SECTION 3 - DESCRIPTION OF SERVICE

3.1 General

- 3.1.1 Presubscribed service is offered from locations served with equal access end offices.
- 3.1.2 The Company's service is available twenty-four hours per day, seven days a week except as otherwise provided in the Company's price lists.
- 3.1.3 All usage rates are expressed as rate per minute, unless otherwise clearly indicated.
- 3.1.4 PIC Change Waiver or Credit

Where appropriate arrangements are in place between the Company and an affiliated local exchange carrier, the Company will incur the PIC (Primary Interexchange Carrier) change charge directly on the Customer's behalf. Where such an arrangement does not exist, or at the Company's discretion, the Company will issue a bill credit by the third full month's invoice.

The amount of the reimbursement will be based on the ordering method used. For example, Customers that place an order by speaking to an affiliated local exchange company representative will be reimbursed \$5.50. Customer orders that are submitted through Verizon's website or through a telemarketer will be reimbursed \$1.25.

The Customer who discontinues the Company's service, or whose service is discontinued by the Company, prior to receiving the credit will forfeit the credit.

This Business Sign-up Bonus Offer may be combined with other promotional offers for which the Customer is eligible.

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Effective: November 15, 2014

SECTION 3 - DESCRIPTION OF SERVICE, (Cont'd.)

3.2 Calculation of Distance

Usage charges for all mileage sensitive services are based on the airline distance between the rate center locations associated with the originating and terminating points of the call.

The distance between the originating and terminating points is calculated by using the "V" and "H" coordinates of the applicable rate centers as defined by Telcordia (formerly Bellcore) and on file with the FCC in NECA Tariff FCC No. 4, in the following manner:

Step 1 - Obtain the "V" and "H" coordinates for the rate center of the originating and the destination points.

Step 2 - Obtain the difference between the "V" coordinates of each of the rate centers. Obtain the difference between the "H" coordinates.

Step 3 - Square the differences obtained in Step 2.

Step 4 - Add the squares of the "V" difference and "H" difference obtained in Step 3.

Step 5 - Divide the sum of the square obtained in Step 4 by ten (10). Round to the next higher whole number if any fraction results from the division.

Step 6 - Obtain the square root of the whole number obtained in Step 5. Round to the next higher whole number if any fraction is obtained. This is the distance between the originating and terminating rate centers of the call.

Formula:
$$\sqrt{\frac{|V_{l} - V_{2}|^{2} + |H_{l} - H_{2}|^{2}}{10}}$$

SECTION 3 - DESCRIPTION OF SERVICE, (Cont'd.)

3.3 Timing of Calls

Billing for calls placed over the network is based in part on the duration of the call.

- 3.3.1 Timing for all calls begins when the called party answers the call (i.e. when two way communications are established). Answer detection is based on standard industry answer detection methods, including hardware and software answer detection.
- 3.3.2 Chargeable time for all station-to-station calls begins when connection is established between calling party and the called party and ends when the calling party hangs up thereby releasing the network connection. If the called party hangs up but the calling station does not, chargeable time ends when the network connection is released either by automatic timing equipment in the network, or by an operator.
- 3.3.3 Minimum call duration for billing purposes is one minute unless otherwise specified in the individual rate schedules of this price list.
- 3.3.4 Calls are measured and billed in one minute increments on a per call basis, unless otherwise indicated in this price list. Any partial minute is rounded up to a full minute. Fractional billing increments are rounded to the full billing increment as stated in the product description.
- 3.3.5 No charges apply to incomplete calls. An incomplete call is a station call in which the called station does not answer, or a person to person call in which the station does not answer or the requested person is unavailable, or a collect call for which the called party refuses to accept the charges.
- 3.3.6 Usage charges are computed on a per call basis. When computation of call charges result in fractional cents, the resulting charge is rounded to the nearest penny.

Effective: June 8, 2015

SECTION 3 - DESCRIPTION OF SERVICE, (Cont'd.)

3.4 [Reserved For Future Use]

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Effective: September 1, 2018

SECTION 3 - DESCRIPTION OF SERVICE AND RATES, (Cont'd.)

3.5 Long Distance Message Telecommunications Service

Effective 7/19/14, Business LDMTS is grandfathered and no longer available to new Customers. No moves, changes or additions will be allowed for existing Customers.

3.5.1 General Description

Long Distance Message Telecommunications Service (LDMTS) is the basic long distance service offered to business Customers for outbound direct-dialed calling, utilizing Customer-provided switched access lines that are presubscribed to the Company. LDMTS may also be offered for casual (i.e. access code) calling where such service is provided.

