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12/22/2003

TITLE SHEET
REGULATIONS AND SCHEDULE OF INTRASTATE CHARGES
APPLYING TO END-USER LOCAL EXCHANGE
TELECOMMUNICATIONS SERVICES WITHIN
THE STATE OF TENNESSEE

This tariff contains the rates, rules, and regulations governing end-user local exchange telecommunications services within the State of Tennessee provided by KMC Telecom III, Inc. with principal offices at 1545 Route 206, Bedminster, New Jersey 07921-2567

Issued: April 19, 2001

Effective: May 19, 2001

Issued By: Michael P. Duke
Director of Government Affairs
KMC Telecom III, LLC
1755 North Brown Road
Lawrenceville, GA 30043

DC01/BISHST/188653.1

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Issued: October 20, 2002**Effective: November 20, 2002**

**Issued By: Michael P. Duke
Director of Government Affairs
KMC Telecom III, LLC
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KMC Telecom III, LLC

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Issued: April 19, 2001

Effective: May 19, 2001

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 Issued: June 19, 2003

Effective: July 19, 2003

Issued By: Michael P. Duke
 Director of Government Affairs
 KMC Telecom III, LLC
 1755 North Brown Road
 Lawrenceville, GA 30043

CHECK SHEET

The pages of this tariff are effective as of the date shown at the bottom of the respective pages. Original and revised pages as named below comprise all changes from the original tariff that are currently in effect as of the date at the bottom of this page.

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* Indicates new or revised page submitted with this filing.

Issued: October 15, 2003

Effective: October 15, 2003

Issued By: Michael P. Duke
Director of Government Affairs
KMC Telecom III, LLC
1755 North Brown Road
Lawrenceville, GA 30043

CHECK SHEET

The pages of this tariff are effective as of the date shown at the bottom of the respective pages. Original and revised pages as named below comprise all changes from the original tariff that are currently in effect as of the date at the bottom of this page.

Sheet Revision**Section 10**

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Issued: October 15, 2003

Effective: October 15, 2003

Issued By: Michael P. Duke
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1755 North Brown Road
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EXPLANATION OF SYMBOLS, REFERENCE
MARKS, AND ABBREVIATIONS OF TECHNICAL
TERMS USED IN THIS TARIFF

The following symbols shall be used in this tariff for the purpose indicated below:

- | | |
|---|--|
| C | To signify changed regulation. |
| D | To signify discontinued rate or regulation. |
| I | To signify increased rate. |
| M | To signify a move in the location of text. |
| N | To signify new rate or regulation. |
| R | To signify reduced rate. |
| S | To signify reissued matter. |
| T | To signify a change in text but no change in rate or regulation. |

Issued: April 19, 2001

Effective: May 19, 2001

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DC01/BISHST/188653.1

APPLICATION OF TARIFF

This tariff sets forth the service offerings, rates, terms and conditions applicable to the furnishing of intrastate end-user local exchange telecommunications services by KMC Telecom III, Inc., hereinafter referred to as the Company, to customers within the State of Tennessee.

Issued: April 19, 2001

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DEFINITIONS

Certain terms used generally throughout this tariff are defined below.

Account Codes: Permits Centrex Stations and attendants to dial an account code number of up to eight digits. For use when placing calls over facilities arranged for Automatic Message Accounting (AMA) recording. The account or project number must be input prior to dialing the called number.

Advance Payment: Part or all of a payment required before the start of service.

Automatic Number Identification (ANI): Allows the automatic transmission of a caller's billing account telephone number to a local exchange company, interexchange carrier or a third party subscriber. The primary purpose of ANI is to allow for billing of toll calls.

Bit: The smallest unit of information in the binary system of notation.

Call Back/Camp On: Permits a station line encountering an all-trunk-busy condition the option of being notified when a trunk becomes idle.

Call Forwarding:

Call Forwarding Station: Allows calls directed to a station line to be routed to a user defined line inside or outside the customer's telephone system.

Call Forwarding System: Permits calls attempting to terminate to a busy station line to be re-directed to a predetermined line inside or outside the customer's telephone system.

Call Forwarding Remote: This optional feature allows a user to activate/deactivate the Call Forwarding - All Calls feature or change the forwarded to telephone number from a remote location.

Issued: April 19, 2001

Effective: May 19, 2001

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DEFINITIONS (Cont'd.)

Call Forwarding Busy: Allows incoming calls to a busy station to be routed to a preselected station line or attendant within the same system or outside the system. Intercom calls can be arranged to be forwarded to a number different from DID calls.

Call Forwarding Don't Answer: Allows incoming calls to be automatically routed to a preselected station line or attendant in the same system or outside the system, when the called station is not answered after a preset number of rings. Intercom calls can be arranged to be forwarded to a number different from DID calls.

Call Forwarding Variable Limited: When this feature is activated by a station line user or the attendant, incoming calls to the activated station line or attendant position will be automatically routed to any other selected station line, within the same Centrex system, or to the attendant position. The attendant may also activate this feature for a station line user.

Call Forwarding Variable Unlimited: The same as Call Forwarding Variable Limited except that incoming calls may be automatically routed to a telephone number outside the Centrex system or to station lines within the same Centrex system. The attendant may not activate this feature to a telephone number outside the Centrex system for a station line use. Calls forwarded outside the Centrex system are subject to the appropriate charges for local and toll messages.

Call Hold: Allows the user to hold one call for any length of time provided that neither party goes on-hook.

Call Park: Allows a station line to park a call against its own line number. The parked call can be retrieved from any station line by dialing a feature code and the line number against which the call is parked.

Call Pickup: Allows a station line to answer incoming calls to another station line within a defined call pickup group. Call pickup is provided on individual station lines within a customer group.

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DEFINITIONS (Cont'd.)

Call Transfer: Allows a station line user to transfer any established call to another station line inside or outside the customer group without the assistance of the attendant.

Call Waiting: Permits a line in the talking state to be alerted by a tone when another call is attempting to complete to the line. Audible ringing is returned to the originating line. The Service also provides a hold feature that is activated by a switchhook flash.

Collocation Point: Central Offices (CO) where KMC has installed equipment and connected to the Incumbent Local Exchange Carrier (ILEC) network so that KMC can connect to end-user Customers served out of the particular Central Offices via leased unbundled network element loops (UNE loops).

Following is a list of Central Offices in which KMC is collocated. The list includes the name, address, and reference code (CLLI) for each Central Office from which KMC provides services under this tariff. The provision of services to a Customer under this tariff, except for those services provided to OnNet Customers and Resold-Only Customers, depends upon the existence of a collocation point that serves the Customer area.

City	Address	CO Name	CLLI Code
CHATTANOOGA	505 Airport Rd	Brainard	CHTGTNBR
CHATTANOOGA	2605 Duncan Ave	Dodds	CHTGTNDT
CHATTANOOGA	300 E. M L King Blvd	Ninth St	CHTGTNNS
JHSNCty/KNGSPrt	101 N. Roan St	Johnson City Main	JHCYTNXA
JHSNCty/KNGSPrt	3417 Kingsport Hwy	Johnson City North	JHCYTNXC
JHSNCty/KNGSPrt	114-116 Commerce St	Kingsport Main	KGPTTNXA
JHSNCty/KNGSPrt	608 Shelby St	Bristol Main	BRSTTNXC

Communication Services: The Company's intrastate toll and local exchange switched telephone services offered for both intraLATA and interLATA use.

Company or KMC: KMC Telecom III, Inc., the issuer of this tariff.

Issued: October 20, 2002

Effective: November 20, 2002

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DEFINITIONS (Cont'd.)

Customer or Subscriber: The person, firm or corporation that orders service and is responsible for the payment of charges and compliance with the Company's regulations. Customers are classified according to 1) the categories listed below; and for all categories of customers except OnNet Customers and Resale-Only Customers, 2) the Collocation Points listed above for services provided under this tariff. A line is defined as a voice or digital circuit with transmission capacity up to 64KB per second.

1 - 2 Line UNE Customers - Customers who subscribe to a total of one to two lines of voice and/or data services serviced via DS0 (64KB analog loop) and/or DS1 (1.544 MB digital loop) UNE(s).

3 - 4 Line UNE Customers - Customers who subscribe to a total of three to four lines of voice and/or data services served via DS0 and/or DS1 UNEs.

5 - 9 Line UNE Customers - Customers who subscribe to a total of five to nine lines of voice and/or data services served via DS0 and/or DS1 UNEs.

10 - 16 Line UNE Customers - Customers who subscribe to a total of 10 to 16 lines of voice and/or data services served via DS0 and/or DS1 UNEs.

17 - 23 Line UNE Customers - Customers who subscribe to a total of 17 to 23 lines of voice and/or data services served via DS0 and/or DS1 UNEs.

24 - 50 Line UNE Customers - Customers who subscribe to a total of 24 to 50 lines of voice and/or data services served via DS0 and/or DS1 UNEs.

50+ Line UNE Customers - Customers who subscribe to a total of 50 or more lines of voice and/or data services served via DS0 and/or DS1 UNEs.

OnNet Customers - Customers who are, or will be, serviced by KMC through a direct connection to KMC's fiber network via a fiber loop or fiber lateral into the Customer's premise.

Resold-Only Customers - Customers who are, or will be, serviced by KMC exclusively through the resale of other carriers' retail services delivered through other carriers' facilities.

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DEFINITIONS (Cont'd.)

Dial Pulse (or "DP"): The pulse type employed by rotary dial station sets.

Direct Inward Dial (or "DID"): A service attribute that routes incoming calls directly to stations, bypassing a central answering point.

DID Trunk: A form of local switched access that provides the ability for an outside party to call an internal extension directly without the intervention of the company operator.

Direct Outward Dial (or "DOD"): A service attribute that allows individual station users to access and dial outside numbers directly.

Do Not Disturb: Permits the attendant to cut off a single station line and selected groups of station lines from receiving incoming and station-to-station calls.

DSX-1 Panel: Distribution equipment used to terminate and administer DS1 (1.544 Mbps) circuits.

Dual Tone Multi-Frequency (or "DTMF"): The pulse type employed by tone dial station sets.

Duplex Service: Service that provides for simultaneous transmission in both directions.

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DEFINITIONS (Cont'd.)

Fiber Optic Cable: A thin filament of glass with a protective outer coating through which a light beam carrying communications signals may be transmitted by means of multiple internal reflections to a receiver, which translates the message.

Hunting: Routes a call to an idle station line in a prearranged group when the called station line is busy.

In-Only: A service attribute that restricts outward dial access and routes incoming calls to a designated answer point.

Joint User: A person, firm or corporation that is designated by the Customer as a user of services furnished to the Customer by KMC and to whom a portion of the charges for the service will be billed under a joint user arrangement as specified herein.

Kbps: Kilobits per second, denotes thousands of bits per second.

Last Number Redial: Enables a station line user to redial the last called number by use of an access code rather than dialing the entire number.

LATA: A Local Access and Transport Area established pursuant to the Modification of Final Judgment entered by the United States District Court for the District of Columbia in Civil Action No. 82-0192; or any other geographic area designated as a LATA in the National Exchange Carrier Association, Inc. Tariff F.C.C. No. 4.

Local Exchange Carrier or ("LEC"): Denotes any individual, partnership, association, joint-stock company, trust or corporation engaged in providing switched communication within an exchange.

Mbps: Megabits, denotes millions of bits per second.

Multi-Frequency or ("MF"): An inter-machine pulse-type used for signalling between telephone switches, or between telephone switches and PBX/key systems.

Recurring Charges: The monthly charges to the Customer for services, facilities and equipment, that continue for the agreed upon duration of the service.

Issued: April 19, 2001

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DC01/BISHST/188653.1

DEFINITIONS (Cont'd.)

Service Commencement Date: The first day following the date on which the Company notifies the Customer that the requested service or facility is available for use, unless extended by the Customer's refusal to accept service that does not conform to standards set forth in the Service Order or this tariff, in which case the Service Commencement Date is the date of the Customer's acceptance. The Company and Customer may mutually agree on a substitute Service Commencement Date.

Service Order: The written request for Network Services executed by the Customer and the Company in the format devised by the Company. The signing of a Service Order by the Customer and acceptance by the Company initiates the respective obligations of the parties as set forth therein and pursuant to this tariff, but the duration of the service is calculated from the Service Commencement Date.

Shared: A facility or equipment system or subsystem that can be used simultaneously by several Customers.

Speed Calling: Permits a station line user to dial selected numbers by using fewer digits than normally required. This is accomplished through the assignment of abbreviated codes to frequently called numbers. The speed calling list is customer-changeable.

System: Allows shared use of speed calling list. A control station will add, change or delete telephone numbers from the list for the group.

Station: Allows a station line user to add, change or delete telephone numbers from a speed calling list. The list is dedicated to the individual station line user.

Three-Way Calling: Allows a station line user to add a third party to an existing conversation.

Two Way: A service attribute that includes outward dial capabilities for outbound calls and can also be used to carry inbound calls to a central point for further processing.

User or End User: A Customer, Joint User, or any other person authorized by a Customer to use service provided under this tariff.

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DC01/BISHST/188653.1

REGULATIONS

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REGULATIONS (Cont'd.)

2.1 Undertaking of the Company

2.1.1 Scope

The Company undertakes to furnish communications service pursuant to the terms of this tariff in connection with one-way and/or two-way information transmission between points within the State of Tennessee.

Customers and users may use services and facilities provided under this tariff to obtain access to services offered by other service providers. The Company is responsible under this tariff only for the services and facilities provided hereunder, and it assumes no responsibility for any service provided by any other entity that purchases access to the Company network in order to originate or terminate its own services, or to communicate with its own customers.

Issued: April 19, 2001

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REGULATIONS (Cont'd.)

2.1 Undertaking of the Company (Cont'd)

2.1.2 Shortage of Equipment or Facilities

- (A) The Company reserves the right to limit or to allocate the use of existing facilities, or of additional facilities offered by the Company, when necessary because of lack of facilities, or due to some other cause beyond the Company's control.
- (B) The furnishing of service under this tariff is subject to the availability on a continuing basis of all the necessary facilities and is limited to the capacity of the Company's facilities as well as facilities the Company may obtain from other carriers to furnish service from time to time as required at the sole discretion of the Company.

Issued: April 19, 2001

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DC01/BISHST/188653.1

REGULATIONS (Cont'd.)

2.1 Undertaking of the Company (Cont'd.)

2.1.3 Terms and Conditions

- (A) Service is provided on the basis of a minimum period of at least one month, 24-hours per day. For the purpose of computing charges in this tariff, a month is considered to have 30 days.
- (B) Customers may be required to enter into written service orders which shall contain or reference a specific description of the service ordered, the rates to be charged, the duration of the services, and the terms and conditions in this tariff. Customers will also be required to execute any other documents as may be reasonably requested by the Company.
- (C) At the expiration of the initial term specified in each Service Order, or in any extension thereof, service shall continue on a month-to-month basis at the then current rates unless terminated by either party upon 30 days' written notice. Any termination shall not relieve the Customer of its obligation to pay any charges incurred under the service order and this tariff prior to termination. The rights and obligations which by their nature extend beyond the termination of the term of the service order shall survive such termination.
- (D) In any action between the parties to enforce any provision of this tariff, the prevailing party shall be entitled to recover its legal fees and court costs from the non-prevailing party in addition to other relief a court may award.

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REGULATIONS (Cont'd.)

2.1 Undertaking of the Company (Cont'd.)

2.1.3 Terms and Conditions (Cont'd.)

- (E) Service may be terminated upon written notice to the Customer if:
 - (1) the Customer is using the service in violation of this tariff; or
 - (2) the Customer is using the service in violation of the law.
- (F) This tariff shall be interpreted and governed by the laws of the State of Tennessee regardless of its choice of laws provision.
- (G) BellSouth and its affiliated local telephone companies must not interfere with the right of any person or entity to obtain service directly from the Company. No person or entity shall be required to make any payment, incur any penalty, monetary or otherwise, or purchase any services in order to have the right to obtain service directly from the Company.
- (H) To the extent that either the Company or any other telephone company exercises control over available cable pairs, conduit, duct space, raceways, or other facilities needed by the other to reach a person or entity, the party exercising such control shall make them available to the other on terms equivalent to those under which the Company makes similar facilities under its control available to its customers. At the reasonable request of either party, the Company and the other telephone company shall join the attempt to obtain from the owner of the property access for the other party to serve a person or entity.

