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August 27, 1999

FILED

AUG 27 1999

Missouri Public
Service Commission

Mr. Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge
Missouri Public Service Commission
P.O. Box 360
Jefferson City, MO 65102

TA-2000-194

Re: In the matter of the application of Steelville Long distance, Inc. for a certificate of service authority to provide interexchange and local exchange telecommunications services.

Dear Mr. Roberts:

Enclosed please find the original plus fourteen (14) copies of Application for filing on behalf of Steelville Long Distance, Inc. in the above referenced matter. Please bring this matter to the attention of the appropriate Commission personnel.

Thank you for your attention to this matter.

Very truly yours,

BRYDON, SWEARENGEN & ENGLAND P.C.

By: *Sandra Morgan*

Sondra B. Morgan

SBM/k

Enclosures

cc: Office of Public Counsel
Martin Schell

0000170

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

FILED²

AUG 27 1999

Missouri Public
Service Commission

In the matter of the application of)
Steelville Long Distance, Inc.)
for a certificate of service authority)
to provide interexchange and local)
exchange telecommunications)
services)

Case No. TA 2000-194

APPLICATION

Steelville Long Distance, Inc. ("Applicant"), a Missouri corporation, files this verified application respectfully requesting that the Missouri Public Service Commission ("Commission") issue an order that:

- (a) grants Applicant a Certificate of Service Authority to provide interexchange and local exchange telecommunications services pursuant to Chapter 392 of the Missouri Revised Statutes;
- (b) grants competitive status to Applicant; and
- (c) waives certain Commission rules and statutory provisions pursuant to Section 392.420, RSMO Supp. 1998.

In support of its request, Applicant states:

1. Applicant is a Missouri corporation with its principal office and place of business at 61 E. Highway 8, Steelville, Missouri 65565. A copy of Applicant's Articles of Incorporation and Certificate of Authority to transact business in Missouri has been requested from the Missouri Secretary of State and will be marked Appendix A and filed as a late-filed exhibit as soon as it is received. A list of Applicant's current officers and directors is attached as Appendix B and is incorporated by reference herein.

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2. All communications, notices, orders and decisions respecting this Application and proceeding should be addressed to:

Martin Schell
General Manager
Steelville Long Distance, Inc.
P.O. Box 370
Steelville, Missouri 65565

W.R. England, III, Esq.
Sondra B. Morgan, Esq.
Brydon, Swearngen & England, P.C.
312 East Capitol Street
P.O. Box 456
Jefferson City, Missouri 65102

3. Applicant proposes to resell one plus (1+) interexchange telecommunications services and associated operator and directory assistance services to business and residential customers located throughout the State of Missouri. Initially, Applicant will only provide service to local exchange customers of Steelville Telephone Exchange, Inc., in the exchanges of Steelville, Huzzah, Cherryville, and Virburnum. Applicant will utilize its own facilities, or purchase for resale, the services or facilities of other carriers in order to provide the services sought to be provided.

4. Applicant proposes to charge for its services based upon rates, rules and regulations as proposed in the tariff attached hereto and incorporated by reference as Appendix C.

5. Applicant requests classification as a competitive telecommunications company within the State of Missouri. Applicant believes that its proposed services will be subject to sufficient competition to justify a lesser degree of regulation. Granting of this application will allow greater price and service options for telephone users.

6. Applicant also requests, pursuant to Section 392.420, RSMO 1994, that the Commission waive the application of the following rules and statutory provisions as they relate to the regulation of Applicant:

§392.240(1)	Rates-reasonable average return on investment.
§392.270	Property valuation.
§392.280	Depreciation rates.
§392.290	Issuance of stocks and bonds.
§392.310	Issuance of stocks and bonds.
§392.320	Issuance of stocks and bonds.
§392.330	Issuance of stocks and bonds.
§392.340	Reorganization.
4 CSR 240-10.020	Income on depreciation fund investments.
4 CSR 240-30.010(2)(C)	Posting exchange rates at central offices.
4 CSR 240-30.040	Uniform System of Accounts.
4 CSR 240-32.030(1)(B)	Exchange boundary maps.
4 CSR 240-32.030(1)(C)	Record of access lines.
4 CSR 240-32.030(2)	In-state record keeping.
4 CSR 240-32.050(3-6)	Telephone directories.
4 CSR 240-32.070(4)	Coin telephones.
4 CSR 240-33.030	Inform customers of lowest priced service.
4 CSR 240-33.040(5)	Finance fee.

It is Applicant's understanding that the above-referenced rules and statutory provisions have typically been waived for other interexchange carriers in prior cases.

7. The interexchange services provided by Applicant will be performed by the Applicant or by independent contractors, agents or employees of Steelville Telephone Exchange, Inc. For example, billing & collection and billing inquiry services will be performed by the Applicant, or they will be provided under contractual agreements between Applicant and independent contractors, including local exchange carriers. Applicant will compensate its independent contractors, or local exchange carriers fully for all services provided on Applicant's

behalf.

8. Steelville Telephone Exchange, Inc., has extensive experience in providing reliable and affordable telecommunications services to the public in the State of Missouri. As a result, Applicant will have available to it the technical expertise to provide interexchange telecommunications services that meet or exceed all service standards established by the Commission. A brief description of the qualifications and experience of the officers and managers is attached as Appendix D.

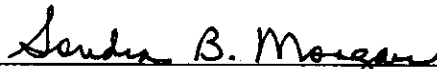
9. Applicant is financially capable of providing the proposed service. For purposes of illustration, Pro Forma Financial Statements of the Applicant are attached hereto as Appendix E.

10. The Commission has found that the interexchange market which Applicant seeks to enter is sufficiently competitive so as to justify a lesser degree of regulation. In Re Classification of Service Provided by Interexchange Telecommunications Carrier within the State of Missouri, Case No. TO-88-142, Report and Order (effective October 16, 1989) at pp. 19-20. Expedient grant of the instant Application will increase the competition in the provision of interexchange services, consistent with the Commission's policies and increase the variety and number of interexchange telecommunications providers and services available to users. Accordingly, Applicant's proposed operations are in the public interest.

WHEREFORE, Applicant respectfully requests that the Commission grant it a certificate of service authority to provide intrastate interexchange and local exchange telecommunications services to the public in the State of Missouri. If granted local exchange authority, such authority will be limited to the provisioning of dedicated, non-switched local exchange private line services.

Applicant also requests classification as a competitive telecommunications company. In addition, Applicant requests a waiver of the above-referenced rules and statutory provisions.

Respectfully submitted,



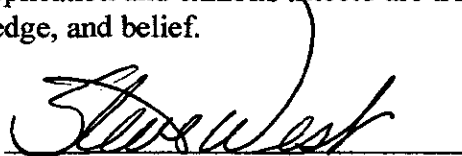
W.R. England, III Mo Bar#23975
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312 East Capitol Avenue
P. O. Box 456
Jefferson City, MO 65102-0456
(573) 635-7166

Attorneys for STEELVILLE LONG DISTANCE,
INC.

VERIFICATION

STATE OF MISSOURI)
) ss.
COUNTY OF CRAWFORD)

Steve West, having been duly sworn upon his oath, states that is the President of Steelville Long Distance Company, Inc., Applicant herein, and as such, is duly authorized to execute said Application and to make this affidavit on its behalf; that the matters and things stated in the foregoing Application and exhibits thereto are true and correct to the best of his information, knowledge, and belief.



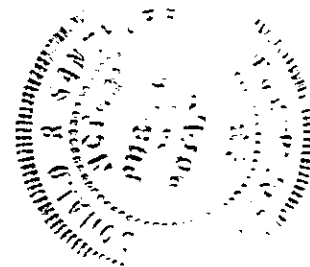
Subscribed and sworn to before me, a notary public, on this 19th day of AUGUST, 1999.



Notary Public

My Commission expires:

1/24/2000



Appendix B
Officers and Directors
Steelville Long Distance, Inc.

STEELVILLE LONG DISTANCE COMPANY, INC.

Board Of Directors

President – Steve West

Vice-President – Clyde Hayes

Secretary – Shirley Hendrix

Treasurer – Daniel W. Cape

Director – Robert L. Bell

Director – R. A. McInnis

Director – James D. Cottrell

Director – Marti Perkins

Director – Jimmie L. Laney

Appendix C
Proposed Tariff
Steelville Long Distance, Inc.

INTRASTATE LONG DISTANCE MESSAGE TELECOMMUNICATIONS SERVICE

**REGULATIONS AND SCHEDULE OF CHARGES
APPLICABLE TO INTRASTATE LONG DISTANCE MESSAGE
TELECOMMUNICATIONS SERVICE FURNISHED BY**

STEELVILLE LONG DISTANCE, INC.

