

TITLE PAGE
RULES AND REGULATIONS FOR
NORTHCAROLINA LOCAL AND LONG DISTANCE SERVICES
OF
NuVox Communications. Inc.

Terms, and conditions applicable to
Local and Long Distance Services within the State of North Carolina
Offered by NuVox Communications. Inc.

TECHNICAL TERMS AND ABBREVIATIONS

Authorized User - A person, firm, corporation, or any other entity authorized by the Customer to communicate utilizing the Company's service.

Carrier or Company - Whenever used in this , "Carrier," "Company," or "NuVox" refers to NuVox Communications. Inc. unless otherwise specified or clearly indicated by the context.

Commission - North Carolina Public Service Commission.

Customer - The person, firm, corporation, or other entity which orders, cancels, amends, or uses service and is responsible for payment of charges and compliance with the Company's .

Exchange Access Line - The serving central office line equipment and all Company plant facilities up to and including the Company-provided Standard Network Interface. These facilities are Company-provided and maintained and provide access to and from the telecommunications network for message toll service and for local calling appropriate to the ed use offering selected by the Customer. Exchange access lines are subject to non-recurring charges, as specified in Section 4 of this .

ILEC - The incumbent Local Exchange Carrier.

NuVox Communications. Inc. - Used throughout this to mean NuVox Communications, Inc.. d/b/a First Pay Telephone Company for prepaid services unless clearly indicated otherwise by the **LEC** - Local Exchange Company.

Local Exchange Services - Telecommunications services furnished for use by end-users in placing and receiving local telephone calls within local calling areas.

Resold Local Exchange Service - A service composed of the resale of exchange access lines and local calling provided by other authorized Local Exchange Carriers, in combination with Company-provided usage services, miscellaneous services or interstate/international services.

TECHNICAL TERMS AND ABBREVIATIONS

Station-to-Station Calling - A service whereby the originating End User requests the assistance of a Company operator to place or bill the call. Calls billed Collect or to a telephone company-issued Calling Card or to an authorized Credit Card are Operator-Station calls unless the call is placed on a Person-to-person basis. Automated Calling Card calls are not Operator-station calls. Calls may be dialed with or without the assistance of a Company operator. Collect calls to coin telephones and transfers of charges to third telephones, which are coin, telephones will not be accepted.

Person-to-Person Calling - An operator-assisted service whereby the person originating the call specifies a particular person to be reached, or a particular station, room number, department, or office to be reached through a PBX attendant. Charges may be billed to the called party, a third number, a credit card, a calling card or designated third party station.

Undertaking of NuVox Communications. Inc.

NuVox Communications. Inc.'s services offered pursuant to this are furnished for Local Exchange Service among specified points within a Local Calling Area. NuVox Communications. Inc. may offer these services over its own or resold facilities.

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

The Company's services and facilities are provided on a monthly basis unless otherwise indicated, and are available twenty-four hours per day, seven days per week.

RULES AND REGULATIONS, CONT.

Limitations

Service is offered subject to the availability of the necessary facilities and equipment, and subject to the provisions of this .

NuVox Communications. Inc. reserves the right to discontinue or limit service when necessitated by conditions beyond its control, or when the Customer is using service in violation of provisions of this , or in violation of the law.

The Company does not undertake to transmit messages, but offers the use of its facilities when available, and will not be liable for errors in transmission or for failure to establish connections.

All facilities provided under this are directly controlled by NuVox Communications. Inc. and the Customer may not transfer or assign the use of service or facilities without the express written consent of the Company. Such transfer or assignment shall only apply where there is no interruption of the use or location of the service or facilities.

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

Use

Services provided under this may be used for any lawful purpose for which the service is technically suited.

RULES AND REGULATIONS, CONT.

Liabilities of the Company

NuVox Communications. Inc.'s liability for damages arising out of mistakes, interruptions, omissions, delays, errors, or defects in transmission which occur in the course of furnishing service or facilities, in no event shall exceed an amount equivalent to the proportionate charge to the Customer for the period during which the faults in transmission occur.

