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EXPLANATION OF SYMBOLS

- (C) To signify changed conditions or regulation
- (D) To signify discontinued rate, regulation or condition
- (I) To signify increase
- (L) To signify that material has been transferred to another sheet or place in the price list
- (M) To signify that material has been transferred from another sheet or place in the price list
- (N) To signify new rate, regulation, condition or sheet
- (R) To signify reduction
- (T) To signify a change in text for clarification

NOTICE CONCERNING ALL TERMS AND CONDITIONS AND RATES

The State of Maine Public Utilities Commission (MPUC) requires that each telephone utility's Terms and Conditions comply with and not conflict with requirements of Maine Statutes (primarily in Title 35-A) and MPUC rules. Any provision in these Terms and Conditions or rate schedules that conflicts with a Maine statute or MPUC rule is inapplicable and will not be enforceable. The following rules apply to telephone utilities and contain provisions that affect matters that commonly appear in telephone utility Terms and Conditions:

Chapter 204 - Basic-Service Calling Areas
Chapter 230 - Installation, Maintenance and Ownership of Customer Premises Wire
Chapter 250 - Coin-operated Telephone Service
Chapter 280 - Provision of Competitive Telecommunications Services
Chapter 294 - Lifeline and Link Up Service Programs
Chapter 296 - Selection of Primary Interexchange and Local Exchange Carriers
Chapter 870 - Late Payment Charges, Interest Rates to Be Paid on Customer Deposits, and Charges for Returned Check Fees
Chapters 81 and 86 concerning application for service, billing, payment, deposit, disconnection, dispute resolution, and other credit and collection procedures.

In the future, a new Chapter 290, Standards for Telecommunications Billing, Credit and Collection, and Customer Information, will replace Chapters 81 and 86 for telecommunications carriers. When Chapter 290 is adopted, if there are any conflicts between these Terms and Conditions and Chapter 290, Chapter 290 will control.

NOTICE (continued)

In addition, the following provisions (the first two of which are required by statute) are part of this utility's Terms and Conditions:

1. FOR INTEREXCHANGE SERVICE:

Discount for Hearing-Impaired Customers. Upon customer request, the Company will automatically apply a 70% reduction for intrastate toll calls made from line used by certified deaf, hard-of-hearing or speech-impaired persons who must rely on teletypewriters for residential telephone communications, and others as provided in 35-A M.R.S.A. §7302. To qualify for an automatic reduction, the customer must submit an affidavit to the Company on a form approved by the Maine Department of Human Services, stating that due to one of the aforementioned conditions, the customer or a member of the household must rely on a teletypewriter for telephone communications, and that the equipment is connected or acoustically coupled to his telephone. Upon request, customers making calls to certified persons are eligible for a 70% rate reduction for relevant billed calls made during each billing period.

2. FOR LOCAL EXCHANGE SERVICE:

Enhanced Universal Emergency Number Service - E911 - Surcharge. An Enhanced Universal Emergency Number Service (E911) surcharge, as provided in 25 M.R.S.A. § 2927(1-A), applies per month to each residence and business access line, including PBX trunks, Centrex access lines, semipublic coin lines, and public access lines, in addition to the monthly rates for these lines specified elsewhere in these schedules. The surcharge shall not be imposed upon more than 25 lines per customer billing account.

NOTICE (continued)

3. FOR BOTH LOCAL AND INTEREXCHANGE SERVICES:

Any provisions in these Terms and Conditions that limit liability or damages do not apply to the extent they conflict with 11 M.R.S.A. §2-316(5) of the Maine Revised Statutes, Exclusion or Modification of Warranties.

This utility agrees that it is responsible for complying with all applicable rules of the Maine Public Utilities Commission and with the Maine Revised Statutes. It understands that if it applies or enforces any provision of these Terms and Conditions that is in conflict with a rule of the Maine Public Utilities Commission, or the Maine Revised Statutes, the rule or statute will govern; and the utility may be subject to action by the Consumer Assistance Division of the Maine Public Utilities Commission or an investigation by the Commission pursuant to 35-A M.R.S.A. §1303.

TERMS AND CONDITIONS

Definitions

1. "Application" means collectively, the Application to Change Long Distance Providers and Letter of Agency.
2. "Authorization code" is a numerical code, one or more of which are available to a Customer to enable identification of individual users or groups of users on an account and to allocate the costs of service accordingly.
3. "Carrier, "Company" or "Utility" refers to ZONE TELECOM, INC.
4. "Commission" refers to The Maine Public Utilities Commission.
5. "Completed" call is a call which the Company's network has determined has been answered by a person, answering machine, fax machine, computer modem device, or other mechanical answering device.
6. "Customer" means any person, firm, corporation or governmental division who has applied for and is granted service or who is responsible for payment of service.
7. "Measured service" is the provision of intrastate long distance measured time communications telephone service to Customers who access the Carrier's service through the underlying carrier switching and call processing equipment by means of access facilities obtained from a local exchange common carrier. Carrier is responsible for arranging for the access lines.
8. "Residential" Customer is a Customer who has telephone service at a dwelling and the service is used primarily for domestic or social purposes. All other Customers are non-residential Customers.
9. "Service" An e-commerce solution which will empower business and residential telecommunications customers to register and choose underlying service providers through Company's website and access different underlying service providers' services with a unified dialing access number.

Definitions (continued)

10. "Sign-Up Form" is the form by which the Customer signs-up for service.

11. "Station" is a telephone instrument consisting of a connected transmitter, receiver, and associated apparatus to permit sending or receiving telephone messages.

12. "Time period" means the interval of hours that distinguish day, evening, night, and weekend rate periods. Day is from 8:00 a.m. up to but not including 5:00 p.m. local time Monday through Friday. Evening is from 5:00 p.m. up to but not including 11:00 p.m. local time Monday through Friday. Night is from 11:00 p.m. up to but not including 8:00 a.m. local time Monday through Friday. Weekend is from 11:00 p.m. Friday through the weekend hours up to 8:00 a.m. on Monday. The Company charges weekend rates on the following federal holidays: New Year's Day, Martin Luther King's Birthday, President's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day.

