TITLE SHEET

AIREPRING, 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 6060 Sepulveda Blvd., Suite 220, Van Nuys, California 91411-2512. This tariff is on file with the South Dakota Public Utilities Commission, and copies may be inspected during normal business hours at the Company's principal place of business.

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ISSUED BY: Avi Lonstein, President

Airespring, Inc.

CHECK SHEET

All sheets of this tariff are effective as of the date shown at the bottom of the respective pages. 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	Revision
1	Original	21	Original
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SYMBOLS

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

- D Deleted or Discontinued Material
- I Change Resulting in a Rate Increase
- N New Regulation, Term, Condition or Rate
- R Change Resulting in a Rate Reduction
- T Change In Text or Regulation, but no Change in Rates

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TARIFF FORMAT

- A. <u>Sheet Numbering</u> Sheet numbers appear in the upper-right corner of the page. Sheets are numbered sequentially. However, new sheets are occasionally added to the tariff. When a new sheet is added between sheets already in effect, a decimal is added. For example, a new sheet added between sheets 14 and 15 would be Sheet 14.1.
- 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 on file with the Commission.

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SECTION 1 - DEFINITIONS AND ABBREVIATIONS

1.1 Definitions:

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

<u>Class of Service</u> - Various categories of telephone service generally available to customers, such as business or residential.

Commission - South Dakota Public Utilities Commission.

Company - Airespring, Inc..

Completed Calls - Completed calls are calls answered on the distance end.

<u>Customer or Subscriber</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.

Customer Provided Equipment - Terminal equipment provided by a customer.

<u>Delinquent Account</u> - An account for which a bill or payment agreement for regulated services or equipment has not been paid in full on or before the last day for timely payment.

<u>Direct Distance Dialing (DDD)</u> - Customer dialing over the nationwide intertoll telephone network of calls to which toll charges are applicable. No operator assistance is required for DDD calls.

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1.1 Definitions (continued)

<u>Due Date</u> - The last day for payment without unpaid amounts being subject to a late payment charge or additional collection efforts.

<u>Holidays</u> - Carrier's recognized holidays are New Year's Day, Memorial Day, July 4th, Labor Day, Thanksgiving Day and Christmas Day.

<u>Measured Use Service</u> - The provision of long distance measured time communications telephone service to customers who access the carrier's services at its switching and call processing equipment by means of access facilities obtained from another carrier by the customer or otherwise provided at its own expense (the customer is responsible for arranging for the access line).

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

<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.

Rates - Recurring amounts billed to customers for regulated services and/or equipment.

<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.

<u>Underlying Carrier</u> - The telecommunications carrier whose network facilities provides the technical capability and capacity necessary for the transmission and reception of customer telecommunications traffic.

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1.2 <u>Abbreviations</u>:

LATA - Local Access Transport Area

<u>LEC</u> - Local Exchange Carrier

MTS - Message Toll Service

PBX - Private Branch Exchange

SAL - Special Access Line

V&H - Vertical and Horizontal

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SECTION 2 - RULES AND REGULATIONS

2.1 <u>Undertaking of Company</u>

The Company undertakes to provide only those services as are furnished under the terms and subject to the conditions and customer payment of the applicable rates of this tariff for communications originating and terminating within the State. The Company's services are provided on a statewide basis and are not intended to be limited geographically.

Communications originate when the customer accesses network directly or through the facilities of the local service carrier via one or more access lines, equal access or on a dial-up basis. The company 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 stated in this tariff.

The Company's services are provided on a monthly basis unless otherwise stated in this tariff, 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 provisions of this tariff.
- 2.2.2 Carrier reserves the right to provide services only to and from locations where the necessary facilities or equipment are available.
- 2.2.4 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. In the event an assignment or transfer is allowed, all regulations and conditions contained in this tariff shall apply to the assignee or transferee.

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2.3 Use of Service

Service may not be used for any unlawful purposes.

The minimum period for service is one month (30 days) unless otherwise noted in the service description.

2.4 Liability of Carrier

The provisions of this section are not intended to restrict or limit a customer's rights under SDCL 49-13-1 and 49-13-1.1. If any provisions of this section conflict with SDCL 49-13-1 or 49-13-1.1, then the applicable South Dakota law shall prevail.

- 2.4.1 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 so as to not interfere with the services provided by Carrier.
- 2.4.2 Carrier shall be indemnified and held harmless by the customer against:
 - A. Claims for libel, slander, infringement of copyright or 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

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2.4 Liability of Carrier

2.4.2 (continued)

- B. Claims for patent infringement of copyright or unauthorized use of any trademark, trade name, or service mark arising out of the material, data information, or other content transmitted over the carriers facilities; and
- C. All other claims arising out of any act or omission by the customer in connection with any service provided by Carrier.

