

ProNet Communications, Incorporated

Application for a Certificate of Interexchange Authority to Operate as a Reseller of Telecommunications Services throughout the State of Illinois

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(File this application via e-docket, or if unable to do so, file one original verified application with the Chief Clerk.)

Docket No. _____
ICC Office Use Only

ProNet Communications, Incorporated :
:
Application for a certificate of interexchange :
authority to operate as a reseller of :
Telecommunications services throughout the :
State of Illinois. :

**APPLICATION FOR CERTIFICATE TO BECOME A
TELECOMMUNICATIONS CARRIER**
(Use additional sheets as necessary.)

GENERAL

1. Applicant's Name(including d/b/a, if any) **FEIN # 61-1390819**

ProNet Communications, Incorporated

3290 Blazer Parkway, Suite #201

Lexington, Kentucky 40509

2. Authority Requested: (Mark all that apply) _____13-403 Facilities Based Interexchange
_____ **X** 13-404 Resale of Local and/or **Interexchange**
_____13-405 Facilities Based Local

3. Request for waivers/variances: In applications for local exchange service authority under Sections 13-404 or 13-405, waivers of Part 710 and of Section 735.180 of Part 735 are generally requested. In applications for interexchange service authority under Sections 13-403 and 13-404, waivers of Part 710 and Part 735 are generally requested. Please indicate which waivers Applicant is requesting and explain why Applicant is requesting each waiver/variance.

The Applicant requests waiver of Part 710 as it is a non-facilities based interexchange carrier/reseller which keeps its records according to the GAAP accounting system, and it would be an undue burden to follow another accounting system.

Applicant requests waiver of Part 735 as it is a non-facilities based interexchange carrier/ reseller and not a local exchange telecommunications carrier.

_____ **X** Part 710 Uniform System of Accounts for Telecommunications Carriers

_____ Part 735 Procedures Governing the Establishment of Credit, Billing, Deposits,
Termination of Service and Issuance of Telephone Directories for Local
Exchange Telecommunications Carriers in the State of Illinois

_____Section 735.180 Directories

_____Other

4. For all applicants requesting local exchange authority under Section 13-404 or Section 13-405, please complete the following: **Not Applicable**
- (a) the Standard Questions for Applicants Seeking Local Exchange Service Authority found in Appendix A of this document
 - (b) the 9-1-1 Questions for Applicants Seeking Local Exchange Service Authority found in Appendix B of this document;
 - (c) the Financial Questions for Applicants Seeking Local Exchange Service Authority found in Appendix C of this document; and
 - (d) if applicable, the Prepaid Service Questions for Applicants Seeking Local Exchange Service Authority found in Appendix D of this document.

5. In what area of the state does the Applicant propose to provide service?

Applicant proposes to provide services throughout all areas of Illinois.

6. Please attach a sheet designating contact persons to work with Staff on the following:

Please see Attachment A

- 1) issues related to processing this application
- 2) consumer issues
- 3) customer complaint resolution
- 4) technical and service quality issues
- 5) "tariff" and pricing issues
- 6) 9-1-1 issues
- 7) security/law enforcement

Please identify each contact person's (i) name, (ii) title, (iii) mailing address, (iv) telephone number, (v) facsimile number, and (vi) e-mail address.

7. Please check type of organization?

_____ Individual

___**X**___ Corporation

_____ Partnership

Date corporation was formed **May 21,2001**

In what state

Kentucky

_____ Other (Specify)

8. Submit a copy of articles of incorporation and a copy of certificate of authority to transact business in Illinois.

Please see Attachment B

9. List jurisdictions in which Applicant is offering service(s).

Jurisdictions in which Applicant is offering services are Kentucky, Indiana, Ohio, Florida, New Jersey, Mississippi, West Virginia, California, Texas, Michigan, Alabama, Arizona, Utah and Montana.

10. Has the Applicant, or any principal in Applicant, been denied a Certificate of Service or had its certification revoked or suspended in any jurisdiction in this or another name?

_____ YES (Please provide details) ___**X**___ NO

11. Have there been any complaints or judgements levied against the Applicant in any other jurisdiction?

_____ YES NO

If YES, describe fully. _____

12. Has Applicant provided service under any other name?

_____ YES NO

If YES, please list. _____

13. Will the Applicant keep its books and records in Illinois? _____ YES NO

If NO, permission pursuant to 83 Ill. Adm Code Part 250 needs to be requested.

Applicant requests permission pursuant to 83 Ill. Adm Code Part 250 to retain its books and records at its corporate offices in Lexington, Kentucky.

MANAGERIAL

14. Please attach evidence of the applicant's managerial and technical resources and ability to provide service. This may be in either narrative form, resumes of key personnel, or a combination of these forms.

Please see Attachment C

15. List officers of Applicant.

Keith D. Johnston, Chief Executive Officer and Chairman of the Board. Mr. Johnston is the only member of the board of directors.

16. Does any officer of Applicant have an ownership or other interest in any other entity which has provided or is currently providing telecommunications services? _____ YES NO

If YES, list entity. _____

17. How will Applicant bill for its service(s)? (At a minimum, describe how often the Applicant will bill for service and details of the billing statement.)

Applicant uses an independent telecommunications billing service. Applicant bills customers monthly. These bills detail long distance calls and charges, monthly service charges, federal, state, county and local taxes, as well as other mandated charges. Nonrecurring charges appear on the bill as well. See Attachment D for sample bill.

