

PANNON TELECOM, INC.
5308 Derry Avenue, Suite J
Agoura Hills, California 91301
Issued by: Steven J. Pazitzky

TARIFF NO. 1 (T)
First Revised Title Page
Cancels Original Title Page

Posted: February 9, 2002

INTERSTATE TELECOMMUNICATIONS SERVICES

Specialized Common Carrier Service

Regulations and Rates

of

PANNON TELECOM, INC.

(T)

This tariff includes the rates, charges, terms and conditions of service for the provision of interstate telecommunications service by **Pannon Telecom, Inc.** ("Pannon") between locations in the United States and between the contiguous United States and Alaska, Hawaii, Puerto Rico, the U.S. Virgin Islands.

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This tariff includes the rates, charges, terms and conditions of service for the provision of interstate service by **Pannon Telecom, Inc.** Pannon's service includes the provision of outbound and inbound direct dialed calling. Pannon does not offer operator assisted calling.

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CHECK SHEET

The tariff pages listed below are effective as of the date shown.

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SYMBOLS

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

- C** To signify changed regulation
- D** To signify discontinued rate or regulation
- I** To signify an increase
- M** To signify matter relocated without change
- N** To signify new rate or regulation
- R** To signify a reduction
- T** To signify change in text but not change in rate or regulation
- Z** To signify a correction

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CONCURRING CARRIERS

None

CONNECTING CARRIERS

None

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SECTION 1 - DEFINITIONS

Access Line - An arrangement which connects the Customer's telephone to a Pannon designated switching center or point of presence. (T)

Authorization Code - A pre-defined series of numbers to be dialed by the Customer or End User upon access to the Company's system to notify the caller and validate the caller's authorization to use the services provided. The Customer is responsible for charges incurred through the use of his or her assigned Authorization Code.

Authorized User - A person, firm, corporation, or any other entity authorized by the Customer to utilize the Carrier's service under the terms and conditions of this tariff. The Customer remains responsible for payment of services.

Commission - Federal Communications Commission

Company or Carrier - Pannon Telecom, Inc. unless otherwise clearly indicated by the context. (T)

Customer - The person, firm, corporation or other entity which orders, cancels, amends or uses service and is responsible for payment of charges and compliance with the Company's tariff.

Initial And Additional Period - The Initial Period denotes the interval of time allowed at the rate specified for a connection between given service points. The Additional Period denotes the interval of time used for measuring and charging for time in excess of the Initial Period.

LATA - Local Access and Transport Area. A geographic area established by the US District Court for the District of Columbia in Civil Action No. 17-49, within which a Local Exchange Company provides communications services.

LEC - Local Exchange Company.

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SECTION 1 - DEFINITIONS, (CONT'D.)

NECA - National Exchange Carriers Association.

Pannon- Refers to **Pannon Telecom, Inc.** unless otherwise indicated by the context. (T)

Personal Identification Number (PIN) - See Authorization Code.

Premises - The physical space designated by the Customer for the termination of the Company's service.

Serving Wire Center - A specified geographic point from which the vertical and horizontal coordinate is used in calculation of airline mileage.

Subscriber - The person, firm, corporation, or other legal entity which arranges for services of the Company on behalf of third party Customers or Authorized Users. The Subscriber is responsible for compliance with the terms and conditions of this tariff. A Subscriber is also a Customer under the terms of the tariff.

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United States - The contiguous forty-eight states including Washington D.C., Alaska, Hawaii, Puerto Rico, U.S. Virgin Islands and the Commonwealth of the Northern Mariana Islands. (T)

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INTERSTATE TELECOMMUNICATIONS SERVICES

SECTION 2 - REGULATIONS

2.1 Undertaking of Pannon Telecom, Inc. (T)

The Company's services and facilities are furnished to Customers for communications originating within the United States under terms of this tariff. The Company's services and facilities are available twenty-four hours per day, seven days per week.