The Company shall not be liable for claim or loss, expense or damage (including indirect, special or consequential damage), for any interruption, delay, error, omission, or defect in any service, facility, or transmission provided under this , if caused by any person or entity other than the Company, by any malfunction of any service or facility provided by any other carrier, by an act of God, fire, war, civil disturbance, or act of government, or by any other cause beyond the Company's direct control.

The Company shall not be liable for, and shall be fully indemnified and held harmless by Customer against any claim or loss, expense, or damage (including indirect, special or consequential damage) for defamation, libel, slander, invasion, infringement of copy-right or patent, unauthorized use of any trademark, trade name, or service mark, unfair competition, interference with or misappropriation or violation of any contract, proprietary or creative right, or any other injury to any person, property or entity arising out of the material, data, information, or other content revealed to, transmitted, or used by the Company under this ; or for any act or omission of the Customer; or for any personal injury or death of any person caused directly or indirectly by the installation, maintenance, location, condition, operation, failure, presence, use or removal of equipment or wiring provided by the Company, if not directly caused by negligence of the Company.

No agent or employee of any other carrier shall be deemed to be an agent or employee of the Company.

The Company shall not be liable for any defacement of or damages to the premises of a Customer resulting from the furnishing of service which is not the direct result of the Company's negligence.

RULES AND REGULATIONS, CONT.

Liabilities of the Company

The Company's liability, if any, for its willful misconduct is not limited by this section of this . With respect to any other claim or suit by a subscriber, common carrier, reseller, or any other party for damages caused by, or associated with, any unauthorized computer intrusion, including but not limited to the input of damaging information such as a virus, time bomb, any unauthorized access, interference, alteration, destruction, theft of, or tampering with, a Company computer, switch, data, database, software, information, network, or other similar system, the Company's liability, if any, shall not exceed an amount equal to the proportionate charge by the Company for the service for the period during which the service provided by the Company was so affected or so utilized.

The Company shall not be held liable for any damage, harm or loss of data caused by the subscriber using the Company's voice-grade telephone access lines and/or facilities for the transmission of data. The Company's liability shall be limited to errors or damages to the transmission of voice messages over these facilities, and the liability shall be limited to an amount equal to the proportionate amount of the Company's billing for the period of service during which the errors or damages occur.

The Company's liability for damages or errors caused during the transmission of data over any of the Company's data facilities shall be limited to an amount equal to the proportionate charge for the service for the period during which the service was affected.

The Company's liability for errors or damage resulting from the inability of the Company's system to process dates, such as the Year 2000, shall be limited to an amount equal to the proportionate amount of the Company's billing for the period of service during which the errors or damages occur.

The Company shall not be held liable or responsible for any damage or harm that may occur as the result of unauthorized devices or the failure of the Company to detect unauthorized devices on the subscriber's line.

The Company shall not be liable for damages or statutory penalties in any case where a claim is not presented in writing within sixty days after the alleged delinquency occurs.

RULES AND REGULATIONS, CONT.

Taxes

All state and local taxes (including but not limited to franchise fees, excise tax, sales tax, municipal utilities tax) are listed as separate line items and are not included in the quoted rates.

Equipment

The Company's facilities and service may be used with or terminated in Customer-provided terminal equipment or Customer-provided communications systems, such as a PBX, key systems or Pay Telephone. Such terminal equipment shall be furnished and maintained at the expense of the Customer, except as otherwise provided. The Customer is responsible for all costs at his or her remises, including personnel, wiring, electrical power, and the like, incurred in the use of the Company's service. The Customer is responsible for ensuring that customer-provided equipment connected to Company equipment and facilities is compatible with such equipment and facilities.

The Company shall use reasonable efforts to maintain facilities and equipment that it furnishes to the Customer. The Customer may not, nor may the Customer permit others, to disconnect, rearrange, remove, and attempt to repair or otherwise interfere with any of the facilities or equipment installed by the Company, except upon the written consent of the Company.

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

The Customer shall be responsible for payment of service charges, as set forth herein, for visits by the Company's agents or employees to the premises of the Customer when the service difficulty or trouble report results from the use of equipment or facilities provided by any party other than the Company, including but not limited to the Customer.

