

INTEREXCHANGE TELECOMMUNICATIONS SERVICES TARIFF

SECTION B - RULES AND REGULATIONS

1. DESCRIPTION OF SERVICE

- .01 Interexchange Telecommunications Service is the furnishing of MCI services for communications between specified locations under the terms of this tariff. Channels will be those of MCI alone, or MCI WorlCom's in conjunction with those of other participating, concurring or connecting carriers.
- .02 Interexchange Telecommunications Service consists of the furnishing for the use of customers, of channels for the direct transmission and reception of communications between the MCI Metropolitan Area Terminal City Locations or MCI terminals. All service offerings contained herein which anticipate the provision of such channels as part of the offering are included in this category. Such service has the capability of being extended beyond the respective MCI Terminal Locations.
- .03 MCI, when acting at the customer's request and as his authorized agent, will make reasonable efforts to arrange for service requirements which may include terminal equipment and circuit conditioning.

2. LIMITATIONS

- .01 Service is offered subject to the availability of facilities and the provisions of this tariff.
- .02 MCI reserves the right to discontinue furnishing service, upon written notice, when necessitated by conditions beyond its control or when the customer is using the service in violation of the provisions of this tariff, or in violation of the law.
- .03 Calls may not be placed using a Local Exchange Company's calling card whenever there is no obligation on the part of the Local Exchange Company issuing the calling card to invoice such calls on MCI's behalf, and calls may not be placed or received using 10-10XXX dialing or collect or third party calling conventions, e.g., 1-800-COLLECT, whenever there is no obligation on the part of the serving Local Exchange Carrier to provide billing name and address (BNA) information to MCI in connection with such calls.

INTEREXCHANGE TELECOMMUNICATIONS SERVICES TARIFF

SECTION B - RULES AND REGULATIONS

3. TERMS AND CONDITIONS

- .01 Service is provided and billed on the basis of a minimum period of at least one month, beginning on the date that billing becomes effective, and continues to be provided until canceled, by the customer, in writing, on not less than 30 day's notice from the date of postmark on this letter.
- .02 Service is offered on a monthly basis, 24 hours per day. It is also offered on a Metered Use basis, as described in Paragraph C-3 following.
- .03 For the purpose of computing charges in this tariff, a month is considered to have 30 days.
- .04 The name(s) of the customer(s) desiring to use the service must be stipulated in the application for service.
- .05 The customer agrees to operate MCI-provided equipment in accordance with instructions of MCI or MCI's agent. Failure to do so will void MCI liability for interruption of service and may make the customer responsible for damage to equipment pursuant to Section B-3.06 below.
- .06 The customer agrees to return to MCI all MCI-provided equipment delivered to the customer within five (5) days of termination of the service in connection with which the equipment was used. Said equipment shall be in the same condition as when delivered to the customer, normal wear and tear only excepted. The customer shall reimburse MCI, upon demand, for any costs incurred by MCI due to the customer's failure to comply with this provision.

INTEREXCHANGE TELECOMMUNICATIONS SERVICES TARIFF

SECTION B - RULES AND REGULATIONS

4. LIABILITY

- .01 The liability of MCI for damages arising out of mistakes, omissions, interruptions, delays, errors or defects in transmission occurring in the course of furnishing service, and not caused by the negligence of the customer or of MCI in failing to maintain proper standards of maintenance and operation and to exercise reasonable supervision, shall in no event exceed an amount equivalent to the proportionate charge to the customer for the period of service during which such mistakes, omissions, interruptions, delays, errors or defects in transmission occur.
- .02 MCI shall be indemnified and held harmless by the customer against:
 - .021 claims for libel, slander, or infringement of copyright arising out of the material, data, information, or other content transmitted over MCI's channels; and
 - .022 patent infringement claims arising from combining or connecting MCI-furnished channels with apparatus and systems of the Customer; and
 - .023 all other claims arising out of any act or omission of the customer in connection with any service provided by MCI.
- .03 MCI is not liable for any act or omission of any other company or companies furnishing a portion of the service.
- .04 MCI does not guarantee or make any warranty with respect to any equipment provided by it where such equipment is used in locations containing an atmosphere which is explosive, prone to fire, dangerous or otherwise unsuitable for such equipment. The customer indemnifies and holds MCI harmless from any and all loss, claims, demands, suits or other action, or any liability whatsoever, whether suffered, made, instituted or asserted by the customer or by any other party or persons, for any personal injury to or death of any person or persons, and for any loss, damage or destruction of any property, whether owned by the customer or others, caused or claimed to have been caused directly or indirectly by the installation, operation, failure to operate, maintenance, removal, presence, condition, location or use of such equipment so used.

