

South Dakota
Interexchange Telecommunications Tariff
of
BUSINESS TELECOM, INC.

This tariff contains the descriptions, regulations, and rates applicable to the furnishing of interexchange telecommunications services provided by Business Telecom, Inc. within the State of South Dakota. This tariff is on file with the South Dakota Public Utilities Commission. Copies may be inspected during normal business hours at the Company's principal place of business.

ISSUED: October 11, 1995

EFFECTIVE: December 19, 1995

BY: Anthony M. Copeland, Vice President & General Counsel
Business Telecom, Inc.
4300 Six Forks Road, Suite 500
Raleigh, North Carolina 27609

CHECK SHEET

The pages listed below of this tariff are effective as of the date shown. Revised sheets contain all changes from the original tariff that are in effect as of the date indicated.

PAGE		PAGE		PAGE	PAGE
1		26	*	57	88
2	*	27		58	89
3		28		59	90
4		29		60	91
5		29.1		61	92
6		29.2		62	93
7		30		63	94
8		31		63.1	95
9		32		63.2	96
10		33		64	97
11		34		65	98
12		35		66	99
13		36		67	100
14		37		68	
15		38		69	
16		39		70	
17		40		71	
17.1		41		72	
18		42		73	
19		43		74	
20		44		75	
21		45		76	
22		46		77	
23		47		78	
24		48		79	
24.1		49		80	
24.2		50		81	
24.3		51		82	
24.4		52		83	
24.5		53		84	
24.6		54		85	
24.7		55		86	
25	*	56		87	

TABLE OF CONTENTS

Title Page 1

Check Sheet 2

Table of Contents 3

Explanation of Symbols 4

Application of Tariff 5

Service Area Map 5

Definitions 7

Rules and Regulations..... 9

Service Description..... 25

Rates..... 29

Grandfathered Services 87

Miscellaneous Services 100 (N)

EXPLANATION OF SYMBOLS

- (C)** To signify changed listing, rule, or condition which may affect rates or charges.
- (D)** To signify discontinued material, including listing, rate, rule, or condition.
- (I)** To signify an increase.
- (M)** To signify material relocated from or to another part of tariff schedule with no change in text, rate, rule or condition.
- (N)** To signify new material including listing, rate, rule or condition.
- (R)** To signify reduction.
- (S)** To signify reissued material.
- (T)** To signify change in wording of text but not change in rate, rule, or condition.

ISSUED: October 11, 1995

EFFECTIVE: December 19, 1995

BY: Anthony M. Copeland, Vice President & General Counsel
Business Telecom, Inc.
4300 Six Forks Road, Suite 500
Raleigh, North Carolina 27609

APPLICATION OF TARIFF

This tariff contains the regulations and rates applicable to the furnishing of intrastate resale common carrier communications services by Business Telecom, Inc. within the State of South Dakota.

SERVICE AREA MAP

Business Telecom, Inc. will provide intrastate service throughout the State of South Dakota.

ISSUED: October 11, 1995

EFFECTIVE: December 19, 1995

BY: Anthony M. Copeland, Vice President & General Counsel
Business Telecom, Inc.
4300 Six Forks Road, Suite 500
Raleigh, North Carolina 27609

TARIFF FORMAT

A. Page Numbering - Sheet numbers appear in the upper right corner of the page. Sheets are numbered sequentially. However, new sheets are occasionally added to the tariff. When a new sheet is added between sheets already in effect, a decimal is added. For example, a new sheet added between sheets 14 and 15 would be 14.1.

B. Page Revision Numbers - Revision numbers also appear in the upper right corner of each page. These numbers are used to determine the most current sheet version on file with the Commission. For example, the 4th revised Sheet 14 cancels the 3rd revised Sheet 14. Because of various suspension periods, deferrals, etc., the most current sheet number on file with the Commission is not always the tariff page in effect. Consult the Check Sheet for the sheet currently in effect.

C. Paragraph Numbering Sequence - There are nine levels of paragraph coding. Each level of coding is subservient to its next higher level:

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

ISSUED: October 11, 1995

EFFECTIVE: December 19, 1995

BY: Anthony M. Copeland, Vice President & General Counsel
Business Telecom, Inc.
4300 Six Forks Road, Suite 500
Raleigh, North Carolina 27609

SECTION 1 - DEFINITIONS

Access Number This is the telephone number which a Customer uses to access Company's computer in order to be connected to Company's system.

Association Discount An additional discount provided to a trade association representing business entities or individuals within an industry, professional or business classification, or a commercial organization with affiliated franchises, independent agents, distributors, or multiple commercial representatives or a buying group not organized solely for the purposes of qualifying for the discounts provided for herein to commercial associations.

Authorized User A person, firm, corporation or other legal entity which is authorized by the Customer to utilize or be connected to the service of the Customer. An authorized user is other than an employee, officer or director of Customer if Customer is a company, and other than a family member of person residing with Customer if Customer is a residential user. Customer is responsible for all charges incurred by Authorized Users.

Commission Refers to South Dakota Public Utilities Commission.

(N)

Company Business Telecom, Inc., 4300 Six Forks Road, Raleigh, North Carolina, 27609, a North Carolina corporation.

Customer The natural person or legal entity which orders Service and is responsible for the payment of charges accruing as a result of using the Service. Customers are divided into commercial and residential classes, but only for accounting purposes.

Customer Identification Number A numerical code which is assigned to each Customer to enable the Customer to access Company's Service. A Customer with several Authorized Users may have several different numerical codes. Customer Identification Numbers are used by the Company both to prevent unauthorized access to the Service and to identify Customers for billing purposes.

Facilities Company's facilities consist of facilities which Company leases and for which Company renders a bill for payment to its Customers, whether or not such Facilities are actually owned by Company. Company's Facilities also include the computerized switching equipment which is used by Company to connect Customer's local call to a facility provided by an underlying facilities-based long distance Carrier over whose circuits the Customer's call is routed.

ISSUED: October 29, 2002

EFFECTIVE: October 30, 2002

BY: Director of Regulatory Affairs
Business Telecom, Inc.
4300 Six Forks Road
Raleigh, North Carolina 27609

SDo0201

SECTION 1 - DEFINITIONS, (CONT'D.)

Itemized Billing A billing report which indicates the telephone number to which calls are made and the duration of each call.

Intrastate Calls which originate and terminate between any two points in Delaware.

Management Report A billing report which assists management in monitoring calls made by Authorized Users by listing calls by Customer Identification Numbers and Project Codes.

Mileage In calculating rates based on mileage, the measurement of distance is the air miles between the offices of the local telephone companies which originate and terminate the calls.

Project Codes A number sequence which is dialed after the Customer Identification Number which is used by Customer to identify to which project or client a call should be billed.

Special Service Labor and expenditures required by Customer to provide service outside the scope of normal services. This class of service includes without limitation services whereby Company is required to incur unusual costs for engineering, purchases, labor or other related costs to provide the Customer-requested service.

Speed Numbers Telephone numbers stored in Company's switch allow Customer, after accessing the switch, to push a limited number of buttons on its phone and have the switch dial the requested stored phone number, eliminating extra digit dialing for Customer.

ISSUED: October 11, 1995

EFFECTIVE: December 19, 1995

BY: Anthony M. Copeland, Vice President & General Counsel
Business Telecom, Inc.
4300 Six Forks Road, Suite 500
Raleigh, North Carolina 27609

SECTION 2 - RULES AND REGULATIONS

2.1 Undertaking of BTI

(T)

This tariff contains the regulations and charges applicable to direct-dialed and operator-assisted intrastate resale common carrier communications services provided by BTI between points within the state of South Dakota. Operator-assisted services are furnished subject to the availability of facilities and subject to the terms and conditions of this tariff.

BTI installs, operates, and maintains the communication services provided hereinunder in accordance with the terms and conditions set forth under this Tariff. It may act as the Customer's agent for ordering access connection facilities provided by the local exchange company when authorized by the Customer, to allow connection of a Customer's location to the BTI network. The Customer shall be responsible for all charges due for such service arrangement.

The Company's services are provided on a monthly basis unless ordered on a longer term basis, and are available twenty-four hours per day, seven days per week.

(T)

2.2 Use of Service

(T)

The Services may be used for any lawful purpose consistent with the transmission and switching parameters and rules of the facilities utilized in the provision of Service. The Customer shall not make use of the Services or underlying network:

- (A) in any way which might reasonably be expected to frighten, abuse, torment, or harass another;
- (B) for any purpose in violation of the law;
- (C) in such a manner as to unreasonably interfere with the use of the Service by any of the Company's customers; and/or

(T)

Material originally found on this page can now be found on Page 12.

ISSUED: December 6, 2002

EFFECTIVE: December 9, 2002

BY: Director of Regulatory Affairs
Business Telecom, Inc.
4300 Six Forks Road
Raleigh, North Carolina 27609

SDo0202

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.2 Use of Service, (Cont'd.)

(M,T)

(D) to transmit any material which, in the Company's sole discretion

- (1)** violates any U.S. or state regulation, including material which infringes another's intellectual property rights,
- (2)** is threatening or obscene, libelous, defamatory or violates any right of privacy of another,
- (3)** is discriminatory or otherwise offensive.

2.3 Facilities Used in Provision of Service

(M,T)
(M,N)

2.3.1 The Service is subject to the availability of suitable facilities.

2.3.2 The Customer must obtain an adequate number of access lines for toll free Service to meet expected demand.

2.3.3 The Customer shall provide for the proper installation, operation and maintenance of the Customer's equipment used in connection with the Service and shall ensure that such equipment is technically and operationally compatible with the Service and in compliance with all FCC rules and regulations.

2.3.4 The Company may substitute, change or rearrange any equipment, facility or system used in providing Service at any time.

2.3.5 The Company will deliver the Service(s) to the Customer to the physical address set forth on an order for the Service(s) and terminate such Service(s) at the recognized point of demarcation. The point of demarcation shall be the point where the Company's facilities end and the Customer's premises wiring begins. The Company is not responsible for the Customer's premises wiring beyond the point of demarcation.

(M,N)

ISSUED: December 6, 2002

EFFECTIVE: December 9, 2002

BY: Director of Regulatory Affairs
Business Telecom, Inc.
4300 Six Forks Road
Raleigh, North Carolina 27609

SDo0202

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.5 Limitations

(M,T)

2.5.1 Service is offered subject to the provisions of this tariff.

2.5.2 The Company's liability hereunder shall be limited to credit allowances for service outages as set forth in 2.10.4 of this tariff. In no event shall the Company be liable to customer or any third party for any consequential, indirect, special, incidental, punitive or similar damages, including without limitation, any loss of profit or revenue arising from or related in any manner to service outages whether or not the Company is aware of the possibility of such damages.

2.5.3 Except as set forth in this Tariff, the Company makes no other, and expressly disclaims all, warranties or representations, either express or implied, concerning the service or any content received via the service and expressly disclaims warranties of fitness for a particular use or purpose, the warranty of merchantability and any other warranty implied by law.

2.5.4 The foregoing limitations shall include, but are not limited to:

- (A)** availability or performance of any systems or related facilities under the control of or provided by other entities, even if the Company acted as agent in arranging such facilities or service;
- (B)** content of information passing through its network, including the accuracy or quality of such information;
- (C)** unlawful or unauthorized use of the Company's facilities or Service;

(M,T)

Material on this page was originally found on Page 10.

Material originally found on this page can now be found on Page 14.

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.5 Limitations, (Cont'd.)

(T)

2.5.4 (cont'd.)

- (D) breach of the privacy or security of communications transmitted over the Company's facilities;
- (E) changes in any of the facilities, operations or procedures of the Customer that render any equipment, facilities or service provided by the Company obsolete or require modification or alteration of such equipment, facilities or service or otherwise affect its use or performance;
- (F) any intentional, wrongful act of a the Company employee when such act is not within the scope of the employee's responsibilities for the Company and/or is not authorized by the Company.
- (G) any representations made by the Company employees that do not comport or are inconsistent with the provisions herein;
- (H) any non-completion of calls due to network busy conditions; and
- (I) any calls not actually attempted to be completed during any period that Service is unavailable.

The Company's entire liability for any claims, loss, damages or expenses from any cause whatsoever shall not exceed the sums actually paid to the Company by the Customer for the Service giving rise to the claim.

(T)

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.6 Indemnification

(M,T)

Claims against the Company, its directors, officers, employees, representatives and agents who will be held harmless from any and all claims, demands, activities, suits, actions, losses, costs, damages, liabilities, expenses (including court costs, expenses and attorneys' fees) ("Claims") incurred by the Company that arise from or incident to any act, negligence or omission on the part of the Customer with respect to the Customer's duties hereunder or any conduct of the Customer or employee or representative of the Customer outside the scope of the Customer's Agreement with the Company and/or this Tariff. The Company shall be indemnified and held harmless by the Customer as a result of:

2.6.1 Claims for slander, defamation, invasion of privacy; infringement of copyright or patent; unauthorized use of any trademark, tradename, or service mark; unfair competition; interference with contract, proprietary or creative right; or any other injury to any person, property or entity arising from the material, data, information or content revealed to, or transmitted, processed, handled, or used by, Company under this Tariff.

2.6.2 Claims for damage to an Authorized User's or third party's premises resulting from furnishing service by Company when the damage is not a result of the negligent or willful acts of Company.

2.6.3 Claims resulting from an act or omission of Customer or Authorized Users.

(M,T)

Material on this page was originally found on Page 12, 13 & 14.