General Description of Services Offered

1. These Terms and Conditions and Rate Schedules govern Company services originating and terminating at points within Maine. Specific services and rates are described in the Rate Schedules.
2. The Company's intrastate service territory is the State of Maine, unless otherwise stated. Company services are available 24 hours per day, 7 days a week.
3. Company services are available for non-residential Customers.
4. Carrier is a resale common carrier providing intrastate communications long distance message toll telecommunication service to Customer for their direct transmission and reception of voice, data, and other types of communications.
5. Service is offered to business Customers and is available on a presubscription basis from equal access originating end offices only. When a Customer elects to use Calling Card service, calls may be initiated from any location from which the caller can dial the appropriate access codes.
6. At additional cost, and subject to availability, the Customer may use authorization codes to identify the users or user groups on an account. The numerical composition of such codes shall be set by the Carrier to assure compatibility with Carrier's accounting and automation systems and to avoid duplication of codes.

Service Offerings

1. Outbound: Communications may originate from area served by any equal access central office within the State of Maine. All services are available twenty four hours per day, seven days per week.
2. Inbound Switched Service (800 or 888): Receives inbound Intrastate calls on regular local telephone lines.
3. Inbound Dedicated Service (800 or 888): Receives inbound Intrastate calls on Dedicated Access Lines using 800 or 888 number(s).
4. Employee Concessions - Any employee of the Company in good standing for three months or longer may receive any of the Company's services 25% below the price listed rate as a concession.
5. Prepaid Telephone Card Service: Zone Telecom, Inc. Prepaid Telephone Card Service provides an outbound voice grade communications service for calls charged to a Zone Group Prepaid Telephone Card. Customers can use the Prepaid Telephone Card to complete Direct Dialed intrastate and interstate calls.

Service Offerings (continued)

6. **Virtual Wats Service:** Virtual Wats Service is a telecommunications service utilizing AT&T as the underlying carrier. This service includes such services as outbound switched and dedicated calling, inbound (800 or 888) calling, calling card calling and directory assistance services.
7. **FiberWats Service:** FiberWats Service is a telecommunications service utilizing Sprint as the underlying carrier. This service includes such services as outbound switched and dedicated calling, inbound (800 or 888) calling, calling card calling and directory assistance services.
8. **Zone Prepaid Long Distance:** Zone Prepaid Long Distance Service is an optional 1+/011+ direct dial long distance service wherein customers submit payments in advance.
9. Zone Telecom service provides switched and dedicated access and include such features as switched outbound "One Plus" long distance telecommunications services, dedicated outbound calling, inbound toll-free switched and dedicated calling, calling card calling and directory assistance services.

Calculation of Rates

1. Rates for service are based on airline mileage between rate centers of the calling and called stations. The location of Rate Centers is based on information provided by Bell Operating Companies. Mileage is calculated using the Vertical and Horizontal (V&H) coordinate system from the National Exchange Carriers Association Price list F.C.C. No. 4.

FORMULA

$$\sqrt{\frac{(V1 - V2)^2 + (H1 - H2)^2}{10}}$$

2. The chargeable time of a call is timed and measured by the underlying carrier. Timing of calls begins when the call is answered at the called station. Different rates may apply depending on the time of day or day of week the call is made. Calls originating in one time period and terminating in another time period will be billed according to the rates in effect during each portion of the call.
3. Long distance usage charges are based on the actual usage of Zone Telecom's network. The Company will determine that a call has been established through industry standard answer detection methods, including hardware answer detection. Chargeable time for a call ends upon disconnection by either party. For billing provided directly by the Company, the minimum call duration and initial period is 18 seconds for all intrastate direct dialed calls unless otherwise specified by this price list. For billing provided directly by the Company, the additional period is measured and rounded to the next higher 6 second increment unless otherwise specified by this price list. For billing provided directly by the Local Exchange Carrier of the Customer, the minimum call duration and initial period is 60 seconds (1 minute) and the additional period is measured in 60 second (1 minute) increments. No charges apply for incomplete calls. If a Customer believes he or she has been incorrectly billed for an incomplete call, the Company will, upon written notification, investigate the circumstances of the call and issue a credit when appropriate.

Limitations Of Service

1. Service is offered subject to the availability of the necessary facilities and/or equipment and subject to the provisions of this price list. The Carrier reserves the right not to provide service to or from a location where the necessary facilities or equipment are not available.
2. The Carrier reserves the right to discontinue furnishing service upon written notice, when necessitated by conditions beyond its control or when the Customer is using the service in violation of the provisions of this price list, or in violation of the law.

Use Of Service

1. Service may be used for the transmission of communications by the Customer.
2. Service may not be used for any unlawful purpose or for any purpose for which payment or other compensation is received by the Customer, but does not prohibit an arrangement between the Customer and the Carrier, except when the Customer is a duly authorized and regulated common carrier. This provision does not prohibit an arrangement between the Customer, authorized user or joint user to share the cost of the service so long as the arrangement generates no profit for any participant in the arrangement.

Credit, Collection, and Dispute Resolution Procedures

1. Residential Customers: Application for service, billing, payment, deposit, disconnection, dispute resolution and other credit and collection procedures for residential Customers are governed by Chapters 81 and 870 of the Maine Public Utilities Commission's Rules and Regulations.
2. Nonresidential Customers: Application for service, billing, payment, deposit, disconnection, dispute resolution and other credit and collection procedures for nonresidential Customers are governed by Chapters 86 and 870 of the Maine Public Utilities Commission's Rules and Regulations.
3. The Company does not charge a fee to establish service.
4. For billing purposes, service is established on the date the Customer's local exchange carrier switches the Customer's service to the reselling Company's network. Service continues to be provided until Customer chooses a new long distance carrier.
5. The Customer is responsible for payment of all charges for services furnished to the Customer. Charges are based on actual usage during a month and are billed monthly in arrears. For billing purposes, a month consists of thirty (30) days.