INTEREXCHANGE TELECOMMUNICATIONS SERVICES TARIFF

SECTION B - RULES AND REGULATIONS

4. LIABILITY

- .05 The customer indemnifies and holds MCI harmless from any and all loss, claims, demands, suits, or other action, or any liability whatsoever, whether suffered, made, instituted or asserted by the customer or by any other party or persons, for any personal injury to, or death of, any person or persons, and for any loss, damage or destruction of any property, whether owned by the customer or others, caused or claimed to have been caused directly or indirectly by the installation, operation, failure to operate, maintenance, removal, presence, condition, location or use of such equipment where such installation, operation, failure to operate, maintenance, condition, location or use is not the direct result of MCI's negligence.
- .06 MCI is not liable for any defacement of, or damage to, the premises of a customer resulting from the furnishing of channel facilities or the attachment of instruments, apparatus and associated wiring furnished by MCI on such customer's premises or by the installation or removal thereof, when such defacement or damage is not the result of MCI negligence. No agents or employees of other participating carriers shall be deemed to be agents or employees of MCI.
- .07 The customer is responsible for taking all necessary legal steps for interconnecting his customer-provided terminal equipment of communications systems with MCI facilities. He shall secure all licenses, permits, rights-of-way, and other arrangements necessary for such interconnection.
- .08 The customer shall ensure that his equipment and/or system is properly interfaced with MCI facilities, that the signals emitted into MCI's network are of the proper mode, bandwidth, power, data speed, and signal level for the intended use of the customer and in compliance with the criteria set forth in Section B-13.03 following, and that the signals do not damage MCI equipment, injure personnel or degrade service to other customers. If the Federal Communications Commission or some other appropriate certifying body certifies terminal equipment as being technically acceptable for direct electrical connection with interstate communications service, MCI will permit such equipment to be connected with its channels without the use of protective interface devices. If the customer fails to maintain and operate his equipment and/or system properly, with resulting imminent harm to MCI equipment, personnel, or the quality of service to other customers, MCI may, upon written notice, require the use of protective equipment at the customer's expense. If this fails to produce satisfactory quality and safety, MCI may, upon written notice, terminate the customer's service.
- .09 With respect to Metered Use Service Option T (MCI Prepaid Calling Card Service), MCI makes no warranty, guarantee, or representation, either express or implied, regarding the merchantability, accuracy, reliability, condition, or fitness of the information provided in connection with the use of the card.

INTEREXCHANGE TELECOMMUNICATIONS SERVICES TARIFF

SECTION B - RULES AND REGULATIONS

5. CANCELLATION OF SERVICE BY A CUSTOMER (See Section B-11 for cancellation by MCI)

If a customer cancels his order for service before the service begins, before completion of the minimum period, or before completion of some other period mutually agreed upon by the customer and MCI, a charge will be levied upon the customer for the nonrecoverable portions of expenditures or liabilities incurred expressly on behalf of the customer by MCI and not fully reimbursed by installation and monthly charges. If, based on an order by a customer, any construction has either begun or been completed, but no services provided, the nonrecoverable cost of such construction shall be borne by the customer.

