

TANDEM TRANSIT TRAFFIC SERVICE

1. APPLICATION OF TARIFF

- 1.1 This Tariff contains regulations, rates and charges applicable to the provision of Tandem Transit Traffic Service ("service") provided by Verizon North LLC., hereinafter referred to as the Telephone Company, to Local Service Providers, hereinafter also referred to as customer(s). Tandem Transit Traffic Service provides a Local Service Provider with the transport of Tandem Transit Traffic.
- 1.2 The provision of such service by the Telephone Company as set forth in this Tariff does not constitute a joint undertaking with the customer for the furnishing of any service. The Tandem Transit Traffic Service offered in this Tariff may be purchased by a customer for use in the provision of Local Exchange Service.
- 1.3 This tariff does not supersede any agreement between the Telephone Company and a Local Service Provider that governs the transport of Tandem Transit Traffic, including, but not limited to, an interconnection agreement between the Telephone Company and the Local Service Provider that has been approved by the Commission pursuant to Section 252(e) of the Telecommunications Act of 1996 and an interconnection agreement that has been adopted by the Local Service Provider pursuant to Section 252(i) of the Telecommunications Act of 1996.

2. DEFINITIONS

- 2.1 End Office - A switching entity that is used for connecting lines to lines or lines to trunks for the purpose of originating/terminating calls. Sometimes this term is used to refer to a telephone company building in which switching systems and telephone equipment are installed.
- 2.2 Local Service Provider - A company, such as a local exchange carrier (LEC) or a wireless carrier, that provides Telephone Exchange Service to a customer.
- 2.4 Switched Exchange Access Service - The offering of transmission and switching services for the purpose of the origination or termination of toll traffic. Switched Exchange Access Services include but may not be limited to: Feature Group A, Feature Group B, Feature Group D, 700 access, Toll Free access (e.g., 800 access) and 900 access.
- 2.3 Tandem - A switching entity that has billing and recording capabilities and is used to connect and switch trunk circuits between and among End Offices and between and among End Offices and carriers' aggregation points, points of termination, or points of presence, and to provide Switched Exchange Access Services.
- 2.5 Tandem Transit Traffic - Telephone Exchange Service traffic that originates on a Local Service Provider's network, is transported through the Telephone Company's Tandem or End Office, to the End Office or its equivalent of another Local Service Provider ("Other LSP"). Neither the originating nor terminating customer is a Telephone Company customer. Switched Exchange Access Service traffic is not Tandem Transit Traffic.
- 2.6 Telephone Exchange Service - (A) service within a telephone exchange, or within a connected system of telephone exchanges within the same exchange area operated to furnish to subscribers intercommunicating service of the character ordinarily furnished by a single exchange, and which is covered by the exchange service charge, or (B) comparable service provided through a system of switched, transmission equipment, or other facilities (or combination thereof) by which a subscriber can originate and terminate a telecommunications service.

TANDEM TRANSIT TRAFFIC SERVICE

3. GENERAL REGULATIONS

3.1 Undertaking of the Telephone Company3.1.1 Scope

- (A) Services provided to a customer under the provisions of this Tariff may be connected to facilities used by the customer for the purpose of providing Telephone Exchange Services to end users.
- (B) The Telephone Company does not undertake to transmit messages under this Tariff.
- (C) The provision of Tandem Transit Traffic Service by the Telephone Company as set forth in this Tariff does not constitute a joint undertaking with the customer for the furnishing of any service.
- (D) The Telephone Company shall be responsible only for the installation, operation and maintenance of Tandem Transit Traffic Service. The responsibility of the Telephone Company shall be limited to the provision of Tandem Transit Traffic Service under this Tariff and to the maintenance and operation of such services in a proper manner.
- (E) The Telephone Company will, for maintenance purposes, test its services only to the extent necessary to detect and/or clear troubles.
- (F) Tandem Transit Traffic Services are provided 24 hours daily, seven days per week, except as set forth in other applicable sections of this Tariff.
- (G) The Telephone Company does not warrant that its facilities and service meet standards other than those set forth in this Tariff.

3.1.2 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; or
 - (2) a court-appointed receiver, trustee or other person acting pursuant to law in bankruptcy, receivership, reorganization, insolvency, liquidation or other similar proceedings.

