

SWITCHED EXCHANGE ACCESS TELECOMMUNICATION SERVICES

Within the State of

WASHINGTON

Provided By

360NETWORKS (USA) INC.

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This document contains the descriptions, regulations and rates applicable to the furnishing of switched exchange access telecommunications services provided by 360 networks (USA) inc. (“Company”) within the State of Washington.

APPLICATION

This document establishes the rates, terms, and conditions applicable to intrastate switched exchange access service supplied to interconnecting carriers for origination and termination of traffic to and from Central Office codes directly assigned to 360 networks (USA) inc. in the State of Washington.

BY INTERCONNECTING TO AND UTILIZING THE EXCHANGE ACCESS SERVICES SET FORTH IN THIS DOCUMENT, INTERCONNECTING CARRIERS AGREE TO THE RATES, CHARGES, TERMS, AND CONDITIONS THAT FOLLOW.

Company provides exchange access Services contained in this Document under a Multiple Bill-Multiple Tariff method, as set forth in the Alliance for Telecommunications Industry Solutions Inc. Ordering and Billing Forum Multiple Exchange Access Billing document, **ATIS/OBF-MECAB-08**, Issue 8 dated January 2003. This method allows one provider to bill for other providers within the Multiple Bill option when there are more than two companies providing the Service. The number of bills rendered is less than the total number of companies providing the Service. Each provider's Tariff or contract rates are applied and displayed separately for each company's portion of the service provided.

Company's exchange access Services apply only to the extent that facilities are available and services provided hereunder are used by a Customer for the purpose of originating or terminating intrastate communications.

TERMS AND CONDITIONS

2.1 Undertaking of the Company

2.1.1 Scope

The Company undertakes to furnish Intrastate Switched Access Services in accordance with the terms and conditions set forth in this Document.

2.1.2 Shortage of Facilities

All Service is subject to the availability of suitable facilities. The Company reserves the right to limit the length of communications or to discontinue furnishing services when necessary because of the lack of transmission medium capacity or because of any causes beyond its control.

2.1.3 Terms and Conditions

- A) Service is provided on the basis of a minimum period of at least one month, 24-hours per day, unless otherwise deemed Incidental Service. For the purpose of computing charges in this Document, a month is considered to have 30 days.
- B) Customers may be required to enter into written service orders, which shall contain or reference a specific description of the service ordered, the rates to be charged, the duration of the services, and the terms and conditions in this Document. Customers will also be required to execute any other documents as may be reasonably requested by the Company.
- C) In any action between the parties to enforce any provision of this Document, the prevailing party shall be able to recover its legal fees and court costs from the non-prevailing party in addition to other relief a court may award.

TERMS AND CONDITIONS (cont'd)

2.1 Undertaking of the Company (cont'd)

2.1.3 Terms and Conditions (cont'd)

- D) This Document shall be interpreted and governed by the laws of Colorado and regardless of choice of laws and regulation provisions.

2.1.4 Limitations on Liability

- A) Except as otherwise stated in this section, the liability of the Company for damages arising out of either: (1) the furnishing of its services, including but not limited to mistakes, omissions, interruptions, delays, or errors, or other defects, representatives, or use of these services or (2) the failure to furnish its service, whether caused by acts or omission, shall be limited to the extension of allowances to the Customer for interruptions in service as set forth in Section 2.7.
- B) Except for the extension of allowances to the Customer for interruptions in service as set forth in Section 2.7, the Company shall not be liable to a Customer or third party for any direct, indirect, special, incidental, reliance, consequential, exemplary or punitive damages, including, but not limited to, loss of revenue or profits, for any reason whatsoever, including, but not limited to, any act or omission, failure to perform, delay, interruption, failure to provide any service or any failure in or breakdown of facilities associated with the service.
- C) The liability of the Company for errors in billing that result in overpayment by the Customer shall be limited to a credit equal to the dollar amount erroneously billed or, in the event that payment has been made and service has been discontinued, to a refund of the amount erroneously billed.

TERMS AND CONDITIONS (cont'd)

2.1 Undertaking of the Company (cont'd)

2.1.4 Limitations on Liability (cont'd)

- D) The Company shall not be liable for any claims for loss or damages involving:
- 1) Any act or omission of: (a) the Customer, (b) any other entity furnishing service, equipment or facilities for use in conjunction with services or facilities provided by the Company; or (c) common carriers or warehousemen;
 - 2) Any delay or failure of performance or equipment due to causes beyond the Company's control, including but not limited to, acts of God, fires, floods, earthquakes, hurricanes, or other catastrophes; national emergencies, insurrections, riots, wars or other civil commotions; strikes, lockouts, work stoppages or other labor difficulties; criminal actions taken against the Company; unavailability, failure or malfunction of equipment or facilities provided by the Customer or third parties; and any law, order, regulation or other action of any governing authority or agency thereof;
 - 3) Any unlawful or unauthorized use of the Company's facilities and services;
 - 4) Libel, slander, invasion of privacy or infringement of patents, trade secrets, or copyrights arising from or in connection with the transmission of communications by means of Company-provided facilities or services; or by means of the combination of Company-provided facilities or services with Customer-provided facilities or services;

TERMS AND CONDITIONS (cont'd)

2.1 Undertaking of the Company (cont'd)

2.1.4 Limitations on Liability (cont'd)

D) (cont'd)