Pannon arranges for installation, operation, and maintenance of the communications services provided in this tariff for Customers in accordance with the terms and conditions set forth under this tariff. (T)

2.2 Limitations

2.2.1 Service is offered subject to the availability of the necessary facilities and equipment, and is subject to the provisions of this tariff.

2.2.2 Pannon reserves the right to discontinue or limit service when necessitated by conditions beyond its control, or when the Customer is using service in violation of provisions of this tariff or the law. (T)

2.2.3 The Company does not undertake to transmit messages, but offers the use of its facilities when available, and will not be liable for errors in transmission or for failure to establish connections.

2.2.4 The Company reserves the right to discontinue service, limit service, or to impose requirements on Customers or Subscribers as required to meet changing regulatory or statutory rules and standards, or when such rules and standards have an adverse material affect on the business or economic feasibility of providing service, as determined by Pannon in its reasonable judgment. (T)

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SECTION 2 - REGULATIONS, (CONT'D.)

2.3 Assignment or Transfer

All services provided under this tariff are directly or indirectly controlled by Pannon and neither the Customer nor the Subscriber may transfer or assign the use of service or facilities without the express written consent of the Company. Such transfer or assignment shall only apply where there is no interruption of the use or location of the service or facilities. (T)

Prior written permission from the Company is required before any assignment or transfer. All regulations and conditions contained in this tariff shall apply to all such permitted assignees or transferees, as well as all conditions of service.

2.4 Use

Services provided under this tariff may be used for any lawful purpose for which the service is technically suited, subject to the terms of this tariff.

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INTERSTATE TELECOMMUNICATIONS SERVICES

SECTION 2 - REGULATIONS, (CONT'D.)

2.5 Liabilities of the Company

- 2.5.1** Pannon's liability for damages arising out of mistakes, interruptions, omissions, delays, errors, or defects in transmission which occur in the course of furnishing service or facilities, in no event shall exceed an amount equivalent to the proportionate charge for the period during which the faults in transmission occur. (T)
- 2.5.2** The Company shall not be liable for claim or loss, expense or damage (including indirect, special or consequential damage), for any interruption, delay, error, omission, or defect in any service, facility or transmission provided under this tariff, if caused by any person or entity other than the Company, by any malfunction of any service or facility provided by any other carrier, by an act of God, fire, war, civil disturbance, or act of government, or by any other cause beyond the Company's direct control.
- 2.5.3** The Company shall not be liable for, and shall be fully indemnified and held harmless by Customer against any claim or loss, expense, or damage (including indirect, special or consequential damage) for defamation, libel, slander, invasion, infringement of copyright or patent, unauthorized use of any trademark, trade name or service mark, unfair competition, interference with or misappropriation or violation of any contract, proprietary or creative right, or any other injury to any person, property or entity arising out of the material, data, information, or other content revealed to, transmitted, or used by the Company under this tariff; or for any act or omission of the Customer; or for any personal injury or death of any person caused directly or indirectly by the installation, maintenance, location, condition, operation, failure, presence, use or removal of equipment or wiring provided by the Company, if not directly caused by negligence of the Company.

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SECTION 2 - REGULATIONS, (CONT'D.)

