

FACILITIES FOR INTERSTATE ACCESS

TABLE OF CONTENTS

2.	<u>GENERAL REGULATIONS</u>	<u>Page</u>
2.1	<u>Undertaking of the Telephone Company</u>	2-3
	2.1.1 Scope.....	2-3
	2.1.2 Limitations.....	2-3
	2.1.3 Liability.....	2-4
	2.1.4 Provision of FIA.....	2-5
	2.1.5 Installation and Termination of FIA.....	2-5
	2.1.6 Maintenance of FIA.....	2-5
	2.1.7 Changes and Substitutions.....	2-6
	2.1.8 Discontinuance and Refusal of FIA.....	2-6
	2.1.9 Preemption of FIA.....	2-8
	2.1.10 Limitation of Use of Metallic Facilities.....	2-8
2.2	<u>Use</u>	2-9
	2.2.1 Interference or Impairment.....	2-9
	2.2.2 Unlawful Use of FIA.....	2-9
	2.2.3 Commingling.....	2-9
2.3	<u>Obligation of the Customer</u>	2-10
	2.3.1 Damages.....	2-10
	2.3.2 Theft.....	2-10
	2.3.3 Equipment Space and Power.....	2-10
	2.3.4 Availability for Testing.....	2-10
	2.3.5 Balance.....	2-11
	2.3.6 Design of Customer Services.....	2-11
	2.3.7 References to Telephone Company.....	2-11
	2.3.8 Claims and Demands for Damages.....	2-11
	2.3.9 Coordination With Respect to Network Contingencies.....	2-12

(This page filed under Transmittal No. 1)

Chief Financial Officer
 Tekken Street, Susupe, Saipan, MP 96950

FACILITIES FOR INTERSTATE ACCESS

TABLE OF CONTENTS

2.	<u>GENERAL REGULATIONS</u>	<u>Page</u>
2.4	<u>Payment Arrangements and Credit Allowances</u>	2-12
2.4.1	Payment of Charges and Deposits	2-12
2.4.2	Minimum Periods	2-15
2.4.3	Cancellation of an ASR	2-15
2.4.4	Credit Allowance for FIA Interruptions	2-16
	(A) General	2-16
	(B) When Credit Allowance Does Not Apply	2-19
	(C) Use of an Alternative Service Provided by the Telephone Company	2-19
	(D) Temporary Surrender of a FIA	2-19
2.4.5	Performance Commitment Program	2-20
	(A) Performance Commitment Program - Provisioning	2-20
	(B) Performance Commitment Program - IC Desired Due Date for PIC Installation	2-20
2.5	<u>Connections</u>	2-21
2.5.1	General.....	2-21
2.5.2	Standard Access Service Connections.....	2-21
2.6	<u>Definitions</u>	2-21
2.7	<u>FIA Services Provided By More Than One Telephone Company</u>	2-46
2.7.1	General.....	2-46
2.7.2	Single Company Billing	2-46
2.7.3	Meet Point Billing	2-46
	(A) Single Bill Option.....	2-46
	(B) Multiple Bill Option	2-49
	(C) Meet Point Billing Mileage Calculation	2-49

(This page filed under Transmittal No. 1)

Chief Financial Officer
 Tekken Street, Susupe, Saipan, MP 96950

FACILITIES FOR INTERSTATE ACCESS

2. GENERAL REGULATIONS (Cont'd)

2.1 Undertaking of the Telephone Company

2.1.1 Scope

- (A) The Telephone Company does not undertake to transmit calls or offer a telecommunications service under this tariff.
- (B) The Telephone Company shall be responsible only for the installation, operation, and maintenance of the services which it provides.
- (C) The Telephone Company will, for maintenance purposes, test its FIA only to the extent necessary to detect and/or clear troubles. Testing beyond normal parameters will be done as described in Section 6.
- (D) FIA are provided twenty-four hours daily, seven days per week.

2.1.2 Limitations

- (A) The customer may not assign or transfer the use of FIA provided under this tariff except that, where there is no interruption of use or relocation of the FIA, such assignment or transfer may be made to:
 - another customer, whether an individual, partnership, association or corporation, provided the assignee or transferee assumes all outstanding indebtedness for such FIA, and the unexpired portion of the minimum period and the termination liability applicable to such FIA, if any; or
 - a court appointed receiver, trustee or other person acting pursuant to law in bankruptcy, receivership, reorganization, insolvency, liquidation or other similar proceedings, provided the assignee or transferee assumes the unexpired portion of the minimum period and the termination liability applicable to such FIA, if any.

In all cases of assignment or transfer, the written acknowledgment of the Telephone Company is required prior to such assignment or transfer which acknowledgment 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.

The assignment or transfer of FIA 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 emergency provisioning and restoration of FIA shall be in accordance with Part 64, Subpart D, Paragraph 64.401, of the FCC's Rules and Regulations, which specifies the priority system for such activities. Section 6.4 describes the service arrangement.