Credit, Collection, and Dispute Resolution Procedures
(Cont'd)

6. The Company does not charge a fee to restore service that was disconnected for non-payment of bills, violation of the Terms and Conditions, or fraudulent use of the Company's services.
7. All state and local taxes (i.e., sales tax) are listed as separate line items and are not included in the rates quoted in the Rate Schedules.
8. The Company charges \$5.00 or the amount of the bank charge not to exceed \$15.00 for each check returned as uncollectible.
9. All Customer bills are due and payable when presented. The bill becomes past due no less than 30 days after postmarked. Once a bill is past due, the Carrier may proceed with credit and collection activities per Chapter 81 or 860, and a late payment fee per Chapter 870, of 1.263% per month on the undisputed past due amount.
10. The name(s) of the Customer(s) desiring to use the service must be set forth in the application for service.
11. Customer complaints are handled by a full service Customer service department. Customers may (1) call from 8:30 a.m. to 5:30 p.m., Monday through Friday, at 1 866-333-9663; 24 hours per day, seven days a week; or (2) submit a written complaint to:

Director, Consumer and Regulatory Affairs
Zone Telecom, Inc.
3 Executive Campus, Suite 520
Cherry Hill, NJ 08002;

or email to zonetelecom.com

If the Customer is not satisfied with the Company's response, the Customer may contact the Consumer Assistance Division of the Maine Public Utilities Commission, 242 State Street, Augusta, ME 04333-0018. Telephone: 1-800-452-4699 or (207) 287-3831.

Minimum Service Period

There is no minimum service period.

Cancellation By Customer

If the Customer orders service requiring special facilities dedicated to the Customer's use and then cancels the order before the service begins or before the completion of a minimum period mutually agreed upon by the Customer and the Carrier, and if based on such an order, construction has either begun or been completed, but no service provided, the nonrecoverable cost of such construction shall be borne by the Customer.

Cancellation By Carrier

1. Zone may, without incurring liability, immediately terminate, restrict or suspend Zone Service, in whole or in part, and may deny requests for new or additional Zone Service, without notice to the User if:
 - (A) User fails to pay Zone any charges when due;
 - (B) User makes any false statement to Zone;
 - (C) Zone suspects fraud, abuse or misuse by User, other users or third parties;
 - (D) User violates any regulation of the User Agreement or Zone's filed price lists or price lists;
 - (E) Zone believes User's use or content, or the use or content of other users, may violate the User Agreement or any laws or regulations or interferes in any way with Zone's provision of Zone Service to its customers or its business operations;
 - (F) or User becomes insolvent or is subject to any proceeding under bankruptcy or similar laws.

In all other cases, Zone may, by notice in writing to the User, terminate, restrict or suspend Zone Service, in whole or in part, without incurring liability.

Cancellation By Carrier - (Continued)

2. Without incurring liability, ZONE may interrupt the provision of services at any time in order to perform tests and inspections to assure compliance with price list regulations and the proper installation and operation of Customer and Company's equipment and services and may continue such interruption until any items of non-compliance or improper equipment operation so identified and rectified.
3. Service may be discontinued by ZONE, without notice to the Customer, by blocking traffic to certain countries, cities or NXX exchanges, or by blocking calls using a call screening method which generates a network message not allowing calls to complete, when ZONE deems it necessary to take such action to prevent unlawful use of its service. ZONE will restore service as soon as it can be provided without undue risk.

Restoration Of Service

The use and restoration of service in emergencies shall be in accordance with Part 64, Subpart D of the Federal Communications Commission's Rules and Regulations, which specifies the priority system for such activities.

Contested Charges

For consideration of any disputed charge, a user must submit in writing to Zone Telecom, within 30 days of the date the bill is issued, the call details and the basis for any requested adjustment. Zone Telecom will promptly investigate and advise the user as to its findings and disposition. Any undisputed charges must be paid on a timely basis.

Interruption of Service/Liability

1. The Company will attempt to provide continuous and uninterrupted service. When the Company schedules a service interruption for maintenance or repairs, the Company will notify Customers of the cause and expected duration of the interruption at least 24 hours in advance, when possible.
2. The Company's liability for damages arising out of mistakes, interruptions, omission, delays, errors, or defects in the transmission occurring in furnishing service or in Company facilities, and not caused by the negligence of its employees or agents, will not exceed the amount that the Company would have charged the Customer for service for the period the aforementioned faults occur.
3. Upon Customer request, the Company will credit a Customer's account for service interruptions which are not due to the Company's testing or adjusting, negligence of the Customer, or to the failure of channels or equipment provided by the Customer. Before requesting a credit, the Customer will take reasonable steps to verify that the trouble could not have been prevented by the Customer and is not in the Customer's wiring or equipment. For purposes of computing a credit for leased facilities, a month consists of 720 hours. The Company will credit the Customer's account at the rate of 1/720th of the monthly charge for the facilities affected for each full hour of the interruption.
4. The Company is protected against Customer claims for libel, slander, or copyright infringement arising from the material, data, information, or other content transmitted using Company services. The Company is protected against all other claims arising from any act or omission of the Customer while using Company services and claims for patent infringement arising from combining or connecting the carrier's facilities with apparatus and systems of the Customer.

Interruption of Service/Liability (Continued)

5. Any provisions that limit liability or damages do not apply to the extent they conflict with Maine Statute, 11 M.R.S.A. 2-316(5), Exclusion or Modification of Warranties.
6. The Carrier is not liable for any act or omission of any other company or companies furnishing a portion of the service.
7. The Carrier shall not be liable for and the Customer indemnifies and holds the Carrier harmless from any and all loss claims, demands, suits, or other action or liability whatsoever, whether suffered, made, instituted or asserted by the Customer to be any other party or persons, for any personal injury to, or death of, any person or persons, and for any loss, damage, defacement or destruction of the premises of the Customer or any other property, whether owned by the Customer or others, caused or claimed to have been caused directly or indirectly by the installation, operation, failure to operate, maintenance, removal, presence, condition, location or use of equipment or wiring provided by the Carrier where such installation, operation, failure to operate, maintenance, condition, location or use is not the direct result of the Carrier's negligence. No agents or employees of other carriers shall be deemed to be agents or employees of the Carrier.
8. The carrier is not liable under any circumstance for any act, omission, error, mistake, or delay associated with any representations or statements it may make (including materials posted on websites) regarding the services, offerings, promotions, rates, discounts, terms or conditions of underlying service providers, local exchange carriers or connecting carriers.