2.5 Interruption of Service

- 2.5.1. Carrier shall make all reasonable efforts to prevent interruptions of service. When interruptions are reported or found by Carrier to occur, Carrier shall reestablish service as quickly as possible.
- 2.5.2 When a customer's service access line is reported to be out of order and remains out of order in excess of two (2) consecutive hours, the company shall, upon request, make appropriate adjustments to the subscriber's account. This rule does not apply if the outage occurs as a result of:
 - (1) A negligent or willful act on the part of the subscriber;
 - (2) A malfunction of subscriber-owned telephone equipment;
 - (3) Disasters or acts of God; or
 - (4) The inability of the company to gain access to the subscriber's premises after Carrier has requested that customer provide access to the premises.
 - (5) Carrier's provision of routine maintenance, testing or adjustments.
- 2.5.3 The customer shall be credited for an interruption of two (2) hours or more at the rate of 1/720th of the monthly charge for the service affected for each hour or major fraction thereof that the interruption continues. Credit for an interruption shall commence with the hour of the report or discovery of the interruption and will cease upon restoration of service. Any adjustments not in dispute shall be rendered within two billing periods after the billing period during which the interruption occurred.
- 2.5.4. Customers shall notify Carrier of interruptions in service. Before giving notice of interruption, the customer should ascertain whether the trouble is being caused by any action or omission by or within his control or in any wiring or equipment connected to the Carrier's terminal.

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2.6 Responsibility of the Customer

- 2.6.1 All customers assume general responsibilities in connection with the provisions and use of services stated in this tariff. 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 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).

2.6.2 Maintenance, Testing, and Adjustment

If a customer's service must be interrupted due to maintenance, Carrier shall notify the affected customer, in advance, if possible and will perform the work in such a manner as to minimize inconvenience.

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.

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2.6.3 Deposits and Advance Payments

The Company will not require a deposit or advance payment for service.

2.6.4 Cancellation by Customer

If a customer orders services requiring special equipment and/or facilities dedicated to the customer's use and then cancels his order before the service begins, before a completion of the minimum period mutually agreed upon by the customer and Carrier, a charge will be made to the customer for the non-recoverable portions of expenditures or liabilities incurred expressly on behalf of the customer by Carrier and not fully reimbursed by installation and monthly charges. If, based on such an order, any construction has either begun or been completed, but not such services provided, the non-recoverable cost of such construction shall be borne by the customer.

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2.6.5 Payment of Charges

- A. Service is provided and billed on a monthly (30 day) basis. Charges based on actual usage during a month will be billed monthly in arrears.
- B. Bills are payable upon receipt of invoice. Customers will be charged a late payment penalty in the amount of one and one-half percent (1.5%) per month on delinquent amounts and will be responsible for any charges associated with disconnection and reconnection of service. A bill will be considered delinquent after thirty (30) days from rendition of the invoice.
- 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. If notice of a dispute as to charges is not received in writing within 180 days after a bill has been rendered, the billing will be considered correct and binding.
- D. Customer is responsible for payment of all state and local taxes (i.e. gross receipts tax, sales tax, municipal utilities tax) which shall be listed as separate line items and which are not included in Carrier's quoted rates.
- E. Customers will be charged a fee on all checks issued to Carrier which are returned due to non-sufficient funds.

2.6.6 Application of Charges

The charges for service are those in effect for the period that service is furnished.

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2.6.7 Customer Complaint Procedure

Carrier will resolve any disputes brought to its attention as promptly and effectively as possible.

Customer inquiries, complaints or notices may be made in writing to the Company at the address stated in this tariff or via the Customer Services toll free number: 1-866-890-4135.

Any unresolved disputes may be directed to the attention of the South Dakota Public Utilities Commission at:

500 East Capitol Avenue Pierre, South Dakota 57501-5070 (605) 773-3201 or 1-800-332-1782 1-800-877-1113 (TTY through Relay South Dakota)

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. Service shall not be disconnected for nonpayment of the disputed portion of the bill.

2.7.1 Cessation of Service

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.

