

1st REVISED SHEET 1
CANCELS ORIGINAL SHEET 1

PRICE LIST – 1

BUSINESS TELECOM, INC. d/b/a BTI

NAMING RATES FOR

Business Telecom, Inc.
4300 Six Forks Road
Raleigh, North Carolina 27609
Toll Free: (800) 849-2111

(T)

RESALE COMMON CARRIER SERVICE

Communications Services Between Points
in the State of Washington

And

CONTAINING RULES AND REGULATIONS

GOVERNING SERVICE

ISSUED: October 28, 2002

EFFECTIVE: November 7, 2002

Issued by: Director of Regulatory Affairs
Business Telecom, Inc.

WAo0201

SHEET 2

PRICE LIST – 1

BUSINESS TELECOM, INC. d/b/a BTI

CHECK SHEET

The Sheets of this Price List are effective as of the date shown at the bottom of the respective sheet(s). Sheets as named below comprise all changes from the original Price List and are currently in effect as of the date on the bottom of this page.

Sheet	Sheet	Sheet	Sheet	Sheet
1	17.13	42	71	100
2	* 17.14	43	72	101
3	17.15	44	73	102
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SYMBOLS

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

- D** - Delete or Discontinue.
- I** - Change Resulting In An Increase to A Customer's Bill.
- M** - Moved From Another Price List Location.
- N** - New.
- R** - Change Resulting In A Reduction to A Customer's Bill.
- T** - Change In Text or Regulation But No Change In Rate or Charge.

ISSUED: October 29, 1998

EFFECTIVE: November 8, 1998

Issued by: Business Telecom, Inc.
Anthony M. Copeland, Executive Vice President and General Counsel

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BUSINESS TELECOM, INC. d/b/a BTI

PRICE LIST FORMAT

- A. Sheet Numbering** - Sheet numbers appear in the upper right corner of the page. Sheets are numbered sequentially. However, new sheets are occasionally added to the Price List. 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. Sheet Revision Numbers** - Revision numbers also appear in upper right corner of each page. These numbers are used to determine the most current sheet version on file. For example, the 4th revised Sheet 14 cancels the 3rd revised Sheet 14. Consult the Check Sheet for the sheet currently in effect.
- C. Check Sheets** - When a Price List filing is made with the W.U.T.C., an updated check sheet accompanies the Price List filing. The check sheet lists the sheets contained in the Price List, 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 (*).

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BUSINESS TELECOM, INC. d/b/a BTI

SECTION 1 - TECHNICAL TERMS AND ABBREVIATIONS

Access Line - An arrangement which connects the Customer's or an Authorized User's location to a BTI network switching center.

Authorization Code - A numerical code, one or more of which are available to a Customer to enable him/her (and any Authorized User(s)) to access the carrier, and which are used by the carrier both to prevent unauthorized access to its facilities and to identify the Customer for billing purposes. A Customer with several Authorized Users may have several different codes. Customer is responsible for all calls made using its assigned authorization code(s) with or without the Customer's knowledge or approval.

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. Customer is responsible for all charges incurred by Authorized Users.

Commission - Refers to Washington Utilities & Transportation Commission.

(N)

Company or Carrier - Refers to Business Telecom, Inc. d/b/a BTI.

Customer - The person, firm, corporation or other legal entity which orders service and is responsible for payment of charges due and compliance with the Company's Price List regulations.

Day - From 8:00 AM up to but not including 5:00 PM local time Monday through Friday.

Evening - From 5:00 PM up to but not including 11:00 PM local time Sunday through Friday. From 8:00 AM up to, but not including, 11:00 PM local time on Holidays.

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BUSINESS TELECOM, INC. d/b/a BTI

SECTION 1 - TECHNICAL TERMS AND ABBREVIATIONS (continued)

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 call to a facility provided by an underlying facilities-based long distance carrier over whose circuits the Customer's call is routed.

Holidays - BTI's recognized holidays are New Year's Day, July 4th, Labor Day, Thanksgiving Day, Christmas Day and Memorial Day.

InterLATA - Calls which originate and terminate between points in Local Access Transport Areas (LATAs). LATAs are regional telephone service areas that are defined pursuant to the 1982 Consent Decree between the United States Department of Justice and American Telephone and Telegraph Company and participating carriers.

IntraLATA - Calls which originate and terminate within the same LATA.

Intrastate - Calls which both originate and terminate at any two points in Washington. Intrastate calls can be InterLATA or IntraLATA.

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

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.

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SECTION 1 - TECHNICAL TERMS AND ABBREVIATIONS (continued)

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.

Night/Weekend - From 11:00 PM up to but not including 8:00 AM Sunday through Friday, and 8:00 AM Saturday up to, but not including, 5:00 PM Sunday.

Operator Assisted Calls - Calls requiring assistance for completion, usually by dialing 0+(area code)+(exchange)+(line number), i.e. "0+"; or by dialing "0", with all subsequent dialing being performed by Operator Services, i.e. "0-". The following are examples of calls normally placed in this manner:

Calling Card Calls - Calls for which charges are billed to a telephone calling card issued either by a local exchange or long distance telephone company for this purpose.

Collect Calls - Calls for which charges are billed to the destination or termination telephone number.

Credit Card Calls - Calls for which charges are billed to a credit card, such as VISA, Mastercard, or American Express.

Person-to-Person Calls - Calls which are placed under the stipulation that the caller will speak only to a specific called party.

Room Charge Calls - Calls for which charges are collected by the Subscriber, normally a hotel or motel, from the guest or occupant of the room from which the call originated. Calls of this type require that Carrier communicate the call detail and charges back to the originating Subscriber location following completion of the call.

Third Party Calls - Calls for which charges are billed to a third party telephone number which is neither the originating nor the terminating telephone number.

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BUSINESS TELECOM, INC. d/b/a BTI

SECTION 1 - TECHNICAL TERMS AND ABBREVIATIONS (continued)

Operator Services - The operators, activities, equipment or services necessary to process Operator Assisted Calls.

Operator Service Charge - A non-measured (fixed) charge which is added to a measured charge in calculating the total Price List charges due for a completed Operator Assisted Call.

Project Codes - A numeric 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.

Qualified Commercial Association - 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 other multiple commercial representatives or a buying group not organized solely for the purpose of qualifying for the discounts provided for herein to commercial associations.

W.U.T.C. or Washington U.T.C. - Refers to Washington Utilities & Transportation Commission.

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PRICE LIST – 1

BUSINESS TELECOM, INC. d/b/a BTI

SECTION 2 - RULES AND REGULATIONS

2.1 Undertaking of BTI

This price list 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 Washington. Operator-assisted services are furnished subject to the availability of facilities and subject to the terms and conditions of this price list.

BTI installs, operates, and maintains the communication services provided hereinunder in accordance with the terms and conditions set forth under this Price List. 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.

2.2 Use of Service

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

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(N)

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BUSINESS TELECOM, INC. d/b/a BTI

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

- 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,T)

Material originally found on this sheet can now be found on Sheet 13.

PRICE LIST – 1

BUSINESS TELECOM, INC. d/b/a BTI

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

2.5 Limitations

2.5.1 Service is offered subject to the provisions of this price list.

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 price list. 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 Price List, 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;

(T)

(T)

BUSINESS TELECOM, INC. d/b/a BTI

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

2.5 Limitations, (Cont'd.)

(M,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.

(M,T)

(N)

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.

(N)

Material originally found on this sheet can now be found on Sheet 17.5.

PRICE LIST – 1

BUSINESS TELECOM, INC. d/b/a BTI

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 Price List. 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 Price List.
- 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 originally found on this sheet can now be found on Sheets 17.5, 17.7 and 17.14.

PRICE LIST – 1

BUSINESS TELECOM, INC. d/b/a BTI

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

2.7 Payment Arrangements

(M,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.

(M,T)

Material on this sheet was originally found on Sheet 17.1.

Material originally found on this sheet can now be found on Sheet 17.5.

BUSINESS TELECOM, INC. d/b/a BTI

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

2.7 Payment Arrangements, (Cont'd.)

(M,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.

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(D)

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

(D)

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

(M,T)

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.

(M,T)

Material on this sheet was originally found on Sheets 17.1 and 17.2.

Material originally found on this sheet can now be found on Sheets 17.3 and 17.5.

PRICE LIST – 1

BUSINESS TELECOM, INC. d/b/a BTI

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 Washington Utilities & Transportation Commission in accordance with the Commission's rules of procedure. The address of the Commission is as follows:

Washington Utilities & Transportation Commission
1300 S. Evergreen Park Drive, S.W.
Olympia, WA 98504-7250

(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 price list 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.