INTEREXCHANGE TELECOMMUNICATIONS SERVICES TARIFF

SECTION B - RULES AND REGULATIONS

6. USE OF SERVICE

- .01 The services offered herein may not be used for the unauthorized provision of Message Telecommunications Service or Wide Area Telecommunications Service equivalents. Service furnished by MCI may be used for one or more of the following:
 - .011 for the transmission of communications by the customer.
 - .012 for the transmission of communications to or from an authorized user or joint user.
 - .013 for the transmission of communications to or from a customer of another common carrier, which has subscribed to MCI's communications services for purposes of resale.
- .02 Service furnished by MCI may be arranged for joint use or authorized use. The joint user or authorized user shall be permitted to use such service in the same manner as the customer, but subject to the following:
 - .021 One joint user or authorized user must be designated as the customer. The designated customer does not necessarily have to have communications requirements of his own. The customer must specifically name all joint users or authorized users in the Application for Service. Orders which involve the start, rearrangement or discontinuance of joint use or authorized use service will be accepted by MCI only from that customer and will be subject to all regulations of this tariff.
 - .022 All charges for the service will be computed as if the service were to be billed to one customer. The joint user or authorized user which has been designated as the customer will be billed for all components of the service and will be responsible for all payments to the company. In the event that the designated customer fails to pay the company, each joint user or authorized user shall be liable to the company for all charges incurred as a result of its use of MCI's Service. Each joint or authorized user must submit to the designated customer a letter accepting contingent liability for its portion of all charges billed by the company to the designated customer. This letter must also specify that the joint or authorized user understands that the company will receive a copy of the guaranty from the designated customer. Unless Supportive Services are provided (See Section D), the customer shall be responsible for allocating charges to each joint user or authorized user.

INTEREXCHANGE TELECOMMUNICATIONS SERVICES TARIFF

SECTION B - RULES AND REGULATIONS

6. USE OF SERVICE

- .03 Metered Use Service Option A (Dial One/Direct Dial) furnished by MCI (Section C-3.02) may, at a customer's option, be arranged for use under Corporate (Group) Account Billing. Group Account Billing specifies a combined monthly minimum usage charge for multiple business locations which the customer owns, franchises, manages, or directs, of \$2500 for all sub-accounts.* The applicable volume discount as set forth in Section C-3.0213, will be based upon the total combined monthly usage for all sub-accounts. Charges for optional features, detailed in Section C-3.0215, will be waived for all Corporate (Group) Account Billing customers of Metered Use Service Option A. Customers who elect this billing option are subject to the following:
- .031 The customer electing this option shall be designated as the Sponsor, and as such must accept financial responsibility for all sub-accounts included under the Corporate Account Billing arrangement. Should the total monthly usage charges for all sub-accounts fail to satisfy the applicable monthly minimum usage charge, the Sponsor is responsible for payment of the difference.
- .032 The Sponsor must specifically name all sub-accounts in the application for Corporate Account Billing. Further, orders which involve the start or discontinuance of service will be accepted by MCI only from the Sponsor and will be subject to all regulations in this tariff.
- .033 Each sub-account will be deemed to be a customer of MCI, and will be billed separately for its MCI service and will be responsible for payments to MCI. In the event that a sub-account fails to pay MCI, the Sponsor shall be liable to MCI for all charges incurred as a result of such sub-account's use of MCI's service. Prior to initiation of service under Corporate Account Billing, the Sponsor must submit to MCI a letter accepting the terms and conditions set forth herein.

* A grace period, consisting of the initial (partial) month and the next full billing months, will be extended to new customers. During this period, the monthly minimum usage charge will not be billed.

INTEREXCHANGE TELECOMMUNICATIONS SERVICES TARIFF

SECTION B - RULES AND REGULATIONS

6. USE OF SERVICE

.04 Directory Assistance is available to customers of MCI's Metered Use Service Options. An undiscounted charge will be applied as follows to each Directory Assistance call made within the state. For Service Options not listed below, please see specific Service Option tariff section for charge.

