

---

INTEREXCHANGE TELECOMMUNICATIONS TARIFF

---

SECTION 3 - DESCRIPTION OF SERVICE (CONT'D.)

3.10 LD Rewards

LD Rewards Switched Long Distance is a direct dialed outbound long distance and toll free service designed for existing Company Business Customers who are re-terming their long distance services. Customers who commit to a minimum monthly volume level will receive rates as specified in Section 4.7. The volume level commitment is based on the Customer's total usage charges during a monthly billing period. Eligible usage includes Customer's outbound and toll free domestic calls.

Per minute intrastate and interstate rates are set forth in Section 4.7 of this tariff and apply exclusively to outbound and toll free domestic traffic. International, Directory Assistance and Operator Services calls are not eligible to receive the rates as specified in Section 4.7.

A minimum one-year term agreement is required for this service. No additional discounts will be applied to the rates as specified in Section 4.7.

No other charges, including taxes and the monthly fee, if applicable, will be eligible in attaining the commitment. If the total monthly usage does not meet the minimum volume commitment level, the Customer will be billed an amount that will meet the minimum volume commitment level. The amount will appear as a separate line item on the customer's bill and will be identified as "Volume Level Shortfall Amount." Taxes and surcharges apply to the Volume Level Shortfall Amount. Customers with multiple locations and/or multiple accounts in a group account will be evaluated on an individual account basis.

Discontinuance provisions apply as set forth in Section 2, except that, in place of the Annual Usage Commitment Level in the Discontinuance Charge calculation, Customers who sign a term agreement will be charged an amount equal to the monthly volume level commitment amount multiplied by the number of months remaining in the term, on a per-location basis. This discontinuance penalty applies at the time of cancellation regardless of amounts paid in excess of previous months' volume level commitment. In addition, the Company will seek repayment of all monthly and non-recurring fees waived through the date of cancellation. In the event Customer is unable to continue to meet the percentage usage requirements for this product and service is terminated by the Company, no discontinuance charges will be assessed. If customer chooses to transfer service to an alternate product and service is subsequently terminated, Discontinuance Charges will apply under the new product.

Calls are billed in six 6. second increments following an initial billing period of eighteen (18) seconds. International service is offered in conjunction with intrastate and interstate service.