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(N)

BUSINESS TELECOM, INC. d/b/a BTI

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 sheet was originally found on Sheet 17.3.

Material originally found on this sheet can now be found on Sheet 17.1.

BUSINESS TELECOM, INC. d/b/a BTI

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

2.8 Deposits/Advance Payments

Deposits and Advance Payments are not collected or required from credit worthy Customers. Customers unable to establish their credit worthiness will be required to post a deposit or advance payment with the Company based upon two (2) months' estimated usage. In accordance with the Commission's rules, the Company will either issue a performance bond or establish a trust account prior to the collection of any deposits.

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Material on this sheet was originally found on Sheet 17.

Material originally found on this sheet can now be found on Sheet 17.2.

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BUSINESS TELECOM, INC. d/b/a BTI

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

2.10 Interruption of Service

- 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.

(N)

(N)

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BUSINESS TELECOM, INC. d/b/a BTI

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

2.11 Term Plan Agreements

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.

(N)

(N)

PRICE LIST – 1

BUSINESS TELECOM, INC. d/b/a BTI

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

2.13 Cancellation of Service

(M,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.

2.13.2 Cancellation by the Customer without Cause

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.

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Material on this sheet was originally found on Sheets 15 and 16.

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BUSINESS TELECOM, INC. d/b/a BTI

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

2.13 Cancellation of Service, (Cont'd.)

(N)

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.

(N)

PRICE LIST – 1

BUSINESS TELECOM, INC. d/b/a BTI

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

2.13 Cancellation of Service, (Cont'd.)

(N)

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.

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.

(N)

PRICE LIST – 1

BUSINESS TELECOM, INC. d/b/a BTI

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)

PRICE LIST – 1

BUSINESS TELECOM, INC. d/b/a BTI

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 price list 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)

PRICE LIST – 1

BUSINESS TELECOM, INC. d/b/a BTI

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)

PRICE LIST – 1

BUSINESS TELECOM, INC. d/b/a BTI

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)

PRICE LIST – 1

BUSINESS TELECOM, INC. d/b/a BTI

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 sheet was originally found on Sheet 15.

PRICE LIST – 1

BUSINESS TELECOM, INC. d/b/a BTI

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 Price List 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.

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PRICE LIST – 1

BUSINESS TELECOM, INC. d/b/a BTI

SECTION 3 - DESCRIPTION OF SERVICE

3.1 Timing of Calls/Computation of Charges

Unless otherwise specified for a particular service, charges for service will be based on the number of minutes of Service used by Customer, time of day at which the Service is used, and the distance between the origination and termination points of the call.

3.1.1 For the purpose of computing charges a call begins at the time that the hardware or software answer supervision indicates that the call has been answered at the distant end, and terminates when you hang up. Applicable usage charges apply for all calls that are answered regardless of the length of the calls. In addition, applicable usage charges apply whenever the calling party does not hang up at least 60 seconds after completion of dialing regardless of whether the call has been answered.

3.1.2 Unless otherwise specified for a particular service, (a) the minimum charge for any call is the applicable rate for one minute; and (b) calls will be billed in one-minute increments, with any fractional portion of a minute rounded up to the next full minute. 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.

3.1.3 Calls will be billed at the rate in effect during the call, with two rates applied if the call spans over more than one billing rate period.

(I)
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(I)

PRICE LIST – 1

BUSINESS TELECOM, INC. d/b/a BTI

SECTION 3 - DESCRIPTION OF SERVICE (continued)

3.1 Timing of Calls/Computation of Charges (continued)

3.1.4 Billing periods are as follows:

Day: 8:00 a.m. to 5:00 p.m., Monday through Friday

Evening: 5:00 p.m. to 11:00 p.m., Sunday through Friday
8:00 a.m. to 11:00 p.m., New Year's Day, Christmas Day, July 4th,
Thanksgiving, Labor Day and Memorial Day.

Night: 11:00 p.m. to 8:00 a.m., all days
8:00 a.m. to 11:00 p.m. Saturday
8:00 a.m. to 5:00 p.m. Sunday

3.1.5 All usage rates are stated in terms of dollars and cents per minute. If the billing increment for a service is a fraction of a minute, then the per-minute rate stated will be pro-rated to each billing increment.

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Anthony M. Copeland, Executive Vice President and General Counsel

PRICE LIST – 1

BUSINESS TELECOM, INC. d/b/a BTI

SECTION 3 - DESCRIPTION OF SERVICE (continued)

3.2 Calculation of Distance

Usage charges for all mileage sensitive services 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 Price List No. 4.

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

3.3 Directory Assistance

This service is provided on a pass-through basis to a carrier offering directory assistance. Billing is provided by Company at a flat rate of \$1.10 per call provided the Customer dials Directory Assistance using the Company switch. Charges for Directory Assistance shall not be applied to subscribers who are blind or physically handicapped to the extent they are unable to use the telephone directory.

(I)

PRICE LIST – 1

BUSINESS TELECOM, INC. d/b/a BTI

SECTION 3 - DESCRIPTION OF SERVICE (continued)

3.4 Service Offerings

BTI offers a variety of basic service options, as described in this section. Unless otherwise specified herein, each of these services provides the Customer and Authorized Users the ability to complete intrastate intraLATA and interLATA long distance telephone calls to all points within the State of Washington. In addition to these basic offerings, the Company offers Travel Service and Operator Service on an optional, as-needed basis to all Customers subscribing to any of the basic service packages. Expanded 800 Service Options may be ordered in conjunction with any 800 service offering.

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PRICE LIST – 1

BUSINESS TELECOM, INC. d/b/a BTI

SECTION 3 - DESCRIPTION OF SERVICE (continued)

3.4 Service Offerings (continued)

3.4.1 Econocall Service

This is the basic service offered Customers by the Company. Customers and Authorized Users may access Econocall service, in areas where 1+ equal access is offered by the local telephone company, by dialing 1, the area code, and the telephone number they desire to reach from any presubscribed telephone line. Alternatively, a Customer or Authorized User may access this service from any telephone line using a tone-emitting terminal device, by dialing an Access Number provided by the Company, and entering a valid Authorization Code followed by the area code and telephone number desired.

There are no limitations placed on the number of calls which can be placed or the length of calls. Customers may use the Service for any lawful purpose.

Company will make all reasonable efforts to provide adequate Facilities to provide Service to all Customers. Service is, however, limited to the availability of the necessary Facilities. Company reserves the right not to provide service to any potential Customer where the necessary Facilities are not available.

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PRICE LIST – 1

BUSINESS TELECOM, INC. d/b/a BTI

SECTION 3 - DESCRIPTION OF SERVICE (continued)

3.4 Service Offerings (continued)

3.4.2 Travel Service

This service allows Customers to call to any location in the Continental U.S. from any location within the Continental U.S. using a touchtone phone. The normal dialing sequence is to dial an 800 Access Number followed by a travel authorization code.

3.4.3 Dial WATS Service

This service is provided only in conjunction with an Interstate Dial WATS Service. This service allows Customers unlimited Econocall Service for a fixed per minute charge. This service is accessed via 1+ equal access from a presubscribed telephone line.

3.4.4 Universal WATS

A service designed for large volume Customers needing dedicated outbound long distance service.

3.4.5 Premier WATS

Service designed as an adjunct to Interstate Premier WATS, which is designed for Customers with high volume usage.

3.4.6 Premier 1 WATS

Service allowing Customer to call anywhere in the Continental U.S., anytime, for one flat rate per minute over local lines. This service is accessed via 1+ equal access from a presubscribed telephone line.

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PRICE LIST – 1

BUSINESS TELECOM, INC. d/b/a BTI

SECTION 3 - DESCRIPTION OF SERVICE (continued)

3.4 Service Offerings (continued)

3.4.7 Premier 1 WATS Residential

This service is designed for Customers with high volume intrastate WATS Service usage. It is accessed via 1+ equal access from a presubscribed telephone line.

3.4.8 Corporate WATS

Service designed for large volume long distance users needing dedicated T-1 access facilities. This service is often used in conjunction with Corporate 800.

3.4.9 Corporate 800 Service

Inbound calling service provided to large volume 800 service users needing dedicated T-1 service. Often used in conjunction with Corporate WATS Service.

3.4.10 Premier 1 Plus

A combined WATS/800 service for large volume users provided through switched access.

3.4.11 Qualified Commercial Association Program

This is a service offered to Qualified Commercial Associations as defined in Section 1 of this Price List who subscribe to any of the Company's specific service plans.

