

PIPER & MARBURY
L.L.P.

1200 NINETEENTH STREET, N.W.
WASHINGTON, D.C. 20036-2430
202-861-3900
FAX: 202-223-2085

ORIGINAL

BALTIMORE
NEW YORK
PHILADELPHIA
EASTON

RANDALL B. LOWE
202-861-6477

rlowe@pipermar.com

July 15, 1999

BY FEDERAL EXPRESS

Florida Public Service Commission
Division of Records and Reporting
2540 Shumard Oak Blvd.
Tallahassee, FL 32339-0850

990933-TI

Re: Application for Authority to Provide Interexchange Telecommunications Service Between Points within the State of Florida

Dear Sir/Madam:

On behalf of Prism Florida Operations, LLC, we are submitting an original and six (6) copies of an application for authority to provide interexchange telecommunications service between points within the State of Florida.

Please note that Prism Florida Operations, LLC and its parent company, Prism Communication Services, Inc., are privately held companies and the financial information concerning these companies that is submitted as part of this application is proprietary in nature. Review of this information should be held in the strictest confidence possible. The financial information concerning these companies is provided to the Staff under separate cover, is marked "PROPRIETARY AND CONFIDENTIAL - FILED UNDER PROTECTIVE SEAL," and is not to be made a part of the public record.

Please date-stamp and return the attached stamp-in copy in the enclosed self-addressed FedEx envelope.

**This document has been placed in
confidential storage pending advice on
handling from OPR staff.**

Check received with filing and
forwarded to Fiscal for deposit.
Fiscal to forward a copy of check
to RAR with proof of deposit.

Initials of person who forwarded check:

RL

DOCUMENT NUMBER-DATE
08500 JUL 16 99
FPSC-RECORDS/REPORTING

July 15, 1999
Page 2

Any questions regarding this filing should be directed to the undersigned counsel.

Sincerely,

Randall B. Lowe

RBL/mjs
Enclosures

cc: Terrence Peck

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RANDALL B. LOWE
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DEPOSIT DATE
D169 JUL 16 1999

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PIPER & MARBURY
L.L.P.
1200 NINETEENTH ST. N.W.
WASHINGTON, D.C. 20036-2430

FIRST UNION NATIONAL BANK
OF WASHINGTON D.C.
WASHINGTON, D.C. 200403

056074

15-122
540

07/13/99

PAY TO THE ORDER OF FLA. PUBLIC SERVICE COMMISSION \$ 250.00

TWO HUNDRED FIFTY AND 00/100 Dollars

FLA. PUBLIC SERVICE COMMISSION

Laundrea D. Wilson

⑈056074⑈

PIPER & MARBURY L.L.P.

56074

| INVOICE NUMBER | DATE | AMOUNT PAID | INVOICE DESCRIPTION |
|----------------|----------|-------------|---------------------|
| P. HANNON | 07-13-99 | 250.00 | C/M# 27549-20 |

ORIGINAL

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 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-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**

Note: **No filing fee is required** for an assignment or transfer of an existing certificate to another certificated company.

- ◆ If you have questions about completing the form, contact:

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

1. This is an application for \checkmark (check one):

Original certificate (new company).

Approval of transfer of existing certificate:

Example, a certificated company purchases an existing certificated company and desires to retain the authority of both certificates.

Approval of assignment of existing certificate:

Example; a non-certificated company purchases an existing company and desires to retain the certificate of authority rather than apply for a new certificate.

Approval of transfer of control:

Example, a company purchases 51% of a certificated company. The Commission must approve the new controlling entity.

2. Name of company:

Prism Florida Operations, LLC

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

Prism Florida Operations, LLC

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

Prism Florida Operations, LLC

11 Beach Street

New York, NY 10013

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

None

6. Select 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 discounts under multi-location discount plans from certain underlying carriers, then offers 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;

- | | |
|--|--|
| <input type="checkbox"/> Individual | <input type="checkbox"/> Corporation |
| <input type="checkbox"/> Foreign Corporation | <input type="checkbox"/> Foreign Partnership |
| <input type="checkbox"/> General Partnership | <input type="checkbox"/> Limited Partnership |
| <input checked="" type="checkbox"/> Other <u>Foreign Limited Liability Company</u> | |

8. If individual, provide:

Name: _____

Title: _____

Address: _____

City/State/Zip: _____

Telephone No.: _____ Fax No.: _____

Internet E-Mail Address: _____

Internet Website Address: _____

9. **If incorporated in Florida**, 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:**

M99000000879

11. **If using fictitious name-d/b/a**, 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:** _____

12. **If a limited liability partnership**, 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.

Name: _____

Title: _____

Address: _____

City/State/Zip: _____

Telephone No.: _____ Fax No.: _____

Internet E-Mail Address: _____

Internet Website Address: _____

14. **If a foreign limited partnership**, provide proof of compliance with the foreign limited partnership statute (Chapter 620.169, FS), if applicable.

(a) **The Florida registration number:** _____

15. Provide **F.E.I. Number** (if applicable): 52-2116495

16. Provide the following (if applicable):

(a) Will the name of your company appear on the bill for your services?
() Yes () No

(b) If not, who will bill for your services?

Name: _____

Title: _____

Address: _____

City/State/Zip: _____

Telephone No.: _____ **Fax No.:** _____

(c) How is this information provided?

17. Who will receive the bills for your service?

- | | |
|---|---|
| <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 checked="" type="checkbox"/> Hotels & motels | <input type="checkbox"/> Hotel & motel guests |
| <input type="checkbox"/> Universities | <input type="checkbox"/> Universities dormitory residents |
| (<input type="checkbox"/>) Other: (specify) _____ | |

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

(a) **The application:**

Name: Randall B. Lowe, Esq.
Julie A. Kaminski, Esq.
Title: Counsel
Address: Piper & Marbury, L.L.P. 1200 19th Street, N.W.
City/State/Zip: Washington, D.C. 20036
Telephone No.: (202) 861-3900 Fax No.: (202) 223-2085
Internet E-Mail Address: rlowe@pipermar.com / jkaminski@pipermar.com
Internet Website Address: _____

(b) Official point of contact for the ongoing operations of the company:

Name: Sophia Corona
Title: V.P. Network Planning
Address: 8 West 19th Street
City/State/Zip: New York, NY 10011
Telephone No.: (212) 366-5001 Fax No.: (212) 366-5454
Internet E-Mail Address: scorona@prismcsi.net
Internet Website Address: _____

(c) Complaints/Inquiries from customers:

Name: Sophia Corona
Title: V.P., Network Planning
Address: 8 West 19th Street
City/State/Zip: New York, NY 10011
Telephone No.: (212) 366-5001 Fax No.: (212) 366-5454
Internet E-Mail Address: scorona@prismcsi.net

Internet Website Address: _____

19. List the states in which the applicant:

(a) has operated as an interexchange telecommunications company.

None

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

None. Affiliated companies have applications pending in Delaware, DC,

Connecticut, Illinois and Virginia

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

None. Affiliated companies have been certified in New York, Maryland,

New Jersey and North Carolina.

(d) has been denied authority to operate as an interexchange telecommunications company 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.

20. Indicate if any of the officers, directors, or any of the ten largest stockholders have previously been:

(a) adjudged bankrupt, mentally incompetent, or found guilty of any felony or of any crime, or whether such actions may result from pending proceedings. If so, please explain.

No

(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, give reason why not.

No

21. The applicant will provide the following interexchange carrier services \checkmark (check all that apply): See Exhibit 2

a. Yes **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

b. Not Planned **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

c. Yes 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

d. Yes MTS for pay telephone service providers

e. Yes Block-of-time calling plan (Reach Out Florida, Ring America, etc.).

f. Yes 800 service (toll free)

g. Yes WATS type service (bulk or volume discount)

 x Method of access is via dedicated facilities
 x Method of access is via switched facilities

h. Yes Private line services (Channel Services)
(For ex. 1.544 mbs., DS-3, etc.)

i. Yes Travel service

 Method of access is 950
 x Method of access is 800

j. No 900 service

k. Yes Operator services

 x Available to presubscribed customers
 x Available to non presubscribed customers (for example, to patrons of hotels, students in universities, patients in hospitals).
 Available to inmates

l. Services included are:

 x Station assistance
 x Person-to-person assistance
 x Directory assistance
 x Operator verify and interrupt
 x Conference calling

22. 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 3

23. Submit the following:

A. Financial capability. See Exhibit 4

The application **should contain** 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 **affirming that the financial statements 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. **A written explanation** that the applicant has sufficient financial capability to provide the requested service in the geographic area proposed to be served.
2. **A written explanation** that the applicant has sufficient financial capability to maintain the requested service.
3. **A written explanation** that the applicant has sufficient financial capability to meet its lease or ownership obligations.

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

See Exhibit 5

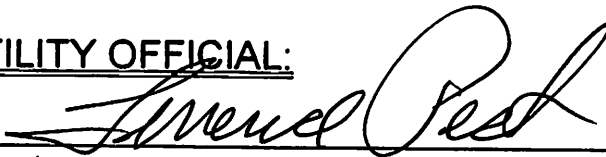
C. Technical capability; give resumes of employees/officers of the company that would indicate sufficient technical experiences or indicate what company has been contracted to conduct technical maintenance.

See Exhibit 5

**** APPLICANT ACKNOWLEDGMENT 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 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.
3. **SALES TAX:** I understand that a seven percent sales tax must be paid on intra and interstate revenues.
4. **APPLICATION FEE:** I understand that a non-refundable application fee of \$250.00 must be submitted with the application.

UTILITY OFFICIAL:



Signature

July 13, 1999

Date

Manager

Title

(212) 366-5001

Telephone No.

Address: c/o Prism Florida Operations, LLC

(212) 366-5454

Fax No.

11 Bweach Street

New York, NY 10013

ATTACHMENTS:

- A - CERTIFICATE SALE, TRANSFER, OR ASSIGNMENT STATEMENT
- B - CUSTOMER DEPOSITS AND ADVANCE PAYMENTS
- C - CURRENT FLORIDA INTRASTATE NETWORK
- D - AFFIDAVIT
 - FLORIDA TELEPHONE EXCHANGES AND EAS ROUTES
 - GLOSSARY

CERTIFICATE TRANSFER, OR ASSIGNMENT STATEMENT

I, (Name) NIA _____,

(Title) _____ of

(Name of Company)

and current holder of Florida Public Service Commission Certificate Number

_____, have reviewed this application and join in the
petitioner's request for a:

() transfer

() assignment

of the above-mentioned certificate.

UTILITY OFFICIAL:

Signature Date

Title Telephone No.

Address: _____

Fax No.

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):

- () 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:

| | |
|---|-----------------------|
| <u>Signature</u> | <u>7/13/1999</u> |
| <u>Manager</u> | <u>(212) 366-5001</u> |
| <u>Title</u> | <u>Telephone No.</u> |
| <u>Address: c/o Prism Florida Operations, LLC</u> | <u>(212) 366-5454</u> |
| <u>11 Beach Street</u> | <u>Fax No.</u> |
| <u>New York, NY 10013</u> | |
| | |
| | |
| | |

CURRENT FLORIDA INTRASTATE SERVICES

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

If the answer is has, fully describe the following:

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

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

UTILITY OFFICIAL:

Ernest Beck
Signature

July 13, 1999
Date

Manager
Title

(212) 366-5001
Telephone No.

Address: c/o Prism Florida Operations, LLC

(212) 366-5454

11 Beach Street

Fax No.

New York, NY 10013

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 alternative local exchange 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."

UTILITY OFFICIAL:

| | | | |
|------------------|--|----------------------|-----------------------|
| <u>Signature</u> | <u><i>Immanuel Pesh</i></u> | <u>Date</u> | <u>July 13, 1999</u> |
| <u>Manager</u> | | <u>Telephone No.</u> | <u>(212) 366-5001</u> |
| <u>Title</u> | | <u>Fax No.</u> | <u>(212) 366-5454</u> |
| <u>Address:</u> | <u>c/o Prism Florida Operations, LLC</u> | | |
| | <u>11 Beach Street</u> | | |
| | <u>New York, NY 10013</u> | | |
| | | | |
| | | | |

EXHIBIT 1

IXC Item 10 -- Proof of Registration to Operate in Florida



FLORIDA DEPARTMENT OF STATE
Katherine Harris
Secretary of State

June 15, 1999

C T CORPORATION SYSTEM
660 EAST JEFFERSON STREET
TALLAHASSEE, FL 32301

Qualification documents for PRISM FLORIDA OPERATIONS, LLC were filed on June 15, 1999, and assigned document number M9900000879. Please refer to this number whenever corresponding with this office.

Your limited liability company is now qualified and authorized to transact business in Florida as of the file date.

A limited liability company annual report will be due this office between January 1 and May 1 of the year following the calendar year of the file date. A Federal Employer Identification (FEI) number will be required before this report can be filed. If you do not already have an FEI number, please apply NOW with the Internal Revenue by calling 1-800-829-3676 and requesting form SS-4.

Please be aware if the limited liability company address changes, it is the responsibility of the corporation to notify this office.

Should you have any questions regarding this matter, please telephone (850) 487-6051, the Registration and Qualification Section.

Diane Cushing
Corporate Specialist
Division of Corporations

Letter Number: 899A00032226

APPLICATION BY FOREIGN LIMITED LIABILITY COMPANY FOR AUTHORIZATION TO TRANSACTION BUSINESS IN FLORIDA

IN COMPLIANCE WITH SECTION 608.503, FLORIDA STATUTES, THE FOLLOWING IS SUBMITTED TO REGISTER A FOREIGN LIMITED LIABILITY COMPANY TO TRANSACTION BUSINESS IN THE STATE OF FLORIDA:

1. Prism Florida Operations, LLC
 (Name of foreign limited liability company must end with the words "limited liability company" or "limited company" or their abbreviations "L.L.C." or "L.C." if not so contained in the name at present.)