ISSUED: December 6, 2002

EFFECTIVE: December 9, 2002

BY: Director of Regulatory Affairs
Business Telecom, Inc.
4300 Six Forks Road
Raleigh, North Carolina 27609

SDo0202

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.7 Payment Arrangements

(T)

2.7.1 Payment for Service

- (A)** The requirements listed below apply to all Customers of the Company. See Section 2.7.3 for special payment arrangements applicable to Residential and Student Customers.
- (B)** The Customer is responsible for payment of all Services and facilities, including, calls or Service originated at the Customer's number(s), originated by use of calling cards or the Company assigned special billing numbers, and for all installation charges, special charges and surcharges, recurring monthly fees assessed by authorized regulatory agencies or third parties from whom the Company obtains facilities to provide the Services, and all excise, sales, use or similar taxes imposed by any local, state or federal government, including assessments for government-initiated social objectives.
- (C)** The Customer shall not attempt to avoid payment by fraudulent means or devices, schemes, false or invalid numbers, or false calling or credit cards, including, but not limited to, rearranging, tampering with, or making connections not authorized by the Company to any Service or component used to furnish Service, or using Toll Free Service with the intent of gaining access to a the Customer's outbound calling capabilities on an unauthorized basis.
- (D)** The Customer shall render payment in the amount of and on or before the date stated on the invoice.
- (E)** The Company's sole liability with respect to the Customer's overpayment, for whatever reason, is limited to a credit in the amount of the overpayment.

(T)

ISSUED: December 6, 2002

EFFECTIVE: December 9, 2002

BY: Director of Regulatory Affairs
Business Telecom, Inc.
4300 Six Forks Road
Raleigh, North Carolina 27609

SDo0202

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.7 Payment Arrangements, (Cont'd.)

(T)

2.7.1 Payment for Service, (cont'd.)

(F) If the Customer pays via bank draft or credit card draft, the Customer's account will be drafted within 14 days after the conclusion of the billing cycle for the full amount due. In order to cancel a bank draft or credit card draft written notification must be received by the Company at least ten (10) business days prior to the conclusion of the Customer's current billing cycle. Upon receipt of notice to cancel a bank draft or credit card draft, the Customer permits the Company to make all credit inquiries necessary to make a determination regarding the extension of credit terms to the Customer and the Company reserves its right to require security deposits pursuant to Section 2.8.

2.7.2 Billing and Collection of Charges

The Customer is responsible for payment of all charges incurred by the Customer or other users for services and facilities furnished to the Customer by the Company.

- (A) When billing is based upon Customer usage, usage charges will be billed monthly for the preceding billing period.
- (B) 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 thirty (30) days.

(T)

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.7 Payment Arrangements, (Cont'd.)

2.7.2 Billing and Collection of Charges, (cont'd.)

(C) The Customer must notify the Company of any disputed items on an invoice within sixty (60) days of the date of the invoice. If the Customer does not provide written notice to the Company of a dispute with respect to the amounts invoiced within sixty (60) days of the date of the invoice, the invoice shall be deemed correct and binding on the Customer for all purposes.

(D) If the Customer and the Company are unable to resolve the dispute to their mutual satisfaction, the Customer may file a complaint with the South Carolina Public Service Commission in accordance with the Commission's rules of procedure.

South Dakota Public Utilities Commission
500 East Capitol
Pierre, South Dakota, 57501-5070
Toll Free: (800) 332 - 1782

(E) Billing of the Customer by the Company will begin on the Service Commencement Date, which is the day 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.

(F) If any portion of the payment is not received by the Company by the due date printed on the invoice, or if any portion of the payment is received by the Company in funds that are not immediately available upon presentment, then a late payment charge of 1.0% per month for residential Customers and 1.5% per month for business Customers per month shall be due to the Company. A late payment charge is not applicable to subsequent rebilling of any amount to which a late payment charge has already been applied. Late payment charges are to be applied without discrimination.

(G) Duplicate Bills

A Duplicate Bill Charge will be applied upon a Customer's request for a duplicate copy of the telephone bill. The Company will assess this charge based on an individual case basis (ICB). Requests for duplicate bills can be made either verbally or in writing.

(N)
|
|
|
|
(N)

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.7 Payment Arrangements, (Cont'd.)

(M,T)

2.7.3 Special Billing Arrangements for Residential and Student Customers

Residential Customers shall render payment by using one of BTI's Preferred Payment Methods. Customers that do not utilize a Preferred Payment Method shall bear a monthly processing fee at the lesser of \$5.00 or the maximum rate permitted by law. Students shall render payment by using one of BTI's Required Payment Methods below:

(A) Preferred Payment Methods for Residential Accounts:

- (1) Automatic Bank Draft – Payment on account is automatically charged to Customer's chosen bank account on or before Day 24 after the date of the invoice.
- (2) Automatic Credit Card Payment – Payment on account is automatically charged to Customer's chosen credit card on or before Day 24 after the date of invoice.
- (3) Electronic Payment – Payment on account is made by the Customer through the BTI Electronic Payment System on or before Day 24 after the date of the invoice.

(B) Required Payment Methods for Student Accounts:

- (1) Automatic Bank Draft – Payment on account is automatically charged to Customer's chosen bank account on or before Day 24 after the date of invoice.
- (2) Automatic Credit Card Payment – Payment on account is automatically charged to Customer's chosen credit card on or before Day 24 after the date of invoice.

(M,T)

Material on this page was originally found on Page 17.

Material originally found on this page can now be found on Page 18.

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.8 Deposits/Advance Payments

(M,T)

2.8.1 Customers unable to establish or maintain their credit worthiness will be required to furnish a deposit or advance payment in an amount up to the maximum allowed by law for Service.

2.8.2 The Company reserves the right to periodically review the Customer's credit worthiness and credit terms.

2.8.3 The Company also reserves the right to change credit terms and conditions based on the Customer's payment history and credit worthiness.

2.8.4 If no maximum deposit has been established by law, the Customer will be required to furnish a deposit or advance payment in an amount based upon two (2) month's estimated usage.

2.8.5 The Company will pay interest on such deposit or advance payment at the rate established by the South Dakota Public Utilities Commission.

2.8.6 The establishment of credit shall be governed by the rules and regulations of the South Dakota Public Utilities Commission.

(M,T)

Material on this page was originally found on Page 17.1.

Material originally found on this page can now be found on Page 24.6.

ISSUED: December 6, 2002

EFFECTIVE: December 9, 2002

BY: Director of Regulatory Affairs
Business Telecom, Inc.
4300 Six Forks Road
Raleigh, North Carolina 27609

SDo0202

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.9 Service Changes

(D,N)

If the Customer requests to move the location to which the Company provides Service and/or requests changes to an existing Service provided by the Company, the Company will provide Service to the new location and/or accommodate the change in Service to the extent it is technically and economically feasible to do so, as determined in the sole discretion of the Company. In the event of a move of the location to which the Company provides Service, one or more of the following charges may apply:

2.9.1 installation charges for the service provided at the new location;

2.9.2 any out of pocket costs incurred by the Company as a result of the termination of the Services(s) either as a result of a move or a change; and/or

2.9.3 any increase in rates allowed by applicable law.

In addition, the Company may require the Customer to sign a new Term Plan Agreement for Service in the new location.

(D,N)

ISSUED: December 6, 2002

EFFECTIVE: December 9, 2002

BY: Director of Regulatory Affairs
Business Telecom, Inc.
4300 Six Forks Road
Raleigh, North Carolina 27609

SDo0202

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.10 Interruption of Service

(M,T)

2.10.1 The Customer shall notify the Company immediately in the event of any interruption in Service and shall assist the Company in restoring the Service. The Customer shall notify the Company immediately of its desire to receive a credit allowance for such interruption.

2.10.2 No credit shall be allowed for interruptions that result from the Customer's fault or the Company's testing or regularly scheduled maintenance or for any reason that constitutes Force Majeure as defined in Section 2.15.

2.10.3 For purposes of credit computation, every month shall be considered to have 720 hours.

2.10.4 No credit shall be allowed for an interruption of a continuous duration of less than two (2) hours.

2.10.5 The Customer shall be credited for an interruption of two (2) hours or more at the rate of 1/720th of the monthly charge for the facilities affected for each hour that the interruption continues.

2.10.6 This credit applies only to monthly recurring charges and does not affect any charges based upon the Customer's actual usage of the Service(s). This credit applies against future service only and shall not reduce the amount of any outstanding balance. All limitations of liability shall apply to the total of all credits issued.

$$\text{Credit} = \frac{A}{720} \times B$$

"A" = Outage time in hours.

"B" = Total monthly fixed, non-usage sensitive charge for affected facility.

(M,T)

Material on this page was originally found on Page 21.

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.11 Term Plan Agreements

(M,T)

The initial term of the Term Plan Agreement shall be set forth on such Term Plan Agreement. Upon expiration of the Initial Term, the Term Plan Agreement shall automatically renew on the same terms and conditions (including, without limitation, the rates) for successive one (1) year terms unless either party notifies the other of its intention to terminate the Term Plan Agreement at the end of the initial term or renewal term, as the case may be, which such notice shall be in writing and provided to the other party at least sixty (60) days prior to the expiration of the initial term or the renewal term, as the case may be. In the event of such notice, the Term Plan Agreement shall terminate upon the expiration of the initial term or renewal term, as the case may be. The notice must be in the form of a letter, facsimile or e-mail. The Customer shall notify the Company in writing if the Customer contact person is changed. The Company reserves the right to reject any Customer termination request received from any person other than the designated Customer contact person.

2.12 Refusal of Service

The following may not constitute cause for refusal of service to a present or prospective customer:

- (A) failure of a prior customer to pay for service at the premises to be serviced;
- (B) failure to pay for a different class of service for a different entity;
- (C) failure to pay directory advertising charges.

(M,T)

Material on this page was originally found on Page 22.

Material originally found on this page can now be found on Page 20.

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.13 Cancellation of Service

(T)

2.13.1 If the Customer cancels or terminates an order prior to the installation of Services, the Company shall invoice the Customer and the Customer shall pay to the Company the following: (i) all standard installation charges; and (ii) all costs incurred by the Company in connection with such order, including, without limitation, installation and other costs incurred with third parties with respect to such cancelled Service and labor costs for work performed by the Company employees with respect to such order.

(T)

2.13.2 Cancellation by the Customer without Cause

(M,T)

The Customer's rates and discounts, if any, are provided to the Customer in exchange for the Customer's commitment to obtain the Services for the agreed upon term of the Term Plan Agreement. If the Customer terminates all or any part of the Services obtained under the Term Plan Agreement prior to the expiration of the Initial Term or any Renewal Term then in effect for any reason other than Cause (as set forth in the following 2.13.3 below, then, in addition to payment for all Services rendered through the effective termination date, the Customer shall be liable to the Company for liquidated damages, and not as a penalty, an amount equal to the sum of all of the following that apply to the Service(s) terminated by the Customer;

(A) if the Service terminated is switched long distance, a charge equal to the greater of the following:

(1) 100% of the minimum monthly usage commitment, if any, multiplied by the number of months remaining in the Initial Term or the Renewal Term then in effect; or

(2) the average of the highest three (3) months billed usage since the beginning of the Term Plan Agreement multiplied by the number of months remaining in the Initial Term or the Renewal Term then in effect.

(M,T)

Material originally found on this page can now be found on Page 21.

ISSUED: December 6, 2002

EFFECTIVE: December 9, 2002

BY: Director of Regulatory Affairs
Business Telecom, Inc.
4300 Six Forks Road
Raleigh, North Carolina 27609

SDo0202

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.13 Cancellation of Service, (Cont'd.)

(T)

2.13.2 Cancellation by the Customer without Cause, (continued)

- (B) for each other Service that is terminated, a charge equal to the greater of the following:
 - (1) 100% of the sum of the minimum monthly usage commitment, if any, and any monthly recurring charge applicable to the Service terminated, multiplied by the number of months remaining in the Initial Term or the Renewal Term then in effect; or
 - (2) the average of the highest three (3) months billed for such terminated Service (including, without limitation, any monthly recurring charge applicable to such Service) since the beginning of the Term Plan Agreement multiplied by the number of months remaining in the Initial Term or the Renewal Term then in effect;
- (C) a charge equal to the total costs and expenses incurred by the Company in connection with installing, providing and removing a Service, including any early termination or cancellation charges incurred by the Company from third parties on the Customer's behalf. In addition, the Company shall be entitled to the cost of collection of the forgoing amounts including, without limitation, court costs, reasonable attorney's fees and interest on past due amounts.

Where the Customer received reduced rates or a discount because the Customer subscribed to more than one Service, the Customer's termination of one Service may result in the forfeiture of the Customer's reduced rates or discount for that Service or Services that are not terminated, and the Customer shall be liable to the Company for the amount of discount received by the Customer for the period from the beginning of the term of the Agreement for such Services up to and including the effective date of the termination of the Service or Services terminated.

(T)

ISSUED: December 6, 2002

EFFECTIVE: December 9, 2002

BY: Director of Regulatory Affairs
 Business Telecom, Inc.
 4300 Six Forks Road
 Raleigh, North Carolina 27609

SDo0202

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.13 Cancellation of Service, (Cont'd.)

(M,T)

2.13.3 Cancellation by the Customer with Cause

A customer may have his service disconnected upon written notice to Carrier. The Carrier will hold the customer responsible for payment of all bills for service furnished until the cancellation date specified by the customer or until the date written cancellation notice is received, whichever is later. The Customer must provide 60 days written notice of cancellation in advance.

(M,T)

In the event (i) the Company fails to substantially cure any material default or failure of performance within thirty (30) days after the Company's receipt of the Customer's written notice describing with reasonable specificity such alleged material default or failure of performance, or (ii) if such default cannot be cured within such thirty (30) day period and the Company does within such thirty (30) day period commence such acts as shall be reasonably necessary to substantially cure the default and/or does not diligently complete such acts within a reasonable time, the Customer may terminate the Service(s) for Cause by giving the Company a written notice of termination within fifteen (15) days after the expiration of said thirty (30) day period or such reasonable time period in the event of (ii), above. If the Customer is receiving multiple types of Services, or receiving Services at multiple locations, the Customer's right to terminate Service(s) as set forth in this section shall be limited to termination of the affected Service(s) only or at the affected location(s) only.