18. How does Applicant propose to handle service, billing, and repair complaints? (At a minimum, describe Applicant's internal process for complaint resolution, the complaint escalation process, the timeframe and process by which the customer is notified by Applicant that they may seek assistance from the Commission?)

Applicant will provide Customer Service for service, billing and repair complaints. Repair complaints would then be forwarded to Global Crossing.

Carrier will resolve any disputes brought to its attention as promptly and effectively as possible. Customer Service can be reached by dialing the toll free number set forth on all bills. (Toll Free: 1-866-2PRONET). Any unresolved disputes may be directed to the attention of the Commission. In the event of a dispute concerning an invoice, the customer must pay a sum equal to the amount of the undisputed portion of the bill and notify the company of the disputed portion. This is the Customer Complaint Procedure as set forth in the enclosed tariff, Attachment F, section 2.7.8.

19. Will personnel be available at Applicant's business office during regular working hours to respond to inquiries about service or billing? YES NO

20. What telephone number(s) would a customer use to contact your company?

1-866-2PRONET.

21. Will Applicant abide by all Federal and State slamming and cramming laws pursuant to Section 13-902 of the Public Utilities Act and Section 258 of the 1996 Telecommunications Act?

YES NO

22. Please describe applicant's procedures to prevent slamming and cramming of customers?

- **All requests for long distance require a letter of agency signed by the requesting customer and witnessed and cosigned by the field sales representative.**
- **Sales representatives contractually agree that any slamming offenses associated with their customers are the personal and legal responsibility of that individual sales representative.**
- **Applicant strenuously trains sales force regularly regarding slamming and cramming.**

22. If granted authority to operate as a local exchange carrier, will the applicant abide by the following 83 Illinois Administrative Code Parts: 705, 710, 720, 725, 730, 732, 735, 755, 756, 757, 770, and 772?

YES NO (If no, please provide an explanation.)

Not applicable. Applicant is not seeking authority to operate as a local exchange carrier.

24. Is Applicant aware that it must file tariffs prior to providing service in Illinois?

YES NO **Please see Attachment F for our proposed tariff.**

FINANCIAL

25. Please attach evidence of Applicant's financial fitness through the submission of its most current income statement and balance sheet, or other appropriate documentation of applicant's financial resources and ability to provide service.

Please see Attachment E

TECHNICAL

26. Does Applicant utilize its own equipment and/or facilities? _____ YES NO

If YES, please list the facilities Applicant intends to utilize. Also include evidence that Applicant possesses the necessary technical resources to deploy and maintain said facilities:

If NO, which facility provider(s)'s services does the Applicant intend to use?

Global Crossing Bandwidth, Inc.

27. Please describe the nature of service to be provided (e.g., operator services, internet, debit cards, long distance service, data services, local service, prepaid local service).

Service to be provided is long distance service.

28. Will technical personnel be available at all times to assist customers with service problems?

YES _____ NO

29. If Applicant intends to provide payphone service, will the equipment utilized comply with FCC requirements and Finding (9) of the Commission Order entered in Docket No. 84-0442 on June 11, 1986, including, but not limited to: (a) touch dialing; (b) access to 9-1-1 and "0" operator dialing without use of a coin; (c) rules governing use of payphones by disabled persons; (d) ability to complete local and long-distance calls; (e) unlimited duration for local calls; and (f) a message explaining the telephone's general operations, dialing instructions for emergency assistance, payphone owner's name, method of reporting service problems and method of receiving credit for faulty calls?

_____ YES _____ NO

Not applicable.



(Signature of Applicant)

VERIFICATION

This application shall be verified under oath.

OATH

State of Kentucky)
)ss
County of Fayette)

Keith D. Johnston makes oath and says that he is Chief Executive Officer of ProNet Communications, Incorporated, that he has examined the foregoing application, and that to the best of his knowledge, information, and belief, all statements of fact contained in the said application are true, and the said application is a correct statement of the business and affairs of the above-named applicant in respect to each and every matter set forth therein.



Keith D. Johnston, Chief Executive Officer

Subscribed and sworn to before me, a Notary Public
in the State and County above named, this 22 day of January, 2003.

