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2. GENERAL REGULATIONS

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2. GENERAL REGULATIONS

2.1 UNDERTAKING OF THE COMPANY

2.1.1 SCOPE

- A. The Company does not undertake to transmit messages under this Tariff.
- B. The Company shall be responsible only for the installation, operation and maintenance of the services which it provides.
- C. The Company will, for maintenance purposes, test its services only to the extent necessary to detect and/or clear troubles.
- D. Services are provided twenty-four hours daily, seven days per week, except as set forth in other applicable sections of this Tariff.
- E. The Company does not warrant that its facilities and services meet standards other than those set forth in this Tariff.

2.1.2 LIMITATIONS

- A. The customer may not assign or transfer the use of services provided under this Tariff; however, where there is no interruption of use or relocation of the services, such assignment or transfer may be made to:
 - 1. Another customer, whether an individual, partnership, association or corporation, provided the assignee or transferee assumes all outstanding indebtedness for such services, and the unexpired portion of the minimum period and the termination liability applicable to such services, if any; or
 - 2. A court appointed receiver, trustee or other person acting pursuant to law in bankruptcy, receivership, reorganization, insolvency, liquidation or other similar proceedings, provided the assignee or transferee assumes the unexpired portion of the minimum period and the termination liability applicable to such services, if any.

2. GENERAL REGULATIONS

2.1 UNDERTAKING OF THE COMPANY

2.1.2 LIMITATIONS

A.2. (Cont'd)

In all cases of assignment or transfer, the written acknowledgment of the Company is required prior to such assignment or transfer to which acknowledgment shall be made within fifteen days from the receipt of notification. All regulations and conditions contained in this Tariff shall apply to such assignee or transferee.

The assignment or transfer of services does not relieve or discharge the assignor or transferor from remaining jointly or severally liable with the assignee or transferee for any obligations existing at the time of the assignment or transfer.

- B. The installation and restoration of services shall be subject to the regulations set forth in Section 13, following, concerning the Telecommunications Service Priority (TSP) System.
- C. Subject to compliance with the rules mentioned in B., preceding, the services offered herein will be provided to customers on a first-come, first-served basis.

2.1.3 LIABILITY

A. General

- 1. The Company shall not be liable for any act or omission of any other carrier or customer providing a portion of a service, nor shall the Company for its own act or omission hold liable any other carrier or customer providing a portion of a service.

2. GENERAL REGULATIONS

2.1 UNDERTAKING OF THE COMPANY

2.1.3 LIABILITY

A. General (Cont'd)

2. The Company shall be indemnified, defended and held harmless by the end user or IC against any claim, loss or damage arising from the end user's or IC's use of services offered under this Tariff, involving:
 - a. Claims for libel, slander, invasion of privacy, or infringement of copyright arising from the end user's or IC's own communications;
 - b. Claims for patent infringement arising from the end user's or IC's acts combining or using the service furnished by the Company in connection with facilities or equipment furnished by the end user or IC or;
 - c. All other claims arising out of any act or omission of the end user or IC in the course of using services provided pursuant to this Tariff.
3. No license under patents (other than the limited license to use) is granted by the Company or shall be implied or arise by estoppel, with respect to any service offered under this Tariff. The Company will defend the customer against claims of patent infringement arising solely from the use by the customer of services offered under this Tariff and will indemnify such customer for any damages awarded based solely on such claims.
4. The Company's failure to provide or maintain services under this Tariff shall be excused by labor difficulties, governmental orders, civil commotions, criminal actions taken against the Company, acts of God and other circumstances beyond the Company's reasonable control, subject to the Credit Allowance for a Service Interruption as set forth in 2.4.4, following.
5. The Company does not guarantee or make any warranty with respect to its services when used in an explosive atmosphere. The Company shall be indemnified, defended and held harmless by the customer from any and all claims by any person relating to such customer's use of services so provided.

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1st Revised Sheet 4
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2. GENERAL REGULATIONS

2.1 UNDERTAKING OF THE COMPANY

2.1.3 LIABILITY (CONT'D)

B. Liability For All Services

1. The Company's liability, if any, for its willful misconduct is not limited by this Tariff. With respect to any other claim or suit, by a customer or by any others, for damages associated with the installation, provision, preemption, termination, maintenance, repair or restoration of service, including Interexchange Carrier Subscription, as set forth in 13.3.3, following, and subject to the provisions of A., preceding, the Company's liability shall not exceed an amount equal to the proportionate charge for the service for the period during which the service was affected.