Option A (Dial One/Direct Dial)	\$1.99	Option LLL (Integrated Calling Plan RB)	\$1.99
Option B (Credit Card)	\$1.99	Option MMM (Integrated Calling Plan RC)	\$1.99
Option C (MCI One Advantage)	\$1.99	Option NNN (Integrated Calling Plan RD)	\$1.99
Option G (Reserved for Future Use)		Option OOO (Basic Calling Plan I)	\$1.99
Option N (MCI Prism Plus)	\$1.99	Option PPP (Basic Calling Plan J)	\$1.99
Option O (Reserved for Future Use)		Option QQQ (Basic Calling Plan K)	\$1.99
Option Q (Reserved for Future Use)		Option RRR (Basic Calling Plan L)	\$1.99
Option R (MCI Preferred)	\$1.99	Option SSS (Basic Calling Plan M)	\$1.99
Option S (Basic Calling Plan B)	\$1.99	Option TTT (Basic Calling Plan N)	\$1.99
Option T (MCI Prepaid Calling Card Service)	1 unit/call	Option UUU (Basic Calling Plan O)	\$1.99
Option U (Reserved for Future Use)		Option VVV (Basic Calling Plan P)	\$1.99
Option V (Reserved for Future Use)		Option WWW (Business B1 Integrated Plan)	\$1.99
Option W (MCI PrePaid)	4 units/call	Option XXX (Bus B1-A Long Distance Plan)	\$1.99
Option X (Reserved for Future Use)		Option BBBB (Basic Calling Plan Q)	\$1.99
Option Z (MCI Flat Rate)	\$1.99	Option CCCC (Basic Calling Plan R)	\$1.99
Option AA (Reserved for Future Use)		Option DDDD (Basic Calling Plan S)	\$1.99
Option BB (Advanced Option I for Small Business)	\$1.99	Option EEEE (Basic Calling Plan T)	\$1.99
Option CC (MCI Flat Rate Plus)	\$1.99	Option FFFF (Basic Calling Plan U)	\$1.99
Option DD (Reserved for Future Use)		Option GGGG (Basic Calling Plan V)	\$1.99
Option EE (Commercial Dial One)	\$1.99	Option HHHH (Basic Calling Plan W)	\$1.99
Option FF (homeMCI One)	\$1.99	Option IIII (Basic Calling Plan X)	\$1.99
Option GG (Advanced Option II for Small Bus)	\$1.99	Option JJJJ (Basic Calling Plan Y)	\$1.99
Option HH (MCI One Savings)	\$1.99	Option OOOO (Bus B2 Integrated Service)	\$1.99
Option II (MCI One Extra)	\$1.99	Option PPPP (Small Business LD Plan A)	\$1.99
Option KK (Reserved for Future Use)		Option QQQQ (Small Business LD Plan B)	\$1.99
Option LL (MCI Everyday Classic)	\$1.99	Option RRRR (Small Business LD Plan C)	\$1.99
Option MM (MCI Everyday Plus)	\$1.99	Option SSSS (Block of Time Plan 8)	\$1.99
Option NN (MCI AnyTime)	\$1.99	Option UUUU (Basic Calling Plan Z)	\$1.99
Option OO (MCI Everyday Savings)	\$1.99	Option VVVV (Basic Calling Plan AAA)	\$1.99
Option PP (Basic Calling Plan XX)	\$1.99	Option WWWW (Basic Calling Plan BBB)	\$1.99
Option QQ (Basic Calling Plan YY)	\$1.99	Option XXXX (Basic Calling Plan AA)	\$1.99
Option RR (Basic Calling Plan ZZ)	\$1.99	Option YYYY (Basic Calling Plan BB)	\$1.99
Option SS (220 Direct Plan)	\$1.99	Option ZZZZ (Basic Calling Plan CC)	\$1.99
Option TT (321 Direct Plan)	\$1.99	Option AAAAA (Basic Calling Plan DD)	\$1.99
Option UU (T1LD Plan)	\$1.99	Option BBBBB (Basic Calling Plan EE)	\$1.99
Option VV (T1LD 7c Plan)	\$1.99	Option CCCCC (Basic Calling Plan FF)	\$1.99
Option WW (Integrated Calling Plan)	\$1.99	Option DDDDD (Basic Calling Plan GG)	\$1.99
Option XX (MCI Simple International Plan)	\$1.99	Option EEEEE (Basic Calling Plan HH)	\$1.99
Option YY (Basic Calling Plan A)	\$1.99	Option FFFFF (Reserved for Future Use)	
Option ZZ (Integrated Calling Plan II)	\$1.99	Option GGGGG (Reserved for Future Use)	
Option AAA (Block of Time Plan 4)	\$1.99		
Option BBB (Block of Time Plan 5)	\$1.99	Option IIII (Small Bus Long Distance Plan D)	\$1.99
Option CCC (Block of Time Plan 6)	\$1.99	Option LLLLL (Basic Calling Plan II)	\$1.99
Option DDD (Block of Time Plan 7)	\$1.99	Option NNNNN (Reserved for Future Use)	
Option EEE (NetRate Plan)	\$1.99		
Option FFF (Basic Calling Plan C)	\$1.99		
Option GGG (Basic Calling Plan D)	\$1.99		
Option HHH (Basic Calling Plan E)	\$1.99		
Option III (Basic Calling Plan F)	\$1.99		
Option JJJ (Basic Calling Plan G)	\$1.99		
Option KKK (Basic Calling Plan H)	\$1.99		

One request may be made on each call to Directory Assistance. The Directory Assistance charge applies to each call regardless of whether the Directory Assistance Bureau is able to furnish the requested telephone number. Directory Assistance calls will not count toward, nor be calculated as part of, the Volume Discounts offered Under the Metered Use Service Options referenced above. A complimentary call allowance, consisting of two Free Directory Assistance calls per month, will be given to those customers who comply with the following provisions.