In all cases of assignment or transfer, the written acknowledgement of the Telephone Company is required prior to such assignment or transfer, which acknowledgement shall be made within 15 days from the receipt of notification. All regulations and conditions contained in this Tariff shall apply to such assignee or transferee.

TANDEM TRANSIT TRAFFIC SERVICE

3. GENERAL REGULATIONS (Cont'd)

3.1 Undertaking of the Telephone Company3.1.2 Limitations (Cont'd)

(A) (Cont'd)

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 Telecommunications Service Priority (TSP) System Services shall be subject to Part 64.401, Appendix A, of the Federal Communications Commission's Rules.

3.1.3 Liability

- (A) The Telephone 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, and subject to the provisions of (B) through (I) following, the Telephone Company's liability, if any, shall not exceed an amount equal to the proportionate charge for the service for the period during which the service was affected. 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.
- (B) No carrier furnishing a portion of a service shall be liable for any act or omission of any other carrier furnishing a portion of that service.
- (C) The Telephone Company is not liable for damages associated with any service or facilities that it does not furnish.
- (D) The Telephone Company is not liable for damages to the customer 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 Telephone Company's gross negligence.
- (E) The Telephone Company shall be indemnified, defended and held harmless by the customer and the end user against any claim, loss or damage arising from the use of service offered under this Tariff involving:
- (1) Claims for libel, slander, invasion of privacy, or infringement of copyright arising from the end user's own communications;

TANDEM TRANSIT TRAFFIC SERVICE

3. GENERAL REGULATIONS (Cont'd)

3.1 Undertaking of the Telephone Company (Cont'd)3.1.3 Liability (Cont'd)

(E) (Cont'd)

- (2) Claims for patent infringement arising from the end user's acts combining or using the service furnished by the Telephone Company in connection with facilities or equipment furnished by the end user or customer;
- (3) All other claims arising out of any act or omission of the end user in the course of using services provided pursuant to this Tariff.

(F) The Telephone Company shall be indemnified, defended and held harmless by the customer against any claim, loss or damage arising from the customer's use of services offered under this Tariff involving:

- (1) Claims for libel, slander, invasion of privacy, or infringement of copyright arising from the customer's own communications;
- (2) Claims for patent infringement arising from the customer's acts combining or using the service furnished by the Telephone Company in connection with facilities or equipment furnished by the end user or customer; or
- (3) All other claims arising out of any act or omission of the customer in the course of using services provided pursuant to this Tariff.

(G) The Telephone Company does not guarantee or make any warranty with respect to its services when used in an explosive atmosphere. The Telephone Company shall be indemnified, defended and held harmless by the customer from any and all claims by any person relating to the services so provided.

(H) No license under patents (other than the limited license to use) is granted by the Telephone Company or shall be implied or arise by estoppel, with respect to any service offered under this Tariff. The Telephone 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.

TANDEM TRANSIT TRAFFIC SERVICE

3. GENERAL REGULATIONS (Cont'd)

3.1 Undertaking of the Telephone Company (Cont'd)3.1.3 Liability (Cont'd)

- (l) The Telephone 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 Telephone Company, acts of God and other circumstances beyond the Telephone Company's reasonable control, subject to the Credit Allowance for a Service Interruption as set forth in Section 3.4.2 following.

3.1.4 Provision of Services

The Telephone Company, to the extent that such services are or can be made available with commercially reasonable effort, and after provision has been made for the Telephone Company's telephone exchange services, will provide to the customer, upon commercially reasonable notice, services offered in other applicable Sections of this Tariff at rates and charges specified therein. Upon commercially reasonable notice, the customer shall cooperate with and assist the Company in reconfiguring interconnection facilities, and the trunk groups riding on such interconnection facilities, for use in connection with such services.

3.1.5 Maintenance of Services

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

3.1.6 Changes and Substitutions

The Telephone 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 Telephone Company. In case of any such substitution, change or rearrangement, the transmission parameters will be within the range as set forth in this Tariff and telecommunications industry standards. The Telephone 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 Telephone Company will provide reasonable notification to the customer. Reasonable time will be allowed for any redesign and implementation required by the change in operating characteristics.