2. Delaware 3. _____
 (Jurisdiction under the law of which foreign limited liability company is organized) (FEI number, if applicable)

4. May 7, 1999 5. perpetual
 (Date of Organization) (Duration: Year limited liability company will cease to exist or "perpetual")

6. Prism Florida Operations, LLC has not yet transacted business in Florida.
 (Date first transacted business in Florida. (See sections 608.501, 608.502 and 817.155, F.S.))

7. 11 Beach Street, Second Floor
New York, NY 10013
 (Street address of principal office)

8. List name, title, and business address of each managing member [MGRM] or manager [MGR] who will manage the foreign limited liability company in Florida: (attach additional page if necessary)

| NAME & ADDRESS: | TITLE: | NAME & ADDRESS: | TITLE: |
|--------------------------------------|------------|-----------------|--------|
| <u>Terrence Peck</u> | <u>MGR</u> | _____ | _____ |
| <u>11 Beach Street, Second Floor</u> | | _____ | |
| <u>New York, NY 10013</u> | | _____ | |
| _____ | _____ | _____ | _____ |
| _____ | | _____ | |
| _____ | | _____ | |
| _____ | _____ | _____ | _____ |
| _____ | | _____ | |
| _____ | | _____ | |

9. Attached is an original certificate of existence, no more than 90 days old, duly authenticated by the Secretary of State or the proper official having custody of records in the state under the law of which it is organized. (A photocopy is not acceptable. If the certificate is in a foreign language, a translation of the certificate under oath of the translator must be submitted.)

FILED
 JUN 19 2:00 PM '99
 SECRETARY OF STATE
 TALLAHASSEE, FLORIDA

**AFFIDAVIT OF MEMBERSHIP AND CONTRIBUTIONS OF FOREIGN
LIMITED LIABILITY COMPANY**

The undersigned member or authorized representative of a member of Prism Florida Operations, LLC

_____ certifies:

- 1) the above named limited liability company has at least one member;
- 2) the total amount of cash contributed by the member(s) is \$ 0 ;
- 3) if any, the agreed value of property other than cash contributed by member(s) is \$ 0 ;
(A description of the property is attached and made a part hereto.)
and
- 4) the total amount of cash and property contributed and anticipated to be contributed by member(s) is _____ .
(This total includes amounts from 2 and 3 above.)

FILED
JUN 15 PM 2:00
STATE
TALLAHASSEE, FLORIDA



Signature of a member or authorized representative of a member.
(In accordance with section 608.408(3), Florida Statutes, the execution of this affidavit constitutes an affirmation under the penalties of perjury that the facts stated herein are true.)

Terrence Peck.

Typed or printed name of signee

Filing Fee: \$250.00 for Application and Affidavit

**CERTIFICATE OF DESIGNATION OF
REGISTERED AGENT/REGISTERED OFFICE**

PURSUANT TO THE PROVISIONS OF SECTION 608.415 OR 608.507, FLORIDA STATUTES, THE UNDERSIGNED LIMITED LIABILITY COMPANY SUBMITS THE FOLLOWING STATEMENT IN DESIGNATING THE REGISTERED OFFICE/REGISTERED AGENT, IN THE STATE OF FLORIDA.

1. The name of the limited liability company is: Prism Florida Operations, LLC

2. The name and address of the registered agent and office is:

C T Corporation System

(Name)

c/o C T Corporation System, 1200 South Pine Island Road

(P.O. Box not acceptable)

Plantation, Florida 33324

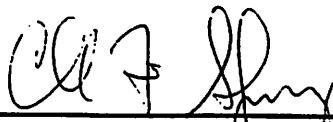
(City/State/Zip)

SECRET
TALLAHASSEE, FLORIDA

99 JUN 15 PM 2:00

FILED

Having been named as registered agent and to accept service of process for the above stated limited liability company at the place designated in this certificate, I hereby accept the appointment as registered agent and agree to act in this capacity. I further agree to comply with the provisions of all statutes relating to the proper and complete performance of my duties, and I am familiar with and accept the obligations of my position as registered agent.



(Signature)

Charlie F. Shampans, Asst. Secy.

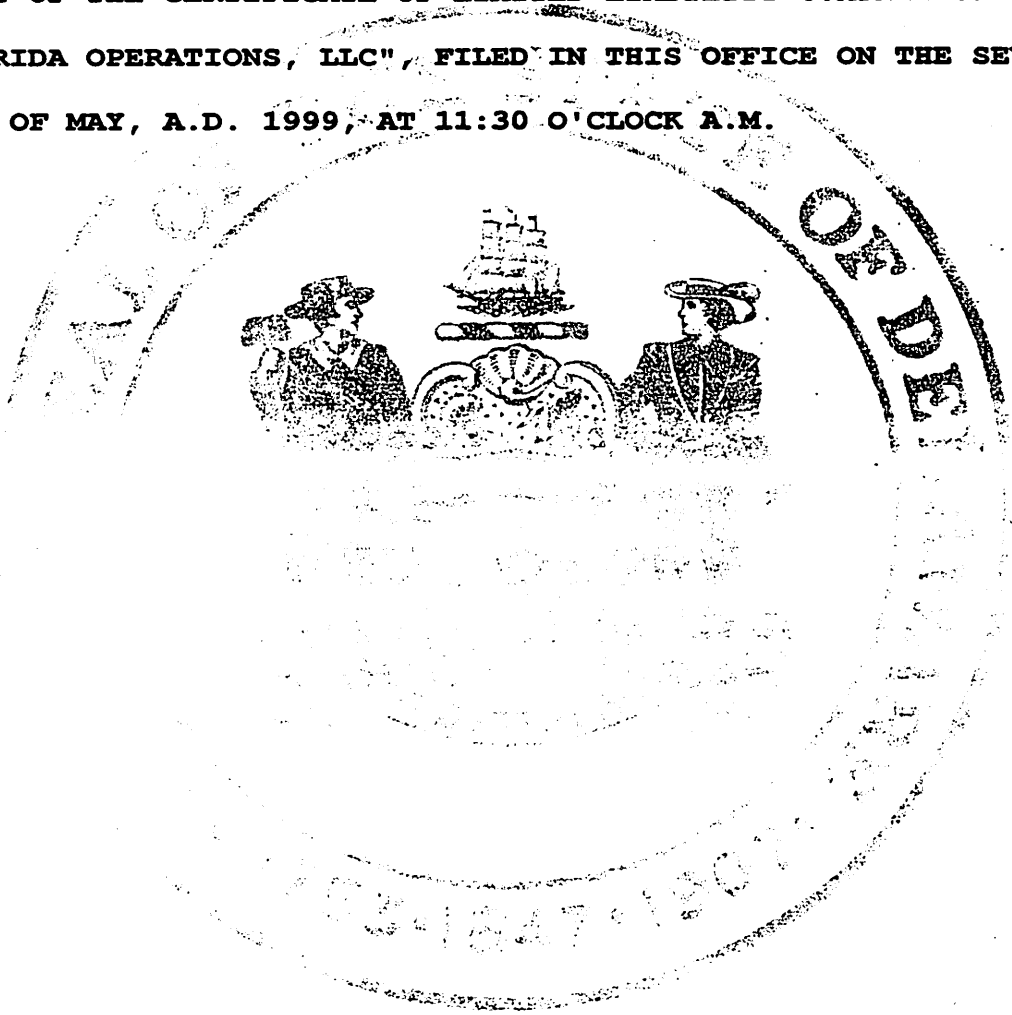
May 10, 1999

(Date)

FILING FEE: \$ 35 for Designation of Registered Agent

Office of the Secretary of State

I, EDWARD J. FREEL, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF LIMITED LIABILITY COMPANY OF "PRISM FLORIDA OPERATIONS, LLC", FILED IN THIS OFFICE ON THE SEVENTH DAY OF MAY, A.D. 1999, AT 11:30 O'CLOCK A.M.



Edward J. Freel

Edward J. Freel, Secretary of State

3040019 8100

991182154

AUTHENTICATION:

9731427

DATE:

05-07-99


**CERTIFICATE OF FORMATION
OF
PRISM FLORIDA OPERATIONS, LLC**

1. The name of the limited liability company is:

Prism Florida Operations, LLC

2. The address of its registered office in the State of Delaware is Corporation Trust Center, 1209 Orange Street, in the City of Wilmington, County of New Castle. The name of its registered agent is The Corporation Trust Company.

IN WITNESS WHEREOF, the undersigned has executed this Certificate of Formation as of the 7th day of May, 1999.



Daniel M. Horrigan
Authorized Person

EXHIBIT 2

IXC Item 21

Applicant believes the following additional information may be of assistance to the Commission in evaluating its application.

1. Local Exchange Service - These services will give residential and business users the ability to originate and terminate calls to other users with access to the local exchange network. The local exchange service provided by Applicant will also enable users to select the interexchange carrier of their choice.

2. Interexchange Carrier Access Services - These services will allow interexchange carriers to interconnect on a switched or dedicated basis with the local exchange network to originate and terminate intrastate toll calls.

3. Interexchange Toll Services - These services will be provided on a switched and dedicated basis and will enable residential and business users to complete intrastate toll calls.

Applicant will operate and maintain a state-of-the-art, high-speed, digital, meshed telephone and data communications network. In particular, Applicant will employ a switch-based network comprised of owned and leased transport and local loop facilities, as well as resold services, with a 24 hours, 7-by-7 customer service center. Moreover, the network will feature Nortel's new breakthrough Consumer Digital Model ("CDM") technology that will enable Applicant to utilize the existing copper wire telephone infrastructure as a dual voice and data network backbone¹ providing secure, "always up" connections² of 1 Mbps "downstream" to the user and 120 Kilobits per second ("Kbps") "upstream," which is roughly 8 times faster than prevailing dual-channel ISDN products, but at approximately the same cost.

¹Customers can use this copper wire connection for simultaneous telephone and fax communications, while still connected to the Internet, an Intranet, or the Company's Extranet.

²Customers will be connected to the Prism network 24-hours a day, seven days a week, i.e., there is no need to dial-in, there will be no busy signals, and no slowdowns.

Applicant's application will protect the affordability of basic local exchange telephone service and will assure the continuation of quality local exchange telephone service. Applicant's entry as a competitive local exchange service provider will provide an enhanced range of telecommunications services, increase customer choice, encourage more efficient service at lower prices, provide users of telecommunications services with greater reliability, and stimulate more responsive customer service. Approval will lead to additional private investment in Florida's telecommunications infrastructure.

Grant of Applicant's application will not prejudice or disadvantage any class of telephone company customers or telephone service providers. Applicant's entry into the Florida telecommunications market is clearly in the public interest as it will give consumers an additional, alternative service provider and an enhanced range of telecommunications services at competitive rates. Competition in the market should also bring about lower prices, more advanced technology, improved quality of service, and improved service offerings.

EXHIBIT 3

LXC Item 22 -- Proposed Tariff



PRISM FLORIDA OPERATIONS, LLC
REGULATIONS, RULES, AND SCHEDULE OF INTRASTATE CHARGES
FOR INTRASTATE TOLL TELECOMMUNICATIONS SERVICES
IN THE STATE OF FLORIDA

Issued: July _____, 1999

Effective: July ____, 1999

By Terrence Peck, Manager
Prism Florida Operations, LLC

CHECK SHEET

The Title Page and Sheets 1 through 68 inclusive of this tariff are effective as of the date shown 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 on the bottom of this page.

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PRELIMINARY STATEMENT

This tariff sets forth intrastate rates and rules applicable to the provision and resale of interexchange toll services within the State of Florida.

Service is offered via the Company's facilities in combination with resold services provided by other certificated carriers.

The rates and rules contained herein are subject to change pursuant to the rules and regulations of the Florida Public Service Commission (the "Commission").

Pertinent information regarding the Company's services, rates and charges shall be provided directly to Customers, or shall be available for inspection at the Company's business offices at 8 West 19th Street, New York, New York 10011.



SERVICE AREA

The Company's service is available statewide. The obligation of the Company to provide service is dependent upon its ability to procure, construct, and maintain facilities which are required to meet the Customer's Service Order.



SYMBOLS USED IN THIS TARIFF

- (C)** To signify changed listing, rule, or condition which may affect rates or charges.
- (D)** To signify discontinued material, including listing, rate, rule or condition.
- (I)** To signify an increase.
- (L)** To signify material relocated from or to another part of tariff schedule with no change in text, rate, rules or conditions.
- (N)** To signify new materials including listing, rate, rule or condition.
- (R)** To signify reduction.
- (T)** To signify change in working of text but no change in rate, rule or condition.

TARIFF FORMAT

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 sheets 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 sheet version on file with the Commission. For example, the 4th revised Sheet 14 cancels the 3rd revised Sheet 14. Because of various suspension periods, deferrals, etc. the 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 may be a number of levels of paragraph coding. Each level of coding is subservient to its next higher level. For example,

- 2.
- 2.1.
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D. Check Sheets - When a tariff filing is made with the 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.

SECTION 1.0 DEFINITIONS, TECHNICAL TERMS, AND ABBREVIATIONS

Access Lines: A telephone facility which permits access to and from both the Customer's premises and the telephone exchange or serving central office.

Accessories: Devices which are mechanically attached to, or used with, the facilities furnished by the Company and which are independent of, and not electrically, acoustically, or inductively connected to the communications path of the Company facilities.