Application For Service

1. The Company requires a Customer to complete the Sign-up Form and Application as a condition precedent to the initial establishment of service. Application for service may be made electronically or in writing.
2. Company accepts the following methods of payment: credit card (Visa, MasterCard, Discover and American Express); bank debit card, electronic fund transfers, money order, and paper check.
3. Company will confirm credit worthiness as a condition precedent to the provision of Service. Company will preauthorize a credit limit for a residential Customer in the amount of \$100, and for a business Customer in the amount of \$300. Once the Customer has demonstrated a pattern of full and timely remittance of payment, Company, in its full discretion, may elect to raise the user's preauthorized credit limit from time to time.
4. The name of the Customer(s) desiring to use the Company's service must be stipulated in the Sign-up Form and Application, executed by the Customer and returned to the Company or its agent.
5. Fees are immediately due and payable on the date of the invoice and will be assessed based on the method of payment selected by the Customer in the Sign-up Form. Interruption of service and/or late payment charges may be assessed for any failure to pay within the time set forth in the Sign-up Form in accordance with federal and/or state law.

Payment For Service

1. Monthly invoices will be debited via the billing mechanism selected by Customer in the Sign-up Form and in accordance with this Price list. Customers electing to pay by paper check will be assessed a \$2.95 service charge. Interest at the rate prescribed by the Commission may be applied in accordance with the Company's standard credit policy to any unpaid amount commencing 15 days after the bill statement date unless otherwise provided herein.
2. The Company may bill for Service electronically for those Customers with computer capability. Prior to electronic billing, Customers will be notified and given the option to receive invoices in paper form. Customers electing paper billing will be assessed a monthly account fee of \$50.00. To view electronic invoices, Customers will need one of the following browsers: Internet Explorer 4.0 or higher; Netscape Navigator 3.01 or higher; Netscape Communicator 4.05 or higher; or Customers will need to upgrade its current browser.

Reconnection Fee

If service has been discontinued for nonpayment or as otherwise provided herein and the Customer wishes it continued, service shall, at the Company's discretion, be restored upon payment of a \$50.00 reconnection fee when all past due amounts are paid or the event giving rise to the discontinuance (if other than nonpayment) is corrected.

CUSTOMIZED SERVICE PACKAGES

Customized service packages and competitive pricing packages may be furnished at negotiated rates on a case-by-case basis in response to requests by Customers to the Company for proposals or for competitive bids. Service offered under this price list provision will be provided to Customer pursuant to contract. Unless otherwise specified, the regulations for such arrangements are in addition to the applicable regulations and prices in other sections of the price list. Specialized rates or charges will be made available to similarly situated Customers on a non-discriminatory basis. All specialized pricing arrangements are subject to Commission review.

INVOICE RETRIEVAL CHARGE

There will be a charge for researching an account and providing archived invoices to a customer. The charge will be assessed for each request and will be as follows:

 \$ 10.00 charge for e-mailed invoices up to two years old

 \$ 15.00 charge for paper invoices up to two years old

 \$ 30.00 charge for invoices older than two years

Invoices retrieval could take up to ten business days.

DEPOSIT AND ADVANCE PAYMENT

Zone may, in order to safeguard its interests, require Customer to make a cash security deposit, irrevocable letter of credit or other means prior to or any time after the provision of Services to Customer (collectively called "Deposit"). The Deposit, to be held by Zone as a guarantee or security for the payment of charges incurred, may be drawn upon by Zone for any and all past due amounts, and may be increased at any time upon Zone's request and in its sole discretion. Zone's obligation to provide Services is contingent upon an initial and continuing credit approval by Zone. Additional Deposit amounts may be required after Services commence pending continuing review of issues which include but are not limited to Customer's monthly revenue, payment history, financial condition and as security against disputed amounts.

RETURN CHECK FEE AND RETURNED ELECTRONIC FUNDS TRANSFER FEE

The Company charges \$5.00 or the amount of the bank charge not to exceed \$15.00 for each check returned as uncollectible. A fee of \$15.00 will be charged for each rejected electronic funds transfer.

PAPER CHECK SERVICE CHARGE

Customers electing to pay for Zone Telecom products via a paper check will be assessed a service charge in the amount of \$2.95.

RATE SCHEDULES**RATES AND CHARGES FOR VIRTUAL WATS SUBSCRIBER SERVICE****GENERAL**

1. Each Customer is charged individually for each call placed through the Company. Charges are computed on an airline mileage basis as described in Calculation of Distance in this price list.
2. Rates vary by mileage band, time of day and call duration.
3. Customers are billed based on their use of Zone Telecom, Inc. long distance service. Unless specified in the service description section of this price list, no installation charges apply.

TIME OF DAY RATE PERIODS

The appropriate rates apply for day, evening and night/weekend calls based on the following chart.

	MON	TUES	WED	THURS	FRI	SAT	SUN
8:00 AM TO 5:00 PM*	DAYTIME RATE PERIOD						
5:00 PM TO 11:00 PM*	EVENING/NIGHT/WEEKEND RATE PERIOD						
11:00 PM TO 8:00 AM*							

to, but not including

RATES AND CHARGES FOR VIRTUAL WATS SUBSCRIBER SERVICE
(continued)OUTBOUND ONE-PLUS SERVICE

1. Outbound: Schedule A - This schedule applies to calls between two on-network stations which use local exchange service access lines or between an on-network station which uses a local exchange service access line and an off-network station in the State of Maine.

Calls are billed in 6 second increments with 18 seconds minimum, except for Local Exchange Company billing which will be in 60 second (1 minute) increments. The 60 second (1 minute) rate is ten (10) times the 6 second increments shown below.