**BETWEEN POINTS WITHIN THE STATE OF MISSOURI, AS SPECIFIED HEREIN.
SERVICE IS PROVIDED BY MEANS OF WIRE, RADIO, TERRESTRIAL OR
SATELLITE FACILITIES OR ANY COMBINATION THEREOF,
AS SPECIFIED HEREIN.**

This tariff contains the descriptions, regulations, and rates applicable to the furnishing of service and facilities for telecommunications services provided by Steelville Long Distance, Inc., within the State of Missouri. This tariff is on file with the Missouri Public Service Commission and copies may be inspected during normal business hours, at the Company's principal place of business.

Steelville Long Distance, Inc., operates as a competitive telecommunications company as defined by Case No. TA-2000-___ within the State of Missouri.

Issued: August 27, 1999

Effective: October 12, 1999

Issued by: Martin Schell
Steelville Long Distance, Inc.
P.O. Box 370
Steelville, MO 65565

INTRASTATE LONG DISTANCE MESSAGE TELECOMMUNICATIONS SERVICE

WAIVER OF RULES AND REGULATIONS

Pursuant to Case No. TA-2000-____, the following statutes and rules have been waived for purposes of offering telecommunications services as set forth herein:

STATUTES

Section 392.240(1)	Rates-reasonable average return on investment.
Section 392.270	Property valuation.
Section 392.280	Depreciation rates.
Section 392.290	Issuance of stocks and bonds.
Section 392.310	Issuance of stocks and bonds.
Section 392.320	Issuance of stocks and bonds.
Section 392.330	Issuance of <u>stocks and bonds.</u>
Section 392.340	Reorganization.

COMMISSION RULES

4 CSR 240-10.020	Income on depreciation fund investments.
4 CSR 240-30.010(2)(C)	Posting exchange rates at central offices.
4 CSR 240-32.030(1)(B)	Exchange boundary maps.
4 CSR 240-32.030(1)(C)	Record of access lines.
4 CSR 240-32.030(2)	Records kept within state.
4 CSR 240-30.040	Uniform System of Accounts.
4 CSR 240-32.050(3-6)	Telephone directories.
4 CSR 240-32.070(4)	Coin directories.
4 CSR 240-33.030	Inform customers of lowest priced service.
4 CSR 240-33.040(5)	Finance fee.

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INTRASTATE LONG DISTANCE MESSAGE TELECOMMUNICATIONS SERVICE

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INTRASTATE LONG DISTANCE MESSAGE TELECOMMUNICATIONS SERVICE

TARIFF FORMAT

1. Sheet Numbering - 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 8 and 9 would be 8.1.
2. Sheet Revision Numbers - Revision numbers also appear in the upper right corner of each page. These numbers are used to determine the most current sheet version on file with the Missouri Public Service Commission. For example, the 3rd revised Sheet 8 cancels the 2nd revised Sheet 8.
3. Paragraph Numbering Sequences - There are nine levels of paragraph coding. Each level of coding is subservient to the next higher level.

2.
2.1
2.1.1
2.1.1.A.
2.1.1.A.1.
2.1.1.A.1.(a).
2.1.1.A.1.(a).1.
2.1.1.A.1.(a).1.(i)
2.1.1.A.1.(a).1.(i)(1).

INTRASTATE LONG DISTANCE MESSAGE TELECOMMUNICATIONS SERVICE

CONCURRING CARRIERS

No Other Concurring Carriers

CONNECTING CARRIERS

No Other Connecting Carriers

OTHER PARTICIPATING CARRIERS

No Other Participating Carriers

EXPLANATION OF SYMBOLS

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

- C - To signify changed regulation
- D - Delete or discontinue
- I - Change resulting in an increase to a customer's bill
- M - Moved from another tariff location
- N - New
- R - Change resulting in a decrease to a customer's bill
- T - Change in text or regulation but no change in rate or charge

Issued: August 27, 1999

Effective: October 12, 1999

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INTRASTATE LONG DISTANCE MESSAGE TELECOMMUNICATIONS SERVICE

1. APPLICATION OF TARIFF

This tariff contains the intrastate regulations and rates applicable to the provision of Intrastate Long Distance Message Telecommunications Service (ILDMTS) by Steelville Long Distance, Inc., (hereinafter referred to as the Company) within the State of Missouri, as specified herein.

The Company's Service is furnished subject to transmission, atmospheric and like conditions. Service is offered pursuant to rates, terms and conditions set forth in this tariff. Service is offered via the company's facilities in combination with resold services provided by other certified carriers. The Company's Service will initially be offered only to the local exchange service customers of its affiliate, Steelville Telephone Exchange, Inc. in the exchanges of Steelville, Huzzah, Cherryville and Viburnum.

The rates, rules and regulations contained herein are subject to change pursuant to the rules and regulations of the Missouri Public Service Commission ("Mo PSC").

Issued: August 27, 1999

Effective: October 12, 1999

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INTRASTATE LONG DISTANCE MESSAGE TELECOMMUNICATIONS SERVICE

2. DEFINITIONS

Answer Supervision: An electrical signal fed back up the line by the LEC at the distant end of a long distance call to indicate positively that the call has been answered.

Application for Service: A standard order form which includes all pertinent billing, technical, and other descriptive information which will enable the Company to provide the communication service as required.

Authorization Code: An identification number, usually an eight (8) to twelve (12) digit number, that identifies the user as a customer.

Authorized User: A person, firm, corporation or legal entity which is authorized by the Customer to be connected to the service of the Customer. Authorized User(s) must be named in the Application for Service.

Automatic Numbering Identification (ANI): A type of signaling provided by a local exchange carrier which automatically identifies through a seven (7) or ten (10) digit number assigned to the Customer, the local exchange line from which a call originates.

Billing Period: The interval between Customer invoice to Customer invoice which shall consist of thirty (30) days.

Business Service: "Business Service" refers to telecommunications service provided to the Customer for use primarily or substantially for a business, professional, institutional or other occupational purpose.

Calling Card Call: A call for which charges are billed, not to the originating telephone number, but to a telephone calling card issued by a local exchange carrier or long distance telephone company, for this purpose.

Issued: August 27, 1999

Effective: October 12, 1999

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INTRASTATE LONG DISTANCE MESSAGE TELECOMMUNICATIONS SERVICE

2. DEFINITIONS (continued)

Cancellation of Order: A Customer-initiated request to discontinue processing a service order, either in part or in entirety, prior to its completion.

Commission: The Missouri Public Service Commission.

Company: The term "Company" denotes Steelville Long Distance, Inc.

Customer: The term "customer" denotes the person who or the firm or corporation that orders, cancels or amends Service, is responsible for the payment of charges, and is responsible for compliance with the Company's regulations and this tariff.

Customer Dialed Travel Card Call: A Travel Card Call which does not require the intervention of an operator.

Customer-Provided Equipment: Denotes all equipment and facilities provided by the Customer and/or Authorized User, other than those provided by the Company.

Dedicated Access Line or Service: The generic term for a service in which the Customer's traffic passes over an access line connecting the Customer's premises to a Company switch, the line which is used solely for that Customer's traffic.

Direct Dial Call: A call for which charges are billed to the originating telephone number.

Disconnection: The disconnection of a circuit, dedicated access line or port connection being used for existing service.

Issued: August 27, 1999

Effective: October 12, 1999

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INTRASTATE LONG DISTANCE MESSAGE TELECOMMUNICATIONS SERVICE

2. DEFINITIONS (continued)

Domestic Message Telecommunications Service: Denotes the furnishing of station-to-station direct dial domestic switched network services to the Customer for the completion of long distance voice and dial up low speed data transmissions over voice grade channels from the Customer's premises to other domestic points as specified herein.

FCC: Federal Communications Commission.

Holiday: Any of the following Federally recognized holidays: New Years Day (January 1st), Memorial Day, Independence Day (July 4th), Labor Day, Thanksgiving, and Christmas Day (December 25th). Calls on Holidays are billed at Off-Peak rates.

Interexchange Carrier (IXC): A long distance telecommunications carrier.

Local Exchange Carrier (LEC): A company which provides telecommunications service within a Local Exchange Area.

Normal Business Hours: Normal business hours are the period between 8:00 AM and 5:00 PM, Central Time Zone, Monday through Friday, excluding Holidays.

Off Peak: The time period from 7:00 PM up to, but not including, 7:00 AM Monday through Friday, and from 7:00 PM Friday up to, but not including, 7:00 AM Monday. Calls on Holidays are billed at Off-peak rates.

Peak: The time period from 7:00 AM up to, but not including, 7:00 PM, Monday through Friday.

Point(s) of Presence: Location(s) where the Company maintains, through its own facilities or through arrangements with other carriers, an operations center for purposes of providing long distance service.