- 5) Breach in the privacy or security of communications transmitted over the Company's facilities;
- 6) Changes in any of the facilities, operations or procedures of the Company that render any equipment, facilities or services provided by the Customer obsolete, or require modification or alteration of such equipment, facilities or services, or otherwise affect their use or performance, except where reasonable notice is required by the Company and is not provided to the Customer, in which event the Company's liability is limited as set forth in Section 2.1.4, preceding;
- 7) Defacement of or damage to Customer premises resulting from the furnishing of services or equipment on such premises or the installation or removal thereof;
- 8) Injury to property or injury or death to persons, including claims for payments made under Workers' Compensation law or under any plan for employee disability or death benefits, arising out of, or caused by, any act or omission of the Customer, or the construction, installation, maintenance, presence, use or removal of the Customer's facilities or equipment connected, or to be connected to the Company's facilities;
- 9) Any intentional, wrongful act of a Company employee when such act is not within the scope of the employee's responsibilities for the Company and/or is not authorized by the Company;

TERMS AND CONDITIONS (cont'd)

2.1 Undertaking of the Company (cont'd)

2.1.4 Limitations on Liability (cont'd)

D) (cont'd)

- 10) Any representations made by Company employees that do not comport, or that are inconsistent, with the provisions of this Document;
- 11) Any noncompletion of calls due to network busy conditions;
- 12) Any calls not actually attempted to be completed during any period that service is unavailable.

E) The Company shall be indemnified, defended and held harmless by the Customer or End User from and against any and all claims, loss, demands, suits, expense, or other action or any liability whatsoever, including attorney fees, whether suffered, made, instituted, or asserted by the Customer or by any other party, for any personal injury to or death of any person or persons, and for any loss, damage or destruction of any property, including environmental contamination, whether owned by the Customer or by any other party, caused or claimed to have been caused directly or indirectly by the installation, operation, failure to operate, maintenance, presence, condition, location, use or removal of any Company or Customer equipment or facilities or service provided by the Company.

TERMS AND CONDITIONS (cont'd)

2.1 Undertaking of the Company (cont'd)

2.1.4 Limitations on Liability (cont'd)

- F) The Company does not guarantee nor make any warranty with respect to installations provided by it for use in an explosive atmosphere. The Company shall be indemnified, defended and held harmless by the Customer from and against any and all claims, loss, demands, suits, or other action, or any liability whatsoever, including attorney fees, whether suffered, made, instituted or asserted by the Customer or by any other party, for any personal injury to or death of any person or persons, and for any loss, damage or destruction of any property, including environmental contamination, whether owned by the Customer or by any other party, caused or claimed to have been caused directly or indirectly by the installation, operation, failure to operate, maintenance, presence, condition, location, use or removal of any equipment or facilities or the service.
- G) The Company assumes no responsibility for the availability or performance of any cable or satellite systems or related facilities under the control of other entities, or for other facilities provided by other entities used for service to the Customer, even if the Company has acted as the Customer's agent in arranging for such facilities or services. Such facilities are provided subject to such degree of protection or nonpreemptibility as may be provided by the other entities.
- H) Except as otherwise stated in this Document, any claim of whatever nature against the Company shall be deemed conclusively to have been waived unless presented in writing to the Company within thirty (30) days after the date of the occurrence that gave rise to the claim.

TERMS AND CONDITIONS (cont'd)

2.1 Undertaking of the Company (cont'd)

2.1.4 Limitations on Liability (cont'd)

I) The Company will operate as specified in these and other applicable Documents. Due to the interdependence among telecommunications companies, and the interrelationship with non-Company processes, equipment, and systems, the Company is not responsible for failures caused by circumstances beyond its control including, but not limited to, failures caused by:

1. a local exchange carrier;
2. customer premise equipment; or
3. an End User or Customer.

In addition, the Company is not liable for any incompatibility between the Company's Services and any non-Company services used by a Customer or an End User.

TERMS AND CONDITIONS (cont'd)

2.1 Undertaking of the Company (cont'd)

2.1.5 Provision of Equipment and Facilities

- A) Except as otherwise indicated, Customer-provided station equipment at the Customer's premises for use in conjunction with this service shall be so constructed, maintained and operated as to work satisfactorily with the facilities of the Company.

- B) The Company shall not be responsible for the installation, operation or maintenance of any Customer-provided communications equipment. Where such equipment is connected to service furnished pursuant to this Document, the responsibility of the Company shall be limited to the furnishing of services under this Document and to the maintenance and operation of such services in the proper manner. Subject to this responsibility, the Company shall not be responsible for:
 - 1) the through transmission of signals generated by Customer-provided equipment or for the quality of, or defects in, such transmission; or
 - 2) the reception of signals by Customer-provided equipment; or
 - 3) network control signaling where such signaling is performed by Customer-provided network control signaling equipment.

2.1.6 Ownership of Facilities

Title to all facilities provided in accordance with this Document remains in the Company, its agents, contractors or suppliers.

TERMS AND CONDITIONS (cont'd)

2.2 Prohibited Uses

- A) The services the Company offers shall not be used for any unlawful purpose or for any use for which the Customer has not obtained all required governmental approvals, authorization, licenses, consents and permits.
- B) The Company may require applicants for service who intend to use the Company's offering 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 regulations, policies, orders, and decisions.
- C) The Company may require a Customer to immediately shut down its transmission if such transmission is causing interference to others.
- D) A Customer, joint user, or authorized user may not assign, or transfer in any manner, the service or any rights associated with the service without the written consent of the Company. The Company will permit a Customer to transfer its existing service to another entity if the existing Customer has paid all charges owed to the Company for regulated access services. Such a transfer will be treated as a disconnection of existing service and installation of new service, and non-recurring installation charges as stated in this Document will apply.

TERMS AND CONDITIONS (cont'd)

2.3 Obligations of the Customer

2.3.1 Customer Premises Provisions

- A) The Customer shall provide the personnel, power and space required to operate all facilities and associated equipment installed on the premises of the Customer.
- B) The Customer shall be responsible for providing Company personnel access to premises of the Customer at any reasonable hour for the purpose of testing the facilities or equipment of the Company.