The Company shall not be responsible for the installation, operation or maintenance of any customer-provided equipment. Where such equipment is connected to the facilities furnished pursuant to this , the responsibility of the Company shall be limited to the furnishing of facilities offered under this and to the maintenance and operation of such facilities. Subject to this responsibility, the Company shall not be responsible for the transmission of signals by customer-provided equipment or for the quality of, or defects in, such transmission; or the reception of signals by customer-provided equipment.

RULES AND REGULATIONS, CONT.

Equipment CONT.

Upon reasonable notification to the Customer and at a reasonable time, the Company may make such tests and inspections as may be necessary to determine that the customer is complying with the requirements set forth in the section for the installation, operation and maintenance of customer-provided facilities, equipment and wiring in the connection of such facilities and equipment to Company-provided facilities and equipment.

Title to all facilities provided by the Company under this shall remain in the Company's name or in the name of the carrier supplying the services and facilities being resold.

Installation

Service is installed upon mutual agreement between the Customer and the Company. The service agreement does not alter rates specified in this .

Payment for Service

The Customer is responsible for payment of all charges for services and equipment furnished to the Customer or to an Authorized User of the Customer by NuVox Communications. Inc. All charges due by the Customer are payable to the Company or to any agency duly authorized to receive such payments. Terms of payment shall be according to the rules and regulations of the agency and subject to the rules of regulatory agencies, such as the North Carolina Public Service Commission.

NuVox Communications. Inc. billing invoices will be considered correct and binding upon the Customer if no written notice is received from the Customer within the applicable statute of limitations. Adjustments to Customer's bills shall be made to the extent circumstances exist which reasonably indicates that such changes are appropriate. Upon receipt of a billing inquiry, charges involved in the disputed element(s) of the invoice will be temporarily suspended pending resolution of the dispute. The Customer, however, remains responsible for the timely payment of the non-disputed elements of the invoice. If a Customer is not satisfied with the Company's response to an inquiry or request for credit, he or she may appeal to the North Carolina Public Service Commission for final resolution.

RULES AND REGULATIONS, CONT.

Initial Service Periods

- A. Unless otherwise specified, the initial service period for all services offered in this is One month commencing with the date of installation of the service.
- B. For all other services furnished with initial service periods exceeding one month, the applicable initial service period is the number of months indicated in brackets following the basic termination charge listed in that section of this containing the service offered.
- C. The initial service period relates to each applicable unit of service, either on the initial or subsequent installations.
- D. The initial service period for automatic answering and recording service is three months.

Termination of Service

- A. Termination at subscribers request:
Service may be terminated at any time upon reasonable notice from the subscriber to the Company. Upon such termination the subscriber shall be responsible for the payment of all charges due. This includes all charges due for the period of service that has been rendered plus any unexpired portion of an initial service period of applicable termination charges or both.

Termination Charge

A termination charge is determined by applying to the Basic Termination Charges the percentage, which the unexpired portion of the Initial service Period bears to the full Initial Service Period.

When a subscriber discontinues one or more units of a group of the same item, the service latest installed shall be considered as the service first discontinued.

When a subscriber cancels an order for service carrying a Basic Termination Charge prior to the establishment of that service, a termination charge applies equal to the cost incurred by the Company in engineering, ordering and providing the service; the termination charge in this event shall not exceed the Basic Termination Charge.

RULES AND REGULATIONS, CONT.

Termination of Service

B. Service Order Termination Charge

In the event the Customer cancels its order for services prior to the initiation of service but after NuVox has incurred cost in engineering, ordering and/or providing the service, then the Customer will be charged a Service Order Termination Charge in the amount of \$350.00. If the order for services is canceled prior to any cost to NuVox, no Service Order Termination Charge will be billed to Customer.

Late Payment Charge

NuVox Communications. Inc. will assess a late payment charge equal to 1.5% for any past due balance that exceeds thirty days. A late payment penalty may be assessed only once on any bill for rendered services.

Cancellation by Customer

Customer may cancel service either orally or in writing by providing 30 days written notice to the Company.