Ted M. Pack

Ted M. Pack, Notary Public

My Commission Expires November 1, 2005

Standard Questions for Applicants Seeking Local Exchange Service Authority

Not Applicable for this IXC Application

1. Is your company seeking any waivers or variances of certain Commission rules and regulations in this proceeding that pertain to local exchange service? Please provide evidence as to why your company is seeking any waiver or variance.
2. Will your company comply with 83 Illinois Administrative Code Part 772, Pay-Per-Call Services, including Part 772.55(a)(1), Billing and Part 772.100(d) Notices?
3. Will your company comply with 83 Illinois Administrative Code Part 705, Preservation of Records of Telephone Utilities?
4. Will your company abide by 83 Illinois Administrative Code Part 735, "Procedures Governing the Establishment of Credit, Billing, Deposits, Termination of Service and Issuance of Telephone Directories for Telephone Utilities in the State of Illinois"?
5. Will your company abide by 83 Illinois Administrative Code Part 732, "Customer Credits"?
6. Who will provide customer repair service for your company?
7. How many people does the company employ?
8. Will your company meet the requirements as they pertain to the Telephone Assistance Programs imposed by Sections 13.301 and 13.301.1 of the Illinois Public Utilities Act and 83 Illinois Administrative Code Part 757?
9. Will your company solicit, collect, and remit the voluntary contributions from its telephone subscribers to support the Telephone Assistance Programs?
10. Does your company plan on filing to become an Eligible Telecommunications Carrier?
11. Does the company realize that it will not be able to receive any of the federal reimbursements for the Lifeline and Link Up Programs if it is not an eligible carrier?
12. Will your company offer all of the waivers associated with the Universal Telephone Service Assistance Programs (UTSAP)?
13. Will your company abide by the regulations as prescribed in 83 Illinois Administrative Code Part 755, "Telecommunications Access for Persons with Disabilities," 83 Illinois Administrative Code Part 756 "Telecommunications Relay Service," and Sections 13-703 of the Illinois Public Utilities Act?
14. Will the company's billing system be able to distinguish between resale and facilities based service for the collection of the ITAC line charge?
15. Has your company signed and return the Universal Telephone Assistance Corporation ("UTAC") and the Illinois Telecommunications Access Corporation ("ITAC") to Commission staff?
16. How does your company plan to solicit customers once it begins to provide local service?
17. Has your company provided service under any other name?

9-1-1 Questions for Applicants Seeking Local Exchange Service Authority

Not Applicable for this IXC Application

1. Will your company ensure that 911 traffic is handled in accordance with the 83 Illinois Administrative Code Part 725 and the Emergency Telephone System Act?
2. Will your company contact and establish a working relationship with the 911 systems when you begin to provide local telephone service?
3. Will your company coordinate with the incumbent LEC(s) and local 911 systems to provide transparent service for your local exchange customers?
4. Who will be responsible for building and maintaining the 911 database for your local exchange customers?
5. How often will your company update the 911 database with customer information?
6. Will your company's billing system have the ability to distinguish between facilities based and resale for the collection of the 911 surcharge?
7. Does your company have procedures for the transitioning of the 911 surcharge collection and disbursement to the local 911 system?
8. Will your company's proposal require any network changes to any of the 911 systems?
9. Will your company be able to meet the requirements specified under Part 725.500(o) and 725.620(b) for the installation of call boxes?
10. Does your company plan to file for a waiver of Part 725.500(o) and 725.620(b) in the future?

Financial Questions for Applicants Seeking Local Exchange Service Authority

Not Applicable for this IXC Application

1. (Answer if requesting waiver of Part 710) What circumstances warrant a departure from the prescribed Uniform System of Accounts (“USOA”)?
2. Will records be maintained in accordance with Generally Accepted Accounting Principles (“GAAP”)?
3. Will applicants accounting system provide an equivalent portrayal of operating results and financial condition as the USOA?
4. Will applicants accounting procedures maintain or improve uniformity in substantive results as among similar telecommunications companies?
5. Will applicant maintain its records in sufficient detail to facilitate the calculation of all applicable taxes?
6. Does the accounting system currently in use by applicant provide sufficiently detailed data for the preparation of Illinois Gross Receipts Tax returns? What specific accounts or sub-accounts provide this data?
7. If a waiver of Part 710 is granted, will applicant provide annual audited statements or all periods subsequent to granting of the waiver?
8. Does applicant agree that the requested waiver of Part 710 will not excuse it from compliance with future Commission rules or amendments to Part 710 otherwise applicable to the Company?
9. Please attached a copy of applicant’s chart of accounts.

Prepaid Service Questions for Applicants Seeking Local Exchange Service Authority

Not Applicable for this IXC Application

1. Will customers have the ability to sign up with any long distance company they choose?
2. Will customers have the ability to use dial around long distance companies?
3. Does the applicant have interexchange authority in Illinois? If yes, please provide the docket number.
4. Will customers have access to the Illinois Relay Service?
5. Will customers be able to make 1-800 calls for free?
6. Will the Company offer operator services?
7. Please describe how applicant plans to collect the monthly fee to be paid in advance.
8. Will customers' monthly bills show a breakdown of services, features, surcharges, taxes, etc.?
9. Will customers pay an installation fee? If yes, will payment arrangements be offered for the installation fee?
10. Will telephone service be in the Company's name or the customer's name. If in the Company's name how will information appear in data bases, such as 9-1-1, directory assistance, etc.?
11. Will applicant offer prepaid service as a monthly service or as a usage service?
 1. Will applicant provide a warning when the remaining value of service is about to cease?
 1. Is the customer given more than one notice of the remaining value of service?
 2. How much advance notice is given to the customer of the remaining value of service?
 3. If the customer is in the middle of a call will they be disconnected when the remaining value of service has expired?
 4. Has the customer been made aware of potentially being disconnected during a call when the remaining value of service expires?
17. When does the timing of a call start?
18. If the person called does not answer, is any time deducted from the customer's account?
19. Will there be any other instances in which the Company would disconnect a customer, other than running out of prepaid time?
20. When a customer runs out of time is their phone immediately disconnected or on suspension? (Will they still be able to receive calls?)
21. Are applicant's services available to TTY callers?

6. Please attach a sheet designating contact persons to work with Staff on the following:

- 1) issues related to processing this application
- 2) consumer issues
- 3) customer complaint resolution
- 4) technical and service quality issues
- 5) "tariff" and pricing issues
- 6) 9-1-1 issues
- 7) security/law issues

Please identify each contact person's (i) name, (ii) title, (iii) mailing address, (iv) telephone number, (v) facsimile number and (vi) e-mail address.