Applicant: A person who applies for telecommunications service. Includes persons seeking reconnection of their service after Company-initiated suspension or termination.

Application: A request made orally or in writing for telephone service.

Authorized User: As used in connection with Telephone Exchange Service, denotes those individuals authorized by the Company to use a Customer's telephone service. It includes the members of the Customer's household, employees or agents of the Customer, residential tenants of hotels, clubs, etc., and joint users as arranged for.

Building: A structure under one roof and of such a nature that it can in itself fulfill the requirements of a business or residential establishment, or both; or two or more structures that are connected by means of enclosed passageways (overhead bridges, subways, or a ground level) or common basements, permitting access from one building to the other, that are suitable for the routing, placing, and proper protection of inside cable and wire type facilities. In no case can conduit be considered an enclosed passageway.

Business Service: Determination as to whether or not Customer's service should be classified as Business Service will be based on the character or use to be made of the service. The practice of advertising a telephone number in newspapers, business cards, or on trucks shall be a contributing, but not an exclusive, factor in determining the classification of service. Service will be classified as Business Service where the use is primarily or substantially of a business, professional, institutional, or otherwise occupational nature.

Cancellation: The permanent cessation of telecommunications service at the request of the Customer. The term "cancellation" as used in this tariff is meant to be the equivalent of the term "discontinuance" as may be used in Florida law.

1.1 Definitions, Technical Terms, and Abbreviations (Cont'd.)

Central Office Area: The area within which the Customer's lines are connected to the central office operating unit, or units, established by the Company to serve that area. More than one central office may be located in the same building.

Central Office: A switching unit in a telephone system which provides service to the general public, having the necessary equipment and operating arrangements for terminating and interconnecting Customer lines and trunks or trunks only. There may be more than one central office in a building or exchange.

Central Office Line: A circuit furnished by the Company which extends from the central office building to the Customer's premises. The end of the central office line is the Network Interface or equivalent on the Customer's premises. This includes exchange access lines, Centrex lines, Wide Area Telecommunications Service (WATS) lines, Local Channels for Series Channel Services and certain Direct High Capacity Services, and Local Distribution Channels for Direct Digital and Direct High Capacity Services.

Channel: A path (or paths) for electrical communication between two or more stations or telephone company offices and furnished in such a manner as the Company may elect.

Channel Mileage: As used in connection with Direct Digital and Direct High Capacity Services, a transmission path between wire centers so designated for billing purposes.

Circuit: A channel used for the transmission of electrical energy in the furnishing of telephone and other communication services.

Class of Service: The various categories of service generally available to the Customer, such as business or residential.

Company: Prism Florida Operations, LLC.

Connecting Carrier: A telecommunications carrier which is subject to active regulatory oversight by the Florida Public Service Commission and which provides switched local exchange telecommunications service under a certificate of exchange service authority issued by the Commission.

Continuous Property: Continuous property is defined as plot of ground, together with any buildings thereon, occupied by the Customer, which is not separated by public thoroughfares or by property occupied by others.

Contract: The agreement between a Customer and the Company under which service and facilities are furnished in accordance with the applicable provisions of the Tariffs.

Cost: The cost of labor and materials, which includes appropriate amounts to cover the Company's general operating and administrative expenses.

1.1 Definitions, Technical Terms, and Abbreviations (Cont'd.)

Customer: The person, firm or corporation which orders service and is responsible for the payment of charges and compliance with the terms and conditions of this tariff.

Customer of Record: The Customer to whom the bill for service is rendered by the Company.

Customer Premises: One Customer premises is all space in the same building occupied by a Customer and all space occupied by the same Customer in different building on continuous property.

Customer Premises Equipment: Equipment, except coin stations, employed on the premises of a Customer, other than a carrier, to originate, route or terminate telecommunication, but not including equipment used to maintain or terminate access lines or channels.

Customer Premises Wire: Any wire, including interface equipment, on the Customer side of the Network Interface or equivalent.

Customer-Provided Equipment: All communications systems, devices, apparatus and their associated wiring provided by Customer.

Customer-Provided Terminal Equipment: Devices, apparatus and their associated wiring, provided by a Customer, authorized user or joint user which do not constitute a communications system.

Dedicated: A facility or equipment system or subsystem set aside for the sole use of a specific Customer.

Commission: The Florida Public Service Commission .

Demarcation Point: The physical location that separates the responsibility for installation and repair of telecommunications facilities between the Company, the property/building owner or agent, and the Customer.

Directory Listing: A publication in the ILEC's alphabetical directory of information relative to a Customer's name or other identification and telephone number.

1.1 Definitions, Technical Terms, and Abbreviations (Cont'd.)

Disconnection: The temporary cessation of telecommunications service at the request of the Customer. The term "disconnection" as used in this tariff is meant to be the equivalent of the term "discontinuance" as may be used under Florida law.

Exchange: A geographical area established for the administration of telephone service in a specified area, called the "Exchange Area", which usually embraces a city, town or village, and its environs. It may contain one or more central offices together with the associated plant, equipment and facilities used in furnishing communication service within that area.

Exchange Access Line: A central office line which provides access to the exchange telephone network for local and long distance telephone service and includes the serving central office equipment and all outside plant facilities through and including the Network Interface or equivalent.

Exchange Area: The area within which the Company furnished complete telephone service from one specific exchange at the exchange rates applicable within that area.

Exchange Service: The furnishing of equipment and facilities including Centrex lines, exchange access lines or trunks, for telephone communication within local service areas in accordance with the provisions of this tariff.

Facilities: Includes, in the aggregate or otherwise, but is not limited to, the following:

| | |
|----------------------|-------------|
| channels | lines |
| apparatus | devices |
| equipment | accessories |
| communications paths | systems |

which are provided by the Company and utilized by it in the furnishing of telecommunications services or which are provided by a Customer and used for telecommunications purposes.

Flat Rate Service: Unlimited calling privileges to a specified area furnished at a fixed periodic charge.

1.1 Definitions, Technical Terms, and Abbreviations (Cont'd.)

Holidays: Weekdays officially designated by the United States government as federal holidays, specifically: New Year's Day, Martin Luther King Day, Presidents Day, Memorial Day, Independence Day, Labor Day, Columbus Day, Thanksgiving Day and Christmas Day.

Individual Case Basis: A service arrangement in which the regulations, rates and charges are developed based on the specific circumstances of the case.

Interface: The term "interface" denotes that point on the premises of the Customer at which provision is made for connection of other than Company-provided facilities to facilities provided by the Company.

Interface Equipment: Equipment provided by the Company at the interface location to accomplish the direct electrical connection of facilities provided by the Company with facilities provided by other than the Company.

Joint User: A person, firm or corporation which is designated by the Customer as a user of Local Exchange Service furnished to the Customer and to whom a portion of the charges for the service will be billed under a joint user arrangement as specified herein.

LATA: A Local Access and Transport Area established pursuant to the modification of Final Judgment entered by the United States District Court for the District of Columbia in Civil Action No. 82-0192.

LEC: LEC (Local Exchange Company) refers to the incumbent dominant, monopoly local exchange carrier in an area also served by the Company.

Local Service: Service which provides for exchange telephone communication within the local service area at rates and under regulations as provided in this tariff.

Local Service Area: That area within which a Customer to exchange service can make telephone calls without the payment of a long distance telecommunications charge. A local service area may be made up of one or more than one central office area or exchange area.

Loop: A transmission path between the network interface (NI) located at the Customer's premises and the vertical side of the main distributing frame (or other designated Company frame) in a Company central office. Loops are defined by the electrical interface rather than the type of facilities used.

Maintenance Visit Charge: A charge applied when the location of reported trouble is found to be in Customer-provided equipment.

1.1 Definitions, Technical Terms, and Abbreviations (Cont'd.)

Mileage: The measurement upon which charges are computed for line extensions.

Minimum Contract Period: The minimum length of time for which a Customer is obligated to pay for service, facilities and equipment whether or not retained by the Customer for such minimum length of time.

Nonrecurring Charge: A one-time charge associated with a specific item of equipment or service. This charge applies to installation and to subsequent modifications.

NSF Check: Any negotiable instrument returned by a bank, savings institution, or other eligible institution which is returned by that institution with one of the following instructions: non sufficient funds, uncollectible funds, account closed, account frozen, no account.

Person: A natural person, firm, partnership, corporation, association, municipality, cooperative, organization, government agency, real estate trust, or other legal entity.

Premise: The space occupied by a Customer or authorized user in a building or buildings.

Premises: One premises is all space in the same building occupied by a Customer and all space occupied by the same Customer in different buildings on Continuous Property.

Recurring Charge: The monthly charges to the Customer for services, facilities and equipment, which continue for the agreed upon duration of the service.

Residential Service: Service will be classified as Residential Service where the business use, if any, is merely incidental and where the major use is of a social or domestic nature.

Service Connection Charge: The nonrecurring charge a Customer may be required to pay at the time of the establishment of telephone service or subsequent additions to that service.

Service Order: The written request for the Company's services executed by the Customer and the Company in the format devised by the Company. The signing of a Service Order form by the Customer and acceptance by the Company initiates the respective obligations of the parties as set forth therein and pursuant to this tariff.

Shared: A facility or equipment system or subsystem which can be used simultaneously by several Customers.

1.1 Definitions, Technical Terms, and Abbreviations (Cont'd.)

Station: Customer Premises Equipment or Interface Equipment at the Customer's Premises in which Customer Premises Wire terminates. Includes the telephone instrument, data set, network control signaling units and other station equipment which enable Customers to establish the communications connections and to effect communications through such connections.

Suspension: Temporary cessation of service by the Company without Customer consent.

Suspension Notice: The written notice sent to a Customer advising that service will be shut off if the grounds for suspension of service are not satisfied by the date specified on the notice.

Tariff: The rates, charges, rules and regulations adopted and filed by the Company with the Commission.

Termination: Permanent cessation of telecommunications service by the Company without Customer consent.

Termination Charge: A charge applied under certain conditions when a contract for service is terminated by the Customer before the expiration of the minimum contract period.

Toll Message: A message between stations in different exchange areas and furnished under the provisions of the applicable toll tariff.

Trunk: A circuit connecting two PBX systems for the intercommunicating between the stations connected with such PBX switching apparatus. The circuit is not intended to provide for general exchange service through either of the PBX systems with which it connects.

User: Any person who uses telecommunications service provided by the Company.

SECTION 2.0 GENERAL RULES AND REGULATIONS

2.1 Undertaking of Company

2.1.1 The Company will furnish Local Exchange Service and Interexchange Toll Service in connection with the transmission of communications between points within the State of Florida.

2.1.2 The Company's Service and facilities will be available as soon as practicable upon receipt of a Service Order from a potential customer. Interconnection of the Company's facilities with the facilities of other duly authorized and regulated communications common carriers will be permitted provided that such interconnection does not adversely affect the Company's present services or network.

2.1.3 The obligation of the Company to provide Service is dependent upon its ability to procure, construct and maintain facilities which are required to meet the Customer's Service Order. The Company will make all reasonable efforts to secure the necessary facilities, provided that such new Service will not adversely affect the Company's present services or network.

2.1.4 The Customer's monthly charges for the Company's Service may be based upon the following, either individually or collectively: the Customer's basic service, total conversation time, the distance between the exchange areas in which calls originate and terminate, and use of or availability to use service options, if any, unless otherwise specified.

2.1.5 Service is provided to Customers on a monthly subscription basis unless otherwise specified. The Company may require a contract period longer than one month at the same location in connection with Business Service and special (non-standard) types of arrangements of equipment, or for special construction, necessary to meet special demands of Customers and involving extra costs.

2.2 **Description of Service**

2.2.1 **Interexchange Toll Services**

These services will be provided on a switched and toll basis and will enable residential and business users to complete toll calls between exchanges within the Company's service territories.

2.3 Establishment and Re-Establishment of Credit

2.3.1 Establishment of Credit

The Company, in order to ensure the payment of its charges for service or for loss of or damage to Company property, will require Applicants and Customers to establish and maintain credit.

The establishment or re-establishment of credit as provided in this section shall not relieve the Applicant or Customer from compliance with other provisions of this tariff as to advance payments and the payment of bills, and shall in no way modify the provisions regarding disconnection and termination of service for failure to pay bills due for service furnished.

If the Company finds that the Applicant for service has failed to pay for past due telephone service of the same class (residence or business) provided by any telephone company, the Company may refuse to provide service unless the Applicant furnishes a deposit.

In order to ensure the payment of all charges due for its service or for loss of or damage to Company property, the Company may require any Applicant or Customer to establish and maintain his/her credit in one of the following ways:

1. Demonstrating to the satisfaction of the Company that his/her credit is acceptable by providing information which is pertinent to the Applicant's credit standing.
2. By payment of a cash deposit.

The Company shall judge as to whether or not the reference or guarantee in writing would be acceptable.

The Company, upon request of its Customers, will provide acceptable options in order to pursue any billing or credit disputes.

If an Applicant for service is unable to provide satisfactory credit information, the Company may refuse to provide service unless the Applicant furnishes a deposit.

2.3.2 Credit for Residential Applicants

For residential Applicants for service, satisfactory credit shall be based upon the following standards:

1. If the Applicant has verifiable previous service with any telephone company for at least twelve months and the payment record on the account was satisfactory, the Applicant would obtain service without a deposit.
2. If the Applicant had not paid for the previous service, or the previous service had been disconnected for nonpayment within the past twelve months, the Company may require a deposit prior to the connection of telephone service.
3. If the Applicant does not have verifiable service, or if the Applicant had previous service for less than one year, the Applicant would be requested to provide further credit information. The Applicant would be requested to provide proof of two or more of the following:
 - a. Home ownership
 - b. Employment of two or more years with the current employer
 - c. Major oil company credit card
 - d. Major credit card
 - e. Checking account
 - f. Savings account
 - g. Age of 50 years or more

If the Applicant is unable to provide affirmative responses to two of these credit criteria, the Company may request the Applicant to furnish a deposit prior to the connection of telephone service.