2.3.2 Liability of the Customer

- A) The Customer will be liable for damages to the facilities of the Company and for all incidental and consequential damages caused by the negligent or intentional acts or omissions of the Customer, its officers, employees, agents, invitees, or contractors where such acts or omissions are not the direct result of the Company's negligence or intentional misconduct.
- B) To the extent caused by any negligent or intentional act of the Customer as described in (A), preceding, the Customer shall indemnify, defend and hold harmless the Company from and against all claims, actions, damages, liabilities, costs and expenses, including reasonable attorneys' fees, for (1) any loss, destruction or damage to property of any third party, (2) the death of or injury to persons, including, but not limited to, employees or invitees of either party, and (3) any liability incurred by the Company to any third party pursuant to this Document or any Tariff of the Company, or otherwise, for any interruption of, interference to, or other defect in any service provided by the Company to such third party.

TERMS AND CONDITIONS (cont'd)

2.3 Obligations of the Customer (cont'd)

2.3.2 Liability of the Customer (cont'd)

- C) The Customer shall not assert any claim against any other customer or user of the Company's services for damages resulting in whole or in part from or arising in connection with the furnishing of service under this Document including but not limited to mistakes, omissions, interruptions, delays, errors or other defects or misrepresentations, whether or not such other customer or user contributed in any way to the occurrence of the damages, unless such damages were caused solely by the negligent or intentional act or omission of the other customer or user and not by any act or omission of the Company. Nothing in this Document is intended either to limit or to expand Customer's right to assert any claims against third parties for damages of any nature other than those described in the preceding sentence.

TERMS AND CONDITIONS (cont'd)

2.3 Obligations of the Customer (cont'd)

2.3.3 Jurisdictional Report Requirements

- A) If Feature Group D Switched Access Service(s) is available and provided, the Company, where jurisdiction can be determined from the call detail, will determine the projected interstate percentage as follows. For originating access minutes, the projected interstate percentage will be developed on a monthly basis by End Office trunk group when the Feature Group D Switched Access Service access minutes are measured by dividing the measured interstate originating access minutes (the access minutes where the calling number is in one state and the called number is in another state) by the total originating access minutes when the call detail is adequate to determine the appropriate jurisdiction. For terminating access minutes, the Customer has the option to provide the Company with a projected PIU factor. Customers who provide a PIU factor shall supply the Company with an interstate percentage of the Feature Group D terminating access minutes for each account to which the Customer may terminate traffic.

Should the Customer not supply a terminating PIU Factor, the data used by the Company to develop the projected interstate percentage for originating access minutes will be used to develop projected interstate percentage for such terminating access minutes. When a Customer orders Feature Group D Switched Access Service, the Customer shall supply a projected interstate percentage of use for each End Office trunk group involved to be used in the event that originating call details are insufficient to determine the jurisdiction for the call. This percentage shall be used by the Company as the projected interstate percentage for such call detail. For purposes of developing the projected interstate percentage, the Customer shall utilize the same considerations as those set forth in Section 2.3.3(B) following.

TERMS AND CONDITIONS (cont'd)

2.3 Obligations of the Customer (cont'd)

2.3.3 Jurisdictional Report Requirements (cont'd)

A) (cont'd)

The Company will designate the number obtained by subtracting the projected interstate percentage for originating and terminating access minutes from 100 (100 - projected interstate percentage = intrastate percentage) as the projected interstate percentage of use.

If the Customer has no originating traffic within the End Office for which sufficient call detail exists to develop a PIU factor, and the Customer has not supplied a PIU factor on either the quarterly update report or the Access Service Request, the Company will designate a PIU factor of 50% for Feature Group D terminating access minutes. For originating Toll Free access minutes, where the call detail is insufficient to determine the jurisdiction of the call, the Customer shall provide the Company with a projected PIU factor. If such a PIU has not been provided for Toll Free access minutes, the Company will designate the default PIU factor of 50%. This factor will be applied to the next billing cycle and continue until the Customer provides a PIU factor. When the Customer does provide the PIU factor, the Company will update the customer's PIU factors within fifteen (15) business days.

- B) For purposes of developing the projected interstate percentage, the Customer shall consider every call that enters the Customer's network at a point within the same state as the state where the called station is located to be intrastate and every call that enters the Customer's network at a point in a state different from the state in which the called station is located to be interstate.

TERMS AND CONDITIONS (cont'd)

2.3 Obligations of the Customer (cont'd)

2.3.3 Jurisdictional Report Requirements (cont'd)

- C) These whole number percentages will be used by the Company to apportion the use, rates, and/or nonrecurring charges between interstate and intrastate until a revised report is received.

- D) The projected interstate percentage of use will be used to determine the charges as follows:

The number of access minutes for a trunk group will be multiplied by the projected interstate percentage of use to determine the interstate access minutes (i.e., number of access minutes x projected interstate percentage of use = interstate access minutes). The number of interstate access minutes so determined will be subtracted from the total number of access minutes (i.e., number of access minutes - interstate access minutes = intrastate access minutes). The intrastate access minutes for the group will be billed as set forth in Section 5 following.

TERMS AND CONDITIONS (cont'd)

2.3 Obligations of the Customer (cont'd)

2.3.3 Jurisdictional Report Requirements (cont'd)

- E) Effective on the first of January, April, July and October of each year, the Customer may update the jurisdictional reports that require a projected interstate percentage. The Customer shall forward to the Company, to be received no later than 20 calendar days after the first of each such month, a revised report showing the interstate percentage of use for the past three months ending the last day of December, March, June and September, respectively, for each service arranged for interstate and intrastate use. Except as set forth in Section 2.3.3(A) preceding where jurisdiction can be determined from the recorded message detail, the revised report will serve as the basis for the next three months billing and will be effective on the bill date in the following month (i.e., February, May, August, and November) for that service. No prorating or back billing will be done based on the report. If the Customer does not supply the report, the Company will assume the percentage to be the same as that provided in the last quarterly report. For those cases in which a quarterly report has never been received from the Customer, the Company will assume the percentage to be the same as that provided in the order for service as set forth in Section 2.3.3(A) preceding.