(T)

(T)

Material originally found on this page can now be found on Page 24.5.

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.13 Cancellation of Service, (Cont'd.)

(N)

2.13.4 Cancellation by the Company

(A) Upon such notice as is required by the governing regulatory body (or if no such notice is required, upon forty-eight (48) hours notice), the Company may refuse, terminate, discontinue or limit the use of Service (either temporarily or permanently) to the Customer or withhold the provision of ordered or contracted Service, without liability to the Customer:

- (1) if any balance is past due;
- (2) if the Customer exceeds its credit limit and does not cure within the applicable notice period referenced above in this section after receipt of such notice, which such notice may be by phone, mail, fax or e-mail;
- (3) when necessitated by conditions beyond the Company's control;

(N)

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.13 Cancellation of Service, (Cont'd.)

(N)

2.13.4 Cancellation by the Company, (cont'd.)

(A) (continued)

- (4)** for violation of any of the provisions contained in this tariff and/or the Customer's Agreement with the Company, including the Terms and Conditions;
- (5)** for violation of any law, rule, regulation or policy of any governing authority having jurisdiction over the Service; or
- (6)** by reason of any order or decision of a court, public service commission or federal regulatory body or other governing authority prohibiting the Company from furnishing the Service.

(B) In addition, the Company may immediately and without notice terminate and/or block Services without incurring liability to the Customer for the following reasons:

- (1)** fraud committed by the Customer or a user of the Customer's Service;
- (2)** if the Customer refuses to furnish information or furnishes false information essential for billing by the Company or for the Company's determination of the Customer's credit worthiness;
- (3)** the Customer indicates that the Customer will not comply with a request from the Company for security for the payment of Services;
- (4)** the Customer has received notice of cancellation from the Customer's local Service provider; or

(N)

ISSUED: December 6, 2002

EFFECTIVE: December 9, 2002

BY: Director of Regulatory Affairs
Business Telecom, Inc.
4300 Six Forks Road
Raleigh, North Carolina 27609

SDo0202

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.13 Cancellation of Service, (Cont'd.)

(N)

2.13.4 Cancellation by the Company, (cont'd.)

(B) (continued)

(5) the Customer's usage exceeds parameters based on historical usage by the Customer.

In the event the Company permanently terminates Service to the Customer under this section, any agreement between the Customer and the Company, including Terms and Conditions, shall terminate. The Customer shall be liable for all liquidated damages as set forth in Section 2.13.2 for all Services terminated under this Section.

2.13.5 Cancellation as a result of a change in local service provider

The Customer shall notify the Company if the Customer changes its local service provider for any reason, including, without limitation, as a result of a change in physical location. If the Customer obtains only long distance service from the Company, upon a change of local service provider by the Customer, the Company reserves the right to terminate long distance service to the Customer upon thirty (30) days written notice to the Customer. In the event the Company exercises its right to terminate long distance service to the Customer because the Customer changes its local service provider, the Customer shall be liable to the Company only for payment of long distance service provided up to and including the effective date of termination of such long distance service and shall not be liable for any liquidated damages with respect to such long distance service only.

2.13.6 Final Invoice

Upon termination, the Company shall forward a final invoice to the Customer, which such invoice will include, without limitation, all charges (including, without limitation, recurring charges) incurred up to the effective termination date and all applicable liquidated damages.

(N)

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.13 Cancellation of Service, (Cont'd.)

(N)

2.13.7 Company Contact Information for Cancellation

The Customer shall use the following addresses for cancellation and disconnect requests only:

- (A) FAX – 800-292-1057
- (B) Email – SEDR@bti.com
- (C) US Mail – Business Telecom, Inc., SE Order Group, 4300 Six Forks Road, Raleigh, NC 27609
- (D) Such request shall include all of the following that apply:
 - (1) an itemized list of the Service(s) that Customer wishes to disconnect;
 - (2) the Customer’s account number;
 - (3) affected circuit ID’s;
 - (4) affected telephone numbers; and,
 - (5) the Customer contact information (i.e., name, address, telephone number, fax number, and email address.

(N)

ISSUED: December 6, 2002

EFFECTIVE: December 9, 2002

BY: Director of Regulatory Affairs
Business Telecom, Inc.
4300 Six Forks Road
Raleigh, North Carolina 27609

SDo0202

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.14 Restoration of Service

(M,T)

2.14.1 Service suspended by the Company and later restored, will be subject to a \$50.00 reconnection fee. Service disconnected by the Company and later re-installed, will be subject to all applicable installation charges, and the Customer will pay such charges prior to reinstallation of service.

2.14.2 The use and restoration of certain telecommunications services in emergencies shall be in accordance with the priority system specified in Part 64, Subpart D of the Rules and Regulations of the Federal Communications Commission.

(M,T)

2.15 Force Majeure

(N)

The Company's performance hereunder shall be excused in the event of any delay or failure of performance or equipment due to causes beyond the Company's control, including, but not limited to, acts of God, fires, floods, earthquakes, hurricanes, or other catastrophes, national emergencies, insurrections, riots, wars, or other civil commotions, strikes, lockouts, work stoppages or other labor difficulties, criminal actions taken against the Company, cable cuts, unavailability, failure, interruption or capacity limitations of telecommunications facilities or transmission links (digital or analog) and any law, order, regulation or other action of any governing authority or agency thereof.

2.16 Disconnection of Existing Service(s) and Vendor Change(s)

The Customer is responsible for disconnection of services with the Customer's existing telecommunications provider. The Company is not responsible for any fees or other charges assessed against the Customer by the Customer's existing provider for termination of service obtained from such provider or the Customer's failure to terminate services with such provider. In addition, the Customer is responsible for all charges assessed by the Customer's phone system vendor and other third parties incurred in connection with the installation or alteration of the Company Services.

(N)

Material on this page was originally found on Page 24.

ISSUED: December 6, 2002

EFFECTIVE: December 9, 2002

BY: Director of Regulatory Affairs
Business Telecom, Inc.
4300 Six Forks Road
Raleigh, North Carolina 27609

SD0202

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.17 Assignments

The Customer may not transfer or assign the Customer's Agreement with the Company, including the Terms and Conditions, or use of any of the Services (including resale and subtending of Internet service) without the written consent of the Company, which such consent shall be at the sole and absolute discretion of the Company. All regulations and conditions contained in this Tariff shall be binding on the Customer and his/her respective personal and legal representatives, successors and permitted assigns.

2.18 Special Service

Labor and expenditures required by Customer to provide service outside the scope of normal services. This class of service includes, without limitation, services whereby Company is required to incur unusual costs for engineering, purchases, labor or other related costs to provide the Customer-requested service.

2.19 Modification

Company reserves the right to modify its rates and service policies at any time, subject to approval of the Commission and compliance with applicable notification requirements.

2.20 Taxes and Other Charges

All state and local taxes (i.e., gross receipts tax, sales tax, municipal and county utilities tax) are listed as separate line items, are not included in the quoted rates, and are the responsibility of the Customer. The Customer is also responsible for the payment of any use, excise, access, franchise and license fees or other local, state and federal taxes, charges or surcharges (however designated) excluding taxes on the Company's net income, imposed on or based upon the provision, sale or use of services. Any taxes imposed by a local jurisdiction will only be recovered from those Customers located in the affected jurisdiction. It shall be the responsibility of the Customer to pay any such taxes that subsequently become applicable retroactively.

(T)
|
|
|
|
|
|
|
(T)

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.21 Designation of Company Contact

The Customer is required to designate a contact person to the Company who is empowered to transact all correspondence with the Company regarding the Customer's account. Specifically, the Customer Contact will be responsible for corresponding with the Company on all moves, adds, changes, disputes and cancellation requests. The Company will neither accept nor be bound by any request not submitted by the specified Company Contact. Any change by the Customer pertaining to the Company Contact must be provided to the Company in either written or verbal format.

2.22 Payphone Surcharge

In order to recover the Company's expenses to comply with the FCC's pay telephone compensation plan effective on October 7, 1997 (FCC 97-371) and amended by Report and Order released August 12, 2004 (FCC 04-182), an undiscountable per call charge is applicable to all interstate, intrastate and international calls that originate from any domestic pay telephone used to access the Company's services. The Public Pay Telephone Surcharge, which is in addition to standard rates, terms and pricing guide usage charges and any applicable service charges and surcharges associated with the Company's service, applies for the use of the instrument used to access the Company service and is unrelated to the Company's service accessed from the pay telephone.

Pay telephones include coin-operated and coinless phones owned by local telephone companies, independent companies and other interexchange carriers. The Public Pay Telephone Surcharge applies to the initial completed call and any reoriginated call (i.e., using the "#" symbol).

Whenever possible, the Public Pay Telephone Surcharge will appear on the same invoice containing the usage charges for the surcharged call. In cases where proper pay telephone coding digits are not transmitted to the Company prior to completion of a call, the Public Pay Telephone Surcharge may be billed on a subsequent invoice after the Company has obtained information from a carrier that the originating station is an eligible pay telephone.

The Public Pay Telephone Surcharge does not apply to calls placed from pay telephones at which the Customer pays for service by inserting coins during the progress of the call.

Rate per Call \$0.60

(N)

(N)

ISSUED: October 5, 2004

EFFECTIVE: October 6, 2004

BY: Senior Manager – Regulatory Attorney (256) 382-3900 (T)
Business Telecom, Inc.
7037 Old Madison Pike, Suite 400 (T)
Huntsville, Alabama 35806 (T)

ISSUED: October 5, 2004

EFFECTIVE: October 6, 2004

BY: Senior Manager – Regulatory Attorney (256) 382-3900 (T)
Business Telecom, Inc.
7037 Old Madison Pike, Suite 400 (T)
Huntsville, Alabama 35806 (T)

SECTION 3 - SERVICE DESCRIPTIONS AND RATES

3.1 General

BTI provides direct dialed, travel card and operator assisted long distance telecommunications services originating and terminating within the State of South Dakota. Rates for these services may vary by product type, call duration, mileage and time of day. All BTI services are available 24 hours a day, seven days a week.

3.2 Timing of Calls

Long distance charges are based on the actual usage of BTI's network. Chargeable time begins when the called party answers, or when the billed party of a collect or person call accepts the charges. Chargeable time ends when either party disconnects.

Minimum call durations and rounding of usage measurements for billing purposes are specified in Section 4 of this tariff for each service provided by the Company.

Computation of Charges

If the computed charges include a fraction of a cent, the fraction is rounded up to the next whole cent (for example, \$1.523 would round up to \$1.53) on a per call basis.

(I)
|
(I)

There is no billing applied for incomplete calls.

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

Times	Mon	Tues	Wed	Thur	Fri	Sat	Sun
8:00 am to 5:00 pm	Daytime Period						
5:00 pm to 11:00 pm	Evening Period						Eve.
11:00 pm to 8:00 am	Night/Weekend Period						

The appropriate rates apply for Peak and Non-Peak calls based on the following chart.

Times	Mon	Tues	Wed	Thur	Fri	Sat	Sun
8:00 am to 5:00 pm	Peak Period						
5:00 pm to 8:00 am	Non-Peak Period						

* - to but not including

Material previously appearing on this page was moved to Page 26.

(M)

SECTION 3 - SERVICE AND RATE DESCRIPTION, (CONT'D.)

3.2 Timing of Calls (continued)

(M)

The evening rates apply to the holidays listed below unless a lower rate normally applies:

- New Year's Day January 1
- Memorial Day Nationally Recognized Day
- Independence Day July 4
- Thanksgiving Day Nationally Recognized Day
- Christmas Day December 25

(M)

3.3 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 produced by Bell Communications Research in the NPA-NXX V & H Coordinates Tape and Bell's NECA Tariff No. 4.

FORMULA=

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

Material now appearing on this page was moved from Page 25.

SECTION 3 - SERVICE AND RATE DESCRIPTION, (CONT'D.)

3.4 BTI One Plus Services

BTI One Plus Services are available for business and residential Customers who; 1) subscribe their local access lines to BTI's network, 2) dial the Company's access code to gain access to the BTI network, or 3) purchase dedicated access facilities from other service providers to connect their premises to BTI's network facilities.

BTI One Plus Services are listed in Section 4 following. The minimum and additional billing increments, as well as any applicable recurring and non-recurring charges are provided for each specific service.

3.5 BTI Travel Card Services

BTI Travel Card Service permits Customers to place calls using BTI's service when away from their primary place of business or residence. Callers must dial an "800" access code and individual identification number to use the service.

BTI Travel Card Services are listed in Section 4 following. The minimum and additional billing increments, as well as any applicable per call service charges are provided for each specific service.

ISSUED: October 11, 1995

EFFECTIVE: December 19, 1995

BY: Anthony M. Copeland, Vice President & General Counsel
Business Telecom, Inc.
4300 Six Forks Road, Suite 500
Raleigh, North Carolina 27609

SECTION 3 - SERVICE AND RATE DESCRIPTION, (CONT'D.)**3.6 BTI Operator Services**

BTI Operator Services are available to Subscriber locations which offer their telephones for the use of the transient public. BTI provides the following billing arrangements for End Users of BTI's Operator Services:

a) Customer Dialed Calling/Credit Card

This is a service whereby the end user dials all of the digits necessary to route and bill the call without any operator assistance. Such calls may be billed either to a telephone company issued calling card or a commercial credit card.

b) Operator Station

This is a service whereby the caller places a non-person-to-person call with the assistance of an operator (live or automated). When placing an operator station call, the caller is connected to a non-specified individual at the terminating end. Such calls may be billed to a calling card, credit card, the called number (collect) or a valid third party telephone number.

c) Person-to-Person

This is a service whereby the person originating the call specifies to BTI's operator a particular person to be reached, or a particular person, station, room number, department, or office to be reached through a PBX attendant. Person-to-person calls may be billed to a calling card, credit card, the called number (collect) or a valid third party telephone number.