Rate per initial 18 second minimum and additional 6 second increments:

<u>Rate Mileage</u>	Initial 18 Seconds		Each Additional 6 Seconds <u>or Fraction</u>	
	<u>Day</u>	<u>Eve./Night Weekend</u>	<u>Day</u>	<u>Eve./Night Weekend</u>
0 +	\$0.0996	\$0.0996	\$0.0332	\$0.0332
* Recurring monthly service charge - \$5.00				

RATES AND CHARGES FOR VIRTUAL WATS SUBSCRIBER SERVICE
(continued)OUTBOUND ONE-PLUS SERVICE (continued)

2. Outbound: Schedule B - This schedule applies to calls between on-network station which used a special access line and either an on-network station that uses a local exchange service access line or an off-network in the State of Maine.

Rate per initial 18 second minimum and additional 6 second increments:

<u>Rate Mileage</u>	Initial 18 Seconds		Each Additional 6 Seconds <u>or Fraction</u>	
	<u>Day</u>	<u>Eve./Night Weekend</u>	<u>Day</u>	<u>Eve./Night Weekend</u>
0 +	\$0.0498	\$0.0447	\$0.0166	\$0.0149

* Recurring monthly service charge - \$20.00

RATES AND CHARGES FOR VIRTUAL WATS SUBSCRIBER SERVICE
(continued)OUTBOUND ONE-PLUS SERVICE (continued)CALLING CARD RATES

Calls are billed in 6 second increments with 18 seconds minimum, except for Local Exchange Company billing which will be in 60 second (1 minute) increments. The 60 second (1 minute) rate is ten (10) times the 6 second increments shown below.

Rate per initial 18 second minimum and additional 6 second increments:

<u>Rate Mileage</u>	Initial 18 Seconds		Each Additional 6 Seconds	
	<u>or Fraction</u>	<u>Day</u>	<u>Eve./Night Weekend</u>	<u>or Fraction</u>
0 +		\$0.1077	\$0.1077	\$0.0359

* Service charge per call - \$0.65

RATES AND CHARGES FOR VIRTUAL WATS SUBSCRIBER SERVICE
(continued)

OUTBOUND ONE-PLUS SERVICE (continued)

LONG DISTANCE DIRECTORY ASSISTANCE

A Long Distance Directory Assistance charge applies when the caller accesses the Company's network by dialing 1 + Area Code + 555-1212 to place a request for a telephone number. The charge applies to each inquiry regardless of whether the Directory Assistance bureau is able to supply a listed number. A credit allowance will be provided upon request for any Directory Assistance charge for which the Customer experiences poor transmission quality, is cut off, receives an incorrect telephone number, or misdials.

	Per Inquiry
Directory Assistance Charge -	\$0.65

RATES AND CHARGES FOR VIRTUAL WATS SUBSCRIBER SERVICE
(continued)INBOUND (800 or 888) USAGE RATES1. Inbound Switched Usage Rates

Rate
Per Hour of Usage

<u>Day</u>	<u>Evening</u>	<u>Night</u>
\$18.72	\$18.72	\$18.72)

Monthly recurring service charge - \$20.00

2. Inbound Dedicated Usage Rates

Rate
Per Hour of Usage

Day	Evening	Night
\$17.28	\$17.28	\$17.28

Monthly recurring service charge - \$50.00

RATES AND CHARGES FOR FIBERWATS SUBSCRIBER SERVICEGENERAL

1. Each customer is charged individually for each call placed through the Company. Charges are computed on an airline mileage basis as described in Calculation of Distance of this price list.
2. Rates vary by mileage band, time of day and call duration.
3. Customers are billed based on their use of Zone Telecom, Inc. long distance service. Unless specified in the service description section of this price list, no installation charges apply.

TIME OF DAY RATE PERIODS

Day, evening and night/weekend rates apply for the following products based on the following chart:

	MON	TUES	WEDS	THURS	FRI	SAT	SUN
8:00 AM TO 5:00 PM*							
5:00 PM TO 11:00 PM*							
11:00 PM TO 8:00 AM*							

*to, but not including

RATES AND CHARGES FOR FIBERWATS SUBSCRIBER SERVICE
(continued)OUTBOUND ONE-PLUS SERVICE

1. Outbound: Schedule A - This schedule applies to calls between two on-network stations which use local exchange service access lines or between an on-network station which uses a local exchange service access line and an off-network station within the State of Maine.

Calls are billed in 6 second increments with 18 seconds minimum, except for Local Exchange Company billing which will be in 60 second (1 minute) increments. The 60 second (1 minute) rate is ten (10) times the 6 second increments shown below.

Rate per initial 18 second minimum and additional 6 second increments:

	<u>Initial 18 Seconds</u>		<u>Each Add'l 6 Seconds</u>	
<u>Miles</u>	<u>Day</u>	<u>E/N/W</u>	<u>Day</u>	<u>E/N/W</u>
0+	\$0.1299	\$0.1299	\$0.0433	\$0.0433

Monthly recurring charge: \$5.00 per account

RATES AND CHARGES FOR FIBERWATS SUBSCRIBER SERVICE
(continued)OUTBOUND ONE-PLUS SERVICE (continued)

2. Outbound: Schedule B - This schedule applies to calls between an on-network station which uses a special access line and either an on-network station that uses a local exchange service access line or an off network station within the State of Maine.

Rate per initial 18 second minimum and additional 6 second increments:

	<u>Initial 18 Seconds</u>		<u>Each Add'l 6 Seconds</u>	
<u>Miles</u>	<u>Day</u>	<u>E/N/W</u>	<u>Day</u>	<u>E/N/W</u>
0+	\$0.0489	\$0.0489	\$0.0163	\$0.0163

Monthly access fees and service charges vary by Customer location and may be assessed by the Local Telephone Company or underlying carrier. These may be billed directly to the Customer by the Local Telephone Company or at the Customer's request, by Zone with no mark up from actual cost.

