TITLE SHEET

AIRESPRING, INC.

TARIFF NO. 1

This tariff contains the description, regulations, and rates applicable to the furnishing of service and facilities for telecommunications services provided by Airespring, Inc. with principal offices at 15350 Sherman Way, Suite 492, Van Nuys, California 91406. This tariff is on file with the Alabama Public Service Commission, and copies may be inspected during normal business hours at the Company's principal place of business.

The Company's toll free telephone number is 1-888-389-2899.

ISSUED: June 5, 2003

EFFECTIVE:

CHECK SHEET

All sheets of this tariff are effective as of the date shown at the bottom of the respective sheet(s). Original and revised sheets as named below comprise all changes from the original tariff and are currently in effect as of the date on the bottom of this page.

Sheet	Revision	Sheet	<u>Revision</u>
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SYMBOLS

The following are the only symbols used for the purposes indicated below:

- C To Signify Change in Regulation
- D To Signify Discontinued Rate or Regulation
- I To Signify Rate Increase
- M To Signify Text Moved From Another Tariff Location
- N To Signify New Rate or Regulation
- R To Signify Rate Reduction
- T To Signify Change In Text But No Change In Rate Or Regulation

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TARIFF FORMAT

- A. <u>Sheet Numbering</u> Sheet numbers appear in the upper-right corner of the sheet. Sheets are numbered sequentially. However, new sheets are occasionally added to the tariff.
- B. <u>Sheet Revision Numbers</u> Revision numbers also appear in the upper-right corner of the sheet. These numbers are used to determine the most current sheet version on file with the Commission. For example, 4th Revised Sheet 14 cancels 3rd Revised Sheet 14.
- C. <u>Paragraph Numbering Sequence</u> There are various levels of alphanumeric paragraph coding. Each level of coding is subservient to its next higher level of coding.
 - 2. 2.1. 2.1.1. 2.1.1.A. 2.1.1.A.1. 2.1.1.A.1.(a)
- D. <u>Check Sheets</u> When a tariff filing is made with the Commission, an updated Check Sheet accompanies the tariff filing. The Check Sheet lists the sheets contained in the tariff, with a cross reference to the current revision number. When new sheets are added, the Check Sheet is changed to reflect the revision. All revisions made in a given filing are designated by an asterisk (*). There will be no other symbols used on this sheet if these are the only changes made to it (i.e., the format, etc., remains the same, just revised revision levels on some sheets). The tariff user should refer to the latest Check Sheet to find out if a particular sheet is the most current sheet on file with the Commission.

ISSUED: June 5, 2003

SECTION 1 - DEFINITIONS AND ABBREVIATIONS

1.1 <u>Definitions</u>:

<u>Application for Service</u> - A standard order form which includes all pertinent billing, technical, and other descriptive information which will enable the carrier to provide the communication service as required.

<u>Authorized User</u> - A person, firm, corporation, or other entity authorized by the customer to receive or send communications.

<u>Cancellation of Order</u> - A customer-initiated request to discontinue processing a service order, either in part or in its entirety, prior to its completion.

<u>Carrier</u> - Airespring, Inc., unless specifically stated otherwise.

Company - Airespring, Inc., also referred to as "Carrier."

<u>Completed Calls</u> - Completed calls are calls answered on the distance end.

<u>Customer</u> - The person, firm, corporation, or other entity which orders or uses service and is responsible by law for payment for communication service from the telephone utility.

<u>Customer Provided Equipment</u> - Terminal equipment provided by a customer.

Day Rate Period - 8:00 a.m. to 4:59 p.m., Monday through Friday.

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1.1 <u>Definitions</u>: (continued)

<u>Disconnection</u> - The disabling of circuitry preventing outgoing and incoming toll communication service provided by Carrier.

Due Date - The last day for payment without unpaid amounts being subject to a late payment charge.

Evening Rate Period - 5:00 p.m. to 10:59 p.m., Sunday through Friday.

<u>Holidays</u> - Carrier's recognized holidays are New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day.

Message - A completed telephone call by a customer or user.

<u>Night/Weekend Rate Period</u> - 11:00 p.m. to 7:59 a.m., every day; 8:00 a.m. to 10:59 p.m. Saturday; and 8:00 a.m. to 4:59 p.m. Sunday.

Normal Business Hours - 8:00 a.m. to 5:00 p.m., Monday through Friday, excluding holidays.