2.5 Liabilities of the Company, Cont'd.

- 2.5.4** THE COMPANY SHALL NOT BE LIABLE FOR ANY DIRECT, INDIRECT, CONSEQUENTIAL, SPECIAL, ACTUAL PUNITIVE OR ANY OTHER DAMAGES, OR BUSINESS INTERRUPTION, OR FOR ANY LOST PROFITS OF ANY KIND OR NATURE WHATSOEVER ARISING OUT OF ANY DEFECTS OR ANY OTHER CAUSE. THE COMPANY'S LIABILITY, IF ANY, WITH REGARD TO DEFECTIVE SERVICE (INCLUDING ANY DELAYED INSTALLATION OF THE COMPANY'S FACILITIES OR COMMENCEMENT OF SERVICE) SHALL NOT EXCEED \$1,000. IN THE EVENT OF AN INTERRUPTION IN SERVICE OR ANY DEFECT IN THE SERVICE WHATSOEVER, NEITHER COMPANY NOR ANY AFFILIATED OR UNAFFILIATED THIRD PARTY PROVIDER OR OPERATOR OF FACILITIES EMPLOYED IN THE PROVISION OF THE SERVICE SHALL BE LIABLE FOR ANY DIRECT, INDIRECT, CONSEQUENTIAL, SPECIAL, ACTUAL, PUNITIVE OR ANY OTHER DAMAGES, OR FOR ANY LOST PROFITS OF ANY KIND OR NATURE WHATSOEVER.
- 2.5.5** The Company shall not be liable for any defacement of or damages to the premises of a Customer or Subscriber resulting from the furnishing of service which is not the direct result of the Company's negligence.
- 2.5.6** The Company shall not be liable for any claim, loss, or refund as a result of loss or theft of Personal Identification Numbers issued for use with the Company's services.

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SECTION 2 - REGULATIONS, (CONT'D.)

2.6 Use of Recording Devices

Customers and Authorized Users who use recording devices do so at their own risk. A Customer or Authorized User may only use a recording device if the Customer or Authorized User complies with the requirements of this section and only if the Customer or Authorized User is able to connect or disconnect the recording device, or turn the recording device on or off, at will.

- 2.6.1** A Customer or Authorized User may record a conversation if the Customer or Authorized User obtains written or verbal consent to the recording of all parties to the conversation prior to or at the beginning of the conversation.
- 2.6.2** A distinctive recorder tone must be repeated at intervals of approximately fifteen (15) seconds to alert all parties to the conversion that a recording device is being used.
- 2.6.3** The requirements of 2.6.1 and 2.6.2 are waived for broadcast licensees who use a recording device to record a conversation for broadcast if all parties to the conversation are aware that the conversation will be broadcast.

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SECTION 2 - REGULATIONS, (CONT'D.)

2.7 Taxes, Surcharges and Utility Fees

All state and local taxes, including but not limited to gross receipts taxes, sales taxes, and municipal utilities taxes are listed as separate line items and are not included in the rates listed in this tariff.

2.7.1 To the extent that a municipality, other political subdivision or local agency of government, state or federal Commission imposes upon and collects from the Company a gross receipts tax, occupation tax, license tax, permit fee, franchise fee or regulatory fee, such taxes and fees shall, insofar as practicable and allowed by law, be billed pro rata to Customers receiving service from the Company within the territorial limits of such municipality, other political subdivision or local agency of government.

2.7.2 The Company may adjust its rates and charges or impose additional rates and charges on its Customers in order to recover amounts it is required by governmental or quasi-governmental authorities to collect from or pay to others in support of statutory or regulatory programs. Examples of such programs include, but are not limited to, the Universal Service Fund (USF), the Presubscribed Interexchange Carrier Charge (PICC), and compensation to pay telephone service providers for the use of their pay telephones to access the Company's service.

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INTERSTATE TELECOMMUNICATIONS SERVICES

SECTION 2 - REGULATIONS, (CONT'D.)

2.7 Taxes, Surcharges and Utility Fees, (Cont'd.)

2.7.2 (Cont'd.)

A. Public Pay Telephone Surcharge

In order to recover the Company's expenses to comply with the FCC's pay telephone compensation plan effective on October 7, 1997 (FCC 97-371), an undiscountable per call charge is applicable to all interstate, intrastate and international calls that originate from any domestic pay telephone used to access the Company's services. This surcharge, which is in addition to standard tariffed usage charges and any applicable service charges and surcharges associated with the Company service, applies for the use of the instrument used to access the Company service and is unrelated to the Company's service accessed from the pay telephone.

Pay telephones include coin-operated and coinless phones owned by local telephone companies, independent companies and other interexchange carriers. The Public Pay Telephone Surcharge applies to the initial completed call and any reoriginated call (i.e., using the "#" symbol).