<u>RATES AND CHARGES FOR FIBERWATS SUBSCRIBER SERVICE</u>	Rate per initi al 18 secon d minim um and addit ional 6
(continued)	secon d incre ments :

<u>OUTBOUND ONE-PLUS SERVICE</u> (continued)	um and addit ional 6
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<u>CALLING CARD RATES</u>	secon d incre ments :
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Calling Card calls placed by Customers that have subscribed to Zone's calling card service prior to the date of this filing will be billed in 6 second increments with 18 seconds minimum. Calling Card calls placed by Customers that have subscribed to Zone's calling card service as of the date of this filing will be billed in 60 second (1 minute) increments. Local Exchange Company billing will be in 60 second (1 minute) increments. The 60 second (1 minute) rate, which applies to Local Exchange Company billing and to calls placed by Customers that have subscribed to Zone's calling card service as of the date of this filing, is ten (10) times the 6 second increments shown below.

	<u>Initial 18 Seconds</u>	<u>Each Add'l 6 Seconds</u>		
<u>Miles</u>	<u>Day</u>	<u>E/N/W</u>	<u>Day</u>	<u>E/N/W</u>
0+	\$0.1398	\$0.1398	\$0.0466	\$0.0466

Monthly recurring charge: None

Surcharge per call: \$0.55

RATES AND CHARGES FOR FIBERWATS SUBSCRIBER SERVICE
(continued)

OUTBOUND ONE-PLUS SERVICE (continued)

LONG DISTANCE DIRECTORY ASSISTANCE

A long distance Directory Assistance charge applies when the caller accesses the Company's network by dialing 1 + Area Code + 555-1212 to place a request for a telephone number. The charge applies to each inquiry regardless of whether the Directory Assistance bureau is able to supply a listed number. A credit will be issued for any Directory Assistance charge for which the customer experiences poor transmission quality, is cut off, receives an incorrect telephone number, or misdials.

Per Inquiry

Directory Assistance Charge -
\$0.75

RATES AND CHARGES FOR FIBERWATS SUBSCRIBER SERVICE
(continued)INBOUND (800 OR 888) USAGE RATES1. Inbound (800 or 888) Switched Usage Rates

Rate
Per Hour of Usage

<u>Day</u>	<u>Evening</u>	<u>Night</u>
\$27.96	\$27.96	\$27.96

Monthly recurring service charge -
\$20.00

2. Inbound (800 or 888) Dedicated Usage Rates

Rate
Per Hour of Usage

<u>Day</u>	<u>Evening</u>	<u>Night</u>
\$14.40	\$14.40	\$14.40

Monthly recurring service charge - \$50.00

COMMERCIAL AFFILIATION PROGRAM1. GENERAL

This section contains the regulations applicable to the Commercial Affiliation Program. (see section 4 following for applicable rates)

2. AVAILABILITY OF SERVICE

The following rates apply to residential and small business customers. To qualify for this service, Customers must be members of trade associations or commercial organizations. Customers may also qualify if they are individuals within an industry profession or business classification. Service shall be obtained by responding to an advertisement or promotional offering or by calling a toll free number in response to such solicitation.

3. APPLICATION OF CHARGES

Customers of this calling plan may place as many calls as desired at the specified rates. No minimum monthly usage is required.

4. RATES AND CHARGES

The following rates apply for all times of day, seven days a week, for all distances. Calls will be billed at 18 second initial increment with 6 second additional increments.

<u>Rate Mileage</u>	Initial 18 Seconds		Each Additional 6 Seconds	
	<u>Day</u>	<u>Eve/Night</u>	<u>Day</u>	<u>Eve/Night</u>
0+	\$0.1134	\$0.1134	\$0.0378	\$0.0378
Monthly Recurring Fee				\$2.00

ZONE PREPAID LONG DISTANCE SERVICE

1. DESCRIPTION

Zone prepaid long distance service is an optional 1+/011+ direct dial long distance service wherein customers submit payments in advance.

The advance payments are placed in the consumer's account and are depleted as long distance charges, applicable surcharges, regulatory assessments, taxes and fees are accrued. If during any month, the total of charges exceed the monthly advance payments, the customer will hear an announcement that there is no credit available, and the customer will not be able to complete 1+/011+ calls until additional advance payments are received. In addition, several minutes in advance of the depletion of the prepayment, the customer will be advised via announcement. If a consumer does not utilize the full amount of the monthly prepayment, the remaining balance will carry over to subsequent months until the balance is depleted.

2. BILLING

Charges are billed in full minute increments

3. RATES AND CHARGES:

\$.25 cents per minute, 24 hours a day, seven days a week

Monthly recurring fee: \$5.00

ZONE PREPAID TELEPHONE CARD RATES

Maximum Rate
Per Minute of Usage

<u>Day</u>	<u>Evening</u>	<u>Night</u>
\$0.35	\$0.35	\$0.35

ZONE TELECOM SPECIAL PROMOTIONAL OFFERINGS

The Company may, from time to time, engage in special promotions of new or existing Service offerings of limited duration designed to attract new Customers or to increase existing Customer awareness of a particular offering. The promotional offerings are subject to the availability of the Services and may be limited to a specific geographical area or to a subset of a specific market group; provided, however, all promotional offerings shall be offered in accordance with applicable Commission rules or regulations.

TEST MARKETING

The Company may, from time to time, promote new Customer registrations by offering test marketing to certain eligible customers. The test marketing may be limited to specific geographical areas or to a subset of specific market groups for a limited duration. Test marketing will be used to test new products and services prior to wide-scale implementation.

PAYPHONE USE SURCHARGE

An undiscountable payphone use surcharge of \$.35 shall apply to each coinless call which Zone can identify as being placed from a domestic payphone by or to the customer or its permitted user. This includes, but is not limited to, calls placed with a Zone calling card, pre-paid calling card, collect calls and calls placed to 800 numbers. This charge is in addition to standard price listed usage charges and is for the use of the payphone instrument to access Zone's service.

ZONE TELECOM TELECONFERENCE SERVICE

1. TELECONFERENCE SERVICE DESCRIPTION

Zone Telecom Teleconference Service provides communications between two or more stations connected to an audio bridge with the assistance of a teleconference operator.