TANDEM TRANSIT TRAFFIC SERVICE

3. GENERAL REGULATIONS (Cont'd)

3.1 Undertaking of the Telephone Company (Cont'd)3.1.7 Refusal and Discontinuance of Services

Unless the provisions of Section 3.2.2(B) following (Interference) apply, if the customer fails to comply with the provisions of this Tariff including any payments to be made by it on the dates and times herein specified, the Telephone Company may, on ninety (90) days' written notice, discontinue the provision of the services involved at any time thereafter. In the case of such discontinuance, all applicable charges shall become due. If the Telephone Company does not discontinue the provision of the services involved on the date specified in the ninety (90) days notice, and the customer's noncompliance continues, nothing contained herein shall preclude the Telephone Company's right to discontinue the provision of the services involved without further notice.

3.1.8 Limitation of Use of Metallic Facilities

Signals applied to a metallic facility shall conform to the limitations set forth in Technical Reference Publication AS No. 1. In the case of application of DC telegraph signaling systems, the customer shall be responsible, at its expense, for the provision of current limiting devices to protect the Telephone Company facilities from excessive current due to abnormal conditions and for the provision of noise mitigation networks when required to reduce excessive noise.

3.1.9 Notification of Service-Affecting Activities

The Telephone Company intends to provide the customer timely notification of service-affecting activities.

3.1.10 Coordination With Respect to Network Contingencies

The Telephone 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.

3.2 Use3.2.1 Purpose

- (A) Services provided under this Tariff shall be used by the customer for its own use or in furnishing its authorized intrastate services to end users and for operation purposes directly related to the furnishing of the customer's authorized services. Operation purposes include testing and maintenance of circuits, demonstration and experimental services and spare services. Telephone Exchange Services required by the customer for its administrative use are furnished under other applicable Tariffs of the

TANDEM TRANSIT TRAFFIC SERVICE

3. GENERAL REGULATIONS (Cont'd)

3.2 Use (Cont'd)3.2.1 Purpose (Cont'd)

- (B) The Telephone Company does not warrant that its facilities and services meet standards other than those set forth in this Tariff.

3.2.2 Interference or Impairment

- (A) The characteristics and methods of operation of any circuits, facilities or equipment provided by other than the Telephone 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 Telephone 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) If such characteristics or methods of operation are not in accordance with (A) preceding, the Telephone 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 Telephone 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 Section 3.4.2 following is not applicable.

3.2.3 Unlawful Use

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

3.3 Obligations of the Customer3.3.1 Damages

The customer shall reimburse the Telephone Company for damages to Telephone Company facilities utilized to provide services under this Tariff caused by the negligence or willful act of the customer or an end user while using the services of the customer, or resulting from improper use of the Telephone Company facilities, or due to malfunction of any facilities or equipment provided by other than the Telephone Company. The Telephone 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 Telephone Company for the damages to the extent of such payment.

TANDEM TRANSIT TRAFFIC SERVICE

3. GENERAL REGULATIONS (Cont'd)

3.3 Obligations of the Customer (Cont'd)3.3.2 Ownership of Facilities and Theft

Facilities utilized by the Telephone Company to provide service under the provisions of this Tariff shall remain the property of the Telephone Company.

3.3.3 Additional Facilities and Protective Apparatus

The customer shall bear the cost, if any, of such additional facilities and protective apparatus that, according to accepted telecommunications industry standards, are required to be installed because of the particular use or hazardous location of the services provided under this Tariff. Rates and/or charges, if applicable, will be developed on an individual case basis.

3.3.4 Inspection of Facilities and Protective Apparatus

The customer shall allow the Telephone Company to inspect at reasonable times any facilities or equipment provided by other than the Telephone Company required in accordance with Section 3.3.3 preceding which is associated with the services provided under this Tariff to determine if such installation complies with such Telephone Company requirements.

3.3.5 Availability for Testing

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

3.3.6 Design of Customer Services

Subject to the provisions of Section 3.1.6 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 or operating or maintenance characteristics of the facilities.

3.3.7 References to the Telephone Company

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

TANDEM TRANSIT TRAFFIC SERVICE

3. GENERAL REGULATIONS (Cont'd)

3.3 Obligations of the Customer (Cont'd)3.3.8 Contacts with the Customer's End Users

The customer shall be responsible for all contacts and arrangements with end users concerning the provision and maintenance of, and the billing and collecting of charges for, the customer's services to end users.