Interconnection

Service furnished by NuVox Communications. Inc. may be connected with the services or facilities of other carriers or enhanced service providers. The Customer is responsible for all charges billed by these entities for use in connection with NuVox Communications. Inc.'s service. Any special interface equipment or facilities necessary to achieve compatibility between these entities is the responsibility of the Customer. Neither the Company nor any connecting carrier participating in a service shall be liable for any act or omission of any other company or companies furnishing a portion of such service.

Refusal or Discontinuance by Company

NuVox Communications. Inc. may refuse or discontinue service under the following conditions provided that, unless otherwise stated, the Customer shall be given proper notification in accordance with the Commission rules.

RULES AND REGULATIONS, CONT.

Refusal or Discontinuance by Company

For non-compliance with or violation of any State, municipal, or Federal law, ordinance or regulation pertaining to telephone service.

For use of telephone service for any other property or purpose than that described in the application.

For neglect or refusal to provide reasonable access to NuVox Communications. Inc. or its agents for the purpose of inspection and maintenance of equipment owned by NuVox Communications. Inc. or its agents.

For noncompliance with or violation of Commission regulation or NuVox Communications. Inc.'s rules and regulations on file with the Commission, provided ten days written notice are given before termination.

For nonpayment of bills, including bills for any of the Company's other communication services, provided that suspension or termination of service shall not be made without seven days written notice to the Customer, except in extreme cases.

Without notice in the event of Customer or Authorized User use of equipment in such a manner as to adversely affect NuVox Communications. Inc.'s equipment or service to others. Within twenty-four (24) hours after such termination, the utility shall send written notification to the customer of the reasons for termination or refusal of service upon which the utility relies, and of the customer's right to challenge the termination by filing a formal complaint with the Commission.

RULES AND REGULATIONS, CONT.

Refusal or Discontinuance by Company Cont.

Without notice in the event of tampering with the equipment or services owned by NuVox Communications. Inc. or its agents. Within twenty-four (24) hours after such termination, the utility shall send written notification to the customer of the reasons for termination or refusal of service upon which the utility relies, and of the customer's right to challenge the termination by filing a formal complaint with the Commission.

Without notice in the event of unauthorized or fraudulent use of service. Whenever service is discontinued for fraudulent use of service, NuVox Communications. Inc. may, before restoring service, require the Customer to make, at his or her own expense, all changes in facilities or equipment necessary to eliminate illegal use and to pay an amount reasonably estimated as the loss in revenues resulting from such fraudulent use. Within twenty-four (24) hours after such termination, the utility shall send written notification to the customer of the reasons for termination or refusal of service upon which the utility relies, and of the customer's right to challenge the termination by filing a formal complaint with the Commission.

Without notice by reason of any order or decision of a court or other government authority having jurisdiction which prohibits Company from furnishing such services.

Inspection, Testing, and Adjustment

Upon reasonable notice, the facilities provided by the Company shall be made available to the Company for tests and adjustments as may be deemed necessary by the Company for maintenance. No interruption allowance will be granted for the time during which such tests and adjustments are made.

RULES AND REGULATIONS, CONT.

Tests, Pilots, Promotional Campaigns and Contests

The Company may conduct special tests or pilot programs and promotions at its discretion to demonstrate the ease of use, quality of service and to promote the sale of its services. The Company may also waive a portion or all processing fees or installation fees for winners of contests and other occasional promotional events sponsored or endorsed by the Company. From time to time, the Company may waive all processing fees for a Customer. The Company will notify the Commission regarding specific promotions and contests, and all such promotions and contests will be subject to Commission approval.

Interruption of Service

Credit allowances for interruptions of service which are not due to the Company's testing or adjusting, to the negligence of the Customer, or to the failure of channels, equipment or communications Systems provided by the Customer, are subject to the general liability provisions set forth in Section 2.4 herein. It shall be the obligation of the Customer to notify Company immediately of any interruption in service for which Customer desires a credit allowance. Before giving such notice, Customer shall ascertain that the trouble is not within his or her control, or is not in wiring or equipment, if any, furnished by Customer and connected to Company's terminal. Interruptions caused by Customer-provided or Company-provided automatic dialing equipment are not deemed an interruption of service as defined herein since the Customer has the option of using the long distance network via local exchange company access.