Issued: August 27, 1999

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INTRASTATE LONG DISTANCE MESSAGE TELECOMMUNICATIONS SERVICE

2. DEFINITIONS (continued)

Premises: Denotes a building or buildings on contiguous property (except railroad right-of-way-, etc) not separated by a public road.

Residential Service: Denotes telecommunications service provided to a Customer where the business use, if any, is merely incidental and where the major use is of a social or a domestic nature.

Service: "Service" means any or all service(s) provided pursuant to this tariff.

Service Points: Those locations from which the Company makes Service available to Customers.

Station: Any location from which a message can be originated or received (terminated).

Telecommunications: The transmission of voice communications or, subject to the transmission capabilities of the service, the transmission of data, facsimile, signaling, metering, or any other form of intelligence over dedicated or switched facilities.

Usage Charge: A usage charge assessed based on minutes of use to calculate the charges due for a completed call. Additional surcharges may also apply as stated in this tariff.

United States: The term "United States" designates the forty-eight (48) contiguous states and the District of Columbia, Hawaii, Alaska, Puerto Rico, the U.S. Virgin Islands, Guam and the commonwealth of Northern Mariana Islands, as well as the off-shore areas outside the boundaries of the coastal states of the forty-eight contiguous states to the extent that such areas appertain to and are subject to the jurisdiction and control of the United States.

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INTRASTATE LONG DISTANCE MESSAGE TELECOMMUNICATIONS SERVICE

3. REGULATIONS

3.1 Undertaking of the Company

3.1.1 Scope

The Company undertakes to provide telecommunication Services in accordance with the terms and conditions set forth in this tariff.

3.1.2 Shortage of Facilities

The Company's Service is subject to availability of suitable facilities. The company reserves the right to limit the length of communications or to discontinue furnishing Service when necessary because of lack of satellite or other transmission medium capacity or because of any force majeure condition.

3.1.3 Liability of the Company

- A. Except as stated in this Section 3.1.3, the Company shall have no liability for damages of any kind arising out of or related to events, acts, rights or privileges contemplated in this tariff. This tariff does not limit the liability of the Company for willful misconduct.
- B. The liability of the Company for damage resulting in whole or in part from, or arising in connection with, the furnishing of Service under this tariff, including but not limited to mistakes, omissions, interruptions, delays, errors, or other defects or misrepresentation shall not exceed the dollar amount of the call in which the Service disruption occurred. Such dollar amount shall be credited on the customers next billing cycle.

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INTRASTATE LONG DISTANCE MESSAGE TELECOMMUNICATIONS SERVICE

3. REGULATIONS (continued)

3.1.3 Liability of the Company (continued)

- C. The Company shall not be liable for any failure of performance hereunder due to causes beyond its control, including but not limited to acts of God, fires, flood or other catastrophes, or any law, order, regulation, directive, action or request of the United States Government, or any other government, including state and local governments having jurisdiction over the Company, or of any department, agency, commission, bureau, corporation or other instrumentality of any one or more of said governments, or of any civil or military authority; national emergencies, insurrections, riots, wars or other labor difficulties.
- D. The Company shall not be liable for any act or omission of any other entity furnishing facilities, equipment, or services used to provide the Company's Service. Nor shall the Company be liable for any damage or losses due to the failure or negligence of the Customer or due to the failure of Customer-provided equipment, facilities or services.
- E. The Company reserves the right to discontinue furnishing Service without notice to the Customer when necessitated by conditions beyond its control or when the Customer is believed to be using the Service in violation of the provisions of this tariff or in violation of the law.

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INTRASTATE LONG DISTANCE MESSAGE TELECOMMUNICATIONS SERVICE

3. REGULATIONS (continued)

3.1.3 Liability of the Company (continued)

- F. Calls to a foreign country or area, or calls routed through a foreign country or area, are subject to such restrictions as may be enforced from time to time by the authorities in that country or area.
- G. The Company, at its discretion, may discontinue or suspend all or a portion of its Service without notice to the Customer, by blocking facilities to certain countries, or by blocking calls placed using certain Authorization Codes, when the Company deems it necessary to take such action to prevent unlawful use of its service. The Company will restore its Service as soon as it can be provided without undue risk, and will, upon request by the Customer affected, assign a new Authorization Code to replace the one that may have been deactivated.
- H. All or any portion of the Company's Service may be provided over facilities of third parties, and the Company shall not be liable to Customer or any other person, firm or entity in any respect whatsoever arising out of defects caused by or acts or omissions of any third parties.
- I. THE COMPANY SHALL NOT BE LIABLE FOR ANY DIRECT, INDIRECT, CONSEQUENTIAL, SPECIAL, PUNITIVE DAMAGES, OR FOR ANY LOST PROFITS OF ANY KIND OR NATURE WHATSOEVER ARISING OUT OF ANY DEFECTS OR ANY OTHER CAUSE. THIS WARRANTY AND THESE REMEDIES ARE EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES OR REMEDIES, WHETHER EXPRESS, IMPLIED OR STATUTORY, INCLUDING WITHOUT LIMITATION, IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

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INTRASTATE LONG DISTANCE MESSAGE TELECOMMUNICATIONS SERVICE

3. REGULATIONS (continued)

3.1.3 Liability of the Company (continued)

- J. In the event parties other than the Customer (e.g., Customer's authorized users) shall have use of the Service directly or indirectly through the Customer, then Customer agrees to forever indemnify and hold the Company harmless from and against any and all claims, demands, suits, actions, losses, damages, assessments or payments which may be asserted by said parties arising out of or relating to any defects. The Company shall have no liability to any person or entity other than its Customer.

3.1.4 Claims

- A. The Company shall be indemnified and saved harmless by the Customer from and against all loss, liability, damage and expense, including reasonable counsel fees, due to claims for libel, slander, or infringement of copyright, trademark, trade name or patent resulting from use of the Company's Service; and any other claim resulting from act or omission of the Customer or Customer's authorized user relating to the use of the Company's Service.
- B. The Company shall not be liable for use, misuse, or abuse of a Customer's Service by third parties, including, without limitation, the Customer's employees, guests or members of the public who dial the Customer's telephone number in error. Compensation for any injury the Customer may suffer due to the fault of others must be sought from such other parties.

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INTRASTATE LONG DISTANCE MESSAGE TELECOMMUNICATIONS SERVICE

3. REGULATIONS (continued)

3.1.4 Claims (continued)

- C. The Company is not liable for any damages, including but not limited to, toll and long distance usage charges, the Customer may incur as a result of unauthorized use of the Customer's telephone facilities or Company Authorization Codes. The Company may work with the Customer to recommend possible solutions to reduce unauthorized use. However, the Company does not warrant or guarantee that its recommendations will prevent unauthorized use, and the Customer is responsible for controlling access to, and use of, its own telephone facilities and Company Authorization Codes.

3.1.5 Provision of Equipment and Facilities

- A. Except as otherwise indicated, Customer-provided station equipment at the Customer's premises for use in connection with this Service shall be so constructed, maintained and operated as to work satisfactorily with the Company's Service.
- B. The Company shall not be responsible for the installation, operation or maintenance of any Customer-provided communications equipment. Where such equipment is used in connection with the Company's Service furnished pursuant to this tariff, the responsibility of the Company shall be limited to the furnishing of Service under this tariff and to the maintenance and operation of such Service in the proper manner. Subject to this responsibility, the Company shall not be responsible for:
1. the through transmission of signals generated by Customer-provided equipment or for the quality of, or defects in, such transmission; or

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INTRASTATE LONG DISTANCE MESSAGE TELECOMMUNICATIONS SERVICE

3. REGULATIONS (continued)

3.1.4 Claims (continued)

2. the reception of signals by Customer-provided equipment.

3.2 Use of Service

The Company's Service may be used to transmit communications of the Customer in a manner consistent with the terms of this tariff and the policies and regulations of the Federal Communications Commission.

- A. The Service is provided for use by the Customer and may be used by others, when so authorized by the customer, providing that all such usage shall be subject to the provisions of this tariff.
- B. The Service is furnished subject to the condition that it will not be used for an unlawful purpose, and there will be no abuse or fraudulent use of the Service. Abuse or fraudulent use of the service includes, but is not limited to;
 1. The use of the Service of the Company to transmit a message or to locate a person or otherwise to give or obtain information without payment of the charge applicable to the Service.
 2. The obtaining, or attempting to obtain, or assisting another to obtain or attempt to obtain, Long Distance Message Telecommunications Service by rearranging, tampering with or making connection with any service components of the Company or by any trick, scheme, false representation or false credit device, or by or through any other fraudulent means or device whatsoever with intent to avoid payment, in whole or in part, of the regular charge for such Service.