3.3.9 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 Telephone 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 Telephone Company from and against any suits, claims, losses or 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 Telephone 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 demand are based on the tortious conduct of the customer, its officers, agents or employees.
- (C) The customer shall defend, indemnify and save harmless the Telephone Company from and against any suits, claims, losses or damages, including punitive damages, attorneys fees and court costs by the customer or third persons arising out of the Telephone Company provision of any service under this Tariff at the request of the customer, including, but not limited to claims for libel, slander, invasion of privacy, conversion and trespass.
- (D) The customer shall defend, indemnify and save harmless the Telephone Company from and against any suits, claims, losses or damages, including punitive damages, attorney fees and court costs by the customer or third parties arising out of any act or omission of the customer in the course of using service provided under this Tariff.

TANDEM TRANSIT TRAFFIC SERVICE

3. GENERAL REGULATIONS (Cont'd)

3.3 Obligations of the Customer (Cont'd)3.3.10 Notification of Service-Affecting Activities

The customer shall provide the Telephone Company timely notification of the following: planned or unplanned outages of customer facilities which will affect the Telephone Company's capability to provide adequate service for anticipated traffic volumes; facility failures within the customer network which will adversely impact upon the Telephone Company's capability to provide adequate service for anticipated traffic volumes.

3.3.11 Coordination with Respect to Network Contingencies

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

3.3.12 Trouble Determination

- (A) The customer shall be responsible for receiving trouble reports from its end users and determining, by testing or other means, if the source of trouble is caused by the equipment or facilities provided by the customer, its end user, or by the Telephone Company.
- (B) When more than one Telephone Company service is used to provide service to a customer, the customer is responsible for determining which service provided by the Telephone Company is causing the reported trouble.

3.4 Payment Arrangements and Credit Allowances3.4.1 Payment of Rates, Charges and Deposits

- (A) The Telephone Company may, in order to safeguard its interests, require a customer which has a proven history of late payments to the Telephone Company or others, or does not have established credit with the Telephone Company except for a customer which is a successor of a company which has established credit with the Telephone Company and has no history of late payments to the Telephone Company, to make a deposit prior to or at any time after the provision of a service to the customer to be held by the Telephone Company as a guarantee of the payment of rates and charges. Such deposit may not exceed the actual or estimated rates and charges for the service for a two month period. At such time as the provision of the service to the customer is terminated, the amount of the deposit will be credited to the customer's account and any credit balance which may remain will be refunded. At the option of the Telephone Company, such a deposit may be refunded or credited to the customer's account when the customer has established credit or an acceptable record of payment at any time prior to the termination of the provision of the service to the customer.

TANDEM TRANSIT TRAFFIC SERVICE

3. GENERAL REGULATIONS (Cont'd)

3.4 Payment Arrangements and Credit Allowances (Cont'd)3.4.1 Payment of Rates, Charges and Deposits (Cont'd)

- (A) Should a deposit be credited to the customer's account, as indicated above, no interest will accrue on the deposit from the date such deposit is credited to the customer's account.

Interest at the rate determined by the average rate of one-year Treasury bills for the months of September, October and November of the previous year will be paid by the Telephone Company on the amount of the deposit for the period it is retained and, where the deposit is retained for a period in excess of one year, interest will be paid annually through a credit to the customer's account.

- (B) The Telephone Company shall bill on a current basis all charges incurred by and credits due to the customer under this Tariff attributable to services established or discontinued during the preceding billing period. The Telephone Company shall bill service usage charges in arrears. The bill day (*i.e.*, the billing date of a bill for a customer for service under this Tariff), the period of service each bill covers and the payment date will be as follows:

The Telephone Company will establish a bill day each month for each customer account or advise the customer in writing of any alternate billing schedule. Alternate billing schedules shall not be established on less than 60 days' notice or initiated by the Telephone Company more than twice in any consecutive 12 month period. The bill will cover unbilled usage charges for the period after the last bill day through the current bill day. Any known unbilled usage charges for prior period and any known unbilled adjustments will be applied to this bill. Payment for such bills is due as set forth in (C) following. If payment is not received by the payment date, as set forth in (C) following in immediately available funds, a late payment penalty will apply as set forth (C) following.