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REGULATIONS (Cont'd.)

2.1 Undertaking of the Company (Cont'd.)

2.1.4 Liability of the Company

- (A) The liability of the Company for damages arising out of the furnishing of its Services, including but not limited to mistakes, omissions, interruptions, delays, or errors, or other defects, representations, or use of these services or arising out of the failure to furnish the service, whether caused by acts or omission, shall be limited to the extension of allowances for interruption as set forth in 2.6. The extension of such allowances for interruption shall be the sole remedy of the Customer and the sole liability of the Company. The Company will not be liable for any direct, indirect, incidental, special, consequential, exemplary or punitive damages to Customer as a result of any Company service, equipment or facilities, or the acts or omissions or negligence of the Company's employees or agents.
- (B) The Company shall not be liable for any delay or failure of performance or equipment due to causes beyond its control, including but not limited to: acts of God, fire, flood, explosion or other catastrophes; any law, order, regulation, direction, action, or request of the United States Government, or of any other government, including state and local governments having or claiming jurisdiction over the Company, or of any department, agency, commission, bureau, corporation, or other instrumentality of any one or more of these federal, state, or local governments, or of any civil or military authority; national emergencies; insurrections; riots; wars; unavailability of rights-of-way or materials; or strikes, lock-outs, work stoppages, or other labor difficulties.

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REGULATIONS (Cont'd.)

2.1 Undertaking of the Company (Cont'd.)

2.1.4 Liability of the Company (Cont'd.)

- (C) The Company shall not be liable for any act or omission of any entity furnishing to the Company or to the Company's Customers facilities or equipment used for or with the services the Company offers.
- (D) The Company shall not be liable for any damages or losses due to the fault or negligence of the Customer or due to the failure or malfunction of Customer-provided equipment or facilities.
- (E) The Company does not guarantee nor make any warranty with respect to installations it provides for use in an explosive atmosphere. The Customer indemnities and holds the Company harmless from any and all loss, claims, demands, suits, or other action, or any liability whatsoever, whether suffered, made, instituted, or asserted by any other party or person(s), and for any loss, damage, or destruction of any 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 any installation so provided. The Company reserves the right to require each Customer to sign an agreement acknowledging acceptance of the provisions of this section 2.1.4(E) as a condition precedent to such installations.

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REGULATIONS (Cont'd.)

2.1 Undertaking of the Company (Cont'd.)

2.1.4 Liability of the Company (Cont'd.)

- (F) The Company is not liable for any defacement of or damage to Customer premises resulting from the furnishing of services or equipment on such premises or the installation or removal thereof, unless such defacement or damage is caused by negligence or willful misconduct of the Company's agents or employees.
- (G) The Company shall be indemnified, defended and held harmless by the Customer against any claim, loss or damage arising from Customer's use of services, involving claims for libel, slander, invasion of privacy, or infringement of copyright arising from the Customer's own communications.
- (H) The entire liability for any claim, loss, damage or expense from any cause whatsoever shall in no event exceed sums actually paid the Company by the Customer for the specific services giving rise to the claim. No action or proceeding against the Company shall be commenced more than one year after the service is rendered.
- (I) **THE COMPANY MAKES NO WARRANTIES OR REPRESENTATIONS, EXPRESS OR IMPLIED EITHER IN FACT OR BY OPERATION OF LAW, STATUTORY OR OTHERWISE, INCLUDING WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR USE, EXCEPT THOSE EXPRESSLY SET FORTH HEREIN.**

Issued: April 19, 2001

Effective: May 19, 2001

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REGULATIONS (Cont'd.)

2.1 Undertaking of the Company (Cont'd.)

2.1.5 Notification of Service-Affecting Activities

The Company will provide the Customer reasonable notification of service-affecting activities that may occur in normal operation of its business. Such activities may include, but are not limited to, equipment or facilities additions, removals or rearrangements and routine preventative maintenance. Generally, such activities are not specific to an individual Customer but affect many Customers' services. No specific advance notification period is applicable to all service activities. The Company will work cooperatively with the Customer to determine the reasonable notification requirements. With some emergency or unplanned service-affecting conditions, such as an outage resulting from cable damage, notification to the Customer may not be possible.

Issued: April 19, 2001

Effective: May 19, 2001

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REGULATIONS (Cont'd.)

2.1 Undertaking of the Company (Cont'd.)

2.1.6 Provision of Equipment and Facilities

- (A) The Company shall use reasonable efforts to make available services to a Customer on or before a particular date, subject to the provisions of and compliance by the Customer with, the regulations contained in this tariff. The Company does not guarantee availability by any such date and shall not be liable for any delays in commencing service to any Customer.
- (B) The Company shall use reasonable efforts to maintain only the facilities and equipment that it furnishes to the Customer. The Customer may not, nor may the Customer permit others to, rearrange, disconnect, remove, attempt to repair, or otherwise interfere with any of the facilities or equipment installed by the Company, except upon the written consent of the Company.
- (C) The Company may substitute, change or rearrange any equipment or facility at any time and from time to time, but shall not thereby alter the technical parameters of the service provided the Customer.
- (D) Equipment the Company provides or installs at the Customer Premises for use in connection with the services the Company offers shall not be used for any purpose other than that for which it was provided by the Company.

Issued: April 19, 2001

Effective: May 19, 2001

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REGULATIONS (Cont'd.)

2.1 Undertaking of the Company (Cont'd.)

2.1.6 Provision of Equipment and Facilities (Cont'd.)

- (E) The Customer shall be responsible for the payment of service charges as set forth herein for visits by the Company's agents or employees to the Premises of the Customer when the service difficulty or trouble report results from the use of equipment or facilities provided by any party other than the Company, including but not limited to the Customer.
- (F) The Company shall not be responsible for the installation, operation, or maintenance of any Customer-provided communications equipment. Where such equipment is connected to the facilities furnished pursuant to this tariff, the responsibility of the Company shall be limited to the furnishing of facilities offered under this tariff and to the maintenance and operation of such facilities. Subject to this responsibility, the Company shall not be responsible for:
 - (1) the transmission of signals by Customer-provided equipment or for the quality of, or defects in, such transmission; or
 - (2) the reception of signals by Customer-provided equipment.

Issued: April 19, 2001

Effective: May 19, 2001

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REGULATIONS (Cont'd.)

2.1 Undertaking of the Company (Cont'd.)

2.1.7 Non-Routine Installation

At the Customer's request, installation and/or maintenance may be performed outside the Company's regular business hours or in hazardous locations. In such cases, charges based on cost of the actual labor, material, or other costs incurred by or charged to the Company will apply. If installation is started during regular business hours but, at the Customer's request, extends beyond regular business hours into time periods including, but not limited to, weekends, holidays, and/or night hours, additional charges may apply.

Issued: April 19, 2001

Effective: May 19, 2001

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REGULATIONS (Cont'd.)

2.1 Undertaking of the Company (Cont'd.)

2.1.8 Special Construction

Subject to the agreement of the Company and to all of the regulations contained in this tariff, special construction of facilities may be undertaken on a reasonable efforts basis at the request of the Customer. Special construction is that construction undertaken:

- (A) where facilities are not presently available, and there is no other requirement for the facilities so constructed;
- (B) of a type other than that which the Company would normally utilize in the furnishing of its services;
- (C) over a route other than that which the Company would normally utilize in the furnishing of its services;
- (D) in a quantity greater than that which the Company would normally construct;
- (E) on an expedited basis;
- (F) on a temporary basis until permanent facilities are available;
- (G) involving abnormal costs; or
- (H) in advance of its normal construction.

2.1.9 Ownership of Facilities

Title to all facilities provided in accordance with this tariff remains in the Company, its agents or contractors.

Issued: April 19, 2001

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REGULATIONS (Cont'd.)

2.2 Prohibited Uses

- (A) The services the Company offers shall not be used for any unlawful purpose or for any use as to which the Customer has not obtained all required governmental approvals, authorizations, licenses, consents and permits.
- (B) The Company may require applicants for service who intend to use the Company's offerings for resale and/or for shared use to file a letter with the Company confirming that their use of the Company's offerings complies with relevant laws and Tennessee Regulatory Authority regulations, policies, orders, and decisions.
- (C) The Company may require a Customer to immediately shut down its transmission of signals if said transmission is causing interference to others.
- (D) A customer, joint user, or authorized user may not assign, or transfer in any manner, the service or any rights associated with the service without the written consent of the Company. The Company will permit a Customer to transfer its existing service to another entity if the existing Customer has paid all charges owed to the Company for regulated communications services. Such a transfer will be treated as a disconnection of existing service and installation of new service, and non-recurring installation charges as stated in this tariff will apply.

Issued: April 19, 2001

Effective: May 19, 2001

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REGULATIONS (Cont'd.)

2.3 Obligations of the Customer

2.3.1 General

The Customer shall be responsible for:

- (A) the payment of all applicable charges pursuant to this tariff;
- (B) damage to or loss of the Company's facilities or equipment caused by the acts or omissions of the Customer; or the noncompliance by the Customer, with these regulations; or by fire or theft or other casualty on the Customer Premises, unless caused by the negligence or willful misconduct of the employees or agents of the Company;
- (C) providing at no charge, as specified from time to time by the Company, any needed personnel, equipment space and power to operate Company facilities and equipment installed on the premises of the Customer, and the level of heating and air conditioning necessary to maintain the proper operating environment on such premises;

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REGULATIONS (Cont'd.)

2.3 Obligations of the Customer (Cont'd.)

2.3.1 General (Cont'd.)

- (D) obtaining, maintaining, and otherwise having full responsibility for all rights-of-way and conduits necessary for installation of fiber optic cable and associated equipment used to provide Communication Services to the Customer from the cable building entrance or property line to the location of the equipment space described in 2.3.1(C). Any and all costs associated with obtaining and maintaining the rights-of-way described herein, including the costs of altering the structure to permit installation of the Company-provided facilities, shall be borne entirely by, or may be charged by the Company to, the Customer. The Company may require the Customer to demonstrate its compliance with this section prior to accepting an order for service;
- (E) providing a safe place to work and complying with all laws and regulations regarding the working conditions on the premises at which Company employees and agents shall be installing or maintaining the Company's facilities and equipment. The Customer may be required to install and maintain Company facilities and equipment within a hazardous area if, in the Company's opinion, injury or damage to the Company's employees or property might result from installation or maintenance by the Company. The Customer shall be responsible for identifying, monitoring, removing and disposing of any hazardous material (e.g. friable asbestos) prior to any construction or installation work;

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REGULATIONS (Cont'd.)

2.3 Obligations of the Customer (Cont'd.)

2.3.1 General (Cont'd.)

- (F) complying with all laws and regulations applicable to, and obtaining all consents, approvals, licenses and permits as may be required with respect to, the location of Company facilities and equipment in any Customer premises or the rights-of-way for which Customer is responsible under Section 2.3.1(D); and granting or obtaining permission for Company agents or employees to enter the premises of the Customer at any time for the purpose of installing, inspecting, maintaining, repairing, or upon termination of service as stated herein, removing the facilities or equipment of the Company;
- (G) not creating, or allowing to be placed, any liens or other encumbrances on the Company's equipment or facilities; and
- (H) making Company facilities and equipment available periodically for maintenance purposes at a time agreeable to both the Company and the Customer. No allowance will be made for the period during which service is interrupted for such purposes.

Issued: April 19, 2001

Effective: May 19, 2001

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REGULATIONS (Cont'd.)

2.3 Obligations of the Customer (Cont'd.)

2.3.2 Claims

With respect to any service or facility provided by the Company, Customers shall indemnify, defend and hold harmless the Company from and against all claims, actions, damages, liabilities, costs and expenses, including reasonable attorneys' fees for:

- (A) any loss, destruction or damage to the property of the Company or any third party, or death or injury to persons, including, but not limited to, employees or invitees of either party, to the extent caused by or resulting from the negligent or intentional act or omission of the Customer, its employees, agents, representatives or invitees; or
- (B) any claim, loss, damage, expense or liability for infringement of any copyright, patent, trade secret, or any proprietary or intellectual property right of any third party, arising from any act or omission by the Customer, including, without limitation, use of the Company's services and facilities in a manner not contemplated by the agreement between the Customer and the Company.

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Effective: May 19, 2001

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REGULATIONS (Cont'd.)**2.4 Customer Equipment and Channels****2.4.1 General**

A User may transmit or receive information or signals via the facilities of the Company. The Company's services are designed primarily for the transmission of voice-grade telephonic signals, except as otherwise stated in this tariff. A User may transmit any form of signal that is compatible with the Company's equipment, but the Company does not guarantee that its services will be suitable for purposes other than voice-grade telephonic communication except as specifically stated in this tariff.

2.4.2 Station Equipment

- (A) Terminal equipment on the User's Premises and the electric power consumed by such equipment shall be provided by and maintained at the expense of the User. The User is responsible for the provision of wiring or cable to connect its terminal equipment to the Company Point of Connection.
- (B) The Customer is responsible for ensuring that Customer-provided equipment connected to Company equipment and facilities is compatible with such equipment and facilities. The magnitude and character of the voltages and currents impressed on Company-provided equipment and wiring by the connection, operation, or maintenance of such equipment and wiring shall be such as not to cause damage to the Company-provided equipment and wiring or injury to the Company's employees or to other persons. Any additional protective equipment required to prevent such damage or injury shall be provided by the Company at the Customer's expense.

Issued: April 19, 2001

Effective: May 19, 2001

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REGULATIONS (Cont'd.)

2.4 Customer Equipment and Channels (Cont'd.)

2.4.3 Interconnection of Facilities

- (A) Any special interface equipment necessary to achieve compatibility between the facilities and equipment of the Company used for furnishing Communication Services and the channels, facilities, or equipment of others shall be provided at the Customer's expense.
- (B) Communication Services may be connected to the services or facilities of other communications carriers only when authorized by, and in accordance with, the terms and conditions of the tariffs of the other communications carriers that are applicable to such connections.
- (C) Facilities furnished under this tariff may be connected to Customer-provided terminal equipment in accordance with the provisions of this tariff. All such terminal equipment shall be registered by the Federal Communications Commission pursuant to Part 68 of Title 47, Code of Federal Regulations; and all User-provided wiring shall be installed and maintained in compliance with those regulations.
- (D) Users may interconnect communications facilities that are used in whole or in part for interstate communications to services provided under this tariff only to the extent that the user is an "End User" as defined in Section 69.2(m), Title 47, Code of Federal Regulations (1992 edition).

Issued: April 19, 2001

Effective: May 19, 2001

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REGULATIONS (Cont'd.)

2.4 Customer Equipment and Channels (Cont'd.)

2.4.4 Inspections

- (A) Upon suitable notification to the Customer, and at a reasonable time, the Company may make such tests and inspections as may be necessary to determine that the Customer is complying with the requirements set forth in Section 2.4.2(B) for the installation, operation, and maintenance of Customer-provided facilities, equipment, and wiring in the connection of Customer-provided facilities and equipment to Company-owned facilities and equipment.
- (B) If the protective requirements for Customer-provided equipment are not being complied with, the Company may take such action as it deems necessary to protect its facilities, equipment, and personnel. The Company will notify the Customer promptly if there is any need for further corrective action. Within ten days of receiving this notice, the Customer must take this corrective action and notify the Company of the action taken. If the Customer fails to do this, the Company may take whatever additional action is deemed necessary, including the suspension of service, to protect its facilities, equipment and personnel from harm.

Issued: April 19, 2001

Effective: May 19, 2001

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REGULATIONS (Cont'd.)