(This page filed under Transmittal No. 1)

Chief Financial Officer
Tekken Street, Susupe, Saipan, MP 96950

FACILITIES FOR INTERSTATE ACCESS

2. GENERAL REGULATIONS (Cont'd)

2.1 Undertaking of the Telephone Company (Cont'd)

2.1.2 Limitations (Cont'd)

- (C) The Telephone Company does not warrant that its facilities and services meet standards other than those in this tariff.

2.1.3 Liability

- (A) The Telephone Company's liability, if any, for willful misconduct is not limited by this tariff. With respect to any other claim or suit by a customer for damages associated with the installation, provision, termination, maintenance, repair or restoration of FIA, and subject to the provisions of (B) and (C), the Telephone Company's liability, if any, shall not exceed an amount equal to the proportionate charge for the FIA for the period during which the provision of FIA 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 provision of FIA interruption.
- (B) The Telephone Company shall not be liable for any act or omission of any other carrier or customer providing a portion of a service, nor shall the Telephone Company, for its own act or omission, hold liable any other carrier or customer providing a portion of a service.
- (C) The Telephone Company shall be indemnified, defended and held harmless by the customer against any claim, loss or damage arising from the use of FIA offered under this tariff. The foregoing indemnity shall issue on the customer separately, each being responsible for its own acts and omissions, involving:
- Claims for libel, slander, invasion of privacy, or infringement of copyright arising from any communications;
 - Claims for patent infringement arising from combining or using the FIA furnished by the Telephone Company in connection with facilities or equipment furnished by the customer; or
 - All other claims arising out of any act or omission of the customer in the course of using FIA provided pursuant to this tariff.
- (D) The Telephone Company does not guarantee or make any warranty with respect to its FIA 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 FIA so provided. The foregoing indemnity shall issue on the customer separately, each being responsible for its own acts and omissions.
- (E) Except in the case of willful misconduct, under no circumstances whatever shall the Telephone Company be liable for indirect, incidental, special or consequential damages; and this disclaimer shall be effective notwithstanding any other provisions hereof.

(This page filed under Transmittal No. 1)

Chief Financial Officer
Tekken Street, Susupe, Saipan, MP 96950

FACILITIES FOR INTERSTATE ACCESS

2. GENERAL REGULATIONS (Cont'd)

2.1 Undertaking of the Telephone Company (Cont'd)

2.1.3 Liability (Cont'd)

- (F) No license under patents is granted by the Telephone Company to the customer or shall be implied or arise by estoppel in the customer's favor with respect to any circuit, apparatus, system or method used by the customer in connection with FIA provided under this tariff. With respect to claims of patent infringement made by third persons, the Telephone Company will defend, indemnify, protect and save harmless the customer from and against all claims arising out of the use by the customer of FIA provided under this tariff.
- (G) The Telephone Company's failure to provide or maintain FIA under this tariff shall be excused by labor difficulties, governmental orders, civil commotions, acts of God and other circumstances beyond the Telephone Company's reasonable control, subject to the interruption allowance provisions.
- (H) The Telephone Company shall reimburse the customer for damages to premises or equipment of the customer resulting from the provision of FIA by the Telephone Company on such premises, or by the installation or removal thereof, caused by the negligence or willful act of the Telephone Company.

2.1.4 Provision of FIA

- (A) The Telephone Company, to the extent that such FIA are or can be made available with reasonable effort, and after provisions have been made for the Telephone Company's local service, will provide to the customer, upon reasonable notice, FIA offered in other applicable sections of this tariff at rates and charges specified therein.
- (B) FIA provided to a customer under this tariff may be connected directly to customer facilities and/or may be connected to access facilities of another telephone company or companies in the joint provision of interstate access.

2.1.5 Installation and Termination of FIA

The FIA provided under this tariff (A) will include any entrance cable or drop wiring and wire or intrabuilding cable to that point where provision is made for termination of the Telephone Company's outside distribution network facilities at a suitable location inside a customer designated location, and (B) will be installed by the Telephone Company to such point of termination.

2.1.6 Maintenance of FIA

- (A) The FIA 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 FIA provided by the Telephone Company, other than by connection or disconnection to any interface means used, except with the written consent of the Telephone Company.