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This liability for damages shall be in addition to any amounts that may otherwise be due the customer under this Tariff as a Credit Allowance for a Service Interruption.

2. The Company is not liable for damages to the customer's premises resulting from the furnishing of a service, including the installation and removal of equipment and associated wiring, unless the damage is caused by the Company's negligence.

2. GENERAL REGULATIONS

2.1 UNDERTAKING OF THE COMPANY (CONT'D)

2.1.4 PROVISION OF SERVICES

The Company, to the extent that such services are or can be made available with reasonable effort, and after provision has been made for the Company's telephone exchange services, will provide to the customer upon reasonable notice services offered in other applicable sections of this Tariff at rates and charges specified therein.

2.1.5 INSTALLATION AND TERMINATION OF SERVICES

The services provided under this Tariff (a) will include any entrance cable or drop wiring to that point where provision is made for termination of the Company's outside distribution network facilities at a suitable location at a customer designated premises and (b) will be installed by the Company to such Point of Termination (POT). Access Service has only one POT per customer premises. Any additional terminations beyond such POT are the sole responsibility of the customer. The POT is an inherent part of Switched Access Services, therefore, the preceding does not preclude the customer's ability to have the POT moved as set forth in 6.7.6, following, for Switched Access Services.

2. GENERAL REGULATIONS

2.1 UNDERTAKING OF THE COMPANY (CONT'D)

2.1.6 MAINTAINING SERVICES

The services provided under this Tariff shall be maintained by the Company. The customer or others may not rearrange, move, disconnect, remove or attempt to repair any facilities provided by the Company, other than by connection or disconnection to any interface means used, except with the written consent of the Company.

2.1.7 CHANGES AND SUBSTITUTIONS

Except as provided for equipment and systems subject to F.C.C. Part 68 regulations at 47 C.F.R. Section 68.110 (b), the Company may, where such action is reasonably required in the operation of its business, (a) substitute, change or rearrange any facilities used in providing service under this Tariff, including but not limited to, (1) substitution of different metallic facilities, (2) substitution of carrier or derived facilities for metallic facilities used to provide other than metallic facilities and (3) substitution of metallic facilities for carrier or derived facilities used to provide other than metallic facilities, (b) change minimum protection criteria, (c) change operating or maintenance characteristics of facilities, or (d) change operations or procedures of the Company.

In case of any such substitution, change or rearrangement, the transmission parameters will be within the range as set forth in Section 6., following. The Company shall not be responsible if any such substitution, change or rearrangement renders any customer furnished services obsolete or requires modification or alteration thereof or otherwise affects their use or performance. If such substitution, change or rearrangement materially affects the operating characteristics of the facility, the Company will provide reasonable notification to the customer in writing. Reasonable time will be allowed for any redesign and implementation required by the change in operating characteristics. The Company will work cooperatively with the customer to determine reasonable notification requirements.

2.1.8 REFUSAL AND DISCONTINUANCE OF SERVICES

The refusal and discontinuance of service will be administered as set forth in Chapter 480-120 of the Washington Administrative Code (WAC).

2. GENERAL REGULATIONS

2.1 UNDERTAKING OF THE COMPANY (CONT'D)

2.1.9 LIMITATION OF USE OF METALLIC FACILITIES

Signals applied to a metallic facility shall conform to the limitations set forth in Technical Reference AS No. 1.

2.1.10 NOTIFICATION OF SERVICE-AFFECTING ACTIVITIES

The Company will provide the customer reasonable notification of service-affecting activities that may occur in normal operation of its business. Such activities may include, but are not limited to, equipment or facilities additions, removals or rearrangements, routine preventative maintenance and major switching machine change-out. Generally, such activities are not individual customer service specific; they affect many customer services. No specific advance notification period is applicable to all service activities. The Company will work cooperatively with the customer to determine reasonable notification requirements.

2.1.11 COORDINATION WITH RESPECT TO NETWORK CONTINGENCIES

The Company intends to work cooperatively with the customer to develop network contingency plans in order to maintain maximum network capability following natural or man-made disasters which affect telecommunications services.