SECTION 4 - RATES AND CHARGES

4.1 General

In addition to charges based on usage, the following charges will apply to all classes of Customers.

1. Additional Customer Identification Numbers:	Free		
2. Project Codes:		Installation	Monthly
Unrestricted		\$ 0	\$ 0
Restricted		\$10	\$10
3. Management Reports:	Free		

4.2 Directory Assistance

4.2.1 This service is provided on a pass-through basis to a carrier offering directory assistance. Billing is provided by Company at a flat rate per call provided the Customer dials Directory Assistance using the Company switch.

4.2.2 Customers who have a visual or physical disability that prevents use of a telephone directory are exempt from the charges of Directory Assistance calls for up to and including 50 calls per month. This exemption applies to calls billed to one residential telephone line per Customer certified by the Local Exchange Carrier as disabled and applies to Directory Assistance calls for personal use only. Calls in excess of 50, where billing is available, will be billed the tariffed Directory Assistance charges in 4.2.3 of this tariff. Proof of certification is required.

4.2.3 Directory Assistance, per call: \$1.10

(I)

4.3 Promotional Rates

From time to time, Company may offer Promotional Rates. Promotional Rates will be offered on a non-discriminatory basis and shall be filed with the Commission for review at least 14 days prior to implementation.

Any marketing efforts will clearly indicate to the potential Customers the nature of the transaction which is being offered. Materials submitted to prospective Customers will clearly indicate that those Customers will be changing their long distance carrier if they accept such solicitation.

ISSUED: December 6, 2002

EFFECTIVE: December 9, 2002

BY: Director of Regulatory Affairs
 Business Telecom, Inc.
 4300 Six Forks Road
 Raleigh, North Carolina 27609

SDo0202

SECTION 4 - RATES AND CHARGES, (CONT'D.)**4.3 Promotional Rates (continued)**

(T)

4.3.1 Sixty Minutes for 14 a Minute Promotion

BTI will offer the following intrastate promotion to Customers who sign up for the Company's complimentary interstate promotion through March 1, 1996. To be eligible, Customers must: 1) contact the Company to request the promotion, or 2) respond positively to marketing material from the Company or an authorized agent. The Customer must designate the Company as its primary interexchange carrier. As long as the Customer remains presubscribed to BTI's network, the following intrastate rates will apply: \$0.13 per minute for all Off-Peak period intrastate calls, and \$0.19 per minute for all Peak period intrastate calls. Calls will be billed in whole minute increments following an initial billing period of one minute. Additionally, during the first three months of full billing, the Customer will receive twenty (20) promotional minutes of Off-Peak or Peak calling for \$0.01 per minute. The promotional minutes cannot be carried forward into subsequent months or pulled forward into the current month. The rates and promotional minutes stated above do not apply to calls using the Company's Travel Services.

4.3.2 Minutes on Us Promotion II

BTI will offer the following intrastate promotion to Customers who sign-up for the Company's complimentary interstate promotion through February 28, 1996. To be eligible, Customers must: 1) contact the Company to request the promotion, or 2) respond positively to marketing material from the Company or an authorized agent. The Customer must designate the Company as its primary interexchange carrier. As long as the Customer remains presubscribed to BTI's network, the following intrastate rates will apply: \$0.139 per minute for all Peak period outbound and inbound intrastate calls, and \$0.139 per minute for all Off-Peak period outbound and inbound intrastate calls. Calls will be billed in six (6) second increments following an initial billing period of eighteen (18) seconds. Additionally, the Customer will receive up to 200 minutes of combined interstate and intrastate usage at no charge in the first full month of billing; and up to 200 minutes of combined interstate and intrastate usage at no charge in the seventh full month of billing. If the Customer uses less than 200 minutes per month in the first or seventh month the entire month's usage will be no charge. The free minutes will only apply in the months specified above and will not carry over to future months. The free minutes each month will be applied chronologically regardless of whether the call is interstate or intrastate. The rates and free minutes stated above do not apply to calls using the Company's Travel Services.

ISSUED: February 9, 1998

EFFECTIVE: February 10, 1998

BY: Anthony M. Copeland, Vice President & General Counsel
Business Telecom, Inc.
4300 Six Forks Road, Suite 500
Raleigh, North Carolina 27609

TMX: SDo9801

SECTION 4 - RATES AND CHARGES, (CONT'D.)

4.3 Promotional Rates (continued)

4.3.3 [Reserved for Future Use]

(M)

(M)

Material that originally appeared on this Page now appears on Page 99.

ISSUED: March 10, 2003

EFFECTIVE: March 11, 2003

BY: Director of Regulatory Affairs
Business Telecom, Inc.
4300 Six Forks Road
Raleigh, North Carolina 27609

SDo0301

SECTION 4 - RATES AND CHARGES, (CONT'D.)

4.8 Econocall Service is the basic long-distance service offered to business and residential Customers. The following charges will apply to all Econocall Service Customers.

- 1. Installation Charge: Not applicable
- 2. Monthly Access: \$0.00
- 3. Minimum Billing Increment: 1 minute
- 4. Additional Billing Increment: whole minute
- 5. Usage Charges:

Intrastate Per Minute Rates:

Mileage Range	Day		Evening		Night	
	First Minute	Add'l Minute	First Minute	Add'l Minute	First Minute	Add'l Minute
1-10	\$0.1550	\$0.1039	\$0.1125	\$0.0767	\$0.0921	\$0.0636
11-16	\$0.1950	\$0.1336	\$0.1425	\$0.0900	\$0.1173	\$0.0823
17-22	\$0.2250	\$0.1633	\$0.1650	\$0.1212	\$0.1362	\$0.1010
23-30	\$0.2450	\$0.1732	\$0.1800	\$0.1287	\$0.1488	\$0.1073
31-40	\$0.2450	\$0.2128	\$0.1800	\$0.1584	\$0.1488	\$0.1322
41-55	\$0.2450	\$0.2128	\$0.1800	\$0.1584	\$0.1488	\$0.1322
56-70	\$0.2550	\$0.2227	\$0.1875	\$0.1658	\$0.1551	\$0.1385
71-124	\$0.2650	\$0.2425	\$0.1950	\$0.1806	\$0.1614	\$0.1509
125-292	\$0.2850	\$0.2425	\$0.2100	\$0.1806	\$0.1740	\$0.1509
293-over	\$0.2950	\$0.2623	\$0.2175	\$0.1955	\$0.1803	\$0.1634

ISSUED: October 11, 1995

EFFECTIVE: December 19, 1995

BY: Anthony M. Copeland, Vice President & General Counsel
Business Telecom, Inc.
4300 Six Forks Road, Suite 500
Raleigh, North Carolina 27609

SECTION 4 - RATES AND CHARGES, (CONT'D.)

4.8 Econocall Service (con't)

6. Discounts:

Discounts based on dollar volume are available as follows:

Dollar Volume		Discount
From	To	
\$25.00	\$99.00	2.0%
\$100.00	\$100.00 +	5.0%

7. Other:

TDD Discount

A telephone toll message which is communicated using a telecommunications device for the deaf (TDD) by or to properly certified hearing or speech impaired persons or properly certified business establishments or individuals equipped with TDDs for communication with hearing or speech impaired persons will receive, upon request, credit on charges for all intrastate toll calls placed between TDDs. The credit will be limited to usage charges and will be given on a subsequent bill.

TDD Discount: 50%

ISSUED: October 11, 1995

EFFECTIVE: December 19, 1995

BY: Anthony M. Copeland, Vice President & General Counsel
Business Telecom, Inc.
4300 Six Forks Road, Suite 500
Raleigh, North Carolina 27609

SECTION 4 - RATES AND CHARGES, (CONT'D.)

4.9 Travel Service allows Customers to initiate calls within the State of South Dakota using a touchtone telephone. It involves dialing an access number (local or 800), followed by the Customer's authorization code (Customer Identification Number), and then the called number.

- 1. Installation Charge: Not applicable.
- 2. Monthly Access: \$0.00
- 3. Minimum Billing Increment: 30 seconds
- 4. Additional Billing Increment: 6 seconds
- 5. Per Minute, Usage Charges:

Mileage Range	Day	Evening	Night
All Miles	\$0.2200	\$0.1800	\$0.1800

Per call initiation charge: \$0.60

- 6. Discounts: Not applicable.
- 7. Other: Not applicable.

(I)

ISSUED: February 9, 1998

EFFECTIVE: February 10, 1998

BY: Anthony M. Copeland, Vice President & General Counsel
 Business Telecom, Inc.
 4300 Six Forks Road, Suite 500
 Raleigh, North Carolina 27609

TMX: SDo9801

SECTION 4 - RATES AND CHARGES, (CONT'D.)

4.10 Dial WATS Service - Charges for Intrastate Dial WATS Service depend on whether the Customer is using the Service as an adjunct to Interstate Dial WATS I or Intrastate Dial WATS II. Charges are the same regardless of whether the Customer uses 1+ Service.

- 1. Installation Charge: Not applicable.
- 2. Monthly Access: \$50.00 Dial WATS I;
\$10.00 Dial WATS II
- 3. Minimum Billing Increment: 30 seconds
- 4. Additional Billing Increment: 6 seconds
- 5. Per Minute, Usage Charges:

Mileage Range	Day	Evening	Night
Dial WATS I	\$0.2200	\$0.2200	\$0.2200
Dial WATS II	\$0.1750	\$0.1400	\$0.0970

- 6. Discounts:

Volume Discount is offered on any monthly bill which has total usage charges for Dial WATS I and Dial WATS II.

Dollar Volume		Discount
From	To	
\$2,500	\$2,500 +	10%

- 7. Other:
Not applicable.

BY: Anthony M. Copeland, Vice President & General Counsel
Business Telecom, Inc.
4300 Six Forks Road, Suite 500
Raleigh, North Carolina 27609

SECTION 4 - RATES AND CHARGES, (CONT'D.)

4.11 Premier WATS I

- 1. Installation Charge: Not applicable.
- 2. Monthly Access: \$10.00
- 3. Minimum Billing Increment: 30 seconds.
- 4. Additional Billing Increment: 6 seconds.
- 5. Usage Charges:

Intrastate Per Minute Rates:

Mileage Range	Day	Evening	Night
All Miles	\$0.2200	\$0.2200	\$0.2200

- 6. Discounts: Applies to interstate and intrastate calls.

Dollar Volume		Incremental Discount
From	To	
\$0.00	\$100.00	0%
\$200.00	\$1,000.00	7%
\$1,001.00	over	15%

- 7. Other:
Not applicable.

SECTION 4 - RATES AND CHARGES, (CONT'D.)

4.12 Premier WATS II

- 1. Installation Charge: Not applicable.
- 2. Monthly Access: \$10.00
- 3. Minimum Billing Increment: 30 seconds.
- 4. Additional Billing Increment: 6 seconds.
- 5. Usage Charges:

Intrastate Per Minute Rates:

Mileage Range	Day	Evening	Night
All Miles	\$0.2200	\$0.2200	\$0.2200

- 6. Discounts:

Applies to intrastate calls.

Dollar Volume		Incremental Discount
From	To	
\$0.00	\$100.00	0%
\$101.00	\$500.00	5%
\$501.00	\$1,500.00	10%
\$1,501.00	\$5,000.00	15%
\$5,001.00	\$5,001.00 +	20%

- 7. Other:
Not applicable.

ISSUED: October 11, 1995

EFFECTIVE: December 19, 1995

BY: Anthony M. Copeland, Vice President & General Counsel
Business Telecom, Inc.
4300 Six Forks Road, Suite 500
Raleigh, North Carolina 27609

SECTION 4 - RATES AND CHARGES, (CONT'D.)

4.13 Unlimited WATS is a dedicated access service offering six second incremental billing, with itemized billing available.

1. Installation Charge:
 - a) \$140.00 per line within 25 miles of POP site.
 - b) Over 25 miles on individual case basis.
2. Monthly Access: \$125.00 per line
3. Minimum Billing Increment: 30 seconds
4. Additional Billing Increment: 6 seconds
5. Per Minute, Usage Charges:

Day	Evening	Night
\$0.1450	\$0.1200	\$0.0900

6. Discounts:

Dollar Volume		Discount
From	To	
\$0.00	\$5,000.00	0%
\$5,000.01	\$7,500.00	5%
\$7,500.01	\$10,000.00	7%
\$10,000.01	\$12,250.00	10%
\$12,250.01	\$15,000.00	12%
\$15,000.01	\$15,000.01 +	15%

7. Other:
Not applicable.

ISSUED: October 11, 1995

EFFECTIVE: December 19, 1995

BY: Anthony M. Copeland, Vice President & General Counsel
Business Telecom, Inc.
4300 Six Forks Road, Suite 500
Raleigh, North Carolina 27609

SECTION 4 - RATES AND CHARGES, (CONT'D.)**4.14 Association Discount**

Commercial Association members who subscribe to any of the Company's services will receive a discount on the member's regular monthly statement based on the collective toll (day, evening, or night) usage billings of all Association members. The discount will be in accordance with the schedule shown below.

Collective Billing Amount		Volume Discount
From	To	
\$10,000	\$49,999	2%
\$50,000	\$74,999	3%
\$75,000	\$99,999	4%
\$100,000	Over	5%

The applicable processing fee for new Customers will be waived for Association members who become Company Customers.

Monthly service charges, access charges or other applicable charges will remain in effect.

ISSUED: October 11, 1995

EFFECTIVE: December 19, 1995

BY: Anthony M. Copeland, Vice President & General Counsel
Business Telecom, Inc.
4300 Six Forks Road, Suite 500
Raleigh, North Carolina 27609

SECTION 4 - RATES AND CHARGES, (CONT'D.)