- (C) All bills dated as set forth in (B) preceding for service provide to the customer by the Telephone Company, are due 31 days (payment date) after the bill day or by the next bill date (*i.e.*, same date in the following month as the bill date) whichever is the shortest interval, except as provided herein, and are payable in immediately available funds. If such payment date would cause payment to be due on a Saturday, Sunday or Holiday (*i.e.*, New Year's Day, Independence Day, Labor Day, Thanksgiving Day, Christmas Day, the second Tuesday in November and a day when Washington's Birthday, Memorial Day or Columbus Day is legally observed), payment for such bills will be due from the customer as follows:

If such payment date falls on a Sunday or on a Holiday which is observed on a Monday, the payment date shall be the first non-Holiday day following such Sunday or Holiday. If such payment date falls on a Saturday or on a Holiday which is observed on Tuesday, Wednesday, Thursday or Friday, the payment date shall be the last non-Holiday day preceding such Saturday or Holiday.

TANDEM TRANSIT TRAFFIC SERVICE

3. GENERAL REGULATIONS (Cont'd)

3.4 Payment Arrangements and Credit Allowances (Cont'd)3.4.1 Payment of Rates, Charges and Deposits (Cont'd)

- (D) Further, if any portion of the payment is received by the Telephone Company after the payment date as set forth in (C) preceding, or if any portion of the payment is received by the Telephone Company in funds which are not immediately available to the Telephone Company, then a late payment penalty shall be due to the Telephone Company. The late payment penalty shall be the portion of the payment not received by the payment date times a late factor. The late factor shall be the lesser of:
- (I) the highest interest rate (in decimal value) which may be levied by law for commercial transactions, for the number of days from the payment date to and including the date that the customer actually makes the payment to the Telephone Company, or
 - (II) 0.00049315 per day, for the number of days from the payment date to and including the date that the customer actually makes the payment to the Telephone Company.
- (E) Billing Disputes
- (I) The date of the dispute shall be the date the Telephone Company receives sufficient documentation to investigate the dispute.
 - (II) The date of resolution is the date the Telephone Company completes the investigation and credits the customer's account.
 - (III) In the event that a billing dispute concerning any charges billed to the customer by the Telephone Company is resolved in favor of the Telephone Company, any payments withheld pending settlement of the dispute shall be subject to the late payment penalty set forth in (C) preceding.
 - (IV) If the customer pays the bill in full by the payment due date, and later initiates a billing dispute within ninety days of the payment due date, penalty interest may be applicable.
 - (a) If the billing dispute is resolved in favor of the customer, the customer shall receive a credit from the Telephone Company. This credit will be an amount equal to the disputed amount resolved in the customer's favor times a penalty factor. This amount will apply from the date of the customer's payment through the date on which the customer receives the disputed amount credit from the Telephone Company. The penalty factor shall be the lesser of:

TANDEM TRANSIT TRAFFIC SERVICE

3. GENERAL REGULATIONS (Cont'd)

3.4 Payment Arrangements and Credit Allowances (Cont'd)3.4.1 Payment of Rates, Charges and Deposits (Cont'd)(E) Billing Disputes

a. (Cont'd)

- (i) The highest interest rate (in decimal value) which may be levied by law for commercial transactions, for the number of days from the first date to and including the last date of the period involved, or
 - (ii) 0.00049315 per day, for the number of days from the first date to and including the last date of the period involved.
- (b) If the dispute is resolved in favor of the Telephone Company, neither a late payment charge nor a penalty interest charge is applicable.
- (V) If the customer pays the bill in full by the payment due date, and later initiates a billing dispute after ninety days of the payment due date, penalty interest may be applicable.
- (a) If the billing dispute is resolved in favor of the customer, the customer shall receive a credit from the Telephone Company. This credit will be an amount equal to the disputed amount times the penalty factor. This amount will apply from the date of the dispute through the date on which the customer receives the disputed amount credit from the Telephone Company. The penalty factor shall be the lesser of:
- (i) the highest interest rate (in decimal value) which may be levied by law for commercial transactions, for the number of days from the first date to and including the last date of the period involved or
 - (ii) 0.00049315 per day, for the number of days from the first date to and including the last date of the period involved.
- (F) When a rate as set forth in this Tariff is shown to be more than two decimal places, the charges will be determined using the rate shown. The resulting amount will then be rounded to the nearest penny (*i.e.*, rounded to two decimal places).

TANDEM TRANSIT TRAFFIC SERVICE

3. GENERAL REGULATIONS (Cont'd)

3.4 Payment Arrangements and Credit Allowances (Cont'd)3.4.2 Credit Allowance for Service Interruptions(A) General

A service is interrupted when it becomes unusable to the customer because of a failure of a facility component used to furnish service under this Tariff. An interruption period starts when an inoperative service is reported to the Telephone Company and ends when the service is operative.