2.1.12 PROVISION AND OWNERSHIP OF TELEPHONE NUMBERS

The Company reserves the reasonable right to assign, designate or change telephone numbers, any other call number designations associated with Access Services, or the Company serving central office prefixes associated with such numbers, when necessary in the conduct of its business. Should it become necessary to make a change in such number(s), the Company will furnish to the customer six months notice, by Certified U.S. Mail, of the effective date and an explanation of the reason(s) for such change(s) beyond the non-exclusive limited right-to-use described in this Tariff.

2. GENERAL REGULATIONS

2.2 USE

2.2.1 INTERFERENCE OR IMPAIRMENT AND UNLAWFUL USE

A. The characteristics and methods of operation of any circuits, facilities or equipment provided by other than the Company and associated with the facilities utilized to provide services under this Tariff shall not interfere with, or impair service over, any facilities of the Company, its affiliated companies, or its connecting and concurring carriers involved in its services, cause damage to their plant, impair the privacy of any communications carried over their facilities or create hazards to the employees of any of them or the public.

B. Except as provided for equipment or systems subject to F.C.C. Part 68 rules in 47 C.F.R. Section 68.108, if such characteristics or methods of operation are not in accordance with A., preceding, the Company will, where practicable, notify the customer that temporary discontinuance of the use of a service may be required; however, where prior notice is not practicable, nothing contained herein shall be deemed to preclude the Company's right to temporarily discontinue forthwith the use of a service if such action is reasonable under the circumstances.

In case of such temporary discontinuance, the customer will be promptly notified and afforded the opportunity to correct the condition which gave rise to the temporary discontinuance. During such period of temporary discontinuance, credit allowance for service interruptions as set forth in 2.4.4.A. and B., following, is not applicable.

C. The service provided under this Tariff shall not be used for an unlawful purpose.

2. GENERAL REGULATIONS

2.3 OBLIGATIONS OF THE CUSTOMER

2.3.1 DAMAGES

The customer shall reimburse the Company for damages to the Company facilities for all services utilized to provide services under this Tariff caused by the negligence or willful act of the customer or resulting from the customer's improper use of the Company facilities, or due to malfunction of any facilities or equipment provided by other than the Company. Nothing in the foregoing provision shall be interpreted to hold one customer liable for another customer's actions. The Company will, upon reimbursement for damages, cooperate with the customer in prosecuting a claim against the person causing such damage and the customer shall be subrogated to the right of recovery by the Company for the damages to the extent of such payment.

2.3.2 OWNERSHIP OF FACILITIES AND THEFT

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

2.3.3 EQUIPMENT SPACE AND POWER

The customer shall furnish or arrange to have furnished to the Company, at no charge, equipment space and electrical power required by the Company to provide services under this Tariff at the POT of such services. The selection of ac or dc power shall be mutually agreed to by the customer and the Company. The customer shall also make necessary arrangements in order that the Company will have access to such spaces at reasonable times for installing, testing, inspecting, repairing or removing Company services.

2. GENERAL REGULATIONS

2.3 OBLIGATIONS OF THE CUSTOMER (CONT'D)

2.3.4 AVAILABILITY FOR TESTING

The services provided under this Tariff shall be available to the Company at times mutually agreed upon in order to permit the Company to make tests and adjustments appropriate for maintaining the services in satisfactory operating condition. Such tests and adjustments shall be completed within a reasonable time. No credit will be allowed for any interruptions involved during such tests and adjustments.

2.3.5 BALANCE

All signals for transmission over the services provided under this Tariff shall be delivered by the customer balanced to ground except for ground start.

2.3.6 DESIGN OF CUSTOMER SERVICES

Subject to the provisions of 2.1.7, preceding, the customer shall be solely responsible, at its own expense, for the overall design of its services and for any redesigning or rearrangement of its services which may be required because of changes in facilities, operations or procedures of the Company, minimum protection criteria or operating or maintenance characteristics of the facilities.

2.3.7 REFERENCES TO THE COMPANY

The customer may advise end users that certain services are provided by the Company in connection with the service the customer furnishes to end users; however, the customer shall not represent that the Company jointly participates in the customer's services.