4.15 Premier 1 WATS Service

- 1. Installation Charge: Not applicable.
- 2. Monthly Access: \$10.00
- 3. Minimum Billing Increment: 30 seconds
- 4. Additional Billing Increment: 6 seconds
- 5. Per Minute, Usage Charges:

Intrastate calling:

Dollar Volume		Per Minute Rate
From	To	
\$0	\$500	\$0.1800
\$501	\$1,500	\$0.1700
\$1,501	1,501 +	\$0.1650

- 6. Discounts:
Not applicable.
- 7. Other:
Not applicable.

ISSUED: October 11, 1995

EFFECTIVE: December 19, 1995

BY: Anthony M. Copeland, Vice President & General Counsel
Business Telecom, Inc.
4300 Six Forks Road, Suite 500
Raleigh, North Carolina 27609

SECTION 4 - RATES AND CHARGES, (CONT'D.)**4.16 Premier Residential Service**

- | | | |
|----|-------------------------------|-----------------|
| 1. | Installation Charge: | Not applicable. |
| 2. | Monthly Access: | \$0.00 |
| 3. | Minimum Billing Increment: | 30 Seconds |
| 4. | Additional Billing Increment: | 6 Seconds |
| 5. | Per Minute, Usage Charges: | |

Intrastate

Day:	\$0.2150
Evening:	\$0.1650
Night:	\$0.1400

Access will be on a 1+ or dial up basis depending upon availability in the local service area.

- | | | |
|----|------------|-----------------|
| 6. | Discounts: | Not applicable. |
| 7. | Other: | Not applicable. |

ISSUED: October 11, 1995

EFFECTIVE: December 19, 1995

BY: Anthony M. Copeland, Vice President & General Counsel
Business Telecom, Inc.
4300 Six Forks Road, Suite 500
Raleigh, North Carolina 27609

SECTION 4 - RATES AND CHARGES, (CONT'D.)

4.17 Corporate 800 Service access is provided through dedicated T-1 access facilities. Installation and monthly access will be provided by local exchange carrier at their tariffed rates.

- 1. Installation Charges:
 - A. Set Up Fee: \$50.00
 - B. Customer Service Unit Installation: \$75.00
- 2. Monthly Charges:
 - A. Monthly Service Charge: \$20.00
 - B. Customer Service Unit Monthly Charge: \$35.00
- 3. Minimum Billing Increment: 18 Seconds.
- 4. Additional Billing Increment: 6 Seconds.
- 5. Per Minute, Usage Charges:

Mileage Range	DAY		Evening		Night	
	First Minute	Add'l Minute	First Minute	Add'l Minute	First Minute	Add'l Minute
All Miles	\$0.1250	\$0.1250	\$0.1050	\$0.1050	\$0.0880	\$0.0880

6. Discounts:

Volume Discounts

Dollar Volume		Incremental Discount
From	To	
\$0	\$9,999	0%
\$10,000	\$29,999	15%
\$30,000	\$30,000 +	20%

7. Other:
Not applicable.

ISSUED: October 11, 1995

EFFECTIVE: December 19, 1995

BY: Anthony M. Copeland, Vice President & General Counsel
Business Telecom, Inc.
4300 Six Forks Road, Suite 500
Raleigh, North Carolina 27609

SECTION 4 - RATES AND CHARGES, (CONT'D.)

4.18 Corporate WATS Service is designed for large volume long distance users. Access is provided through dedicated T-1 access facilities. Installation and monthly access may be provided by the local exchange carrier at their interstate special tariffed rates. At locations where Company facilities exist, access may be provided in units equivalent to 1/24th of a T-1 access facility. Installation charges and monthly access rates for this service will be charged by the Company in accordance with its interstate rates.

- 1. Installation Charge: \$0.00
- 2. Monthly Access: \$0.00
- 3. Minimum Billing Increment: 18 Seconds
- 4. Additional Billing Increment: 6 Seconds
- 5. Per Minute, Usage Charges:

Mileage Range	Day		Evening		Night	
	First Minute	Add'l Minute	First Minute	Add'l Minute	First Minute	Add'l Minute
All	\$0.1100	\$0.1100	\$0.1020	\$0.1020	\$0.0950	\$0.0950

6. Discounts:

Volume Discounts

Dollar Volume		Incremental Discount
From	To	
0	4,999	0%
5,000	24,999	5%
25,000	+	10%

7. Other:

- A. Customer Service Unit Installation \$75.00
- B. Customer Service Unit Monthly Charge \$35.00

ISSUED: October 11, 1995

EFFECTIVE: December 19, 1995

BY: Anthony M. Copeland, Vice President & General Counsel
Business Telecom, Inc.
4300 Six Forks Road, Suite 500
Raleigh, North Carolina 27609

SECTION 4 - RATES AND CHARGES, (CONT'D.)

4.19 Premier 1 Plus Service is a combined WATS/800 service for large volume users provided through switched access.

- | | | |
|----|-------------------------------|------------|
| 1. | Installation Charge: | \$20.00 |
| 2. | Monthly Access: | \$20.00 |
| 3. | Minimum Billing Increment: | 30 seconds |
| 4. | Additional Billing Increment: | 6 seconds |
| 5. | Usage Charges: | |

Intrastate Per Minute Rates:

Usage Range	Rate
\$0-500	\$0.1800
\$501-1,500	\$0.1700
\$1,501+	\$0.1650

- | | |
|----|-------------------------------|
| 6. | Discounts:
Not applicable. |
| 7. | Other:
Not applicable. |

ISSUED: October 11, 1995

EFFECTIVE: December 19, 1995

BY: Anthony M. Copeland, Vice President & General Counsel
Business Telecom, Inc.
4300 Six Forks Road, Suite 500
Raleigh, North Carolina 27609

SECTION 4 - RATES AND CHARGES, (CONT'D.)

4.20 Premier Direct Service is designed for large volume long distance users needing dedicated T-1 services. Installation and monthly access may be provided by the local exchange carrier at their interstate special tariffed rates. At locations where Company facilities exist, access may be provided in units equivalent to 1/24th of a T-1 access facility. Installation charges and monthly access rates for this service will be charged by the Company in accordance with its interstate rates.

1. Installation Charges
 - A. Set Up: \$50.00
 - B. Customer Service Unit Installation: \$75.00
(Customer Service Unit is a diagnostic unit which permits off-site testing of the Customer's lines.)
2. Monthly Charges:
 - A. Monthly Service Charge: \$20.00
 - B. Customer Service Unit Monthly Charge: 35.00
3. Minimum Billing Increment: 18 seconds
4. Additional Billing Increment: 6 seconds
5. Usage Charges:

Intrastate Per Minute Rates:

Usage Range	Incremental Rate
\$0-1,500	\$0.1350
\$1,501-2,500	\$0.1300
\$2,501-5,000	\$0.1250
\$5,001-7,500	\$0.1200
\$7,500+	\$0.1150
Evening, Night & Weekend Hours	\$0.1000

6. Discounts:
Not applicable.
7. Other:
Not applicable.

ISSUED: October 11, 1995

EFFECTIVE: December 19, 1995

BY: Anthony M. Copeland, Vice President & General Counsel
Business Telecom, Inc.
4300 Six Forks Road, Suite 500
Raleigh, North Carolina 27609

SECTION 4 - RATES AND CHARGES, (CONT'D.)**4.21 Expanded 800 Service Options**

The following optional enhanced features may be used in conjunction with any BTI 800 service where technically feasible.

Enhanced 800 Features	Install	Change	Monthly
NPA Blocking	\$150	\$ 50	\$ 0
NPA/NXX Blocking	\$150	\$ 50	\$ 0
Time of Day Routing	\$100	\$ 50	\$ 50
Day of Week Routing	\$100	\$ 50	\$ 50
Holiday Routing	\$100	\$ 50	\$ 0
Uniform Call Distribution	\$100	\$100	\$ 0
Dialed Number Identification Svc.	\$450	\$ 50	\$ 50
Route Advance	\$100	\$ 50	\$ 50
Area Code Routing	\$100	\$ 50	\$ 50
Percentage Call Allocation	\$100	\$ 50	\$ 50
Intercept 800 (\$0.10 per call over 500 calls)	\$ 10	\$ 0	\$ 10

ISSUED: October 11, 1995

EFFECTIVE: December 19, 1995

BY: Anthony M. Copeland, Vice President & General Counsel
Business Telecom, Inc.
4300 Six Forks Road, Suite 500
Raleigh, North Carolina 27609

SECTION 4 - RATES AND CHARGES, (CONT'D.)

4.22 Pre-Paid Call Service is offered at the flat, per-minute rate listed below, twenty-four (24) hours a day, seven days a week.

(T)

Denomination	Per Minute Rate	Per Call Surcharge	Units Per Minute
Various Increments	\$0.2000(R)	\$0.2000(N)	1 unit per minute

(T)(C)

|
|
|

(T)(C)

Company agrees to refund any amounts remaining on a Pre-paid Call Service calling card upon physical return of the card. Refund will only be issued upon a showing that the service provided by Company has failed to meet either the service requirements set forth in the Commission's rules and regulations, or the general standards of quality applicable to the industry. To qualify for a refund, a user must return the card to Company within 3 months of the original purchase and submit in writing detailed information on the basis for any requested refund. Company will promptly investigate and advise the user as to its findings and disposition.

For consideration of any disputed charges, a user may discuss the dispute with a Company representative, providing detailed information on the basis for any requested adjustment, either verbally or in writing, within 30 days of the date the disputed call is placed.

All federal, state and local taxes (e.g., excise tax, gross receipts tax, sales tax, municipal utilities taxes) are included in the tariffed rates above.

A wholesale discount applies for larger volume commitments, but the end user per minute rate will not vary from the rate specified in the table above.

(N)

(N)

ISSUED: February 9, 1998

EFFECTIVE: February 10, 1998

BY: Anthony M. Copeland, Vice President & General Counsel
 Business Telecom, Inc.
 4300 Six Forks Road, Suite 500
 Raleigh, North Carolina 27609

TMX: SDo9801

SECTION 4 - RATES AND CHARGES, (CONT'D.)

4.23 Universal WATS is a service designed for large volume Customers needing dedicated outbound long distance service.

- 1. Installation Charge \$100.00 per WATS access line
- 2. Monthly Access: \$36.50 per WATS access line
- 3. Minimum Billing Increment: 30 seconds
- 4. Additional Billing Increment: 6 seconds
- 5. Per Minute, Usage Charges:

Band	Day	Evening	Night
All Miles	\$0.1550	\$0.1400	\$0.1210

6. Discounts:

Dollar Volume		Discount
From	To	
\$0.00	\$500.00	0%
\$501.00	\$2,000.00	10%
\$2,001.00	\$5,000.00	15%
\$5,001.00	over	18%

7. Other:
Not applicable.

ISSUED: October 11, 1995

EFFECTIVE: December 19, 1995

BY: Anthony M. Copeland, Vice President & General Counsel
Business Telecom, Inc.
4300 Six Forks Road, Suite 500
Raleigh, North Carolina 27609

SECTION 4 - RATES AND CHARGES, (CONT'D.)

4.24 Premier Basic Service is offered to Customers who normally bill below \$100 per month. The service is billed at a postalized rate. Billing is in six (6) second increments following a minimum billing duration of thirty (30) seconds.

- 1. Installation Charge: \$0.00
- 2. Monthly Access: \$0.00
- 3. Minimum Billing Increment: 30 seconds
- 4. Additional Billing Increment: 6 seconds
- 5. Usage Charges:

Intrastate Per Minute Rates:

Mileage Range	Day		Evening		Night	
	First Minute	Add'l Minute	First Minute	Add'l Minute	First Minute	Add'l Minute
All	\$0.2000	\$0.2000	\$0.1600	\$0.1600	\$0.1600	\$0.1600

- 6. Discounts:
Not applicable.
- 7. Other:
Not applicable.

ISSUED: October 11, 1995

EFFECTIVE: December 19, 1995

BY: Anthony M. Copeland, Vice President & General Counsel
Business Telecom, Inc.
4300 Six Forks Road, Suite 500
Raleigh, North Carolina 27609

SECTION 4 - RATES AND CHARGES, (CONT'D.)

4.25 Personal 800 Service is offered to Customers for toll-free inbound service. The service is billed at a postalized rate. Billing is in six (6) second increments following a minimum billing duration of thirty (30) seconds. Customers are provided Authorization Codes to direct the incoming call to a particular local access line.

- 1. Installation Charge: \$0.00
- 2. Monthly Access: \$5.00
- 3. Minimum Billing Increment: 30 seconds
- 4. Additional Billing Increment: 6 seconds
- 5. Per Minute, Usage Charges:

Band	Day	Evening	Night
All Mileage	\$0.2200	\$0.1625	\$0.1385

- 6. Discounts:
Not applicable.
- 7. Other:
Not applicable.

ISSUED: October 11, 1995

EFFECTIVE: December 19, 1995

BY: Anthony M. Copeland, Vice President & General Counsel
Business Telecom, Inc.
4300 Six Forks Road, Suite 500
Raleigh, North Carolina 27609

SECTION 4 - RATES AND CHARGES, (CONT'D.)

4.26 Guestcall II is offered to the hospitality industry where usage is primarily during off-peak periods. Guestcall is billed in six (6) second increments following an initial billing period of thirty (30) seconds. Guestcall Customers must have actual off-peak usage equal to or greater than 60% of all traffic.

- 1. Installation Charge: \$0.00
- 2. Monthly Access: \$25.00
- 3. [Reserved for Future Use]
- 4. [Reserved for Future Use]
- 5. Per Minute, Usage Charges:

(T)
(T)

Band	Day	Evening	Night
All Mileage	\$0.1850	\$0.1500	\$0.1500

6. Discounts:

Dollar Volume		Retroactive Discount
From	To	
\$0.00	\$499.99	0%
\$500.00	\$2,499.99	5%
\$2,500.00	\$9,999.99	7%
\$10,000.00	over	10%

7. Other:
 Not applicable.

ISSUED: February 9, 1998

EFFECTIVE: February 10, 1998

BY: Anthony M. Copeland, Vice President & General Counsel
 Business Telecom, Inc.
 4300 Six Forks Road, Suite 500
 Raleigh, North Carolina 27609

TMX: SDo9801

SECTION 4 - RATES AND CHARGES, (CONT'D.)