TERMS AND CONDITIONS (cont'd)

2.3 Obligations of the Customer (cont'd)

2.3.3 Jurisdictional Report Requirements (cont'd)

- F) The Customer reported projected interstate percentage of use as set forth in Section 2.3.3(A) preceding will be used for the apportionment of any monthly rates or nonrecurring charges associated with Feature Groups B or D Switched Access Service until the end of the quarter during which the service was activated. Thereafter, a projected interstate percentage for such apportionment will be developed quarterly by the Company based on the data used to develop the projected interstate percentage of use as set forth in Section 2.3.3(A) preceding. Where call detail is insufficient to make such a determination, the Customer will be requested to project a interstate percentage of use to be used by the Company for such apportionment.
- G) The Customer shall keep sufficient detail from which the percentage of interstate use can be ascertained and upon request of the Company make the records available for inspection. Such a request will be initiated by the Company no more than once per year. The Customer shall supply the data within 30 calendar days of the Company request.
- H) The terms and conditions described in Section 2.3.3 shall apply only in the event Company provides Feature Group D Switched Access Services.

TERMS AND CONDITIONS (cont'd)

2.4 Customer Equipment and Channels

2.4.1 Interconnection of Facilities

- A) In order to protect the Company's facilities and personnel and the services furnished to other Customers by the Company from potentially harmful effects, the signals applied to the Company's service shall be such as not to cause damage to the facilities of the Company. Any special interface equipment necessary to achieve the compatibility between facilities of the Company and the channels or facilities of others shall be provided at the Customer's expense.

2.4.2 Inspections

- A) The Company may, upon notification to the Customer, at a reasonable time, make such tests and inspections as may be necessary to determine that the requirements regarding the equipment and interconnections are being complied with in respect to the installation, operation and maintenance of Customer-provided equipment and in the wiring of the connection of Customer channels to Company-owned facilities.
- B) If the protective requirements in connections with Customer provided equipment are not being complied with, the Company may take such action as necessary to protect its facilities and personnel and will promptly notify the Customer by registered mail in writing of the need for protective action. In the event that the Customer fails to advise the Company within 10 days after such notice is received or within the time specified in the notice that corrective action has been taken, the Company may take whatever additional action is deemed necessary, including canceling service, to protect its facilities and personnel from harm. The Company will upon request 24 hours in advance provide Customer with a statement of technical parameters that the Customer's equipment must meet.

TERMS AND CONDITIONS (cont'd)

2.5 Customer Deposits and Advance Payments

2.5.1 Advance Payments

To safeguard its interests, the Company may require a Customer to make an advance payment before services and facilities are furnished. The advance payment will not exceed an amount up to two months of estimated monthly usage charges. In addition, where special construction is involved, the advance payment may also include an amount equal to the estimated non-recurring charges for the special construction and recurring charges (if any) for a period to be set between the Company and the Customer. The advance payment will be credited to the Customer's initial bill. An advance payment may be required in addition to a deposit.

2.5.2 Deposits

- A) To safeguard its interests, the Company may require the Customer to make a deposit to be held as a guarantee for the payment of charges. A deposit does not relieve the Customer of the responsibility for the prompt payment of bills on presentation. The deposit will not exceed an amount equal to:
- 1) three months' charges for a service or facility which has a minimum payment period of one month: or
 - 2) the charges that would apply for the minimum payment period for a service or facility which has a minimum payment period of more than one month; except that the deposit may include an additional amount in the event that a termination charge is applicable.
- B) A deposit may be required in addition to an advance payment.

TERMS AND CONDITIONS (cont'd)

2.5 Customer Deposits and Advance Payments (cont'd)

2.5.2 Deposits (cont'd)

- C) When a service or facility is discontinued, the amount of a deposit, if any, will be applied to the Customer's account and any credit balance remaining will be refunded. Before the service or facility is discontinued, the Company may, at its option, return the deposit or credit it to the Customer's account. If the amount of the deposit is insufficient to cover the balance due to the Customer's account, the Company retains the right to collect any amounts owing after the deposit has been applied plus any costs related to the collection of any remaining balance.
- D) Deposits held will accrue interest at a rate specified by the Company without deductions for any taxes on such deposits. Interest will not accrue on any deposit after the date on which reasonable effort has been made to return it to the Customer.

2.6 Payment Arrangements

2.6.1 Payment for Service

The Customer is responsible for the payment of all charges for facilities and services furnished by the Company to the Customer.

A) Taxes

The Customer is responsible for payment of any sales, use, gross receipts, excise, access or other local, state and federal taxes, charges or surcharges (however, designated) (excluding taxes on the Company's net income) imposed on or based upon the provision, sale or use of Network Services.

TERMS AND CONDITIONS (cont'd)

2.6 Payment Arrangements (cont'd)

2.6.2 Billing and Collection of Charges

The Customer is responsible for payment of all charges incurred by the Customer or other users for services and facilities furnished to the Customer by the Company.

- A) Non-recurring charges are due and payable within 30 days after the date of the invoice.
- B) The Company shall present invoices for Recurring Charges monthly to the Customer, in advance of the month in which service is provided, and Recurring Charges shall be due and payable within 30 days after the date of the invoice. When billing is based upon customer usage, usage charges will be billed monthly for the preceding billing period.
- C) 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 in which service was furnished will be calculated on a pro rata basis. For this purpose, every month is considered to have 30 days.
- D) Billing of the Customer by the Company will begin on the Service Commencement Date. Billing accrues through and includes the day that the service, circuit, arrangement or component is discontinued.