Cost of Collection and Repair

The Customer is responsible for any and all costs incurred in the collection of monies due the Carrier including legal and accounting expenses. Customer is also responsible for recovery costs of Carrier-provided equipment and any expenses required for repair or replacement of damaged equipment.

RULES AND REGULATIONS, CONT.

Returned Check Charges

A fee not to exceed the maximum amount allowable by North Carolina law may be charged for each check returned for insufficient funds.

Service Implementation

Absent a promotional offering, service implementation charges of \$10.00 per service order will apply to new service order or to orders to change existing service for the business services listed in Section 3.

Reconnection Charge

A reconnection fee of \$40.00 per occurrence may be charged when service is re-established for customers who have been disconnected for non-payment, and is payable at the time that the restoration of suspended service and facilities is arranged.

Operator Service Rules

The Company will enforce the operator service rules specified by the Commission and by the FCC.

Access to Telephone Relay Services

Where required by the Commission, the Company will participate in telephone relay services for handicapped and/or hearing-impaired end users, and will comply with all regulations and requirements. The Company shall impose any monthly surcharge or any other related charge upon its local exchange telecommunications subscribers as may be required by state law.

RULES AND REGULATIONS, CONT.**Access to Carrier of Choice**

End users of the Company's local service shall have the right to select the interexchange telecommunications service provider (IC) of their choice. The IC should request confirmations/verifications of choice from its customers no later than the date of submission of its first bill to the customer. NuVox Communications, Inc. should maintain signed letters of agency or confirmations of choice on file for use in dispute resolution. NuVox reserves the right to block 900 and toll access to end-users who do not choose a specific intraLATA or interLATA carrier.

Directory Listings

The Company does not publish a directory of subscriber listings. The Company, however, does arrange for the Customer's main billing number to be placed in the directory or directories of the dominant local exchange carrier.

The rates and regulations specified herein for directory listings apply only to the alphabetical section of the directory. Listings are intended solely for the purpose of identifying subscriber's telephone number and as an aid to the use of telephone service.

The listings of subscribers, either without charge or at the rate specified within this for other listings is arranged alphabetically and is not intended for special prominence of arrangement. In accepting listings as requested by subscribers or prospective subscribers, the Company will not be a party to controversies between subscribers as result of the publication of such listings in the directories.

Listings must conform to the Company's specifications with respect to the directories. The Company reserves the right to reject listings when in, its sole judgment, such listings would violate the integrity of company records and the directories, confuse individuals using the directory, or when the customer cannot provide satisfactory evidence that he is authorized to do business as requested.

The Company reserves the right to limit the length of any listing to one line in the directory by use of abbreviations when, in its sole judgment, the clearness of the listing and the identification of the subscriber is not impaired.

RULES AND REGULATIONS, CONT.

Directory Listings

Generally, the listed address is the location of the subscriber's place of business or residence.

Liability of the Company due to directory errors and omissions is as specified in this .

Generally, a business listing consists of a name or dual name, a designation descriptive of the subscriber's business if not self-explanatory, the address, and the business telephone number. The main listing is ordinarily the name of the individual, firm or corporation, which contracts for the service, or the name under which a business is regularly conducted.

Special Construction

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

- A) Where facilities are not presently available, and there is no other requirement for the facilities so constructed;
- B) Of a type other than that which the Company would "normally" utilize in the furnishing of its services;
- C) Over a route other than that which the Company would normally utilize in the furnishing of its services;
- D) In a quantity greater than that which the Company would normally construct;
- E) On an expedited basis;
- F) On a temporary basis until permanent facilities are available;
- G) Involving abnormal costs; or

H) In advance of its normal construction.

RULES AND REGULATIONS, CONT.

Universal Emergency Telephone Number Service (911, E911)

This does not provide for the inspection or constant monitoring of facilities to discover errors, defects, or malfunctions in the service, nor does the Company undertake such responsibility.