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PRICE LIST – 1

BUSINESS TELECOM, INC. d/b/a BTI

SECTION 3 - DESCRIPTION OF SERVICE (continued)

3.4 Service Offerings (continued)

3.4.12 Operator Services

Operator Service Calls are timed according to Section 3.1. Billing is in one minute increments. No Customer will be billed for an uncompleted call. This service includes the completion of collect, station-to-station, person-to-person, third party billing and credit card calls by BTI operators.

3.4.13 Premier Direct

Service designed for large volume long distance users needing dedicated T-1 services. Provides access to digital fiber optic network and state-of-the-art digital switching systems via a T-1 connection.

3.4.14 Premier Basic

Designed for small business users which bill less than \$100 per month. This basic service is offered at a flat rated, per minute charge. It is accessed via 1+ equal access from a presubscribed telephone line.

3.4.15 Personal 800

A competitively priced, flat rated inbound service designed for business and residential Customers which provides a standard or universal 800 number with an assigned authorization code for each "ring to" number requested. Calls dialed to the assigned 800 number will be forwarded by Carrier to the "ring to" local exchange telephone number.

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PRICE LIST – 1

BUSINESS TELECOM, INC. d/b/a BTI

SECTION 3 - DESCRIPTION OF SERVICE (continued)

3.4 Service Offerings (continued)

3.4.16 BTI Guestcall

This is a 1+ service designed for the communications needs of the hospitality industry.

3.4.17 Travel Service Plus

This service allows Customers to initiate calls within the State of Washington 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.

3.4.18 Premier Wats II

This service is designed for Customers with high volume intrastate WATS Service usage. It is accessed via 1+ equal access from a presubscribed telephone line.

3.4.19 Unlimited Wats

This service is a dedicated access service offering six second incremental billing, with itemized billing available.

3.4.20 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.

3.4.21 Premier Residential Service

This is a 1+ service designed for the communications needs of BTI's residential Customers.

3.4.22 Premier 1-800 Service

This is a toll free outbound service designed for the communications needs of BTI's Customers.

3.4.23 Hospitality Plus

This service 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.

PRICE LIST – 1

BUSINESS TELECOM, INC. d/b/a BTI

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

3.4 Service Offerings (continued)

3.4.24 Home Plus

This service is an outbound service primarily targeted to residential customers. Calls are billed on a postalized, peak/off-peak basis.

3.4.25 Guestcall II

This service is offered to the hospitality industry where usage is primarily during off-peak periods.

3.4.26 Home Plus 100

This service is an outbound service primarily targeted to residential Customers. Calls are billed on a postalized, peak/off-peak basis.

3.4.27 Home Plus Toll Free

This service is an inbound service primarily targeted to residential Customers. Calls are billed on a postalized, peak/off-peak basis.

3.4.28 PhonePlus Telesales

This service is a combined outbound and inbound service offered on a peak/off-peak, postalized rate basis. Service is provided over standard local access lines.

3.4.29 [Reserved for Future Use]

(D)
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(D)

3.4.30 [Reserved for Future Use]

* - Grandfathered to existing Customers at existing locations.

PRICE LIST – 1

BUSINESS TELECOM, INC. d/b/a BTI

SECTION 3 - DESCRIPTION OF SERVICE (continued)

3.4 Service Offerings (continued)

3.4.31 [Reserved for Future Use]

(D)
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(D)

3.4.32 PhonePlus Dedicated Access Service*

This service is a combined outbound and inbound service offered on a peak/off-peak, postalized rate basis. Service is provided over customer-provided dedicated access facilities.

(T)

3.4.33 PhonePlus Switched Access Service*

This service is a combined outbound and inbound service offered on a peak/off-peak, postalized rate basis. Service is provided over standard local access lines.

(T)

3.4.34 Private Line Service

This product is offered in the form of discrete intrastate communications facilities which are dedicated to the specific Customer and are billed at fixed monthly rates. Local access facilities will be obtained by BTI for the Customer from the Local Exchange Carrier.

3.4.35 Business Connections Long Distance*

This service is a combined outbound and inbound service which originates/terminates over either switched or dedicated access lines. Nationwide flat rate pricing applies twenty-four hours per day, seven days per week. Customers must sign up for a minimum one-year term plan. Additional discounts are available for multi-year term plan agreements. Dedicated Access Customers are responsible for all dedicated or private facilities required to connect to the Company's network.

(T)

* - Grandfathered to existing Customers at existing locations.

PRICE LIST – 1

BUSINESS TELECOM, INC. d/b/a BTI

SECTION 3 - DESCRIPTION OF SERVICE (continued)

3.4 Service Offerings (continued)

3.4.36 Corporate Connections 1*

Corporate Connections Promotion 1 is a combined outbound and inbound service designed for business Customers that bill over \$250 per month.

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3.4.37 Corporate Connections 275*

Corporate Connections 275 is a combined outbound and inbound service designed for business Customers.

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(T)

3.4.38 [Reserved for Future Use]

(D)

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(D)

3.4.39 Global Connections 1

Global Connections Promotion 1 is a service offering discounted intrastate rates for business Customers who presubscribe to the service.

3.4.40 Travel Service Plus 159*

Travel Service Plus 159 allows Customers to initiate calls anywhere within Washington 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.

(T)

3.4.41 International Heritage*

International Heritage is a flat rate combined outbound inbound toll free service offered to business Customers.

(T)

3.4.42 Corporate Edge

Corporate Edge is a combined outbound and inbound service designed for Business Customers. Customers must sign a one year or three year contract for this service.

* - Grandfathered to existing Customers at existing locations.

PRICE LIST – 1

BUSINESS TELECOM, INC. d/b/a BTI

SECTION 3 - DESCRIPTION OF SERVICE (continued)

3.4 Service Offerings (continued)

3.4.43 Connections 272*

Connections 272 is a combined outbound and inbound service designed for Business Customers. Customers must sign a one year contract for this service.

(T)

3.4.44 Corporate Direct*

Corporate Direct is a combined outbound and inbound service designed for Business Customers. Customers must sign a one year contract for this service.

(T)

3.4.45 Corporate Edge Dedicated

Corporate Edge Dedicated is a combined outbound and inbound service primarily designed for Business Customers. Customers must sign either a one year contract or a three year contract for this service.

3.4.46 BTI Purchasable Discount Plan

BTI Purchasable Discount Plan was designed primarily for the new Business Customer who subscribes to BTI's Corporate Connections switched service. Customers call elect to receive a 10% discount on all interstate and intrastate calls for a one time fee of \$100.00, good for one year.

3.4.47 Millennium Service*

Millennium Service is a combined outbound and inbound service primarily for new Business Customers whose majority of long distance traffic is interstate. Customers must sign a one year contract for this service. Customers must enroll in this service by September 30, 1999.

(T)

(T)

* - Grandfathered to existing Customers at existing locations.

PRICE LIST – 1

BUSINESS TELECOM, INC. d/b/a BTI

SECTION 3 – DESCRIPTION OF SERVICE (continued)

3.4 Service Offerings (continued)

3.4.48 Corporate Edge – PT1

Corporate Edge PT1 is a combined outbound and inbound service designed primarily for Business Customers. Customers must sign a one-year contract for this service.

3.4.49 Corporate Edge – PT2

Corporate Edge PT2 is a combined outbound and inbound service designed primarily for Business Customers. Customers must sign a one-year contract for this service.

3.4.50 Corporate Edge – PT3

Corporate Edge PT3 is a combined outbound and inbound service designed primarily for Business Customers. Customers must sign a one-year contract for this service.

3.4.51 BTI Switched Off-Net Long Distance

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.

3.4.52 Travel Card Service (995)

Travel Card Service allows Customers to initiate calls anywhere within the State of Washington by using any touchtone telephone. It involves dialing a Toll Free access number, followed by the Customer's authorization code (Customer Identification Number), and then the called number.