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INTRASTATE LONG DISTANCE MESSAGE TELECOMMUNICATIONS SERVICE

3. REGULATIONS (continued)

3.2 Use of Service (continued)

3. The use of the Service of the Company for a call or calls, anonymous or otherwise, if in a manner reasonably to be expected to frighten, abuse, torment or harass another.
 4. The use of profane or obscene language.
 5. The use of the Service in such a manner as to interfere unreasonably with the use of the Service by one or more other Customers, or harm the facilities of the Company or others.
- C. In the event the Company determines, in its sole judgement, that there is fraudulent use of either the Services furnished by the Company or the Company's network, the Company will, without notice to the Customer or liability to the Company, discontinue Service and/or seek legal recourse to recover from the Customer all costs involved in enforcement of this provision.

3.3 Payment for Service

The Customer is responsible for payment of all charges for Service provided by the Company. Applicable taxes appear as separate line items on the Customer's invoice.

Issued: August 27, 1999

Effective: October 12, 1999

Issued by: Martin Schell
Steelville Long Distance, Inc.
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3. REGULATIONS (continued)

3.4 Discontinuation of Service

3.4.1. The Company may discontinue the service under the following circumstances, provided suitable notice has been given to the customer, as required.

- A. Non-payment of any sum due to the Company for service for more than twenty-one (21) days beyond the date of rendition of the bill for such services; or
- B. A violation of or failure to comply with any regulation governing the furnishing of service; or
- C. An order of a court or other government authority having jurisdiction which prohibits the Company from furnishing service; or
- D. Failure to post a required deposit; or
- E. Material misrepresentation of identity in obtaining service or the use of service in a manner that in the opinion of the company constitutes fraud or abuse.

3.4.2 Service shall not be disconnected unless written notice by first class mail is sent or delivered to the customer at least 5 days prior to the date of the proposed discontinuance. At least 24 hours preceding discontinuance, a reasonable effort shall be made to contact the customer to advise him of the proposed discontinuance and what steps must be taken to avoid it.

Issued: August 27, 1999

Effective: October 12, 1999

Issued by: Martin Schell
Steelville Long Distance, Inc.
P.O. Box 370
Steelville, MO 65565

INTRASTATE LONG DISTANCE MESSAGE TELECOMMUNICATIONS SERVICE

3. REGULATIONS (continued)

3.5 Obligations of the Customer

- 3.5.1 The Customer shall be responsible for damages to the Company's facilities or that of its Local Exchange Carrier(s) caused by the act or omission of the Customer, its authorized users, officers, directors, employees, agents, contractors, licensees or invitees or any person or entity who gains access to the Service of the Customer through the negligence of the Customer.
- 3.5.2 The Customer shall provide access to the Customer's or Authorized User's premises by Company personnel for inspection, repair and/or removal of any facilities or equipment of the Company on an unrestricted basis, twenty-four (24) hours per day, seven (7) days a week.
- 3.5.3 The Customer will guarantee the compliance by the Customer's Authorized User(s) with all provisions of this tariff and contractual obligations between the Customer and the Company. The Customer will be liable for the acts or omissions of its Authorized User(s) relative to compliance with the provisions of this tariff.

Issued: August 27, 1999

Effective: October 12, 1999

Issued by: Martin Schell
Steelville Long Distance, Inc.
P.O. Box 370
Steelville, MO 65565

INTRASTATE LONG DISTANCE MESSAGE TELECOMMUNICATIONS SERVICE

3. REGULATIONS (continued)

3.5 Obligations of the Customer (continued)

3.5.4 The Customer may not assign or transfer to a third party, whether by operation of law or otherwise, the right to use the Service provided under this tariff, provided however, that, where there is no interruption or relocation of use, such assignment or transfer may be made to the following:

- A. Another Customer of the Company, provided that the assignee or transferee assumes all accrued and unpaid obligations of the transferring Customer including, but not limited to, all indebtedness for such Service, and the unexpired portion of the minimum period and the termination liability applicable to such Service, if any; or
- B. A court-appointed receiver, trustee or other person acting pursuant to the laws of bankruptcy, receivership, reorganization, insolvency, liquidation or other similar proceedings, provided that the assignee or transferee assumes all accrued and unpaid obligations of the transferring Customer, but not limited to, all indebtedness for such Service, and the unexpired portion of the minimum period and the termination liability applicable to such Service, if any.

3.5.5 If the Customer wishes to assign or transfer the right to use the Service provided under this tariff, written consent of the Company is required prior to such assignment or transfer, which consent may be granted or withheld at the sole discretion of the Company. All regulations and conditions contained in this tariff shall apply to such assignee or transferee.

INTRASTATE LONG DISTANCE MESSAGE TELECOMMUNICATIONS SERVICE

3. REGULATIONS (continued)

- 3.5.6 The assignment or transfer of Service does not relieve or discharge the assignor or transferor from remaining jointly and severally liable with the assignee or transferee for any obligations existing at the time of the assignment or transfer.
- 3.5.7 With respect to the Company's 800/888/877 Service, the Customer must obtain an adequate number of access lines for service to handle its expected demand in order to prevent interference or impairment of the Service or any other Service provided by the Company. The Company will have the right to determine such adequacy giving due consideration to (1) the total call volume, (2) average call duration, (3) time-of-day characteristics, and (4) peak calling period. The Company, without incurring liability and without notice to the Customer, may disconnect or refuse to furnish Service to any Customer that fails to comply with these conditions.
- 3.5.8 Any mistakes, omissions, accidents, interruptions, delays, errors or defects in Transmission or Service which are caused or contributed to, directly or indirectly, by an act or omission of the Customer, by others through the use of facilities or equipment furnished by any other person using the Customer's facilities shall not result in any liability to the Company. The Customer shall pay to the Company any reasonable costs, expenses, damages, fees or penalties incurred by the Company as a result thereof, including the costs of any Local Exchange Carrier labor and materials. The Company shall be indemnified, defended and held harmless by the Customer against any and all claims, demands, causes of action and

Issued: August 27, 1999

Effective: October 12, 1999

Issued by: Martin Schell
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INTRASTATE LONG DISTANCE MESSAGE TELECOMMUNICATIONS SERVICE

3. REGULATIONS (continued)

3.5 Obligations of the Customer (continued)

liability relating to Services provided pursuant to this agreement, including payment to the Company associated with reasonable attorney's fees.

3.6 Billing and Payment Regulations

3.6.1 Service shall be provided and billed for on a monthly basis. Service shall continue to be provided until the Company's receipt of a request from the Customer for the disconnection of the Service, unless other restrictions apply. Payment is to be made to the address designated on the invoice or such other location as the Company may direct in writing from time to time. In addition to charges for the Company's Service, the Customer shall pay any applicable Federal, state or local use, excise, sales or privileges taxes or assessments such as the Universal Service Fund assessment, resulting from the Services furnished by the Company. Such taxes or assessments shall not be counted toward the attainment of any volume or revenue commitment and will not be discounted.

3.6.2 The Customer is responsible for payment of all charges for Service furnished by the Company. This includes payment for calls or Service:

- A. Originated at the Customer's number(s) whether authorized or not;
- B. Accepted at the Customer's number(s) (e.g. 800/888/877 Service);
- C. Billed to the Customer's number via third number billing, a calling card, a Company-assigned Authorization Code, or other special billing number; or
- D. Incurred at the request of the Customer.

INTRASTATE LONG DISTANCE MESSAGE TELECOMMUNICATIONS SERVICE

3. REGULATIONS (continued)

3.6 Billing and Payment Regulations (continued)

- 3.6.3 The Customer's responsibility for payment of all charges for Service furnished by the Company is not changed by virtue of any use, misuse, or abuse of the Customer's Service or Customer-provided systems, equipment, facilities or Services interconnected to the Customer's 800/888/877 Service, which may be occasioned by third parties, including, without limitation, the Customer's employees, guests and/or members of the public who dial the Customer's 800/888/877 number by mistake.
- 3.6.4 In instances of a dispute, the Customer is required to pay the undisputed portion of the invoice in its entirety. Undisputed amounts not paid within twenty-one (21) days from the due date stated on the invoice will be considered delinquent.
- 3.6.5 The Company may require applicants or Customers to provide information pertaining to their financial ability to pay for Service. Upon application for Service, Customer shall be deemed to have authorized the Company to obtain such routine credit information and verification as the Company shall require in accordance with its then-existing credit policies.