Whenever possible, the Public Pay Telephone Surcharge will appear on the same invoice containing the usage charges for the surcharged call. In cases where proper pay telephone coding digits are not transmitted to the Company prior to completion of a call, the Public Pay Telephone Surcharge may be billed on a subsequent invoice after the Company has obtained information from a carrier that the originating station is an eligible pay telephone.

The Public Pay Telephone Surcharge does not apply to calls placed from pay telephones at which the Customer pays for service by inserting coins during the progress of the call.

Rate per Call	\$0.30
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SECTION 2 - REGULATIONS, (CONT'D.)

2.7 Taxes, Surcharges and Utility Fees, (Cont'd.)

2.7.2 (Cont'd.)

B. Universal Service Fund

In connection with the FCC's Universal Service Orders, the Company will pay a percentage of its retail revenues to support the Universal Service Fund ("USF"). The Company will pass-through the USF assessment to its Customers by assessing a surcharge equal to the most recent USF contribution factor(s) established by the Universal Service Administrative Company ("USAC").

The USF Fee will not be applied to services sold by the Company to a Customer for resale for which the Customer has filed a Universal Service Worksheet, unless the Customer has a de minimis exemption which exempts the Customer from paying directly into the fund. These percentages will be subject to periodic adjustment.

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SECTION 2 - REGULATIONS, (CONT'D.)

2.8 Payment for Service

- 2.8.1** The Customer is responsible for payment of all charges for services and equipment furnished to the Customer or to an Authorized User of the Customer by Pannon. This includes payment for calls or services originated at the Customer's number(s) or incurred at the specific request of the Customer. (T)
- 2.8.2** All charges due by the Customer are payable to the Company or to the Company's authorized billing agent (such as a local exchange telephone company). Any objections to billed charges must be reported to the Company or its billing agent within thirty (30) days after receipt of bill. Adjustments to Customer's bills shall be made to the extent that circumstances exist which reasonably indicate that such changes are appropriate.
- 2.8.3** All applicable taxes will be billed to the Customer unless the Customer can demonstrate to the Company's satisfaction that the Customer is collecting the applicable taxes from its customers.
- 2.8.4** In the event that the Company incurs fees or expenses, including attorney's fees, collecting, or attempting to collect, any charges owed to the Company, the Company may charge the Customer all such fees and expenses reasonably incurred, including a late fee on the unpaid charges.
- 2.8.5** Payment is due within fifteen (15) days following the invoice date and is considered past due after twenty-one (21) days. A late payment charge of 1.5% applies to all past due balances. Such late fees are separate and distinct from attorney's fees and other costs incurred in collecting charges owed to the Company. (C, T)
(C, T)
- 2.8.6** The Company reserves the right to assess a return check charge of up to \$15.00 whenever a check or draft presented for payment of service is not accepted by the institution on which it is written. This charge applies each time a check is returned to the Company by a bank for insufficient funds. (R)

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SECTION 2 - REGULATIONS, (CONT'D.)

2.9 Deposits

2.9.1 Each applicant for service will be required to establish credit. Any applicant whose credit has not been established to the sole and exclusive satisfaction of the Company may be required to make a deposit to be held as a guarantee of payment of charges. An existing Customer may be required to make a deposit or increase a deposit presently held. The deposit may be held for as long as the financial condition or credit worthiness of the Customer is considered to be unsatisfactory to the Company.

2.9.2 The fact that a deposit has been made in no way relieves the Customer from the prompt payment of bills upon presentation.

2.10 Advance Payments

The Company reserves the right to require an advance payment from a Customer instead of, or in addition to, a deposit. The advance payment shall be in an amount equal to or less than two months estimated billing.

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SECTION 2 - REGULATIONS, (CONT'D.)

2.11 Interconnection with Other Carriers

Service furnished by Pannon may be connected with the services or facilities of other carriers. Such service or facilities, if used, are provided under the terms, rates and conditions of the other carrier. (T)
The Customer is responsible for all charges billed by other carriers for use in connection with Pannon's service. Any special interface equipment or facilities necessary to achieve compatibility (T)
between carriers is the responsibility of the Customer.