(B) When a Credit Allowance Applies

In case of an interruption to service, allowance for the period of interruption, if not due to the negligence of the customer, shall apply only to any applicable monthly rates. The credit allowance(s) for an interruption or for a series of interruptions shall not exceed the monthly rate and minimum monthly usage charge for the service interrupted in any one monthly billing period.

(C) When a Credit Allowance Does Not Apply

No credit allowance will be made for:

- (1) Interruptions caused by the negligence of the customer.
- (2) Interruptions of a service due to the failure of equipment or systems provided by the customer or others.
- (3) Interruptions of service when the customer has released that service to the Telephone Company for maintenance purposes, to make rearrangements, or for the implementation of an order for a change in the service during the time that was negotiated with the customer prior to the release of that service.
- (4) Periods when the customer elects not to release the service for testing and/or repair and continues to use it on an impaired basis.
- (5) An interruption or a group of interruptions, resulting from a common cause, for amounts less than one dollar.
- (6) Periods of interruption as set forth in Section 3.1.3(l) preceding.

TANDEM TRANSIT TRAFFIC SERVICE

3. GENERAL REGULATIONS (Cont'd)

3.4 Payment Arrangements and Credit Allowances (Cont'd)3.4.2 Credit Allowance for Service Interruptions (Cont'd)(D) Use of an Alternative Service Provided by the Telephone Company

Should the customer elect to use an alternative service provided by the Telephone Company during the period that a service is interrupted, the customer must pay the tariffed rates and charges for the alternative service used.

(E) Temporary Surrender of a Service

In certain instances, the customer may be requested by the Telephone Company to surrender a service for purposes other than maintenance, testing or activity relating to a service order. If the customer consents, a credit allowance will be granted. The credit allowance will be 1/1440 of the monthly rate for each period of 30 minutes or fraction thereof that the service is surrendered. In no case will the credit allowance exceed the monthly rate for the service surrendered in any one monthly billing period.

3.4.3 Re-establishment of Service Following Fire, Flood or Other Occurrence(A) Nonrecurring Charges Do Not Apply

Charges do not apply for the re-establishment of service following a fire, flood or other occurrence attributed to an Act of God provided that:

- (1) The service is of the same type as was provided prior to the fire, flood or other occurrence.
- (2) The service is for the same customer.
- (3) The service is at the same location.
- (4) The re-establishment of service begins within 60 days after Telephone Company service is available. (The 60 day period may be extended a reasonable period if the renovation of the original location is not practical with the allotted time period.)

(B) Nonrecurring Charges Apply

Nonrecurring charges apply for establishing service at a different location pending re-establishment of service at the original location.

TANDEM TRANSIT TRAFFIC SERVICE

3. GENERAL REGULATIONS (Cont'd)

3.4 Payment Arrangements and Credit Allowances (Cont'd)3.4.4 Title or Ownership Rights

- (A) The payment of rates and charges by customers for the services offered under the provisions of this Tariff does not assign, confer or transfer title or ownership rights to proposals or facilities developed or utilized, respectively, by the Telephone Company in the provision of such services.
- (B) Title or ownership rights to service designed by the Telephone Company to meet a customer's request remain with the Telephone Company except as specifically provided for by written agreement of all parties.

3.5 Obligations of the Customer

In addition to the obligations of the customer set forth preceding, the customer has certain other obligations pertaining only to the provision of Tandem Transit Traffic Service. These obligations are as follows:

3.5.1 Established Interconnection

The customer must have interconnection to each Telephone Company Tandem in each LATA where the customer delivers any Tandem Transit Traffic to the Telephone Company. Upon commercially reasonable notice, the customer shall cooperate with and assist the Company in reconfiguring interconnection facilities, and the trunk groups riding on such interconnection facilities, for use in connection with such services.

3.5.2 Routing of Tandem Transit Traffic

The customer may use Tandem Transit Traffic Service to route Tandem Transit Traffic to valid NXX codes served by End Offices subtending a Telephone Company Tandem.

3.5.3 Rearrangements, Moves, Disconnects and Repairs

The customer may not rearrange, move, disconnect, remove or attempt to repair any facilities provided by the Telephone Company, other than by connection or disconnection to any interface means used.