REGULATIONS (cont'd)

2.6 Payment Arrangements (cont'd)

2.6.2 Billing and Collection of Charges (cont'd)

- E) If any portion of the payment is received by the Company after the date due, or if any portion of the payment is received by the Company in funds which are not immediately available upon presentment, then a late payment penalty shall be due to the Company. The late payment penalty shall be the portion of the payment not received by the date due, multiplied by a late factor. The late factor shall be 1.5 percent per month.
- F) The Customer will be assessed a charge of twenty dollars (\$20.00) for each check submitted by the Customer to the Company which a financial institution refuses to honor.
- G) If service is disconnected by the Company in accordance with Section 2.6.4 following and later reinstalled, service will be subject to all applicable installation charges. If service is suspended by the Company and later restored, service will be subject to all applicable restoration charges.

TERMS AND CONDITIONS (cont'd)

2.6 Payment Arrangements (cont'd)

2.6.3 Billing Disputes

A) General

All bills are presumed accurate, and shall be binding on the Customer unless notice of the disputed charge(s) is received by the Company within 30 days (commencing 5 days after such bills have been mailed or otherwise rendered per the Company's normal course of business). For the purposes of this section, "notice" is defined as written notice to the Company, containing sufficient documentation to investigate the dispute, including the account number under which the bill has been rendered, the date of the bill, and the specific items on the bill being disputed.

B) Late Payment Charge

- 1) The undisputed portions of the bill must be paid by the payment due date to avoid assessment of a late payment charge on the undisputed amount under Section 2.6.2(E), preceding.
- 2) In the event that a billing dispute is resolved by the Company in favor of the Customer, any disputed amount withheld pending resolution of the billing dispute shall not be subject to the late payment charge.
- 3) In the event that a billing dispute is resolved in favor of the Company, the Customer shall pay the late payment charge.

TERMS AND CONDITIONS (cont'd)

2.6 Payment Arrangements (cont'd)

2.6.3 Billing Disputes (cont'd)

C) Adjustments or Refunds to the Customer

- 1) In the event that the Company resolves the billing dispute in favor of a Customer who has withheld payment of the disputed amount pending resolution of the disputed bill, the Company will credit the Customer's account for the disputed amount in the billing period following the resolution of the dispute.
- 2) In the event that the Company resolves the billing dispute in favor of a Customer who has paid the total amount of the disputed bill, the Company will credit the Customer's account for any overpayment by the Customer in the billing period following the resolution of the dispute.
- 3) In the event that the Company resolves the billing dispute in favor of a Customer who has paid the total amount of the disputed bill but canceled the service, the Company will issue a refund or credit to the Customer's account of any overpayment by the Customer.
- 4) All adjustments or refunds provided by the Company to the Customer at the Customer's request, or provided by the Company to the Customer by way of compromise of a billing dispute, and which are accepted by the Customer, are final and constitute full satisfaction, settlement, and/or compromise of all of the Customer's claims for the billing period for which the adjustment or refund was issued.

TERMS AND CONDITIONS (cont'd)

2.6 Payment Arrangements (cont'd)

2.6.3 Billing Disputes (cont'd)

D) Unresolved Billing Disputes

In the case of a billing dispute between the Customer and the Company for service furnished to the Customer, which cannot be settled to the mutual satisfaction of the Customer and the Company, the Customer has up to 90 days (commencing 5 days after such bills have been mailed or otherwise rendered per the Company's normal course of business) to take the following course of action: The Customer may request and the Company will provide an in-depth review of the disputed amount.

TERMS AND CONDITIONS (cont'd)

2.6 Payment Arrangements (cont'd)

2.6.4 Discontinuance of Service for Cause

- A) Upon nonpayment of any amounts owing to the Company, the Company may, by giving 5 days prior written notice to the Customer, discontinue or suspend Service without incurring any liability.
- B) Upon violation of any of the other material terms or conditions for furnishing service the Company may, by giving 10 days prior notice in writing to the Customer, discontinue or suspend service without incurring any liability if such violation continues during that period.
- C) Upon condemnation of any material portion of the facilities used by the Company to provide service to a Customer or if 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 without incurring any liability.
- D) Upon the Customer's insolvency, assignment for the benefit of creditors, filing for bankruptcy or reorganization, or failing to discharge an involuntary petition within the time permitted by law, the Company may immediately discontinue or suspend service without incurring any liability.
- E) Upon any governmental prohibition or required alteration of the services to be provided or any violation of an applicable law or regulation, the Company may immediately discontinue service without incurring any liability.
- F) In the event of fraudulent use of the Company's network, the Company may without notice suspend or discontinue service. The Customer will be liable for all related costs. The Customer will also be responsible for payment of any reconnection charges.

TERMS AND CONDITIONS (cont'd)

2.6 Payment Arrangements (cont'd)

2.6.4 Discontinuance of Service for Cause (cont'd)

- G) Upon the Company's discontinuance of service to the Customer under Section 2.6.4(A) or 2.6.4(B), 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 Document, may declare all future monthly and other charges which would have been payable by the Customer during the remainder of the term for which such services would have otherwise been provided to the Customer to be immediately due and.

2.6.5 Notice to Company for Cancellation of Service

Customers desiring to terminate service shall provide Company thirty (30) days written notice of desire to terminate service.

2.6.6 Changes in Service Requested

If the Customer makes or requests material changes in circuit engineering, equipment specifications, service parameters, premises locations, or otherwise materially modifies any provision of the application for service, the Customer's installation fees shall be adjusted according to the term and conditions set forth in 3.1.1(C) following, Access Order Modifications, unless by separate agreement.