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PRICE LIST - 1

BUSINESS TELECOM, INC. d/b/a BTI

SECTION 4 - RATES

4.1 Econocall Service

(A) DAY RATES

Mileage Range	INTRALATA		INTERLATA	
	First Minute	Add'l Minute	First Minute	Add'l Minute
0 - 10	\$0.1675	\$0.1076	\$0.1550	\$0.1039
11 - 16	\$0.2075	\$0.1376	\$0.1950	\$0.1336
17 - 22	\$0.2375	\$0.1676	\$0.2250	\$0.1633
23 - 30	\$0.2775	\$0.1876	\$0.2450	\$0.1732
31 - 40	\$0.4075	\$0.2476	\$0.2450	\$0.2128
41 - 55	\$0.4575	\$0.2776	\$0.2450	\$0.2128
56 - 70	\$0.4675	\$0.3076	\$0.2550	\$0.2227
71 - 124	\$0.4975	\$0.3376	\$0.2650	\$0.2425
125 - 292	\$0.5175	\$0.3576	\$0.2850	\$0.2425
293 - 430	\$0.5475	\$0.3776	\$0.2950	\$0.2623
431 - 544	\$0.5475	\$0.3776	\$0.2950	\$0.2623

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PRICE LIST – 1

BUSINESS TELECOM, INC. d/b/a BTI

SECTION 4 - RATES (continued)

4.1 Econocall Service (continued)

B. EVENING RATES

Mileage Range	INTRALATA		INTERLATA	
	First Minute	Add'l Minute	First Minute	Add'l Minute
0 - 10	\$0.1256	\$0.0807	\$0.1125	\$0.0767
11 - 16	\$0.1256	\$0.1032	\$0.1425	\$0.0900
17 - 22	\$0.1781	\$0.1257	\$0.1650	\$0.1212
23 - 30	\$0.2081	\$0.1407	\$0.1800	\$0.1287
31 - 40	\$0.3056	\$0.1857	\$0.1800	\$0.1584
41 - 55	\$0.3431	\$0.2082	\$0.1800	\$0.1584
56 - 70	\$0.3506	\$0.2307	\$0.1875	\$0.1658
71 - 124	\$0.3731	\$0.2532	\$0.1950	\$0.1806
125 - 292	\$0.3881	\$0.2682	\$0.2100	\$0.1806
293 - 430	\$0.4106	\$0.2832	\$0.2175	\$0.1955
431 - 544	\$0.4106	\$0.2832	\$0.2175	\$0.1955

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PRICE LIST - 1

BUSINESS TELECOM, INC. d/b/a BTI

SECTION 4 - RATES (continued)

4.1 Econocall Service (continued)

C. NIGHT/WEEKEND RATES

Mileage Range	INTRALATA		INTERLATA	
	First Minute	Add'l Minute	First Minute	Add'l Minute
0 - 10	\$0.0837	\$0.0538	\$0.0921	\$0.0636
11 - 16	\$0.1037	\$0.0688	\$0.1173	\$0.0823
17 - 22	\$0.1187	\$0.0838	\$0.1362	\$0.1010
23 - 30	\$0.1387	\$0.0938	\$0.1488	\$0.1073
31 - 40	\$0.2037	\$0.1238	\$0.1488	\$0.1322
41 - 55	\$0.2287	\$0.1388	\$0.1488	\$0.1322
56 - 70	\$0.2337	\$0.1538	\$0.1551	\$0.1385
71 - 124	\$0.2487	\$0.1688	\$0.1614	\$0.1509
125 - 292	\$0.2587	\$0.1788	\$0.1740	\$0.1509
293 - 430	\$0.2737	\$0.1888	\$0.1803	\$0.1634
431 - 544	\$0.2737	\$0.1888	\$0.1803	\$0.1634

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SECTION 4 - RATES (continued)

4.1 Econocall Service (continued)

D. Volume discounts based on incremental dollar volume are available as follows:

<u>Dollar Volume</u>	<u>Discount</u>
\$ 25 - 99.99	2.0%
\$ 100+	5.0%

Volume discounts are limited to domestic usage only and do not apply on LEC billing.

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SECTION 4 - RATES (continued)

4.2 Travel Service

A. Monthly Access: \$0.00 per code

B. Minimum Billing Increment: 30 Seconds
Additional Billing Increment: 6 Seconds

C. Call Initiation Charge: \$0.60

D. Usage Charges:

<u>Mileage Range</u>	<u>Day</u>	<u>Evening</u>	<u>Night</u>
All Miles	\$0.2200	\$0.1800	\$0.1800

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SECTION 4 - RATES (continued)**4.3 Dial WATS Service**

The 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 for this service are on a per minute basis, with fractions of minutes rounded up to the nearest minute. Charges are the same regardless of the distance of the call, and whether 1+ Service is used. The following charges will apply to all Dial WATS Service Customers:

	<u>Day Rates</u>	
Dial WATS I adjunct	\$0.190	
Dial WATS II adjunct	\$0.175	
Time of Day Discounts apply as follows:	<u>Evening</u>	<u>Night</u>
Dial WATS I adjunct	20.0%	50.0%
Dial WATS II adjunct	20.0%	45.0%

Volume Discount: On any monthly bill which has total usage charges for Dial WATS, Dial WATS I and Dial WATS II exceeding \$2,500, Customer will receive a discount of 10.0% on the charges for these services.

Volume Discounts are limited to domestic usage only.

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SECTION 4 - RATES (continued)**4.4 Universal WATS**

A service designed for large volume Customers needing dedicated outbound long distance service.

A. Rates (per minute):

<u>Band</u>	<u>Day</u>	<u>Evening</u>	<u>Night</u>
Washington	\$0.155	\$0.140	\$0.121

B. Billing Increments:

30 Second Minimum
1/10th minute thereafter

C. Monthly Service Fee:

\$36.50 Per WATS Access Line

D. Installation Fee:

\$100.00 Per WATS Access Line

E. Volume Discounts:

<u>Dollar Volume</u>	<u>Discount</u>
\$ 0.00 - \$ 500.00	0%
\$ 501.00 - \$2,000.00	10.0%
\$2,001.00 - \$5,000.00	15.0%
\$5,001.00 +	18.0%

Discounts apply to Domestic usage only.

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SECTION 4 - RATES (continued)**4.5 Premier WATS**

The following charges apply for Premier WATS Service within Washington:

- A. Monthly access: \$10.00
- B. Minimum charge per call: 30 seconds
- C. Usage charge: after first 30 seconds charges are in one-tenth increments, rounded up to the nearest one-tenth minute, based on the following:

	<u>Rate Per One-Tenth Minute</u>
Day	\$0.0195
Evening	\$0.0187
Night	\$0.0177

- D. Discounts based on dollar volume of calls are available as follows:

<u>Dollar Volume</u>	<u>Discount</u>
\$ 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 - over	20%

Volume discounts are limited to domestic usage only.

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SECTION 4 - RATES (continued)

4.6 Premier 1 WATS Service

- A. Monthly access: \$10.00 Per Location
- B. Minimum charge per call: 30 seconds
- C. Usage charge for InterLATA calling: after the first 30 seconds, charges are in one-tenth minute increments, rounded up to the nearest one-tenth minute, based on the following:

<u>Dollar Volume</u>	<u>Initial 30 Second Increment</u>	<u>Rate Per One-Tenth Minute</u>
\$ 0.00 - 500.00	\$0.0900	\$0.0180
\$ 501.00 - 1500.00	\$0.0850	\$0.0170
\$1500.00+	\$0.0825	\$0.0165

- D. IntraLATA calling per minute \$0.2200

IntraLATA calling will apply toward the volume discounts. The call timing provisions outlined in Paragraph C above also applies to intraLATA calling. Access will be on a 1+ or dial-up basis depending upon availability in the local service area.

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SECTION 4 - RATES (continued)

4.7 Premier 1 WATS Residential Service

The following charges apply for Premier 1 WATS Residential Service within Washington:

- A. Monthly access: \$5.00 Per Location
- B. Minimum charge per call: 60 seconds
- C. Rates:
 - Day \$0.2100 per minute
 - Evening \$0.1575 per minute
 - Night/Weekend \$0.1050 per minute

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

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SECTION 4 - RATES (continued)

4.8 Corporate WATS Service

Corporate WATS Service is designed for large volume long distance users. Access is provided through dedicated T-1 access facilities. The following charges apply for this service within Washington:

A. Corporate WATS Rates (per minute):

<u>Band</u>	<u>Day</u>	<u>Evening</u>	<u>Night/Weekend</u>
Washington	\$0.110	\$0.102	\$0.095

B. Billing Increments: Calls are billed in 6 second increments after the initial 18 seconds.

C. Installation and monthly access provided by local exchange carrier at its Price Listed rates.

D. Customer Service Unit:

Optional diagnostic unit which permits off-site testing of the Customer's lines.

Installation Charge:	\$75.00
Monthly Charge:	\$35.00 per location

E. Project Codes:

	<u>Set Up</u>	<u>Monthly</u>
Verifiable (restricted)	\$25	\$10
Non-Verifiable	\$10	\$ 5

There is no limit on the number of project codes that may be used.

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SECTION 4 - RATES (continued)

4.8 Corporate WATS Service (continued)

F. Volume Discounts:

<u>Dollar Volume</u>	<u>Discount</u>
\$ 0.00 - 4,999.00	0%
\$ 5,000.00 - 24,999.00	5%
\$25,000.00+	10%

Volume Discounts are limited to domestic usage only.