4. If verification of the Applicant's credit is required, the Company shall provide service if the Applicant furnishes advance payment of both the applicable charges for connecting service and the estimated charges for the first 30 days of service. If the verification of credit provides unsatisfactory credit information, the Applicant will be informed of the reason or reasons, after which the Company may refuse to provide or continue service until the Customer provides a deposit. If the Applicant so requests, the Company shall provide these reasons in writing to the Applicant.

2.3.2 Credit for Residential Applicants (Contd.)

5. Providing a surety bond, provided that such surety bond has been issued by an insurance company that has received a certificate of authority to do business in Florida.

2.3.3 Credit for Business Applicants

Applicants for Business Service may establish credit by meeting the standards set forth below, or a cash deposit or a surety bond. Satisfactory credit for applicants for Business Service shall be based upon the following standards:

1. The Company will extend credit to a Business applicant without a deposit if the applicant has verifiable previous or existing business telephone service with any telephone company in the United States for at least twelve (12) months, and the payment record is made available and the account history is satisfactory.
2. The payment record of an account will be deemed satisfactory if all of the following are met:
 - a. The previous or existing service was not suspended for non-payment, and was not abandoned, within the past twelve (12) months; and
 - b. The applicant has not been sent denial notices four (4) times for previous or existing service within the past twelve (12) months; and
 - c. The applicant has paid for all previous and existing service without referral to a collection agency and without a declaration of uncollectibility; and
 - d. The applicant provides accurate credit information as appropriate.

The Company may require a deposit or a surety bond from an applicant for Business Service as a condition of extending credit if the applicant does not meet any of the above criteria.

2.4 Advance Payments and Deposits

2.4.1 Advance Payments

The Company may, in order to safeguard its interests, require a Customer to make an advance payment before service and facilities are furnished in order to safeguard the Company's interests. Such advance payment may be an amount equal to applicable service charges and initial nonrecurring charges applicable for service installation plus the estimated amount of the Applicant's monthly bill for service. In addition, where special construction is involved, the advance payment may also include an amount equal to the estimated nonrecurring charges for the special construction and recurring charges for a period to be set between the Company and the Customer (if any). The advance payment will be credited to the Customer's initial bill.

If the Company requires advance payment, it will be in lieu of, and not in addition to, any deposit for the same service.

2.4.2 Deposits

The Company may, in order to safeguard its interests, require an Applicant or Customer to make a reasonable deposit to be held by the Company as a guarantee of the payment of charges for service or for loss of or damage to Company property. The fact that a deposit has been made in no way relieves the Applicant or Customer from complying with the Company's regulations and the prompt payment of bills on presentation.

The Company may request a deposit from any Customer during the first twelve (12) months that a Customer receives service if the Customer, during that period, pays late four times, or has service suspended for nonpayment two times.

The Company may request a deposit from any Customer after the first twelve (12) months that the Customer has received service if the Customer has had service suspended two times in a twelve (12) month period, or if the Company provides evidence that the Customer used a device or scheme to obtain service without payment. The Company may also request a deposit from any Business Customer after the first twelve (12) months the Customer has received service if the Customer pays late at least six (6) times during any twelve (12) month period.

The requirement of a deposit shall be in lieu of, and not in addition to, any requirement of advance payment for the same service.

2.4.3 Amount of Deposits

The Company shall not request a deposit from an Applicant or Customer in excess of the estimated charges for two (2) months residential service and four months for business service, based on that Customer's average monthly billing for the previous six (6) months or the Company's averages for the same class of service.

2.4.4 Interest to be Paid on Deposits

Except as noted below, simple interest shall be paid on all deposits held by the Company. Interest will be credited or paid to the Customer annually while a deposit is held. The Company will pay interest at the Florida legal rate on any security deposit it receives.

2.4.5 Payment of Deposits

The Company shall not request that the Customer pay more than one-third (1/3) of the amount of a requested deposit prior to the establishment of service. The Company may request that 1/3 of the deposit be paid within twelve (12) days after the date of the request for deposit. At least two billing periods shall be allowed for the balance of the deposit.

2.4.6 Refund of Deposits

Deposits shall be automatically refunded to the Customer, less any amounts due the Company, when service is terminated for more than thirty (30) days.

Deposits plus interest shall be refunded after twelve (12) months, so long as:

- a. the Customer has paid any past due bill;
- b. service has not been suspended for nonpayment;
- c. the Customer has not paid late four (4) times; or
- d. the Company has not provided evidence that the Customer used a device or scheme to obtain service without payment.

The Company reserves the right to return such cash deposit at any time prior to termination of service if, in the opinion of the Company, the Customer has established a proper credit rating.

2.4.7 Receipts for Deposits

The Company shall provide the Applicant or Customer with a Deposit Receipt for any deposit received. The receipt shall show the Customer's name, service address, type of service, amount of deposit, rate of interest on deposit, date received, Company's name, and a statement of the conditions under which the deposit will be refunded. The Company will refund the Customer's deposit even if the Customer has lost the receipt.

2.4.8 Unclaimed Deposits

The Company will maintain a record of each unclaimed deposit and the interest thereon until the funds are paid over to the State Treasurer under the escheat provisions of Florida law.

2.5 Rendering and Payment of Bills

The Customer is responsible for payment of all charges for facilities and service furnished, including charges for service originated, or charges accepted, at such facilities. This Customer responsibility also includes charges associated with the fraudulent use of facilities and services by the Customer or any end users of the Customer. All bills may be paid at the Company's business offices or via the United States Postal Service.

At such time as the Company completes installation or connection of the necessary facilities and/or equipment to provide the Company's service, the Company shall conduct appropriate tests thereon. Upon successful completion of such tests, the Company shall notify the Customer that such services are available for use, and the date of such notice shall be called the "Service Date" and shall be the starting date for billing.

Customer shall pay the amount(s) as specified in the tariff for the service. Fixed recurring charges shall be billed in advance after the Service Date is determined and will be due no later than thirty (30) days after the date of the invoice. Variable recurring charges and other charges shall be billed as incurred, and will be due no later than thirty (30) days after the date of the invoice. Any amount not received within the thirty (30) day period will be subject to the Company's standard late charge of 1.5% per month, or, if lower, the legal limit applicable to such charges. Customer agrees to review each invoice promptly and to notify the Company of any discrepancies within 45 days of receipt of each invoice, or within such other period as set by the Commission. In the event that the Company's computerized usage recording system fails or is otherwise unavailable for all or part of any billing period, the Company shall be entitled to make a reasonable estimate of the Customer's usage of Services in the period in question for billing purposes.

When service does not begin on the first day of the month, or end on the last day of the month, the charge for the fraction of the month service was furnished will be calculated on a pro rata basis. For this purpose, every month is considered to have thirty (30) days.

2.5.1 Local Exchange Service

Charges for basic local exchange service are billed monthly, in advance, for one month's minimum charge. If at any time a monthly charge is prorated, a thirty day month shall be used.

2.5.2 Toll Service

From all stations except those equipped with coin boxes, toll messages and charges are billed in arrears and are payable upon request. If a Residential Customer within the first twenty-four (24) months of service accumulates high charges for all toll calls in a short period of time, and the Customer's credit record indicates that satisfactory payment may not be made on this amount, the Company may issue a special toll bill. The special bill shall be due ten (10) days from the mailing date of the bill, seven (7) days if delivered by hand. An unusually high toll bill which would trigger the special toll bill shall be considered an amount in excess of 175 percent of the average of the past three months toll bills or an average for that class of service if three months actual is not available.

2.5.3 Collect, Third Party, or Credit Card Billing, or Operator-Assisted Billing of Minute of Use Calls

If the user of any service where a Minute of Use rate schedule is in effect requests that a local area call be charged to the called telephone, a third party telephone, or to a credit card, supplementary charges apply as delineated in Section 3 in addition to the applicable usage charges.

Where such a user requests that a call outside of the local area be charged to the called telephone, a third party telephone or to a credit card, provisions covering Interexchange Toll Service in Section 7 of this tariff are applicable.

2.5.4 Late Payment Charge

A late payment charge of 1.5% or, if lower, the legal limit applicable to such charges applies to each Customer's bill when the previous month's bill has not been paid in full, leaving an unpaid balance carried forward. The late payment charge is applied to the total unpaid amount carried forward and is included in the total amount due on the current bill compounded monthly.

If payment for a current bill is received by the Company before the bill's due date, but for technical or other reasons the payment is not applied to the Customer's account prior to the issuance of a subsequent bill, the Customer shall not be liable for that portion of any unpaid balance attributed to a late payment charge.

2.5.4 Late Payment Charge (Cont'd.)

A Customer shall not be liable for any late payment charge applicable to a disputed portion of that Customer's bill, so long as the Customer pays the undisputed portion of the bill and follows the Disputed Bills procedures outlined in Section 2.6 of this Tariff.

2.5.5 Non-Sufficient Funds Checks

Checks presented in payment for services and subsequently returned to the Company by the Customer's financial institution for "NonSufficient Funds" (NSF) or other reasons will incur a nonrecurring charge per Customer, per check of \$10.00.

A Customer will be placed on a "cash only" basis upon receipt of two (2) NSF checks within a twelve (12) month period of time. "Cash only" is herein defined as cashier's checks, U.S. currency, money orders, or an instrument denominated in U.S. dollars and guaranteed by or issued by a third party acceptable to the Company.

Receipt of a subsequently dishonored negotiable instrument in response to a notice of discontinuance shall not constitute payment of a Customer's account and the Company will not be required to issue additional notice prior to discontinuance. However, three (3) banking days must be allowed for redemption of such instrument.

2.6 Disputed Bills

In case of a billing dispute between the Customer and the Company as to the correct amount of a bill, which cannot be adjusted with mutual satisfaction, the Customer can make the following arrangement:

Prior to suspension or termination of service by the Company, the Customer may request, either orally or in writing, that the Company investigate and review the disputed amount. The Company will comply with such request. The undisputed portion of the bill must be paid by the due date shown on the bill or the service will be subject to suspension/termination if the Company has notified the Customer by written notice of such delinquency and impending suspension/termination. Company will also advise the Customer in writing of the Commission's formal and informal complaint procedures and that, if there is still disagreement after the investigation and review by the Company and the Company's written findings to the Customer, the Customer may appeal to the Commission within 10 days of the date the Company mailed its findings to the Customer.

The Company will not suspend/terminate the Customer's service for nonpayment as long as the Customer complies with the procedures of this Rule.

In order to avoid suspension of service and late payment charges, the disputed amount must be paid within fourteen (14) calendar days after the date the Company notifies the Customer that the investigation and review are completed and that such payment must be made or service will be interrupted. However, the Company will not suspend service prior to the payment due date as shown on the bill.

A Customer may dispute charges and seek a credit for bills paid to the Company within two years of billing, commencing five (5) days after remittance of the bill.

2.7.1 Payment Agreement

Residential Customers who are indebted to the Company for past due telephone service shall have the opportunity to make arrangements with the Company to retire the delinquent amount by Payment Agreement. All Applicants for service, Business Customers, and Customers who have failed to make payment under such a plan during the past twelve (12) months, who are indebted to the Company for past due telephone service, may have the opportunity, at the discretion of the Company, to make arrangements with the Company to retire the debt by Payment Agreement.

1. The terms and conditions of a Payment Agreement shall be determined by the Company after consideration of the following:
 - a. Size of the past due account;
 - b. Customer's or Applicant's ability to pay;
 - c. Customer's or Applicant's payment history;
 - d. Reasons for delinquency; and
 - e. Any other relevant factors relating to the circumstances of the Customer's or Applicant's service.

2. The Company may require Residential Service Applicants or Customers to pay no more than 1/4 of the amount past due and owing at the time of entering into a Payment Agreement. The Company may require Business Service Applicants or Customers to pay no more than 1/3 the amount past due and owing at the time of entering into the Payment Agreement. Customers will be allowed a minimum of four (4) months from the date of said agreement and a maximum of twelve (12) months in which to complete payments pursuant to a Payment Agreement.

3. A Payment Agreement shall be in writing with a copy provided to the Applicant or Customer and shall require the Applicant or Customer to pay all future bills for service provided by the Company by the due dates and to retire the delinquent amount pursuant to the terms of the Payment Agreement.

4. Default upon any payment due by the Applicant or Customer shall render all amounts owed pursuant to the agreement to become payable immediately. The Company shall have the right to discontinue service, pursuant to proper notice.



2.8 Cancellation of Application for Services Prior to Establishment of Service:

Where an Applicant cancels an order for service prior to the start of installation or special construction of facilities, no charge applies.

Where installation of facilities, other than those provided by special construction, has been started prior to the cancellation, the lower of the following charges applies:

- A. The total costs (including overheads) in connection with providing and removing such facilities.
- B. The monthly charges for the entire initial contract period of the service ordered by the Customer as provided in this tariff plus the full amount of any installation and termination charges applicable.

Where special construction of facilities has been started prior to the cancellation, and there is another requirement for the specially constructed facilities in place, no charge applies.

Where special construction of facilities has been started prior to the cancellation, and there is no other requirement for the specially constructed facilities, a charge equal to the costs incurred in the special construction (including overheads) applies. Where one or more, but not all, of the services involved in the special construction are canceled, a charge equal to the cost (including overheads) incurred for the cancelled services applies.