TERMS AND CONDITIONS (cont'd)

2.6 Payment Arrangements (cont'd)

2.6.7 Customer Overpayment

The Company will pay interest on a Customer overpayment. Customer overpayment shall mean a payment to the Company in excess of the correct charges for service when caused by erroneous billing by the Company. The rate of interest shall be the unadjusted interest rate paid on Customer deposits or the late payment penalty rate, whichever is greater. Interest shall be paid from the date when the Customer overpayment was made, adjusted for any changes in the deposit simple interest rate or late payment penalty rate, , until the date when the overpayment is credited to the Customer's account, unless the Customer requests a refund. No interest shall be paid on Customer overpayments that are credited (or refunded) within thirty (30) days after such overpayment is received by the Company. Unless otherwise agreed between the parties, the Company will credit the overpayment to the Customer's next monthly bill.

TERMS AND CONDITIONS (cont'd)

2.7 Allowances for Interruptions in Service

2.7.1 General

- A) A credit allowance will be given when service is interrupted, except as specified in Section 2.7.2 following.
- B) An interruption period begins when the Company discovers that a service, facility or circuit is inoperative or when the Customer reports a service, facility or circuit to be inoperative, whichever occurs first. A service is considered to be interrupted when it becomes inoperative to the Customer, e.g., the Customer is unable to transmit or receive, because of a failure of a component furnished by the Company under this Document. The inoperative service, facility or circuit must be released to the Company for testing and repair. An interruption period ends when the service, facility or circuit is operative.
- C) If the Customer reports a service, facility or circuit to be interrupted but declines to release it for testing and repair, the service, facility or circuit is considered to be impaired but not interrupted. No credit allowances will be made for a service, facility or circuit considered by the Company to be impaired.

TERMS AND CONDITIONS (cont'd)

2.7 Allowances for Interruptions in Service (cont'd)

2.7.2 Limitations of Allowances

No credit allowance will be made for any interruption in service:

- A) Due to the negligence of or noncompliance with the provisions of this Document by any person or entity other than the Company, including but not limited to the Customer or other common carriers connected to the service of the Company;
- B) Due to the failure of power, equipment, systems, connections or services not provided by the Company;
- C) Due to circumstances or causes beyond the control of the Company;
- D) During any period in which the Company is not given full and free access to its facilities and equipment for the purposes of investigating and correcting interruptions;
- E) During any period in which the Customer continues to use the service on an impaired basis;
- F) During any period when the Customer has released service to the Company for maintenance purposes or immediately following, for implementation of a Customer order for a change in service arrangements;
- G) That occurs or continues due to the Customer's failure to authorize replacement of any element of special construction; and
- H) That was not reported to the Company within thirty (30) days of the date that service was affected.

TERMS AND CONDITIONS (cont'd)

2.7 Allowances for Interruptions in Service (cont'd)

2.7.3 Use of Another Means of Communications

If the Customer elects to use another means of communications during the period of interruption, the Customer must pay the charges for the alternative service used and Company will have no liability for such charges.

2.7.4 Application of Credits for Interruptions in Service

- A) Credits for interruptions in service that is provided and billed on a flat rate basis for a minimum period of at least one month, beginning on the date that billing becomes effective, shall in no event exceed an amount equivalent to the proportionate charge to the Customer for the period of service during which the event that gave rise to the claim for a credit occurred. A credit allowance is applied on a pro rate basis against the rates specified hereunder and is dependent upon the length of the interruption. Only those facilities on the interrupted portion of the circuit will receive a credit.
- B) For calculating credit allowances, every month is considered to have thirty (30) days.
- C) A credit allowance of one days service will be given for all interruptions in service of 8 or more hours in a continuous twenty-four hour period.

TERMS AND CONDITIONS (cont'd)

2.7 Allowances for Interruptions in Service (cont'd)

2.7.5 Cancellation For Service Interruption

Cancellation or termination for service interruption is permitted only if any circuit experiences a single continuous outage of 8 hours or more or cumulative service credits equaling 16 hours in a continuous 12-month period. The right to cancel service under this provision applies only to the single circuit which has been subject to the outage or cumulative service credits.

2.8 Cancellation of Service/Termination Liability

If a Customer cancels or terminates services before the completion of the term for any reason whatsoever other than multiple service interruptions (as defined in Section 2.7.1), Customer agrees to pay to Company termination liability charges, which are defined below. These charges shall become due and owing as of the effective date of the cancellation or termination and be payable within the period set forth in Section 2.6.2.

2.8.1 Termination Liability

Customer's termination liability for cancellation of service shall be equal to:

- 1) all unpaid Non-Recurring charges reasonably expended by Company to establish service to Customer, plus;

TERMS AND CONDITIONS (cont'd)

2.8 Cancellation of Service/Termination Liability (cont'd)

2.8.1 Termination Liability (cont'd)

- 2) any disconnection, early cancellation or termination charges reasonably incurred and paid to third parties by Company on behalf of Customer, plus;
- 3) all Recurring Charges specified in any agreement for the balance of the then current term discounted at the prime rate announced in the Wall Street Journal on the third business day following the date of cancellation;

2.9 Customer Liability for Unauthorized Use of the Network

2.9.1 Unauthorized Use of the Network

- A) Unauthorized use of the Network occurs when: (1) a person or entity that does not have actual, apparent, or implied authority to use the Network, obtains the Company's services provided under this Document; or (2) a person or entity that otherwise has actual, apparent, or implied authority to use the Network, makes fraudulent use of the Network to obtain the Company's services provided under this Document, or uses specific services that are not authorized.