G. Term Plan: Customers who sign a term contract with the company for the periods outlined below will be eligible for the discounts indicated:

24 Months	5%
36 Months	7%

H. Term Plan Penalty: If the Term Agreement is terminated before the term is complete, the Customer must:

1. EITHER repay a pro rata share of all Term Discounts given to date based on the following:

$$\frac{\text{months remaining}}{\text{commitment term}} \times \text{discount given} = \text{repayment amount}$$

OR pay a monthly fee of \$1,500.00 to BTI for each month left on the Term Plan, whichever is the lesser amount;

2. AND reimburse BTI for any waived installation and monthly access charges.

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SECTION 4 - RATES (continued)**4.9 Corporate 800 Service**

This service enables the Customer to receive inbound calls from Customers or other persons; the call will be toll-free to the caller. This service is billed on a per minute basis, with fractions of a minute rounded up to the nearest minute. Charges are the same regardless of the distance of the call. Access is provided through dedicated T-1 access facilities.

A. Corporate 800 Rates:

<u>Band</u>	<u>Day</u>	<u>Evening</u>	<u>Night</u>
Washington	\$0.125	\$0.105	\$0.088

B. Installation and monthly access provided by local exchange carrier at its Price Listed rates.

C. Set Up Fee: \$50.00 Per Location

D. Monthly Service Charge: \$20.00 Per Location

E. Customer Service Unit:

Optional diagnostic unit which permits off-site testing of the Customer's lines.

Installation:	\$75.00
Monthly Charge:	\$35.00

F. Volume Discounts:

<u>Dollar Volume</u>	<u>Discount</u>
\$ 0- 9,999	0%
\$10,000-29,999	15%
\$30,000+	20%

Volume discounts are limited to domestic usage only.

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SECTION 4 - RATES (continued)

4.9 Corporate 800 Service (continued)

G. Term Plan: Customers who sign a term contract with the company for the periods outlined below will be eligible for the discounts indicated:

24 Months	5%
36 Months	7%

H. Term Plan Penalty: If the Term Agreement is terminated before the term is complete, the Customer must:

1. EITHER repay a pro rata share of all Term Discounts given to date based on the following:

$$\frac{\text{months remaining}}{\text{commitment term}} \quad \times \quad \text{discount given} = \text{repayment amount}$$

OR pay a monthly fee of \$1,500.00 to BTI for each month left on the Term Plan, whichever is the lesser amount;

2. AND reimburse BTI for any waived installation and monthly access charges.

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SECTION 4 - RATES (continued)

4.9 Corporate 800 Service (continued)

I. Additional Service Options:

<u>Service</u>	<u>Installation Charge</u>	<u>Monthly Charge</u>
NPA Blocking (This feature allows the Customer to block certain NPA codes from 800 access.)	\$100	\$10
Route Advance (If two 800 numbers are busy, this feature will route the call over the Customer's local line. The overflow is billed at the following:)	\$100	\$35

<u>Monthly Overflow Volume</u>	<u>Rate</u>
\$ 0- 500	\$0.210
\$ 501-1,500	\$0.200
\$1,501+	\$0.190

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SECTION 4 - RATES (continued)

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

A. Premier 1 Plus InterLATA Service Rates:

<u>Dollar Volume</u>	<u>Rate per minute</u>
\$ 0- 500	\$0.180
\$ 501-1,500	\$0.170
\$1,501+	\$0.165

B. Outgoing intraLATA calls are billed at \$.220 per minute.

C. Set Up Fee: \$20.00 Per Location

D. Monthly Service Charge: \$20.00 Per Location

E. Outgoing calls are billed in 6 second increments after initial 30 seconds.

F. Incoming calls are billed in 6 second increments after initial 30 seconds.

G. Project Codes:

	<u>Set Up</u>	<u>Monthly Fee</u>
Verifiable	\$25	\$10
Non-Verifiable	\$10	\$ 5

There is no limit on the number of project codes that may be used.

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SECTION 4 - RATES (continued)

- 4.11 Qualified Commercial Association Discount:** Qualified 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 domestic toll (day, evening, or night) usage billings of all Association members. The discount will be in accordance with the schedule shown below.

<u>Collective Billing Amount</u>	<u>Volume Discount</u>
\$10,000 - \$49,999	2%
\$50,000 - \$74,999	3%
\$75,000 - \$99,999	4%
\$100,000 - \$149,999	5%
\$150,000 - \$199,999	6%
\$200,000 - \$249,999	7%
\$250,000 +	8%

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.

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SECTION 4 - RATES (continued)

4.12 Operator Services

The total charge for each completed operator assisted call consists of two charge elements (except as otherwise provided herein): fixed operator service charge, which will be dependent on the type of billing selected (i.e., calling card, charge third party or others) and/or the completion restriction selected (i.e., station-to-station or person-to-person); and a measured usage charge dependent on the duration, distance and time of day of the call. The usage charge element is specified as a rate per minute which applies to each minute of call duration, with a minimum charge for each call of one minute, and with fractional minutes of use thereafter counted as one full minute.

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SECTION 4 - RATES (continued)**4.12 Operator Services (continued)****A. IntraLATA Operator Assisted Rates****1. Day Rates**

<u>Rate Mileage</u>	<u>1st Minute</u>	<u>Each Add'l One-Tenth Minute</u>
0 - 10	\$0.1500	\$0.0060
11 - 16	\$0.1900	\$0.0100
17 - 22	\$0.2500	\$0.0150
23 - 30	\$0.2900	\$0.0190
31 - 55	\$0.3100	\$0.0220
56 - 124	\$0.3700	\$0.0280
125 - 292	\$0.4200	\$0.0320
293 - 430	\$0.4600	\$0.0360

2. Time of Day Discounts

Evening: 25% Below Day Rates

Night/Weekend: 50% Below Day Rates

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SECTION 4 - RATES (continued)

4.12 Operator Services (continued)

B. InterLATA Operator Assisted Rates

<u>Mileage</u>	<u>Day</u>		<u>Evening</u>		<u>Night/Weekend</u>	
	<u>1st</u>	<u>Add'l</u>	<u>1st</u>	<u>Add'l</u>	<u>1st</u>	<u>Add'l</u>
1 - 10	\$0.2700	\$0.1000	\$0.2025	\$0.0750	\$0.1620	\$0.0600
11 - 22	\$0.2700	\$0.1370	\$0.2120	\$0.1206	\$1.1810	\$0.0998
23 - 55	\$0.3100	\$0.1470	\$0.2500	\$0.1375	\$0.2110	\$0.1118
56 - 124	\$0.3700	\$0.1665	\$0.2930	\$0.1535	\$0.2470	\$0.1238
125 – 196	\$0.4000	\$0.1766	\$0.3140	\$0.1593	\$0.2650	\$0.1299
197 – 292	\$0.4100	\$0.2070	\$0.3230	\$0.1805	\$0.2710	\$0.1478
Over 292	\$0.4200	\$0.2165	\$0.3320	\$0.1895	\$0.2770	\$0.1538

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SECTION 4 - RATES (continued)**4.12 Operator Services (continued)****B. Operator Charges**

The following shall be in addition to the operator assisted measured usage charges and based on the Operator Service used. The Operator Dialed (0-) surcharge applies, in addition to other applicable charges, when the Customer requests that the operator dial the destination telephone number.

	Charge Per Call	
	<u>IntraLATA</u>	<u>InterLATA</u>
1. Station to Station		
(a) Customer dialed calling card (credit card)	\$0.50	\$0.80
(b) All other	\$1.25	\$1.75
2. Person to Person	\$3.00	\$3.50
3. Operator Dialed (0-)	\$0.75	\$0.75

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SECTION 4 - RATES (continued)**4.13 Premier Direct (continued)****F. Project Codes:**

	Set Up Charge	Monthly Fee
Verifiable	\$25.00	\$10.00
Non-Verifiable	\$10.00	\$15.00

G. Customer Service Unit:

Optional diagnostic unit which permits off-site testing of the Customer's lines.

