

PSC NO: 1 LOCAL EXCHANGE SERVICE
SBC Long Distance, LLC d/b/a SBC Long
Distance, d/b/a AT&T Long Distance
Initial Effective Date: February 9, 2006

Leaf: 23
Revision: 0

Superseding Revision:

(B) Should a local, state or federal jurisdiction assert a right to impose Fees on the Company's operations, the Company may elect to bill the Customer and collect such Fees or it may elect not to do so, pending the conclusion of any challenges to such jurisdiction's right to impose Fees. If it has billed and collected the Fees, and the Fees later are found to have been invalid and unenforceable, the Company shall credit or refund such amounts to affected Customers, less a reasonable administrative fee, only if the Fees collected were retained by the Company or the Fees delivered to the jurisdiction in question were later returned to the Company. If the Fees were paid to the jurisdiction in question and not returned to the Company, the Customer agrees that his/her/its recourse is against the jurisdiction in question and not against the Company. The Customer specifically agrees to hold the Company harmless from any and all liability for Fees that were delivered to the jurisdiction in question and not returned to the Company.

(C) Gross Revenue Taxes

1. State Revenue Taxes

The applicable state gross earnings, income and receipts taxes and Metropolitan Transportation Business Tax ("MTA") surcharge are shown in Statement 1 attached hereto. Any changes to these rates will be filed on 15 days notice to the Commission, or as directed by the Commission. Whenever the State levies a new tax on the Company's gross earnings, income or receipts, repeals such a tax, or changes the rate of such a tax, the Commission may approve new surcharge factors, and the Company will file revised surcharges, as directed by the Commission.

Issued by: Carol Paulsen, Director-Regulatory Relations, San Antonio, Texas 78215