
VIRTUAL WATS

This service is furnished to existing subscribers only. Moves, additions and/or any other changes are not permitted.

A. GENERAL

Virtual WATS is a discount usage pricing plan for outgoing usage service for calls made in the operating service territory of Verizon New York Inc. Virtual WATS is available for use on existing or new exchange lines. The customer will be billed a minimum monthly charge and for accumulated usage. Discounted rates for evening and night usage will apply after satisfaction of the monthly minimum. The pricing plan applies to basic message toll calls for business customers only.

B. TERMS AND CONDITIONS

1. A record order charge as shown in Part B, Section 12 of this Product Guide will apply to establish Virtual WATS Service, except when it is established with the connection of telephone service or within 75 days thereof.
2. Connection to, or disconnection from Virtual WATS Service will be effective only on the subscriber's bill date.
3. All calls made over any line of a multiline subscriber with one billing number are charged for at Virtual WATS rates.
4. Virtual WATS Service is furnished for a minimum period of one month.
5. A customer may subscribe to Virtual WATS for each separately billed number.
6. Operator assisted calls will not be included in the Virtual WATS Service pricing plan.
7. No part of the initial period can be used to cover local calls.
8. Virtual WATS Service rates will be applied to all direct dialed toll calls.
9. The Company reserves the right to waive any or all of the recurring charges, nonrecurring charges, or both, associated with Virtual WATS in order to promote the sale of the services as specified in Part B, Section 12 of this Product Guide. Each waiver period offered by the Company will not extend beyond 90 days. If, at the expiration of the waiver period the customer elects to retain any or all of the services, then applicable recurring rates will be charged from the date the service was permanently established.

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C. PRICING

1. The computation of the Virtual WATS bill consists of three basic steps:

- (a) The application of the minimum period.
- (b) The computation of the charge for the minutes above the minimum period.
- (c) The computation of the evening and night discount.

2. Accumulated Usage

Accumulated usage will be billed with an initial time period of one minute per call period. Additional minutes per call will be billed in one minute increments, with any fraction of a minute rounded up to the next full minute.

3. Minimum Period

The customer is charged a monthly usage minimum for the first 10 hours of usage, or any fraction thereof, even if the amount of usage is zero.

4. Minutes Above the Minimum Period

The charge for minutes above the minimum period will initially be computed as if all calls occurred at DAY rate.

5. Evening and Night Discount

After the charge for minutes above the minimum period is computed as if all calls occurred during the DAY time period, the DAY rate for minutes above the minimum period is computed by dividing the charge calculated previously by the total number of minutes above the minimum period. The DAY rate per minute is calculated and rounded to the nearest ten-thousandth of a cent.

The rate for the EVENING and NIGHT periods are calculated from the DAY rate by taking 80 percent and 70 percent of the DAY rate, respectively, and rounding to the nearest ten-thousandth of a cent.

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C. PRICING (Cont'd)

5. Evening and Night Discount (Cont'd)

(a) Rate Periods Except Holidays

<u>Rate Period</u>	<u>Times Applicable</u>		<u>Days Applicable</u>
	<u>From</u>	<u>To But not Including</u>	
Day	8:00 AM	5:00 PM	Monday – Friday
Evening	5:00 PM	11:00 PM	Sunday – Friday
Night	11:00 PM	8:00 AM	All days
	8:00 AM	11:00 PM	Saturday
	8:00 AM	5:00 PM	Sunday

(b) Holiday Rate Periods

On Christmas Day (December 25), on New Year's Day (January 1), on Independence Day (July 4), on Labor Day (The first Monday in September), on Thanksgiving Day (The fourth Thursday in November) and on resulting legal holidays when Christmas, New Year's Day or Independence Day legal holidays fall on dates other than December 25, January 1 or July 4, the holiday rate applicable is the Evening Rate unless a lower rate would normally apply.

(c) Discounts

Evening Rate Period	20% discount on rates shown
Night Rate Period	30% discount on rates shown

(d) Minimum Period Allocation

Minutes of use will be allocated to the minimum period from DAY, EVENING, and NIGHT minutes proportionally. The fraction of minutes to be allocated to the minimum period will be computed by dividing 600 (the number of minutes in the minimum period) by the total number of minutes of use. This calculation will be carried out to six places (millionths), with the last place rounded. The number of EVENING and NIGHT minutes allocated to the minimum period will be calculated by multiplying the fraction computed above the number of EVENING and NIGHT minutes, respectively, and rounding to the nearest full minute.

The number of DAY minutes allocated to the minimum period will be calculated by subtracting the number of EVENING and NIGHT minutes allocated from 600.

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C. PRICING (Cont'd)

5. Evening and Night Discount (Cont'd)

(e) Calculation of Charges

Charges for each time period are calculated by multiplying the rate for the period by the number of minutes remaining in the period after the deduction of minutes for the minimum period. These calculations are rounded to the nearest full cent. The sum of the charges for the three time periods, plus the minimum period charge, is the total Virtual WATS usage for the monthly period.

6. Rates and Charges*

<u>Hours Per Month</u>	<u>Rate*</u>
First 10 hours or fraction thereof	\$75.00 per month or fraction thereof
10-100 hours or fraction thereof	0.11 per minute "
100-200 hours or fraction thereof	0.09 per minute "
Over 200 hours or fraction thereof	0.07 per minute "
Evening Discount	20 Percent
Night Discount	30 Percent

* Appropriate Service Connection Charges, as specified in Part B, Section 12 of this Product Guide apply.

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D. VIRTUAL WATS TERM PLANS

1. General

The terms and conditions governing Virtual WATS Pricing Plan also apply to the Virtual WATS Term Plans.

2. Terms and Conditions

- a. Virtual WATS Term Plans will provide discounts to Virtual WATS rates in exchange for a customer's time commitment.
- b. The discounts for Virtual WATS Term Plans apply to Virtual WATS usage above the monthly minimum usage charge.
- c. A termination charge shall apply for customers terminating the service before the expiration of the plan as described in Paragraph D.3.b. of this Section, following.
- d. The termination charge will be prorated if the customer terminates the service during a billing period.
- e. A record order charge will apply to establish Virtual WATS Term Plans, except when it is established with the connection of Virtual WATS.
- f. If a customer upgrades the term plan before the expiration date of a existing term plan, there will be no termination liability. The new plan will take effect on the new negotiated date.
- g. A customer may migrate to another Verizon New York Inc. optional usage discount plan with a larger monthly minimum or longer time commitment with no termination liability.

3. Rates and Charges

- a. Virtual WATS Term Plan Discounts:

<u>Commitment</u>	<u>Discount</u>
1 year	5%
2 years	12%
3 years	15%

- b. If the customer discontinues the Virtual WATS Term Plans prior to the expiration date, the customer is liable for the Virtual WATS monthly minimum charge as indicated in the Rate Schedule for each of the remaining months.