<u>Premises</u> - The space occupied by an individual customer in a building, in adjoining buildings occupied entirely by that customer, or on contiguous property occupied by the customer separated only by a public thoroughfare, a railroad right of way or a natural barrier.

<u>Terminal Equipment</u> - All telephone instruments, including pay telephone equipment, the common equipment of large and small key and PBX systems and other devices and apparatus, and associated wiring, which are intended to be connected electrically, acoustically or inductively to the telecommunication system of the telephone utility.

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1.2 <u>Abbreviations</u>:

LATA - Local Access Transport Area

<u>LDA</u> - Local Distribution Area

LEC - Local Exchange Carrier

MTS - Message Toll Service

<u>PBX</u> - Private Branch Exchange

<u>SAL</u> - Special Access Line

<u>V&H</u> - Vertical and Horizontal

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SECTION 2 - RULES AND REGULATIONS

2.1 <u>Carrier Undertaking</u>

Carrier provides long distance interexchange telephone service to customers for their direct transmission of voice, data, and other types of telecommunications.

Communications originate when the customer accesses Carrier directly or through the facilities of the local service carrier via one or more access lines, equal access or on a dial-up basis. Carrier may act as the customer's agent for ordering access connection facilities provided by other carriers or entities when authorized by the customer, to allow connection of a customer's location to the Carrier network. The customer shall be responsible for all charges due for such service arrangements.

The Company's services are provided on a monthly basis (30 days) and are available twenty-four (24) hours per day, seven (7) days per week.

2.2 Limitations on Service

- 2.2.1 Service is offered subject to the availability of the necessary facilities and/or equipment and subject to the provisions of this tariff.
- 2.2.2 Carrier 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.
- 2.2.3 Title to any equipment provided by Carrier under these regulations remains with Carrier. Prior written permission from the company is required before any assignment or transfer. All regulations and conditions contained in this tariff shall apply to any assignee or transferee.
- 2.3 <u>Use of Service</u>

Service may not be used for any unlawful purposes.

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2.4 <u>Limitation of Liability</u>

- 2.4.1 Carrier shall not be liable to any person, firm or entity for damages, either direct, indirect, consequential, special, incidental, actual, punitive, or for any other damages or lost profits arising out of mistakes, accidents, errors, omissions, interruptions, delays or defects in transmissions and not caused by the negligence of the carrier, commencing upon activation of service and in no event exceeding an amount equivalent to the proportionate charge to the customer for the period of service during which mistakes, accidents, errors, omissions, interruptions, delays or defects in transmission occurred.
- 2.4.2 Carrier makes no warranty, whether express, implied or statutory, as to the description, quality, merchantability, completeness or fitness for any purpose of the service or local access, or as to any other matter, all of which warranties by Carrier are hereby excluded and disclaimed.
- 2.4.3 Carrier, at its own expense, will indemnify the customer and hold it harmless in respect to any and all loss, damage, liability or expense asserted against the customer by a third party on account of any property damage or personal injury caused by any negligence or willful misconduct of Carrier or its agents or representatives arising out of performance by Carrier of any testing or other activities on the customer's premises pursuant to this tariff. Carrier's obligations under the immediately preceding sentence shall be subject to the customer's full performance of this tariff and subject further to the customer's duty to take reasonable precautions in the location, construction, maintenance and operation of all activities, facilities and equipment for the protection against hazard or injury and to not interfere with the services provided by Carrier.

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EFFECTIVE:

2.4 <u>Limitation of Liability</u> (continued)

- 2.4.4 Carrier shall be indemnified and held harmless by the customer against:
 - A. Claims for libel, slander, infringement of copyright or patent infringement, unauthorized use of any trademark, trade name or service mark arising out of the material, data information, or other content transmitted over the carrier's facilities; and
 - B. All other claims arising out of any act or omission by the customer in connection with any service provided by Carrier.
- 2.4.5 The language set forth in this Section does not constitute a determination by the Commission that a limitation of liability imposed by the Company should be upheld in a court of law. Acceptance for filing by the Commission recognizes that it is a court's responsibility to adjudicate negligence and consequential damage claims. It is also the court's responsibility to determine the validity of the exculpatory clause.

2.5 Interruption of Service

A credit allowance for interruptions of service which are not due to Carrier's testing or adjusting, to the negligence of the customer, or to the failure of the channels, equipment, and/or communications systems provided by the customer, are subject to the general liability provisions set forth in this tariff. It shall be the obligation of the customer to notify Carrier of any interruption in service. Before giving such notice, the customer shall ascertain that the trouble is not being caused by any action or omission by or within the customer's control and is not in wiring or equipment connected to the Carrier terminal.