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2.7.2 Disconnection of Service by Carrier

- A. Five (5) days prior notice of pending disconnection shall be rendered to customers setting forth the reason(s) for the notice and the final date by which the account is to be settled or specific action taken. Such notice shall be forwarded to the customer via U.S. mail and will be considered rendered when delivered to the last known address of the responsible party.
- B. Transmission service will be refused or disconnected, after notice as set forth below, for any of the following reasons:
 - 1. Without notice in the event of a condition on the customer's premises determined by the Carrier to be hazardous.
 - 2. Without notice in the event of customer's use in a manner which may adversely affect the Carrier's equipment or service to others.
 - 3. Without notice in the event of tampering with equipment furnished and owned by the Carrier.
 - 4. Without notice in the event of unauthorized use.
 - 5. After five (5) days written notice, for violation of or noncompliance with the Carrier's rules on file with the Commission, the requirements of municipal ordinances or law pertaining to the services.
 - 6. After five (5) days written notice for failure of the customer to permit Carrier reasonable access to its equipment.
 - 7. Upon five (5) days prior written notice for nonpayment of any regulated sum due to Carrier.

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2.7.2 Disconnection of Service by Carrier (contd.)

8. After five (5) days written notice, for failure of the customer or prospective customer to furnish any service equipment, permits, certificates or rights of way specified by Carrier to be furnished as a condition for obtaining service, or for the withdrawal of that same equipment or the termination of those permissions or rights, or for the failure of the customer or prospective customer to fulfill the contractual obligations imposed upon the customer as conditions of obtaining service.

2.7.3 Fractional Credits for Monthly Billed Services

Credits for a fractional part of a month are calculated by counting the number of days remaining in the billing period after service was discontinued. The number of days remaining in the billing period is divided by thirty and the resultant fraction is then multiplied by the monthly charge to arrive at the credit amount.

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SECTION 3 - DESCRIPTION OF SERVICE AND RATES

3.1 Timing of Calls

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."

3.2 Service Period

For billing purposes, the start of service is the first day on which service is available for use by the customer. The end of service date is the last day or any portion of the last day for which service was provided by Carrier.

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 such other carriers. Any special interface equipment 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 this tariff. 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 licenses, permits, right-of-ways, and other arrangements necessary for such interconnection.

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3.4 Terminal Equipment

- 3.4.1 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 shall be furnished and maintained at the expense of the customer. The customer is responsible for all costs at his premises, including customer personnel, wiring, electrical power, and the like incurred in his use of Carrier's service.
- 3.4.2 When terminal equipment is used, the equipment shall not interfere with service furnished to other customers. Additional protective equipment, if needed, shall be employed at the customer's expense.

3.5 Calculation of Distance

Usage charges for any 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 generally used within the industry.

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

3.6 Minimum Call Completion Rate

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

3.7 Promotional Offerings

The Company may, from time to time, make promotional offerings to enhance marketing of services. These promotional offerings will be subject to Commission approval prior to implementation.

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3.8 <u>Services Offerings</u>

The company will provide the following services:

3.8.1 Message Toll Service (MTS)

"1+" Dialing is achieved by customer's telephone lines being programmed by the local telephone company (LEC) to automatically route 1+ calls to the Company's network.

3.8.2 Inbound Service (800/888)

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.

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3.8.3 <u>Travel Card Service</u>

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

3.8.4 Directory Assistance

Directory Assistance will be provided by the Carrier at the per call charge as set forth in Section 4 of this tariff.

3.8.5 Operator Services

The Company does not provide operator services. Operator assisted calls are defaulted to and billed directly by the underlying carrier.

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SECTION 4 - RATES AND CHARGES

4.1. Usage Charges and Billing Increments

4.1.1 Usage Charges

Usage charges are generally flat rated. However, if any 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 accordance with the billing increments set forth in the individual product rate sections of this tariff. All partial usage will be rounded up to the next highest applicable billing increment.

4.1.3 Rounding

All calls are rounded to the next highest billing interval. Any partial cents per call will be rounded up to the next highest whole cent.

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4.2 Switched Access Outbound and Inbound Rates

	Tier A Origination	Tier B Origination
Plan SVR	\$0.2290 per minute	\$0.2750 per minute
Plan VR	\$0.2650 per minute	\$0.3100 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 Dedicated Access Outbound and Inbound Rates

1.) Dedicated Non-Blended (Routing Advantage):

	Outbound	Inbound
Plan SVR	\$0.1310/min	\$0.1300/min
Plan VR	\$0.1480/min	\$0.1460/min

Billed in 6 second increments.

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

Monthly Commitment of \$3,000.00 required.

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4.4 Directory Assistance

Directory assistance will be provided at a charge of \$0.89 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 Promotional Offerings

The Company may, from time to time, make promotional offerings to enhance marketing of services. These promotional offerings will be subject to Commission approval prior to implementation.

4.8 Pay Telephone (Payphone) Surcharge

A \$0.35 surcharge shall 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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