- 1) Coral Johnston, President, ProNet Communications, Incorporated
3290 Blazer Parkway, Suite #201, Lexington, Kentucky 40509
(859) 543-2296, (859) 543-1820, cj@pronetcommunications.com.
- 2) Mark Butcher, Customer Service Director, ProNet Communications, Incorporated, 3290 Blazer Parkway, Suite #201, Lexington, Kentucky 40509, (859) 543-2296,
(859) 543-1820, mjbutcher@pronetcommunications.com
- 3) Mark Butcher, Customer Service Director, ProNet Communications, Incorporated, 3290 Blazer Parkway, Suite #201, Lexington, Kentucky 40509, (859) 543-2296,
(859) 543-1820, mjbutcher@pronetcommunications.com
- 4) Ted Pack, Quality Control, ProNet Communications, Incorporated
3290 Blazer Parkway, Suite #201, Lexington, Kentucky 40509
(859) 543-2296, (859) 543-1820, tpack@pronetcommunications.com.
- 5) Coral Johnston, President, ProNet Communications, Incorporated
3290 Blazer Parkway, Suite #201, Lexington, Kentucky 40509
(859) 543-2296, (859) 543-1820, cj@pronetcommunications.com.
- 6) Coral Johnston, President, ProNet Communications, Incorporated
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(859) 543-2296, (859) 543-1820, cj@pronetcommunications.com.
- 7) Coral Johnston, President, ProNet Communications, Incorporated
3290 Blazer Parkway, Suite #201, Lexington, Kentucky 40509
(859) 543-2296, (859) 543-1820, cj@pronetcommunications.com.

Attachment B
Articles of Incorporation
Certificate of Authority to Transact Business In Illinois

(Insert file named *KY Articles of Incorporation*)

(Insert file named *IL SOS Cert of Authority*)

Attachment C
Question Number Fourteen

14. Please attach evidence of the applicant's managerial and technical resources and ability to provide service. This may be in either narrative form, resumes of key personnel, or a combination of these forms.

PRONET COMMUNICATIONS, INCORPORATED

Profiles of Officer Experience

Keith D. Johnston,

Chairman of the Board and Chief Executive Officer

Mr. Johnston began his career in business in 1974 when he purchased a shoe company and built Johnston Footworks into a chain of shoe stores in the Morehead, Kentucky area. After the sale of that enterprise he served as a US district sales manager for KIS Corporation, Grenoble, France, managing the sales of capital equipment for photographic laboratories. In 1985 he founded his own company, Professional Photo Liquidators, Inc., Longwood, FL, which sold photographic laboratory equipment and supplies through out the US and South America. In 1994 he sold the company. Thereafter he sold long distance for Excel Telecommunications, Inc, Dallas, TX, at one time being one of their largest volume producers. He established ProNet Communications, Inc. in May of 2001, an interexchange long distance reseller. ProNet Communications, Inc. was granted authority in Kentucky, Indiana, Ohio, West Virginia, Arizona, Alabama, Mississippi, Florida, California, and Texas as well as several unregulated states. At present the company has 8500 business and residential lines. He maintains his office at 3290 Blazer Parkway, Suite 201, Lexington, KY 40509.

Coral L. Johnston, President

Mrs. Johnston was a psychotherapist from 1975 to 1994, establishing a private practice in Indianapolis, IN. She also owned and operated a drill designing company, Drill Technology, Inc., Indianapolis, IN, from 1985 to 1989 supplying custom tooling to the auto and aerospace industry. In 1990 she assisted Mr. Johnston in the overall management of Professional Photo Liquidators, Inc. and later also sold long distance for Excel Telecommunications, Inc, for eight years, at one time being one of their largest volume producers. Her present duties include overall management of the Company and overseeing regulatory compliance.

Attachment D
Sample Long Distance Bill

(Insert file named *Sample Bill*)

Attachment E
Financial Statement

(Insert proprietary file named *Financial Statement*)

Attachment F
Proposed Tariff

TITLE SHEET

(ProNet Communications, Incorporated)

TARIFF NO. 1

This tariff applies to Competitive Interexchange Service furnished by ProNet Communications, Incorporated (“Company”). This tariff is on file with the Illinois Commerce Commission (“Commission”), and copies may be inspected, during normal business hours, at the Company’s principal place of business.

The Company’s telephone numbers are:

(859) 543-2296 Telephone

(859) 543-1820 Fax

(866) 2PRONET Customer Service

www.pronetcommunications.com Web Site

service@pronetcommunications.com Email

ISSUED: January 24, 2003

EFFECTIVE:

ISSUED BY: Keith D. Johnston, Chief Executive Officer
3290 Blazer Parkway, Suite 201
Lexington, KY 40509

CHECK SHEET

All sheets of this tariff are effective as of the date shown at the bottom of the respective sheet (s). Original and revised sheets as named below comprise all changes from the original tariff and are currently in effect as of the date on the bottom of this page.