2. BILLING

Charges accrued by using teleconference service are billed to the telephone number of the originator of the conference call or billed to another number, if it is acceptable to that party.

3. TIMING OF CALLS

3.1 Chargeable time of a conference call begins when all participants are connected and ends for each individual station when that station disconnects.

3.2 Chargeable time for ports joining the conference call already in progress begins when they are connected by a teleconference operator.

4. RATES AND CHARGES

4.1 Charges for teleconference service calls are per minute and per port usage, rounded to the next highest full minute.

4. RATES AND CHARGES (continued)

Zone Tele-Conferencing & Web Conferencing Pricing		
Applies in the Continental US		
Volume and Term Discounts may apply.		
Ready - Flex utilizing Direct Dial (Reserved or Reservation-less)		
Price	\$0.110	
Ready - Flex utilizing Toll Free Number (Reserved or Reservation-less)		
Price	\$0.125	
Operator Assisted - Direct Dial Access (Reservation Required)		
Price	\$0.270	
Operator Assisted - Toll Free Access (Reservation Required)		
Price	\$0.280	
Operator Assisted - Dial Out (Reservation Required)		
Price	\$0.270	
Event - Direct Dial Access (Reservation Required)		
Price	\$0.320	
Event - Toll Free Access (Reservation Required)		
Price	\$0.330	
Event - Dial Out (Reservation Required)		
Price	\$0.340	
Web- Conferencing		
Price	\$0.359	

Zone LD Services1. DESCRIPTION

Zone LD service for small business offers switched and dedicated access and includes such features as switched outbound "One Plus" long distance telecommunications services, dedicated outbound calling, inbound toll-free switched and dedicated calling, calling card calling and directory assistance services. The small business plans are available to Customers whose estimated monthly usage exceeds \$499.00, excluding taxes, fees and surcharges. All "GC" and "Q" small business plans are billed in six second increments, after an initial minimum call duration of six seconds. All "S" small business plans are billed in six second increments, after an initial minimum call duration of eighteen seconds. (C)

Zone LD service for residential and small home office users ("Resi/SOHO") offers switched access and includes such features as switched outbound "One Plus" long distance telecommunications services, inbound toll-free switched calling, calling card calling and directory assistance services. The Resi/SOHO plans are available to Customers whose estimated monthly usage falls below \$500.00, excluding taxes, fees and surcharges. All Resi/SOHO plans are billed in sixty second increments, after an initial minimum call duration of sixty seconds unless otherwise noted.

Zone LD service marketed as Rate Smasher/I, Rate Smasher Premium/I, Rate Smasher/PI and Rate Smasher Premium/PI for residential and small home office users ("Resi/SOHO") offers switched access and includes such features as switched outbound "One Plus" long distance telecommunications services, inbound toll-free switched calling, calling card calling and directory assistance services. The Resi/SOHO plans are available to Customers whose estimated monthly usage falls below \$500.00, excluding taxes, fees and surcharges. These plans are billed in six second increments, after an initial minimum call duration of six seconds.

Material previously appearing on this Page now appears on Page 36.1

Effectice Date: January 20, 2008

1.1. Zone LD - Rate Smasher/S

a. Zone LD - Rate Smasher/S Switched Outbound Service is a switched access service, offering users outbound "One Plus" long distance telecommunications services from points originating and terminating in the State of Maine. Billing increments depend upon whether the Customer is classified as Resi/SOHO or small business.

Per Minute

Zone LD - Rate Smasher/S	
Switched Outbound Service	\$0.34

Material appearing on this Page previously appeared on Page 36

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- b. Zone LD - Rate Smasher/S Dedicated Outbound Service is a dedicated access service, offering users outbound "One Plus" long distance telecommunications services from points originating and terminating in the State of Maine. Billing increments depend upon whether the Customer is classified as Resi/SOHO or small business.

Minute Per

Zone LD - Rate Smasher/S	
Dedicated Outbound Service	\$0.165

- c. Zone LD - Rate Smasher/S Toll-Free Service offers users inbound, toll-free calling where an 800, 888, 877 or other toll-free prefix number rings into a Customer's premise routed to a specific telephone number or terminated over a dedicated facility. This service enables the caller to contact the Customer toll-free, through the use of an assigned toll-free number. Billing increments depend upon whether the Customer is classified as Resi/SOHO or small business.

Switched Rate	Dedicated Rate
<u>Per Minute</u>	<u>Per</u>

Minute

Zone LD - Rate Smasher/S	
Toll-Free Service	
\$0.355	\$0.185

d. Zone LD - Rate Smasher/S Calling Card Service permits the caller to charge a principal pre-subscribed location for a call while the caller is away from the principal location. The Customer may place calls from a touch tone phone by dialing a toll-free number and entering a personal identification code followed by the desired telephone number. Billing increments depend upon whether the Customer is classified as Resi/SOHO or small business.

Minute

Per

Zone LD - Rate Smasher/S	
Calling Card Service	\$0.12

1.2. Zone LD - Rate Smasher/GC

a. Zone LD - Rate Smasher/GC Switched Outbound Service is a switched access service, offering users outbound "One Plus" long distance telecommunications services from points originating and terminating in the State of Maine. Billing increments depend upon whether the Customer is classified as Resi/SOHO or small business.

Minute

Per

Zone LD - Rate Smasher/GC	
Switched Outbound Service	\$0.116

- b. Zone LD - Rate Smasher/GC Dedicated Outbound Service is a dedicated access service, offering users outbound "One Plus" long distance telecommunications services from points originating and terminating in the State of Maine. Billing increments depend upon whether the Customer is classified as Resi/SOHO or small business.

Per Minute

Zone LD - Rate Smasher/GC
Dedicated Outbound Service \$0.062

- c. Zone LD - Rate Smasher/GC Toll-Free Service offers users inbound, toll-free calling where an 800, 888, 877 or other toll-free prefix number rings into a Customer's premise routed to a specific telephone number or terminated over a dedicated facility. This service enables the caller to contact the Customer toll-free, through the use of an assigned toll-free number. Billing increments depend upon whether the Customer is classified as Resi/SOHO or small business.