4.27 Academic Edge

Academic Edge is a program for colleges and universities to provide service to students, faculty and staff. Service is provided by dedicated T-1 and/or switched access. Students are billed the rates below.

- | | | |
|---------------|-------------------------------|-----------------------|
| 4.27.1 | Installation Charge: | Not Applicable |
| 4.27.2 | Monthly Access: | Not Applicable |
| 4.27.3 | Minimum Billing Increment: | One (1) Minute |
| 4.27.4 | Additional Billing Increment: | One (1) Minute |
| 4.27.5 | Per Minute Rates: | Individual Case Basis |

(C)

ISSUED: March 10, 2003

EFFECTIVE: March 11, 2003

BY: Director of Regulatory Affairs
Business Telecom, Inc.
4300 Six Forks Road
Raleigh, North Carolina 27609

SDo0301

SECTION 4 - RATES AND CHARGES, (CONT'D.)

4.28 Premier 1-800 Service is an inbound service offered on a flat-rate, postalized basis. Calls are billed in six (6) second increments following an initial billing period of thirty (30) seconds. Service is provided over standard local access lines.

- 1. Installation Charge: \$0.00
- 2. Monthly Access: \$20.00
- 3. Minimum Billing Increment: 30 seconds
- 4. Additional Billing Increment: 6 seconds
- 5. Per Minute, Usage Charges:

Dollar Volume		Incremental Pricing
From	To	
\$0.00	\$500.00	\$0.2100
\$500.01	\$1,500.00	\$0.2000
\$1,500.01	Over	\$0.1900

- 6. Discounts:
Not applicable.
- 7. Other:
Not applicable.

ISSUED: October 11, 1995

EFFECTIVE: December 19, 1995

BY: Anthony M. Copeland, Vice President & General Counsel
Business Telecom, Inc.
4300 Six Forks Road, Suite 500
Raleigh, North Carolina 27609

SECTION 4 - RATES AND CHARGES, (CONT'D.)

4.29 Private Line Service is offered in the form of discrete intrastate communications facilities which are dedicated to the specific Customer and are billed at fixed monthly rates. Private Line services consist of two components; 1) interexchange service between two of the Company's points of presence, and 2) local access between the Customer's Premises and the Company's point of presence.

1. Interexchange Service Rates

The Customer's monthly recurring interexchange service charges consist of a fixed rate and a per mile charge based on the airline mileage between the Company's points of presence serving the two Customer locations connected via the Private Line Service.

a. Analog Rates - per channel

Mileage	Fixed	Per Mile
1-50	\$66.55	\$2.64
51-101	\$137.32	\$1.22
101-over	\$229.28	\$0.29

b. Digital Rates (DDS) - per channel

Mileage	Fixed	Per Mile
1-50	\$66.55	\$2.64
51-101	\$137.32	\$1.22
101-over	\$229.28	\$0.29

c. T-1.5 Rates - per 24 channels

Mileage	Fixed	Per Mile
1-over	\$518.42	\$9.92

ISSUED: October 11, 1995

EFFECTIVE: December 19, 1995

BY: Anthony M. Copeland, Vice President & General Counsel
Business Telecom, Inc.
4300 Six Forks Road, Suite 500
Raleigh, North Carolina 27609

SECTION 4 - RATES AND CHARGES, (CONT'D.)

4.29 Private Line Service. (continued)

2. Local Access Rates

Local access service to connect the Customer's premises to the Company's point of presence is charged by the serving local exchange carrier, or other carrier if applicable. These local access charges may be billed directly to the Customer by the local exchange carrier or passed through at cost to the Customer when billed by the Company.

4.30 Reserved for Future Use.

ISSUED: October 11, 1995

EFFECTIVE: December 19, 1995

BY: Anthony M. Copeland, Vice President & General Counsel
Business Telecom, Inc.
4300 Six Forks Road, Suite 500
Raleigh, North Carolina 27609

SECTION 4 - RATES AND CHARGES, (CONT'D.)

4.31 [Reserved for Future Use]

(T)

ISSUED: March 21, 2003

EFFECTIVE: March 22, 2003

BY: Director of Regulatory Affairs
Business Telecom, Inc.
4300 Six Forks Road
Raleigh, North Carolina 27609

SDo0302

SECTION 4 - RATES AND CHARGES, (CONT'D.)

4.32 [Reserved for Future Use]

(M)

Material that originally appeared on this Page now appears on Page 88.

(M)

ISSUED: March 10, 2003

EFFECTIVE: March 11, 2003

BY: Director of Regulatory Affairs
Business Telecom, Inc.
4300 Six Forks Road
Raleigh, North Carolina 27609

SDo0301

SECTION 4 - RATES AND CHARGES, (CONT'D.)

4.33 Travel Service Plus (981)

(T)

Travel Service Plus allows Customers to initiate calls within the State of South Dakota using any touchtone telephone. It involves dialing an access number (local or 800), followed by the Customer's authorization code (Customer Identification Number), and then the called number.

- 1. Installation Charge: Not applicable.
- 2. Monthly Access: \$0.00
- 3. Minimum Billing Increment: 30 seconds
- 4. Additional Billing Increment: 6 seconds
- 5. Per Minute, Usage Charges:

Mileage Range	Day	Evening	Night
All Miles	\$0.2700	\$0.2700	\$0.2700

Per call initiation charge: \$0.25

(R)

- 6. Discounts:
Not applicable.
- 7. Other:
Not applicable.

SECTION 4 - RATES AND CHARGES, (CONT'D.)

4.34 Hospitality Plus is a one plus outbound and/or inbound business service offered to hotels, motels and other locations which make their phones available to the public. A minimum one-year term commitment is required. Discounted Hospitality Plus rates apply when, 1) combined inbound and outbound one plus usage is less than 25% of all traffic originating from the location, and 2) 60% of inbound and outbound one plus usage is during the off-peak period.

- 1. Installation Charge: Not applicable.
- 2. Monthly Access: \$0.00
- 3. Minimum Billing Increment: 30 seconds
- 4. Additional Billing Increment: 6 seconds
- 5. Per Minute, Usage Charges:

All Miles	One Year Term Plan
Outbound	\$0.1400
Inbound	\$0.1300

Customers who are not eligible for the discounted rates as described above will be billed \$0.155 per minute of use.

- 6. Discounts:

A three percent (3%) discount applies on usage under a two-year term plan. No other discounts apply.

- 7. Other:

If the Customer cancels the one year minimum term or two year optional term before expiration, the Customer will be billed for all remaining months an amount equal to \$350 per month for the one year term and \$250 per month for the two year term.

BY: Anthony M. Copeland, Vice President & General Counsel
Business Telecom, Inc.
4300 Six Forks Road, Suite 500
Raleigh, North Carolina 27609

SECTION 4 - RATES AND CHARGES, (CONT'D.)

4.35 [Reserved for Future Use]

(D)

(D)

ISSUED: March 10, 2003

EFFECTIVE: March 11, 2003

BY: Director of Regulatory Affairs
Business Telecom, Inc.
4300 Six Forks Road
Raleigh, North Carolina 27609

SDo0301

SECTION 4 - RATES AND CHARGES, (CONT'D.)

4.36 Operator Services The use of the Company's Operator Services allows Customer to select from the special call handling or billing arrangements specified below. Call, rates, charges, and applicable service charges will be assessed to the call originator, the called party's telephone number or a third party's telephone number based upon the call type (i.e., operator dialed, collect, third party billed, or Customer dialed credit card billed, without the use of an operator's assistance) initiated by the call originator and the appropriate acknowledgement of other parties, where applicable.

Intrastate Per Minute, Usage Charges:

Mileage Range	Day		Evening		Night	
	First Minute	Add'l Minute	First Minute	Add'l Minute	First Minute	Add'l Minute
1-10	\$0.3000	\$0.1800	\$0.2400	\$0.1440	\$0.1800	\$0.1080
11-16	\$0.3800	\$0.2000	\$0.3040	\$0.1600	\$0.2280	\$0.1200
17-22	\$0.3900	\$0.2200	\$0.3120	\$0.1760	\$0.2340	\$0.1320
23-30	\$0.4300	\$0.2400	\$0.3440	\$0.1920	\$0.2580	\$0.1440
31-40	\$0.4500	\$0.2600	\$0.3600	\$0.2080	\$0.2700	\$0.1560
41-55	\$0.4800	\$0.2900	\$0.3840	\$0.2320	\$0.2880	\$0.1740
56-85	\$0.5100	\$0.3200	\$0.4080	\$0.2560	\$0.3060	\$0.1920
86-124	\$0.5300	\$0.3400	\$0.4240	\$0.2720	\$0.3180	\$0.2040
125-244	\$0.5400	\$0.3600	\$0.4320	\$0.2880	\$0.3240	\$0.2160
245-over	\$0.5500	\$0.3800	\$0.4400	\$0.3040	\$0.3300	\$0.2280

ISSUED: October 11, 1995

EFFECTIVE: December 19, 1995

BY: Anthony M. Copeland, Vice President & General Counsel
Business Telecom, Inc.
4300 Six Forks Road, Suite 500
Raleigh, North Carolina 27609

SECTION 4 - RATES AND CHARGES, (CONT'D.)**4.36 Operator Services (continued)****B. Operator Charges:**

The following shall be in addition to the usage charge described above and based on the Operator Service used:

Type of Service		Charge Per Call
1.	Station to Station	
	(a) Customer Dialed Calling Card (credit card)	\$1.05
	(b) Operator Assisted Calling Card (0+)	\$1.05
	(c) Operator Assisted Calling Card (0-)	\$2.10
	(d) Collect (0+)	\$2.10
	(e) Collect (0-)	\$3.10
	(f) Third Party (0+)	\$2.17
	(g) Third Party (0-)	\$3.17
2.	Person to Person	
	(a) 0+	\$4.50
	(b) 0-	\$5.50

ISSUED: October 11, 1995

EFFECTIVE: December 19, 1995

BY: Anthony M. Copeland, Vice President & General Counsel
Business Telecom, Inc.
4300 Six Forks Road, Suite 500
Raleigh, North Carolina 27609

SECTION 4 - RATES AND CHARGES, (CONT'D.)

4.37 Home Plus is an outbound service primarily targeted to residential Customers. Calls are billed on a postalized, peak/off-peak basis. Call timing is rounded up to the next whole minute increment following an initial increment of one minute. There is no monthly minimum usage requirement or monthly recurring charges.

- 1. Installation Charge: Not applicable.
- 2. Monthly Access: \$0.00
- 3. Minimum Billing Increment: one minute
- 4. Additional Billing Increment: one minute
- 5. Per Minute, Usage Charges:

Mileage Range	Peak	Off-Peak
All Miles	\$0.1900	\$0.1300

- 6. Discounts:
Not applicable.
- 7. Other:
Not applicable.

ISSUED: October 11, 1995

EFFECTIVE: December 19, 1995

BY: Anthony M. Copeland, Vice President & General Counsel
Business Telecom, Inc.
4300 Six Forks Road, Suite 500
Raleigh, North Carolina 27609

SECTION 4 - RATES AND CHARGES, (CONT'D.)

4.38 [Reserved for Future Use]

(M)

(M)

Material that originally appeared on this Page now appears on Page 89.

ISSUED: March 10, 2003

EFFECTIVE: March 11, 2003

BY: Director of Regulatory Affairs
Business Telecom, Inc.
4300 Six Forks Road
Raleigh, North Carolina 27609

SDo0301

SECTION 4 - RATES AND CHARGES, (CONT'D.)

4.38 [Reserved for Future Use], (continued)

(M)

Material that originally appeared on this Page now appears on Page 90.

(M)

ISSUED: March 10, 2003

EFFECTIVE: March 11, 2003

BY: Director of Regulatory Affairs
Business Telecom, Inc.
4300 Six Forks Road
Raleigh, North Carolina 27609

SDo0301

SECTION 4 - RATES AND CHARGES, (CONT'D.)

4.38 [Reserved for Future Use], (continued)

(M)

(M)

Material that originally appeared on this Page now appears on Page 91.

ISSUED: March 10, 2003

EFFECTIVE: March 11, 2003

BY: Director of Regulatory Affairs
Business Telecom, Inc.
4300 Six Forks Road
Raleigh, North Carolina 27609

SDo0301

SECTION 4 - RATES AND CHARGES, (CONT'D.)

4.39 PhonePlus Telesales is a combined outbound and inbound service offered on a peak/off-peak, postalized rate basis. Calls are billed in six (6) second increments following an initial billing period of eighteen (18) seconds. Service is provided over standard local access lines.

- 1. Installation Charge: \$0.00
- 2. Monthly Access: \$0.00
- 3. Minimum Billing Increment: 18 seconds
- 4. Additional Billing Increment: 6 seconds
- 5. Per Minute Usage Charges:

Per Minute Usage Rates	Outbound/Inbound Rate per Minute	
	Peak	Off-Peak
Outbound	\$0.145	\$0.145
Inbound	\$0.145	\$0.145

- 6. Discounts: Not applicable
- 7. Other: Not applicable

SECTION 4 - RATES AND CHARGES, (CONT'D.)

4.40 [Reserved for Future Use]

(D)

(D)

ISSUED: March 10, 2003

EFFECTIVE: March 11, 2003

BY: Director of Regulatory Affairs
Business Telecom, Inc.
4300 Six Forks Road
Raleigh, North Carolina 27609

SDo0301

SECTION 4 - RATES AND CHARGES, (CONT'D.)