2.6 <u>Restoration of Service</u>

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

ISSUED: June 5, 2003

2.7 <u>Customer Responsibility</u>

- 2.7.1 All customers assume general responsibilities in connection with the provisions and use of Carrier's service. All customers are responsible for the following:
 - A. The customer is responsible for placing orders for service, paying all charges for service rendered by Carrier and complying with all of Carrier's regulations governing the service. The customer is also responsible for assuring that its users comply with regulations.
 - B. When placing an order for service, the customer must provide:
 - 1. The name(s) and address(es) of the person(s) responsible for the payment of service charges.
 - 2. The name(s), telephone number(s), and address(es) of the customer contact person(s).
 - C. The customer must pay Carrier for the replacement or repair of Carrier's equipment when the damage results from:
 - 1. The negligence or willful act of the customer or user.
 - 2. Improper use of service.
 - 3. Any use of equipment or service provided by others.
 - D. After receipt of payment for the damages, Carrier will cooperate with the customer in prosecuting a claim against any third party causing damage.

ISSUED: June 5, 2003

2.7.2 Maintenance, Testing, and Adjustment

Upon reasonable notice, the equipment provided by Carrier shall be made available to Carrier for such tests and adjustments as may be necessary to maintain them in satisfactory condition. No interruption allowance will be granted for the time during which such tests and adjustments are made.

2.7.3 Deposits

The Company may require a cash deposit from a prospective customer, a presently disconnected customer or a former customer to be held as a guarantee for the payment of charges, in accordance with the General Rules of the Alabama Public Service Commission. Interest on deposits shall be paid annually at a rate of 7%, in accordance with the rules of the Commission.

Deposits shall be returned to the customer when service is terminated or when satisfactory credit has been established. Satisfactory credit may be established through prompt payment of all Carrier bills for a period of one year.

Upon termination of service, deposits with accrued interest shall be credited to the final bill and the balance returned to the customer.

ISSUED: June 5, 2003

EFFECTIVE:

2.7.4 Credit Allowance

Credit for failure of service or equipment will be allowed only when failure is caused by or occurs in equipment owned, provided and billed for, by Carrier.

- A. Credit allowances for failure of service or equipment starts when the customer notifies Carrier of the failure or when Carrier becomes aware of the failure and ceases when the operation has been restored and an attempt has been made to notify the customer.
- B. The customer shall notify Carrier of failures of service or equipment and make reasonable attempts to ascertain that the failure is not caused by customer provided facilities, any act or omission of the customer, or in wiring or equipment connected to the terminal.
- C. Only those portions of the service or equipment operation disabled will be credited. No credit allowances will be made for:
 - 1. Interruptions of service resulting from Carrier performing routine maintenance;
 - 2. Interruptions of service for implementation of a customer order for a change in the service;
 - 3. Interruption caused by the negligence of the customer or his authorized user;
 - 4. Interruptions of service because of the failure of service or equipment due to customer or authorized user provided facilities.

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2.7.5 <u>Cessation of Service</u>

Service shall cease at the end of the customer's service period, or when the customer transfers service to another long distance carrier, whichever occurs first. No credit shall be given for prepaid services discontinued prior to the end of the service term for which payment was made.

2.7.6 Payment and Charges for Services

- A. Service is provided and billed on a monthly basis.
- B. Payment is due upon receipt. Payment will be considered timely if paid within 20 days after the bill is rendered. The bill shall be considered rendered when deposited in the U.S. mail with postage prepaid.
- C. In the event of a dispute concerning a bill, Customer must pay a sum equal to the amount of the undisputed portion of the bill and proceed with complaint procedures set forth in this tariff.
- D. The customer is responsible for payment of all charges for service furnished to the customer under this tariff.
- E. Customer is responsible for payment of any state and local taxes (i.e. gross receipts tax, sales tax, municipal utilities tax) which will be listed as separate line items and which are not included in the quoted rates.
- F. Customers will be charged a late payment penalty as set forth in this tariff.
- G. Customers will be charged on all checks returned to Carrier by the issuing entity.

ISSUED: June 5, 2003

2.7.7 Application of Charges

The charge for service are those in effect for the period that service is furnished. If the charges for a period covered by a bill change after the bill has been rendered, the bill will be adjusted to reflect the new charges.