2.5 Payment Arrangements

2.5.1 Payment for Service

The Customer is responsible for the payment of all charges for facilities and services furnished by the Company to the Customer and to all Users authorized by the Customer, regardless of whether those services are used by the Customer itself or are resold to or shared with other persons.

(A) Taxes

The Customer is responsible for payment of any sales, use, gross receipts, excise, access or other local, state and federal taxes, charges or surcharges (however designated) (excluding taxes on Company's net income) imposed on or based upon the provision, sale or use of Network Services.

2.5.2 Billing and Collection of Charges

- (A) Non-recurring charges are due and payable from the customer within 30 days after the invoice date, unless otherwise agreed to in advance.
- (B) The Company shall present invoices for Recurring Charges monthly to the Customer, in advance of the month in which service is provided, and Recurring Charges shall be due and payable within 30 days after the invoice date. When billing is based on customer usage, charges will be billed monthly for the preceding billing periods.
- (C) When service does not begin on the first day of the month, or end on the last day of the month, the charge for the fraction of the month in which service was furnished will be calculated on a pro rata basis. For this purpose, every month is considered to have 30 days.

Issued: April 19, 2001

Effective: May 19, 2001

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REGULATIONS (Cont'd.)

2.5 Payment Arrangements (Cont'd.)

2.5.2 Billing and Collection of Charges (Cont'd.)

- (D) Billing of the Customer by the Company will begin on the Service Commencement Date, which is the first day following the date on which the Company notifies the Customer that the service or facility is available for use, except that the Service Commencement Date may be postponed by mutual agreement of the parties, or if the service or facility does not conform to standards set forth in this tariff or the Service Order. Billing accrues through and includes the day that the service, circuit, arrangement or component is discontinued.
- (E) If any portion of the payment is received by the Company after the date due, or if any portion of the payment is received by the Company in funds that are not immediately available, then a late payment penalty shall be due to the Company. The late payment penalty shall be the portion of the payment not received by the date due, multiplied by the lesser of the highest percentage allowable by the Tennessee Regulatory Authority or a late factor of 1.5% per month.
- (F) The Customer will be assessed a charge of twenty-five dollars (\$25.00) for each check submitted by the Customer to the Company that a financial institution refused to honor.
- (G) Customers have up to 90 days (commencing 5 days after remittance of the bill) to initiate a dispute over charges or to receive credits.
- (H) If service is disconnected by the Company in accordance with section 2.5.5 following and later restored, restoration of service will be subject to all applicable installation charges

Issued: April 19, 2001

Effective: May 19, 2001

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REGULATIONS (Cont'd.)**2.5** **Payment Arrangements** (Cont'd.)**2.5.3** **Advance Payments**

To safeguard its interests, the Company may require a Customer to make an advance payment before services and facilities are furnished. The advance payment will not exceed an amount equal to the non-recurring charge(s) and one month's charges for the service or facility. In addition, where special construction is involved, the advance payment may also include an amount equal to the estimated non-recurring charges for the special construction and recurring charges (if any) for a period to be set between the Company and the Customer. The advance payment will be credited to the Customer's initial bill. An advance payment may be required in addition to a deposit.

Issued: April 19, 2001**Effective: May 19, 2001**

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REGULATIONS (Cont'd.)

2.5 Payment Arrangements (Cont'd.)

2.5.4 Deposits

- (A) To safeguard its interests, the Company may require a Customer to make a deposit to be held as a guarantee for the payment of charges. A deposit does not relieve the Customer of the responsibility for the prompt payment of bills on presentation. The deposit will not exceed an amount equal to:
 - (1) two month's charges for a service or facility that has a minimum payment period of one month; or
 - (2) the charges that would apply for the minimum payment period for a service or facility that has a minimum payment period of more than one month; except that the deposit may include an additional amount in the event that a termination charge is applicable.
- (B) A deposit may be required in addition to an advance payment.
- (C) When a service or facility is discontinued, the amount of a deposit, if any, will be applied to the Customer's account and any credit balance remaining will be refunded. Before the service or facility is discontinued, the Company may, at its option, return the deposit or credit it to the Customer's account.
- (D) Deposits held will accrue interest at a rate determined by the Company without deductions for any taxes on such deposits. Interest will not accrue on any deposit after the date on which reasonable effort has been made to return it to the Customer.

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Effective: May 19, 2001

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REGULATIONS (Cont'd.)

2.5 Payment Arrangements (Cont'd.)

2.5.5 Discontinuance of Service

- (A) Upon nonpayment of any amounts owing to the Company, the Company may, by giving 24 hours prior written notice to the Customer, discontinue or suspend service without incurring any liability.
- (B) Upon violation of any of the other material terms or conditions for furnishing service the Company may, by giving 30 days' prior notice in writing to the Customer, discontinue or suspend service without incurring any liability if such violation continues during that period.
- (C) Upon condemnation of any material portion of the facilities used by the Company to provide service to a Customer or if a casualty renders all or any material portion of such facilities inoperable beyond feasible repair, the Company, by notice to the Customer, may discontinue or suspend service without incurring any liability.

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REGULATIONS (Cont'd.)

2.5 Payment Arrangements (Cont'd.)

2.5.5 Discontinuance of Service (Cont'd.)

- (D) Upon the Customer's insolvency, assignment for the benefit of creditors, filing for bankruptcy or reorganization, or failing to discharge an involuntary petition within the time permitted by law, the Company may immediately discontinue or suspend service without incurring any liability.
- (E) Upon any governmental prohibition or required alteration of the services to be provided or any violation of an applicable law or regulation, the Company may immediately discontinue service without incurring any liability.
- (F) In the event of fraudulent use of the Company's network, the Company will discontinue service without notice and/or seek legal recourse to recover all costs involved in enforcement of this provision.
- (G) Upon the Company's discontinuance of service to the Customer under Section 2.5.5(A) or 2.5.5(B), the Company, in addition to all other remedies that may be available to the Company at law or in equity or under any other provision of this tariff, may declare all future monthly and other charges that would have been payable by the Customer during the remainder of the term for which such services would have otherwise been provided to the Customer to be immediately due and payable (discounted to present value at six percent).

Issued: April 19, 2001

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REGULATIONS (Cont'd.)

2.5 Payment Arrangements (Cont'd.)

2.5.6 Cancellation of Application for Service

- (A) Applications for service cannot be canceled without the Company's agreement. Where the Company permits a Customer to cancel an application for service prior to the start of service or prior to any special construction, no charges will be imposed except for those specified below.
- (B) Where, prior to cancellation by the Customer, the Company incurs any expenses in installing the service or in preparing to install the service that it otherwise would not have incurred, a charge equal to the costs incurred by the Company, less net salvage, shall apply, but in no case shall this charge exceed the sum of the charge for the minimum period of services ordered, including installation charges, and all charges others levy against the Company that would have been chargeable to the Customer had service commenced (all discounted to present value at six percent).
- (C) Where the Company incurs any expense in connection with special construction, or where special arrangements of facilities or equipment have begun, before the Company receives a cancellation notice, a charge equal to the costs incurred by the Company, less net salvage, applies. In such cases, the charge will be based on such elements as the cost of the equipment, facilities, and material, the cost of installation, engineering, labor, and supervision, general and administrative expense, other disbursements, depreciation, maintenance, taxes, provision for return on investment, and any other costs associated with the special construction or arrangements.
- (D) The special charges described in 2.5.6(A) through 2.5.6(C) will be calculated and applied on a case-by-case basis.

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REGULATIONS (Cont'd.)**2.5 Payment Arrangements (Cont'd.)****2.5.7 Changes in Service Requested**

If the Customer makes or requests material changes in circuit engineering, equipment specifications, service parameters, premises locations, or otherwise materially modifies any provision of the application for service, the Customer's installation fee shall be adjusted accordingly.

2.6 Allowances for Interruptions in Service

Interruptions in service that are not due to the negligence of, or noncompliance with the provisions of this tariff by, the Customer or the operation or malfunction of the facilities, power or equipment provided by the Customer, will be credited to the Customer as set forth in 2.6.1 for the part of the service that the interruption affects.

2.6.1 Credit for Interruptions

- (A) A credit allowance will be made when an interruption occurs because of a failure of any component furnished by the Company under this tariff. An interruption period begins when the Customer reports a service, facility or circuit to be interrupted and releases it for testing and repair. An interruption period ends when the service, facility or circuit is operative. If the Customer reports a service, facility or circuit to be inoperative but declines to release it for testing and repair, it is considered to be impaired, but not interrupted.
- (B) For calculating credit allowances, every month is considered to have 30 days. A credit allowance for fixed recurring fees only is applied on a pro rata basis against the rates specified hereunder and is dependent upon the length of the interruption. Only those facilities on the interrupted portion of the circuit will receive a credit.

Issued: April 19, 2001

Effective: May 19, 2001

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REGULATIONS (Cont'd.)2.6 Allowances for Interruptions in Service (Cont'd.)2.6.1 Credit for Interruptions (Cont'd.)

- (C) A credit allowance will be given for interruptions of 30 minutes or more. Credit allowances shall be calculated as follows:

Interruptions of 24 Hours or Less

<u>Length of Interruption</u>	<u>Interruption Period To Be Credited</u>
Less than 30 minutes	None
30 minutes up to but not including 3 hours	1/10 Day
3 hours up to but not including 6 hours	1/5 Day
6 hours up to but not including 9 hours	2/5 Day
9 hours up to but not including 12 hours	3/5 Day
12 hours up to but not including 15 hours	4/5 Day
15 hours up to but not including 24 hours	One Day

Two or more interruptions of 15 minutes or more during any one 24-hour period shall be considered as one interruption.

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2.6 Allowances for Interruptions in Service (Cont'd.)

2.6.1 Credit for Interruptions (Cont'd.)

(C) (Cont'd.)

Over 24 Hours and Less Than 72 Hours. Interruptions over 24 hours and less than 72 hours will be credited 1/5 day for each 3-hour period or fraction thereof. No more than one full day's credit will be allowed for any period of 24 hours.

Interruptions Over 72 Hours. Interruptions over 72 hours will be credited 2 days for each full 24-hour period. No more than 30 days' credit will be allowed for any one month period.

Issued: April 19, 2001

Effective: May 19, 2001

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REGULATIONS (Cont'd.)

2.6 Allowances for Interruptions in Service (Cont'd.)

2.6.2 Limitations on Allowances

No credit allowance will be made for:

- (A) interruptions due to the negligence of, or noncompliance with the provisions of this tariff by, the Customer, authorized user, joint user, or other common carrier providing service connected to the service of the Company;
- (B) interruptions due to the negligence of any person other than the Company, including but not limited to the Customer or other common carriers connected to the Company's facilities;
- (C) interruptions due to the failure or malfunction of non-Company equipment;
- (D) interruptions of service during any period in which the Company is not given full and free access to its facilities and equipment for the purpose of investigating and correcting interruptions;
- (E) interruptions of service during a period in which the Customer continues to use the service on an impaired basis;
- (F) interruptions of service during any period when the Customer has released service to the Company for maintenance purposes or for implementation of a Customer order for a change in service arrangements; and
- (G) interruption of service due to circumstances or causes beyond the control of Company.

Issued: April 19, 2001

Effective: May 19, 2001

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REGULATIONS (Cont'd.)

2.6 Allowances for Interruptions in Service (Cont'd.)

2.6.3 Cancellation For Service Interruption

Cancellation or termination for service interruption is permitted only if any circuit experiences a single continuous outage of 8 hours or more or cumulative service credits equaling 16 hours in a continuous 12-month period. The right to cancel service under this provision applies only to the single circuit that has been subject to the outage or cumulative service credits.

Issued: April 19, 2001

Effective: May 19, 2001

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REGULATIONS (Cont'd.)**2.7 Use of Customer's Service by Others****2.7.1 Resale and Sharing**

Any service provided under this tariff may be resold to or shared with other persons at the option of the Customer, subject to compliance with any applicable laws or Tennessee Regulatory Authority regulations governing such resale or sharing. The Customer remains solely responsible for all use of services ordered by it or billed to its telephone number(s) pursuant to this tariff, for determining who is authorized to use its services, and for notifying the Company of any unauthorized use.

2.7.2 Joint Use Arrangements

Joint use arrangements will be permitted for all services provided under this tariff. From each joint use arrangement, one member will be designated as the Customer responsible for the manner in which the joint use of the service will be allocated. The Company will accept orders to start, rearrange, relocate, or discontinue service only from the designated Customer.

Without affecting the Customer's ultimate responsibility for payment of all charges for the service, each joint user shall be responsible for the payment of the charges billed to it.

Issued: April 19, 2001

Effective: May 19, 2001

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REGULATIONS (Cont'd.)2.8 Cancellation of Service

If a Customer cancels a Service Order or terminates services before the completion of the term for any reason whatsoever other than a service interruption (as defined in Section 2.6.1 above), the Customer agrees to pay to the Company termination liability charges, as defined below. These charges shall become due and owing as of the effective date of the cancellation or termination and be payable within the period, set forth in Section 2.5.2.

The Customer's termination liability for cancellation of service shall be equal to:

- (A) all unpaid and waived Non-Recurring charges reasonably expended by the Company as well as all costs incurred by Company to establish service to the Customer; plus
- (B) any disconnection, early cancellation or termination charges reasonably incurred and paid to third parties by the Company on behalf of the Customer; plus
- (C) all Recurring Charges specified in the applicable Service Order Tariff for the balance of the then current term discounted at the prime rate announced in the Wall Street Journal on the third business day following the date of cancellation; plus
- (D) the difference between a Customers term rates and the Company's month-to-month rates times the actual length of service.

2.9 Transfers and Assignments

Neither the Company nor the Customer may assign or transfer its rights or duties in connection with the services and facilities provided by the Company without the written consent of the other party, except that the Company may assign its rights and duties:

- (A) to any subsidiary, parent company or affiliate of the Company; or
- (B) pursuant to any sale or transfer of substantially all the assets of the Company; or
- (C) pursuant to any financing, merger or reorganization of the Company.

Issued: April 19, 2001

Effective: May 19, 2001

Issued By: Michael P. Duke
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DC01/BISHST/188653.1

REGULATIONS (Cont'd.)

2.10 Notices and Communications

- (A) The Customer shall designate on the Service Order an address to which the Company shall mail or deliver all notices and other communications, except that the Customer may also designate a separate address to which the Company's bills for service shall be mailed.
- (B) The Company shall designate on the Service Order an address to which the Customer shall mail or deliver all notices and other communications, except that Company may designate a separate address on each bill for service to which the Customer shall mail payment on that bill.
- (C) All notices or other communications required to be given pursuant to this tariff will be in writing. Notices and other communications of either party, and all bills mailed by the Company, shall be presumed to have been delivered to the other party on the third business day following placement of the notice, communication or bill with the U.S. Mail or a private delivery service, prepaid and properly addressed, or when actually received or refused by the addressee, whichever occurs first.
- (D) The Company or the Customer shall advise the other party of any changes to the addresses designated for notices, other communications or billing, by following the procedures for giving notice set forth herein.

Issued: April 19, 2001

Effective: May 19, 2001

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DC01/BISHST/188653.1

REGULATIONS (Cont'd.)

2.11 Operator Services Rules

(A) The Company will enforce the following operator service rules.

A provider of intrastate operator assisted communications services must:

- (1) identify itself at the time the end-user accesses its services;
- (2) upon request, quote all rates and charges for its services to the end-user accessing its system;
- (3) arrange to have posted in plain view at each telephone location which automatically accesses the operator service provider's network and where its services are made available to the public or transient end-users:
 - (a) the operator service provider's name and address;
 - (b) bill and service dispute calling information including the operator service provider's dispute resolution phone number;
 - (c) clear and specific instructions informing the end-user how to access a local exchange telephone company operator as an alternative available to the end-user; and
 - (d) notice concerning any and all amounts to be billed by the operator services provider on behalf of any host location or third party that will appear on the operator service provider's bill for services rendered.

Issued: April 19, 2001

Effective: May 19, 2001

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REGULATIONS (Cont'd.)

2.11 Operator Services Rules (Cont'd.)

(A) (Cont'd.)