3.5.4 Reciprocal Traffic Exchange Arrangement

The customer may use the service only for Tandem Transit Traffic that originates on the customer's network. The customer shall not use the service to send Tandem Transit Traffic that does not originate on the customer's network. If the customer uses the service to send traffic that does not originate on the customer's network, the Telephone Company may assess, and the customer shall pay, Tandem Transit Traffic charges.

TANDEM TRANSIT TRAFFIC SERVICE

3. GENERAL REGULATIONS (Cont'd)

3.4 Payment Arrangements and Credit Allowances (Cont'd)3.5.5 Other LSP charges

The customer shall defend, protect, indemnify and save harmless the Telephone Company for any charges assessed or bills issued by any Other LSP for traffic sent by the customer. The Telephone Company may assess to the customer any additional charges or costs any Other LSP imposes or levies on the Telephone Company for the delivery or termination of the customer's traffic.

3.5.6 Traffic Volumes

If the customer uses Tandem Transit Traffic Service for traffic volumes that exceed the Centum Call Seconds busy hour equivalent of 200,000 combined minutes of use per month to the subtending End Office of an Other LSP for any month (the "Threshold Level"), the customer shall use good faith efforts to establish direct interconnection with such Other LSP and reduce such traffic volumes below the Threshold Level.

3.5.7 Signaling

The customer's facilities shall provide the necessary on-hook, off-hook, answer and disconnect supervision for Tandem Transit Traffic. The customer shall deliver Tandem Transit Traffic to the Telephone Company Tandem or End Office with the ten digits of the calling party number and the ten digits of the called party number dialed by the customer's end user.

3.5.8 Forecast

The customer shall provide the Telephone Company a forecast for Tandem Transit Traffic Service, including quantities in service and quantities required for a three year period. The customer shall submit its forecast annually.

3.5.9 Audit

The customer shall provide the Telephone Company with the ability and opportunity to conduct an annual audit to ensure that Tandem Transit Traffic Service is being used by the customer to carry only the types of traffic appropriate to Tandem Transit Traffic Service.

TANDEM TRANSIT TRAFFIC SERVICE

3. GENERAL REGULATIONS (Cont'd)

3.6 Rate Regulations

This section contains the specific regulations governing the rates and charges that apply for Tandem Transit Traffic Service.

3.6.1 Types of Rates and Charges

There are three types of rates and charges that apply to Tandem Transit Traffic Service. These are monthly recurring rates, usage rates and nonrecurring charges. These rates and charges are applied differently to the various rate elements.

(A) Monthly Rates

Monthly rates are flat recurring rates that apply each month or fraction thereof that a specific rate element is provided. For billing purposes, each month is considered to have 30 days.

(B) Usage Rates

Usage rates are rates that apply only when a specific rate element is used. These are applied on a per-minute basis. Minute of use charges are accumulated over a monthly period.

(C) Nonrecurring Charges

Nonrecurring charges are one-time charges that apply for a specific work activity, e.g., installation or change to an existing service.

3.6.2 Measuring Tandem Transit Traffic Service

Tandem Transit Traffic minutes-of-use will be measured by the Telephone Company to determine the basis for computing appropriate charges for Tandem Transit Traffic Service. The measurement of minutes-of-use begins when the Telephone Company Tandem receives answer supervision from the terminating End Office indicating the end user has answered. The measurement of minutes-of-use ends when the Telephone Company Tandem receives disconnect supervision from the terminating End Office indicating the end user has disconnected.

TANDEM TRANSIT TRAFFIC SERVICE

4. TANDEM TRANSIT TRAFFIC SERVICE

4.1 General

Tandem Transit Traffic Service provides a customer with the transport of Tandem Transit Traffic to an Other LSP. Tandem Transit Traffic Service provides for the use of switching and transport facilities and common subscriber plant of Telephone Company.

4.2 Limitations and Requirements

4.2.1 Tandem Transit Traffic Service is provided by the Telephone Company for tariffed mandatory interLATA and intraLATA local calls.

4.2.2 Tandem Transit Traffic Service is provided using out of band signaling. Out of band signaling requires the establishment of Common Channel Signaling Access Service as specified in the Access Service Tariff.

5. RATES

5.1 Usage Charges

Traffic Delivered at Telephone Company Tandem or End Office per minute of use \$0.0047856