INTRASTATE LONG DISTANCE MESSAGE TELECOMMUNICATIONS SERVICE

3. REGULATIONS (continued)

3.6 Billing and Payment Regulations (continued)

A. The Company is not obligated to furnish service to any individual or firm that owes for service previously rendered at the same or a different address, until arrangements have been made to liquidate such previous indebtedness to the Company. In order to insure the payment of all charges due for its service, the Company may require any subscriber to establish his credit by furnishing references acceptable to the Company. A cash deposit or suitable guarantee in writing may be required if any of the following conditions exist:

1. Applicants with previous telephone service of 12 months or more: The applicant is unable to establish that he had a previous account with a telephone utility for a period of at least twelve (12) months for which all undisputed charges were satisfactorily paid;
2. Applicants with no previous telephone service or with previous telephone service of less than twelve months: The applicant does not meet at least two of the following criteria:
 - a. has a valid major national charge card;
 - b. has a valid major national oil charge card;
 - c. home ownership, excluding mobile home;
 - d. is fifty (50) or more years of age;
 - e. has been employed two years or more with the current employer;

INTRASTATE LONG DISTANCE MESSAGE TELECOMMUNICATIONS SERVICE

3. REGULATIONS (continued)

3.6 Billing and Payment Regulations (continued)

- f. has a savings account;
- g. has a local charge card
- h. has an existing loan from a financial institution not considered delinquent by the creditor.

The Company may require a deposit or guarantee.

- B. The Company may require a deposit if the customer is unable to establish a good credit rating, or if the customer has undisputed charges in two (2) out of the last twelve (12) billing periods which have become delinquent, or if:
- 1. The customer has had service discontinued due to nonpayment of an undisputed delinquent charge or failure to post a required deposit or guarantee anytime during the preceding twelve (12) billing periods.
 - 2. The customer established service with the company within the preceding six (6) months, and incurs toll or other charges in any one (1) billing period which are equal to at least 400 percent of the amount of the deposit or guarantee previously required by the telephone utility.

The deposit shall not exceed estimated charges for two months service based on the average bill during the preceding twelve months or in the case of new applicants, two months average monthly bill for all subscribers within a customer class. The

INTRASTATE LONG DISTANCE MESSAGE TELECOMMUNICATIONS SERVICE

3. REGULATIONS (continued)

3.6 Billing and Payment Regulations (continued)

deposit shall bear interest at a rate of 9% simple interest per annum, and will be returned upon satisfactory payment of all undisputed charges during the last 12 billing periods, or discontinuance of service.

C. At the time an application for service is made, an applicant may be required to pay an amount equal to at least one month's service and/or service connection charges, which will be applicable to the customer's account on the first bill rendered.

3.6.6 In the event that a check or draft tendered by a customer is returned, a fee of at least \$10.00 will apply. The fee will be accessed when a check or instrument issued by a Customer is returned without payment for any reason whatsoever, unless the return is bank error, in which case documentary evidence is required to waive the fee.

3.6.7 All stated charges in this tariff are computed by the Company exclusive of any federal, state, or local use, excise, gross receipts, sales, or privilege taxes, duties, fees, or similar liabilities (other than general income or property taxes), including Universal Service Fund assessments, whether

INTRASTATE LONG DISTANCE MESSAGE TELECOMMUNICATIONS SERVICE

3. REGULATIONS (continued)

3.6 Billing and Payment Regulations (continued)

charged to or against the Company or its Customer. Such taxes, fees, etc, shall be paid by the Customer in addition to the charges stated in the tariff. All such taxes, duties and fees shall each be shown as a separate line item on the Customer's monthly invoice. All charges and fees subject to MoPSC jurisdiction, except taxes and franchise fees, will be submitted to the MoPSC for prior approval.

3.6.8 If Customer seeks to have the Company reinstitute Service, Customer shall pay to the Company prior to the time Service is reinstated (1) all accrued and unpaid charges, and (2) a deposit, as determined by the Company.

3.6.9 The Company reserves the right, under federal law, to backbill for a period of up to two (2) years for an amount equal to the accrued and unpaid charges for use of the Company's Service actually made by Customer.

3.6.10 Customers billed by a Local Exchange Carrier (LEC), Competitive Local Exchange Carrier (CLEC), or other local exchange telephone company, on behalf of the Company, are responsible for any late payment charges imposed by the Local Exchange Carrier, Competitive Local Exchange Carrier, or local exchange telephone company.

3.7 Credit Allowances

3.7.1 Interruption of Service

A. Credit for failure of Service or equipment will be allowed only when such failure is caused by or occurs in facilities or equipment

INTRASTATE LONG DISTANCE MESSAGE TELECOMMUNICATIONS SERVICE

3. REGULATIONS (continued)

3.7 Credit Allowances (continued)

provided by the Company. As used in this tariff, all equipment, facilities and/or Service for which the Company renders an invoice for payment are considered provided by the Company whether or not the equipment, facilities and/or Service are owned and operated by the Company unless otherwise provided by the terms of this tariff.

- B. No credit will be allowed for failure of Service or equipment due to Customer-provided facilities or any act or omission of the Customer, its Authorized User(s), officers, directors, employees, agents, contractors, licensees or invitees or any person or entity who gains access to the Service of the Customer through the negligence of the Customer.
- C. Credit allowance time for failure of Service or equipment starts when the Customer notifies the Company of the failure or when the Company has actual knowledge of the failure, and ceases when the Service has been restored and an attempt has been made to notify the Customer.
- D. Only those portions of the Service or equipment operation materially interfered with will be credited.
- E. The Customer shall notify the Company of failures of Service or equipment and make reasonable attempts to ascertain whether the failure is caused by Customer-provided equipment.

INTRASTATE LONG DISTANCE MESSAGE TELECOMMUNICATIONS SERVICE

3. REGULATIONS (continued)

3.7.2 Limitation Allowances

No credit allowances will be made for:

- A. Interruptions due to the negligence of, or noncompliance with the provisions of this tariff by the Customer, Authorized User. Or other common carrier providing service connected to the Service of the Company.
- B. Interruptions of Service due to the failure or malfunction of facilities, power or equipment provided by the Customer, authorized user, or other common carrier providing service connected to the Service offered by the Company.
- C. Interruptions of Service during any period in which the Company is not given access to the premises at which the Company-provided Service is interrupted or terminated.
- D. Interruptions of Service that occur or continue due to the Customer's failure to authorize replacement of any element of special construction.
- E. Interruptions of Service during any period when the Customer or Authorized User has relinquished Service to the Company for maintenance purposes or for implementation of a Customer order for a change in Service.

INTRASTATE LONG DISTANCE MESSAGE TELECOMMUNICATIONS SERVICE

3. REGULATIONS (continued)

3.8 Equipment

- 3.8.1 The Customer shall assume all responsibility for obtaining all necessary permits, authorizations or consents for interconnecting Customer-provided equipment and facilities with the Company's Service or facilities as well as ensuring that the Customer-provided equipment or facilities are properly interfaced with the Company's Service or equipment.
- 3.8.2 The Customer shall operate its equipment and facilities so as not to interfere with any other Customer's use of the Company's Service or equipment.
- 3.8.3 The Customer shall comply with the minimum protective criteria generally accepted in the telephone industry and other appropriate criteria as may be prescribed by the Company to protect the integrity of the Company's Service or for safety reasons.
- 3.8.4 The Customer shall be responsible for the installation, operation or maintenance of any Customer-provided equipment. Where such equipment is connected to Service furnished by the Company pursuant to this tariff, the responsibility of the Company shall be limited to the furnishing of Services under this tariff and to the maintenance and operation of such Services in the proper manner. Subject to this responsibility, the Company shall not be responsible for the following:

INTRASTATE LONG DISTANCE MESSAGE TELECOMMUNICATIONS SERVICE

3. REGULATIONS (continued)

3.8 Equipment (continued)

- A. The through transmission of signals generated by Customer-provided equipment or for the quality of, or defects in, such transmission;
- B. The reception of signals by Customer-provided equipment; or
- C. Network control signaling where such signaling is performed by Customer-provided network control signaling equipment.

3.9 Determination and Rendering of Charges

- 3.9.1 For billing purposes, Service will be deemed to be started on the day the Service and its associated equipment, if any, is installed. Where billing is based upon Customer usage, billing for all usage commences on the date usage begins.
- 3.9.2 Subject to the Company's right to terminate or suspend Service as otherwise provided in this tariff, the minimum service period is thirty (30) days. Termination by the Customer is effective as of the end of the next business day after receiving the Customer's request to cancel Service.
- 3.9.3 All monthly recurring charges are billed one month in advance. Initial and final months billing, when the service period is less than one month, will be prorated one-thirtieth (1/30th) of the month's recurring charge for each day the Service was rendered or equipment was provided.
- 3.9.4 Usage charges are billed monthly for the preceding billing period. For periods less than the monthly billing period, minimum usage charges are

INTRASTATE LONG DISTANCE MESSAGE TELECOMMUNICATIONS SERVICE

3. REGULATIONS (continued)

3.9 Determination and Rendering of Charges (continued)

prorated at one-thirtieth (1/30th) of the monthly minimum amount for each day the Service was rendered.

