

SECTION 3 - BILLING REGULATIONS

3.1 Determination and Rendering of Charges

Charges for service are applied on a recurring and non-recurring basis. Service is provided and billed on a monthly basis.

3.1.1 Start of Billing

For the purpose of billing, service will be deemed to be started on the day the service and its associated equipment, if any, is installed. Where billing is based upon Customer usage, Customers will be billed for all usage commencing on the date usage begins.

3.1.2 Minimum Service Period

Subject to the Company's right to cancel or suspend services as otherwise provided in this tariff, the minimum service period for services is 30 days. Termination by Customer is effective 30 days after receipt by the Company of a written notice of cancellation. Termination by the Company is effective 30 days after delivery of written notice or as otherwise set forth in this tariff or other agreement of the Customer and the Company.

In situations where a Special Service is requested, the minimum service period and charges will be determined on a case-by-case basis.

3.1.3 Application of Charges

All monthly recurring charges are billed one month in advance. Initial and final month's billing, when the service period is less than a month, will be prorated at 1/30th of the month's recurring charge for each day the service was rendered or equipment was provided.

Usage charges are billed monthly for the preceding billing period. For periods less than the monthly billing period, minimum usage charges are prorated at 1/30th of the monthly minimum amount for each day the service was rendered.

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3.1 Determination and Rendering of Charges

3.1.4 Fractional Charges

Charges for a fractional part of a month are calculated by counting the number of days remaining in the billing period after service is furnished. Divide that number of days figure by thirty days (billing period). The result is then multiplied by the applicable monthly service charge to arrive at the appropriate fractional monthly service charge.

For each call the minimum charge shall be the applicable charge for the initial billing increment described for each service in this tariff, with use in excess of the initial billing increment charged at the applicable rate per minute. If the final interval of a call is less than the applicable billing increment, the fractional billing increment will be rounded up to the next full increment for purposes of billing.

All per call charges or credits of fractional cents shall be rounded to the next full cent unless otherwise stated in Section 4 of this tariff.

3.1.5 Calculation of Distance

The applicable usage rates for the billing of a distance sensitive call will depend on the distance in airline mileage between the originating and terminating points of a call. For the purpose of determining the airline mileage of a call, the company will utilize the vertical (AV@) and horizontal (AH@) coordinates of the rate centers of the originating and terminating points of the call. For purposes of billing, the Company references AV@ and AH@ coordinates provided by Bell Communications Research.

Calls originated by dialing a local exchange number or a 950-type number using an authorization code, the originating point will be the rate center in which the shared access facilities are located. For calls originated via equal access connections, WATS access lines or dedicated access lines, the originating point will be the rate center in which the Customer is located. The terminating point will be determined by the rate center of the called number.

The airline mileage of a call is calculated as follows:

Formula:

$$\sqrt{\frac{(V1 - V2)^2 + (H1 - H2)^2}{10}}$$

SECTION 3 - BILLING REGULATIONS

3.1 Determination and Rendering of Charges (Continued)

3.1.6 Rate Periods

Rate periods apply, unless noted otherwise, as indicated below and are based on the time in which a call is established. In cases where a call begins in one rate period and continues into another, the rate in effect in each period will apply to the portion of the call occurring within the applicable rate period.

BUSINESS DAY: All calls that occur between 8 AM through, but not including, 5 PM Monday through Friday, except on Company-recognized holidays.

EVENING: All calls that occur between 5 PM through, but not including, 11 PM Sunday through Friday.

NIGHT: All calls that occur between 11 PM through, but not including, 8AM seven days a week.

WEEKEND: All calls that occur between 8 AM through, but not including, 11 PM Saturday and from 8 AM to, but not including, 5 PM on Sunday.

HOLIDAYS: The Evening rate period will apply throughout the day on which the holiday is observed unless a lower rate would normally apply- (Refer to Section 1 for definition of Company-recognized holidays.)

3.2 Timing of Calls

Billable time for service is the duration of time between the called station answering and the called or calling station disconnecting, provided duration may be rounded in accordance with specific descriptions in this tariff.