911 information consisting of the names, addresses and telephone numbers of all telephone customers is confidential. The Company will release such information via the Data Management System only after a 911 call has been received, on a call by call basis, only for the purpose of responding to an emergency call in progress.

The 911 calling party, by dialing 911, waives the privacy afforded by non-listed and non-published service to the extent that the telephone number, name, and address associated with the originating station location are furnished to the Public Safety Answering Point.

After the establishment of service, it is the Public Safety Agency's responsibility to continue to verify the accuracy of and to advise the Company of any changes as they occur in street names, establishment of new streets, changes in address numbers used on existing streets, closing and abandonment of streets, changes in police, fire, ambulance or other appropriate agencies' jurisdiction over any address, annexations and other changes in municipal and county boundaries, incorporation of new cities or any other similar matter that may affect the routing of 911 calls to the proper Public Safety Answering Point.

RULES AND REGULATIONS, CONT.**Universal Emergency Telephone Number Service (911, E911)**

The Company assumes no liability for any infringement, or invasion of any right of privacy of any person or persons caused, or claimed to be caused, directly or indirectly by the use of 911 Service. Under the terms of this , the Public Safety Agency must agree, (except where the events, incidents, or eventualities set forth in this sentence are the result of the Company's gross negligence or willful misconduct), to release, indemnify, defend and hold harmless the Company from any and all losses or claims whatsoever, whether suffered, made, instituted, or asserted by the Public Safety Agency or by any other party or person, for any personal injury to or death of any person or persons, or for any loss, damage, or destruction of any property, whether owned by the customer or others. Under the terms of this ; the Public Safety Agency must also agree to release, indemnify, defend and hold harmless the Company for any infringement of invasion of the right of privacy of any person or persons, caused or claimed to have been caused, directly or indirectly, by the installation, operation, failure to operate, maintenance, removal, presence, condition, occasion, or use of 911 Service features and the equipment associated therewith, or by any services furnished by the Company in connection therewith, including, but not limited to, the identification of the telephone number, address, or name associated with the telephone used by the party or parties accessing 911 Service hereunder, and which arise out of the negligence or other wrongful act of the Public Safety Agency, its user, agencies or municipalities, or the employees or agents of any one of them, or which arise out of the negligence, other than gross negligence or willful misconduct, of the Company, its employees or agents.

Minimum Charge

The Company will charge its local service customers a minimum of one month's service charges.

RULES AND REGULATIONS, CONT.

Service Limitations: The Customer is prohibited from:

Artificially stimulating calling or other usage volumes to numbers advertised or intended for accessing information programs and services, including but not limited to chat lines or Audiotex programs (“Audiotex”); or to routing codes or international area or city codes reserved or used by the subject telecommunications administration for Audiotex; or to special routing codes or international area or city codes for which the cost of terminating switched access is higher than that incurred for terminations to other areas or city codes within the same jurisdiction; or to Multiquest 900 Service, Toll Free Service, Premium Rate Service or Personal Number Service, or other similar services where the party(ies) causing the artificial stimulation derives revenues or other financial benefit from, or is compensated based upon said calling or other usage volumes in a capacity other than as a communications carrier, or, if acting as a communications carrier, earns a surcharge or similar increment (or an entity with a common financial interest with the party stimulating the traffic earns a surcharge or similar increment) merely by virtue of the termination of calls to the subject service. Such artificial stimulation may include, but is not limited to, use of electronic or other automatic means to generate such call volumes, or hiring of agents or contractors principally to make calls or otherwise generate usage to such numbers or types of services, but does not, without more, include advertising or promotion of Audiotex or similar programming to stimulate calling by third parties with no financial or other beneficial interest in the service or called program.

The Customer is prohibited from terminating calls to 900 or toll calls with per minute surcharges within the State, United States or internationally without the written permission of the Company. Should calls be completed the customer will be responsible for all charges billed by the third party.

DESCRIPTION OF SERVICE

Local Service Areas

NuVox Communications. Inc. will provide Local Exchange Service in the entire State of North Carolina.

Rates: Please see rate and product information on service contract and letter of authorization.