(This page filed under Transmittal No. 1)

Chief Financial Officer
Tekken Street, Susupe, Saipan, MP 96950

FACILITIES FOR INTERSTATE ACCESS

2. GENERAL REGULATIONS (Cont'd)2.1 Undertaking of the Telephone Company (Cont'd)2.1.7 Changes and Substitutions

Except as provided for equipment and systems subject to Part 68 of the FCC Rules and Regulations in 47 C.F.R. Paragraph 68.110 (b), the Telephone Company may, where such action is reasonably required in the operation of its business, substitute, change, or rearrange any telephone plant used in providing FIA under this tariff, change minimum network protection criteria, change operating or maintenance characteristics of facilities, or change operations or procedures of the Telephone Company. In case of any such substitution, change or rearrangement, the facility parameters will be within generally accepted 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 or technical parameters of the FIA, as originally ordered by the customer, the Telephone Company will notify the customer in writing prior to making such substitution, change or rearrangement. Notification will be given as follows:

- Should a major change occur, the Telephone Company shall notify the customer at least one year in advance. A major change is described as any change in telephone plant which will affect the technical parameters of the interface (e.g., level, impedance, signaling, interface, bandwidth, two-wire, four-wire, etc.).
- Should a minor change occur, the Telephone Company shall notify the customer at least thirty days in advance. A minor change is described as any change in telephone plant which will not affect the technical parameters of the interface (e.g., level, impedance, signaling, interface, bandwidth, two-wire, four-wire, etc.).

The Telephone Company will work cooperatively with the customer relative to the redesign and implementation required by the change in operating characteristics.

2.1.8 Discontinuance and Refusal of FIA

- (A) Unless the provisions of 2.2.1(B) or 2.5.1 apply, if the customer fails to comply with the provisions of 2.1.6, 2.3.1, and 2.4.1(D), including any payments to be made by it on the dates or at the times herein specified, and fails within thirty (30) days after written notice, by certified mail, from the Telephone Company to a person designated by the customer to correct such noncompliance, the Telephone Company may discontinue the provision of the FIA to the noncomplying customer. In case of such discontinuance, all applicable charges shall become due.
- (B) If the customer repeatedly fails to comply with the provisions of this tariff in connection with the provision of a FIA or group of FIA, and fails to correct such course of action after notice as in (A), the Telephone Company may refuse applications for additional FIA to the noncomplying customer until the course of action is corrected.

(This page filed under Transmittal No. 1)

Chief Financial Officer
Tekken Street, Susupe, Saipan, MP 96950

FACILITIES FOR INTERSTATE ACCESS

2. GENERAL REGULATIONS (Cont'd)

2.1 Undertaking of the Telephone Company (Cont'd)

2.1.8 Discontinuance and Refusal of FIA (Cont'd)

(C) In addition to and not in limitation of the provisions of 2.1.8(A) and 2.1.8(B), unless the provisions of 2.2.1(B) or 2.5.1 following apply, if a customer fails to comply with 2.4.1(A) or 2.4.1(D) following, including any bill payments to be made by it on the dates and times herein specified, the Telephone Company may take the actions specified in sections 2.1.8(A) and 2.1.8(B) with regard to services provided hereunder to that customer on fifteen (15) calendar days written notice, such notice period to start the day after the notice is sent by Overnight Delivery, if the customer has not complied with respect to amounts due in a subject bill and either:

- (1) the Telephone Company has sent the subject bill to the customer within seven (7) business days from the bill date: or
- (2) the Telephone Company has sent the subject bill to the customer more than thirty (30) calendar days before the notice under this section is given.

In all other cases, the Telephone Company will give thirty (30) calendar days written notice pursuant to 2.1.8 (A) or 2.1.8(B). The Telephone Company will maintain records sufficient to validate the date upon which a bill was sent to a customer. Action will not be taken as specified in 2.1.8(A) or 2.1.8(B) with regard to the subject bill if the customer cures the noncompliance prior to the expiration of the fifteen (15) or thirty (30) days notice period, as applicable.

- (D) If the Telephone Company provided notice pursuant to 2.1.8(A), (B), or (C) preceding, does not refuse additional applications for FIA service or discontinue the provision of the FIA services on the date specified, and the customer's noncompliance continues, nothing contained herein shall preclude the Telephone Company's right to refuse additional applications for FIA service or to discontinue the provision of the FIA services, including the provision of Physical or Virtual Expanded Interconnection services.
- (E) If notice is given by Overnight Delivery under this section, it shall be preformed by a reputable overnight delivery service such as, or comparable to, the U.S. Postal Service Express Mail, United Parcel Service, or Federal Express.
- (F) The provisions of 2.1.8(A), (B), or (C) shall not apply to charges that customer does not pay based on submission of a good faith dispute pursuant 2.4.1(D)(2).

(This page filed under Transmittal No. 1)

Chief Financial Officer
Tekken Street, Susupe, Saipan, MP 96950

FACILITIES FOR INTERSTATE ACCESS

2. GENERAL REGULATIONS (Cont'd)

2.1 Undertaking of the Telephone Company (Cont'd)

2.1.9 Preemption of FIA

In certain instances, i.e., when spare facilities and/or equipment are not available, it may be necessary to preempt existing services to provision or restore National Security Emergency Preparedness (NSEP) Services. If, in its best judgement, the Telephone Company deems it necessary to preempt, then the Telephone Company will ensure that:

- (A) A sufficient number of public switched services are available for public use if preemption of such services is necessary to provision or restore NSEP Service.
- (B) The service(s) preempted have a lower or do not contain NSEP assigned priority levels.
- (C) A reasonable effort is made to notify the preempted service customer of the action to be taken.
- (D) A credit allowance for any preempted service shall be made in accordance with the provisions in Section 2.4.4(A).