- (4) in instances when the provider is unable to complete the call and it requires transfer to another telephone corporation that may affect the rates and charges applicable to the telephone bill, inform the caller of the transfer and its possible effect on the applicable rates and charges, before any charges are incurred; and
- (5) in the case of such transfer, the telephone corporation or provider to which the call is transferred shall identify itself and inform the caller of the transfer's effect on the applicable rates and charges, before any charges are incurred.

(B) The Company will comply with the following provisions:

- (1) Providers of intrastate operator assisted communications services shall not take any, action or enter into any arrangement that restricts end-user selection among competing interexchange telephone corporations or end-users access to competing providers of intrastate operator assisted communications services, or pay any commissions or other compensation to any entity engaged in such action or arrangement.

Issued: April 19, 2001

Effective: May 19, 2001

Issued By: Michael P. Duke
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DC01/BISHST/188653.1

APPLICATION OF RATES

Issued: April 19, 2001

Effective: May 19, 2001

Issued By: Michael P. Duke
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DC01/BISHST/188653.1

APPLICATION OF RATES**3.1 Introduction**

The regulations set forth in this section govern the application of rates for services contained in other sections of this tariff.

3.2 Charges Based on Duration of Use

Where charges for a service are specified based on the duration of use, such as the duration of a telephone call, the following rules apply:

- (A) Calls are measured in durational increments identified for each service. All calls that are fractions of a measurement increment are rounded-up to the next whole unit.
- (B) Timing on completed calls begins when the call is answered by the called party. Answering is determined by hardware answer supervision in all cases where this signaling is provided by the terminating local carrier and any intermediate carrier(s). Timing for operator service person-to-person calls start with completion of the connection to the person called or an acceptable substitute, or to the PBX station called.
- (C) Timing terminates on all calls when the calling party hangs up or the Company's network receives an off-hook signal from the terminating carrier.
- (D) Calls originating in one time period and terminating in another will be billed in proportion to the rates in effect during different segments of the call.
- (E) All times refer to local time.

Issued: April 19, 2001

Effective: May 19, 2001

Issued By: Michael P. Duke
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DC01/BISHST/188653.1

APPLICATION OF RATES (Cont'd.)

3.3 Rates Based Upon Distance

Where charges for a service are specified based upon distance, the following rules:

- (A) Distance between two points is measured as airline distance between the rate centers of the originating and terminating telephone lines. The rate center is a set of geographic coordinates, as referenced in the Local Exchange Routing Guide issued by Bellcore, associated with each NPA-NXX combination (where NPA is the area code and NXX is the first three digits of a seven-digit telephone number). Where there is no telephone number associated with an access line on the Company's network (such as a dedicated 800 or WATS access line), the Company will apply the rate center of the Customer's main billing telephone number.

Issued: April 19, 2001

Effective: May 19, 2001

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DC01/BISHST/188653.1

APPLICATION OF RATES (Cont'd.)3.3 Rates Based Upon Distance (Cont'd.)

(B) The airline distance between any two rate centers is determined as follows:

- (1) Obtain the "V" (vertical) and "H" (horizontal) coordinates for each rate center from the Bellcore Local Exchange Routing guide referenced in Section 3.3(A).
- (2) Compute the difference between the "V" coordinates of the two rate centers; and the difference between the two "H" coordinates.
- (3) Square each difference obtained in step (2) above.
- (4) Add the square of the "V" difference and the square of the "H" difference obtained in step (3) above.
- (5) Divide the sum of the squares by 10. Round to the next higher whole number if any fraction is obtained.
- (6) Obtain the square root of the whole number result obtained above. Round to the next higher whole number if any fraction is obtained. This is the airline mileage.
- (7) FORMULA =

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

Issued: April 19, 2001

Effective: May 19, 2001

Issued By: Michael P. Duke
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DC01/BISHST/188653.1

SERVICE AREAS

Issued: April 19, 2001

Effective: May 19, 2001

Issued By: Michael P. Duke
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DC01/BISHST/188653.1

SERVICE AREAS4.1 Exchange Access Service Areas

Exchange Access Service Areas (EASA) are provided (pursuant to Section 5.1) in the following areas:

<u>Exchange</u>	<u>Geographic Areas In Which Full Service Is Available¹</u>
Chattanooga	Apison, Chickamauga, GA, Collegedale, Georgetown, High Point, GA, Kensington, GA, Lafayette, GA, Noble, GA, Ooltewah, Ringgold, GA, Rising Fawn, GA, Rossville, GA, Soddy-Daisy, Trenton, GA, Villanow, GA, WestBrow, GA, Charleston, Cleveland, College Station, Dayton, Decatur, Dunlap, Fall Creek Falls, Jasper, Nine Mile, Pikeville, South Pittsburg, Spring City, Whitwell, Chattanooga. N
Bristol, TN/ Kingsport/ Johnson City/ Bristol, VA	Blountville, TN, Bluff City, TN, Bristol, TN, Bristol, VA, Churchill, TN, Fall Branch, TN, Johnson City, TN, Kingsport, TN, Midway, TN Sullivan Gardens, TN
Blountville	Blountville, TN, Bluff City, TN, Bristol, TN, Bristol, VA, Church Hill, TN, Fall Branch, TN, Johnson City, TN, Kingsport, TN, Midway, TN, Morrison City, VA Sullivan Gardens, TN

¹ Full service versions of the Company's Exchange Access Services will be provided to Customers at Customer premises located in these areas pursuant to this tariff to the extent that: (a) the Company has in place and available network facilities extending to such premises; or (b) the Customer's premises is served by the Company's wire center at which the Company maintains a collocation arrangement and is able to reasonably employ such arrangement to interconnect to unbundled exchange link facilities that the Company, in its sole discretion, judges to be of a type, grade, technical specification, quality and quantity sufficient to, and offered under conditions consistent with, the delivery of such services.

Issued: November 16, 2001

Effective: December 16, 2001

Issued By: Michael P. Duke
Director of Government Affairs
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DC01/BISHST/188653.1

SERVICE AREAS (Cont'd.)4.2 Extended Local Calling Areas

Extended Local Calling Areas¹ are associated with each Exchange Access Service provided pursuant to Section 5.1. Exchange Access Services bearing the following exchanges shall have the following Extended Local and IntraLATA Calling Areas:

Extended Local Calling Area Or IntraLATA Calling Area

Chattanooga

Bristol, TN	Abingdon, VA
Kingsport	Gate City, VA
Johnson City	N/A
Bristol, VA	Abingdon, VA
Blountville, TN	N/A

¹ Rates and rate plans for Local and IntraLATA Calling Area calls placed over Company-provided Exchange Access Services are set forth in Section 8.

Issued: November 16, 2001

Effective: December 16, 2001

Issued By: Michael P. Duke
Director of Government Affairs
KMC Telecom III, LLC
1755 North Brown Road
Lawrenceville, GA 30043

DC01/BISHST/188653.1

EXCHANGE ACCESS SERVICE

Issued: April 19, 2001

Effective: May 19, 2001

Issued By: Michael P. Duke
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DC01/BISHST/188653.1

EXCHANGE ACCESS SERVICE**5.1 General**

Exchange Access Service provides a Customer with a telephonic connection to, and a unique telephone number address on the public switched telecommunications network. Each Exchange Access Service enables users to:

- (A) receive calls from other stations on the public switched telecommunications network;
- (B) access other services offered by the Company as set forth in this tariff;
- (C) access certain interstate and international calling services provided by the Company;
- (D) access (at no additional charge) the Company's operators and business office for service related assistance;
- (E) access (at no additional charge) emergency services by dialing 0- or 9-1-1; and
- (F) access services provided by other common carriers that purchase the Company's Switched Access services as provided under the Company's Federal and State tariffs, or that maintain other types of traffic exchange arrangements with the Company.

Each Exchange Access Service is available on a "Full" service basis, whereby service is delivered to a demarcation/connection block at the customer's premises.

The following Exchange Access Services are offered:

- Basic Line Service
- Key Line Service
- Basic Trunk Service
- DID Trunk Service
- Digital Trunk Service
- Centrex Service
- Primary Rate Interface Service
- Basic Rate ISDN Service

Issued: April 19, 2001

Effective: May 19, 2001

Issued By: Michael P. Duke
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EXCHANGE ACCESS SERVICE (Cont'd.)5.2 Basic Line Service*

Basic Line Service provides a Customer with a single, voice-grade telephonic communications channel that can be used to place or receive one call at a time. Basic Lines are provided for connection of Customer-provided single station sets or facsimile machines to the public switched telecommunications network. Each Basic Line may be configured into a hunt group with other Company-provided Basic Lines: Each Basic Line is provided with the standard Touch Tone feature which can be deleted at the Customer's option. Additional features are available:

	<u>Monthly Recurring</u>
Call Waiting	\$3.00
Call Forwarding	\$3.00
Three Way Conference Calling	\$3.00

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Non-recurring and monthly recurring rates per Basic Line apply as follows:

			<u>Monthly Recurring</u>	
			<u>1-4 Lines</u>	<u>5+Lines/OnNet C</u>
<u>Basic/Expanded Local Exchange Service</u>				
<u>Chattanooga</u>				
-1st Line	M		\$52.56 (I)	\$30.00
-Each Addt'l Line	M		\$52.56 (I)	\$30.00
<u>Tri-Cities</u>				
-1st Line	M		\$42.34 (I)	\$27.50
-Each Addt'l Line	M		\$42.34 (I)	\$27.50
<u>Message Service</u>				
<u>Chattanooga</u>				
-1st Line	M		\$38.13 (I)	\$27.00
-Each Addt'l Line	M**		\$38.13 (I)	\$27.00

*The Monthly Recurring and Usage rates for Basic Line Service apply to all Customers or Subscribers as defined in Section 1, Definitions.

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*Non-Recurring Rates are available at Section 10.5.

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Issued: October 25, 2002

Effective: November 20, 2002

Issued By: Michael P. Duke
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EXCHANGE ACCESS SERVICE (Cont'd.)5.3 Key Line Service*

Key Line Service provides a Customer with a single, voice-grade telephonic communications channel that can be used to place or receive one call at a time. Key Lines are provided for connection of Customer-provided key systems to the public switched telecommunications network. Each Key Line is provided with the following standard features which can be deleted at the Customer's option:

Touch Tone
Extension Dialing
Call Hunting

Additional features are available:

	<u>Monthly Recurring</u>
Call Waiting	\$3.00
Call Forwarding	\$3.00
Three Way Conference Calling	\$3.00

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Non-recurring and monthly recurring rates per Key Line apply as follows:

		<u>Monthly Recurring</u>	
		<u>1-9 Lines</u>	<u>10+ Lines</u>
Basic/Expanded Local			
Exchange Service – Flat Rate Service			
<u>Chattanooga</u>			
-1st Line	M	\$33.00	\$30.00
-Each Addt'l Line	M	\$33.00	\$30.00
<u>Tri-Cities</u>			
-1st Line	M	\$28.90	\$27.50
-Each Addt'l Line	M	\$28.90	\$27.50
<u>Message Service</u>			
<u>Chattanooga</u>			
-1st Line	M	\$28.00	\$27.00
-Each Addt'l Line	M**	\$28.00	\$27.00

*The Monthly Recurring and Usage rates for Key Line Service apply to all Customers or Subscribers as defined in Section 1, Definitions.

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** Non-Recurring Rates are available at Section 10.5.

T

Issued: October 20, 2002

Effective: November 20, 2002

Issued By: Michael P. Duke
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DC01/BISHST/188653.1

EXCHANGE ACCESS SERVICE (Cont'd.)5.4 Basic Trunk Service*

Basic Trunk Service provides a Customer with a single, voice-grade telephonic communications channel that can be used to place or receive one call at a time. Basic Trunks are provided for connection of Customer-provided private branch exchanges (PBX) to the public switched telecommunications network. Each Basic Trunk is provided with touch tone signaling and may be configured into a hunt group with other Company-provided Basic Trunks.

Basic Trunks may be equipped with Analog Direct Inward Dial (DID) capability and DID number blocks for additional charges, as set forth in Section 6.2.

				<u>Monthly Recurring</u>		
Basic/Expanded Exchange Service –Flat Rate Service				<u>1-4 Lines</u>	<u>5+ Lines/OnNet</u>	C
<u>Chattanooga</u>						
-1 st PBX Trunk	M			\$89.18 (I)	\$30.00	
-Each Addt'l PBX Trunk	M			\$89.18 (I)	\$30.00	
<u>Tri-Cities</u>						
-1st PBX Trunk	M			\$84.50 (I)	\$27.50	
-Each Addt'l PBX Trunk	M			\$84.50 (I)	\$27.50	
<u>Message Service</u>						
<u>Chattanooga</u>						
-1st PBX Trunk	M			\$38.13 (I)	\$27.00	
-Each Addt'l PBX Trunk	M**			\$38.13 (I)	\$27.00	
5.4.1 <u>Optional Features</u>						
MF/DTMF Pulsing, per trunk		Chattanooga			\$6.75	
		Tri-Cities			N/C	

*The Monthly Recurring and Usage rates for Basic Trunk Service apply to all Customers or Subscribers as defined in Section 1, Definitions.

** Non-Recurring Rates are available at Section 10.5.

Issued: October 20, 2002

Effective: November 20, 2002

Issued By: Michael P. Duke
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DC01/BISHST/188653.1

EXCHANGE ACCESS SERVICE (Cont'd.)5.5 Digital Trunk Service

Digital Trunk Service provides a Customer with a digital connection operating at 1.544 Mbps that is time division multiplexed into 24 individual voice-grade telephonic communications channels, each of which can be used to place or receive one call at a time. Digital Trunks are provided for connection of compatible Customer-provided private branch exchanges (PBX) to the public switched telecommunications network. Each Digital Trunk is provided with dual tone multi-frequency (DTMF) or multi-frequency (MF) signaling, as specified by the Customer. Digital Trunks may be configured into hunt groups with other Company-provided Digital Trunks. The terminal interface for each Digital Trunk Service is a DSX-1 panel.

Non-recurring and monthly recurring rates per Digital Trunk per point, apply as follows:

	<u>Non-Recurring</u>	<u>Monthly Recurring</u>
Per Trunk	RESERVED FOR FUTURE USE	

Issued: April 19, 2001

Effective: May 19, 2001

Issued By: Michael P. Duke
Director of Government Affairs
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DC01/BISHST/188653.1

INTRASTATE SERVICES

EXCHANGE ACCESS SERVICE (Cont'd.)5.6 ClearStar™ Advantage Service*

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ClearStar Advantage is a centrex-based service that provides the customer with multiple individual voice-grade telephone communications channels, each of which can be used to place or receive one call at a time. ClearStar Advantage lines are provided for the connection of compatible, customer provided terminal equipment to the public switched telecommunications network. Centrex features associated with ClearStar Advantage service are described in Section 1 of this tariff. ClearStar Advantage is provided with a minimum of two network lines. Each line can be provided in combination with other Company-provided services. ClearStar Advantage services are offered in either an analog-based or digital, Basic Rate ISDN-based (Integrated Services Digital Network) serving arrangement.

5.6.1 [Deleted]

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(D)5.6.1.1 ClearStar™ Advantage Service Analog

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ClearStar Advantage service can be provided to customers over analog-grade network facilities. Network features provided with these serving arrangements include:

- Abbreviated Dialing
- Automatic Callback Calling (internal calls only)
- Call Forwarding (Busy Line, Don't Answer, Variable)
- Call Hold
- Call Park
- Call Pick-Up (Basic Only)
- Call Transfer/Conference (inside business group only)
- Call Waiting
- Caller ID (Number Only)
- Dial 9 Access or Assume Dial 9
- Hunting
- Direct Dialing In/Out
- Distinctive Ringing
- Selective Call Restriction
- Speed Calling
- Toll Restriction
- Touch-tone

Some features may not be available in all locations and vary according to service plan.

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Issued: October 28, 2002

Effective: November 20, 2002

Issued By:

Mike Duke, Director of Government Affairs
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INTRASTATE SERVICES

EXCHANGE ACCESS SERVICE

*The Monthly Recurring and Usage rates for ClearStar Advantage Service apply to all Customers or Subscribers as defined in Section 1, Definitions.