Installation:	\$75.00
Monthly Fee:	\$35.00

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SECTION 4 - RATES (continued)

4.14 Expanded 800 Service Options

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

Enhanced 800 Features	<u>Install</u>	<u>Change</u>	<u>Monthly</u>
NPA Restriction	\$100	\$100	\$ 0
Time of Day Routing	\$100	\$100	\$100
Day of Week Routing	\$100	\$100	\$100
Holiday Routing	\$100	\$100	\$ 0
Uniform Call Distribution (UCD)	\$100	\$100	\$ 0
Dailed Number Identification Service (DNIS)	\$450	\$450	\$ 0
Route Advance	\$100	\$100	\$ 35
Area Code Routing	\$100	\$100	\$100
Percentage Call Allocation	\$100	\$100	\$100
Intercept Services			
Intercept 800 (\$0.10 per call over 500 calls)	\$ 20	\$ 20	\$ 20
Intercept & Forward 800	\$250	\$ 0	\$ 10

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SECTION 4 - RATES (continued)

4.15 Premier Basic Service

A. Intrastate Rates (per minute):

<u>Mileage</u>	<u>Day</u>		<u>Evening</u>		<u>Night/Weekend</u>	
	<u>1st</u>	<u>Add'l</u>	<u>1st</u>	<u>Add'l</u>	<u>1st</u>	<u>Add'l</u>
1 - 10	\$0.2000	\$0.2000	\$0.1600	\$0.1600	\$0.1600	\$0.1600
11 - 16	\$0.2000	\$0.2000	\$0.1600	\$0.1600	\$0.1600	\$0.1600
17 - 22	\$0.2000	\$0.2000	\$0.1600	\$0.1600	\$0.1600	\$0.1600
23 - 30	\$0.2000	\$0.2000	\$0.1600	\$0.1600	\$0.1600	\$0.1600
31 - 55	\$0.2000	\$0.2000	\$0.1600	\$0.1600	\$0.1600	\$0.1600
56 - 70	\$0.2000	\$0.2000	\$0.1600	\$0.1600	\$0.1600	\$0.1600
71 - 124	\$0.2000	\$0.2000	\$0.1600	\$0.1600	\$0.1600	\$0.1600
125 - 292	\$0.2000	\$0.2000	\$0.1600	\$0.1600	\$0.1600	\$0.1600
293 – 430	\$0.2000	\$0.2000	\$0.1600	\$0.1600	\$0.1600	\$0.1600
431+	\$0.2000	\$0.2000	\$0.1600	\$0.1600	\$0.1600	\$0.1600

- B. Billing Increments: The minimum charge per call is for 30 seconds. After the first 30 seconds, charges are made in one-tenth minute increments, rounded up to the nearest one-tenth minute.

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SECTION 4 - RATES (continued)

4.18 Personal 800 Service

A. Rates (per minute):

Day	Evening	Night/Weekend
\$0.2200	\$0.1625	\$0.1385

B. Billing Increments: The minimum charge per call is for 30 seconds. After the first 30 seconds, charges are made in one-tenth minute increments, rounded up to the nearest one-tenth minute.

C. Monthly Service Fee: \$5.00

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SECTION 4 - RATES (continued)**4.19 BTI Guestcall****A. Rates (per minute):**

Range	<u>Day</u>	<u>Evening</u>	<u>Night/Weekend</u>
IntraLata	\$0.1900	\$0.1729	\$0.1573
InterLata	\$0.1900	\$0.1600	\$0.1410

B. Billing Increments: The minimum charge per call is for 30 seconds. After the first 30 seconds, charges are made in one-tenth minute increments, rounded up to the nearest one-tenth minute.

C. Volume Discounts: Discounts are based on volume usage and are calculated incrementally. Volume discounts are limited to domestic usage only.

<u>Dollar Usage</u>	<u>Discount</u>
\$0 - \$500	0%
\$501-\$2,500	5%
\$2,501 – \$5,000	10%
\$5,001 - over	15%

D. Monthly Service Fee: \$20.00

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SECTION 4 - RATES (continued)

4.20 Travel Service Plus

- A. Monthly Access: \$0.00 per code
- B. Minimum Billing Increment: 30 Seconds
- C. Additional Billing Increment: 6 Seconds
- D. Usage Charges:

<u>Mileage Range</u>	<u>Day</u>	<u>Evening</u>	<u>Night</u>
All Miles	\$0.2700	\$0.2700	\$0.2700

Per call initiation charge: \$0.25

- E. Discounts: Not Applicable
- F. Other: Not Applicable

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SECTION 4 - RATES (continued)

4.21 Returned Check Charges

A return check charge in an amount consistent with applicable state law will be assessed for all checks returned by a bank or other financial institution for: Insufficient or uncollected funds, closed account, apparent tampering, missing signature or endorsement, or any other insufficiency or discrepancy necessitating return of the instrument at the discretion of the drawee bank or other financial institution.

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(T)

Return Check Charge, per occurrence: \$25.00

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SECTION 4 - RATES (continued)

4.22 Exemptions and Special Rules

A. Discounts for Hearing Impaired Customers

A telephone toll message which is communicated using a telecommunications device for the deaf (TDD) by properly certified hearing or speech impaired persons or properly certified business establishments or individuals equipped with TDDs for communicating with hearing or speech impaired persons will receive, upon request, credit on charges for certain intrastate toll calls placed between TDDs. The credit to be given on a subsequent bill for such calls placed between TDDs will be equal to applying the evening rate during the business day hours and the night/weekend rate during the evening rate period. Discounts do not apply to surcharges or per call add on charges for operator service when the call is placed by a method that would normally incur the surcharge.

B. Operator Assistance for Handicapped Persons

Operator station surcharges will be waived for operator assistance provided to a caller who identified him or herself as being handicapped and unable to dial the call because of a handicap.

C. Directory Assistance for Handicapped Persons

There is no charge for Directory Assistance for calls from handicapped persons. Such persons must contact the Company for credit on their directory assistance calls.

PRICE LIST – 1

BUSINESS TELECOM, INC. d/b/a BTI

SECTION 4 - RATES (continued)

4.23 Premier Wats II

- A. Installation Charge: Not Applicable
- B. Monthly Access: \$10.00
- C. Minimum Billing Increment: 30 seconds
- D. Additional Billing Increment: 6 seconds
- E. Usage Charges:

1. Intrastate/InterLATA Per Minute Rates:

<u>Mileage Range</u>	<u>Day</u>	<u>Evening</u>	<u>Night</u>
All Miles	\$0.1950	\$0.1870	\$0.1770

2. Intrastate/IntraLATA Per Minute Rates:

<u>Mileage Range</u>	<u>Day</u>	<u>Evening</u>	<u>Night</u>
All Miles	\$0.2200	\$0.2200	\$0.2200

3. Discounts:

Applies to interLATA and intraLATA calls:

Dollar Volume

<u>From</u>	<u>To</u>	<u>Incremental Discount</u>
\$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%

- F. Other Not Applicable

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EFFECTIVE: November 8, 1998

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PRICE LIST – 1

BUSINESS TELECOM, INC. d/b/a BTI

SECTION 4 - RATES (continued)

4.24 Unlimited Wats

A. Installation Charge:

1. \$140.00 per line within 25 miles of POP site.
2. Over 25 miles on individual case basis.

B. Monthly Access: \$125.00 per line

C. Minimum Billing Increment: 30 seconds

D. Additional Billing Increment: 6 seconds

E. Usage Charges:

<u>Day</u>	<u>Evening</u>	<u>Night</u>
\$0.1450	\$0.1200	\$0.0900

F. Discounts:

<u>Dollar Volume</u>		<u>Discount</u>
<u>From</u>	<u>To</u>	
\$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%

G. Other: Not Applicable

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SECTION 4 - RATES (continued)**4.25 Association Discount**

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 services, access charges, or other applicable charges will remain in effect.

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PRICE LIST – 1

BUSINESS TELECOM, INC. d/b/a BTI

SECTION 4 - RATES (continued)

4.26 Premier Residential Service

- A. Installation Charge: Not Applicable
- B. Monthly Access: \$0.00
- C. Minimum Billing Increment: 30 seconds
- D. Additional Billing Increment: 6 seconds
- E. Usage Charges:

	<u>Intrastate/ IntraLATA</u>
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.

- F. Discounts: Not Applicable
- G. Other: Not Applicable

PRICE LIST – 1

BUSINESS TELECOM, INC. d/b/a BTI

SECTION 4 - RATES (continued)**4.27 Premier 1-800 Service**

- A. Installation Charge: \$0.00
- B. Monthly Access: \$20.00
- C. Minimum Billing Increment: 30 seconds
- D. Additional Billing Increment: 6 seconds
- E. Usage Charges:

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

- F. Discounts: Not Applicable
- G. Other: Not Applicable

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PRICE LIST – 1

BUSINESS TELECOM, INC. d/b/a BTI

SECTION 4 - RATES (continued)

4.28 Hospitality Plus

- | | |
|----------------------------------|----------------|
| A. Installation Charge: | Not Applicable |
| B. Monthly Access: | \$0.00 |
| C. Minimum Billing Increment: | 30 seconds |
| D. Additional Billing Increment: | 6 seconds |
| E. Usage Charges: | |

<u>All Miles</u>
Outbound
Inbound

<u>One Year Term Plan</u>
\$0.1400
\$0.1300

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

F. Discounts:

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

- | | |
|-----------|----------------|
| G. Other: | Not Applicable |
|-----------|----------------|

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.