2.12 Refusal or Discontinuance by Company

Pannon may refuse or discontinue service for non-compliance with and/or violation of any Federal, State or municipal law, ordinance or regulation pertaining to telephone service. Service may also be discontinued or refused for the following conditions: (T)

2.12.1 For neglect or refusal to provide reasonable access to the Company for the purpose of inspection and maintenance of equipment owned by the Company.

2.12.2 For non-compliance with and/or violation of the Commission's regulations or the Company's rules and regulations.

2.12.3 For non-payment of bills for telephone service 30 days after bill rendering. Customer will be given written notice at least one week in advance of disconnection.

2.12.4 Without notice in the event of Customer use of equipment in such a manner as to adversely affect the Company's equipment or the Company's service to others.

2.12.5 Without notice in the event of tampering with the equipment furnished and owned by the Company.

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SECTION 2 - REGULATIONS, (CONT'D.)

2.12 Refusal or Discontinuance by Company, Cont'd.

2.12.6 Without notice in the event of unauthorized or fraudulent use of service. Whenever service is discontinued for fraudulent use of service, the Company may, before restoring service, require the Customer to make, at his or her own expense, all changes in facilities or equipment necessary to eliminate illegal use and to pay an amount reasonably estimated as the loss in revenues resulting from such fraudulent use.

2.12.7 When necessary for the Company to comply with any order or request of any governmental authority having jurisdiction.

2.12.8 Authorization Codes are issued only by Pannon to its Customers and may not be sold or otherwise distributed without the written consent of the Company. Any unauthorized or unlawful use of such numbers or Authorization Codes will result in the immediate termination of the service without notice. The Company may block access to overseas points when fraudulent or unlawful use is substantial. (T)

2.13 Inspection, Testing and Adjustment

Upon reasonable notice, the services provided by the Company shall be made available to the Company for tests and adjustments as may be deemed necessary by the Company for maintenance. No interruption allowance will be granted for the time during which such tests and adjustments are made when the interruption is less than twenty-four consecutive hours.

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SECTION 2 - REGULATIONS, (CONT'D.)

2.14 Interruption of Service

Credit allowances for interruptions of service which are not due to the Company's testing or adjusting, to the negligence of the Customer, or to the failure of channels, equipment or communications systems provided by the Customer, are subject to the general liability provisions set forth in Section 2.5 herein. It shall be the obligation of the Customer to notify the Company immediately of any interruption in service for which a credit allowance is desired by Customer. Before giving such notice, the Customer shall ascertain that the trouble is not within his or her control, or is not in wiring or equipment, if any, furnished by Customer and connected to Company's terminal. Interruptions caused by Customer-provided or Company-provided automatic dialing equipment are not deemed an interruption of service as defined in this tariff since the Customer has the option of using the long distance network via local exchange company access.

Customer credit will be issued for the pro-rated amount of service interrupted during the month. For the purposes of credit determination, a month will be considered to consist of thirty (30) days.

2.15 Cancellation of Service

Customers may cancel service verbally or in writing at any time. The Company shall hold the Customer responsible for payment of all charges, including fixed fees, surcharges, etc., which accrue up to the cancellation date. Charges may be avoided by dialing another carrier's access code. In the event the Customer executes a term commitment agreement with the Company, the Customer must cancel service and terminate the agreement in accordance with the agreement terms.

2.16 Other Rules

The Company may temporarily suspend service without notice to the Customer, by blocking traffic to certain cities or NXX exchanges, or by blocking calls using certain Personal Identification Numbers when the company deems it necessary to take such action to prevent unlawful use of its service. The Company will restore service as soon as service can be provided without undue risk.

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2.17 Reserved for Future Use

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INTERSTATE TELECOMMUNICATIONS SERVICES

SECTION 3 - SERVICE AND RATE DESCRIPTION

3.1 General

Rates for service may vary by call type and/or term commitments. Usage rates, per-call service charges, monthly fees and installation charges may apply. Call timing is defined in the description for each service. Service is available 24 hours per day, 7 days per week.