3.9.5 The duration of a call is rated in intervals of the billing increments described for each Service provided in this tariff. If the final interval of a call is less than the applicable billing increment, it will be rounded up to a full increment for purposes of billing.

3.9.6 Computed usage charges or credits for each call are rounded to the nearest cent when possible.

Issued: August 27, 1999

Effective: October 12, 1999

Issued by: Martin Schell
Steelville Long Distance, Inc.
P.O. Box 370
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3. REGULATIONS (continued)

3.10 Dedicated Access and Private Line Services

3.10.1 Rates for Dedicated Access and Private Line Services will be determined on an Individual Case Basis (ICB). ICB rates will be structured to recover the Company's cost of providing the services and will be made available to customers in a non-discriminatory manner. Terms of the specific ICB contracts will be made available to the Missouri Public service Commission upon request on a proprietary basis.

3.11 Calculations of Billable Time (Usage Charges)

- 3.11.1 Unless otherwise specifically stated in this tariff, all calls, regardless of time period, lasting one (1) minute or a fraction thereof, are subject to a minimum billing increment of one (1) minute. Calls are billed in one (1) minute increments thereafter, with partial minutes rounded up to the next full minute.
- 3.11.2 Chargeable time begins when the connection is established between the calling station and the called telephone number and ends when the connection is terminated.
- 3.11.3 In determining usage charges, Peak/Off-Peak/Holiday rate periods, as defined in Section 5.1 of this tariff, apply, unless otherwise indicated, and are based on the time where the call originates. In cases where a call begins in one rate period and continues into another rate period, the rate in effect in each period will apply to the portion of the call occurring within the applicable rate period.
- 3.11.4 All per-call charges of fractional cents shall be rounded to the next full cent unless otherwise stated.

4. SERVICE OFFERINGS

Issued: August 27, 1999

Effective: October 12, 1999

Issued by: Martin Schell
Steelville Long Distance, Inc.
P.O. Box 370
Steelville, MO 65565

INTRASTATE LONG DISTANCE MESSAGE TELECOMMUNICATIONS SERVICE

4.1 General Description

The Company offers switched long distance network services for voice grade and low speed dial-up data transmission services offered on a usage-sensitive basis. Service is provided subject to the terms and conditions of this tariff. The Services offered are:

- (A) Domestic Message Telecommunications Service;
- (B) Inbound (800/888/877) Toll Free Service; and
- (C) Calling Card Service.

4.2 Direct Dial Domestic Service

- 4.2.1 The Company provides direct dialed termination of domestic station-to-station calls originating from its service points in the United States to the areas in the United States, as defined in "Definitions", Section 2, of this tariff. The Customer uses the Company's direct dialed Domestic Message Telecommunications Service by dialing 1 + the area code + the desired telephone number.
- 4.2.2 The rates for Direct Dial Domestic Service are set forth in Section 5.2 of this tariff.

INTRASTATE LONG DISTANCE MESSAGE TELECOMMUNICATIONS SERVICE

4. SERVICE OFFERINGS (continued)

4.3 Inbound (800/888/877) Toll Free Service

4.3.1 The Company's Inbound (800/888/877) Toll Free Service enables the Customer to receive 800/888/877 service calls at the Customer's residence or business. The Service is accessed via 800/888/877 NPA's originating on Feature Group facilities provided by the LEC and terminating on a regular residential or business line. The following regulations apply to all Inbound (800/888/877) Toll Free Service:

- A. The Company reserves the right to require an applicant for the Company's Inbound 800/888/877 Toll Free Service to supply the following information when requesting service: an initial traffic forecast, identification of anticipated busy hour, identification of its geographical target areas, and a schedule of marketing and promotional activities. The Company also may require that a new traffic forecast be submitted by the Customer quarterly after service is initiated.

- B. The Company's Inbound 800/888/877 Toll Free Service is furnished upon condition that the Customer contracts for adequate facilities, and must obtain an adequate number of access lines for the Company's Inbound 800/888/877 Toll Free Service, to permit the use of this Service without injurious effect upon it or any Service rendered by the Company, or to prevent interference or impairment of this Service or any other Service provided by the Company, based on (1) total call volume, (2) average call duration, (3) time-of-day characteristics, and (4) peak calling

INTRASTATE LONG DISTANCE MESSAGE TELECOMMUNICATIONS SERVICE

4. SERVICE OFFERINGS (continued)

4.3 Inbound (800/888/877) Toll Free Service (continued)

period. The Company, without incurring any liability and without notice to the Customer, may disconnect or refuse to furnish the Company's Inbound 800/888/877 Toll Free Service to any Customer that fails to comply with these conditions.

4.4 Travel Card Service

4.4.1 The Company will issue a customer dialed Travel Card, using 800/888/877 access, provided subject to the terms of this tariff. Upon application and at the Company's satisfaction as to the credit worthiness of a Customer, the Customer may be issued a 1-800-based Travel Card. Upon use of the authorization code issued with the 800 Travel Card, the customer will access the service. It is the responsibility of the Customer to guard and protect against any unauthorized use of any Company issued codes to which billing may be charged. Calls made using the 800 Travel Card will be assessed a per call surcharge and per-minute usage rates as described below. Customer will be billed for this service on their regular long distance service bill. The Customer has no property rights to 800, 888, or 877 numbers issued with 800 Travel Card service.

4.4.2 The Company reserves the right to place a monthly maximum usage limit on each Travel Card. The company reserves the right to, without incurring any liability, discontinue the furnishing of Service to a Customer immediately and without notice if the Company deems that such action is necessary to prevent or to protect against fraud or to otherwise protect its personnel, agents or Service.

Issued: August 27, 1999

Effective: October 12, 1999

Issued by: Martin Schell
Steelville Long Distance, Inc.
P.O. Box 370
Steelville, MO 65565

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4. SERVICE OFFERINGS (continued)

4.4 Travel Card Service (continued)

4.4.3 All International usage on the Travel Card will be blocked.

4.4.4 The Customer is required to notify the Company immediately when a Customer's Travel Card, using the Customer's Authorization number issued by the Company, needs to be deactivated or terminated. The Customer is responsible to immediately notify the Company when a Customer's Travel Card is lost, stolen, misplaced, has suspected or confirmed misuse, or when fraud is known, anticipated or suspected on a Travel Card.

4.4.5 The Company will deactivate the Travel Card within twenty-four (24) hours after notification from the Customer. The notification can be in writing to the Company, or by contacting the Company's Customer

4.5 Operator Services

4.5.1 Operator Service as provided by Company includes live operator and/or automated operator functions, for the purpose of assisting in the processing of telephone services such as: long distance via collect calls, calling card calls, or third-party billed calls. Company operators may be contacted by dialing 0+ the number desired or 0-. Calls will be billed at Company MTS service rates as set forth in Section 5 plus the appropriate service charges.

4.5.2 In providing operator services, Company agrees that:

- A. Company will not knowingly bill for incomplete calls and will remove any charge(s) for incomplete calls upon subscriber

INTRASTATE LONG DISTANCE MESSAGE TELECOMMUNICATIONS SERVICE

4. SERVICE OFFERINGS (continued)

4.5 Operator Services (continued)

notification or carrier's knowledge of the charge(s) for incomplete calls.

- B. Company will advise the caller and billed party (if different from the end user) that Company is the operator service provider at the time of the initial contact.
- C. Company will provide rate quotes, including all rate components and any additional charges, upon request, at no charge.
- D. Company will allow only tariff charges approved by the Commission, or otherwise allowed by law for the provision of operator services, to appear on billings rendered by local exchange companies (LECs) on behalf of carrier and will not collect location surcharges imposed by traffic aggregations.
- E. Company will arrange for listings of its name on a LEC's billing of Company's charges, if the LEC has multi-carrier bill listing capability.
- F. Company will employ reasonable calling card verification procedures which are acceptable to the companies issuing the calling cards which it determines to be invalid or cards which it is unable to verify.
- G. Company will direct all "00-" emergency calls to the local exchange carrier (LEC) at no charge.

INTRASTATE LONG DISTANCE MESSAGE TELECOMMUNICATIONS SERVICE

4. SERVICE OFFERINGS (continued)

4.5 Operator Services (Continued)

H. Company's contracts with tariff aggregations will contain provisions which:

1. Prohibit the blocking of access to an end user's interexchange carrier of choice;
2. Provide for the prominent posting or display, on or near the telephones to be utilized by end users, of material setting forth the name of the carrier, complaint procedures, instructions on reaching the LEC operator as well as other interexchange carriers, and procedures for emergency calls.