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.

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PRICE LIST – 1

BUSINESS TELECOM, INC. d/b/a BTI

SECTION 4 - RATES (continued)

4.29 Home Plus

- A. Installation Charge: Not Applicable
- B. Monthly Access: \$0.00
- C. Minimum Billing Increment: One minute
- D. Additional Billing Increment: One minute
- E. Usage Charges:

<u>Mileage Range</u>	<u>Peak</u>	<u>Off Peak</u>
All Miles	\$0.1900	\$0.1300

- F. Discounts: Not Applicable
- G. Other:

There is no minimum monthly minimum usage requirement or monthly recurring charges.

PRICE LIST – 1

BUSINESS TELECOM, INC. d/b/a BTI

SECTION 4 - RATES (continued)

4.30 Guestcall II

- A. Installation Charge: \$0.00
- B. Monthly Access: \$25.00
- C. Minimum Billing Increment: 30 seconds
- D. Additional Billing Increment: 6 seconds
- E. Usage Charges:

<u>Band</u>	<u>Day</u>	<u>Evening</u>	<u>Night</u>
All Mileage	\$0.1850	\$0.1500	\$0.1500

F. Discounts:

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

G. Other:

Guestcall Customers must have actual off-peak usage equal to or greater than 60% of all traffic.

PRICE LIST – 1

BUSINESS TELECOM, INC. d/b/a BTI

SECTION 4 - RATES (continued)

4.31 Home Plus 100

- A. Installation Charge: \$0.00
- B. Monthly Access: \$0.00
- C. Minimum Billing Increment: Whole minute
- D. Additional Billing Increment: Whole minute
- E. Usage Charges:

<u>Per Minute Usage Rates</u>	<u>Outbound Rate per Minute</u>	
	<u>Peak</u>	<u>Off- Peak</u>
All Miles	\$0.190	\$0.130

- F. Discounts: Not Applicable

- G. Other:

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.

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BUSINESS TELECOM, INC. d/b/a BTI

SECTION 4 - RATES (continued)**4.32 Home Plus Toll Free**

A.	Installation Charge:	\$0.00	
B.	Monthly Access:	\$2.00	
C.	Minimum Billing Increment:	whole minute	
D.	Additional Billing Increment:	whole minute	
E.	Per Minute Usage Charges:		
		<u>Outbound Rate per Minute</u>	
	<u>Mileage Range</u>	<u>Peak</u>	<u>Off Peak</u>
	All Miles	\$0.190	\$0.130
F.	Discounts:	Not Applicable	
G.	Other:		

There are no minimum monthly volume commitments.

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PRICE LIST – 1

BUSINESS TELECOM, INC. d/b/a BTI

SECTION 4 - RATES (continued)

4.33 PhonePlus Telesales

A.	Installation Charge:		\$0.00
B.	Monthly Access:		\$0.00
C.	Minimum Billing Increment:		18 seconds
D.	Additional Billing Increment:		6 seconds
E.	Per Minute Usage Rates:		
			<u>Outbound Rate per Minute</u>
			<u>Peak</u> <u>Off Peak</u>
	Outbound		\$0.145 \$0.145
	Inbound		\$0.145 \$0.145
F.	Discounts:		Not Applicable
G.	Other:		Not Applicable

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PRICE LIST – 1

BUSINESS TELECOM, INC. d/b/a BTI

SECTION 4 - RATES (continued)

4.34 [Reserved for Future Use]

(D)

(D)

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WAo0301

PRICE LIST – 1

BUSINESS TELECOM, INC. d/b/a BTI

SECTION 4 – RATES, (CONT'D.)

4.35 [Reserved for Future Use]

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PRICE LIST – 1

BUSINESS TELECOM, INC. d/b/a BTI

SECTION 4 - RATES (continued)

4.36 [Reserved for Future Use]

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(D)

PRICE LIST – 1

BUSINESS TELECOM, INC. d/b/a BTI

SECTION 4 - RATES (continued)

4.37 [Reserved for Future Use]

(M)

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

(M)

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PRICE LIST – 1

BUSINESS TELECOM, INC. d/b/a BTI

SECTION 4 - RATES (continued)

4.38 [Reserved for Future Use]

(M)

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

(M)

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Business Telecom, Inc.

WAo0301

PRICE LIST – 1

BUSINESS TELECOM, INC. d/b/a BTI

SECTION 4 - RATES (continued)

4.39 Private Line Service

A. Analog Rates:

1. Interexchange (IXC) Service Rates (monthly per channel)

<u>Mileage</u>	<u>Fixed</u>	<u>Per Mile</u>
1-50	\$66.55	\$3.00
51-101	\$137.32	\$2.00
101-over	\$229.28	\$1.00

2. Local Access Rates

Voice Grade (Voice and Analog Data)

<u>Mileage</u>	<u>Fixed</u>	<u>Per Mile</u>	<u>Installation</u>
0	\$82.63	\$1.00	\$500.00
1-4	\$82.63	\$9.99	\$500.00
5-8	\$82.63	\$8.99	\$500.00
9-25	\$82.63	\$7.99	\$500.00
26-over	\$82.63	\$6.99	\$500.00

B. Digital Rates (DDS)

1. Interexchange (IXC) Service Rates (monthly per channel)

<u>Mileage</u>	<u>Fixed</u>	<u>Per Mile</u>
1-50	\$75.00	\$4.00
51-101	\$150.00	\$2.00
101-over	\$275.00	\$1.00

2. Local Access Rates

Digital Access (9.6K/19.2K DDS)

<u>Mileage</u>	<u>Fixed</u>	<u>Per Mile</u>	<u>Installation</u>
0	\$250.00	\$1.00	\$600.00
1-over	\$250.00	\$4.00	\$600.00

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PRICE LIST – 1

BUSINESS TELECOM, INC. d/b/a BTI

SECTION 4 - RATES (continued)

4.39 Private Line Service (continued)

B. Digital Rates (DDS) (continued)

	Digital Access (56K DDS)		
<u>Mileage</u>	<u>Fixed</u>	<u>Per Mile</u>	<u>Installation</u>
0	\$325.00	\$1.00	\$600.00
1-over	\$400.00	\$6.00	\$600.00

C. T-1.5 Rates

1. T-1.5 Service (monthly per 24 channels)

<u>Mileage</u>	<u>Fixed</u>	<u>Per Mile</u>
1-over	\$600.00	\$12.00

2. Local Access Rates

	T-1.5 Digital Access		
<u>Mileage</u>	<u>Fixed</u>	<u>Per Mile</u>	<u>Installation</u>
0	\$500.00	\$1.00	\$1,500.00
1-over	\$500.00	\$40.00	\$1,500.00

D. Local Access Rates

Local access service to connect the Customer's premise to the Company's point of presence is charges 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.

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PRICE LIST – 1

BUSINESS TELECOM, INC. d/b/a BTI

SECTION 4 - RATES (continued)

4.40 [Reserved for Future Use]

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

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Business Telecom, Inc.

WAo0301

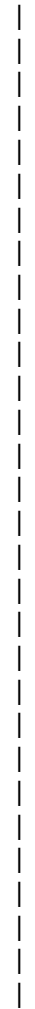
PRICE LIST – 1

BUSINESS TELECOM, INC. d/b/a BTI

SECTION 4 - RATES (continued)

4.40 [Reserved for Future Use] (continued)

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Material that originally appeared on this Sheet now appears on Sheet 100.

PRICE LIST – 1

BUSINESS TELECOM, INC. d/b/a BTI

SECTION 4 - RATES (continued)

4.40 [Reserved for Future Use] (continued)

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Material that originally appeared on this Sheet now appears on Sheet 101.

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PRICE LIST – 1

BUSINESS TELECOM, INC. d/b/a BTI

SECTION 4 - RATES (continued)

4.41 Corporate Edge

Customers must sign a one year or three year term plan for this product.

- A. Monthly Access: \$0.00
- B. Minimum Billing Increment: 18 seconds
- C. Additional Billing Increment: 6 seconds
- D. Usage Rates:

Per Minute Rates – One Year Term Plan

<u>Monthly</u> <u>Volume</u>	<u>\$0.00 -</u> <u>\$500.00</u>	<u>\$501.00 -</u> <u>\$1,000.00</u>	<u>\$1,001.00 -</u> <u>\$1,500.00</u>	<u>\$1,501.00 +</u>
Per Minute Rate	\$0.1730	\$0.1678	\$0.1644	\$0.1609

Per Minute Rates – One Year Term Plan

<u>Monthly</u> <u>Volume</u>	<u>\$0.00 -</u> <u>\$500.00</u>	<u>\$501.00 -</u> <u>\$1,000.00</u>	<u>\$1,001.00 -</u> <u>\$1,500.00</u>	<u>\$1,501.00 +</u>
Per Minute Rate	\$0.1678	\$0.1626	\$0.1592	\$0.1557

- E. Termination Penalty:

Termination penalty will be governed by contract.