This plan is an add-on service to the interstate LDMTS plan. A Minimum Spend Level Charge applies to Customers subscribing to this plan as specified in the Company's interstate Product Guide. See www.verizon.com/tariffs/productguide.

3.5.2 Rates and Charges

Calls are billed in one (1) minute increments after an initial minimum call duration of (1) one minute. Any partial minute is rounded up to a full minute.

A. Customer Dialed Direct Station-to-Station

The Customer Dialed Direct Station-to-Station class of service applies when the person originating the call dials the telephone number desired without the assistance of an operator and the call is billed to the calling station. It does not include calls from public or semi-public coin telephones.

	<u>Per Minute</u>	
IntraLATA	\$0.4200	(I)
InterLATA	\$0.4200	(I)

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SECTION 3 - DESCRIPTION OF SERVICE AND RATES, (Cont'd.)

- 3.6 Optional Business Services
 - 3.6.1 FirmRate Plus Plan*

*Effective 8/21/16 the One Year Term and the Three Year Term Rates are only available to (C) existing Customers, at existing locations, without modification. (C)

The FirmRate Plus Plan* is offered to Business Customers for outbound direct dialed calling from (C) presubscribed switched access lines at one flat per minute rate. Inbound (toll free) calling is also available for termination on switched access lines. Customers may select a one or three year term* commitment in order to obtain lower rates. (C)

This plan is an add-on service to the interstate FirmRate Plus Plan*. A Minimum Spend Level (C) Charge applies to Customers subscribing to this plan as specified in the Company's interstate Product Guide. See www.verizon.com/tariffs/productguide.

A. Billing Increments

The billing increment and minimum call duration of each call is determined by the access method selected by the Customer and the call type. Partial increments are rounded to the next increment.

	Initial	Additional
Access Type/Call Type	Increment	Increment
Switched Access	18 Seconds	6 seconds
Operator Assisted	1 minute	1 minute

SECTION 3 - DESCRIPTION OF SERVICE AND RATES, (Cont'd.)

- 3.6 Optional Business Services, (Cont'd.)
 - 3.6.1 FirmRate Plus Plan*, (Cont'd.)

*Effective 8/21/16 the One Year Term and the Three Year Term Rates are only available to existing Customers, at existing locations, without modification.

B. Termination Liability

When the Customer terminates service under this plan prior to the expiration of the Customer's selected term commitment, a termination charge will be assessed. The termination charge is calculated by multiplying 35 percent (35%) of the Customer's Minimum Spend Level times the number of months remaining in the term.

The early termination charge will apply under the following circumstances:

- 1. When the Customer disconnects its entire account; or
- 2. When the Customer selects a shorter term.

The early termination charge will not apply under the following circumstances:

- 1. When the Customer's physical location changes, but the term plan is continued at the new location;
- 2. When the Customer negotiates the term plan for a longer term;
- 3. When the Customer moves to a jurisdiction where the Company is prohibited from offering service;
- 4. When the Customer changes plan prior to 60 days of service;
- 5. When the Customer returns to the Company and the same term length agreement as a result of a winback program; or
- 6. When the Customer moves from a one or three year term* on FirmRate Plus Plan* to a one or three year term on FlexDistance Plan.

At the expiration of the term commitment, the Customer will continue at the same commitment and usage rate unless they choose to make a change, either to a different term commitment or to a different plan.

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Effective: September 1, 2018

SECTION 3 - DESCRIPTION OF SERVICE AND RATES, (Cont'd.)

- 3.6 Optional Business Services, (Cont'd.)
 - 3.6.1 FirmRate Plus Plan*, (Cont'd.)

*Effective 8/21/16 the One Year Term and the Three Year Term Rates are only available to existing Customers, at existing locations, without modification.

C. Usage Rates

Usage Rates are determined according to the Term Commitment selected by the Customer.

1. Switched Access Outbound Rates

	Month to	One Year	Three Year	
	Month	Term*	Term*	
Rate Per Minute:	\$0.200	\$0.080	\$0.070	(I)

2. Switched Access Inbound (Toll Free) Rates

	Month to	One Year	Three Year	
	Month	Term*	Term*	
Rate Per Minute:	\$0.200	\$0.080	\$0.070	(I)

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SECTION 3 - DESCRIPTION OF SERVICE AND RATES, (Cont'd.)

- 3.6 Optional Business Services, (Cont'd.)
 - 3.6.2 FirmRate Advantage Plan*

*Effective 8/21/16 the One Year Term and the Three Year Term Rates are only available to (C) existing Customers, at existing locations, without modification. (C)

A. General Description

The FirmRate Advantage Plan* is offered to Business Customers for outbound direct (C) dialed calling from presubscribed switched access lines at one flat per minute rate. Inbound (toll free) calling is also available for termination on switched access lines. Customers may select a one or three year term* commitment in order to obtain lower (C) rates.