TERMS AND CONDITIONS (cont'd)

2.9 Customer Liability for Unauthorized Use of the Network (cont'd)

2.9.1 Unauthorized Use of the Network (cont'd)

- B) The following activities constitute fraudulent use:
- 1) Using the Network to transmit a message, locate a person, or otherwise give or obtain information, without payment for the service;
 - 2) Using or attempting to use the Network with the intent to avoid payment, either in whole or part, of any of the Company's charges by either rearranging, tampering with, or making connections not authorized by this Document to any service components used to furnish the Company's services or using fraudulent means or devices, tricks, schemes, false or invalid numbers, false credit devices or electronic devices;
 - 3) Using fraudulent means or devices, tricks, schemes, false or invalid numbers, false credit devices or electronic devices to defraud or mislead callers.
- C) Customers are advised that use of telecommunications equipment and services, including that provided under this Document, carries a risk of various forms of telecommunications fraud (including, but not limited to, toll and PBX fraud perpetrated by Users who gain access to a Customer's facilities, account numbers, security or authorization codes, etc.). Customers should take all necessary steps to restrict access to their facilities, including the equipment and services provided hereunder, and to detect and prevent unauthorized use of the equipment and services provided by the Company under this Document.

TERMS AND CONDITIONS (cont'd)

2.9 Customer Liability for Unauthorized Use of the Network (cont'd)

2.9.2 Liability for Unauthorized Use

- A) Except as provided for elsewhere in this Document, the Customer is responsible for payment of all charges for services provided under this Document furnished to the Customer or User. This responsibility is not changed due to any use, misuse, or abuse of the Customer's service or Customer-provided equipment by Users or other third parties, the Customer's employees, or the public.
- B) The Customer is liable for all costs incurred as a result of unauthorized use of the Network, including service charges and any direct, indirect, special, incidental, reliance, consequential, exemplary or punitive charges.
- C) The Customer is responsible for payment of any charges related to the suspension and/or termination of service, and any charges for reconnection of service, incurred as a result of unauthorized use of the Network.

TERMS AND CONDITIONS (cont'd)

2.10 Application of Rates

The regulations set forth in this section govern the application of rates for services contained in other sections of this Document.

2.10.1 Charges Based on Duration of Use

Customer traffic to End Offices will be measured (i.e., recorded or assumed) by the Company. Originating and terminating calls will be measured (i.e., recorded or assumed) by the Company to determine the basis for computing chargeable access minutes. In the event the Customer message detail is not available because the Company lost or damaged tapes or experienced recording system outages, the Company will estimate the volume of lost Customer access minutes of use based on previously known values.

For originating calls over Customer's Feature Group D, usage measurement begins when the originating Customer's Feature Group D switch receives the first wink supervisory signal forwarded from the Customer's point of termination.

The measurement of originating call usage ends when the Customer's originating Feature Group D switch receives disconnect supervision from either the Company's Network, indicating the originating End User has disconnected, or the Customer's point of termination, whichever is recognized first by the Company's Network.

For terminating calls over Customer's Feature Group D, the measurement of access minutes begins when the Customer's terminating Feature Group D switch receives answer supervision from the Company's Network, indicating the terminating End User has answered. For terminating calls over Customer's FGD Access Service, the measured minutes are chargeable access minutes. Where assumed minutes are used, the assumed minutes are the chargeable access minutes.

TERMS AND CONDITIONS (cont'd)

2.10 Application of Rates (cont'd)

2.10.1 Charges Based on Duration of Use (cont'd)

The measurement of terminating call usage over Customer's Feature Group D ends when the Customer's terminating Feature Group D switch receives disconnect supervision from either the Company's Network, indicating the terminating End User has disconnected, or the Customer's point of termination, whichever is recognized first by the switch.

Customer's FGD access minutes or fractions thereof, the exact value of the fraction being a function of the Network technology where the measurement is made, are accumulated over the billing period for each End Office, and are then rounded up to the nearest access minute for each End Office.

SERVICE DESCRIPTIONS

3.1 Switched Access Services

Switched Access Service, which is available to Customers for their use in furnishing their services to End Users, provides a two-point communications path between a Customer's premises and an End User's premises. It provides for the use of common terminating, switching and trunking facilities and/or functionalities. Switched Access Service provides for the ability to originate calls from an End User's premises to a Customer's premises (or a collocated interconnection location), and to terminate calls from a Customer's premises (or a collocated interconnection location) to an End User's premises in the LATA where it is provided. Switched Access Service must be ordered or provided as an Incidental Service separately for each LATA in which the Customer desires to originate or terminate calls.

Switched Access Service is provided in the following service categories, which are differentiated by their technical characteristics and the manner in which an End User or Customer accesses them when originating or terminating calls.

Terminating Switched Access provides trunk side-equivalent access to the Company's Network ~~end-office switches~~ for the Customer's use in originating and terminating communications.

Toll Free Data Base Access Service, which is available to all Customers, provides trunk side-equivalent access to the Company's Network ~~end-office witches~~ in the originating direction only, for the Customer's use in originating calls dialed by an End User to telephone numbers beginning with the prefix "800" or "888."

Customer's or its End User's use of any Incidental Service shall constitute Customer's agreement to all of the terms and conditions of this Document. Services provided on an incidental basis (Incidental Services) are billed to Customer on a monthly basis in accordance with Customer's recorded usage for each Service and the corresponding rates contained in the Rates Section, below.

SERVICE DESCRIPTIONS (cont'd)

3.1 Access Services (cont'd)

3.1.1 Standard Rate Categories

The composite rate categories in this Section 3.1.2 apply to Switched Access Service and include the following combined categories.

A) Rate Regulations

1) Common Line

The Common Line rate category establishes the charges related to the use of Company-provided End User common lines by Customers and end-users for intrastate access.

