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INTEREXCHANGE SERVICES TARIFF

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SECTION 2 - RULES AND REGULATIONS (CONT'D.)

2.23 Schools and Libraries Discount Program (Cont'd.)

2.23.2 Regulations

A. Obligation of eligible schools and libraries

1. Request for service

- a. Schools and libraries and consortia shall participate in a competitive bidding process for all services eligible for discounts, in accordance with any state and local procurement rules.
- b. Schools and libraries and consortia shall submit requests for services to the Schools and Libraries Corporation, as designated by the FCC, and follow established procedures.
- c. Service requested will be used for educational purposes.
- d. Services will not be sold, resold or transferred in consideration for money or any other thing of value.

B. Obligations of the Company

1. The Company will offer discounts to eligible schools and libraries on commercially available telecommunications services contained in this tariff. Those services contained in this tariff which are excluded from the discount program, in accordance with the Rules are included as an attachment to this tariff.
2. The Company will offer services to eligible schools, libraries and consortia at prices no higher than the lowest price it charges to similarly situated non-residential customers for similar services (lowest corresponding price).
3. In competitive bidding situations, the Company may offer flexible pricing or rates other than in this tariff, where specific flexible pricing arrangements are allowed, subject to New York State Public Service Commission approval.