated outbound long distance is a dedicated outbound service offered to customers with usage in excess of \$2,500 per month per DS-1. Calls are billed in 6 second increments, with an 18 second minimum call duration. Rates vary in accordance with time of day. Customers selecting this service must commit to a one year term agreement, and are responsible for any applicable loop charges.

3.6.5 Switched 800 Service

STA's Switched 800 service is an inbound service originating and terminating on premium switch feature group facilities. Service is offered to Customers who enter month to month or long term agreements with the Company. Calls are billed in one minute increments with a one minute minimum, unless otherwise stated. Rates for some plans vary in accordance with time of day. Volume discounts and monthly recurring charges apply.

3.6.6 Dedicated 800 Service

STA's dedicated 800 service is an inbound service which permits 800 calling to specific locations featuring use of dedicated, special access connections on the terminating end. Dedicated 800 service is available to Customers whose monthly usage charges exceed \$5,000 per DS-1. A minimum one year term agreement is required. Calls are billed in six second increments, with a 18 second minimum call duration. The Customer is also responsible for any applicable local loop charges.

3.6.7 STA Pre-Paid Calling Card

STA offers its Pre-Paid Calling Card service to residential and commercial STA customers. Customized features include voice response or touch-tone dialing. Rates are a flat rate and vary based on the value of the card purchased. Calls are billed in one minute increments, with a one minute call duration. Volume discounts apply.

STA is not liable or responsible for theft, loss or unauthorized use of cards or card numbers. STA will not refund or issue credit on unused units (minutes) of the pre-paid card. The Customer(s) of Pre-Paid Calling Card Service is solely responsible for payment of all applicable federal, state or local use, excise, sales or privilege taxes, duties or any similar fees that may be assessed by any governmental body or regulatory authority in connection with the service.

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SECTION 3 - DESCRIPTION OF SERVICE (continued)**3.6 Service Offerings (continued)****3.6.8 STA Calling Card**

STA offers its calling card service to residential and commercial STA customers. Customized features include voice response or touch-tone dialing. Rates are on a flat rate basis. An initial activation fee and a per call access fee may apply. Volume discounts apply.

STA is not liable or responsible for theft, loss or unauthorized use of cards or card numbers. The Customer(s) of STA's Calling Card Service is solely responsible for payment of all applicable federal, state or local use, excise, sales or privilege taxes, duties or any similar fees that may be assessed by any governmental body or regulatory authority in connection with the service.

3.6.9 Retail/Direct

The Retail/Direct program is an agreement with various retail or direct promotion sales and marketing organizations, whereby STA services are offered to patrons of their establishments at a single rate schedule, regardless of usage.

3.6.10 Affinity #1

The Affinity #1 program is an arrangement in which an association, organization or foundation will solicit customers for STA's services primarily through their organization and contacts. A percentage of the proceeds will be returned to the organization or donated to a charity of that group or foundation's choice.

3.6.11 Affinity #2

The Affinity #2 program is an arrangement in which an association, organization or foundation will solicit customers for STA's services primarily through their organization and contacts. A percentage of the proceeds will be returned to the organization or donated to a charity of that group or foundation's choice. The Affinity #2 program is the same as the Affinity #1 program except that a higher percentage of the proceeds are returned to the group or organization.

3.6.12 Direct Marketing

This program is an arrangement in which STA marketing partners solicit customers for STA's services via direct marketing to their individual client or customer base list.

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SECTION 4 - RATES**4.1 Residential Switched 1+ Service**

Residential Switched 1+ Service is offered to residential Customers in Equal Access exchange areas where the carrier offers Feature Group D service to its Customers. There is no monthly subscription fee. Intrastate service is offered in conjunction with interstate service.

Each Residential Switched 1+ Service Customer is billed individually for each call placed through the Company since the previous month's billing. Rate periods are defined as Peak and Off Peak. Peak is from 8:00AM to, but not including 5:00PM. Off Peak is from 5:00PM to, but not including, 8:00AM. Each call is measured and billed in one minute increments with an initial period of one minute. Reduced rates are offered for increased volume of usage of the Customer's service. Volume is determined by the actual hours of traffic in the billing period. Hours are rounded off to whole hours.