2.1.10 Limitation of Use of Metallic Facilities

Except for loop and duplex (DX) type signaling, metallic facilities shall not be used for ground return or split pair operation. Signals applied to the metallic facility shall conform to minimum protection criteria for direct electrical connections as in Part 68 of the FCC Rules and Regulations. In the case of applications of dc telegraph signaling systems, the customer shall be responsible, at its expense, for the provision of current limitation devices to protect the Telephone Company FIA from excessive current due to abnormal conditions and for the provision of noise mitigation networks when required to reduce excess noise.

Interoffice metallic facilities are limited and requests for metallic facilities will only be provided where available. DC (Metallic) and telegraph-grade facilities and services will be discontinued effective November 3, 1991. Interoffice metallic facilities (wire pairs) are in diminishing supply, and can be expected to become less available as optical fiber is deployed and wire cables are removed.

(This page filed under Transmittal No. 1)

Chief Financial Officer
Tekken Street, Susupe, Saipan, MP 96950

FACILITIES FOR INTERSTATE ACCESS

2. GENERAL REGULATIONS (Cont'd)2.2 Use2.2.1 Interference or Impairment

- (A) The characteristics and methods of operation of any circuits, facilities or equipment provided by other than the Telephone Company, including customer transmission equipment, and associated with the FIA provided under this tariff shall not interfere with or impair service over any facilities of the Telephone Company, its connecting and concurring carriers, or other telephone companies involved in its services, cause damage to their plant, impair the privacy of any communications carried over their facilities or create hazards to their employees or to the public.
- (B) Except as provided for equipment or systems subject to Part 68 of the FCC Rules and Regulations in 47 C.F.R. Paragraph 68.108, if such characteristics or methods of operation are not in accordance with (A), the Telephone Company will, where practicable, notify the customer, as appropriate, that temporary discontinuance of the use of FIA 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 FIA if such action is reasonable in 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, allowance for interruption of FIA as in 2.4.4 is not applicable.

2.2.2 Unlawful Use of FIA

The FIA are furnished subject to the condition that they will not be used for an unlawful purpose. FIA will be discontinued if any law enforcement agency, acting within its apparent jurisdiction, advises in writing that such FIA are being used in violation of law. The Telephone Company will refuse to furnish FIA when it has reasonable grounds to believe that such FIA will be used in violation of law.

2.2.3 Commingling

Except as provided in Section 51.318 of the Federal Communications Commission's rules, telecommunications carriers who obtain unbundled network elements or combinations of unbundled network elements pursuant to a Statement of Generally Available Terms, under Section 252 of the Act, or pursuant to an interconnection agreement with the Telephone Company, may connect, combine, or otherwise attach such unbundled network elements or combinations of unbundled network elements to access services purchased under this tariff except to the extent such agreement (1) expressly prohibits such commingling; or (2) does not address commingling and the requesting carrier has not negotiated an interconnection agreement (or amendment) expressly permitting such commingling. The rates, terms and conditions of this tariff will apply to the access services that are commingled. Unbundled network elements or combinations of unbundled network elements that are commingled with access services do not constitute a shared use arrangement as set forth in this tariff, and are therefore not eligible for adjustment of charges under such provisions.

(This page filed under Transmittal No. 1)

Chief Financial Officer
Tekken Street, Susupe, Saipan, MP 96950

FACILITIES FOR INTERSTATE ACCESS

2. GENERAL REGULATIONS (Cont'd)

2.3 Obligation of the Customer

2.3.1 Damages

The customer shall reimburse the Telephone Company for damages to the Telephone Company facilities utilized to provide FIA under this tariff caused by:

- the negligence or willful act of the customer, or
- resulting from the customer's improper use of the Telephone Company facilities, or
- due to malfunction of any facilities or equipment provided by other than the Telephone Company.

Nothing in the foregoing provision shall be interpreted to hold one customer liable for another customer's actions. 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. The amount of reimbursement shall be the actual cost of repair to the damaged facilities.

2.3.2 Theft

The customer shall reimburse the Telephone Company for any loss through theft of facilities, apparatus, or equipment utilized to provide FIA under this tariff at the customer designated location or at the end user's premises. The amount of reimbursement shall be the actual cost for replacement of facilities, apparatus, or equipment lost.