Sheet	Revision	Sheet	Revision
1	Original	21	Original
2	Original	22	Original
3	Original	23	Original
4	Original	24	Original
5	Original		
6	Original		
7	Original		
8	Original		
9	Original		
10	Original		
11	Original		
12	Original		
13	Original		
14	Original		
15	Original		
16	Original		
17	Original		
18	Original		
19	Original		
20	Original		

ISSUED: January 24, 2003

EFFECTIVE:

ISSUED BY: Keith D. Johnston, Chief Executive Officer
3290 Blazer Parkway, Suite 201
Lexington, KY 40509

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ISSUED: January 24, 2003

EFFECTIVE:

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3290 Blazer Parkway, Suite 201
Lexington, KY 40509

SYMBOLS

The following are the only symbols used for the purposes indicated below:

- C - To Signify Change in Regulation
- D - Deleted or Discontinued Material
- I - To Signify Rate Increase
- M - To Signify Text Moved From Another Tariff Location
- N - To Signify New Rate or Regulation
- R - To Signify Rate Reduction
- T - To Signify Change in Text, But No Change in Rate or Regulation

ISSUED: January 24, 2003

EFFECTIVE:

ISSUED BY: Keith D. Johnston, Chief Executive Officer
3290 Blazer Parkway, Suite 201
Lexington, KY 40509

TARIFF FORMAT

- A. Sheet Numbering - Sheet numbers appear in the upper-right corner of the sheet. Sheets are numbered sequentially. However, new sheets are occasionally added to the tariff.
- B. Sheet Revision Numbers - Revision numbers also appear in the upper-right corner of the sheet. These numbers are used to determine the most current sheet version on file with the Commission. For example, 4th Revised Sheet 14 cancels 3rd Revised Sheet 14.
- C. Paragraph Numbering Sequence - There are nine levels of paragraph coding. Each level of coding is subservient to its next higher level of coding.

2.
2.1
2.1.1.
2.1.1.A.
2.1.1.A.1.
2.1.1.A.1.(a)
2.1.1.A.1.(a).I.
2.1.1.A.1.(a).I.(i)
2.1.1.A.1.(a).I.(i).(1)

- D. Check Sheets - When a tariff filing is made with the Commission, an updated Check Sheet accompanies the tariff filing. The Check Sheet lists the sheets contained in the tariff cross reference to the current revision number. When new sheets are added, the Check Sheet is changed to reflect the revision. All revisions made in a given filing are designated by an (*). There will be no other symbols used on this sheet if these are the only changes made to it (i.e., the format, etc., remains the same, just revised revision levels on some sheets). The tariff user should refer to the latest Check Sheet to find out if a particular sheet is the most current sheet on file with the Commission.

ISSUED: January 24, 2003

EFFECTIVE:

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3290 Blazer Parkway, Suite 201
Lexington, KY 40509

SECTION 1 - TECHNICAL TERMS AND ABBREVIATIONS1.1 Definitions:

Access Line - An arrangement which connects the customer's location to a switching center or point of presence.

Application for Service - A standard order form that includes all pertinent billing, technical, and other descriptive information that will enable the carrier to provide the communication service as required.

Authorized User - A person, firm, corporation, or other entity authorized by the customer to receive or send communications.

Cancellation of Order - A customer - initiated request to discontinue processing a service order, either in part or in its entirety, prior to its completion.

Carrier - ProNet Communications, Incorporated

Commission - The Illinois Commerce Commission.

Company - ProNet Communications, Incorporated

Completed Calls - Completed calls are calls answered on the distance end.

Customer - The person, firm, corporation, or other entity which orders or uses service and is responsible by law for payment for communication service from the telephone utility.

Customer Provided Equipment - Terminal equipment provided by a customer.

Day Rate Period - 8:00 a.m. to 4:59 p.m., Monday through Friday.

ISSUED: January 24, 2003

EFFECTIVE:

ISSUED BY: Keith D. Johnston, Chief Executive Officer
3290 Blazer Parkway, Suite 201
Lexington, KY 40509

1.1 Definitions: (continued)

Disconnection - The disabling of circuitry preventing outgoing and incoming toll communication service provided by Carrier.

Delinquent Date - The last day for payment without unpaid amounts being subject to a late payment charge.

Due Date - The last day for payment without unpaid amounts being subject to a late payment charge.

Evening Rate Period - 5:00 p.m. to 10:59 p.m., Sunday through Friday.

Flat Rate - A rate period combining day, evening and night rate periods into one continuous rate period that does not recognize holiday rates or other variations. Also referred to at times in promotional literature as "flat rate, 24/7" to signify the same rate 24 hours a day, seven days a week.

Holidays - Carrier's recognized holidays are: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day.

Message - A completed telephone call by a customer or user.

Night/Weekend Rate Period - 11:00 p.m. to 7:59 a.m., every day; 8:00 a.m. to 10:59 p.m. Saturday; and 8:00 a.m. to 4:59 p.m. Sunday.

Normal Business Hours - 9:00 a.m. to 5:00 p.m., Monday through Friday, excluding holidays.

Premises - The space occupied by an individual customer in a building, in adjoining buildings occupied entirely by that customer, or on contiguous property occupied by the customer separated only by a public thoroughfare, a railroad right-of-way or a natural barrier.

Terminal Equipment - All telephone instruments, including pay telephone equipment, the common equipment of large and small key and PBX systems and other devices and apparatus, and associated wiring, which are intended to be connected electrically, acoustically or inductively to the telecommunication system of the telephone utility.