5.6 ClearStar™ Advantage Service (Cont'd)**5.6.2 [Deleted]****5.6.2.1 ISDN-Based Serving Arrangements**

ClearStar Advantage service can be provided to customers over a Basic Rate ISDN (Integrated Services Digital Network) interface. Network features provided with this serving arrangement include:

- Abbreviated Dialing
- Automatic Callback Calling
- Call Forwarding
- Call Hold
- Call Park
- Call Pick-Up (Basic Only)
- Call Transfer/Conference (inside business group only)
- Call Waiting
- Caller ID (Number Only)
- Dial 9 Access or Assume Dial 9
- Direct Dial In/Out
- Distinctive Ringing
- Hunting
- Per Call Privacy
- Selective Call Restriction
- Speed Calling Long (30 Numbers)
- Toll Restriction
- Touch-tone

- Some features may not be available in all locations.

Issued: October 28, 2002

Effective: November 20, 2002

Issued By:

Mike Duke, Director of Government Affairs
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1755 North Brown Road
Lawrenceville, GA 30043

INTRASTATE SERVICES

EXCHANGE ACCESS SERVICE**5.6 ClearStar™ Advantage Service (Cont'd)****5.6.2.2 System and Access Line Charges**

ClearStar Advantage access lines are charged on a monthly recurring basis. Non-recurring charges are applicable for initial installation of a ClearStar Advantage system. KMC, at its discretion, may bundle ClearStar Advantage network services with other services and capabilities; the result of this bundling will be new service offerings with unique pricing structures.

	Non- Recurring (per system)	1-9 <u>Lines</u>	Monthly Recurring (per flat rate line) 10+ Lines/ <u>OnNet</u>	1-9 <u>Lines</u>	Monthly Recurring (measured rate line) 10+ Lines/ <u>OnNet</u>
<u>Chattanooga</u>					
ClearStar Advantage 1000 – Analog	\$250.00	\$35.00	\$34.00	\$31.00	\$30.00
ClearStar Advantage 2000 -- Analog	\$250.00	\$36.40	\$35.00	\$32.00	\$0.60
ClearStar Advantage Plus – ISDN	\$250.00	\$85.00	\$85.00		
<u>Tricities</u>					
ClearStar Advantage 1000 – Analog	\$250.00	\$38.00	\$36.00		
ClearStar Advantage 200 -- Digital	\$250.00	\$39.78	\$37.80		
ClearStar Advantage Plus -- ISDN	\$250.00	\$79.00	\$79.00		

Non-Recurring Line Connection and Line Charges located in Section 10.5 also apply to each new subsequent ClearStar Advantage order.

Issued: October 28, 2002

Effective: November 20, 2002

Issued By:

Mike Duke, Director of Government Affairs
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EXCHANGE ACCESS SERVICE5.6 ClearStar™ Advantage Service (Cont'd)5.6.3 Station Line Charges

The Centrex Station Lines are charged on a monthly recurring and non-recurring basis.

	<u>Non-Recurring</u>	<u>Monthly Recurring</u>
Centrex Basic -Per Station Line	RESERVED FOR FUTURE USE	
Centrex Select -Per Station Line	RESERVED FOR FUTURE USE	

5.6.4 Usage Charges(A) Local Service Rates

Refer to the Rate Schedule located in Section 8.

(B) IntraLATA Rates

Refer to the Rate Schedule located in Section 9.3.

Issued: April 19, 2001

Effective: May 19, 2001

Issued By: Michael P. Duke
Director of Government Affairs
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5.6.5 Optional Features*

The following optional features are in addition to the standard features located in Section 5.6.1 and 5.6.2. The following optional features may be added to ClearStar Advantage analog or ISDN-based serving arrangements. These rates are applied on a non-recurring and monthly recurring basis.

	<u>Non-Recurring</u>	<u>Monthly Recurring</u>
6 Way Conference (per arrangement)	\$40.00	\$33.00
Multi-Site Abbreviated Dialing	\$50.00	\$1.25
Uniform Call Distribution (per group – 20 lines max)	\$50.00	\$6.00
with queuing and announcement (up to 6 calls in queue)	\$100.00	\$6.00

Issued: October 25, 2002

Effective: November 20, 2002

Issued By: Michael P. Duke
Director of Government Affairs
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DC01/BISHST/188653.1

EXCHANGE ACCESS SERVICE5.6 ClearStar™ Advantage Service (Cont'd)5.6.5 Optional Features (Cont'd)

<u>Centrex Optional Features</u>	<u>NRC</u>	<u>MRC</u>
Loudspeaker Paging (per system)	50.00	3.00
Music On Hold – special circuit, per system **	100.00	30.00
Multi-site Abbreviated Dialing (per location)	50.00	1.25
Six-way Conference (charged per system)	40.00	33.00
Uniform Call Distribution (per group, 20 lines maximum)	50.00	6.00
With queuing and announcement (up to 6 calls in queue)	\$10.00	6.00

* Any Custom Calling features and/or Voice Mail service can be added to a Centrex line, subject to feature interactions. Refer to Business Line & Trunk and Voice Mail price lists.

** For Music On Hold, customer must provide music source.

Issued: October 20, 2002

Effective: November 20, 2002

Issued By: Michael P. Duke
Director of Government Affairs
KMC Telecom III, LLC
1755 North Brown Road
Lawrenceville, GA 30043

DC01/BISHST/188653.1

EXCHANGE ACCESS SERVICE (Cont'd.)5.6 ClearStarTM Advantage Service (Cont'd)

T

5.6.5 Rate Elements

The following Rate Elements are in addition to the standard features located in Section 567.1 and 5.6.2. These rates are applied on a non-recurring and monthly recurring basis.

	<u>Rate</u>
Number Retention	
-Per Number	
Recurring	RESERVED FOR FUTURE USE
Non-Recurring	RESERVED FOR FUTURE USE
Order Processing Charge	
-Per Order	
Non-Recurring	RESERVED FOR FUTURE USE
Additional Directory Listing	
-Per Listing	
Recurring	RESERVED FOR FUTURE USE
Remote Call Forwarding	
-Per Path	
Recurring	RESERVED FOR FUTURE USE
Account Codes	
-Per Line	
Recurring	RESERVED FOR FUTURE USE

Issued: April 19, 2001

Effective: May 19, 2001

Issued By: Michael P. Duke
Director of Government Affairs
KMC Telecom III, LLC
1755 North Brown Road
Lawrenceville, GA 30043

DC01/BISHST/188653.1

EXCHANGE ACCESS SERVICE (Cont'd.)

5.6 ClearStarTM Advantage Service (Cont'd)

T

5.6.5 Rate Elements (Cont'd.)

Rate

Service Establishment Charge
-Per Order
Non-Recurring

RESERVED FOR FUTURE USE

Vanity Number
-Per Number
Recurring

RESERVED FOR FUTURE USE

Vanity Number Retention
-Per Number
Recurring
Non-Recurring

RESERVED FOR FUTURE USE
RESERVED FOR FUTURE USE

Issued: April 19, 2001

Effective: May 19, 2001

Issued By: Michael P. Duke
Director of Government Affairs
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1755 North Brown Road
Lawrenceville, GA 30043

DC01/BISHST/188653.1

EXCHANGE ACCESS SERVICE (Cont'd.)5.6 ClearStarTM Advantage Service (Cont'd)5.6.6 Contract Termination Charges

When a customer terminates a contract for ClearStar Advantage Services prior to the end of the contract term, a contract termination charge will be computed as follows:

The following factors will be used to compute an "Estimated Month-To-Month Rate" for ClearStar Advantage Service.

<u>Length of Contract</u>	<u>Factor</u>
One Year	1.05
Two years	1.08
Three Years	1.11
Four Years	1.15
Five Years	1.18

N

N

The Estimated Month-To-Month Rate will be calculated as follows:

Estimated Month-To-Month Rate = Customer's Contract Rate X Factor

The termination charge will then be calculated in the same manner as all other services with term rates, as explained in the General section of this tariff. The Estimated Month-To-Month Rate for ClearStar service will be substituted for the Month-To-Month rate in the termination charge equation:

Termination Charge = Estimated Month To Month Rate - Contract Rate X Number of Months Customer Had Service X Number of Lines

Issued: October 20, 2002

Effective: November 20, 2002

Issued By: Michael P. Duke
Director of Government Affairs
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Lawrenceville, GA 30043

DC01/BISHST/188653.1

EXCHANGE ACCESS SERVICE (Cont'd.)5.7 Primary Rate Interface Service (PRI)

Primary Rate Interface Service (PRI) provides an ISDN based, DS1 access to the telecommunications network and includes the flexibility of integration of multiple voice and/or data transmission channels on the same line. The service will provide connectivity between ISDN compatible CPE and a serving central office. The basic channel structure for PRI Service is twenty-three 64 Kbps B-Channels and one 64 Kbps D-Channel. The customer has the option to activate up to 23 B-Channels on the first PRI Service arrangement and up to 24 channels on additional PRI Service arrangements. A Digital Data Only option and an Inward Data Option are also available. The 23 B-Channels can be used to connect the customer's CPE to the Public Circuit Switched Network, e.g., outward, inward and 2-way network access. Calling Number Delivery, Called Number Delivery, and Hunting functionality are inherent to this service. Telephone numbers for use on PRI Service are available. One Primary Directory Listing will be furnished at no charge for each PRI service B-Channel. Additional listings can be obtained. PRI Service provides capability for the transmission of digital signals only. Clear Channel Capability and Extended Superframe Format are inherent to the service.

Non-recurring and monthly rates per PRI Service apply as follows:

	<u>Non-Recurring</u>	<u>Monthly Recurring</u>
<u>Month to Month</u>	\$1,000.00	\$850.00
<u>12 Months</u>	\$750.00	\$750.00
<u>24 Months</u>	\$750.00	\$675.00
<u>36 Months</u>	\$750.00	\$600.00

Issued: April 19, 2001

Effective: May 19, 2001

Issued By: Michael P. Duke
Director of Government Affairs
KMC Telecom III, LLC
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Lawrenceville, GA 30043

DC01/BISHST/188653.1

EXCHANGE ACCESS SERVICE (Cont'd.)5.8 Basic Rate ISDN Service (BRI)*

Basic Rate ISDN provides Basic Rate access to the telecommunications network. The service supports simultaneous transmission of voice and data on the same exchange access line. BRI consists of one or two 64Kbps B channels and one 16Kbps D channel (for signaling purposes only) at the service delivery point. Each access to a B channel or Circuit Switched Voice/Circuit Switched Data includes one Directory Number. Includes 320 hours per BRI, then usage charges apply as stated below. Optional custom calling features are available to increase the capability of the B channels may be subscribed to on an as needed basis. See ClearTouch Service for rates as specified in Section 10.6.1.

		<u>Non-Recurring</u>	<u>Monthly Recurring</u>		
<u>Chattanooga</u>				5+ Lines	C
			<u>1-4 lines</u>	<u>OnNet</u>	
Month to Month	T	\$169.65	\$126.25 (I)	\$78.75	
One Year	T	\$144.90	N/A (T)	\$73.24	
Two Years	T	\$144.90	N/A (T)	\$69.36	
Three Years	T	\$144.90	N/A (T)	\$66.94	
Measured Unit Usage		\$0.01 per minute			
<u>Tri-Cities</u>					
Month to Month	T	\$99.00	\$124.38 (I)	\$78.75	
One Year	T	\$99.00	N/A (T)	\$73.24	
Two Years	T	\$99.00	N/A (T)	\$69.30	
Three Years	T	\$99.00	N/A (T)	\$66.97	
Measured Unit Usage	T	\$1.01 per minute			

*The Monthly Recurring and Usage rates for BRI Service apply to all Customers
Subscribers as defined in Section 1, Definitions. T

Issued: October 20, 2002

Effective November 20, 2002

Issued By: Michael P. Duke
Director of Government Affairs
KMC Telecom III, LLC
1755 North Brown Road
Lawrenceville, GA 30043

DC01/BISHST/188653.1

EXCHANGE ACCESS SERVICE5.9 Clear-T Service

Clear-T is a bundled product that offers Local, Long Distance and Toll Free Services with optional custom calling features. This product is available only to local end users customers originating on KMC Telecom facilities off its Chattanooga, Bristol, Johnson City/Kingsport Tennessee switches. Clear-T is available for one, two, and three year term agreements. Each commitment level is available at the monthly recurring and non-recurring rates as specified below.

5.9.1 Clear-T Rates:

	<u>Length of Contract</u>	
<u>Bristol</u>		
<u>Kingsport/Johnson City -----</u>	<u>Monthly</u>	<u>Non-recurring</u>
One Year	\$749.00 R	\$1,000.00
Two Year	\$699.00 R	\$750.00
Three Year	\$649.00 R	\$500.00
<u>Chattanooga</u>		
One Year	\$749.00 R	\$1,000.00
Two Year	\$699.00 R	\$750.00
Three Year	\$649.00 R	\$500.00

5.9.2 Line Components:

Clear-T service monthly fee includes basic business lines, analog and digital PBX trunks. Customers may select a combination of lines/trunks up to 24 lines per Clear-T T-1. Also the following standard custom calling features are included in the monthly fee:

	<u>Rate</u>
Hunting	N/C
Call Forwarding (Busy Line, Don't Answer, Variable)	N/C
Call Waiting	N/C
Three Way Calling	N/C
Speed Dialing (8 or 30 code)	N/C

Additional Charges will apply for the following components:

	<u>Monthly</u>
DID Trunk Termination (per DID trunk)	\$10.00
1 st block of 20 DID numbers	\$5.00
DID each additional block of 20 up to 500 numbers	\$3.00
DID 500+ each additional block of 100 numbers	\$50.00

Issued: April 19, 2001

Effective: May 19, 2001

Issued By: Michael P. Duke
Director of Government Affairs
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Lawrenceville, GA 30043

EXCHANGE ACCESS SERVICE5.9 Clear-T Service (Cont'd)

5.9.3 <u>Optional Custom Calling Features:</u> <u>recurring</u>	<u>Monthly</u>	<u>Non-</u>
Anonymous Call Rejection	\$2.50	\$10.00
Call Block	\$2.50	\$10.00
Call Return	\$2.50	\$10.00
Call Selector	\$2.50	\$10.00
Call Tracing	\$2.50	\$10.00
Caller ID Basic	\$5.00	\$10.00
Caller ID Deluxe	\$6.00	\$10.00
Caller ID Enhanced	\$7.00	\$10.00
Preferred Call Forwarding	\$2.50	\$10.00
Remote Access Call Forwarding Variable	\$2.50	\$10.00
Repeat Dialing	\$2.50	\$10.00
Call Transfer -----	\$2.50	\$10.00
5.9.4 <u>Mailbox Options:</u>	<u>Monthly</u>	<u>Non-recurring</u>
Standard Message Center Mailbox	\$7.95	\$12.00
Enhanced Message Center Mailbox	\$11.95	\$12.00
Power Message Center Mailbox	\$16.95	\$12.00
Fax-Overflow Mailbox	\$10.95	\$17.00

5.9.5 Long Distance Service& Toll Free Service

Clear-T customers will receive the ClearSaver rates for IntraLata, Intrastate, and Interstate as listed in KMC Telecom Tennessee Long Distance Tariff No. 2, section 4.2., 4.2. and FCC No. 1 Tariff.