4.6 Dedicated Interexchange Digital Private Line Service

4.6.1 Digital transmission facilities between Company service points, when connected with dedicated access to customer locations, allow for communications between locations of the customer or his authorized user. These combined facilities are utilized on a dedicated (non-switch) basis between two or more customer locations, as specified by the customer.

4.7 Promotions

Company may, upon Commission approval, offer customers specific rate incentives during specified promotional periods. Company will provide written notice to the Commission at least 7 days prior to the commencement of a promotional program specifying the terms of the promotion, the specific service offered, the location, and the beginning and ending dates of the promotional period.

INTRASTATE LONG DISTANCE MESSAGE TELECOMMUNICATIONS SERVICE

4. SERVICE OFFERINGS (continued)

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Issued: August 27, 1999

Issued by: Martin Schell
Steelville Long Distance, Inc.
P.O. Box 370
Steelville, MO 65565

Effective: October 12, 1999

INTRASTATE LONG DISTANCE MESSAGE TELECOMMUNICATIONS SERVICE

5. RATES

5.1 Rate Periods

5.1.1 Rates are applicable based on time of the day (standard or daylight savings), and day of the week, and are associated with Service offered on Dial Station-to-Station and Person-to-Person basis for Domestic Direct Dialed Calls, Inbound Toll Free (800/888/877) Calls, and Company issued Calling Card Calls. Peak and Off-Peak rates apply to the types of Services offered by the Company, unless otherwise specifically designated in this tariff. The rate charged is determined by the day and time (standard or daylight savings) at the originating service point. When a connection is established in one rate period and ends in another rate period, the rate for each rate period applies to the portion of the connection occurring within that rate period.

5.1.2 The rate periods are:

- A. Peak Period - the time period from 7:00 AM to, but not including, 7:00 PM local time Monday through Friday.
- B. Off-Peak Period – the time period from 7:00 p.m. up to 6:59 a.m. local time Monday through Friday. Weekends from 7:00 p.m. Friday to 6:59 a.m. local time Monday.
- C. Holiday Rate Period - for the following Federal observed holidays, the Off-Peak rates will apply:
 - 1. New Year's Day
 - 2. Martin Luther King's Birthday
 - 3. Presidents' Day
 - 4. Memorial Day
 - 5. Independence Day
 - 6. Labor Day

Issued: August 27, 1999

Effective: October 12, 1999

Issued by: Martin Schell
Steelville Long Distance, Inc.
P.O. Box 370
Steelville, MO 65565

INTRASTATE LONG DISTANCE MESSAGE TELECOMMUNICATIONS SERVICE

5. RATES (continued)

- 7. Columbus Day
- 8. Veteran's Day
- 9. Thanksgiving Day
- 10. Christmas Day

5.2 Direct Dialed Domestic Service

5.2.1 The Company offers Direct Dialed termination in the United states, as defined in Section 4.1 of this tariff. Service is furnished subject to availability of both the telecommunications facilities and the required billing capabilities. Unless specific written authorization from the Company is provided, the Service may not be used to aggregate the long distance communications of multiple end users for resale, or to provision communications services for others.

5.2.2 The Company provides the following Domestic Direct Dialed programs:

A. Option 1.

- 1. Option 1 is a flat rate pricing plan, with the rate per minute applicable to all rate periods (Peak, Off-Peak,).
- 2. Option 1 pricing is for intrastate intraLATA and intrastate interLATA customer dialed station to station, sent paid, non-coin Long Distance Message Telecommunication Service, unless otherwise specified in this tariff.
- 2. Option 1 rates and charges are in addition to all other rates and charges paid by a Customer for all other Services of the local exchange carrier providing local service.

INTRASTATE LONG DISTANCE MESSAGE TELECOMMUNICATIONS SERVICE

5. RATES (continued)

5.2 Direct Dialed Domestic Service

4. Discounts, if applicable, apply only to the actual qualified usage portion of the bill. When the application of the discount results in a fractional charge, the amount will be rounded to the nearest cent.

5. Rate per Minute:

Peak Period \$.24 per minute

Off Peak Period: \$.17 per minute

B. Option 2

1. Option 2 is a flat rate pricing plan, with the rate per minute applicable to all rate periods (Peak, Off-Peak,).
2. Option 2 pricing is for intrastate intraLATA and intrastate interLATA customer dialed station to station, sent paid, non-coin Long Distance Message Telecommunication Service, unless otherwise specified in this tariff.
3. Option 2 rates and charges are in addition to all other rates and charges paid by a Customer for all other Services of the local exchange carrier providing local service.
4. Discounts, if applicable, apply only to the actual qualified usage portion of the bill. When the application of the discount results in a fractional charge, the amount will be rounded to the nearest cent.

INTRASTATE LONG DISTANCE MESSAGE TELECOMMUNICATIONS SERVICE

5. RATES (continued)

5.2 Direct Dialed Domestic Service (continued)

5. Rate per Minute:

Peak Period \$.20 per minute
Off Peak Period: \$.15 per minute

6. Monthly recurring charge of \$5.95.

C. Monthly Billing Volume Discount

Toll usage from \$50-\$99.99	5% off
Toll usage \$100 and over	10% off

Issued: August 27, 1999

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Effective: October 12, 1999

INTRASTATE LONG DISTANCE MESSAGE TELECOMMUNICATIONS SERVICE

5. RATES (continued)

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INTRASTATE LONG DISTANCE MESSAGE TELECOMMUNICATIONS SERVICE

5. RATES (continued)

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Issued: August 27, 1999

Issued by: Martin Schell
Steelville Long Distance, Inc.
P.O. Box 370
Steelville, MO 65565

Effective: October 12, 1999

INTRASTATE LONG DISTANCE MESSAGE TELECOMMUNICATIONS SERVICE

5. RATES (continued)

5.3 Inbound (800/888/877) Toll Free Service

5.3.1 Domestic Inbound (800/888/877) Toll Free Service is provided subject to the terms of this tariff. This is a common-line inward telecommunications service allowing a station to receive long distance calls without charge to the caller. The Company will pass on to the customer any pay-station surcharges imposed by the regulatory authority. For an additional charge, customers can receive a monthly message detail listing all telephone calls received.

- A. Toll Free Service rates and charges are in addition to all other rates and charges paid by a Customer for all other Services of the local exchange carrier providing local service.
- B. Discounts, if applicable, apply only to the actual qualified usage portion of the bill. When the application of the discount results in a fractional charge, the amount will be rounded to the nearest cent.
- C. A non-recurring set up fee of \$5.00 per 800/888/877 number will apply.
- D. A monthly recurring charge of \$5.95 per 800/888/877 number will apply.
- E. Rate per Minute:
 - Peak Period: \$.25 per minute
 - Off-Peak Period: \$.25 per minute
- F. Message Detail: \$2.00 per month

Issued: August 27, 1999

Effective: October 12, 1999

Issued by: Martin Schell
Steelville Long Distance, Inc.
P.O. Box 370
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INTRASTATE LONG DISTANCE MESSAGE TELECOMMUNICATIONS SERVICE

5. RATES (continued)

5.4 Travel Card Rates

5.4.1 Company provided, Customer dialed Travel Cards are provided subject to the terms of this tariff. The Company will pass on to the Customer any pay-station surcharges imposed by the regulatory authority.

- A. Travel Cards usage is billed at an initial one (1) minute minimum usage charge, and in one (1) minute additional increments after the first full minute of usage.
- B. Discounts, if applicable, apply only to the actual qualified usage portion of the bill, and not to the per call surcharge. When the application of the discount results in a fractional charge, the amount will be rounded to the nearest cent.
- C. A per call surcharge of \$.30 will be applied.
- D. Rate per Minute:

Peak Period: \$.30 per minute
Off-Peak Period: \$.30 per minute

5.5 Operator Service Rates

	<u>0+ Rate</u>	<u>0-Rate</u>
1. Directory Assistance	\$1.20	\$2.20
2. Automated Collect	\$2.35	\$3.35
3. Automated Card	\$1.00	\$2.00
4. Operator-Assisted		
a. Collect	\$2.35	\$3.35
b. Billed to Third Party	\$2.35	\$3.35

Issued: August 27, 1999

Effective: October 12, 1999

Issued by: Martin Schell
Steelville Long Distance, Inc.
P.O. Box 370
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INTRASTATE LONG DISTANCE MESSAGE TELECOMMUNICATIONS SERVICE

5. RATES (continued)

5.5 Operator Service Rates (continued)

5.	Person-to-Person	\$4.50	\$5.50
6.	Station-to-Station	\$2.30	\$3.30

5.6 Dedicated Interexchange Digital Private Line Service

5.6.1 Voice Grade Facility

- A. Two point effective two/four wire grade analog or 64 Kbps digital interface (digitalized voice or otherwise compatible 64 Kbps bit stream facility)

Rate: \$ ICB

5.6.2 DS1/1.544 Mbps Facility

- A. Two point digital interface operating at 1.544 Mbps, which may be furnished on either a channelized or non-channelized basis

Rate: \$ ICB

INTRASTATE LONG DISTANCE MESSAGE TELECOMMUNICATIONS SERVICE

5. RATES (continued)

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Effective: October 12, 1999

Appendix D
Qualifications of Management
Steelville Long Distance, Inc.