2. GENERAL REGULATIONS

2.3 OBLIGATIONS OF THE CUSTOMER (CONT'D)

2.3.8 CLAIMS AND DEMANDS FOR DAMAGES

- A. With respect to claims of patent infringement made by third persons, the customer shall defend, indemnify, protect and save harmless the Company from and against all claims arising out of the combining with, or use in connection with, the services provided under this Tariff, any circuit, apparatus, system or method provided by the customer.

- B. The customer shall defend, indemnify and save harmless the Company from and against any suits, claims, losses, damages, including punitive damages, attorney fees and court costs by third persons arising out of the construction, installation, operation, maintenance, or removal of the customer's circuits, facilities, or equipment connected to the Company's services provided under this Tariff, including, without limitation, Workmen's Compensation claims, actions for infringement of copyright and/or unauthorized use of program material, libel and slander actions based on the content of communications transmitted over the customer's circuits, facilities or equipment, and proceedings to recover taxes, fines, or penalties for failure of the customer to obtain or maintain in effect any necessary certificates, permits, licenses, or other authority to acquire or operate the services provided under this Tariff; provided, however, the foregoing indemnification shall not apply to suits, claims, and demands to recover damages for damage to property, death, or personal injury unless such suits, claims or demands are based on the tortious conduct of the customer, its officers, agents or employees.

- C. The customer(s) shall not attempt to hold the Company or the Company's employees, agents, contractors or invitees liable for, and shall hold harmless and indemnify the Company and its employees, agents, contractors or invitees from and against, demands, claims, causes of action, liabilities (including punitive damages), costs or expenses (including reasonable attorneys fees), incurred by customer(s), its employees, agents, contractors, or invitees, arising from any acts, omissions or negligence of customer, its agents employees, contractors, invitees or visitors or any violation or non-performance of any law, ordinance or governmental requirement of any kind; or any injury or damage to person or property of customer, its agents, employees, contractors, invitees or visitors, arising out of the use of the Company services or property, where the injury or damage is caused by any reason other than the willful misconduct of the Company, its agents, employees or contractors.

2.3.9 COORDINATION WITH RESPECT TO NETWORK CONTINGENCIES

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

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2. GENERAL REGULATIONS

2.3 OBLIGATIONS OF THE CUSTOMER (CONT'D)

2.3.10 JURISDICTIONAL REPORTS REQUIREMENTS

A. Jurisdictional Determinant

Pursuant to Federal Communications Commission order FCC 85-145 adopted April 16, 1985, interstate usage is to be developed as though every call that enters a customer network at a point within the same state as that in which the called station (as designated by the called station number) is situated is an intrastate communication and every call for which the point of entry is in a state other than that where the called station (as designated by the called station number) is situated is an interstate communication.

To determine the jurisdiction of a call, the Company compares the originating number information with the terminating number information. If the originating number information lacks a valid Charge Number or Calling Party Number, the Company does not have sufficient call detail to determine the jurisdiction.

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For purposes of CCSAC ISUP Call Set-up requests, Percent Other Messages (POM) shall be established by dividing the customer CCSAC ISUP Call Set-up requests (originating and terminating) associated with local, EAS, intraMTA, the Local Exchange Company portion of jointly provided Switched Access and Company originated toll by the total number of CCSAC ISUP Call Set-up requests (originating and terminating) and expressing the result as a percentage in a whole number.

When mixed interstate and intrastate Access Service is provided on the same Access Service transmission path, all charges will be prorated between interstate and intrastate as set forth in 2.3.12, following.

A floor of 5% will be set for a switched access customer's Feature Group D terminating access minutes when they are lacking originating number information needed to determine jurisdiction. The 5% floor will be applied as follows:

- When the percentage of terminating traffic without sufficient call detail to determine jurisdiction does not exceed the 5% floor, the Company will apply the PIU factor as set forth in B.2.c, following or
- When the percentage of terminating traffic without sufficient call detail to determine jurisdiction exceeds the 5% floor, the Company will assess rates from the state jurisdiction on all minutes exceeding the 5% floor.

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2. GENERAL REGULATIONS

2.3 OBLIGATIONS OF THE CUSTOMER

2.3.10 JURISDICTIONAL REPORTS REQUIREMENTS (CONT'D)

B. Jurisdictional Requirements

The customer must indicate a projected Percent of Interstate Use (PIU) factor in a whole number (i.e., a number 0 - 100) when ordering Switched Access Service in a LATA, including EF and DTT Facilities. When a customer-provided PIU factor is required and the customer has previously submitted a jurisdictional report (i.e., Letter on File [LOF]) as set forth in C., following, the LOF PIU factor is required on each Access Service Request (ASR).