INTEREXCHANGE TELECOMMUNICATIONS SERVICES TARIFF

SECTION B - RULES AND REGULATIONS

6. USE OF SERVICE

.04 (Cont.)

.041 The complimentary call allowance applies to intrastate Directory Assistance only.

.042 The complimentary call allowance is not available to those customers in central offices where equal exchange access is available who have not chosen MCI as their presubscribed carrier, and who access MCI via the 10-10222 access number.

A credit allowance for Directory Assistance will be provided if the customer: experiences poor transmission quality; receives an incorrect telephone number; or inadvertently misdials the intended Directory Assistance number.

.043 Handicapped Exemption - Handicapped Customers who qualify for exemptions from Directory Assistance Charges due to visual or other physical disabilities will be required to submit a written letter of verification to MCI.¹ Each Directory Assistance billed call will appear on the subsequent month's bill as a credit.

.05 Service furnished by MCI may be arranged for use by other Common Carriers for the purposes of resale subject to the following:

.051 Other Common Carriers will be responsible for charges, costs, etc. incurred by MCI with respect to Supportive Services as referenced in Section D.

.052 Other Common Carriers will be responsible for all interaction and interface with their own subscribers or customers.

.06 Service furnished by MCI shall not be used:

.061 For any unlawful purpose.

.062 For any purpose for which any payment or other compensation is received by the customer, except when the customer is an entity which holds itself out as being a communications common carrier. This provision does not prohibit an agreement between the customer, authorized user or joint user to share the cost of the service as long as this arrangement generates no profit for anyone participating in a joint use or authorized use arrangement.

¹Send written letter of verification to MCI, 205 N. Michigan Ave., Suite 2700, Chicago, IL 60601, Attention: Customer Service.

INTEREXCHANGE TELECOMMUNICATIONS SERVICES TARIFF

SECTION B - RULES AND REGULATIONS

6. USE OF SERVICE

.07 PIC Change Reimbursement

.071

.072

Small Business PIC Change Reimbursement: From time to time, MCI will offer as an inducement to new and/or existing residential customers who subscribe and use new or additional MCI service in response to media advertising, direct mail materials, telemarketing promotions and/or personal sales presentations, which offer such an inducement, one of the following: a) reimbursement of the amount charged by the Local Exchange Carrier (LEC) to switch the new customer from his or her previous IntraLATA Interexchange Carrier (IXC) to MCI; b) up to \$6.50 reimbursement of the amount charged by the LEC to switch the new customer from his or her previous IntraLATA IXC to MCI; c) \$5.00 per line, up to five lines, reimbursement of the amount charged by the LEC to switch the new customer from his or her previous IntraLATA IXC to MCI. This reimbursement will be in the form of an invoice credit. In addition, if a LEC assesses such a charge directly to MCI on behalf of a LEC customer who requests to have his or her IXC switched to MCI, then MCI will pay the amount charged directly to the LEC on the customer's behalf.

INTEREXCHANGE TELECOMMUNICATIONS SERVICES TARIFF

SECTION B - RULES AND REGULATIONS

6. USE OF SERVICE

.08 Service Cancellation Request Received From Local Exchange Carrier

If the Company cancels a Customer account or service at the request of the Local Exchange Carrier (LEC) serving the Customer, but the Customer nevertheless continues to complete calls over the Company's network by dialing 1+ or 1010222, then, for a period not to exceed thirty (30) days from the date the Company first received the service cancellation request, the following provisions shall apply:

Customers who had subscribed to residential service under this Tariff will be charged the rates set forth in Section C-3.03111 for calling card access (excluding third party billed and station to station) usage; and in Section C-3.024 for direct dial operator assisted usage.