Management Team for Steelville Long Distance Company, Inc.

Martin R. Schell - General Manager

Mr. Schell has been involved in the Telecommunications industry since 1979. He holds a BS degree in Economics and Finance as well as a MBA (Finance Concentration). He has spent time as a staff member on the Texas PUC, worked for consulting engineering firms and operating telephone companies. He is currently serving as the General Manager of Steelville Telephone Exchange, Inc. and is responsible for the success of Steelville Long Distance.

Donald R Santhuff – Assistant Manager

Mr. Santhuff has worked for Steelville Telephone Exchange, Inc. since 1987. Prior to that the Missouri State Auditors Office employed him as a lead auditor. He holds a BS in Accounting and was employed as the Controller of Steelville Telephone prior to being promoted to Assistant Manager. Mr. Santhuff is responsible for the financial aspects of Steelville Long Distance.

Jeanie L. Miles – Office Manager

Ms. Miles has worked for Steelville Telephone since 1984. She currently serves as the Office Manager and has responsibility for accurate and timely billing of both Steelville Telephone and Steelville Long Distance customers.

Appendix E

**Pro Forma Balance Sheets
Steelville Long Distance, Inc.**

Steelville Telephone Exchange, Inc.
Long Distance Service
Proforma Income Statements

	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
REVENUES						
Residential Usage		\$ 337,801	\$ 400,954	\$ 473,600	\$ 557,031	\$ 652,706
Business Usage		87,465	104,847	123,911	145,819	170,957
Message Revenue		-	-	-	-	-
Monthly Service Charge		10,745	12,049	13,446	14,941	16,540
Other Revenue		9,339	11,077	13,067	15,349	17,962
Total Revenues		<u>\$ 445,350</u>	<u>\$ 528,928</u>	<u>\$ 624,024</u>	<u>\$ 733,140</u>	<u>\$ 858,166</u>
COST OF ACCESS & TRANSPORT						
Originating Access		\$ -	\$ -	\$ -	\$ -	\$ -
Terminating Access		-	-	-	-	-
Transport		275,078	326,608	385,906	454,031	532,182
Total Access & Transport		<u>\$ 275,078</u>	<u>\$ 326,608</u>	<u>\$ 385,906</u>	<u>\$ 454,031</u>	<u>\$ 532,182</u>
GROSS MARGIN		\$ 170,272	\$ 202,319	\$ 238,119	\$ 279,109	\$ 325,984
OPERATING EXPENSES						
Network Operations		\$ 1,458	\$ 1,549	\$ 1,823	\$ 2,083	\$ 2,083
Customer Operations		127,791	122,524	134,685	148,214	163,276
Corporate Operations		30,453	31,690	32,976	34,315	35,709
Other Expenses		14,408	16,946	19,833	23,123	26,868
Depreciation & Amortization		-	-	-	-	-
Total Operating Expenses		<u>\$ 174,111</u>	<u>\$ 172,708</u>	<u>\$ 189,317</u>	<u>\$ 207,735</u>	<u>\$ 227,936</u>
INTEREST EXPENSE		\$ -	\$ -	\$ -	\$ -	\$ -
TAXES						
Income Taxes		\$ (1,545)	\$ 11,918	\$ 19,643	\$ 28,728	\$ 39,464
Property Taxes		-	-	-	-	-
Total Taxes		<u>\$ (1,545)</u>	<u>\$ 11,918</u>	<u>\$ 19,643</u>	<u>\$ 28,728</u>	<u>\$ 39,464</u>
NET INCOME		<u>\$ (2,294)</u>	<u>\$ 17,693</u>	<u>\$ 29,159</u>	<u>\$ 42,646</u>	<u>\$ 58,584</u>
EBITDA		\$ (3,839)	\$ 29,611	\$ 48,802	\$ 71,374	\$ 98,048

Steelville Telephone Exchange, Inc.
Long Distance Service
Proforma Balance Sheets

ASSETS	12/31/1999	12/31/2000	12/31/2001	12/31/2002	12/31/2003	12/31/2004
CURRENT ASSETS :						
Cash	\$ 30,000	\$ 7,174	\$ 21,050	\$ 45,833	\$ 83,452	\$ 136,274
Accounts Receivable	-	37,112	44,077	52,002	61,095	71,514
Materials & Supplies	10,000	10,000	10,000	10,000	10,000	10,000
Prepaid Expenses	-	-	-	-	-	-
Total Current Assets	40,000	54,287	75,127	107,835	154,547	217,788
OTHER INVESTMENTS	-	-	-	-	-	-
PROPERTY, PLANT & EQUIPMENT :						
Plant in Service	-	-	-	-	-	-
Plant Under Construction	-	-	-	-	-	-
Less: Accumulated Depreciation	-	-	-	-	-	-
Net Property, Plant & Equipment	-	-	-	-	-	-
TOTAL ASSETS	\$ 40,000	\$ 54,287	\$ 75,127	\$ 107,835	\$ 154,547	\$ 217,788
LIABILITIES & EQUITY						
CURRENT LIABILITIES						
Accounts Payable	\$ -	\$ 14,509	\$ 14,392	\$ 15,776	\$ 17,311	\$ 18,995
Income Taxes Payable	-	(386)	2,980	4,911	7,182	9,866
Accrued Expenses	-	2,458	2,356	2,590	2,850	3,140
Total Current Liabilities	-	16,580	19,728	23,277	27,344	32,001
OTHER LIABILITIES	-	-	-	-	-	-
LONG TERM DEBT	-	-	-	-	-	-
Total Liabilities	\$ -	\$ 16,580	\$ 19,728	\$ 23,277	\$ 27,344	\$ 32,001
STOCKHOLDER'S EQUITY						
Common Stock	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000
Retained Earnings	-	(2,294)	15,399	44,558	87,204	145,787
Total Stockholder's Equity	\$ 40,000	\$ 37,706	\$ 55,399	\$ 84,558	\$ 127,204	\$ 185,787
TOTAL LIABILITIES & EQUITY	\$ 40,000	\$ 54,287	\$ 75,127	\$ 107,835	\$ 154,547	\$ 217,788
Percentage Equity	1.0000	0.6946	0.7374	0.7841	0.8231	0.8531

Steelville Telephone Exchange, Inc.
Long Distance Service
Proforma Statements of Cash Flow

	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
CASH FLOWS FROM OPERATIONS					
Net Income	\$ (2,294)	\$ 17,693	\$ 29,159	\$ 42,646	\$ 58,584
Depreciation and Amortization	-	-	-	-	-
Dec/(Incr) in Accounts Receivable	(37,112)	(6,965)	(7,925)	(9,093)	(10,419)
Dec/(Incr) in Materials & Supplies	-	-	-	-	-
Dec/(Incr) in Prepaid Expenses	-	-	-	-	-
Incr/(Dec) in Accounts Payable	14,123	3,249	3,315	3,806	4,367
Incr/(Dec) in Accrued Expenses	2,458	(101)	234	260	290
Incr/(Dec) in Other Liabilities	-	-	-	-	-
NET CASH PROVIDED BY/(USED IN) OPERATIONS	\$ (22,826)	\$ 13,875	\$ 24,783	\$ 37,619	\$ 52,822
CASH FLOWS FROM INVESTING ACTIVITIES					
Plant (Additions) / Sales	-	-	-	-	-
Dec/(Incr) in Other Investments	-	-	-	-	-
NET CASH PROVIDED BY / (USED IN) INVESTING	\$ -	\$ -	\$ -	\$ -	\$ -
CASH FLOWS FROM FINANCING ACTIVITIES					
Proceeds from/(Reductions to) Long Term Debt	-	-	-	-	-
Dividends Paid	-	-	-	-	-
Capital Stock (Sold) / Retired	-	-	-	-	-
NET CASH PROVIDED BY / (USED IN) FINANCING	\$ -	\$ -	\$ -	\$ -	\$ -
NET INCR. / (DEC.) IN CASH	\$ (22,826)	\$ 13,875	\$ 24,783	\$ 37,619	\$ 52,822
CASH & CASH EQUIVALENTS - BEGINNING	\$ 30,000	\$ 7,174	\$ 21,050	\$ 45,833	\$ 83,452
CASH & CASH EQUIVALENTS - ENDING	\$ 7,174	\$ 21,050	\$ 45,833	\$ 83,452	\$ 136,274