For CCSAC, customers who are third party signaling providers must develop their jurisdictional factors based upon the weighted average of the jurisdictional factors of their customers.

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2. GENERAL REGULATIONS

2.3 OBLIGATIONS OF THE CUSTOMER

2.3.10 JURISDICTIONAL REPORTS REQUIREMENTS

B. Jurisdictional Requirements (Cont'd)

1. Feature Group A (FGA) or Feature Group B (FGB)

a. FGA to be Resold

Upon ordering FGA Service to be resold, the customer shall state in its initial order a projected PIU factor as set forth in B., preceding. The PIU factor is reported by LATA. When the customer reports a LATA-level PIU factor, the specified percentage applies to all end offices within the LATA.

The projected PIU factor is used by the Company to apportion the originating and terminating usage between interstate and intrastate until a revised report is received as set forth in C., following. The number of access minutes (either the measured minutes or the assumed minutes) is multiplied by the projected PIU factor to develop the interstate access minutes. The number of access minutes minus the developed interstate access minutes is the developed intrastate access minutes. This PIU factor is in addition to the PIU factor as set forth in 3., following.

b. FGA Not to be Resold

For FGA Service not to be resold, the customer shall state in its initial order a projected PIU factor of zero percent (0%) by line-side termination or access service group.

c. FGB Service

Upon ordering FGB Service, the customer shall state in its initial order a projected PIU factor as set forth in B., preceding. The PIU factor is reported by LATA. When the customer reports a LATA-level PIU factor, the specified percentage applies to all end offices within the LATA.

The projected PIU factor for FGB Service used by the Company to apportion the originating and terminating usage between interstate and intrastate is developed in the same manner as in a., preceding. This PIU factor is in addition to the PIU factor as set forth in 3., following.

2. GENERAL REGULATIONS

2.3 OBLIGATIONS OF THE CUSTOMER

2.3.10 JURISDICTIONAL REPORTS REQUIREMENTS

B. Jurisdictional Requirements (Cont'd)

2. Feature Group C (FGC) or Feature Group D (FGD) Service

a. Originating FGC or FGD Service

When a customer orders FGC or FGD Switched Access Service(s), where the jurisdiction is determined from the call detail, the Company will develop the projected PIU factor according to such jurisdiction. The projected interstate percentage is developed on a monthly basis, by end office, when the originating FGC or FGD access minutes are measured, by dividing the measured interstate originating access minutes by the total originating access minutes.

b. Terminating FGC Service

When a customer orders terminating FGC Switched Access Service, the data used by the Company to develop the projected PIU factor for originating FGC access minutes is used to develop the projected PIU factor for such terminating access minutes. When originating call details are insufficient to determine the jurisdiction for the call, the customer may supply the projected PIU factor by LATA[1] or authorize the Company to use the Company developed percentage for such call detail. The Company will designate the number obtained by subtracting the projected PIU factor for originating and terminating access minutes calculated by the Company from 100 (100 - Company calculated projected interstate percentage = intrastate percentage) as the intrastate percentage of use.

[1] When the customer reports a LATA-level PIU factor, the specified percentage applies to all end offices within the LATA.

2. GENERAL REGULATIONS

2.3 OBLIGATIONS OF THE CUSTOMER

2.3.10 JURISDICTIONAL REPORTS REQUIREMENTS

B.2. (Cont'd)

c. Terminating FGD Service

When a customer orders terminating FGD, if the Company has sufficient call details to determine the jurisdiction for the call, the Company will bill the call minutes of use according to that jurisdiction.

When terminating call details are insufficient to determine the jurisdiction for the call, see A, preceding, the customer may supply the projected PIU factor for a portion of the indeterminate jurisdiction by LATA[1]. The projected PIU factor will be used to apportion the terminating traffic which does not exceed the 5% floor.

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When terminating call details are insufficient to determine the jurisdiction, and the customer does not supply a projected PIU factor by LATA, calls will be billed using a PIU of 50 (50% interstate – 50% intrastate). The PIU of 50 will be used to apportion the terminating traffic which does not exceed the 5% floor.