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SECTION 3 - SERVICE AND RATE DESCRIPTION, (CONT'D.)

3.2 Reserved for Future Use

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INTERSTATE TELECOMMUNICATIONS SERVICES

SECTION 3 - SERVICE AND RATE DESCRIPTION, (CONT'D.)

3.3 Call Charges

3.3.1 Long distance usage charges are based on the actual usage of the Company's network. Chargeable time begins when the calling and the called station are connected.

3.3.2 Chargeable time ends when the calling service point terminates, thereby releasing the network connection. If the called party hangs up but the calling number does not, chargeable time ends when the network connection is released by automatic timing equipment in the telephone network.

3.3.3 The minimum and additional usage call duration for billing purposes is in the description for each product.

3.3.4 The Company will not bill for unanswered calls in areas where equal access is available. The Company will not knowingly bill for unanswered calls in areas where equal access is not available.

3.3.5 Calls are billed based on the rate in effect for the actual time period(s) during which the call occurs. Calls that cross rate period boundaries are billed the rates in effect in that boundary for each portion of the call.

3.3.6 Monthly Recurring Charges

If total billing for all Company services is less than \$15.00 in any billing period, a service charge of \$3.95 will apply. Combined interstate and international usage is considered in determining whether the charge applies.

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INTERSTATE TELECOMMUNICATIONS SERVICES

SECTION 3 - SERVICE AND RATE DESCRIPTION, (CONT'D.)

3.4 Services and Rates

3.4.1 Direct Interstate Service

Direct Interstate Service is available to business and residential Customers for outbound and inbound calling. This service is available to both presubscribed Customers and casual callers. Calls are billed in six (6) second increments after an initial minimum period of thirty (30) seconds, and originate and terminate on Customer-provided switched access lines. Rates are not mileage or time-of-day sensitive. This service is offered on a month to month basis. No minimum commitment is required.

Interstate service is offered in conjunction with international service.

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A. Outbound Calling Rates

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Interstate Rate Per Minute: \$0.069

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B. Inbound Calling Rates

(T)

Interstate Rate Per Minute: \$0.069

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(D)

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SECTION 3 - SERVICE AND RATE DESCRIPTION, (CONT'D.)

3.4 Services and Rates (Cont'd.)

3.4.3 Access Interstate Service

Access Interstate Service provides telecommunications services to Customers while traveling away from the office or home. Customers must dial an 800 toll-free access number followed by their authorization code and the destination telephone number to make a call or use the service. A monthly credit limit will be assigned to each card for fraud protection. Customers have the option of raising or lowering the limit amount to best suit their calling practices. For billing purposes, call timing is rounded up to the nearest six (6) increment after the initial minimum period of thirty (30) seconds. Rates are not mileage or time-of-day sensitive. This service is offered on a month to month basis. No minimum commitment is required.

Interstate service is offered in conjunction with international service.

Per Minute Rate: \$0.059

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SECTION 4 - PROMOTIONS

4.1 Promotions - General

From time to time, the Company may provide promotional offerings to introduce a current or potential Subscriber to a service not being used by the subscriber. These offerings may be limited to certain dates, times or locations and may waive or reduce recurring or non-recurring charges.

4.2 Demonstration Calls

From time to time Pannon will demonstrate its services by providing free test calls of up to fifteen minutes duration over its network. (T)

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SECTION 5 - CONTRACT SERVICES

5.1 General

At the option of the Company, service may be offered on a contract basis to meet specialized requirements of the Customer not contemplated in this tariff. The terms of each contract shall be mutually agreed upon between the Customer and Company and may include discounts off of rates contained herein, waiver of recurring or nonrecurring charges, charges for specially designed and constructed services not contained in the Company's general service offerings, or other customized features. The terms of the contract may be based partially or completely on the term and volume commitment, type of originating or terminating access, mixture of services or other distinguishing features. Service shall be available to all similarly situated Customers for six months after the initial offering to the first contract Customer for any given set of terms.