2.7.8 <u>Customer Complaint Procedure</u>

Carrier will resolve any disputes brought to its attention as promptly and effectively as possible. Customer Service Representatives can be reach via the following toll free telephone number: 1-888-389-2899.

Any unresolved disputes may be directed to the attention of the Commission.

In the event of a dispute concerning an invoice, the customer must pay a sum equal to the amount of the undisputed portion of the bill and notify the Company of the disputed portion.

2.8 <u>Carrier Responsibility</u>

2.8.1 <u>Calculation of Credit Allowance</u>

Pursuant to limitations set forth in Section 2.7.4, when service is interrupted the credit allowance will be computed on the following basis:

- A. No credit shall be allowed for an interruption of less than two hours.
- B. The customer shall be credited for an interruption of two hours or major fraction thereof that the interruption continues.
- C. When a minimum usage charge is applicable and the customer fails to meet a usage minimum credit, the outage shall be applied against that minimum equal to 1/360th of the monthly minimum charges associated with the portion of service disabled for each period of two hours or major fraction thereof that the interruption continues.

ISSUED: June 5, 2003

2.8.1 <u>Calculation of Credit Allowance</u>(continued)

D. Customers have up to 60 days (commencing 5 days after remittance of the bill) to initiate a dispute over charges or to receive credits. Carrier will try its best to resolve any disputes properly brought to its attention. Unresolved disputes may be directed to the attention of the Commission.

2.8.2 <u>Cancellation of Credit</u>

Where Carrier cancels a service or the provision of equipment and the final service period is less than the monthly billing period, a credit will be issued for any amounts billed in advance, prorated at 1/30th of the monthly recurring charge for each day the service was rendered or the equipment was provided. This credit will be issued to the customer or applied against the balance remaining on the customer's account.

2.8.3 Disconnection of Service by Carrier

Carrier, upon 5 days written notice to the customer, may discontinue service or cancel an application for service without incurring any liability for any of the following reasons:

- A. Non-payment of any regulated sum due to Carrier for service for more than 20 days beyond the date of rendition of the bill for such service;
- B. A violation of any regulation governing the service under this tariff;
- C. A violation of any law, rule, or regulation of any government authority having jurisdiction over the service; or
- D. Carrier is prohibited from furnishing services by order of a court or other government authority having jurisdiction.

ISSUED: June 5, 2003

SECTION 3 - DESCRIPTION OF SERVICE AND RATES

3.1 <u>Timing of Calls</u>

The customer's monthly usage charges for Carrier service are based upon the total number of minutes the customer uses and service options subscribed to. Chargeable time begins when the connection is established between the calling station and the called station or PBX. Chargeable time ends when either party hangs up.

There are no charges incurred if a call is not completed.

3.2 <u>Start of Billing</u>

For billing purposes, the start of service is the day service is first provided to the customer by the Carrier. The end of service date is the last day or any portion thereof that service is provided by Carrier after notice of cancellation by Customer.

3.3 <u>Interconnection</u>

Service furnished by Carrier may be interconnected with services or facilities of other authorized communications common carriers and with private systems, subject to the technical limitations established by Carrier. Service furnished by Carrier is not part of a joint undertaking with any such other carriers. Any special interface equipment of Carrier and other participating carriers shall be provided at the customer's expense.

Interconnection with the facilities or services of other carriers shall be under the applicable terms and conditions of the other carriers' tariffs. The customer is responsible for taking all necessary legal steps for interconnecting his customer-provided terminal equipment or communications systems with Carrier's. The customer shall secure all necessary licenses, permits, right-of-ways, and other arrangements necessary for such interconnection.

ISSUED: June 5, 2003

3.4 <u>Terminal Equipment</u>

Carrier's service may be used with or terminated in customer provided terminal equipment or customer provided communication systems, such as teleprinters, handsets, or data sets. Such terminal equipment will be furnished and maintained at the expense of the providing customer, except as otherwise agreed in advance and in writing. The customer is responsible for all costs at their premises, including personnel, wiring, electrical power, and the like incurred in the use of Carrier's service. When such terminal equipment is used, the equipment shall comply with the generally accepted minimum protective criteria of the telecommunications industry.

3.5 <u>Calculation of Distance</u>

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

The airline mileage between rate centers is determined by applying the formula below to the vertical and horizontal coordinates associated with the rate centers involved. The company uses the rate centers and associated vertical and horizontal coordinates that are generally accepted within the telecommunications industry.