ISSUED: January 24, 2003

EFFECTIVE:

ISSUED BY: Keith D. Johnston, Chief Executive Officer
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1.2 Abbreviations:

LATA -Local Access Transport Area

LDA - Local Distribution Area

LEC - Local Exchange Carrier

MTS - Message Toll Service

PBX - Private Branch Exchange

SAL - Special Access Line

V&H -Vertical and Horizontal

ISSUED: January 24, 2003

EFFECTIVE:

ISSUED BY: Keith D. Johnston, Chief Executive Officer
3290 Blazer Parkway, Suite 201
Lexington, KY 40509

SECTION 2 - RULES AND REGULATIONS2.1 Carrier Undertaking

Carrier provides long distance interexchange telephone service to customers for their direct transmission of voice, data, and other types of telecommunications.

Communications originate when the customer accesses Carrier directly or through the facilities of the local service carrier via one or more access lines, equal access or on a dial-up basis.

Carrier may act as the customer's agent for ordering access connection facilities provided by other carriers or entities when authorized by the customer, to allow connection of a customer's location to the Carrier network. The customer shall be responsible for all charges due for such service arrangements.

The Company's services are provided on a monthly basis (30 days) and are available twenty-four (24) hours per day, seven (7) days per week.

2.2 Limitations on Service

2.2.1 Service offered subject to the availability of the necessary facilities and /or equipment and subject to the provisions of this tariff.

2.2.2 Carrier reserves the right to discontinue furnishing service upon written notice, when necessitated by conditions beyond its control or when the customer is using the service in violation of the provisions of this tariff or in violations of the law.

2.2.3 Title to any equipment provided by Carrier under these regulations remains with Carrier. Prior written permission from the company is required before any assignment to transfer. All regulations and conditions contained in this tariff shall apply to any assignee or transferee.

2.3 Use of Service

Service may not be used for any unlawful purposes.

ISSUED: January 24, 2003

EFFECTIVE:

ISSUED BY: Keith D. Johnston, Chief Executive Officer
3290 Blazer Parkway, Suite 201
Lexington, KY 40509

2.4 Limitation of Liability

- 2.4.1 Carrier shall not be liable to any person, firm, or entity for damages, either direct, indirect, consequential, special, incidental, actual, punitive, or for any other damages lost profits arising out of mistakes, accidents, errors, omissions, interruptions, delays or defects in transmissions and not caused by the negligence of the carrier, commencing upon activation of service and in no event exceeding an amount equivalent to the proportionate charge to the customer for the period of service during which mistakes, accidents, errors, omissions, interruptions, delays or defects in transmission occurred.
- 2.4.2 Carrier makes no warranty, whether express, implied or statutory, as to the description, quality, merchantability, completeness, or fitness for any purpose of the service or local access, or as to any other matter, all of which warranties by Carrier are hereby excluded and disclaimed.
- 2.4.3 Carrier, at its own expense, will indemnify the customer and hold it harmless in respect to any and all loss, damage, liability, or expense asserted against the customer by a third party on account of any property damage or personal injury caused by any negligence or willful misconduct of Carrier or its agent or representatives arising out of performance by Carrier of any testing or other activities on the customer's premises pursuant to this tariff. Carrier's obligations under the immediately preceding sentence shall be subject to the customer's full performance of this tariff and subject further to the customer's duty to take reasonable precautions in the location, construction, maintenance, and operation of all activities, facilities and equipment for the protection against hazard or injury and to not interfere with the services provided by Carrier.

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2.4 Limitation of Liability (continued)

2.4.4 Carrier shall be indemnified and held harmless by the customer against:

- A. Claims for libel, slander, infringement of copyright or patent infringement unauthorized use of any trademark, trade name or service mark arising out of the material, data information, or other content transmitted over the carrier's facilities; and
- B. All other claims arising out of any act or omission by the customer in connection with any service provided by Carrier.

2.4.5 The language set forth in this Section does not constitute a determination by the Commission that a limitation of liability imposed by the Company should be upheld in a court of law. Acceptance for filing by the Commission recognizes that it is a court's responsibility to adjudicate negligence and consequential damage claims. It is also the court's responsibility to determine the validity of the exculpatory clause.

2.5 Interruption of Service

A credit allowance for interruptions of service which are not due to Carrier's testing or adjusting, to the negligence of the customer, or to the failure of the channels, equipment and/or communications systems provided by the customer, are subject to the general liability provisions set forth in this tariff. It shall be the obligation of the customer to notify Carrier of any interruption in service. Before giving such notice, the customer shall ascertain that the trouble is not being caused by any action or omission by or within the customer's control and is not in wiring or equipment connected to the Carrier terminal.

2.6 Restoration of Service

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

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2.7 Customer Responsibility

- 2.7.1 All customers assume general responsibilities in connection with the provisions and use of Carrier's service. When facilities, equipment, and /or communication systems provided by others are connected to Carrier's facilities, the customer assumes additional responsibilities. All customers are responsible for the following:
- A. The customer is responsible for placing orders for service, paying all charges for service rendered by Carrier and complying with all of Carrier's regulations governing the service. The customer is also responsible for assuring that its users comply with regulations.
 - B. At the time of placing an order for service, the customer must provide:
 - 1. The name(s) and address(es) for the person(s) responsible for the payment of service charges.
 - 2. The name(s), telephone number(s), and address(es) of the customer contact person(s).
 - C. The customer must pay Carrier of the replacement or repair of Carrier's equipment when the damage results from:
 - 1. Negligence or willful act of the customer or user,
 - 2. Improper use of service,
 - 3. Any use of equipment or service provided by others.
 - D. After receipt of payment for the damages, Carrier will cooperate with the customer in prosecuting a claim against any third party causing damage.