2.3.3 Equipment Space and Power

The customer shall furnish or arrange to have furnished to the Telephone Company at no charge, equipment space and electrical power required by the Telephone Company to provide FIA under this tariff at the points of termination of such FIA. The equipment space provided shall meet industry standard environmental conditions. The selection of ac or dc power shall be mutually agreed to by the customer and the Telephone Company. The customer shall also make necessary arrangements in order that the Telephone Company will have access to such spaces at reasonable times for installing, repairing or removing facilities of the Telephone Company.

2.3.4 Availability for Testing

The FIA 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 FIA in satisfactory operating condition. Such tests and adjustments shall be completed within a reasonable time. No credit will be allowed for any interruptions involved during such tests and adjustments.

(This page filed under Transmittal No. 1)

Chief Financial Officer
Tekken Street, Susupe, Saipan, MP 96950

FACILITIES FOR INTERSTATE ACCESS

2. GENERAL REGULATIONS (Cont'd)

2.3 Obligation of the Customer (Cont'd)

2.3.5 Balance

All signals for transmission over the FIA provided under this tariff shall be delivered by the customer balanced to ground except for ground start and duplex (DX), McCulloh-loop (alarm system) type signaling, and dc telegraph transmission at speeds of 75 baud or less.

2.3.6 Design of Customer Services

Subject to the provisions of 2.1.7, the customer shall be solely responsible at its expense for the overall design of its services. The customer shall be responsible at its own expense, for any redesigning or rearrangement of its services which may be required because of changes in FIA, operations or procedures of the Telephone Company, minimum network protection criteria or operating or maintenance characteristics of the FIA.

2.3.7 References to Telephone Company

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

2.3.8 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 FIA provided under this tariff, any circuit, apparatus, system or method provided by the customer, the IC or its end users.
- (B) The customer shall defend, indemnify and save harmless the Telephone Company from and against suits, claims, and demands 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 FIA 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 FIA 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 demands are based on the tortuous conduct of the customer, its officers, agents or employees.

(This page filed under Transmittal No. 1)

Chief Financial Officer
Tekken Street, Susupe, Saipan, MP 96950

FACILITIES FOR INTERSTATE ACCESS

2. GENERAL REGULATIONS (Cont'd)2.3 Obligation of the Customer (Cont'd)2.3.9 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.

2.4 Payment Arrangements and Credit Allowances2.4.1 Payment of 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 does not have established credit, to make a deposit prior to or at any time after the provision of the FIA to the customer to be held by the Telephone Company as a guarantee of the payment of rates and charges. The Telephone Company will notify the customer of a deposit requirement by Overnight Delivery. The customer will be required to make payment of such deposit prior to the provision of service in those cases where the customer has not established credit with the Telephone Company, or otherwise within fifteen (15) business days of such notice. Such notice to start the day after the notice is sent by Overnight Delivery. No such deposit will be required of a customer which is a successor of a company which has established credit and has no history of late payments to the Telephone Company.

A deposit may not exceed the actual or estimated rates and charges for the FIA for a two month period. The fact that a deposit has been made in no way relieves the customer from complying with the Telephone Company's regulations as to the prompt payment of bills.

At such time as the provision of the FIA 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. After the customer has established a one year prompt payment record, such a deposit will be refunded or credited to the customer account at any time prior to the termination of the provision of the FIA to the customer.

In case of a cash deposit, for the period the deposit is held by the Telephone Company, the customer will receive simple annual interest at the percentage rate specified in the Telephone Company General and/or Local Tariff.

- (B) Where the provision of FIA requires facilities that meet any of the conditions specified in Section 10, Special Construction charges will apply.

(This page filed under Transmittal No. 1)

Chief Financial Officer
Tekken Street, Susupe, Saipan, MP 96950

FACILITIES FOR INTERSTATE ACCESS

2. GENERAL REGULATIONS (Cont'd)2.4 Payment Arrangements and Credit Allowances (Cont'd)2.4.1 Payment of Charges and Deposits (Cont'd)

(C) The Telephone Company shall bill FIA services on a current basis for (a) all charges incurred, (b) applicable taxes, and (c) credits due the customer.

- Switched Access (except for the Entrance Facility, Direct-Trunked Transport and Multiplexing elements), Ancillary and Miscellaneous services shall be billed in arrears.
- Special Access, Switched Access Entrance Facility, Direct-Trunked Transport and Multiplexing elements shall be billed in advance except for the charges and credits associated with the initial or final bills. The initial bill will also include charges for the actual period of service up to, but not including, the bill date. The unused portion of the FIA already billed will be credited on the final bill.

The customer will receive its bill in; 1) a paper format, 2) a paper format bill summary with a magnetic tape to provide the detailed information of the bill, 3) magnetic tape only, or 4) via electronic transmission. Such bills are due when rendered regardless of the media utilized. Adjustments for the quantities of FIA established or discontinued in any billing period beyond the minimum period in 2.4.2 will be prorated to the number of days based on a 30 day month. The Telephone Company will, upon request and if available, furnish such detailed information as may reasonably be required for verification of any bill.