Customers who had subscribed to Metered Use Service Option EE (Commercial Dial One), Option R (MCI Preferred), Option Z (MCI Flat Rate), Option BB (Advanced Option I for Small Business), Option CC (MCI Flat Rate Plus) or Option GG (Advanced Option II for Small Business) will receive service under the terms and conditions, including rates and charges, set forth under the offering to which the customer subscribed at the time of cancellation under those services.

.09 Call Blocking: Without notice, the Company may block calls to or from certain countries, country codes, cities, city codes, NXX exchanges, individual telephone stations, groups or ranges of individual telephone stations or calls that use certain authorization codes, whenever the Company deems it necessary to take such action to prevent: (a) the unlawful use of service; (b) fraud; (c) nonpayment for service; (d) the use of service in violation of the requirements of this Tariff; or (e) Company network blockage or the degradation of service furnished to the Customer or to other customers; or when actions taken by foreign governments or foreign telecommunications agencies, or responsive actions taken by the U.S. Government or any instrumentality thereof, render it impossible or impracticable to provide service. The Company will unblock as soon as it determines it can do so without undue risk, and it will, upon request by an affected Customer, assign new authorization codes to replace any that were deactivated. Whenever call blocking occurs on lines presubscribed to the Company, Customers or former Customers will be unable to make calls via any of the Company's CICs or those of its affiliates. At the request of a private payphone owner, the Company will arrange to block direct dial (i.e., completed without the assistance of an operator) calls made from a payphone to Puerto Rico and the U.S. Virgin Islands and to all international locations, except Canada. The Company may refuse to accept calling or credit card, collect calling and/or third number calls which it determines are or may be fraudulent, or it may limit the use of these billing options to or from certain countries or areas, including all or part of the United States, Puerto Rico, and the U.S. Virgin Islands.

INTEREXCHANGE TELECOMMUNICATIONS SERVICES TARIFF

SECTION B - RULES AND REGULATIONS

6. USE OF SERVICE

.010 Reserved for Future Use

.011 Instate Access Recovery Fee

A monthly service charge that is applied to Customers subscribed to the Company for long distance services associated with a residential telephone line or billed to a residential account. This charge reflects costs incurred by the Company in providing in-state long distance service over Customer's local exchange provider's network. Customers will be exempt from this charge during any monthly period when company spending is less than \$1.00.

Monthly recurring charge: \$0.15

INTEREXCHANGE TELECOMMUNICATIONS SERVICES TARIFF

SECTION B - RULES AND REGULATIONS

6. USE OF SERVICE

- .012 For customers who have selected the Company as their Primary Interexchange Carrier (PIC) for intraLATA toll service and who also have selected MCImetro Access Transmissions Services LLC for Residential or Small Business local exchange service, the rate for interzone calls is \$0.00 per minute of use. For the purpose of this tariff, Interzone calls are as defined in Michigan Bell Tariff M.P.S.C. 20R, Part 4, Section 2, Sheet 7 through Sheet 12.
- .013 MI Restructuring Mechanism Surcharge – Michigan law requires telecommunications providers to contribute to an intrastate switched access rate restructuring mechanism. The fund is administered by the MI Public Service Commission. Effective October 1, 2010, the Company will impose a surcharge assessed on intrastate telecommunications services in order to recover their contributions to the fund. The surcharge rate will be the same as the contribution rate established by the MI PSC.

INTEREXCHANGE TELECOMMUNICATIONS SERVICES TARIFF

SECTION B - RULES AND REGULATIONS

7. PAYMENT ARRANGEMENTS

.01 The customer is responsible for payment of all charges for services furnished to the customer. Charges for installation, physical or administrative changes, expedites, or for cancellation of orders are payable upon completion. If, because of any such activity a non-MCI carrier or supplier levies additional charges, these charges shall be passed on to the customer. Recurring charges are billed in advance. Discounts for usage made under the Friends & Family Program begin in the first full billing cycle of participation in the plan. If a member of a Friends & Family Calling Circle discontinues his or her MCI service, only those eligible calls which were made while he or she was a Friends & Family member will receive the Friends & Family discount.

.02 Billing will be payable upon receipt. Interest at the rate of 1.50% per month (unless proscribed by law, in which event at the highest rate allowed by law) will accrue upon any unpaid amount commencing 35 days after date of billing.