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2.7.2 Maintenance, Testing, and Adjustment

Upon reasonable notice, the equipment provided by Carrier shall be made available to Carrier for such tests and adjustment as may be necessary to maintain them in satisfactory condition. No interruption allowance will be granted for the time during which such tests and adjustments are made.

2.7.3 Deposits

The Company does not collect any form of deposits.

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2.7.4 Credit Allowance

Credit for failure of service or equipment will be allowed only when failure is caused by or occurs in equipment owned, provided, and billed for, by Carrier.

- A. Credit Allowances for failure of service or equipment starts when the customer notifies Carrier of the failure or when Carrier becomes aware of the failure and ceases when the operation has been restored and an attempt has been made to notify the customer.
- B. The customer shall notify Carrier of failures of service or equipment and make reasonable attempts to ascertain that the failure is not caused by customer provided facilities , any act or omission of the customer, or in wiring or equipment connected to the terminal.
- C. Only those portions of the service or equipment operation disabled will be credited. No credit allowances will be made for:
 - 1. Interruptions of service resulting from Carrier performing routine maintenance,
 - 2. Interruptions of service for implementation of a customer order for a change in the service,
 - 3. Interruption caused by the negligence of the customer or his authorized user,
 - 4. Interruptions of service because of the failure of service or equipment due to customer or authorized user provided facilities.

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2.7.5 Cancellation by Customer

If a customer orders services requiring special equipment and/or facilities dedicated to the customer's use and then cancels his order before the service begins, a charge will be made to the customer for the non-recoverable portions of expenditures or liabilities incurred expressly on behalf of the customer by Carrier.

2.7.6 Payment and Charges for Services

- A. Service is provided and billed on a monthly basis.
- B. Payment is due upon receipt. Payment will be considered timely if paid within 15 days after the bill is rendered. The bill shall be considered rendered when deposited in the U.S. mail with postage prepaid.
- C. In the event of a dispute concerning a bill, Customer must pay a sum equal to the amount of the undisputed portion of the bill and proceed with compliant procedures set forth in this tariff.
- D. The customer is responsible for payment of all charges for service furnished to the customer under this tariff.
- E. Customer is responsible for payment of any state and local taxes (i.e. gross receipts tax, sales tax, municipal utilities tax) which will be listed as separate line items and which are not included in the quoted rates.
- F. Customers will be charged a late payment penalty as set forth in this tariff.
- G. Customers will be charged on all checks returned to Carrier by the issuing entity.

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2.7.7 Application of Charges

The charges for service are those in effect for the period that service is furnished. If the charges for a period covered by a bill change after the bill has been rendered, the bill will be adjusted to reflect the new charges.

2.7.8 Customer Complaint Procedure

Carrier will resolve any disputes brought to its attention as promptly and effectively as possible. Customer Service Representatives can be reached via the following 800 telephone number : 1-866-2PRONET (1-866-277-6638)

Any unresolved disputes may be directed to the Illinois Commerce Commission.

In the event of a dispute concerning an invoice, the customer must pay a sum equal to the amount of the undisputed portion on the bill and notify the Company of the disputed portion.

2.8 Carrier Responsibility

2.8.1 Calculation of Credit Allowance

Pursuant to limitations set forth in Section 2.7.4, when service is interrupted the credit allowance will be computed on the following basis:

- A. No credit shall be allowed for an interruption of less than two hours.
- B. The customer shall be credited for an interruption of two hours or major fraction thereof that the interruption continues.
- C. When a minimum usage charge is applicable and the customer fails to meet a usage minimum credit, the outage shall be applied against the minimum equal to 1/630th of the monthly minimum charges associated with the portion of service disabled for each period of two hours or major fraction thereof that the interruption continues.

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2.8.1 Calculation of Credit Allowance (continued)

- D. Customers have up to 60 days (commencing 5 days after remittance of the bill) to initiate a dispute over charges or to receive credits. Carrier will try its best to resolve any disputes properly brought to its attention. Unresolved disputes may be directed to the attention of the Commission.

2.8.2 Cancellation of Credit

Where Carrier cancels a service or the provision of equipment and the final service period is less than the monthly billing period, a credit will be issued for any amounts billed in advance, prorated at 1/30th of the monthly recurring charge for each day the service was rendered or the equipment was provided. This credit will be issued to the customer or applied against the balance remaining on the customer's account.

2.8.3 Disconnection of Service by Carrier

Carrier, upon 5 days written notice to the customer, may discontinue service or cancel an application for service without incurring any liability for any of the following reasons:

- A. Non-payment of any regulated sum due to Carrier for service for more than 20 days beyond the date of rendition of the bill for such service;
- B. A violation of any regulation governing the service under this tariff;
- C. A violation of any law, rule, or regulation of any government authority having jurisdiction over the service; or
- D. Carrier is prohibited from furnishing services by order of a court or other government authority having jurisdiction.

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SECTION 3 - DESCRIPTION OF SERVICE AND RATES3.1 **Timing of Calls**

The customer's monthly usage charges for Carrier service are based upon the total number of minutes the customer uses and service options subscribed to. Chargeable time begins when the connection is established between the calling station and the called station or PBX. Chargeable time ends when either party hangs up.

There are not charges incurred if a call is not completed.