Residential Switched 1+ Usage Rates

<u>Peak</u>	<u>Off Peak</u>	<u>Usage in Dollars</u>	<u>Usage in Hours</u>
.2690	.2090	\$0 - \$10	0 - 1
.2690	.1890	\$11 - \$25	1 - 2
.2690	.1790	\$26 - \$50	2 - 4
.2690	.1690	\$51 - \$100	4 - 7
.2590	.1590	\$101 - \$250	7 - 20
.2590	.1490	\$251 - \$500	20 - 40
.2490	.1490	\$501+	40+

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SECTION 4 - RATES (continued)4.2 **Business 1+ Service**

The Business 1+ Service is a service which offers a flat per minute usage rate for the customer's 1+ service.

Each customer is billed for each call placed through the Company since the previous billing period. Each call is measured and billed in (6) six second increments with an initial period of one minute. Reduced rates are offered for increased volume of usage of the Customer's 1+ service. Volume is determined by the actual hours of 1+ traffic in the billing period. Hours are rounded off to whole hours.

Business 1+ Service Usage Rates

<u>Per Minute</u>	<u>Usage in Dollars</u>	<u>Usage in Hours</u>
.2390	\$0 - \$50	0 - 3
.2290	\$51 - \$100	3 - 7
.2190	\$101 - \$250	7 - 19
.2090	\$251 - \$500	19 - 39
.1890	\$501 - \$1,000	39 - 88
.1790	\$1,001 - \$2,500	88 - 232
.1690	\$2,500 +	232+

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SECTION 4 - RATES (continued)**4.3 Dedicated Outbound Long Distance**

STA's dedicated outbound long distance is a dedicated outbound service offered to customers with usage in excess of \$2,500 per month per DS-1. Calls are billed in six second increments, with a six second minimum call duration. Rates vary in accordance with time of day. Customers selecting this service must commit to a one year term agreement, and are responsible for any applicable loop charges.

<u>Usage In Dollars</u>	<u>Rate Per Minute</u>
\$2,500	.1260
\$5,000	.1210
\$10,000	.1160
\$25,000	.1120
\$25,000+	.1070

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SECTION 4 - RATES (continued)

4.4 Switched 800 Service

STA's Switched 800 service is an inbound service originating and terminating on premium switch feature group facilities. Calls are billed in six second increments with an eighteen second minimum. Rates for some plans vary in accordance with time of day. Volume discounts apply. Reduced rates are offered for increased volume of usage of the Customer's business or residential 800 service. Volume is determined by the actual hours of 800 traffic in the billing period. Hours are rounded off to the nearest whole hour.

Business is a flat rate schedule, while residential employs a schedule using Peak and Off Peak times. Peak and Off Peak are as defined in previous sections.

Billing may be offered in either one (1) minute or six (6) second increments.

Switched 800 Usage Rates

4.4.1 Residential Schedule

<u>Peak</u>	<u>Off Peak</u>	<u>Usage In Dollars</u>	<u>Usage In Hours</u>
.3290	.2790	\$0 - \$25	0 - 1
.3290	.2590	\$26 - \$100	1 - 5
.3290	.2490	\$101 - \$250	5 - 14
.3290	.2290	\$251 - \$500	14 - 29
.3090	.2090	\$501 - \$1,000	29 - 64
.2890	.2090	\$1,000+	64+

4.4.2 Business Schedule

<u>Per Minute</u>	<u>Usage In Dollars</u>	<u>Usage In Hours</u>
.3090	\$0 - \$25	0 - 1
.2890	\$26 - \$100	1 - 5
.2790	\$101 - \$250	5 - 14
.2590	\$251 - \$500	14 - 32
.2490	\$501 - \$1,000	32 - 66
.2290	\$1,000+	66+

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SECTION 4 - RATES (continued)**4.5 Dedicated 800 Service**

STA's dedicated 800 service is an inbound service which permits 800 calling to specific locations featuring use of dedicated, special access connections on the terminating end. Dedicated 800 service is available to Customers whose monthly usage charges exceed \$2,500 per DS-1. A minimum one year term agreement is required. Calls are billed in six second increments, with an 18 second minimum call duration. The Customer is also responsible for any applicable local loop charges.