(D) All bills to the customer are due 31 days (payment date) after the bill date or by the next bill date (i.e., same date in the following month as the bill date), whichever is the shortest interval. In the event the customer does not remit payment in immediately available funds by the payment date, the FIA may be discontinued as specified in 2.1.8.

(1) If the entire amount billed is not received by the Telephone Company in immediately available funds by the payment date, an additional charge (late payment charge) equal to 1/365th of the percentage rate for deposit interest as that in 2.4.1(A) of the unpaid balance will be applied for each day or portion thereof that an outstanding balance remains.

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 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.
- 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.

(This page filed under Transmittal No. 1)

Chief Financial Officer
Tekken Street, Susupe, Saipan, MP 96950

FACILITIES FOR INTERSTATE ACCESS

2. GENERAL REGULATIONS (Cont'd)

2.4 Payment Arrangements and Credit Allowances (Cont'd)

2.4.1 Payment of Charges and Deposits (Cont'd)

(D) (Cont'd)

- (2) In the event of a billing dispute, the customer must submit a documented claim for the disputed amount. A good faith dispute requires the customer to provide a written claim to the Telephone Company. Instructions for submitting a dispute can be obtained by calling the billing inquiry number shown on the customer's bill, or, by accessing the Telephone Company website also shown on the customer's bill. Such claim must identify in detail the basis for the dispute, and if the customer withholds disputed amounts, it must identify the account number under which the bill has been rendered, the date of the bill and the specific items on the bill being disputed, to permit the Telephone Company to investigate the merits of the dispute.

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.

- If the billing dispute is resolved in favor of the customer, the customer shall receive a credit from the Telephone Company equal to the disputed amount resolved in the customer's favor times the percentage rate in (1) above. This percentage credit amount will apply from the date of the customer's payment through the date on which the credit is posted to the customer's account.

If the dispute is resolved in favor of the Telephone Company, neither a late payment charge nor a penalty interest charge is applicable.

- (3) 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.

- If the billing dispute is resolved in favor of the customer, the customer shall receive a credit from the Telephone Company equal to the disputed amount resolved in the customer's favor times the percentage rate in (1) above. This percentage credit amount will apply from the date of dispute through the date on which the credit is posted to the customer's account.

If the dispute is resolved in favor of the Telephone Company, neither a late payment charge nor a penalty interest charge is applicable.

- (4) Late Payment Charges applicable to End User FIA, described in Section 13, are those in the Telephone Company General and/or Local Tariffs.

(This page filed under Transmittal No. 1)

Chief Financial Officer
Tekken Street, Susupe, Saipan, MP 96950

FACILITIES FOR INTERSTATE ACCESS

2. GENERAL REGULATIONS (Cont'd)

2.4 Payment Arrangements and Credit Allowances (Cont'd)

2.4.2 Minimum Periods

- (A) The minimum periods for which FIA are provided and which rates and charges are applicable are in 3.2.4.
- (B) The minimum periods for which FIA are provided and which rates and charges are applicable for Specialized FIA or Arrangements provided on an Individual Case Basis, as in Section 7 are established with the individual case filing.
- (C) For discontinuances of FIA with a one month minimum period, all applicable charges for the one month period will apply. In instances where the minimum period is greater than one month, however, the charge will be the lesser of the Telephone Company's non-recoverable costs less the net salvage value for the discontinued service of the minimum period charges.

2.4.3 Cancellation of an ASR

Provisions for the cancellation of an ASR are in 3.2.6.

(This page filed under Transmittal No. 1)

Chief Financial Officer
Tekken Street, Susupe, Saipan, MP 96950

FACILITIES FOR INTERSTATE ACCESS

2. GENERAL REGULATIONS (Cont'd)2.4 Payment Arrangements and Credit Allowances (Cont'd)2.4.4 Credit Allowance for FIA Interruptions(A) General

A FIA is interrupted when it becomes unusable to the customer because of a failure of a component used to furnish FIA under this tariff, or when the service is preempted as a result of invoking NSEP Treatment or when the application of protective controls interrupt all transmission paths as set forth in 4.2.9 following. An interruption period starts when Telephone Company personnel become aware that the FIA is inoperative.

The credit allowance(s) for an interruption or for a series of interruptions will be computed based upon the billing method which applies to the service being credited. In no case will the credit allowance for service interruptions exceed the applicable charges for the billing period during which the interruption occurred.