Installation or special construction of facilities for a Customer starts when the Company incurs any expense in connection herewith which would not otherwise have been incurred, and the Customer has advised the Company to proceed in the installation or special construction.

2.9 Cancellation of Service

A Customer who fails to provide the Company with proper notice of cancellation shall continue to be responsible for equipment and Services rendered. Nothing in this tariff relieves the Customer of its liability for payment for service rendered by the Company prior to cancellation of that service.

Unless otherwise noted in this tariff with respect to a particular service offering, residential service may be cancelled by a Customer upon a minimum of fifteen (15) days prior written or verbal notice to the Company.

Where the minimum contract period is one month, Service may be cancelled by the Customer upon written notice being given to the Company ten (10) days in advance. Payment of the charges for the balance of the initial month of service will be due to the Company.

Where the minimum contract period exceeds one month, Service may be cancelled by the Customer prior to the expiration of the minimum contract period upon written notice being given to the Company thirty (30) days in advance and upon payment of cancellation charges in addition to all charges due for service which has been furnished. Customers who cancel any such application or contract prior to the end of the minimum period will be subject to an early cancellation charge as follows:

- a. In the event of cancellation before the establishment of service, the charge will be a proportion of the sum of the expenses incurred by the Company in connection with the performance of the contract.
- b. In the event of cancellation after the establishment of service, the charge will be a proportion of the sum of the cost of the equipment and its installation, plus the cost of removal as the unexpired portion of the contract period bears to the full contract period.

Where the minimum contract period exceeds one month, Service may be cancelled by the Customer after the expiration of the minimum contract period, upon the Company being notified in writing ten (10) days in advance and upon payment of all charges due to the date of cancellation of the service.

Service may not be terminated by the Company if (1) a notice of dispute has been filed and is unresolved and the subject matter of the dispute is grounds for termination, and (2) the Customer is making a good faith effort to pay or make payment arrangements to pay all undisputed bills and undisputed portions of disputed bills.

Immediately after service is suspended, the Company will mail a termination notice to the Customer setting forth how to have service restored. The termination notice will include a medical emergency restoration notice, and will indicate that service will be terminated on or after a specified date and that the Customer will have to request service as an applicant, subject to additional charges, if termination occurs.

2.10 Suspension of Service

2.10.1 Suspension of Service

A. Without any incurring any liability, the Company may, upon seven (7) days' written notice, suspend or refuse service or cancel an application for service for any of the reasons stated below:

- (1) For failure to pay the undisputed portion of a past due bill owed to the Company for more than thirty (30) days after the Company issued a bill, including one for the same class of service furnished to the Applicant or Customer at the same or another location, or where the Applicant or Customer voluntarily assumed, in writing, responsibility for the bills of another Applicant or Customer.
- (2) For failure to make or increase a deposit.
- (3) For failure to provide Company representatives with necessary access to Company-owned service or equipment.
- (4) For failure to make satisfactory arrangements to pay arrearages and/or failure to comply with the materials terms of a payment agreement.
- (5) When the Company has reason to believe that a Customer has used a device or scheme to obtain service without payment or otherwise defraud the Company, including fraudulently placing and receiving calls and/or engaging in material misrepresentation of identity or credit information in order to obtain telephone service.
- (6) For violation of or noncompliance with any regulation governing the services offered under this tariff.
- (7) By reason of any order or decision of a court or a governmental authority having jurisdiction which prohibits the Company from furnishing such service.
- (8) For violation of or noncompliance with any rules and regulations of the Company on file with the Florida Public Service Commission for which violation of or noncompliance with the Company is authorized by tariff to deny or refuse service.

2.10.1 Suspension of Service (Cont'd.)

- (9) For violation of or noncompliance with any law, rule, regulation or policy of any governmental authority having jurisdiction over telephone service.
 - (10) Without notice in the event that the Customer's use of equipment adversely affects the Company's service to others.
 - (11) Without notice in the event that the Customer's use of equipment will endanger public safety or health.
 - (13) Upon condemnation of all or any material portion of the facilities used by the Company to provide service to a Customer or in the event a casualty renders all or any material portion of such facilities inoperable beyond feasible repair, the Company, by notice to the Customer, may discontinue or suspend service under this tariff without incurring any liability.
 - (14) Upon the Customer filing for bankruptcy or reorganization or failing to discharge an involuntary petition therefore within the time permitted by law, the Company may immediately discontinue or suspend service under this tariff without incurring any liability.
 - (15) If all or any significant portion of the facilities or associated equipment used to provide the service to Customer shall be taken for any public or quasi-public purpose by any lawful power or authority by the exercise of the right of condemnation or eminent domain, the Company shall be entitled to elect to terminate service upon written notice to Customer.
 - (16) Upon the Company's discontinuance of service to the Customer, the Company, in addition to all other remedies that may be available to the Company at law or in equity or under any other provision of this tariff, may declare all future monthly and other charges which would have been payable by the Customer during the remainder of the minimum term for which such services would have otherwise been provided to the Customer to be immediately due and payable (discounted to present value at 6%).
- B. In the event of suspension, the notice to the Customer will inform the Customer of the right to complain to the Florida Public Service Commission under Florida law.

2.10.2 Suspension Procedure

The Company shall mail or deliver written notice to the Customer at least seven (7) days before the date of proposed suspension, regardless of the grounds upon which suspension is sought. No written notice is required prior to suspension if the Company bases the suspension on its honest and reasonable belief that there has been an occurrence which endangers the safety of a person or appears likely to prove physically harmful to the service delivery system of the Company. In that case, the Company will mail a notice of suspension to the Customer. Notice of suspension shall be delivered separately from any other written bill or material.

The suspension notice shall remain in effect for twenty (20) days beyond the date of suspension indicated on the notice. If the Company does not suspend service during this twenty (20) day period, the Company must send a new written notice of suspension.

The Company shall also attempt to advise the Customer when service is scheduled for suspension. The Company shall not deliver more than two consecutive notices of suspension for a past due bill without engaging in collection activity with the Customer.

2.10.3 Timing of Suspension

Except for emergency situations, suspension or termination of service by the Company for nonpayment of charges by the Customer may not commence on any of the following: (1) Saturday or Sunday; (2) a bank holiday; (3) a holiday observed by the Company (that is, a day when the Company's business office is closed).

2.10.4 Medical Emergency

The Company will not suspend or refuse to restore service to a residence if an occupant of the dwelling is certified by a physician to have a medical condition which will be aggravated by a complete cessation of service. Both the Customer and the Company will follow the procedures governing suspension of service emergency provisions as set forth in Florida law or regulations.

2.10.5 Service Reconnection Charge

Where service has been suspended pursuant to this tariff, a Customer may have Service restored by paying the amount owed to the Company plus a service reconnection fee as set forth in Section 3 of this tariff.



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2.11 Obligations of the Customer

2.11.1 Customer Responsibilities

The Customer shall be responsible for:

1. The payment of all applicable charges as set forth in this tariff.
2. Damage to or loss of the Company's facilities or equipment caused by the acts or omissions of the Customer, authorized user, or joint user or the non-compliance by the Customer, authorized user, or joint user with these regulations; or by fire or theft or other casualty on the premises of the Customer, authorized user, or joint user unless caused by the negligence or willful misconduct of the employees or agents of the Company.
3. Providing, as specified from time to time by the Company, any needed personnel, equipment, space and power to operate Company facilities and equipment installed on the premises of the Customer, authorized user, or joint user and the level of heating and air conditioning necessary to maintain the proper environment on such premises.
4. Obtaining, maintaining, and otherwise having full responsibility for all rights-of-way and conduit necessary for installation of facilities and associated equipment used to provide service to the Customer, authorized user, or joint user from the point of entry to the termination point of the Customer's premises. Any and all costs associated with the obtaining and maintaining of the rights-of-way described herein, including the costs of altering the structure to permit installation of the Company-provided facilities, shall be borne entirely by, or may be charged by the Company to the Customer. The Company may require the Customer to demonstrate its compliance with this section prior to accepting an order for service.
5. Providing a safe place to work and complying with all laws and regulations regarding the working conditions on the premises at which Company employees and agents shall be installing or maintaining the Company's facilities and equipment. The Customer may be required to install and maintain Company facilities and equipment within a hazardous area if harm to the Company's employees or property might result from installation or maintenance by the Company.

2.11.1 Customer Responsibilities (Cont'd)

6. Complying with all laws and regulations applicable to, and obtaining all consents, approvals, licenses and permits as may be required, with respect to the location of Company facilities and equipment in any Customer premises or the rights-of-way for which the Customer is responsible, and obtaining permission for Company agents or employees to enter the premises of the Customer, authorized user, or joint user at any reasonable hour for the purpose of installing, inspecting, repairing, or, upon termination of service as stated herein, removing the facilities or equipment of the Company.
7. Making Company facilities and equipment available periodically for maintenance purposes at a time agreeable to both the Company and the Customer. No allowance will be made for the period during which service is interrupted for such purposes.
8. Keeping the Company's equipment and facilities located on the Customer's premises or rights-of-way obtained by the Customer free and clear of any liens or encumbrances relating to the Customer's use of the Company's services or from the locations of such equipment and facilities.

2.12 Liability of the Company

2.12.1 Limitations

1. The provisions of this rule do not apply to errors and omissions caused by willful misconduct, fraudulent conduct or violations of law.
2. In the event an error or omission is caused by the gross negligence of the Company, the liability of the Company shall be limited to and in no event exceed the sum of \$10,000.
3. The Company will not provide a credit allowance for interruptions of service caused by the Customer's facilities, equipment, or systems.
4. Company will provide credit on charges disputed by Customer which are verified as incorrect by Company. If notification, either written or oral, is not received within thirty (30) days after the bill is rendered, the account shall be deemed correct and binding upon the Customer.
5. Company shall not incur any liability, directly or indirectly, to any person who dials or attempts to dial the digits "9-1-1" or to any other person who may be affected by the dialing of the digits "9-1-1."
6. Company shall not incur any liability, directly or indirectly, for the non-completion of calls due to network busy conditions. Nor shall Company incur any liability for any calls not actually to be completed during any period when service is unavailable. Nor is Company liable for interruptions, errors or call completion problems, which result due to traffic volumes (*e.g.*, holidays) which exceed industry standards for the applicable facility.
7. Except as provided by this tariff, the liability of the Company for damages arising out of mistakes, omissions, interruptions, delays, errors, or defects in any of the services or facilities furnished by the Company up to and including its local loop demarcation point, including exchange, toll, private line, supplemental equipment, alphabetical directory listings (excluding the use of bold-face type) and all other services, shall in no event exceed an amount equal to the *pro rata* charges to the Customer for the period during which the services or facilities are affected by the mistake, omission, interruption, delay, error or defect, provided however, that where any mistake, omission, interruption, delay, error or defect in any one service or facility affects or diminishes the value of any other service said liability shall include such diminution, but in no event shall the liability exceed the total amount of the charges to the Customer for all services or facilities for

2.12.1 Limitations (Cont'd)

the period affected by the mistake, omission, interruption, delay, error or defect.

8. The Company shall not be liable for errors in transmitting, receiving or delivering messages by telephone over the facilities of the Company and connecting utilities.
9. Errors in Directories
 - (a) The Company shall allow for errors or omissions in alphabetical telephone directories (excluding the use of bold-face type) an amount within the following limits:

2.12.1 Limitations (Contd.)

1. For listings in alphabetical telephone directories furnished without additional charge, an amount not in excess of the minimum monthly charge to the Customer for exchange service during the effective life of the directory in which the error or omission occurred.
2. For listings and lines of information in alphabetical telephone directories furnished at additional charge, an amount not in excess of the charge for that listing or line of information during the effective life of the directory in which the error or omission occurred.
3. For listings in information records furnished without additional charge, an amount not in excess of the minimum monthly charge to the Customer for exchange service during the period the error or omission occurred.
4. For listings in information records furnished at additional charge, an amount not in excess of the charge for the listing during the period the error or omission continued.
5. For listings in telephone directories furnished in connection with mobile telephone service, an amount not in excess of the guarantee and fixed charges for the service during the effective life of the directory in which the error or omission occurred.

2.12.2 Indemnification

The Company shall not be liable for, and shall be fully indemnified and be held harmless by Customer, against any claim or loss, expense or damage arising out of the following:

- (a) acts or omissions of other companies when the facilities of such other companies are used in connection with the Company's facilities to provide service; and
- (b) claims for defamation, invasion of privacy, libel, slander, or infringement of copyright, patent, trade name, trade mark or service mark, unfair competition, interference with or misappropriation or violation of any contract, proprietary or creative right, or any other injury to any person, property, or entity arising from the material, data, information, or content revealed, transmitted, processed, handled, or used by the Company or over its facilities; claims for infringement of patents arising from the Customer's connecting, combining, or adapting apparatus and systems of the Customer with the facilities of the Company; and all other claims arising out of any act or omission of the Customer in connection with services or facilities provided by the Company; any personal injury or death of any person, or for any loss of or damage to the Customer's premises or any other property, whether owned by Customer or others, caused directly or indirectly by the installation, maintenance, location, condition, operation, failure or removal of equipment or wiring provided by the Company if not directly caused by negligence of the Company. No agent or employee of any other company shall be deemed to be an agent or employee of the Company; and
- (c) fraudulent usage by employees or third persons, including but not limited to usage originating outside the Customer's premises but routed through the Customer's PBX or other equipment or facilities.