3.2 **Start of Billing**

For billing purposes, the start of service is the day that the Carrier first provides service to the customer. The end of service date is the last day or any portion thereof that service is provided by Carrier after notice of cancellation by customer.

3.3 **Interconnection**

Service furnished by Carrier may be interconnected with services or facilities of other authorized communications common carriers and with private systems, subject to the technical limitations established by Carrier. Service furnished by Carrier is not part of a joint undertaking with any such other carriers. Any special interface equipment of Carrier and other participating carriers shall be provided at the customer's expense.

Interconnection with the facilities or services of other carriers shall be under the applicable terms and conditions of the other carrier's tariffs. The customer is responsible for taking all necessary legal steps for interconnecting his customer-provided terminal equipment or communications systems with Carrier's. The customer shall secure all necessary licenses, permits, right-of-way, and other arrangements necessary for such interconnection.

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3.4 Terminal Equipment

Carrier's service may be used with or terminated in customer provided terminal equipment or customer provided communication systems, such as teleprinters, handsets, or data sets. Such terminal equipment will be furnished and maintained at the expense of the providing customer, except as otherwise agreed in advance and in writing. The customer is responsible for all costs at their premises, including personnel, wiring, electrical power, and the like incurred in the use of the Carrier's service. When such terminal equipment is used, the equipment shall comply with the generally accepted minimum protective criteria of the telecommunications industry.

3.5 Calculation of Distance

Usage charges for all mileage sensitive products are based on the airline distance between rate centers associated with the originating and terminating points of the call.

The airline mileage between rate centers is determined by applying the formula below to the vertical and horizontal coordinates associated with the rate centers involved. The company uses the rate centers and associated vertical and horizontal coordinates that are generally accepted within the telecommunications industry.

Formula :

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

3.6 Minimum Call Completion Rate

The customer can expect a call completion rate of 99% of calls attempted during peak use period for all Feature Group D(1+) services.

3.7 Special Promotions

Carrier may from time to time offer special promotions to customers upon prior notification to Commission of such promotion.

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3.8 Service Offerings

The Company will provide the following services:

3.8.1 Outgoing Message Toll Service (MTS)

Outgoing long distance service whereby the customer accesses the Company's underlying carrier's network on an equal access or dial-up basis.

3.8.2 Inbound Service (800/888/877)

Inbound Service is virtual banded inbound toll service which permits calls to be completed at the subscriber's location without charge to the calling party. Access to the service is gained by dialing a ten-digit telephone number that terminates at the customer's location. Inbound services originate via normal shared use facilities and are terminated via the customer's local exchange service access line.

Carrier will accept a prospective Inbound service customer's request for up to ten (10) telephone numbers and will reserve such number(s) on a first come first serve basis. All requests for number reservations must be made in writing, dated, and no guarantee of the availability of number(s) until assigned. The telephone number(s) so requested, if found to be available, will be reserved for and furnished to the eligible customer.

If a customer who has received a number does not subscribe to the Company's Inbound service within 90 days, the company reserves the right to make the assigned number available for use by another customer.

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3.8.3 Travel Card Services

Allows subscribers who are away from home or office to place calls by gaining access to the Carrier's network via an 8XX number and PIN number issued by the Company.

3.8.4 Directory Assistance

Directory assistance is the provision of listed telephone numbers to requesting customers. The company will provide directory assistance services at a per call charge in accordance with the rules set forth by the Commission.

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SECTION 4 - RATES AND CHARGES4.1 Usage Charges and Billing Increments4.1.1 Usage Charge

Unless flat rated, usage charges are determined by the time of day rate periods and minutes of use within each rate period. The time and day of call origination at the customer's location determines the rate period.

4.1.2 Billing Increments

Usage is billed in the increments set forth in the individual product rate sections.

4.1.3 Call Rounding

All calls are rounded to the next highest increments. The total charge for a fraction of a cent will be rounded to the next highest whole cent.

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4.2 Switched Access Outbound Rates

\$0.079 per minute within the State of Illinois.

Billed in six-second increments with an eighteen -second minimum.

4.3 Inbound 800/888 Rates

\$0.079 per minute within the State of Illinois.

Billed in six-second increments with an eighteen-second minimum.

There is a \$1.00 monthly service charge

4.4 Travel Card Rates

\$0.129 per minute within the continental United States.

Billed in one-minute increments.

4.5 ProNet Outbound Service Plan

4.5.1 ProNet In-State Super Saver Rate & Change:

\$0.069 per minute within the State of Illinois. (Carries a reduced inter-state rate.)

Billed in 6-second increments with a 18-second minimum.

There is a \$3.95 monthly service charge.

4.5.2 ProNet State-to-State Super Saver Rate & Change:

\$0.079 per minute within the State of Illinois. (Carries a deeply discounted interstate rate.)

Billed in 6-second increments with a 18-second minimum.

There is a \$3.95 monthly service charge.

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4.6 Directory Assistance

\$0.85 per call (maximum authorized)

4.7 Late Payment Penalty

Customers will be charged 1.5% (maximum authorized) of any amounts owed to the Company beyond the due date as set forth within this tariff.

4.8 Dishonored Check Charge

Any person submitting a check to the Carrier, as payment for services, which is subsequently returned by the issuing institution shall be charged \$20 (\$20 maximum authorized) per check.

4.9 Special Promotions

Carrier may from time to time offer promotions to customers upon prior notifications to Commission of such promotion

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