A credit allowance for any FIA service will apply for the period specified as follows:

- (1) For Special Access services other than Program Audio, Videoband and Expanded Interconnection, and for Switched Access Entrance Facilities, Direct-Trunked Transport and Multiplexing services a credit allowance will be made for an interruption period of 30 minutes or more. The allowance will be calculated at the rate of 1/1440 of the monthly charge for the portion of the FIA affected, for each 30 minutes or major fraction thereof that the interruption continues. A major fraction is considered to be sixteen minutes or more beyond the 30 minute period.
- (2) For Program Audio and Videoband Special Access services, a credit allowance will be made for an interruption of 30 seconds or more. Two or more such interruptions occurring during a period of 5 consecutive minutes shall be considered as one interruption. The allowance will be calculated as follows:
 - (a) For Program Audio Service provided at monthly rates, the credit will be at the rate of 1/8640 of the monthly service rate.
 - (b) For Program Audio Service provided at daily rates, the credit will be at the rate of 1/288 of the daily rate.
 - (c) For Temporary Videoband Service provided at hourly rates, the credit will be at 1/12 of the hourly rate.
- (3) Except as noted, all Special Access Services will be eligible for a credit allowance for each occurrence of a service interruption period greater than 30 minutes. The maximum credit allowance will be \$200.00 for each out of service condition within the Telephone Company's facilities and will not exceed the monthly charge for the interrupted service. The credit allowance will not be applied more than once per calendar month. This credit allowance is applicable in all jurisdictions. The credit allowance is in addition to the credit allowance in 2.4.4(A)(1) and 2.4.4(A)(2). A credit allowance will not be extended in accordance with conditions in 2.1.3(G) and 2.4.4(B) for repair of Telephone Company owned facilities.

The exceptions to this credit allowance are, Part-time Program Audio Service in 5.2.2 and Individual Case Basis Services in 5.8.

(This page filed under Transmittal No. 1)

Chief Financial Officer
Tekken Street, Susupe, Saipan, MP 96950

FACILITIES FOR INTERSTATE ACCESS

2. GENERAL REGULATIONS (Cont'd)

2.4 Payment Arrangements and Credit Allowances (Cont'd)

2.4.4 Credit Allowance for FIA Interruptions (Cont'd)

(A) General (Cont'd)

(4) For Switched Access service, billed using assumed minutes of use, a credit allowance will be made for an interruption of 24 hours or more. The credit allowance will be calculated at 1/30 of the assumed minutes of use charge for each 24 hours or major fraction thereof that the interruption continues. A major fraction is considered to be 13 hours. No credit will be given where Switched Access billing is based on actual usage.

(5) For Switched Access service interrupted by an NXX isolation a credit will be given the billed customer of record utilizing the following formula:

300 Minutes of Use X the appropriate switched access rate X the number of trunks out of service = the credit allowance

NXX isolation is defined as a situation whereby a customer in an NPA-NXX is unable to originate a call to the carrier network and/ or receive a call from the carrier network.

The credit will apply when an out of service condition of 30 minutes or more occurs within the Telephone Company's switched facilities. The credit allowance will not be applied more than once per calendar month. A credit allowance will not be extended in accordance with conditions in 2.1.3(G) and 2.4.4(B) for repair of Telephone Company owned facilities.

(6) Switched Access Service Entrance Facilities, Direct-Trunked Transport and Multiplexing will be eligible for a credit allowance for each occurrence of a service interruption period greater than 30 minutes. The maximum credit allowance will be \$200.00 for each out of service condition within the Telephone Company's facilities. The credit allowance will not exceed the monthly charge for the interrupted service and will not be applied more than once per calendar month. This credit allowance is applicable in all jurisdictions. A credit allowance will not be extended in accordance with conditions in 2.1.3(G) and 2.4.4(B) for repair of Telephone Company owned facilities.

(This page filed under Transmittal No. 1)

Chief Financial Officer
Tekken Street, Susupe, Saipan, MP 96950

FACILITIES FOR INTERSTATE ACCESS

2. GENERAL REGULATIONS (Cont'd)

2.4 Payment Arrangements and Credit Allowances (Cont'd)

2.4.4 Credit Allowance for FIA Interruptions (Cont'd)

(A) General (Cont'd)

- (7) An out of service credit will apply for the following Optical Networking rate elements, where applicable, should the service be interrupted due to the Telephone Company's system's failure to switch to protected electronics and/or facilities within one (1) second in those locations connected to the Telephone Company surveillance system unless such interruptions are a result of conditions outside the Telephone Company's control:

- Shared Ring Connect
- Ring Connect
- LAN-wide Premium Transport
- Ring-per-mile Transport
- ON-net Banded Optical Transport provisioned via ring topology
- Custom Connect configured via a ring topology

Credit will be predicated on information provided by the Telephone Company's and the customer's network surveillance systems associated with this service arrangement. The Telephone Company and the customer shall each have the opportunity to perform an annual inspection of the other party's network surveillance system to confirm its accuracy. The out-of-service credit will be calculated based on the monthly rate element charges of that portion of the inter-office network rendered inoperative. A maximum limit of one months recurring charge per rate element will be allotted for an interruption or series of interruptions within any one billing period.