Switched Rate Per Minute	Dedicated Rate Per
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Minute

Zone LD - Rate Smasher/GC
Toll-Free Service
\$0.117

d. Zone LD - Rate Smasher/GC Calling Card Service permits the caller to charge a principal pre-subscribed location for a call while the caller is away from the principal location. The Customer may place calls from a touch tone phone by dialing a toll-free number and entering a personal identification code followed by the desired telephone number. Billing increments depend upon whether the Customer is classified as Resi/SOHO or small business.

Minute

Per

Zone LD - Rate Smasher/GC	
Calling Card Service	\$0.12

e. Zone LD - RightSaver Switched Outbound Service is a switched access service, offering users outbound "One Plus" long distance telecommunications services from points originating and terminating in the State of Maine. Billing increments depend upon whether the Customer is classified as Resi/SOHO or small business.

RightSaver is subject to a monthly minimum usage charge of \$ 2.00, to be applied when a customers monthly usage is less than \$20.00 before the application of taxes, fees or surcharges. This charge may be waived at the discretion of the company.

Minute

Per

Zone LD - RightSaver	
Outbound Service	\$0.059

1.3. Zone LD - Rate Smasher Premium/GC

- a. Zone LD - Rate Smasher Premium/GC Switched Outbound Service is a switched access service, offering users outbound "One Plus" long distance telecommunications services from points originating and terminating in the State of Maine. Billing increments depend upon whether the Customer is classified as Resi/SOHO or small business.

Per Minute

Zone LD - Rate Smasher Premium/GC	
Outbound Service	\$0.039

- b. Zone LD - Rate Smasher Premium/GC Toll-Free Service offers users inbound, toll-free calling where an 800, 888, 877 or other toll-free prefix number rings into a Customer's premise routed to a specific telephone number or terminated over a dedicated facility. This service enables the caller to contact the Customer toll-free, through the use of an assigned toll-free number. Billing increments depend upon whether the Customer is classified as Resi/SOHO or small business.

Per Minute

Zone LD - Rate Smasher Premium/GC	
Toll-Free Service	\$0.044

1.4. Zone LD - Rate Smasher/Q

- a. Zone LD - Rate Smasher/Q Switched Outbound Service is a switched access service, offering users outbound "One Plus" long distance telecommunications services from points originating and terminating in the State of Maine. Billing increments depend upon whether the Customer is classified as Resi/SOHO or small business.

Minute

Per

Zone LD - Rate Smasher/Q	
Switched Outbound Service	\$0.116

- b. Zone LD - Rate Smasher/Q Toll-Free Service offers users inbound, toll-free calling where an 800, 888, 877 or other toll-free prefix number rings into a Customer's premise routed to a specific telephone number. This service enables the caller to contact the Customer toll-free, through the use of an assigned toll-free number. Billing increments depend upon whether the Customer is classified as Resi/SOHO or small business.

Minute

Per

Zone LD - Rate Smasher/Q	
Toll-Free Service	\$0.117

c. Zone LD - Rate Smasher/Q Calling Card Service permits the caller to charge a principal pre-subscribed location for a call while the caller is away from the principal location. The Customer may place calls from a touch tone phone by dialing a toll-free number and entering a personal identification code followed by the desired telephone number. Billing increments depend upon whether the Customer is classified as Resi/SOHO or small business.

Per
Minute

Zone LD - Rate Smasher/Q Calling Card Service	\$0.12
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d. Zone LD - RightSaver Switched Outbound Service is a switched access service, offering users outbound "One Plus" long distance telecommunications services from points originating and terminating in the State of Maine. Billing increments depend upon whether the Customer is classified as Resi/SOHO or small business.

RightSaver is subject to a monthly minimum usage charge of \$ 2.00, to be applied when a customers monthly usage is less than \$ 20.00 before the application of taxes, fees or surcharges. This charge may be waived at the discretion of the company.

Per
Minute

Zone LD - RightSaver Outbound Service	\$0.059
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1.5. Zone LD - Rate Smasher Premium/Q

- a. Zone LD - Rate Smasher Premium/Q Switched Outbound Service is a switched access service, offering users outbound "One Plus" long distance telecommunications services from points originating and terminating in the State of Maine. Billing increments depend upon whether the Customer is classified as Resi/SOHO or small business.

Per Minute

Zone LD - Rate Smasher Premium/Q	
Outbound Service	\$0.039

- b. Zone LD - Rate Smasher Premium/Q Toll-Free Service offers users inbound, toll-free calling where an 800, 888, 877 or other toll-free prefix number rings into a Customer's premise routed to a specific telephone number or terminated over a dedicated facility. This service enables the caller to contact the Customer toll-free, through the use of an assigned toll-free number. Billing increments depend upon whether the Customer is classified as Resi/SOHO or small business.

Per Minute

Zone LD - Rate Smasher Premium/Q	
Toll-Free Service	\$0.044

2. INTRASTATE DIRECTORY ASSISTANCE

A long distance Directory Assistance charge applies when the caller accesses the Company's network by dialing 1 + Area Code + 555-1212 to place a request for a telephone number. The charge applies to each call regardless of whether the Directory Assistance bureau is able to supply a listed number. A credit will be issued for any Directory Assistance charge for which the customer experiences poor transmission quality, is cut off, receives an incorrect telephone number, or misdials.

Per Call

Intrastate Directory Assistance Charge
\$1.25

3. PAPER BILL CHARGES

The Company may bill for Service electronically for those Customers with computer capability. Customers may, however, elect to receive invoices in paper form. Customers electing paper billing will be assessed a monthly account fee of \$2.95.

4. MINIMUM USAGE CHARGE

Zone Telecom products for small business are subject to a monthly minimum usage charge of \$2.95, to be applied when a customers monthly usage is less than \$100.00 before the application of taxes, fees or surcharges. This charge may be waived at the discretion of the company.

5. TOLL-FREE FEE

Zone Telecom products are subject to a monthly toll-free fee in the amount of \$2.00 per month per toll-free number. This charge may be waived at the discretion of the company.

Effective Date: January 20, 2008