2.12.3 Force Majeure

The Company will not be liable for any failure of performance due to causes beyond its control, including but not limited to cable dig-up by third party, acts of God, civil disorders, actions of governmental authorities, actions of civil or military authority, labor problems, national emergency, insurrection, riots, war, fire, flood, and atmospheric conditions or other phenomena of nature, such as radiation. In addition, the Company will not be liable for any failure of performance due to necessary network reconfiguration, system modifications for technical upgrades, or actions taken by any court or government agency having jurisdiction over the Company.

2.12.4 Disclaimer of Warranties

THE COMPANY MAKES NO WARRANTIES OR REPRESENTATIONS, EXPRESS OR IMPLIED, EITHER IN FACT OR BY OPERATION OF LAW, STATUTORY OR OTHERWISE, INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR USE, EXCEPT THOSE EXPRESSLY SET FORTH HEREIN.

2.12.5 Services Provided by Other Carriers

The Company shall have no responsibility with respect to billings, charges or disputes related to services used by the Customer which are not included in the services herein including, without limitation, any local, regional and long distance services not offered by the Company. The Customer shall be fully responsible for the payment of any bills for such services and for the resolution of any disputes or discrepancies with the service provider.

2.13 Taxes

Appropriate Federal, state, local and municipal taxes and surcharges will be charged on Services and are in addition to the rates for Service set forth in this tariff unless otherwise stated.

Customers shall pay all sales, use, gross receipts, excise, access, bypass, or other local, state and Federal taxes, charges, or surcharges, however designated, imposed on or based upon the provision, sale or use of the services (excluding taxes on the Company's net income). Such taxes shall be separately stated on the applicable invoice.

When a municipal corporation or other political subdivision of the state collects from the Company a license tax, privilege tax, street use tax, franchise fee, permit fee, or any tax, exaction, or fee measured by poles, guys, wires, conduits, manholes, telephones, other units of plant, income or activities as a public service corporation, such taxes, exactions and fees shall, insofar as practicable, be billed *pro rata* to the exchange Customers receiving service within the territorial limits of the municipal corporation or political subdivision.

2.14 Allowances for Interruptions in Service

The Company shall not be liable for any interruptions in service or other failures of performance due to causes beyond its control, including, without limitation, to acts of God, fires, flood or other catastrophes, national emergencies, insurrections, riots or wars, strikes, lockouts, work stoppages or other labor difficulties, and any order, regulation or other action of any governing authority or agency thereof.

Credit allowances for interruptions of service which are not due to the Company's testing or adjusting, to the negligence of the Customer, or to the failure of channels, equipment and/or communications systems provided by the Customer, are subject to the general liability provisions set forth in Section 2.13 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 by Customer. Before giving such notice, the Customer shall ascertain that the trouble is not within the Customer's control, or is not in wiring or equipment, if any, furnished by the Customer and connected to the Company's equipment and/or facilities.

In the event of prior knowledge of an interruption of service, including for inspection, testing and adjustments as set forth in Section 1.24 herein, for a period exceeding one day, the Company will, if feasible, notify the Customers in writing, by mail, at least one week in advance.

2.14.1 Credit for Interruptions

In the event that a Customer's basic (*i.e.*, residential, business, Private Branch Exchange) service is interrupted and remains out of service for more than 12 hours after being reported to or found to be out of service by the Company, appropriate adjustments shall be made to the Customer's account upon request within a minimum of credit for 24 hours. The adjustment shall be the *pro rata* part of the month's charge for local exchange service for the period of days service was inoperative and shall be accomplished by a credit on a subsequent bill for telephone service. A check shall be issued if the final bill shows no amount owed.

1. Credit allowances do not apply to interruptions
 - a. caused by the Customer;
 - b. due to failure of power or equipment provided by the Customer or others;
or
 - c. during any period in which the Company is not given access to the service premises.



2.14.1 Credit for Interruptions (Cont'd)

2. **Interruptions of 24 Hours or Less - Portion of Daily Per-Line Charge**

| Length of Service Interruption | Credit |
|---|------------|
| Less than 3 hours | None |
| 3 hours up to but not including 6 hours | 1/3 of day |
| 6 hours up to but not including 9 hours | 1/2 of day |
| 9 hours up to but not including 12 hours | 2/3 of day |
| 12 hours up to but not including 24 hours | One day |

Two or more service interruptions of the same type to the same line/equipment of 2 hours or more during any one twenty-four hour period shall be considered as one interruption. In no event shall such interruption credits for any one line/equipment exceed one day's fixed recurring charges for such line/equipment in any twenty-four hour period.

3. **Interruptions over 24 Hours** - Service interruptions over 24 hours will be credited 4 hours for each 4-hour period or fraction thereof. No more than one full day's credit will be allowed for any period of 24 hours.

2.15 Tests, Adjustments and Inspections

2.15.1 Testing and Adjusting

Upon reasonable notice, the Company may make such tests, adjustments, and inspections as may be necessary to maintain the Company's facilities in satisfactory operating condition. No interruption allowances will be credited to the Customer for the period during which the Company makes such tests, adjustments, or inspections.

2.15.2 Inspections

Upon reasonable notice to the Customer, and at a reasonable time, the Company may make such tests and inspections as may be necessary to determine that the Customer, authorized user, or joint user is complying with the requirements set forth above for the installation, operation, and maintenance of Customer-provided facilities, equipment, and wiring in the connection of Customer-provided facilities and equipment to Company-owned facilities and equipment. If the protective requirements for Customer-provided equipment are not being complied with, the Company may take such action as it deems necessary to protect its facilities, equipment, and personnel. The Company will notify the Customer promptly if there is any need for further corrective action. Within ten (10) days of receiving this notice, the Customer must take such action. If the Customer fails to do this, the Company may take whatever additional action is deemed necessary, including the suspension of service, to protect its facilities, equipment, and personnel from harm.

2.16 Service Connections and Facilities on Customer's Premises

2.16.1 Service Connection Charges

The Service Connection Charges specified in Section 2.5 of this tariff are nonrecurring charges for establishing, transferring, restoring, or modifying telephone services. Service Connection Charges are incurred pursuant to Customer-initiated requests only. Unless specifically exempted in this or other Sections of this tariff, Service Connection Charges apply to all Customer-initiated requests, and are in addition to all other scheduled rates and charges.

Service Connection is provided during regularly scheduled work hours at whatever the Company's current installation schedule may then be. When a Customer requests an expedited service date or out-of-hours connection, a special handling charge may apply, which will be determined on an individual case basis. Service Connection Charges for the initial establishment of telephone service are payable with the first bill rendered for service. At the time of the request for service, the Customer may elect to pay Service Connection Charges in equal installments over a period of 3 months without interest. Customers selecting this payment option are required to pay each monthly installment in full or be subject to a late payment charge.

All services along the facilities between the point identified as the Company's origination point and the point identified as the Company's termination point will be furnished by the Company, its agents, vendors or contractors.

2.16.2 Customer-provided Equipment

Customer-provided terminal equipment on the premises of the Customer, authorized user, or joint user, the operating personnel there, and the electric power consumed by such equipment shall be provided by and maintained at the expense of the Customer, authorized user, or joint user. Conformance of Customer-provided station equipment with Part 68 of the Federal Communications Commission's Rules and Regulations is the responsibility of the Customer.

The Customer, authorized user, or joint user is responsible for ensuring that Customer-provided equipment connected to Company equipment and facilities is compatible with such equipment and facilities. The magnitude and character of the voltages and currents impressed on Company-provided equipment and wiring by the connection, operation, or maintenance of such equipment and wiring shall be such as not to cause damage to the Company-provided equipment and wiring or injury to the Company's employees or to other persons. Any additional protective equipment required to prevent such damage or injury shall be provided by the Company at the Customer's expense.

2.17 Ownership of Facilities

Title to all facilities provided in accordance with this tariff remains in the Company, its agents or contractors. The Customer shall not have, nor shall it assert, any right, title or interest in all the fiber optic or other facilities and associated equipment provided by the Company hereunder.

2.18 Maintenance

2.18.1 General. The Company undertakes to use reasonable efforts to maintain only the facilities and equipment that it furnishes to the Customer. The Customer, joint user, or authorized user may not, nor may he permit others to, rearrange, disconnect, remove, attempt to repair, or otherwise tamper with any of the facilities or equipment installed by the Company, except upon the written consent of the Company.

Equipment the Company provides or installs at the Customer's premises for use in connection with the services the Company offers shall not be used for any purpose other than that for which the Company provided the equipment.

The Customer shall be responsible for the payment of service charges as set forth herein for visits by the Company's agents or employees to the premises of the Customer, joint user, or authorized user when the service difficulty or trouble report results from the use of equipment or facilities the Customer, joint user, or authorized user provided.

The Company shall not be responsible for the installation, operation, or maintenance of any Customer-provided communications equipment. Where such equipment is connected to the facilities furnished pursuant to this tariff, the responsibility of the Company shall be limited to the furnishing of facilities offered under this tariff and to the maintenance and operation of such facilities. Subject to this responsibility, the Company shall not be responsible for:

1. The transmission of signals by Customer-provided equipment or for the quality of, or defects in, such transmission; or
2. The reception of signals by Customer-provided equipment.

The Customer, authorized user, or joint user is responsible for ensuring that Customer-provided equipment and facilities are compatible with such Company equipment and facilities. The magnitude and character of the voltages and currents impressed on Company-provided equipment and wiring by the connection, operation, or maintenance of such equipment and wiring shall be such as not to cause damage to the Company-provided equipment and wiring or injury to the Company's employees or to other persons. The Customer will submit to the Company a complete manufacturer's specification sheet for each item of equipment that is not provided by the Company and



2.18 Maintenance (Cont'd)

which shall approve the use of such item(s) of equipment unless such item is technically incompatible with Company's facilities. Any additional protective equipment required to prevent such damage or injury shall be provided by the Company at the Customer's expense.

Any special interface equipment necessary to achieve compatibility between the facilities and equipment of the Company used for furnishing service and the channels, facilities, or equipment of others shall be provided at the Customer's expense.

The Company may be connected to the services or facilities of other communications carriers only when authorized by, and in accordance with, the terms and conditions of the tariffs of the other communications carrier which are applicable to such connections.

2.18.2 Non-Routine Maintenance

At the Customer's request, maintenance may be performed outside the Company's regular business hours or in hazardous locations. If maintenance is started during regular business hours but, at the Customer's request, extends beyond regular business hours into time periods including, but not limited to, weekends, holidays, and/or night hours, additional charges may apply.

2.19 Supply to Separate Premises and Resale

The Company's service may be connected to the services or facilities of other communications carriers only when authorized by, and in accordance with, the terms and conditions of the tariffs of the other communications carriers which are applicable to such connections.

2.19.1 Interconnection Provisions

Facilities furnished under this tariff may be connected to Customer-provided terminal equipment in accordance with the provisions of this tariff.

2.19.2 Resale or Joint Use Arrangements

Services that are offered by the Company only to a limited category or class of subscriber are available for resale only to the same category or class of subscribers.

Any Service provided under this tariff may be resold or shared (jointly used). In each joint use arrangement, one member will be designated as the Customer of record. The Customer of record is solely responsible for all use of and payment for service ordered by it or billed pursuant to this tariff, for determining who is authorized to use its service, and for promptly notifying the Company of any unauthorized use. The Company will accept orders to start, rearrange, relocate or cease service only from the Customer of record. The Customer of record may advise its customers that a portion of its service is provided by the Company, but the Customer shall not represent that the Company jointly participates with the Customer in the provision of the service, without the Company's consent. The Company assumes no liability for such joint use or resale.

2.20 Rights-of-Way

Where economically feasible, the Company shall, directly or through third parties, use reasonable efforts to obtain and maintain rights-of-way necessary for installation of facilities used to provide the Company's service. Except as otherwise provided herein, any and all costs associated with acquiring the rights-of-way up to the point of entry to the Customer's location, shall be borne entirely by the Company. Any and all costs associated with obtaining and maintaining the rights-of-way from the point of entry at the Customer's location to the termination point where service is finally delivered to the Customer, including, but not limited to, the costs of installing conduit or of altering the structure to permit installation of Company-provided facilities, shall be borne entirely by the Customer.

The Customer's use of such rights-of-way shall in all respects be subject to the terms, conditions and restrictions of such rights-of-way and of agreements between the Company and such third parties relating thereto, including, without limitation, the duration applicable to and the condemnation of such rights-of-way, and shall not be in violation of any applicable governmental ordinance, law, rule, regulation or restriction. Where applicable, the Customer agrees that it shall assist the Company in the procurement and maintenance of such rights-of-way.

2.21 Limitations on Service

2.21.1 Limitations on Service. Service will ordinarily be furnished within thirty (30) days of request, subject to the availability of the necessary facilities and/or equipment, and subject to the provisions of this tariff. Company reserves the right not to provide Service to or from a location where the necessary facilities or equipment are not available.

The Company may undertake to use reasonable efforts to make available services to a Customer on or before a particular date, subject to the provisions of and compliance by the Customer with, the regulations contained in this tariff. The Company does not guarantee availability by any such date and shall not be liable for any delays in commencing service to any Customer.

The Company reserves the right to discontinue furnishing Service, upon notice, when necessitated by conditions beyond its control, or when the Customer is using the Service in violation of the provisions of this tariff, or in violation of the law.

2.21.2 Shortage of Equipment or Facilities

The Company reserves the right to limit or to allocate the use of existing facilities, or of additional facilities offered by the Company, when necessary because of a lack of facilities, or due to any other cause beyond the Company's control.

The furnishing of service under this tariff is subject to the availability on a continuing basis of all the necessary facilities and is limited to the capacity of the Company's facilities as well as facilities the Company may obtain from other carriers to furnish service from time to time as required at the sole discretion of the Company.