2) End Office Switching

The Company combines traditional per minute switched access rate elements into a single composite per minute rate element. This element includes the following rate categories:

SERVICE DESCRIPTIONS (cont'd)

3.1 Access Services (cont'd)

3.1.1 Standard Rate Categories (cont'd)

A) Rate Regulations (cont'd)

2) End Office Switching (cont'd)

a) Switched Transport

The Switched Transport rate category establishes the charges related to the provision by the Company's Network of transmission and tandem switching functionality between the Customer designated premises and the End Office(s) where the Customer's traffic is switched to originate or terminate the Customer's communications. The Switched Transport rate category also includes the functionality of transport between an End Office or equivalent within Company's Network that serves as host for a remote switching system or module.

b) End Office Switching

The End Office switching rate category establishes the charges related to the use of those portions of the Company's network that perform End Office switching functionality, the terminations in the End Office of End User lines and the termination of calls at intercept operators or recordings.

SERVICE DESCRIPTIONS (cont'd)

3.1 Access Services (cont'd)

3.1.2 Other Rate Categories

A) Toll Free Data Base Access Service

Toll Free Data Base Access Service is a service offering utilizing originating trunk side Switched Access Service. The service provides for the forwarding of End User dialed Toll Free calls to a Company Service Switching Point which will initiate a query to the data base to perform the switching. Toll Free Data Base Access Service is not available as an Incidental Service.

Customer identification and delivery function. The call is forwarded to the appropriate Customer based on the dialed Toll Free number. Toll Free Data Base Access Service is comprised of the following elements.

1) Customer Identification Charge

The Toll Free Data Base Access Service Customer Identification Charge applies for the identification and delivery of Toll Free dialed traffic to the appropriate Customer. The charge is assessed to the Customer on a per query and per minute of use basis and may include an area of service which may range from a single NPA/NXX to an area consisting of all LATAs and NPAs within the operating territory of 360 networks (USA) inc. The Toll Free Carrier Identification Charge and query function rate is set forth in 4.1.3.

SERVICE DESCRIPTIONS (cont'd)

3.1 Access Services (cont'd)

3.1.3 Other Rate Categories

A) Toll Free Data Base Access Service (cont'd)

2) POTS Translation Charge (Vertical Feature)

The POTS Translation provides the option of having the ten digit POTS number NPA + NXX-XXXX delivered instead of the Toll Free dialed number (e.g., 800 + NXX-XXXX) delivered to the service provider.

A POTS Translation Charge is assessed per query, in addition to the Toll Free Carrier Identification Charge. The charges can be found in Section 4.1.3.

3) Call Handling & Destination Feature Charge (Vertical Feature)

The Toll Free Call Handling and Destination Features Package, available only with the Toll Free Data Base Access Service, provides feature functionality in addition to basic query. The feature package may include various destination options such as carrier selection, time of day routing, day of week routing, specific date routing, geographic routing, routing based on percent of allocation, and emergency routing profiles.

A Call Handling and Destination Feature Charge is assessed on a per-query basis, in addition to the Customer Identification Charge and the POTS Translation Charge as set forth in Section 4.1.3.

RATES

4.1 Access Service

4.1.1 Composite Switched Access, All Times, Company Exchanges located in Qwest Corporation Service Territory

A) Direct Access

Per Originating Minute	\$0.015010
Per Terminating Minute	\$0.001747

B) Tandem Switched Access

Per Originating Minute	\$0.0191174
Per Terminating Minute	\$0.0059110

4.1.2 Composite Switched Access, All Times, Company Exchanges located in CenturyTel of Washington, Inc. Service Territory

A) Direct Access

Per Originating Minute	\$0.0214424
Per Terminating Minute	\$0.0705524

B) Tandem Switched Access

Per Originating Minute	\$0.0330681
Per Terminating Minute	\$0.0821781

RATES (cont'd)

4.1 Access Service (cont'd)

4.1.2 Switched Access, All Times, Company Exchanges located in Verizon Northwest, Inc. Service Territory

A)	Tandem-Switched Transport - Facility, per access minute, per airline mile	
	Per Originating Minute	\$0.0002900
	Per Terminating Minute	\$0.0000028
B)	Tandem Switched Transport – Termination, per access minute per termination	
	Per Originating Minute	\$0.0001690
	Per Terminating Minute	\$0.0000947
C)	Tandem Switching, per access minute	
	Per Originating Minute	\$0.0015000
	Per Terminating Minute	\$0.0013141
D)	Local Switching, per access minute	
	Per Originating Minute	\$0.0158172
	Per Terminating Minute	\$0.0014151

RATES (cont'd)

4.1 Access Service (cont'd)

4.1.3 Toll Free Data Base Access Service

A)	800 Carrier Identification Code, per call	\$0.003500
	800 Carrier Identification Code, per call, Frontier Communications Northwest, Inc. exchanges	\$0.0099138
	800 Carrier Identification Code, per call, CenturyTel of Washington, Inc. exchanges	\$0.01177
	800 Carrier Identification Code, per call, CenturyTel (fka) Embarq exchanges	\$0.014217
B)	Vertical Features	
	POTS Translation Charge, per call	\$0.003665
	Call Handling and Destination Feature Charge, per query	\$0.000694
	Vertical Features, per query, CenturyTel of Washington, Inc. exchanges	\$0.011770
	Vertical Features, per query, CenturyTel (fka) Embarq exchanges	\$0.001344

4.2 Miscellaneous Services

4.2.1 Presubscription

A)	Authorized PIC Change -Per Telephone Exchange Service Line or Trunk	\$5.00
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RATES (cont'd)

4.3. Individual Case Basis Arrangements

Individual Case Basis arrangements will be developed on a case-by-case basis in response to a bona fide Customer or prospective Customer request and based on specific Customer commitments, unless otherwise prohibited by law or regulation. ICB arrangement switched exchange access service rates will be available to any similarly situated Customer.