Rates and Charges

Outbound Switched	\$0.089
Outbound Dedicated	\$0.079
Inbound Switched	\$0.089
Inbound Dedicated	\$0.079

Issued: April 19, 2001

Effective: May 19, 2001

Issued By: Michael P. Duke
Director of Government Affairs
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Lawrenceville, GA 30043

EXCHANGE ACCESS SERVICE5.9 Clear-T Service (Cont'd)5.9.6 Ancillary Services

Clear-T customers will receive the same rates as listed in sections 6.1, 10.1.3 and 10.2.3 of KMC Telecom Tennessee Local Exchange Tariff No. 1. Ancillary Services include:

	<u>Rates</u>
Directory Listings	N/A
<u>Chattanooga</u>	
Person to Person	\$2.00
<u>Tri-Cities</u>	
Person to Person	\$3.00
<u>Chattanooga</u>	
Station to Station	\$1.00
<u>Tri-Cities</u>	
Station to Station	\$1.50
<u>Chattanooga</u>	
Directory Assistance	\$0.30
<u>Tri-Cities</u>	
Directory Assistance	\$0.45
Busy Line Verification	\$0.95
Emergency Interrupt Service	\$1.40

5.9.7 Move/Adds/Changes (MAC's) One Time Non-recurring

Add additional Lines or Trunks, per order	\$50.00
Add DID Trunk Termination, per order	\$50.00
Change CSR (record purpose), per order	\$20.00
Add additional custom calling features, per order	\$10.00
Reconfiguration Charge, without customer premise visit, per order	\$50.00
Reconfiguration Charge, with customer premise visit, per order	\$250.00
Move Service Address, per order	N/C

5.9.8 Expiration of Term Agreement

Consistent with the customer's agreement, the customer must notify KMC Telecom, in writing, at least 30 days prior to the expiration of services to express their desired services beyond the selected term agreement date. In lieu of written notification, the services will renew at the existing term agreement level. (i.e. a one year term agreement will renew to an additional one year agreement.)

5.9.9 Termination Liability

See section 11.1.2

Issued: April 19, 2001

Effective: May 19, 2001

Issued By: Michael P. Duke
Director of Government Affairs
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EXCHANGE ACCESS SERVICE5.10 ClearXpress Business Bundle (CBB)

The CBB is a bundled offering which includes hunting, caller ID deluxe, call transfer and call forwardign variable. CBB is designed for customers with their own telephone equipment. CBB is delivered to the customer's demarcation point and is offered with a 36 month term.

	<u>Flat Rate Service</u>	<u>Measured Rate Service</u>
Chattanooga/	\$70.20	\$52.00
Bristol, Kingsport/ Johnson City	\$67.70	\$44.00

Issued: April 19, 2001

Effective: May 19, 2001

Issued By: Michael P. Duke
Director of Government Affairs
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Lawrenceville, GA 30043

EXCHANGE ACCESS OPTIONAL FEATURES

Issued: April 19, 2001

Effective: May 19, 2001

Issued By: Michael P. Duke
Director of Government Affairs
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Lawrenceville, GA 30043

DC01/BISHST/188653.1

EXCHANGE ACCESS OPTIONAL FEATURES6.1 Directory Listings

For each Customer of Company-provided Exchange Access Service(s), the Company shall arrange for the listing of the Customer's main billing telephone number¹ in the directory(ies) published by the dominant Local Exchange Carrier in the area at no additional charge. At a Customer's option, the Company will arrange for additional listings at the following rates:

	<u>Non-Recurring</u>	<u>Monthly Recurring</u>	
Each Additional Listing:	N/A	Chattanooga	\$2.10 N
		Bristol, Kingsport and Johnson City	\$2.00 I
Non-Published Private Listing	N/A	Chattanooga	\$3.50 I
		Bristol, Kingsport and Johnson City	\$2.50
Cross Reference Listing	N/A	Chattanooga	\$2.10 I
		Bristol, Kingsport and Johnson City	\$2.00 I
Non-Listed Semi Private Listing	N/A	Chattanooga	\$1.30
		Bristol, Kingsport and Johnson City	N/A

¹ For Customers with multiple premises served by the Company, the Company will arrange for a listing of the main billing telephone number at each premise.

Issued: October 5, 2001

Effective: November 4, 2001

Issued By: Michael P. Duke
Director of Government Affairs
KMC Telecom III, LLC
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Lawrenceville, GA 30043

DC01/BISHST/188653.1

EXCHANGE ACCESS OPTIONAL FEATURES (Cont'd.)6.2 Direct Inward Dial (DID) Service

DID service is an optional feature which can be purchased in conjunction with Company-provided Basic Trunks or Digital Trunks. DID service transmits the dialed digits for all incoming calls allowing the Customer's PBX to route incoming calls directly to individual stations corresponding to each individual DID number. Charges for DID capability and DID number blocks apply in addition to charges specified for Basic Trunks or Digital Trunks in Sections 5.4 and 5.5 respectively.

One DID Additive charge applies for each DID-equipped Basic Trunk or DID-equipped channel on a Digital Trunk. The Customer is required to purchase at least one DID number block for each DID-equipped trunk or trunk group, or DID-equipped channel or channel group.¹

<u>Chattanooga</u>		<u>Non-Recurring</u>	<u>Monthly Recurring</u>
DID Trunk Termination Per trunk	\$45.00	\$18.00	R
Block of 20 DID Numbers	\$20.00	R	\$2.70 R
Addtl Block of 20 DID Numbers	\$0.00		\$2.70 R
<u>Tri-Cities</u>			
DID Trunk Termination Per trunk	\$0.00	\$0.00	
Block of 20 DID Numbers	\$450.00	\$9.00	
Addtl Block of 20 DID Numbers	\$90.00	\$9.00	

¹ A "group" is a set of Basic Trunks or Digital Trunk channels which have been configured into a hunt group.

Issued: November 16, 2001

Effective: December 16, 2001

Issued By: Michael P. Duke
Director of Government Affairs
KMC Telecom III, LLC
1755 North Brown Road
Lawrenceville, GA 30043

EXCHANGE ACCESS OPTIONAL FEATURES (Cont'd.)6.3 Main Number Retention6.3.1 Description

Main Number Retention is an optional feature by which a new Customer, who was formally a customer of another certificated local exchange carrier at the same premises location, may retain its main telephone numbers and main fax numbers for use with the Company-provided Exchange Access Services. Main Number Retention service is only available in areas where the Company maintains some form of number retention arrangement with the Customer's former local exchange carrier.

Monthly recurring and non-recurring charges apply per retained number. Rates for retained numbers may vary from area to area.

6.3.2 Rates

	<u>Non-Recurring</u>	<u>Monthly Recurring</u>
per retained number	\$X.XX	RESERVED FOR FUTURE USE
per retained vanity number	\$X.XX	RESERVED FOR FUTURE USE

Issued: November 16, 2001

Effective: December 16, 2001

Issued By: Michael P. Duke
Director of Government Affairs
KMC Telecom III, LLC
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Lawrenceville, GA 30043

DC01/BISHST/188653.1

EXCHANGE ACCESS OPTIONAL FEATURES (Cont'd.)6.4 Accounting Codes

Accounting Codes provide customers with a means of restricting calls or itemizing calls, according to specific digits that must be dialed at the end of a long distance telephone number. The length of Accounting Codes may vary from 2 to 6 digits, however, the length must be consistent for each customer location.

Offered are packages of codes that are verified against a specific list of valid numbers, for call restriction, or unverified packages of 2-6 digits in length for cataloging by code the calls made.

Charge Per
Customer Location

Monthly
Recurring

Non-
Recurring

Verified Packages
Unverified Packages

RESERVED FOR FUTURE USE
RESERVED FOR FUTURE USE

Issued: April 19, 2001

Effective: May 19, 2001

Issued By: Michael P. Duke
Director of Government Affairs
KMC Telecom III, LLC
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Lawrenceville, GA 30043

DC01/BISHST/188653.1

EXCHANGE ACCESS OPTIONAL FEATURES (Cont'd.)**6.5 Authorization Codes**

This option restricts calls from being made unless the correct accounting code is entered. Only customer specified codes will be accepted. The customer then may use these codes to track calling for cost analysis and bill-back purposes.

Non-Recurring**Monthly Recurring****Per Authorization Code****RESERVED FOR FUTURE USE**

Issued: April 19, 2001**Effective: May 19, 2001**

Issued By: Michael P. Duke
Director of Government Affairs
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DC01/BISHST/188653.1

EXCHANGE ACCESS OPTIONAL FEATURES (Cont'd.)6.6 Vanity Number Service6.6.1 Description

Vanity Number Service is an optional feature by which a new Customer may request a specific or unique telephone number and fax number for use with the Company provided Exchange Access Services. This service provides for the assignment of a customer requested telephone number other than the next available number from the assignment control list.

Vanity Number Service is furnished subject to the availability of facilities and the requirements of Exchange Access Service as defined by the Company. The Company reserves all rights to the Vanity Numbers assigned to customers and may, therefore, change them if required.

Monthly recurring charges apply per Vanity Number.

6.6.2 Rates

	<u>Non-Recurring</u>	<u>Monthly Recurring</u>
Per Vanity Number	RESERVED FOR FUTURE USE	

Issued: April 19, 2001

Effective: May 19, 2001

Issued By: Michael P. Duke
Director of Government Affairs
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DC01/BISHST/188653.1

EXCHANGE ACCESS OPTIONAL FEATURES (Cont'd.)**6.7 Voice Messaging**

N

<u>Mailbox Type</u>	<u>Monthly</u>	<u>*Install</u>
Standard	\$8.95	\$12.00
Conditional Mailbox	\$8.95	\$12.00
Transfer Mailbox	\$8.95	\$12.00
Listen Only	\$8.95	\$12.00
Enhanced	\$11.95	\$12.00
Power	\$16.95	\$12.00
Extension	\$12.95	\$14.00
Extension Plus	\$19.95	\$14.00
FaxOverflow 100	\$10.95	\$17.00
FaxOverflow 200	\$12.95	\$17.00
FaxOverflow unlimited	\$14.95	\$17.00
Auto Attendant	\$8.95	\$17.00
Auto Attendant w/ Prompt	\$8.95	\$25.00 Change Name

Issued: April 19, 2001**Effective: May 19, 2001**

Issued By: Michael P. Duke
 Director of Government Affairs
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EXCHANGE ACCESS OPTIONAL FEATURES (Cont'd.)6.8 ClearValue Bundled Service

The KMC Telecom Service Offering is a bundled service that includes KMC local exchange, inbound and outbound domestic long distance with voicemail provided at the same customer location. This service is available to Business customers and is subject to the availability of facilities and only offered where technically feasible.

KMC option #1

KMC option #2

ClearValue
ChattanoogaClearValue with Voicemail
Chattanooga1-4 Lines5+ LinesOnNet

1 Year=\$57.56 (I)	1 Year=\$36.40
2 Year=N/A (T)	2 Year=\$34.60
3 Year=N/A (T)	3 Year=\$33.90
4 Year=N/A (T)	4 Year=\$32.80
5 Year=N/A (T)	5 Year=\$31.70

Tri-Cities

1 Year=\$47.34 (I)	1 Year=\$32.50
2 Year=N/A (T)	2 Year=\$30.90
3 Year=N/A (T)	3 Year=\$30.20
4 Year=N/A (T)	4 Year=\$29.30
5 Year=N/A (T)	5 Year=\$28.30

ClearValue Basic Business Line

ClearValue Call Forward Busy Line

ClearValue Call Forward No Answer

ClearValue Call Forward Variable

ClearValue 3-Way Calling

ClearValue Speed Call 8

ClearValue Caller ID

ClearValue Long Distance Calling Card

1-4 Lines5+ LinesOn Net

1 Year=\$65.56 (I)	1 Year= \$43.35
2 Year=N/A (T)	2 Year= \$41.20
3 Year=N/A (T)	3 Year= \$40.40
4 Year=N/A (T)	4 Year= \$39.10
5 Year=N/A (T)	5 Year= \$37.80

Tri-Cities

1 Year=\$55.34 (I)	1 Year= \$39.50
2 Year=N/A (T)	2 Year= \$37.50
3 Year=N/A (T)	3 Year= \$36.70
4 Year=N/A (T)	4 Year= \$35.60
5 Year=N/A (T)	5 Year= \$34.40

ClearValue Basic Business Line

ClearValue Call Forward Busy Line

ClearValue Call Forward No Answer

ClearValue Call Forward Variable

ClearValue 3-Way Calling

ClearValue Speed Call 8

ClearValue Caller ID

ClearValue Voicemail

ClearValue Long Distance Calling Card

Issued: October 20, 2002

Effective: November 20, 2002

Issued By: Michael P. Duke
Director of Government Affairs
KMC Telecom III, LLC
1755 North Brown Road
Lawrenceville, GA 30043

EXCHANGE ACCESS OPTIONAL FEATURES (Cont'd.)6.8 ClearValue Bundled Service (Cont'd)

KMC option #3

ClearValue Plus 100Chattanooga -1-4 Lines

1 Year=\$65.56 (I)

2 Year=N/A (T)

3 Year=N/A (T)

4 Year=N/A (T)

5 Year=N/A (T)

5+ LinesOnNet

1 Year=\$40.30

2 Year=\$38.30

3 Year=\$37.50

4 Year=\$36.30

5 Year=\$35.10

Tri-Cities

1 Year=\$55.34 (I)

2 Year=N/A (T)

3 Year=N/A (T)

4 Year=N/A (T)

5 Year=N/A (T)

1 Year=\$37.50

2 Year=\$35.60

3 Year=\$34.90

4 Year=\$33.80

5 Year=\$32.60

KMC Option #4

ClearValue Plus 100 with VoicemailChattanooga1-4 Lines

1 Year=\$73.56 (I)

2 Year=N/A (T)

3 Year=N/A (T)

4 Year=N/A (T)

5 Year=N/A (T)

5+ LinesOn Net

1 Year= \$47.25

2 Year= \$44.90

3 Year= \$44.00

4 Year= \$42.60

5 Year= \$41.20

Tri-Cities

1 Year=\$63.34 (I)

2 Year=N/A (T)

3 Year=N/A (T)

4 Year=N/A (T)

5 Year=N/A (T)

1 Year= \$44.50

2 Year= \$42.30

3 Year= \$41.40

4 Year= \$40.10

5 Year= \$38.70

ClearValue Basic Business Line

ClearValue Call Forward Busy Line

ClearValue Call Forward No Answer

ClearValue Call Forward Variable

ClearValue 3-Way Calling

ClearValue Speed Call 8

ClearValue Caller ID

ClearValue Plus 100*

ClearValue Long Distance Calling

ClearValue Basic Business Line

ClearValue Call Forward Busy Line

ClearValue Call Forward No Answer

ClearValue Call Forward Variable

ClearValue 3-Way Calling

ClearValue Speed Call 8

ClearValue Caller ID

ClearValue Voicemail

Card ClearValue Plus 100*

ClearValue Long Distance Calling Card

Issued: October 20, 2002

Effective: November 20, 2002

Issued By:

Michael P. Duke
Director of Government Affairs
KMC Telecom III, LLC
1755 North Brown Road
Lawrenceville, GA 30043

EXCHANGE ACCESS OPTIONAL FEATURES (Cont'd.)6.8 ClearValue Bundled Service (Cont'd)

KMC Option #5

ClearValue Plus 250Chattanooga1-4 Lines

1 Year=\$77.56 (I)

2 Year=N/A (T)

3 Year=N/A (T)

4 Year=N/A (T)

5 Year=N/A (T)

5+ LinesOnNet

1 Year=\$45.15

2 Year=\$42.90

3 Year=\$42.00

4 Year=\$40.70

5 Year=\$39.30

Tri-Cities

1 Year=\$67.34 (I)

2 Year=N/A (T)

3 Year=N/A (T)

4 Year=N/A (T)

5 Year=N/A (T)

1 Year=\$45.00

2 Year=\$42.80

3 Year=\$41.90

4 Year=\$40.50

5 Year=\$39.20

KMC Option #6

ClearValue Plus 250 with VoicemailChattanooga1-4 Lines

1 Year=\$85.56 (I)

2 Year=N/A (T)

3 Year=N/A (T)

4 Year=N/A (T)

5 Year=N/A (T)

5+LinesOn Net

1 Year= \$52.10

2 Year= \$49.50

3 Year= \$48.50

4 Year= \$46.90

5 Year= \$45.40

Tri-Cities

1 Year=\$75.34 (I)

2 Year=N/A (T)

3 Year=N/A (T)

4 Year=N/A (T)

5 Year=N/A (T)

1 Year= \$52.00

2 Year= \$49.40

3 Year= \$48.40

4 Year= \$46.80

5 Year= \$45.20

ClearValue Basic Business Line

ClearValue Call Forward Busy Line

ClearValue Call Forward No Answer

ClearValue Call Forward Variable

ClearValue 3-Way Calling

ClearValue Speed Call 8

ClearValue Caller ID

ClearValue Plus 250*

ClearValue Long Distance Calling Card

ClearValue Basic Business Line

ClearValue Call Forward Busy Line

ClearValue Call Forward No Answer

ClearValue Call Forward Variable

ClearValue 3-Way Calling

ClearValue Speed Call 8

ClearValue Caller ID

ClearValue Voicemail

ClearValue Plus 250*

ClearValue Long Distance Calling Card

Issued: October 20, 2002

Effective: November 20, 2002

Issued By:

Michael P. Duke
Director of Government Affairs
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EXCHANGE ACCESS OPTIONAL FEATURES (Cont'd.)6.8 ClearValue Bundled Service (Cont'd)

KMC Option # 7

ClearValue Plus 500Chattanooga -1-4 Lines

1 Year=\$97.56 (I)

2 Year=N/A (T)

3 Year=N/A (T)

4 Year=N/A (T)

5 Year=N/A (T)

5+ LinesOnNet

1 Year=\$53.90

2 Year=\$51.30

3 Year=\$50.20

4 Year=\$48.60

5 Year=\$46.90

Tri-Cities

1 Year=\$87.34 (I)

2 Year=N/A (T)

3 Year=N/A (T)

4 Year=N/A (T)

5 Year=N/A (T)

1 Year=\$57.50

2 Year=\$54.60

3 Year=\$53.50

4 Year=\$51.80

5 Year=\$50.00

KMC Option # 8

ClearValue Plus 500 with VoicemailChattanooga1-4 Lines

1 Year=\$105.56 (I)

2 Year=N/A (T)

3 Year=N/A (T)

4 Year=N/A (T)

5 Year=N/A (T)

5+LinesOn Net

1 Year= \$60.85

2 Year= \$57.90

3 Year= \$56.60

4 Year= \$54.80

5 Year= \$53.00

Tri-Cities

1 Year=\$95.34 (I)

2 Year=N/A (T)

3 Year=N/A (T)

4 Year=N/A (T)

5 Year=N/A (T)

1 Year= \$64.50

2 Year= \$61.30

3 Year= \$60.00

4 Year= \$58.10

5 Year= \$56.10

ClearValue Basic Business Line

ClearValue Call Forward Busy Line

ClearValue Call Forward No Answer

ClearValue Call Forward Variable

ClearValue 3-Way Calling

ClearValue Speed Call 8

ClearValue Caller ID

ClearValue Plus 500*

ClearValue Long Distance Calling Card

ClearValue Basic Business Line

ClearValue Call Forward Busy Line

ClearValue Call Forward No Answer

ClearValue Call Forward Variable

ClearValue 3-Way Calling

ClearValue Speed Call 8

ClearValue Caller ID

ClearValue Voicemail

ClearValue Plus 500*

ClearValue Long Distance Calling Card

Issued: November 16, 2001

Effective: December 16, 2001

Issued By:

Michael P. Duke
Director of Government Affairs
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EXCHANGE ACCESS OPTIONAL FEATURES (Cont'd.)

6.8 ClearValue Bundled Service (Cont'd)

KMC Option #9

ClearValue with Discounted LD Rate

Chattanooga -

1 Year=\$36.40 R + \$0.079

2 Year=\$34.60 R + \$0.069

3 Year=\$33.90 R + \$0.059

4 Year=\$32.80 N + \$0.049

5 Year=\$31.70 N + \$0.039

Tri-Cities

1 Year=\$32.50 R + \$0.079

2 Year=\$30.90 R + \$0.069

3 Year=\$30.20 R + \$0.059

4 Year=\$29.30 N + \$0.049

5 Year=\$28.30 N + \$0.039

ClearValue Basic Business Line

ClearValue Call Forward Busy Line

ClearValue Call Forward No Answer

ClearValue Call Forward Variable

ClearValue 3-Way Calling

ClearValue Speed Call 8

ClearValue Caller ID

ClearValue Discounted Long Distance**

ClearValue Long Distance Calling Card

KMC Option #10

ClearValue with Voicemail & Discounted LD Rate

Chattanooga

1 Year= \$43.35 R + \$0.079

2 Year= \$41.20 R + \$0.069

3 Year= \$40.40 R + \$0.059

4 Year= \$39.10 N + \$0.049

5 Year= \$37.80 N + \$0.039

Tri-Cities

1 Year= \$39.50 R + \$0.079

2 Year= \$37.50 R + \$0.069

3 Year= \$36.70 R + \$0.059

4 Year= \$35.60 N + \$0.049

5 Year= \$34.40 N + \$0.039

ClearValue Business Line

ClearValue Call Forward Busy Line

ClearValue Call Forward No Answer

ClearValue Call Forward Variable

ClearValue 3-Way Calling

ClearValue Speed Call 8

ClearValue Caller ID

ClearValue Discounted Long Distance**

ClearValue Long Distance Calling

Issued: November 16, 2001

Effective: November 17, 2001

Issued By: Michael P. Duke
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RESOLD LOCAL EXCHANGE SERVICE

Issued: November 16, 2001

Effective: November 17, 2001

Issued By: Michael P. Duke
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DC01/BISHST/188653.1

RESOLD LOCAL EXCHANGE SERVICE7.1 Description

Resold Local Exchange Service is composed of the resale of exchange access lines and local calling provided by other certificated Local Exchange Carriers, in combination with Company-provided usage services, miscellaneous services or interstate/international services.

7.2 Rates

The following rates apply for Resold Local Exchange Services:

	<u>Non-Recurring</u>	<u>Monthly Recurring</u>
<u>Resold Basic Lines:</u>		
(1) <u>Flat-Rate Service</u>		
1st Line	\$58.50	\$72.48
Each Addtl Line	\$31.00	\$72.48
(2) <u>Measured Service</u>		
1st Line	\$58.50	\$61.28
Each Addtl Line	\$31.00	\$61.28
<u>Resold Basic Trunks¹</u>		
(1) <u>Flat-Rate Service</u>		
1st Line	\$58.50	\$72.48
Each Addtl Line	\$31.00	\$72.48
(2) <u>Measured Service</u>		
1st Line	\$58.50	\$61.28
Each Addtl Line	\$31.00	\$61.28

Resold features associated with resold local exchange service will be priced according to the rates established for such features in the underlying carrier's effective intrastate tariffs.

¹ Includes Hunting

Issued: April 19, 2001

Effective: May 19, 2001

Issued By: Michael P. Duke
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RESOLD LOCAL EXCHANGE SERVICE (Cont'd.)7.2 Rates (Cont'd.)

<u>Resold Direct Inward Dial (DID) Service</u>	<u>Non-Recurring</u>	<u>Monthly Recurring</u>
<u>DID Trunk Termination:</u>		
DID Trunk Termination, each Inward Only Trunk	\$50.00	\$20.00
DID Trunk Termination, each Combination Trunk	\$250.00	\$45.00
<u>DID Station Numbers:</u>		
1st Block of 20 DID Station Numbers	\$55.00	\$3.40
Add'l Block of 20 DID Station Numbers	\$55.00	\$3.40
<u>Optional Features:</u>		
MF Pulsing Option	N/A	\$7.50
DTMF Pulsing Option	N/A	\$7.50
Automatic Intercept Service, per number referred	\$16.00	N/A
<u>Resold Local Usage</u>		
<u>Measured Rate Calling</u>	<u>Peak Minute</u>	<u>Off-Peak Minute</u>
Band A (Local Calling)	\$0.0200	\$0.0100
Band B (17-30 Miles)	\$0.0500	\$0.0250
Band C (31-40 Miles)	\$0.1000	\$0.0500

The following rates for Local Exchange Resold Services are set forth in Section 8 and Section 10 of the tariff.

Resold features associated with Resold Local Exchange Service will be priced according to the rates established for such features in the underlying carrier's effective intrastate tariffs.

Issued: April 19, 2001

Effective: May 19, 2001

Issued By: Michael P. Duke
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LOCAL CALLING SERVICE

Issued: April 19, 2001

Effective: May 19, 2001

Issued By: Michael P. Duke
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DC01/BISHST/188653.1

LOCAL CALLING SERVICE

8.1 Description

Local Calling Service provides a Customer with the ability to originate calls from a Company-provided access line to all other stations on the public switched telephone network¹ bearing the designation of any central office exchanges, areas, and zones included in the Customer's local calling area.

8.1.1 Basic Local Exchange Service - This calling service allows the Customer unlimited access to all other stations on the public switched telephone network within the customer's Basic Local Calling Area.² All calls to destinations outside the Basic Local Calling Area but within the same state and LATA will be charged the IntraLATA rates as specified in Section 9.3 following.

8.1.2 Extended Local Exchange Service - This calling service allows the Customer limited access to all other stations on the public switched telephone network within the Customer's Basic Local Calling Area. Additional calls to the Basic Local Calling Area will be charged as specified in Section 8.2.1(A) following. All calls to the Extended Local Calling Area² will be charged a per call setup and per minute access charge as specified in Section 8.2.1(B) following. All calls to destinations outside the Extended Local Calling Area but within the same state and LATA will be charged the IntraLATA rates as specified in Section 9.3 following.

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¹ Except calls to other telephone companies' caller paid information services (e.g. NPA 900, NXX 976, etc.). Calls to those numbers and other numbers used for caller-paid information services will be blocked by the Company's centralized switching facility.

² As specified in South Central Bell's tariff in effect and as amended from time-to-time.

Issued: August 17, 2001

Effective: September 16, 2001

Issued By: Michael P. Duke
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LOCAL CALLING SERVICE (Cont'd.)8.1 Description (Cont'd.)8.1.2 Expanded Local Exchange Service (Cont'd.)(A) Time Periods

Day and Night/Weekend rates apply as follows:

<u>Rates</u>	<u>From</u>	<u>To (but not including)</u>	<u>Days Applicable</u>
Day	9:00 A.M.	9:00 P.M.	Mon. - Fri.

Night/Weekend All other days, times, and holidays.

Holidays include New Year's Day (January 1), Independence Day (July 4), Labor Day (the first Monday in September), Thanksgiving Day (the fourth Thursday in November), and Christmas Day (December 25).

Issued: April 19, 2001

Effective: May 19, 2001

Issued By: Michael P. Duke
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Lawrenceville, GA 30043

DC01/BISHST/188653.1

LOCAL CALLING SERVICE (Cont'd.)8.2 Rates

The rates set forth in this section apply to all direct dialed local calls. For operator-assisted local calls, the operator charges listed in Section 10.1.3 apply in addition to the charges listed below.

8.2.1 Usage Charges -

*Chattanooga \$0.1000 per call for each message
over monthly allowance of 75 calls.

- (A) Extended Calling Area - The following usage charges apply to points in the
Customer's Extended Calling Area.

<u>MILEAGE</u>	<u>PEAK</u>	<u>OFF-PEAK</u>
<u>Chattanooga</u>		
0 - 10 (Local)	\$0.0200	\$0.0100
17 - 30	\$0.0500	\$0.0250
31 - 41	\$0.1000	\$0.0500
<u>Tri-Cities</u>	<u>1st MIN</u>	<u>ADDT'L MINUTE</u>
Bristol, TN to Abingdon, VA	\$0.100	\$0.070
Bristol, VA to Abingdon, VA	\$0.100	\$0.070
Kingsport, TN to Gate City, VA	\$0.070	\$0.040

Issued: November 16, 2001

Effective: December 16, 2001

Issued By: Michael P. Duke
Director of Government Affairs
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Lawrenceville, GA 30043

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Section 9 - Original Title Page

INTRALATA CALLING SERVICE

Issued: April 19, 2001

Effective: May 19, 2001

Issued By: Michael P. Duke
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Lawrenceville, GA 30043

DC01/BISHST/188653.1

INTRALATA CALLING SERVICE9.1 Description

IntraLATA calling service provides a Customer with the ability to originate calls from a Company-provided access line to all other stations on the public switched telephone network¹ bearing the designation of any central office exchanges, areas, and zones outside of the Customer's Basic Calling Area but within the same state and LATA.

9.2 Time Periods

Day, Evening and Night/Weekend rate periods are shown below. On holidays, Evening rates will apply unless a lower rate will normally apply.

<u>Rates</u>	<u>From</u>	<u>To (but not including)</u>	<u>Days</u>	<u>Discount Applicable</u>	<u>Applicable</u>
Day	8:00 A.M.	12:00 P.M.	Mon. - Fri.		0%
	1:00 P.M.	5:00 P.M.	Mon. - Fri.		0%
Evening	5:00 P.M.	11:00 P.M.	Mon. - Fri.		25%
Night/ Weekend	All other times				50%

Holidays include New Year's Day (January 1), Independence Day (July 4), Labor Day (the first Monday in September), Thanksgiving Day (the fourth Thursday in November), and Christmas Day (December 25).

¹ Except calls to other telephone companies' caller paid information services (e.g. NPA 900, NXX 976, etc.). Calls to those numbers and other numbers used for caller-paid information services will be blocked by the Company's centralized switching facility.

Issued: April 19, 2001

Effective: May 19, 2001

Issued By: Michael P. Duke
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INTRALATA CALLING SERVICE (Cont'd.)

9.3 Intralata Toll Rates
Chattanooga

T

<u>MILEAGE</u>	<u>FIRST MINUTE</u>	<u>ADDITIONAL MINUTE</u>
0-10	\$0.10	\$0.10
11-16	\$0.10	\$0.10
17-22	\$0.15	\$0.15
23-30	\$0.15	\$0.15
31-40	\$0.19	\$0.19
41-55	\$0.19	\$0.19
56-70	\$0.21	\$0.21
71+	\$0.21	\$0.21

Tri- Cities
\$0.040 per Minute

Issued: August 17, 2001

Effective: September 16, 2001

Issued By: Michael P. Duke
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Section 10- Original Title Page

MISCELLANEOUS SERVICES

Issued: April 19, 2001

Effective: May 19, 2001

Issued By: Michael P. Duke
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DC01/BISHST/188653.1

MISCELLANEOUS SERVICES

10.1 Operator Services

10.1.1 Description

Operator Handled Calling Services are provided to Customers and Users of Company-provided Exchange Access Services, and to Customers and Users of exchange access lines.

10.1.2 Definitions

Person--Person: Calls completed with the assistance of a Company operator to a particular person, station, department, or PBX extension specified by the calling party. Charges may be billed to the Customer's commercial credit card and/or LEC calling card, calling station, called station, or a designated third-party station. Calls may be dialed with or without the assistance of a Company operator.

Station-to-Station: Refers to calls other than person-to-person calls billed to either the end user's commercial credit card and/or nonproprietary calling card. Calls may be dialed with or without the assistance of a Company operator. Collect calls to coin telephones and transfers of charges to third telephones which are coin telephones will not be accepted.

Operator Dialed Charge: The end user places the call without dialing the destination number, although the capability to do it himself exists. The end user will dial "0" for local calls and "00" for long distance calls and then request the operator to dial the called station.

Billed to Non-Proprietary Calling Card: Refers to calls that are dialed by the customer in accordance with standard dialing instructions and billed to a non-proprietary calling card issued by another carrier.

Issued: April 19, 2001

Effective: May 19, 2001

Issued By: Michael P. Duke
Director of Government Affairs
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MISCELLANEOUS SERVICES (Cont'd.)10.1 Operator Services (Cont'd.)10.1.3 Rates

Local exchange and IntraLATA calls may be placed on an Operator Assisted basis. Usage charges for Operator Assisted calls are the same as those set forth in Sections 8 and 9, preceding. For Operator Assisted calls to Busy Line Verification and Interrupt, or Directory Assistance, the surcharges specified in Section 10.2.3 and Section 10.1.3 will apply in addition to any applicable Operator charges.