4.41 [Reserved for Future Use]

(T)

(D)

(D)

ISSUED: March 10, 2003

EFFECTIVE: March 11, 2003

BY: Director of Regulatory Affairs
Business Telecom, Inc.
4300 Six Forks Road
Raleigh, North Carolina 27609

SDo0301

SECTION 4 - RATES AND CHARGES, (CONT'D.)

4.42 Home Plus 100 is an outbound service primarily targeted to residential Customers. Calls are billed on a postalized, peak/off-peak basis. Call timing is rounded up to the next whole minute increment following an initial increment of one minute. There is no monthly minimum usage requirement or monthly recurring charges. Customers receive a one-time bonus of the first one hundred (100) minutes of off-peak domestic usage (excluding directory assistance) for \$1.00. The following per minute rates apply to peak and off-peak thereafter.

- 1. Installation Charge: \$0.00
- 2. Monthly Access: \$0.00
- 3. Minimum Billing Increment: whole minute
- 4. Additional Billing Increment: whole minute
- 5. Per Minute Usage Charges:

Per Minute Usage Rates	Outbound Rate per Minute	
	Peak	Off-Peak
All miles	\$0.190	\$0.130

- 6. Discounts:
Not applicable
- 7. Other:
Not applicable

SECTION 4 - RATES AND CHARGES, (CONT'D.)

4.43 [Reserved for Future Use]

(D)

(D)

ISSUED: March 10, 2003

EFFECTIVE: March 11, 2003

BY: Director of Regulatory Affairs
Business Telecom, Inc.
4300 Six Forks Road
Raleigh, North Carolina 27609

SDo0301

SECTION 4 - RATES AND CHARGES, (CONT'D.)

4.44 Home Plus Toll Free is an inbound service primarily targeted to residential Customers. Calls are billed on a postalized, peak/off-peak basis. Call timing is rounded up to the next whole minute increment following an initial increment of one minute. There are no minimum monthly volume commitments. The following recurring and per minute rates apply.

- 1. Installation Charge: \$0.00
- 2. Monthly Access: \$2.00
- 3. Minimum Billing Increment: whole minute
- 4. Additional Billing Increment: whole minute
- 5. Per Minute Usage Charges:

Per Minute Usage Rates	Rate per Minute	
	Peak	Off-Peak
All miles	\$0.190	\$0.130

- 6. Discounts:
Not applicable
- 7. Other:
Not applicable

(N)

(N)

SECTION 4 - RATES AND CHARGES, (CONT'D.)

4.45 [Reserved for Future Use]

(D)

(D)

ISSUED: June 8, 1998

EFFECTIVE: June 9, 1998

BY: Anthony M. Copeland
Executive Vice President & General Counsel
Business Telecom, Inc.
4300 Six Forks Road, Suite 500
Raleigh, North Carolina 27609

TMS: SDo9803

SECTION 4 - RATES AND CHARGES, (CONT'D.)

4.46 [Reserved for Future Use]

(M)

(M)

Material that originally appeared on this Page now appears on Page 92.

ISSUED: March 10, 2003

EFFECTIVE: March 11, 2003

BY: Director of Regulatory Affairs
Business Telecom, Inc.
4300 Six Forks Road
Raleigh, North Carolina 27609

SDo0301

SECTION 4 - RATES AND CHARGES, (CONT'D.)

4.47 [Reserved for Future Use]

(M)

(M)

Material that originally appeared on this Page now appears on Page 93.

ISSUED: March 10, 2003

EFFECTIVE: March 11, 2003

BY: Director of Regulatory Affairs
Business Telecom, Inc.
4300 Six Forks Road
Raleigh, North Carolina 27609

SDo0301

SECTION 4 - RATES AND CHARGES, (CONT'D.)**4.48 Global Connections Promotion 1**

Global Connections Promotion 1 is a service offering discounted intrastate rates for business Customers who presubscribe to the service. Calls are billed in six (6) second increments after an initial period, for billing purposes, of eighteen (18) seconds. Customers must sign a one (1) year term plan to be eligible for this promotion. Intrastate service is offered in conjunction with interstate service. There is an interstate monthly recurring charge associated with this product.

4.48.1 Per Minute Rates - One Year Term Plan:

1+ Outbound Service	\$0.1600
Inbound Toll Free	\$0.1600

* - All material on this Page is new.

ISSUED: February 9, 1998

EFFECTIVE: February 10, 1998

BY: Anthony M. Copeland, Vice President & General Counsel
Business Telecom, Inc.
4300 Six Forks Road, Suite 500
Raleigh, North Carolina 27609

TMX: SDo9801

SECTION 4 - RATES AND CHARGES, (CONT'D.)

4.49 [Reserved for Future Use]

(M)

(M)

Material that originally appeared on this Page now appears on Page 94.

ISSUED: March 10, 2003

EFFECTIVE: March 11, 2003

BY: Director of Regulatory Affairs
Business Telecom, Inc.
4300 Six Forks Road
Raleigh, North Carolina 27609

SDo0301

SECTION 4 - RATES AND CHARGES, (CONT'D.)

4.50 [Reserved for Future Use]

(M)



(M)

Material that originally appeared on this Page now appears on Page 95.

ISSUED: March 10, 2003

EFFECTIVE: March 11, 2003

BY: Director of Regulatory Affairs
Business Telecom, Inc.
4300 Six Forks Road
Raleigh, North Carolina 27609

SDo0301

SECTION 4 - RATES AND CHARGES, (CONT'D.)

4.51 Corporate Edge

(T)

Corporate Edge is a combined outbound and inbound service designed for business Customers. Business Customers are eligible for a discount based upon their monthly volume and the term plan selected. Customers must sign a one year or three year term plan for this service. Calls are billed in six (6) second increments after an initial period, for billing purposes, of eighteen (18) seconds. Intrastate service is offered as an add on to interstate service.

(T)

(T)

(T)

(T)

4.51.1 Per Minute Rates - One Year Term Plan:

Monthly Volume	\$0.00 – 500.00	\$501.00 - \$1,000.00	\$1,001.00 - \$1,500.00	\$1,501.00 +
Per Minute Rate	\$0.1810	\$0.1756	\$0.1720	\$0.1683

4.51.2 Per Minute Rates - Three Year Term Plan:

Monthly Volume	\$0.00 – \$500.00	\$501.00 - \$1,000.00	\$1,001.00 - \$1,500.00	\$1,501.00 +
Per Minute Rate	\$0.1756	\$0.1701	\$0.1665	\$0.1629

4.51.3 Termination Penalty

Termination penalty will be governed by contract.

ISSUED: November 10, 1998

EFFECTIVE: November 12, 1998

BY: Anthony M. Copeland
 Executive Vice President & General Counsel
 Business Telecom, Inc.
 4300 Six Forks Road, Suite 500
 Raleigh, North Carolina 27609

TMS: SDo9806

SECTION 4 - RATES AND CHARGES, (CONT'D.)

4.52 [Reserved for Future Use]

(M)

(M)

Material that originally appeared on this Page now appears on Page 96.

ISSUED: March 10, 2003

EFFECTIVE: March 11, 2003

BY: Director of Regulatory Affairs
Business Telecom, Inc.
4300 Six Forks Road
Raleigh, North Carolina 27609

SDo0301

SECTION 4 - RATES AND CHARGES, (CONT'D.)

4.53 [Reserved for Future Use]

(M)

(M)

Material that originally appeared on this Page now appears on Page 97.

ISSUED: March 10, 2003

EFFECTIVE: March 11, 2003

BY: Director of Regulatory Affairs
Business Telecom, Inc.
4300 Six Forks Road
Raleigh, North Carolina 27609

SDo0301

SECTION 4 - RATES AND CHARGES, (CONT'D.)**4.54 Corporate Edge Dedicated**

Corporate Edge Dedicated is a combined outbound and inbound service designed for Business Customers. Customers must sign a one year or three year term plan for this service. Calls are billed in six (6) second increments after an initial period, for billing purposes, of eighteen (18) seconds. Customers must enroll for the service by November 30, 1998.

4.54.1 Per Minute Rates - One Year Term Plan:

1+ Outbound Service	\$0.0830
Inbound Toll Free	\$0.0830

4.54.2 Per Minute Rates - Three Year Term Plan:

1+ Outbound Service	\$0.0810
Inbound Toll Free	\$0.0810

* All material on this Page is new.

ISSUED: September 15, 1998

EFFECTIVE: September 16, 1998

BY: Anthony M. Copeland
Executive Vice President & General Counsel
Business Telecom, Inc.
4300 Six Forks Road, Suite 500
Raleigh, North Carolina 27609

TMS: SDo9805

SECTION 4 - RATES AND CHARGES, (CONT'D.)

4.55 BTI Purchasable Discount Plan

BTI's Purchasable Discount Plan allows the new Business Customer who subscribe to BTI Corporate Connections switched service the option to receive a 10% discount on all interstate and intrastate calls for a one time fee of one hundred (\$100.00) dollars, good for one year. The discount plan is only available to new switched customers and does not apply to international calls or other BTI services.

The Interstate monthly recurring fee associated with the Corporate Connection product still applies.

* All material on this Page is new.

ISSUED: May 17, 1999

EFFECTIVE: May 18, 1999

BY: Anthony M. Copeland
Executive Vice President & General Counsel
Business Telecom, Inc.
4300 Six Forks Road, Suite 500
Raleigh, North Carolina 27609

TMS: SD09901

SECTION 4 - RATES AND CHARGES, (CONT'D.)

4.56 [Reserved for Future Use]

(M)

(M)

Material that originally appeared on this Page now appears on Page 98.

ISSUED: March 10, 2003

EFFECTIVE: March 11, 2003

BY: Director of Regulatory Affairs
Business Telecom, Inc.
4300 Six Forks Road
Raleigh, North Carolina 27609

SDo0301

SECTION 4 - RATES AND CHARGES, (CONT'D.)**4.57 Corporate Edge - PT1**

Corporate Edge - PT1 is a combined outbound and inbound service for 1+ and toll free long distance service designed primarily for business Customers. Travel card rates are the standard Travel Service rates as defined in this Tariff. Customers are eligible for a discounted flat rate and must sign a one year term plan for this service. Calls are billed in six (6) second increments after an initial period, for billing purposes, of eighteen (18) seconds. Intrastate service is offered as an add on to interstate service.

4.57.1 Per Minute Rate \$0.1629

* All material on this Page is new.

ISSUED: July 26, 1999

EFFECTIVE: July 27, 1999

BY: Anthony M. Copeland
Executive Vice President & General Counsel
Business Telecom, Inc.
4300 Six Forks Road, Suite 500
Raleigh, North Carolina 27609

TMS: SD09902

SECTION 4 - RATES AND CHARGES, (CONT'D.)**4.58 Corporate Edge - PT2**

Corporate Edge - PT2 is a combined outbound and inbound service for 1+ and toll free long distance service designed primarily for business Customers. Travel card rates are the standard Travel Service rates as defined in this Tariff. Customers are eligible for a discounted flat rate and must sign a one year term plan for this service. Calls are billed in six (6) second increments after an initial period, for billing purposes, of eighteen (18) seconds. Intrastate service is offered as an add on to interstate service.

4.58.1 Per Minute Rate \$0.1665

* All material on this Page is new.

ISSUED: July 26, 1999

EFFECTIVE: July 27, 1999

BY: Anthony M. Copeland
Executive Vice President & General Counsel
Business Telecom, Inc.
4300 Six Forks Road, Suite 500
Raleigh, North Carolina 27609

TMS: SD09902

SECTION 4 - RATES AND CHARGES, (CONT'D.)**4.59 Corporate Edge - PT3**

Corporate Edge - PT3 is a combined outbound and inbound service for 1+ and toll free long distance service designed primarily for business Customers. Travel card rates are the standard Travel Service rates as defined in this Tariff. Customers are eligible for a discounted flat rate and must sign a one year term plan for this service. Calls are billed in six (6) second increments after an initial period, for billing purposes, of eighteen (18) seconds. Intrastate service is offered as an add on to interstate service.

4.59.1 Per Minute Rate \$0.1701

* All material on this Page is new.

ISSUED: July 26, 1999

EFFECTIVE: July 27, 1999

BY: Anthony M. Copeland
Executive Vice President & General Counsel
Business Telecom, Inc.
4300 Six Forks Road, Suite 500
Raleigh, North Carolina 27609

TMS: SD09902

SECTION 4 - RATES AND CHARGES, (CONT'D.)

4.60 BTI Switched Off-Net Long Distance

(N)

BTI Switched Off-Net Long Distance is a direct dialed outbound and inbound long distance service designed for Business Customers whose origination or terminating traffic is not to a BTI long distance switch. Customers must sign a one-year term agreement for this service. Calls are billed in six (6) second increments following an initial billing period of eighteen (18) seconds. Intrastate service is offered in conjunction with interstate service.

4.60.1 Per Period Usage Rates:

	<u>Monthly Volume*</u>	<u>Outbound Service</u>	<u>Toll Free Service</u>
Switched off-net Long Distance (216)	Any	\$0.1700	\$0.1700

* - Volume does not include any surcharges, taxes or other similar fees.

(N)

ISSUED: October 29, 2002

EFFECTIVE: October 30, 2002

BY: Director of Regulatory Affairs
Business Telecom, Inc.
4300 Six Forks Road
Raleigh, North Carolina 27609

SDo0201

SECTION 5 – GRANDFATHERED SERVICES

5.1 PhonePlus Switched Access Service*

(M)(T)

PhonePlus Switched Access Service is a combined outbound and inbound service offered on a peak/off-peak, postalized rate basis. Calls are billed in six (6) second increments following an initial billing period of thirty (30) seconds. Service is provided over standard local access lines. Per minute usage charges are based on monthly revenue commitments and annual term plans as set forth below. Intrastate, interstate, travel service and international service, both outbound and inbound, combine to satisfy the revenue commitment. Revenue commitment is calculated before term commitment.