This plan is an add-on service to the interstate FirmRate Advantage Plan*. A Minimum (C) Spend Level Charge applies to Customers subscribing to this plan as specified in the Company's interstate Product Guide. See www.verizon.com/tariffs/productguide.

B. Billing Increments

The billing increment and minimum call duration of each call is determined by the access method selected by the Customer and the call type. Partial increments are rounded up to the next increment.

	Initial	Additional
Access Type/Call Type	Increment	Increment
Switched Access (Month to Month)	60 seconds	6 seconds
Switched Access (1 & 3 Year Term)	18 seconds	6 seconds
Operator Assisted	60 seconds	60 seconds

SECTION 3 - DESCRIPTION OF SERVICE AND RATES, (Cont'd.)

- 3.6 Optional Business Services, (Cont'd.)
 - 3.6.2 FirmRate Advantage Plan*, (Cont'd.)

*Effective 8/21/16 the One Year Term and the Three Year Term Rates are only available to existing Customers, at existing locations, without modification.

C. Termination Liability

When the Customer terminates service under this plan prior to the expiration of the Customer's selected term commitment, a termination charge will be assessed. The termination charge is calculated by multiplying 35 percent (35%) of the Customer's Minimum Spend Level times the number of months remaining in the term.

The early termination charge will apply under the following circumstances:

- 1. When the Customer disconnects its entire account; or
- 2. When the Customer selects a shorter term.

The early termination charge will not apply under the following circumstances:

- 1. When the Customer's physical location changes, but the term plan is continued at the new location;
- 2. When the Customer negotiates the term plan for a longer term;
- 3. When the Customer moves to a jurisdiction where the Company is prohibited from offering service;
- 4. When the Customer changes plan prior to 60 days of service;
- 5. When the Customer returns to the Company and the same term length agreement as a result of a winback program; or
- 6. When the Customer moves from a one or three year term* on FirmRate Advantage Plan* to a one or three year term FlexDistance Plan.

At the expiration of the term commitment, the Customer will continue at the same commitment and usage rate unless they choose to make a change, either to a different term commitment or to a different plan.

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Effective: September 1, 2018

SECTION 3 - DESCRIPTION OF SERVICE AND RATES, (Cont'd.)

- 3.6 Optional Business Services, (Cont'd.)
 - 3.6.2 FirmRate Advantage Plan*, (Cont'd.)

*Effective 8/21/16 the One Year Term and the Three Year Term Rates are only available to existing Customers, at existing locations, without modification.

- D. Rates and Charges
 - 1. Usage Rates

Usage Rates are determined according to the Term Commitment selected by the Customer.

a. Switched Access Outbound Rates

	Rate Per Minute:	Month to Month \$0.074	One Year Term* \$0.070	Three Year Term* \$0.065	(I)
b.	Switched Access Inb	ound (Toll Free) I	Rates		
		Month to	One Year	Three Year	

	Month to	One Year	Three Year	
	Month	Term*	Term*	
Rate Per Minute:	\$0.074	\$0.070	\$0.065	(I)

SECTION 3 - DESCRIPTION OF SERVICE AND RATES, (Cont'd.)

- 3.6 Optional Business Services, (Cont'd.)
 - 3.6.3 FlexDistance Plan
 - A. General Description

The FlexDistance Plan is offered to Business Customers for outbound direct dialed calling from presubscribed switched access lines at one flat per minute rate, regardless of distance. A Monthly Usage Guarantee (MUG) applies to the monthly billing. The FlexDistance Customer may choose to commit to a higher spend level in exchange for a lower per minute usage rate. Inbound (toll free) calling is also available for termination on switched access lines. Customers may select a one or three year term commitment in order to obtain lower rates.

This plan is an add-on service to the interstate FlexDistance Plan. See <u>www.verizon.com/tariffs/productguide</u>.

- B. Rates and Charges
 - 1. Billing Increments

The billing increment is determined by the MUG selected by the Customer. Partial increments are rounded to the next increment.