<u>Usage In Dollars</u>	<u>Rate Per Minute</u>
\$2,500	.1260
\$5,000	.1210
\$10,000	.1170
\$25,000	.1120
\$25,000+	.1070

4.6 STA Pre-Paid Calling Card

STA offers its Pre-Paid Calling Card service to residential and commercial STA customers. Customized features include voice response or touch-tone dialing. Rates are a flat rate and vary based on the value of the card purchased. Calls are billed in one minute increments, with a one minute call duration. Volume discounts apply.

Pre-Paid Calling Card Rates

<u>Denomination</u>	<u>Per Minute Rate</u>
\$5.00	.3200
\$10.00	.3000
\$20.00	.2800
\$30.00	.2600
\$50.00	.2300
\$75.00	.2100
\$100.00	.1950

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SECTION 4 - RATES (continued)4.7 **STA Calling Card**

STA offers its calling card service to residential and commercial STA customers. Customized features include voice response or touch-tone dialing. Rates are on a flat rate basis. An initial activation fee and a per call access fee may apply. Volume discounts apply.

Calling Card Rates

<u>Dollars Per Month</u>	<u>Hours Per Month</u>	<u>Per Minute Rate</u>
\$0 - \$10	0 - 1	.2590
\$11 - \$25	1 - 2	.2490
\$26 - \$50	2 - 4	.2390
\$51 - \$100	4 - 7	.2290
\$101 - \$250	7 - 19	.2190
\$251 - \$500	19 - 40	.2090
\$501 +	41 +	.1990

There is a \$0.60 per call surcharge for the STA Calling Card.

4.8 **Directory Assistance**

Directory Assistance Calls will be billed at \$0.65 per call.

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SECTION 4 - RATES (continued)**4.9 Retail/Direct**

The Retail/Direct program is an agreement with various retail or direct promotion sales and marketing organizations, whereby STA services are offered to patrons of their establishments at a single rate schedule, regardless of usage.

Rates:	Flat (24 Hours)	.1890	Business
	Peak (8am - 5pm)	.2590	Residential
	Off Peak (5pm - 8am)	.1590	Residential

4.10 Affinity #1

The Affinity #1 program is an arrangement in which an association, organization or foundation will solicit customers for STA's services primarily through their organization and contacts. A percentage of the proceeds will be returned to the organization or donated to a charity of that group or foundation's choice.

Rates:	Flat (24 Hours)	.1890
	Peak (8am - 5pm)	.2890
	Off Peak (5pm - 8am)	.1390
	800 Service	
	Flat	.2290

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SECTION 4 - RATES (continued)**4.11 Affinity #2**

The Affinity #2 program is an arrangement in which an association, organization or foundation will solicit customers for STA's services primarily through their organization and contacts. A percentage of the proceeds will be returned to the organization or donated to a charity of that group or foundation's choice. The Affinity #2 program is the same as the Affinity #1 program except that a higher percentage of the proceeds are returned to the group or organization.

Rates:	Flat (24 Hours)	.2090
	Peak (8am - 5pm)	.2690
	Off Peak (5pm - 8am)	.1690
	800 Service	
	Flat	.2490
	Peak	.2590
	Off Peak	.2290

4.12 Direct Marketing

This program is an arrangement in which STA marketing partners solicit customers for STA's services via direct marketing to their individual client or customer base list.

Direct Marketing

Rates:	Flat (24 Hours)	.2190
	Peak (8am - 5pm)	.2890
	Off Peak (5pm - 8am)	.1790

Issued:

Effective:

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SECTION 4 - RATES (continued)

4.13 Special Promotions

The company will, from time to time, offer special promotions to its customers waiving certain charges. These promotional will be approved by the FPSC with specific starting and ending dates and under no circumstances run for longer than 90 days in any 12 month period.

4.14 Special Rates for the Handicapped

4.14.1 Directory Assistance

There shall be no charge for up to fifty calls per billing cycle from lines or trunks serving individuals with disabilities. The company shall charge the prevailing tariff rates for every call in excess of 50 within a billing cycle.

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