In addition to the usage charges identified above, the following operator-assisted charges will apply:

Per Call ChargesChattanooga

Person-to-Person (Operator Assisted) \$4.90

Tri-Cities

Person-to-Person (Operator Assisted) \$3.00

Chattanooga

Station-to-Station (Operator Assisted) \$2.25

Tri-Cities

Station-to-Station (Operator Assisted) \$1.50

Chattanooga

Station-to-Station (Calling Card) \$0.80

Tri-Cities

Station-to-Station (Calling Card) \$2.00

Chattanooga

Directory Assistance \$0.85

Directory Assistance Call Completion \$0.45

Tri-Cities

Directory Assistance \$0.29

Directory Assistance Call Completion \$0.30

Call Allowance 6 Calls

N

MISCELLANEOUS SERVICES (Cont'd.)

Issued: November 16, 2001

Effective: December 16, 2001

Issued By: Michael P. Duke
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10.2 Busy Line Verify and Line Interrupt Service

10.2.1 Description

Upon request of a calling party the Company will verify a busy condition on a called line.

- (A) The operator will determine if the line is clear or in use and report to the calling party.
- (B) The operator will interrupt the call on the called line only if the calling party indicates an emergency and requests interruption.

10.2.2 Regulations

- (A) A charge will apply when:
 - (1) The operator verifies that the line is busy with a call in progress.
 - (2) The operator verifies that the line is available for incoming calls.
 - (3) The operator verifies that the called number is busy with a call in progress and the customer requests interruption. The operator will then interrupt the call, advising the called party the name of the calling party. One charge will apply for both verification and interruption.

Issued: April 19, 2001

Effective: May 19, 2001

Issued By: Michael P. Duke
Director of Government Affairs
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Lawrenceville, GA 30043

DC01/BISHST/188653.1

MISCELLANEOUS SERVICES (Cont'd.)

10.2 Busy Line Verify and Line Interrupt Service (Cont'd.)

10.2.2 Regulations (Cont'd.)

- (B) No charge will apply:
- (1) When the calling party advises that the call is to or from an official public emergency agency.
 - (2) Under conditions other than those specified in 10.2.2(A) preceding.
- (B) Busy Verification and Interrupt Service is furnished where and to the extent that facilities permit.
- (D) The Customer shall identify and hold the Company harmless against all claims that may arise from either party to the interrupted call or any person.

10.2.3 Rates

	<u>Tri-Cities</u>	<u>Chattanooga</u>	
Busy Line Verify Service (each request)	\$2.00	\$1.50	N
Busy Line Verify and Busy Line Interrupt Service (each request)	\$3.00	\$3.00	N

Issued: October 5, 2001

Effective: November 4, 2001

Issued By: Michael P. Duke
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MISCELLANEOUS SERVICES (Cont'd.)**10.3 Service Implementation****10.3.1 Description**

Absent a promotional offering, service implementation charges will apply to new service orders or to orders to change existing service.

10.3.2 Rates**Non-Recurring**

per service order \$58.50

10.4 Restoration of Service**10.4.1 Description**

A restoration charge applies to the re-establishment of service and facilities suspended because of nonpayment of bills and is payable at the time that the re-establishment of the service and facilities suspended is arranged for. The restoration charge does not apply when, after disconnection of service, service is later re-established.

10.4.2 Rates**Non-Recurring**

per occasion \$58.50

MISCELLANEOUS SERVICES (Cont'd)

Issued: April 19, 2001

Effective: May 19, 2001

Issued By: Michael P. Duke
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10.5 Charges for connecting or changing service

<u>Chattanooga</u>	<u>Non-Recurring</u>	
Line Connection Charge		
Applies per exchange access line or trunk, First Line or Trunk	\$73.13	I/T
Each Add'l Line or Trunk	\$38.75	N/T
<u>Tri-Cities</u>		
Line Connection Charge		
Applies per exchange access line or trunk,		
First Line or Trunk	\$48.13	I/T
Each Add'l Line or Trunk	\$48.13	N/T
<u>Chattanooga</u>		
Line Change Charge Applies per exchange access line or trunk	\$13.50	
<u>Tri-Cities</u>		
Line Change Charge Applies per exchange access line or trunk	\$7.20	
Secondary Service Charge		
Applies per customer request		
Each	\$26.00	
<u>Chattanooga</u>		
Record Order	\$21.60	
<u>Tri-Cities</u>		
Record Order	\$14.85	
<u>Chattanooga and Tri-Cities</u>		
PRI Reconfiguration Charge (without customer premise visit)	\$50.00	
PRI Reconfiguration Charge (with customer premise visit)	\$250.00	

Issued: October 20, 2002

Effective: November 20, 2002

Issued By: Michael P. Duke
Director of Government Affairs
KMC Telecom III, LLC
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Lawrenceville, GA 30043

DC01/BISHST/188653.1

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Chattanooga and Tri-Cities

Premises Work Charge, per hour/1 hour minimum	\$80.00
Each ¼ hour increment or any fraction thereof	\$20.00 (N)
Chattanooga – Move Service Address, 1 st line or trunk	\$73.13 (I)
Chattanooga – Move Service Address, each additional line or trunk	\$38.75 (I)
Tri-Cities – Move Service Address, 1 st line or trunk	\$48.13 (R)
Tri-Cities – Move Service Address, each additional line or trunk	\$48.13 (I)

Issued: October 25, 2002

Effective: November 20, 2002

Issued By: Michael P. Duke
Director of Government Affairs
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Lawrenceville, GA 30043

DC01/BISHST/188653.1

MISCELLANEOUS SERVICES (Cont'd)10.6 ClearTouch Service10.6.1 On-Net Rates

Business/Business PBX

Individual Features:

Monthly

(a)	Call Waiting	\$3.00
(b)	Call Forwarding Variable	\$3.00
(c)	Three-Way Calling	\$3.00
(d)	Speed Calling (8-code)	\$3.00
(e)	Speed Calling (30-code)	\$3.00
(f)	Call Forwarding Busy Line	\$3.00
(g)	Call Forwarding Don't Answer	\$3.00
(h)	Call Forwarding Don't Answer - Ring Control	\$3.00
(i)	Customer Control of Call Forwarding Busy Line	\$3.00
(j)	Customer Control of Call Forwarding Don't Answer	\$3.00
(k)	Call Forwarding Busy Line Multipath or Customer Control of Call Forwarding Busy Line Multipath	\$3.00
(l)	Call Forwarding Don't Answer Multipath or Customer Control of Call Forwarding Don't Answer Multipath	\$3.00
(m)	Call Forwarding Variable Multipath or Remote Access - Call Forwarding Variable Multipath	\$3.00
(n)	Remote Access - Call Forwarding Variable	\$3.00

Issued: November 16, 2001

Effective: December 16, 2001

Issued By: Michael P. Duke
Director of Government Affairs
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Lawrenceville, GA 30043

MISCELLANEOUS SERVICES (Cont'd)10.6 ClearTouch Services (Cont'd)10.6.1 On-Net Rates (Cont'd)

Business/Business PBX

Individual Features:

	<u>Monthly</u>
(o) Call Return (per line)	\$3.00
(p) Repeat Dialing (per line)	\$3.00
(q) Call Selector (per line)	\$3.00
(r) Preferred Call Forwarding (per line)	\$3.00
(s) Call Block (per line)	\$3.00
(t) Call Tracing (per line)	\$3.00
(u) Anonymous Call Rejection	\$3.00
(v) Caller ID (available w/ or w/o ACR)	

Chattanooga

Basic \$5.00

Deluxe \$6.00

Enhanced \$7.00

Tri-Cities

Basic \$5.00

Deluxe \$6.00

Enhanced \$7.00

(w) Call Return		
(per use)	\$0.75	
(denial of per use)	N/A	
(x) Repeat Dialing		
(per use)	\$0.75	
(denial of per use)	N/A	
(y) Call Transfer	\$3.00	

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R10.6.2 Cleartouch Feature Packages

The following packages are available in choosing any features listed below in Section

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10.6.1.

	<u>Monthly</u>
Cleartouch 6	
(any 6 features)	\$9.00
Cleartouch 10	
(any 10 features)	\$13.00
Cleartouch 3	
(any 3 features)	\$5.00

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Issued: November 16, 2001

Effective: December 16, 2001

Issued By:

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MISCELLANEOUS SERVICE (Cont'd)**10.7 Hunting Service**

Routing of a call to an idle station in a prearranged group when the called station line is busy.

	<u>Non-Recurring</u>	<u>Monthly Recurring</u>	
<u>Chattanooga</u>			
Flat Line/Trunk	\$0.00	\$5.00	
Measured Line/Trunk	\$0.00	\$19.60	R
<u>Tri-Cities</u>			
Flat Line/Trunk	\$0.00	\$30.35	
Measured Line/Trunk	\$0.00	\$18.20	

Issued: November 16, 2001

Effective: December 16, 2001

Issued By: Michael P. Duke
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DC01/BISHST/188653.1

MISCELLANEOUS SERVICE (Cont'd)10.8 Payphone Service Provider Telephone (PSP)

Access line service for **Payphone Service Provider (PSP)** telephones is an exchange line service provided at the request of a subscriber for telecommunications use by the general public. This access line service is provided on a flat rate basis. This access line service is provided for use with **PSP** non-coin-operated public telephones or **PSP** coin-operated public telephones. **PSP** telephones may utilize "store and forward" technology to complete 0+ local; intraLATA and interLATA collect only. Standard features included are Flex ANI, Dial Around, Call Restriction, Call Screening, & Operator Screen Blocking. The subscriber shall be responsible for the installation, maintenance and operation of **PSP** telephones used in connection with this service. **PSP** telephones must be connected to the Company network in compliance with Part 68 of the FCC Rules and Regulations. The service is provided for use by the subscriber but may be used by others when so authorized by the subscriber, provided that all such usage is subject to the provisions of this Tariff. This service is not subject to concessions. Access line service for **PSP** telephones can not be included on accounts containing other classes of service. This access line provides screening information to prevent the operator from allowing toll charges against the subscriber's line; the operator also can not perform coin collecting functions. The Company is not responsible for refunds of coins deposited in **PSP** coin-operated telephones. Customer-provided public telephones may only be connected to access line service for **PSP** telephones. The subscriber to this service will be responsible for any and all toll charges billed to the subscriber's account. Providers of public voice facsimile services which are transmitted over the public switched network are required to obtain Access Line Service for **PSP** telephones service for connection to the network. The term "Voice Facsimile service" refers to the use of devices providing facsimile service with associated voice capability so that the end user is able to make conventional voice calls as well as electronic transmittals over the same instrument. Provision for such services are subject to the rates and regulations set forth herein for Access Line Service for **PSP** Telephones. For customers subscribing to Caller ID - Deluxe, as specified in section 14.6.5 of this Tariff, if the incoming call originates from a customer provided public telephone, the name information transmitted will always be "Pay Phone."

<u>Monthly Recurring</u>		<u>Non-Recurring</u>
\$29.00	Chattanooga	\$81.02(I)
\$43.93(I)	Tri-Cities	\$49.50

Issued: October 25, 2002

Effective: November 20, 2002

Issued By: Michael P. Duke
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MISCELLANEOUS SERVICE (Cont'd)

10.9 Remote Call Forwarding

Rates

The following charge is for the Remote Call Forwarding feature only and are in addition to applicable charges for service and equipment.

Remote Call Forwarding is per feature arranged and one access path for either interexchange, intraexchange, or local calling area per service request.

	<u>Non-Recurring</u>	<u>Monthly</u>	
Each	\$11.25	Chattanooga	\$14.40
	\$34.65	Tri-Cities	\$34.08
			I

Additional Access Path (with initial installation)
Each

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Issued: November 16, 2001

Effective: December 16, 2001

Issued By: Michael P. Duke
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SPECIAL ARRANGEMENTS

Issued: November 16, 2001

Effective: December 16, 2001

Issued By: Michael P. Duke
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DC01/BISHST/188653.1

SPECIAL ARRANGEMENTS

11.1 Special Construction

11.1.1 Basis for Charges

Where the Company furnishes a facility or service for which a rate or charge is not specified in the Company's tariffs, charges will be based on the costs incurred by the Company and may include:

- (A) non-recurring type charges;
- (B) recurring type charges;
- (C) termination liabilities; or
- (D) combinations thereof.

11.1.2 Termination Liability

To the extent that there is no other requirement for use by the Company, a termination liability may apply for facilities specially constructed at the request of the customer.

- (A) The termination liability period is the estimated service life of the facilities provided.
- (B) The amount of the maximum termination liability is equal to the estimated amounts for:

Issued: April 19, 2001

Effective: May 19, 2001

Issued By: Michael P. Duke
Director of Government Affairs
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SPECIAL ARRANGEMENTS (Cont'd.)

11.1 Special Construction (Cont'd.)

11.1.2 Termination Liability (Cont'd.)

(B) (Cont'd.)

- (1) Cost installed of the facilities provided including estimated costs for rearrangements of existing facilities and/or construction of new facilities as appropriate, less net salvage. Cost installed includes the cost of:
 - (a) equipment and materials provided or used,
 - (b) engineering, labor and supervision,
 - (c) transportation, and
 - (d) rights-of-way;
- (2) license preparation, processing, and related fees;
- (3) tariff preparation, processing, and related fees;
- (4) cost of removal and restoration, where appropriate; and
- (5) any other identifiable costs related to the specially constructed or rearranged facilities.

- (C) The applicable termination liability method for calculating the unpaid balance of a term obligation. The amount of such charge is obtained by multiplying the sum of the amounts determined as set forth in Section 11.1.2(B) preceding by a factor related to the unexpired period of liability and the discount rate for return and contingencies. The amount determined in section 11.1.2(B) preceding shall be adjusted to reflect the redetermined estimate net salvage, including any reuse of the facilities provided. This product is adjusted to reflect applicable taxes.

SPECIAL ARRANGEMENTS (Cont'd.)

Issued: April 19, 2001

Effective: May 19, 2001

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11.2 Individual Case Basis (ICB) Arrangements

Arrangements will be developed on a case-by-case basis in response to a bona fide request from a Customer or prospective Customer to develop a competitive bid for a service offered under this tariff. Rates quoted in response to such competitive requests may be different than those specified for such services in this tariff. ICB rates will be offered to the Customer in writing and on a non-discriminatory basis.

Issued: April 19, 2001

Effective: May 19, 2001

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SPECIAL ARRANGEMENTS (Cont'd.)11.3 Temporary Promotional Programs

The Company may establish temporary promotional programs as part of its sales and marketing efforts as may be needed to respond to customer needs.

- (A) Introduce New Services – The Company may waive or reduce non-recurring or recurring charges to introduce present or potential Customers to a service not previously received by the Customers.
- (B) Respond to Competitive Offers - The Company may waive or reduce non-recurring or recurring charges in response to competitive offers from other service providers.
- (C) Loyalty Rewards – The Company may issue Customers a one-time credit up to \$1500 as part of overall customer retention program.

11.3.1 Telecommunications Ad Valorem Tax Credit Promotion

New Customers – KMC will waive all non-recurring installation charges and first month's recurring charges for all Customers who subscribe to any of the following services between October 1, 2003 and November 30, 2003: Basic Line, Basic Trunk, ClearStar Advantage Service, Primary Rate Interface Service, Clear-T Service, ClearXpress Business Bundle, and ClearValue Bundled Service.

Existing Term Plan Customers – KMC will waive three (3) month's recurring charges for all existing term plan customers who renew their term plan for an additional three (3) years between October 1, 2003 and November 30, 2003. Services with term plans eligible for this promotion are: ClearStar Advantage Service, Primary Rate Interface Service, Basic Rate ISDN Service, Clear-T Service, ClearXpress Business Bundle, and ClearValue Bundled Service.

Issued: October 15, 2003

Effective: October 15, 2003

Issued By: Michael P. Duke
Director of Government Affairs
KMC Telecom III, LLC
1755 North Brown Road
Lawrenceville, GA 30043