Switched Access	Initial Increment	Additional Increment
Monthly Usage Guarantee		
\$24.00	1 minute	6 seconds
\$40.00	1 minute	6 seconds
\$65.00	1 minute	6 seconds
\$150.00	30 Seconds	6 seconds
\$300.00	30 Seconds	6 seconds
\$500.00	30 Seconds	6 seconds
\$750.00	30 Seconds	6 seconds
\$1,000.00	30 Seconds	6 seconds
\$1,500.00	30 Seconds	6 seconds

- 3.6 Optional Business Services, (Cont'd.)
 - 3.6.3 FlexDistance Plan, (Cont'd.)
 - B. Rates and Charges, (Cont'd.)
 - 2. Monthly Usage Guarantee

Customers whose total monthly long distance usage charges do not meet their subscribed Monthly Usage Guarantee (MUG) level will be assessed the difference between their total long distance usage charges and their subscribed MUG level.

Direct dialed calls, operator assisted calls, directory assistance calls, Toll Free calls and Monthly Recurring Charges, International Plan Monthly Recurring Charges, free minute promotions and percentage discount promotions will contribute toward meeting the MUG. Only charges of the Company will contribute to the MUG. Taxes, surcharges, Federal Access Charges and charges billed by other carriers, including charges billed by Company's affiliates, on the Customer's bill will not contribute to the MUG.

Usage Rates are determined according to the Term Commitment and MUG selected by the Customer.

Monthly Usage	Month to Month	1 Year Term Usage	3 Year Term Usage
Guarantee	Usage Rate	Rate	Rate
	Per Minute	Per Minute	Per Minute
\$24.00	\$0.070	\$0.067	\$0.061
\$40.00	\$0.067	\$0.064	\$0.058
\$65.00	\$0.065	\$0.062	\$0.057
\$150.00	\$0.063	\$0.060	\$0.055
\$300.00	\$0.061	\$0.058	\$0.053
\$500.00	\$0.058	\$0.056	\$0.051
\$750.00	\$0.057	\$0.054	\$0.050
\$1,000.00	\$0.056	\$0.053	\$0.049
\$1,500.00	\$0.055	\$0.052	\$0.048

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SECTION 3 - DESCRIPTION OF SERVICE AND RATES, (Cont'd.)

- 3.6 Optional Business Services, (Cont'd.)
 - 3.6.3 FlexDistance Plan, (Cont'd.)
 - B. Rates and Charges, (Cont'd.)
 - 3. Supplemental Discount

The Supplemental Discount is available to new and returning Customers who establish new service with a one or three year term. Existing Customers who agree to modify their service by accepting a new contract term of one or three years will also be offered the Supplemental Discount.

The Supplemental Discount applies to the cumulative usage each billing cycle and is at the percent shown below.

Term Level	Supplemental Discount
One Year	25%
Three Year	25%

SECTION 3 - DESCRIPTION OF SERVICE AND RATES, (Cont'd.)

- 3.6 Optional Business Services, (Cont'd.)
 - 3.6.3 FlexDistance Plan, (Cont'd.)
 - C. Termination Liability

When the Customer terminates service under this plan prior to the expiration of the Customer's selected term commitment, a termination charge will be assessed. The termination charge is calculated by multiplying 35 percent (35%) of the Customer's Monthly Usage Guarantee multiplied times the number of months remaining in the term.

Early termination charge will apply in all instances where the Flex Plan is terminated by the Customer, including:

- 1. When the Customer disconnects its entire account;
- 2. When the Customer selects a shorter term; or
- 3. When the Customer negotiates a reduction in their monthly spending commitment more than one level during a billing cycle.

Early termination charge will not apply under the following circumstances:

- 1. When the Customer's physical location changes, but the term plan is continued at the new location;
- 2. When the Customer negotiates the term plan for a longer term;
- 3. When the Customer moves to a jurisdiction where the Company is prohibited from offering service;
- 4. When the Customer changes plan prior to 60 days of service;
- 5. When the Customer returns to the Company as a result of a winback program;
- 6. When the Customer reduces their term monthly spend level one level during a billing cycle; or
- 7. When the Customer moves from a one or three year term on Flex Distance Service to Unlimited Long Distance Service.

At the expiration of the term commitment, the Customer will continue at the same commitment and usage rate unless they notify the Company of a change to a different term commitment/minimum usage guarantee or to a different plan. If the Customer continues without changing, they will still be liable to the MUG to which they were originally subscribed.

- 3.6 Optional Business Services, (Cont'd.)
 - 3.6.4 RESERVED FOR FUTURE USE

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- 3.6 Optional Business Services, (Cont'd.)
 - 3.6.4 RESERVED FOR FUTURE USE

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- 3.6 Optional Business Services, (Cont'd.)
 - 3.6.4 RESERVED FOR FUTURE USE

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- 3.6 Optional Business Services, (Cont'd.)
 - 3.6.4 RESERVED FOR FUTURE USE

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