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In the event that the Company applies the intrastate terminating access rate to calls without sufficient call detail as provided in this tariff, the customer will have the opportunity to request backup documentation regarding the Company's basis for such application, and further request that the Company change the application of the intrastate access rate upon a showing of why the intrastate rate should not be applied. (See also Section 2.4.1.B.4, billing disputes.)

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[1] When the customer reports a LATA-level PIU factor, the specified percentage applies to all end offices within the LATA.

2. GENERAL REGULATIONS

2.3 OBLIGATIONS OF THE CUSTOMER

2.3.10 JURISDICTIONAL REPORTS REQUIREMENTS

B. Jurisdictional Requirements (Cont'd)

3. Entrance Facility (EF) and Direct-Trunked Transport (DTT) Facility (Excludes Voice Grade (VG) EF and DTT for Feature Group A)

For EF and DTT facilities, the customer has the following jurisdiction options; 1) allow the Company to develop the projected LATA-level PIU factor using a mechanized program as set forth in a., following or 2) provide the Company with a projected LATA-level PIU factor via a quarterly jurisdictional report as set forth in b., following.

Customers initially ordering Switched Access Services in the LATA for the first time, shall provide on the access order a LATA-level PIU factor for new EF and DTT facilities based on all the originating and terminating traffic using such facilities. The Company will use the LATA-level PIU factor from the customer's initial order for service as the LATA-level PIU factor for the Company's mechanized program for the first quarter of new service only. After the first quarter of new service, the Company will develop the LATA-level PIU factor as described in a., following until the Company receives a certified letter from the customer authorizing the Company to develop the projected PIU factor from a customer-provided report as set forth in b., following.

The PIU factor for an EF DS3 capacity of two or more is applied at the same percentage as the reported or calculated EF PIU factor at the LATA-level.

a. Company-Developed EF and DTT PIU Factor

The Company-developed LATA-level PIU factors for EF and DTT facilities are updated on a quarterly basis by calculating the customer's average billed Interstate usage (excluding VG EF and DTT facilities for FGA) for the last three months. The Company will perform the calculation for the revised LATA-level PIU factor no later than the last business day in January, April, July and October, respectively. The Company-developed LATA-level PIU factor will serve as the basis for the customer's next three months' advance billing beginning in February, May, August and November, respectively.

2. GENERAL REGULATIONS

2.3 OBLIGATIONS OF THE CUSTOMER

2.3.10 JURISDICTIONAL REPORTS REQUIREMENTS

B.3.a. (Cont'd)

When existing customers order additional EF and DTT facilities for Switched Access Service, the Company will determine the LATA-level PIU factor where jurisdiction can be determined from previously billed usage. The PIU factor is based on the average billed Switched Access interstate usage (excluding VG EF and DTT facilities for FGA) per LATA, per customer on a quarterly basis. When the Company is unable to determine the LATA-level PIU factor for EF and DTT facilities for an existing customer because usage data is not being billed to that customer, the Company will apply a default PIU factor of fifty percent (50%).

The PIU factor is expressed as a whole number (i.e., a number 0 - 100). The PIU factor is used by the Company to determine interstate and intrastate rates and charges. The PIU factor is applied to all rate elements associated with EF and DTT facilities. This PIU factor is in addition to the PIU factors as set forth in 1. and 2., preceding, and 5., following.

b. Customer-Provided EF and DTT PIU Factor

Customers who choose to provide a projected LATA-level PIU factor for EF and DTT facilities, shall notify the Company by letter (certified U S Mail, return receipt requested) authorizing the Company to develop the projected LATA-level PIU factor from a customer-provided quarterly report. Customer's choosing to provide a projected LATA-level PIU factor shall base the PIU factor on all the originating and terminating traffic using the EF and DTT facilities in the LATA. The customer-provided jurisdictional report must be received by the Company no later than fourteen (14) days after the first of January, April, July and October in order for the customer-provided PIU factor to serve as the basis for the next three month's advance billing beginning in February, May, August and November, respectively. The Company will program the customer-provided revised PIU factor into the Company's billing data base no later than the last business day in January, April, July and October, respectively. If the customer does not provide the jurisdictional report in time for the Company to program the billing data base, the Company will continue to develop a LATA-level PIU factor for the quarter as the Company's billing data base can only be programmed with one PIU process at a time in the same quarter.