2.22 Prohibited Uses

The Services the Company offers shall not be used for any unlawful purpose or for any use as to which the Customer has not obtained all governmental approvals, authorizations, licenses, consents and permits required to be obtained by the Customer with respect thereto.

The Services shall not be used for any purpose for which any payment or other compensation is received by the Customer, except when the Customer is a duly authorized and regulated common carrier or except as otherwise permitted by law.

The Company will deny, suspend or terminate service if any agency advises it that such service is being used or is likely to be used in violation of law. If the Company receives or discovers evidence giving reasonable cause to believe service is being or is likely to be used for any unlawful purpose, it will deny, suspend or terminate service and/or refer the matter to an appropriate law enforcement agency.

The Company may require applicants for service who intend to use the Company's offerings for resale and/or for shared use to file a letter with the Company confirming that their use of the Company's offerings complies with relevant laws and state regulations, policies, orders, and decisions.

The Company may, without obtaining any further consent from the Customer, assign any rights, privileges, or obligations under this tariff. The Customer shall not, without prior written consent of the Company, which consent shall not be unreasonably withheld, assign, transfer, or in any other manner dispose of, any of its rights, privileges, or obligations under this tariff, and any attempt to make such an assignment, transfer, disposition without consent shall be null and void.

The Company may require a Customer to immediately shut down its transmission of signals if said transmission is causing interference to others.

A Customer may not use the services so as to interfere with or impair service over any facilities and associated equipment, or so as to impair the privacy of any communications over such facilities and associated equipment.

Customer use of any resold service obtained from other service providers shall also be subject to any applicable restrictions in the underlying providers' publicly available tariffs.

A Customer, joint user, or authorized user shall not represent that its services are provided by the Company, or otherwise indicate to its Customers that its provision of services is jointly with the Company, without the written consent of the Company. The relationship between the Company and the Customer shall not be that of partners or agents for one or the other, and shall not be deemed to constitute a partnership or agency agreement.

2.23 Unauthorized Use; Fraud

Anyone who uses or receives the Company's service, other than under the provisions of an accepted application for service and a current Customer relationship, shall be liable for both the tariffed cost of the service received and the Company's cost of investigation and collection. The Company may report instances of actual or suspected unauthorized or fraudulent use to law enforcement agencies.

2.24 Special Promotions

From time to time, the Company may offer Service at reduced rates and/or charges or free of charge for promotional, market research or experimentation purposes.

Each promotional offering may have a duration of no more than six (6) months and may not be offered more than once in any consecutive twelve (12) month period.

The Company will file a tariff page for each promotional offering on ten (10) days' notice.

2.25 Special Construction

Subject to the agreement of the Company and to all of the regulations contained in this tariff, special construction of facilities may be undertaken on a reasonable efforts basis at the request of the Customer.

Special construction is that construction undertaken:

1. where facilities are not presently available, and there is no other requirement for the facilities so constructed;
2. of a type other than that which the Company would normally undertake in the furnishing of its services;
3. over a route other than that which the Company would normally utilize in the furnishing of its services;
4. in a quantity greater than that which the Company would normally construct, on an expedited basis;
6. on a temporary basis until permanent facilities are available;
7. involving abnormal costs; or
8. in advance of its normal construction.

Rates and charges for special construction will be based on the costs incurred by the Company and may include (1) nonrecurring type charges, (2) recurring type charges, (3) termination liabilities, or (4) a combination thereof.

The costs referred to above may include one or more of the following items to the extent applicable:

(a) cost installed of the facilities to be provided, including estimated costs for the rearrangement of existing facilities. Cost installed includes the cost of:

- (1) equipment and materials provided or used;
- (2) engineering, labor and supervision;
- (3) transportation; and
- (4) rights of way.

(b) cost of maintenance;

-
- (c) depreciation on the estimated cost installed of any facilities provided, based on the anticipated useful service life of the facilities with an appropriate allowance for the estimated net salvage;
 - (d) administration, taxes and uncollectible revenue on the basis of reasonable average costs for these items;
 - (e) license preparation, processing and related fees;
 - (f) tariff preparation, processing and related fees;
 - (g) any other identifiable costs related to the facilities provided; or
 - (h) an amount for return and contingencies.

2.25.2 Termination Liability for Special Construction

To the extent that there is no other requirement for use by the Company, a termination liability may apply for facilities specially constructed at the request of the Customer.

The termination liability period is the estimated service life of the facilities provided.

The amount of the maximum termination liability is equal to the estimated amounts for:

(a) cost installed of the facilities provided, including estimated costs for rearrangement of existing facilities and/or construction of new facilities as appropriate. Cost installed includes the costs of:

- (1) equipment and materials provided or used;
 - (2) engineering, labor and supervision;
 - (3) transportation; and
 - (4) rights of way.
- (b) license preparation, processing and related fees;
 - (c) tariff preparation, processing and related fees;
 - (d) cost of removal and restoration, where appropriate; and
 - (e) any other identifiable costs related to the specially constructed or rearranged facilities.

The applicable termination liability charge is based on the normal method for circulating the unpaid balance of a term obligation.

2.26 Release of Customer Credit Information and Calling Records

(a) Definitions

(1) Credit Information

A Customer's credit information is the information contained in the Customer's utility account record, including but not limited to: account established date, "can-be-reached" number, name of employer, employer's address, Customer's social security and/or driver's license number, billing name, location of previous service. Not included in Customer credit information for purposes of these rules are: non-published Customer information, or Customer's name, address, and telephone number as listed in the telephone directory.

(2) Calling Records

Calling records are the records of calls made from a Customer's telephone no matter how recorded and regardless of whether such information appears in the Customer's monthly telephone service bill. Toll records, the name and address of the called party, and pen registered are examples of calling records.

(b) Release of Customer Credit Information and Calling Records

A Customer's credit information and/or calling records will be released by the Company only under the following circumstances:

- (1) Upon receipt of a search warrant obtained pursuant to Florida or federal law, or of a Federal Grand Jury Subpoena or a Federal Agency Subpoena;
or

2.26 Customer Credit Information and Calling Records (Cont'd.)

- (2) Upon making return to a subpoena or subpoena duces tecum, when it reasonably appears to the Company that the lawful procedures have been followed. The Company will abide by all orders to quash, protective orders, and similar court orders which may be issued with regard to the subpoenaed credit information and calling records; or
 - (3) Upon receiving permission of the Customer to release the information.
- (c) Deferral of Notification
- (1) Notification to the Customer will be deferred, and no disclosure made for a period of 90 days, if there is a certification for nondisclosure in the body of a subpoena or search warrant. The certification for nondisclosure must contain a statement that there is sufficient reason to believe that such notification would impede the investigation in which the request is made. upon making return to the court to a subpoena, the Company will request instruction from the court whether it should notify the Customer of its receipt of the subpoena before divulging the information or records requested.
 - (2) The 90-day period can be extended for successive 90-day periods upon a new written certification in each instance that there is probable cause to believe notification to the Customer would impede the investigation of an offense pursuant to which the subpoena or warrant was issued.
 - (3) Successive new written certifications shall be made by the individual who procured the issuance of the subpoena or warrant or, if that person is unavailable, by another member of the authorized agency who also certifies that he or she has been assigned to handle the matter for which the credit information or calling records has been obtained.

2.26 Customer Credit Information and Calling Records (Cont'd.)

- (4) Within five working days of the expiration of any outstanding certification, or any renewal of such certification, the deferred notification shall be given in writing to the Customer.

- (d) **Exception to Procedure for Release of Credit or Calling Records**

The procedure set forth above does not apply where the requester is a collection agency working for the Company on the Customer's account or is an independent telephone company, other common carrier/interexchange carrier, Bell Operating Company, or Bell Company.

- (e) **Retention of Records**

Records of requests for credit information and calling records, other than from the Company's employees, will be retained for a period of at least one year from the date on which the Customer is notified in writing of the request. A copy of the letter of notification which was sent to the Customer will also be retained for a like period of one year.



SECTION 3.0 DIRECTORY ASSISTANCE

Customers and users of the Company's calling services (excluding 800/888 services) may obtain directory assistance in determining telephone numbers within Florida by calling the Directory Assistance operator.

Customers shall have a monthly allowance of two (2) Directory Assistance inquiries at no charge. Directory Assistance charges apply for all requests beyond the allowance for which the Company's facilities are used. Each number requested, beyond the allowance, is charged for as shown below. Requests for information other than telephone numbers will be charged the same rate as shown for the applicable request for telephone numbers.

A Directory Assistance call charged to a calling card or commercial credit card or to a third number will be billed the appropriate operator charge, as specified in this tariff, plus the charge for Directory Assistance.

Non-published telephone numbers are not available from Directory Assistance Service.

| | <u>Charge</u> |
|---|-----------------|
| Directory Assistance (Above 2 inquiries per month) | \$0.75 per call |
| Directory Call Completion (In addition to any charge for Directory Assistance) | \$1.00 |
| Out-of-Area Directory Assistance | \$1.50 |

A credit will be given for calls to Directory Assistance when:

1. The Customer experiences poor transmission or is cut-off during the call,
2. The Customer is given an incorrect telephone number, or the Customer inadvertently misdials an incorrect Directory Assistance NPA.

To receive a credit, the Customer must notify the Company operator or Business Office of the problem experienced.

The Company will not incur any liability, direct or indirect, to any person who dials or attempts to dial Directory Assistance or to any other person on whose behalf a Directory Assistance call is made.

SECTION 4.0 OPERATOR SERVICES

4.1.1 Description of Operator-Assisted Calls

Operator Assisted Calling Service is provided to Customers and Users of the Company's service and to users accessing pre-subscribed public payphones or Customer-provided stations for operator assisted calls. In addition to charges which would otherwise apply pursuant to other sections of this tariff, each operator assisted call will be assessed a charge(s) as set forth within.

Person-to-Person: Calls completed with the assistance of a Company-provided operator to a particular person, department, or PBX extension specified by the calling party. Charges may be billed to the Customer's commercial credit card and/or LEC calling card, calling station, called station, or a designated third-party station.

Station to Station: Calls completed with the assistance of a Company-provided operator to any party at the called number. Charges may be billed to the Customer's commercial credit card and/or LEC calling card, calling station, called station, or a designated third-party station.

Operator Dialed Charge: The end user places the call without dialing the destination number, although the capability to do it himself exists. The end user dials "0" for local calls and long distance calls and then requests the operator to dial the called station. This charge is in addition to any applicable surcharge.

Billed to Calling Card: Refers to calls that are dialed by the Customer in accordance with standard dialing instructions and billed to a calling card.

Billed to Third Party: The calling party requests that the price of the call be billed to a number other than the calling or called party number.

Collect Calls: Cost of the call and the surcharge are billed to the called party.

4.1.2 Operator Services: Rates

Local exchange, IntraLATA and InterLATA calls may be placed on an Operator-Assisted basis.

In addition to the usage charges, where applicable, the following Operator-Assisted charges will apply:

| | <u>Charge</u> |
|------------------------|---------------|
| Person-to-Person | \$2.00 |
| Operator Dialed Charge | \$2.00 |
| Station-to-Station | \$2.00 |
| Calling Card | \$2.00 |
| Billed to Third Party | \$2.00 |
| Collect Call | \$2.00 |

SECTION 5.0 - INTEREXCHANGE TOLL SERVICE

5.1 Direct Dial Service

5.1.1. Description of Service

The Company provides direct dialed intrastate toll service, which allows a Customer to directly dial an intrastate toll call from his/her home or business telephone. Direct dialed service may be used twenty-four (24) hours a day, seven (7) days a week. The service is billed on a flat, per minute-of-use basis. It is not time of day or distance sensitive. Calls are billed in one minute increments. Fractions of a minute are rounded up to the next full minute.

5.1.2. Rates

Per-minute rate \$0.10

5.2 Travel Card Service

5.2.1. Description of Service

The Company's Travel Card Service allows a customer to dial intrastate toll service away from his/her home or business telephone. The service may be used twenty-four hours a day, seven (7) days a week. The Customer uses an 11 digit toll-free access number and, after hearing a voice prompt, uses push button dialing to enter an identification code assigned by the Company, and the area code and phone number of the called party.

The service is billed on a flat, per minute-of-use basis. It is not time of day or distance sensitive. Calls are billed in one minute increments. Fractions of a minute are rounded up to the next full minute.

5.2.2. Rates

Per-minute rate \$1.00

5.3 Toll-Free Service

5.3.1. Description of Service

The Company's Toll-Free Service is for inbound calling only where an 800/888/877 or other toll free prefix is routed to a specific telephone number or terminated over a dedicated facility.

The service is billed on a flat, per minute-of-use basis. It is not time of day or distance sensitive. Calls are billed in one minute increments. Fractions of a minute are rounded up to the next full minute.

5.3.2. Rates

| | <u>Residential</u> | <u>Business</u> |
|-----------------|--------------------|-----------------|
| Per-minute rate | \$0.50 | \$0.75 |



SECTION 6.0 - SPECIAL PROGRAMS

6.1 Deaf and Disabled Equipment Distribution Program

The Company has contracted with other carriers to offer equipment and services to eligible deaf and disabled Customers. Customers interested in such equipment or services should contact the Company's local business office for details.

6.2 Florida Telecommunications Relay Service

The Company will provide access to a telephone relay center for the Florida Telecommunications Relay Service. The service permits telephone communications between hearing and/or speech impaired individuals who must use a Telecommunications Device for the Deaf or a Teletypewriter and individuals with normal hearing or speech. Telecommunications Relay Service may be reached by dialing designated 800 numbers.

Use of the Florida Telecommunications Relay Service is not limited to intrastate calls.