(M)
(M)
(M)(I)
(M)
(M)
(M)

- 1. Installation Charge: \$ 0.00
- 2. Monthly Access: \$10.00
- 3. Minimum Billing Increment: 30 seconds
- 4. Additional Billing Increment: 6 seconds
- 5. Per Minute Usage Charges:

(M)
(M)
(M)(I)
(M)
(M)

Monthly Revenue Commitment	Outbound/Inbound Rate Per Minute	
	Peak	Off-Peak
\$0-\$1,000 (367)	\$0.155	\$0.155
\$1,001-\$5,000 (368)	\$0.150	\$0.150
\$5,001-over (369)	\$0.145	\$0.145

(M)

- 6. Discounts: (367, 368, 369)

Monthly Revenue Commitment	Term Discount		
	1 Year	2 Year	3 Year
\$100-\$1,000	3%	6%	9%
\$1,001-\$5,000	3%	6%	9%
\$5,001-over	3%	6%	9%

- 7. Other:

Customers will be billed the difference between the actual usage and the minimum revenue commitment if the minimum revenue commitment is not achieved on an annualized basis. Customers who cancel the service before the end of the term commitment will be billed \$100 multiplied by the number of months remaining on the term plan.

(M)

* - Grandfathered to existing Customers at existing locations.

Material that appears on this Page originally appeared on Page 55.

SECTION 5 – GRANDFATHERED SERVICES, (CONT'D.)

5.2 PhonePlus Dedicated Access Service*

(M)(T)

PhonePlus Dedicated Access Service is a combined outbound and inbound service offered on a peak/off-peak, postalized rate basis. Calls are billed in six (6) second increments following an initial billing period of thirty (30) seconds. Service is provided over Customer-provided dedicated access facilities. Per minute usage charges are based on monthly volume commitments and annual term plans as set forth below. Travel service and international service combines with outbound and inbound PhonePlus Service to satisfy the volume commitment. Volume commitment is calculated before term commitment.

(M)
(M)
(M)(I)
(M)
(M)
(M)
(M)

- 1. Installation Charge: \$0.00
- 2. Monthly Access: \$0.00
- 3. Minimum Billing Increment: 30 seconds
- 4. Additional Billing Increment: 6 seconds
- 5. Usage Charges:

(M)
(M)
(M)(I)
(M)
(M)

Monthly Revenue Commitment	Outbound/Inbound Rate Per Minute	
	Peak	Off-Peak
\$1,000-\$10,000 (760)	\$0.100	\$0.100
\$10,000-over (761)	\$0.095	\$0.095

(M)

- 6. Discounts: (760, 761)

Monthly Revenue Commitment	Term Discount		
	1 Year	2 Year	3 Year
\$1,000-\$10,000	3%	6%	9%
\$10,000-over	3%	6%	9%

- 7. Other:

Customers will be billed the difference between the actual usage and the minimum volume commitment if the minimum volume commitment is not achieved on an annualized basis. Customers who cancel the service before the end of the term commitment will be billed the minimum monthly volume commitment for each month remaining on the term plan.

(M)

* - Grandfathered to existing Customers at existing locations.

Material that appears on this Page originally appeared on Page 56.

SECTION 5 – GRANDFATHERED SERVICES, (CONT'D.)

5.3 Business Connections Long Distance*, (Cont'd.)

(M)(T)

5. Per Minute Usage Charges:, (continued)

(M)

TWO YEAR TERM MONTHLY COMMITMENT	RATE PER MINUTE	
	Switched Access (374)	Dedicated Access (774)
Less than \$5	\$0.185	\$0.135
\$5.00 - \$9.99	\$0.185	\$0.135
\$10.00 - \$14.99	\$0.185	\$0.135
\$15.00 - \$19.99	\$0.185	\$0.135
\$20.00 - \$24.99	\$0.185	\$0.135
\$25.00 - \$29.99	\$0.185	\$0.135
\$30.00 - \$34.99	\$0.185	\$0.135
\$35.00 - \$39.99	\$0.185	\$0.135
\$40.00 - \$44.99	\$0.185	\$0.135
\$45.00 - \$49.99	\$0.185	\$0.135
\$50.00 - \$54.99	\$0.185	\$0.135
\$55.00 +	\$0.185	\$0.135

(M)

THREE YEAR TERM MONTHLY COMMITMENT	RATE PER MINUTE	
	Switched Access (375)	Dedicated Access (775)
Less than \$5	\$0.180	\$0.130
\$5.00 - \$9.99	\$0.180	\$0.130
\$10.00 - \$14.99	\$0.180	\$0.130
\$15.00 - \$19.99	\$0.180	\$0.130
\$20.00 - \$24.99	\$0.180	\$0.130
\$25.00 - \$29.99	\$0.180	\$0.130
\$30.00 - \$34.99	\$0.180	\$0.130
\$35.00 - \$39.99	\$0.180	\$0.130
\$40.00 - \$44.99	\$0.180	\$0.130
\$45.00 - \$49.99	\$0.180	\$0.130
\$50.00 - \$54.99	\$0.180	\$0.130
\$55.00 +	\$0.180	\$0.130

(M)

(M)

* - Grandfathered to existing Customers at existing locations.

Material that appears on this Page originally appeared on Page 63.1.

ISSUED: March 10, 2003

EFFECTIVE: March 11, 2003

BY: Director of Regulatory Affairs
Business Telecom, Inc.
4300 Six Forks Road
Raleigh, North Carolina 27609

SDo0301

SECTION 5 – GRANDFATHERED SERVICES, (CONT'D.)

- | | | |
|------------|---|---|
| 5.3 | Business Connections Long Distance*, (Cont'd.) | (M)(T) |
| 6. | Discounts: | (M) |
| | <p>Family Values Discount - Family Values Discount Program is available to Customers of Business Connections Long Distance. Customers enroll in the program by offering the Company's Home Plus long distance service to the Customer's employees. The Customer receives a credit on the Business Connection invoice equivalent to 5% of the total aggregate usage of the employees. Sign up forms for both the Customer and the employees must be completed and returned to the Company.</p> | <p>

(M)</p> |
| 7. | Other: | (M) |
| | <p>The Monthly Commitment shown in the Term Tables as provided in Section 5.3.5 above is the amount the Customer agrees to at the time of signing the term plan. The Customer will be given the chance to sign a new term commitment plan at a higher or lower monthly commitment level at expiration of the term plan.</p> | <p>(M)(T)
(M)
(M)
(M)</p> |

* - Grandfathered to existing Customers at existing locations.

Material that appears on this Page originally appeared on Page 63.2.

SECTION 5 – GRANDFATHERED SERVICES, (CONT'D.)

5.4 Corporate Connections 275* (275) (M)(T)

Corporate Connections 275 is a combined outbound and inbound service designed for business Customers. Calls are billed in six (6) second increments after an initial period, for billing purposes, of thirty (30) seconds. There is an interstate monthly recurring charge associated with this product. Customers must sign a one year term plan for this product. (M)(T)
(M)
(M)(I)
(M)

5.4.1 Per Minute Rate (M)

1+ Outbound Service	\$0.1547	(M)
Inbound Toll Free Service:	\$0.1547	(M)

* - Grandfathered to existing Customers at existing locations.

Material that appears on this Page originally appeared on Page 71.

SECTION 5 – GRANDFATHERED SERVICES, (CONT'D.)

5.5 Corporate Connections* (M)(T)

Corporate Connections is a combined outbound and inbound service designed for business Customers that subscribe to BTI service within the eligibility period specified below. Calls are billed in six (6) second increments after an initial period, for billing purposes, of thirty (30) seconds. There is an interstate monthly recurring charge associated with this product. Customers must sign a one year or three year term plan for this product. Three year term plan customers also must commit to \$500 in monthly volume to be eligible for the reduced rate. (M)(T)
(M)
(M)(I)
(M)
(M)
(M)

5.5.1 Per Minute Rates - One Year Term Plan: (M)

1+ Outbound Service	(165)	\$0.1600	(M)
Inbound Toll Free Service	(165)	\$0.1600	(M)

5.5.2 Per Minute Rates - Three Year Term Plan: (M)

1+ Outbound Service	(166)	\$0.1495	(M)
Inbound Toll Free Service	(166)	\$0.1495	(M)

* - Grandfathered to existing Customers at existing locations.

Material that appears on this Page originally appeared on Page 72.

SECTION 5 – GRANDFATHERED SERVICES, (CONT'D.)

5.6 Travel Service Plus 159* (M)(T)

Travel Service Plus 159 allows Customers to initiate calls anywhere within South Dakota by using any touchtone telephone. It involves dialing an access number (local or 800), followed by the Customer's authorization code (Customer Identification Number), and then the called number. Calls are billed in six (6) second increments after an initial period, for billing purposes, of eighteen (18) seconds. Intrastate service is only offered in conjunction with interstate and international service. An interstate monthly recurring charge is associated with this product. (M)(M)(M)(M)(M)

5.6.1 Per Minute Usage Charges: (M)

Mileage Range	Day	Evening	Night
All Miles	\$0.2700	\$0.2700	\$0.2700

|
|
(M)

5.6.2 Per Call Initiation Charge: \$0.00 (M)

* - Grandfathered to existing Customers at existing locations.

Material that appears on this Page originally appeared on Page 74.

SECTION 5 – GRANDFATHERED SERVICES, (CONT'D.)**5.7 International Heritage* (186) (M)(T)**

International Heritage is a flat rate combined outbound and inbound toll free service offered to business Customers. Calls are billed in six (6) second increments after an initial period, for billing purposes, of thirty (30) seconds. This service is only offered with interstate service. (M)
(M)
(M)(I)

5.7.1 Per Minute Rates (M)

1+ Outbound Service	\$0.1800	(M)
Inbound Toll Free	\$0.1800	(M)

* - Grandfathered to existing Customers at existing locations.

Material that appears on this Page originally appeared on Page 75.

ISSUED: March 10, 2003

EFFECTIVE: March 11, 2003

BY: Director of Regulatory Affairs
Business Telecom, Inc.
4300 Six Forks Road
Raleigh, North Carolina 27609

SDo0301

SECTION 5 – GRANDFATHERED SERVICES, (CONT'D.)

5.8 Corporate Connections 272* (272) (M)(T)

Corporate Connections 272 is a combined outbound and inbound service designed for business Customers. Calls are billed in six (6) second increments after an initial period, for billing purposes, of thirty (30) seconds. There is an interstate monthly recurring charge associated with this product. Customers must sign a one year term plan for this product. Standard monthly fees for toll free service still apply. (M)(T)
(M)
(M)(I)
(M)
(M)

5.8.1 Per Minute Rate (M)

1+ Outbound Service	\$0.1800	(M)
Inbound Toll Free	\$0.1800	(M)

* - Grandfathered to existing Customers at existing locations.

Material that appears on this Page originally appeared on Page 77.

ISSUED: March 10, 2003

EFFECTIVE: March 11, 2003

BY: Director of Regulatory Affairs
Business Telecom, Inc.
4300 Six Forks Road
Raleigh, North Carolina 27609

SDo0301

SECTION 5 – GRANDFATHERED SERVICES, (CONT'D.)

5.9 Corporate Direct* (279) (M)(T)

Corporate Direct is a combined outbound and inbound service designed for business Customers. (M)
 Calls are billed in six (6) second increments after an initial period, for billing purposes, of thirty (30) (M)(I)
 seconds. There is an interstate monthly recurring charge associated with this product. Customers must (M)
 sign a one year term plan for this product. Standard monthly fees for toll free service still apply. (M)

5.9.1 Per Minute Rate (M)

1+ Outbound Service	\$0.1694	(M)
Inbound Toll Free	\$0.1694	(M)
		(M)

* - Grandfathered to existing Customers at existing locations.

Material that appears on this Page originally appeared on Page 78.

SECTION 5 – GRANDFATHERED SERVICES, (CONT'D.)

5.10 Millennium Service* (171) (M)(T)

Millennium Service is a combined outbound and inbound switched service designed exclusively for new Business Customers in which the majority of their long distance traffic is interstate. Calls are billed in six (6) second increments after an initial period, for billing purposes, of thirty (30) seconds. Customers must sign a one year term plan for this product. Intrastate service is offered in conjunction with interstate service. There is an interstate monthly recurring charge associated with this service. (M)(T)
(M)
(M)(I)
(M)
(M)
(M)(T)

4.56.1 Per Minute Rate

			(M)
1+ Outbound Service	\$0.1700		(M)
Inbound Toll Free	\$0.1700		(M)

* - Grandfathered to existing Customers at existing locations.

Material that appears on this Page originally appeared on Page 81.

SECTION 5 – GRANDFATHERED SERVICES, (CONT'D.)

5.11 Bottom Line Long Distance*

(M)(T)

BTI will offer the following intrastate promotion to business Customers who sign-up for the Company's complimentary interstate promotion through February 28, 1996. To be eligible, Customers must: 1) contact the Company to request the promotion, or 2) respond positively to marketing material from the Company or an authorized agent. The Customer must designate the Company as its primary interexchange carrier and sign a minimum one-year term plan agreement. As long as the Customer remains presubscribed to BTI's network, the following intrastate rates will apply to both outbound and inbound calls:

(M)

Minimum Term Plan	Switched Access	Dedicated Access
One Year (370/770)	\$0.1390	\$0.0890
Two Year (371/771)	\$0.1350	\$0.0850
Three Year (372/772)	\$0.1300	\$0.0790

The minimum usage commitment for switched access Customers is \$100 per month. Switched access Customers with monthly usage below \$100 will be billed the minimum commitment. The minimum usage commitment for dedicated access Customers is \$1,500 per month. Dedicated access Customers with monthly usage below \$1,500 will be billed the minimum commitment. All calls are billed in six (6) second increments following a minimum billing duration of thirty (30) seconds.

(M)

(M)(I)

* - Grandfathered to existing Customers at existing locations.

Material that appears on this Page originally appeared on Page 29.2.