The credit allowance for all other Optical Networking access services will be as shown in 2.4.4(1) and (3).

(This page filed under Transmittal No. 1)

Chief Financial Officer
Tekken Street, Susupe, Saipan, MP 96950

FACILITIES FOR INTERSTATE ACCESS

2. GENERAL REGULATIONS (Cont'd)

2.4 Payment Arrangements and Credit Allowances (Cont'd)

2.4.4 Credit Allowance for FIA Interruptions (Cont'd)

(B) When 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 FIA due to the failure of equipment or systems provided by the customer or others.
- (3) Interruptions of a FIA during any period in which the Telephone Company is not afforded access to the premises where the FIA is terminated.
- (4) Interruptions of a FIA during an agreed upon period when the customer has released a FIA to the Telephone Company for maintenance purposes, to make rearrangements, or for the implementation of an ASR for a change in the FIA. Should the maintenance, rearrangement, or ASR implementation interruption period extend beyond the agreed upon period, credit allowance will apply.
- (5) Interruptions of a FIA which continue because of the failure of the customer to authorize replacement of any element of Special Construction, as set forth in Section 10 following. The period for which no credit allowance is made begins on the seventh day after the Telephone Company's written notification to the customer of the need for such replacement and ends on the day after receipt of the customer's written authorization for such replacement.
- (6) Periods when the customer elects not to release the FIA for testing and/or repair and continues to use it on an impaired basis.
- (7) An interruption or a group of interruptions, resulting from a common cause, for amounts less than one dollar.

(C) 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 FIA is interrupted, the customer must pay the tariffed rates and charges for the alternative service used.

(D) Temporary Surrender of a FIA

In certain instances, the customer may be requested to surrender a FIA for purposes other than maintenance, testing or activity relating to an ASR. If the customer consents, or in the instance of preemption under NSEP Treatment as set forth in Section 2.1.9 preceding, a credit allowance will be granted. The credit allowance will be determined in accordance with 2.4.4(A) preceding.

(This page filed under Transmittal No. 1)

Chief Financial Officer
Tekken Street, Susupe, Saipan, MP 96950

FACILITIES FOR INTERSTATE ACCESS

2. GENERAL REGULATIONS (Cont'd)

2.4 Payment Arrangements and Credit Allowances (Cont'd)

2.4.5 Performance Commitment Program

All refunds under the Performance Commitment Program will be provided as a credit adjustment to the customer's bill.

(A) Performance Commitment Program - Provisioning

The Telephone Company assures that orders for FIA will be installed and available for customer use no later than the Service Date as referenced in Section 3.2.1, Service Date Intervals. The failure of the Telephone Company to meet the service date of an order will result in the refund of all NRCs associated with that order. The Telephone Company's liability for failure to meet this commitment is limited to the refund of the NRCs for the order associated with the missed Service Date.

The Performance Commitment Program - Provisioning does not apply:

- 1) when failure to meet the Service Date occurs because of conditions listed in 2.1.3 (G) or due to actions of the customer.
- 2) to Special Construction as provided in Section 10.
- 3) when the Telephone Company is not the Access Service Coordination Exchange Carrier (ASC-EC) and the Service Date is not met by the LEC acting as ASC-EC for its portion of the service. See diagram below for indication of when the Telephone Company NRC refund will apply:

	ASC-EC	Another LEC ASC-EC
MTC Misses Date	Refund applies	Refund applies
Another LEC Misses Date	Refund applies	Refund does not apply

- 5) to the Expedited Due Date as provided in Section 3.2.2(E).
- 6) to LAN Extension Service as provided in Section 5.6.16.

(B) Performance Commitment Program - IC Desired Due Date for PIC Installation

The Telephone Company assures that the IC Desired Due Date (ICDDD) for PIC Installation, as set forth in 6.4(D), will be provided as negotiated. The failure of the Telephone Company to meet the ICDDD will result in the refund, to the IC's end user/agent customer, of the Nonrecurring Charge for Primary Interexchange Carrier, as set forth in 6.4(E).

(This page filed under Transmittal No. 1)

Chief Financial Officer
Tekken Street, Susupe, Saipan, MP 96950

FACILITIES FOR INTERSTATE ACCESS

2. GENERAL REGULATIONS (Cont'd)

2.5 Connections

2.5.1 General

Equipment and systems (i.e., terminal equipment, multiline terminating systems, and communications systems) may be connected with Switched and Special Access furnished by the Telephone Company where such connection or interconnection is made in accordance with the provisions specified in the NECA Technical Reference Publication AS No. 1 and in 2.1 preceding.

2.5.2

(This page filed under Transmittal No. 1)

Chief Financial Officer
Tekken Street, Susupe, Saipan, MP 96950