For residential service customers, a late payment charge of 1.5% may be assessed on payments not received within 30 days from the invoice date, where capabilities exist. The late payment charge will be applied to the entire unpaid balance of the customer's monthly invoice, including taxes. The late payment charge will not be applied to any disputed portion of the unpaid balance unless the dispute is resolved against the customer. The late payment charge of 1.5% is not applicable to subsequent rebilling of any amount to which a late payment charge has already been applied. Late charges are to be applied without discrimination.

MCI offers pre-payment credits which are considered to be financial transactions and are the subject of separate letter agreements. MCI may invoice low usage customers every other month unless a customer invoiced in such a manner requests monthly billing.

.03 Applicants or customers whose financial condition is not acceptable to MCI, or is not a matter of general knowledge, may be required at any time to make a deposit not to exceed an amount equal to three times the average bill during the preceding six-month period for services at the customer's premises, or if such information is not available, up to an amount equaling the installation charges, if applicable, and/or up to three months' estimated charges for the service to be provided. In the case of a cash deposit, interest at the rate paid in that locality for escrow accounts will be paid for the period during which the deposit is held by MCI. Such deposit maybe refunded or credited to the customer at any time after six months of good credit upon request of the customer prior to termination of service. Upon termination of service, the deposit, with accrued interest, shall be credited to the final bill, and any credit balance shall be returned promptly to the customer. These deposit requirements apply to all customers except for residential customers for whom intrastate deposit requirements are found in the "Consumer Standards and Billing Practices, Residential Telephone Service, of the Michigan Public Service Commission."

.04 The charges set forth in this tariff for channel terminations contemplate installations made in normal locations and under normal working conditions. Any installations to be made under other circumstances are subject to additional charges.

INTEREXCHANGE TELECOMMUNICATIONS SERVICES TARIFF

SECTION B - RULES AND REGULATIONS

7. PAYMENT ARRANGEMENTS

- .05 If notice of a dispute as to charges is not received, in writing, by MCI within two years after an invoice is rendered, such invoice shall be deemed to be correct and binding upon the customer.
- .06 MCI will cease billing the Special Access Surcharge upon receipt of the Exemption Certification (as defined herein). If the status of the private line facility was changed prior to receipt of the exemption certification, MCI will credit the customer's account, not to exceed three months, based on the effective date of the change specified by the customer in the letter of certification.

Upon the effective date of the Special Access Surcharge, MCI will bill such surcharges for private line facilities presently in-service. Customers who provide exemption certification within the first three months following the surcharge effective date, will be given credit for the surcharge to the surcharge effective date.

- .07 When the state, any municipality, other political subdivision, local agency of government, or public utility commission imposes upon and collects from MCI Communications Services LLC a gross receipts tax, occupation tax, license tax, permit fee, franchise fee or assessment fee, such taxes and fees shall, insofar as practicable, be billed pro rata to the MCI Communications Services LLC customers receiving service within the territorial limits of the state municipality, other political subdivision, local agency of government, or public utility commission.

8. CHANGE IN SERVICE ARRANGEMENT

When a change in service arrangement involves the continued use by the customer of channels furnished by MCI, installation charges do not apply to the channels continued in use. The minimum service period for the channels continued in use is determined from the date of the initial acceptance thereof.

9. RESTORATION OF SERVICE

The use and restoration of service in emergencies shall be in accordance with Part 64, Subpart D of the Federal Communications Commission's Rules and Regulations, which specifies the priority system for such activities.

INTEREXCHANGE TELECOMMUNICATIONS SERVICES TARIFF

SECTION B - RULES AND REGULATIONS

10. INSPECTION

MCI may, upon reasonable notice, make such tests and inspections as may be necessary to determine that the requirements of this tariff are being complied with in the installation, operation or maintenance of the customer or MCI equipment. MCI may interrupt the service at any time, without penalties to MCI, because of departure from any of these requirements.

11. CANCELLATION FOR CAUSE BY MCI (See Section B-5 for Cancellation by Customer)

.01 Upon nonpayment of any sum owing to MCI, or upon a violation of any of the provisions governing the furnishing of service under this tariff, MCI may, upon written notification to the customer, without incurring any liability, immediately discontinue the furnishing of such service.