2. GENERAL REGULATIONS

2.3 OBLIGATIONS OF THE CUSTOMER

2.3.10 JURISDICTIONAL REPORTS REQUIREMENTS

B.3.b. (Cont'd)

For existing customers who provide a quarterly report and the report is not received by the Company in time for the Company to program the revised LATA-level PIU factor for EF and DTT facilities in the LATA, the Company will assume the EF and DTT PIU factors to be the same as those provided in the last quarterly report and follow the steps as set forth in C., following.

Customers who choose to provide a projected LATA-level PIU factor for EF and DTT facilities shall supply a percentage in a whole number (i.e., a number 0 - 100) by LATA. The PIU factor is used by the Company to determine interstate and intrastate rates and charges. The PIU factor is applied to all rate elements associated with EF and DTT facilities. This PIU factor is in addition to the PIU factors as set forth in 1. and 2., preceding, and 5., following.

Customers may request to change from a quarterly customer-provided LATA-level PIU factor to a Company-developed LATA-level PIU factor for their EF and DTT facilities in the LATA. The customer must notify the Company (by certified U. S. Mail, return receipt requested) no later than fourteen (14) days after the first of January, April, July and October in order for the Company-developed LATA-level PIU factor as set forth in a., preceding to serve as the basis for the next three months' advance billing beginning in February, May, August and November, respectively. The Company will program the PIU factor into the Company's billing data base no later than the last business day of January, April, July and October for the advance quarterly billing beginning in February, May, August and November, respectively. If the customer does not notify the Company in time for the Company to program the billing data base with the Company-developed LATA-level PIU factor, the customer must continue to provide a quarterly jurisdictional report for the quarter as the Company's billing data base can only be programmed with one PIU process at a time in the same quarter.

2. GENERAL REGULATIONS

2.3 OBLIGATIONS OF THE CUSTOMER

2.3.10 JURISDICTIONAL REPORTS REQUIREMENTS

B.3. (Cont'd)

- c. Voice Grade (VG) EF and DTT facilities for Feature Group A (FGA) to be Resold

Customers initially ordering a VG EF and a DTT facility for FGA to be resold shall provide a projected PIU factor for each new facility. These PIU factors shall reflect all originating and terminating traffic using these facilities and are in addition to the PIU factors as set forth in 1.a., preceding.

The PIU factor for the VG EF and DTT facility will be applied to all rate elements associated with the EF and DTT facility.

The PIU factor is expressed as a whole number (i.e., a number 0 - 100). The PIU factor will be used by the Company to determine interstate and intrastate rates and charges. If the customer does not provide the Company a Switched Access PIU factor for an EF or DTT facility, the Company will apply a default PIU factor of fifty percent (50%).

The PIU factor will be used by the Company until a revised PIU factor is reported as set forth in C., following. A Switched Access LATA-level PIU factor shall be provided for all VG EF and for all DTT facilities provided within a LATA for Feature Group A for the revised reports. These PIU factors will account for both the originating and terminating traffic of all services using these facilities within the LATA.

- d. Voice Grade (VG) EF and DTT facilities for Feature Group A (FGA) not to be Resold

Customers initially ordering a VG EF and a DTT facility for FGA not to be resold shall state a projected PIU factor of zero percent (0%) for each facility. This PIU factor is in addition to the PIU factor as set forth in 1.c., preceding.

2. GENERAL REGULATIONS

2.3 OBLIGATIONS OF THE CUSTOMER

2.3.10 JURISDICTIONAL REPORTS REQUIREMENTS

B. Jurisdictional Requirements (Cont'd)

4. Tandem-Switched Transport

For Tandem-Switched Transport, rates and charges will be apportioned by the Company between interstate and intrastate based upon the PIU factor for the serving arrangement (Feature Group), as set forth in 1. and 2., preceding, and 5., following.

5. Directory Assistance

When a customer orders Directory Assistance Service, the customer shall in its order provide the projected PIU factor for terminating use in a whole number (i.e., a number 0 - 100) for each Directory Access Service group ordered. (A method the customer may wish to adopt could be to use its terminating traffic from its premises to the involved Directory Assistance Location and calculate the projected PIU factor as set forth in 2., preceding.) The Company will designate the number obtained by subtracting the projected interstate percentage furnished by the customer from 100 (100 - interstate percentage = intrastate percentage) as the projected intrastate percentage of use.