Charges for calls will be billed as if direct distance dialed from point of origination to point of termination, without regard to actual routing.

Calls through Telecommunications Relay Service may be billed to a third number only if that number is within Florida. Calls may be billed to calling cards of the Company or other carriers who participate in this service.

The following calls may not be placed through Telecommunications Relay Service: (1) calls to information services, recordings, or group bridging services; (2) calls to time or weather recordings; (3) station sent-paid calls from coin telephones; and (4) operator-handled conference calls or other teleconference calls.

Disclaimer of Liability

The Company contracts with an outside provider for this service. In the absence of gross negligence or willful misconduct, the Company shall not be liable for and the Customer shall release, defend and hold harmless the Company for all damages, direct or indirect, connected with use of this service. In no event shall the Company be liable for incidental, consequential, exemplary or punitive damages.

SECTION 7.0 - SURCHARGES

7.1 Florida Telecommunications Relay Service Surcharge

In addition to the charges provided in the Company's intrastate tariff, a surcharge will apply to all residence and business access lines served by the Company. This surcharge applies regardless of whether or not the access line uses the Florida Telecommunications Relay Service.

This surcharge serves as the funding vehicle for the operation of the Florida Telecommunications Relay Service, and shall be calculated by the Florida Commission. The Commission shall compute the Florida Telecommunications Relay Service Surcharge each year and notify local exchange carriers of the surcharge amount to be applied for the twelve-month period commencing with July 1 of each year. The Commission may revise the surcharge more frequently than annually at its discretion. Tariff revisions will be filed whenever the Commission calculates a new surcharge amount and notifies the Company. The following monthly recurring surcharge applies to all bills issued on or after July 1, 1996:

| | |
|---------------------------|--------|
| Per business access line | \$0.18 |
| Per residence access line | \$0.09 |

Centrex lines will be charged on an equivalency basis as determined by the Commission.

7.2 Universal Telephone Service Assistance Program

8.2.1 The Universal Telephone Service Assistance Program (UTSAP) supplements the Lifeline Connection Assistance Program for eligible low-income customers. The Company may, from time to time, solicit contributions to the UTSAP, inviting Customers to add UTSAP contributions to their bill payments, by single contributions or monthly pledges. The Company will forward these contributions to the Universal Telecommunications Assistance Corporation (UTAC). Customer participation is strictly voluntary. Customers may discontinue contributions upon 30 days' notice to the Company.

7.3 Federal, State and Local Taxes

The Company will add to Customer bills all applicable taxes or other surcharges as may be duly required by federal, state, or local authorities.

7.4 9-1-1 Emergency Surcharge

If required under state and/or federal law, the Company will collect a 9-1-1 surcharge to assist in the provision of emergency services.

EXHIBIT 4

IXC Item 23 A. Financial Capability

Applicant has the financial resources to offer its services in the State of Florida. Applicant will rely upon the financial resources of Prism Communication Services, Inc. ("PCSI"), its parent company, to provide initial capital investment and fund start-up operation. Attached hereto is a copy of the most recent consolidated financial statements for PCSI, including a Statement of Financial Position and Balance Sheet. Although operationally PCSI has not realized any significant revenues to date, it has approximately \$86 million in total assets and a level of capitalization in the amount of approximately \$53 million.

PCSI is 98.5% owned by Comdisco, Inc., an investment grade company engaged primarily in providing technology services and infrastructure management and optimization, with total assets as of March 31, 1999 of \$7.7 billion and annualized revenues of \$3.8 billion. As evidence of Comdisco's commitment to the financial success of PCSI and its operating subsidiaries, Comdisco has offered PCSI an uncommitted revolving line of credit in the amount of \$100 million. In addition to PCSI's capitalization, the inter-company loan from Comdisco will ensure that PCSI, and therefore Applicant, possesses adequate financial ability to provide its proposed services within the State of Florida.

Applicant and its parent company do not publish financial statements to the public, and consider this financial information to be proprietary in nature. The attached financial information is being provided to the Staff under seal, is marked "PROPRIETARY AND CONFIDENTIAL - FILED UNDER PROTECTIVE SEAL," and it is requested that it not be made a part of the public record.

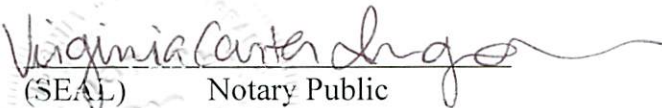
VERIFICATION OF FINANCIAL INFORMATION

STATE OF NEW YORK)
) ss
BOROUGH OF MANHATTAN)

I, Montgomery W. Cornell, as Chief Financial Officer of Prism Communication Services, Inc. and Prism Florida Operations, LLC, do hereby certify that the financial statements submitted as exhibits to the application of Prism Florida Operations, LLC before the Florida Public Service Commission for authority to provide competitive local exchange, interexchange carrier access, and interexchange toll service are true and correct to the best of my knowledge, information and belief.



SUBSCRIBED AND SWORN to before me, a
Notary Public in and for the State and
County/Borough above named, this 13 day
of July, 1999.



(SEAL) Notary Public

VIRGINIA CARTER INGRAM
Notary Public, State of New York
No. 01IN6017283
Qualified in Kings County
Commission Expires December 7, 2000

EXHIBIT 5

IXC Items 23B and C. - Managerial and Technical Capability.

Applicant's parent company, Prism Communication Services, Inc. ("PCSI"), will provide Applicant with the managerial and technical expertise necessary to offer its services. As described below, PCSI's executive, managerial and technical staff is comprised of highly capable professionals with extensive telecommunications experience.

Terrence Peck currently serves as our Chief Executive Officer. Mr. Peck is the founder and visionary behind Prism and has served as our principal since November 1997. Mr. Peck has more than 30 years of telecommunications experience, including all aspects of engineering, operations, regulation, construction, and business planning. He began his career as an engineer for AT&T Long Lines in 1966, and has since held the positions of President/CEO of Futurtek Communications, Vice President of Regulatory Affairs for ATC, Senior Vice President of TMC/Cignal, President of Digi-Net, and Vice President of Telesphere Network. He also served as Director of Network System for US Telephone, Senior Manager of Network Planning and Administration for US Sprint, and was a Switching Systems Engineer for MCI. Since 1994, Mr. Peck has also been a principal with Visual Radio, Inc., an Internet and Extranet developer, which specializes in technology incubations for the online community. He has also served on the board of directors of state and national industry associations, and serves as an expert witness in regulatory and legal cases involving telecommunications issues.

Montgomery Cornell, Chief Financial Officer, joined Prism after spending four years in various positions at Protection One, Inc., which is one of the largest monitored security companies in the United States. While at Protection One, he served as Treasurer and Vice President-Finance, and managed investor relations. He also assisted in raising over \$1 billion of debt and equity capital in private and public offerings. Mr. Cornell briefly served as Chief Financial Officer of Protection One [NYSE: POI] before he joined us. Mr. Cornell worked at several investment banks prior to joining Protection One.

Michael Ford, Chief of Staff, oversees project planning in the office of the President. Prior to joining us, Mr. Ford spent over 12 years at Nortel Networks where he began his career as a financial analyst. While at Nortel Networks, Mr. Ford held positions as Finance Manager, INS Pacific Region; Senior Manager – Consulting Services, Private Networks; Controller, Nortel Networks Communication Systems; and Director Major Accounts Sales, Public Carrier Networks.

Harold "Paul" Freels, Chief Operations Officer, oversees substantially all aspects of our network and operations. Mr. Freels has extensive experience in the telecommunications industry, most recently serving for three years as Vice President—Operations for Long Distance International, Inc. In his 45 years of telecommunication experience, Mr. Freels has also served in senior management capacities at International Telecharge, Inc. and U.S. Telephone, Inc. (now part of Sprint). Mr. Freels has significant operating experience in developing and managing

billing, customer service, network design, network management, operating support systems, order provisioning, and regulatory affairs functions.

Dennis Kruse, Chief Marketing Officer, oversees and is responsible for all marketing operations and programs for our communications services and solutions. Mr. Kruse has more than 20 years of combined industry experience in the development of advertising and brand marketing programs with major companies in the U.S. and abroad. Most recently, he served as a consultant for consumer marketing and new business development with MCI Telecommunications Corporation, managing strategic relationships with Fortune 500 companies including McDonald's, PepsiCo, Frito-Lay, Hershey's, The Coca-Cola Company and American Airlines. Prior to joining us, Mr. Kruse served as Vice President Advertising/Media and Promotion at Jerrico, Inc.; Partner/Executive Vice President at Weyman & Kruse, Inc.; Director of Advertising at Munford, Inc.; Regional Marketing Director at Southland Corporation; and Vice President of New Business at Houston Ritz & Associates. Mr. Kruse also served as a special assistant to President Reagan, handling both press and site advance assignments.

Sophia K. Corona, Vice President Network Planning, has over 13 years of Accounting and Finance experience in diversified industries. As Controller for an international consulting firm, Ms. Corona traveled throughout the Far East negotiating with Ministries of Finance on expatriate and corporate tax issues. As Corporate Controller for Ian Schragger Hotels, she was responsible for the restructuring of existing financial infrastructures. Most recently, she was Chief Financial Officer of a custom high-end lighting manufacturer serving the hospitality and interior design industries, during which she was responsible for a 30 percent growth in profitability over the past three consecutive years.

John Dodd, Vice President Network Construction, has 33 years experience in the telecommunications industry, John Dodd has worked within every facet of this technology, from design inception through manufacturing to contract fulfillment. Before joining Prism his most recent role was as Senior Operations Manager for Nortel and oversaw their \$165 million Bell Atlantic account. His broad experience brings a keen understanding and overview to our expansion plans, streamlining the process, making it possible to bring more technology to the consumer in less time and for less money.

Edward Kelly, Vice President of Network Operations, has more than 20 years of operational and engineering experience in carrier and enterprise telecommunications networks. For the past 14 years he has served in a variety of roles at MCI Worldcom, most recently as Senior Manager Network Operations and Security for the International Division where he helped expand MCI Worldcom's presence overseas. Prior to MCI Worldcom, he served as the head of U.S. technical support for Thomson-CSF/Alcatel; Manager of Field Operations and Sales Support at U.S. Telephone; and Manager of Field Services for TeleResources.

Richard Merson, Vice President Customer Service, has 12 years of experience as a customer operations leader with proven results in line operations management, reengineering, vendor management, system development, process measurement and project management. Before that, he spent seven years with AT&T Wireless Services where he was Director of Credit and Activations for National Customer Care Operations. Mr. Merson also spent five years with American Express as Director of Account Services for the Eastern Region.

Vincent Morreale, Jr., Vice President Sales, has 15 years of experience in sales and marketing within the telecommunications industry with a proven track record of achievements in selling and marketing telecommunications technology and services. He comes to Prism after 11 years with Northern Telecom where he was responsible for the direct management of its sales staff. While at Nortel Networks, Mr. Morreale received the Circle of Excellence Award, Honor's Circle, Presidential recognition for outstanding sales accomplishments, and Achievers Club for 2 consecutive years.

Debra A. Niewald, Vice President Corporate Communications, has more than 15 years experience developing and managing public relations and corporate identity programs, special and promotional events, and online marketing and communications programs, Ms. Niewald directs strategic positioning and messages of the company – its core competencies and achievements -- in order to accomplish the company's business objectives. She has held strategic positions in account management, marketing communications and new business development with companies in the entertainment, hospitality, retail and financial industries, including Visual Radio, Inc., Ian Schrager Hotels, Columbia Pictures, Ralph Lauren, Horizon Financial, and Sandven Advertising & Marketing, among others.

Greg B. Thomas, Vice President Market and Product Development, has over eight years of experience in market and product development for the telecommunications industry. Mr. Thomas was previously Director of Large Business Market Development for Bell Atlantic where he acted as Project Leader and primary interface for the University Corporation for Advanced Internet Development (UCAID). In addition, he focused on Directing the development and positioning of Bell Atlantic, as the service provider of choice within the Education segment as well as state and local government segment.

Robert Van Dyke, Vice President Engineering, has 30 years experience in deployment and operation of networks. He has served in numerous positions with Contel and was recently responsible for the design and deployment of Intermedia's network infrastructure including all switching, translations, transmission, outside plant and building elements. Prior to joining Prism, Mr. Van Dyke was Senior Vice President, Network Engineering and Operations for Long Distance International, responsible for deployment and operation of LDI's international network.

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July 15, 1999

DEPOSIT

DATE

D169

JUL 16 1999

BY FEDERAL EXPRESS

Florida Public Service Commission
Division of Records and Reporting
2540 Shumard Oak Blvd.
Tallahassee, FL 32339-0850

Re: Application for Authority to Provide Interexchange Telecommunications
Service Between Points within the State of Florida

Dear Sir/Madam:

On behalf of Prism Florida Operations, LLC, we are submitting an original and six (6) copies of an application for authority to provide interexchange telecommunications service between points within the State of Florida.

Please note that Prism Florida Operations, LLC and its parent company, Prism Communication Services, Inc., are privately held companies and the financial information concerning these companies that is submitted as part of this application is proprietary in nature. Review of this information should be held in the strictest confidence possible. The financial information concerning these companies is provided to the Staff under separate cover, is marked "PROPRIETARY AND CONFIDENTIAL - FILED UNDER PROTECTIVE SEAL" and is not to be made a part of the public record

DOCUMENT NUMBER - DATE

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07/13/99

PAY TO THE ORDER OF FLA. PUBLIC SERVICE COMMISSION \$ 250.00

TWO HUNDRED FIFTY AND 00/100 Dollars

FLA. PUBLIC SERVICE COMMISSION



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