Formula:

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

3.6 <u>Minimum Call Completion Rate</u>

The customer can expect a call completion rate of 99% of calls attempted for all Feature Group D (1+) services.

3.7 Special Promotions

Carrier may from time to time offer special promotions to customers upon prior Commission approval of such promotion.

ISSUED: June 5, 2003

3.8 <u>Service Offerings</u>

The Company will provide the following services:

3.8.1 <u>Message Toll Service (MTS)</u>

Outgoing long distance service whereby the customer accesses the Company's underlying carrier's network on an equal access or dial-up basis.

In non-equal access areas, the customer will gain access to the Carrier's network by dialing a 101XXXX access code which will be provided by the Company.

3.8.2 Inbound 8XX Service

Inbound service is virtual banded inbound toll service which permits calls to be completed at the subscriber's location without charge to the calling party. Access to the service is gained by dialing a ten digit telephone number which terminates at the customer's location. Inbound services originate via normal shared use facilities and are terminated via the customers' local exchange service access line.

Carrier will accept a prospective inbound service customer's request for up to ten (10) telephone numbers and will reserve such number(s) on a first come first serve basis. All requests for number reservations must be made in writing, dated and signed by a responsible representative of the customer. Carrier does not guarantee the availability of number(s) until assigned. The telephone number(s) so requested, if found to be available, will be reserved for and furnished to the eligible customer.

If a customer who has received an 800/888 number does not subscribe to the Company's inbound service within 90 days, the company reserves the right to make the assigned number available for use by another customer.

ISSUED: June 5, 2003

3.8.3 <u>Travel Card Service</u>

Allows subscribers to place calls by gaining access to the network via a toll free telephone number and PIN number issued by the Company.

3.8.4 Directory Assistance

Directory assistance is the provision of listed telephone numbers to requesting customers. The company will provide directory assistance services at a per call charge in accordance with the rules set forth by the Commission.

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EFFECTIVE:

SECTION 4 - RATES AND CHARGES

4.1. Usage Charges and Billing Increments

4.1.1 Usage Charges

Unless flat rated, usage charges are determined by the time of day rate periods and minutes of use within each rate period. The rate period is determined by the time and day of call origination at the customer's location.

4.1.2 <u>Billing Increments</u>

Usage is billed in the increments set forth in the individual product rate sections.

4.1.3 Call Rounding

All calls are rounded to the next highest billing increment. Total charge for a fraction of a cent will be rounded to the next highest whole cent.

ISSUED: June 5, 2003

EFFECTIVE:

4.2 <u>Switched Access Outbound and Inbound Rates</u>

	Tier A Origination	Tier B Origination
Plan SVR	\$0.0640 per minute	\$0.0990 per minute
Plan VR	\$0.0730 per minute	\$0.1130 per minute

Billed with an initial 18 second increment and in 6 second increments thereafter.

Customers using less than \$15.00 per month will incur a monthly recurring charge of \$2.99.

4.3 <u>Dedicated Access Rates</u>

4.3.1 Dedicated Non-Blended (Routing Advantage):

	Outbound	Inbound
Plan SVR	\$0.0490/min	\$0.0420/min
Plan VR	\$0.0550/min	\$0.0470/min

Billed in 6 second increments.

Customers are required to sign a one-year term contract.

Monthly Commitment of \$3,000.00 required.

4.3.2 Dedicated Blended (Dedicated Plus):

	<u>Outbound</u>	Inbound
Plan SVR	\$0.0330/min	\$0.0366/min
Plan VR	\$0.0380/min	\$0.0410/min

Billed with an initial 18 second increment and in 6 second increments thereafter.

Customers are required to sign a one-year term contract.

Monthly Commitment of \$3,000.00 required.

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EFFECTIVE:

4.4 <u>Directory Assistance</u>

\$0.95 per call.

4.5 Late Payment Penalty

Customers will be charged 1.5% of any amounts owed to the Company beyond the due date as set forth within this tariff.

4.6 <u>Dishonored Check Charge</u>

All customers issuing dishonored check(s) will be charged a fee of \$20.00 per check.

4.7 <u>Special Promotions</u>

Carrier may from time to time offer special promotions to customers upon prior Commission approval of such promotion.

4.8 <u>Pay Telephone (Payphone) Surcharge</u>

A \$0.35 surcharge will be assessed for each call made from a pay telephone to an 8XX number or using a travel card and dialing the carrier prefix in the form 101XXXX.

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