- F. Other:

There is an interstate monthly recurring charge associated with this product.

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PRICE LIST – 1

BUSINESS TELECOM, INC. d/b/a BTI

SECTION 4 - RATES (continued)

4.42 [Reserved for Future Use]

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(M)

Material that originally appeared on this Sheet now appears on Sheet 102.

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WAo0301

PRICE LIST – 1

BUSINESS TELECOM, INC. d/b/a BTI

SECTION 4 - RATES (continued)

4.43 [Reserved for Future Use]

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(M)

Material that originally appeared on this Sheet now appears on Sheet 103.

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Business Telecom, Inc.

WAo0301

PRICE LIST – 1

BUSINESS TELECOM, INC. d/b/a BTI

SECTION 4 - RATES (continued)

4.44 [Reserved for Future Use]

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PRICE LIST – 1

BUSINESS TELECOM, INC. d/b/a BTI

SECTION 4 - RATES (continued)

4.45 Global Connections 1

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.

- A. Minimum Billing Increment: 18 seconds
- B. Additional Billing Increment: 6 seconds
- C. Usage Charges:
 - 1+ Outbound Service \$0.1259
 - Inbound Toll Free \$0.1259

4.45.1 Customer Retention Promotion

The *Customer Retention Promotion* is available to any existing customer subscribing to a facilities-based long distance service or data services (including Internet and DSL) whose term plan is expiring or expired, and has a minimum monthly revenue volume of \$500.00, provided the discount does not fall below the company's cost of providing that service to the customer. Promotional discounts do not apply to conferencing services, surcharges or taxes. Customers will be required to sign a minimum one-year contract. Eligibility for the level of discount received is based on monthly revenue volume associated with the individual customer. This promotion is available from November 10, 2004 through February 8, 2005.

RDL1	5%	Customers billing \$500.00+
RDL2	10%	Customers billing \$600.00+
RDL3	15%	Customers billing \$700.00+
RDL4	20%	Customers billing \$800.00+
RDL5	25%	Customers billing \$900.00+
RDL6	30%	Customers billing \$1000.00+
RDL7	35%	Customers billing \$1100.00

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EFFECTIVE: November 10, 2004

Issued by: Business Telecom, Inc.
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(N)

(N)

PRICE LIST – 1

BUSINESS TELECOM, INC. d/b/a BTI

SECTION 4 - RATES (continued)

4.46 [Reserved for Future Use]

(M)

(M)

4.47 [Reserved for Future Use]

(M)

(M)

(M)

Material that originally appeared on this Sheet now appears on Sheets 104 and 105.

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Business Telecom, Inc.

WAo0301

PRICE LIST – 1

BUSINESS TELECOM, INC. d/b/a BTI

SECTION 4 - RATES (continued)

4.48 [Reserved for Future Use]

(M)

4.49 [Reserved for Future Use]

(M)

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Material that originally appeared on this Sheet now appears on Sheets 106 and 107.

(M)

PRICE LIST – 1

BUSINESS TELECOM, INC. d/b/a BTI

SECTION 4 - RATES (continued)**4.50 Corporate Edge Dedicated**

Intrastate service is only offered in conjunction with interstate and international service.

A.	Monthly Access:	\$0.00
B.	Minimum Billing Increment:	18 seconds
C.	Additional Billing Increment:	6 seconds
D.	Usage Charges:	
	<u>One Year Term Plan</u>	
	1+ Outbound Service	\$0.0720
	Inbound Toll Free Service	\$0.0720
	<u>Three Year Term Plan</u>	
	1+ Outbound Service	\$0.0690
	Inbound Toll Free Service	\$0.0690
E.	Discounts:	Not Applicable

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 Anthony M. Copeland, Executive Vice President and General Counsel

PRICE LIST – 1

BUSINESS TELECOM, INC. d/b/a BTI

SECTION 4 - RATES (continued)

4.51 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.

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(N)

ISSUED: May 17, 1999

EFFECTIVE: May 27, 1999

Issued by: Business Telecom, Inc.
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WAo9901

PRICE LIST – 1

BUSINESS TELECOM, INC. d/b/a BTI

SECTION 4 - RATES (continued)

4.52 [Reserved for Future Use]

(M)

(M)

Material that originally appeared on this Sheet now appears on Sheet 108.

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Business Telecom, Inc.

WAo0301

PRICE LIST - 1

BUSINESS TELECOM, INC. d/b/a BTI

SECTION 4 - RATES (continued)

4.53 Corporate Edge - PT1

Intrastate service is only offered in conjunction with interstate service.

- | | | |
|-----------|-------------------------------|----------------|
| A. | Monthly Access: | \$0.00 |
| B. | Minimum Billing Increment: | 18 seconds |
| C. | Additional Billing Increment: | 6 seconds |
| D. | Usage Per Minute Charge: | \$0.1557 |
| E. | Discounts: | Not applicable |

(N)

(N)

ISSUED: July 27, 1999

EFFECTIVE: August 6, 1999

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WAo9902

PRICE LIST - 1

BUSINESS TELECOM, INC. d/b/a BTI

SECTION 4 - RATES (continued)

4.54 Corporate Edge - PT2

Intrastate service is only offered in conjunction with interstate service.

- | | | |
|-----------|-------------------------------|----------------|
| A. | Monthly Access: | \$0.00 |
| B. | Minimum Billing Increment: | 18 seconds |
| C. | Additional Billing Increment: | 6 seconds |
| D. | Usage Per Minute Charge: | \$0.1592 |
| E. | Discounts: | Not applicable |

(N)

(N)

ISSUED: July 27, 1999

EFFECTIVE: August 6, 1999

Issued by: Business Telecom, Inc.
Anthony M. Copeland, Executive Vice President and General Counsel

WAo9902

PRICE LIST – 1

BUSINESS TELECOM, INC. d/b/a BTI

SECTION 4 - RATES (continued)

4.56 BTI Switched Off-Net Long Distance

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.

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4.56.1 Per Period Usage Rates:

(T)

	<u>Monthly Volume*</u>	<u>Outbound Service</u>	<u>Toll Free Service</u>
Switched off-net Long Distance (216)	Any	\$0.126	\$0.126

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

PRICE LIST – 1

BUSINESS TELECOM, INC. d/b/a BTI

SECTION 5 – GRANDFATHERED SERVICES

5.1 PhonePlus Dedicated Access Service*

(M)(T)

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)
(M)

A. Installation Charge: \$0.00

(M)

B. Monthly Access: \$0.00

(M)

C. Minimum Billing Increment: 30 seconds

(M)(I)

D. Additional Billing Increment: 6 seconds

(M)

E. Usage Charges:

(M)

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

F. Discounts: (760, 761)

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

G. 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. - Grandfathered to existing Customers at existing locations.

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

PRICE LIST – 1

BUSINESS TELECOM, INC. d/b/a BTI

SECTION 5 – GRANDFATHERED SERVICES (continued)

5.2 PhonePlus Switched Access Service*

(M)(T)

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)
(M)

A. Installation Charge: \$0.00

(M)

B. Monthly Access: \$10.00

(M)

C. Minimum Billing Increment: 30 seconds

(M)(I)

D. Additional Billing Increment: 6 seconds

(M)

E. Per Minute Usage Charges:

(M)

<u>Monthly Revenue Commitment</u>		<u>Outbound/Inbound Rate per Minute</u>	
		<u>Peak</u>	<u>Off Peak</u>
\$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

F. Discounts:

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

G. 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 Sheet originally appeared on Sheet 76.

PRICE LIST – 1

BUSINESS TELECOM, INC. d/b/a BTI

SECTION 5 – GRANDFATHERED SERVICES (continued)

5.3 Business Connections Long Distance*

(M)(T)

Customers must sign up for a minimum one-year term plan and the cancellation provisions found in Section 5.3 (G.) apply. Additional discounts are available for multi-year term plan agreements. Dedicated Access Customers are responsible for all dedicated or private facilities required to connect to the Company's network.

(M)
(M)(T)
(M)
(M)

- A. Installation Charge: Not Applicable
- B. Monthly Access: \$0.00
- C. Minimum Billing Increment: 30 seconds
- D. Additional Billing Increment: 6 seconds
- E. Per Minute Usage Rates:

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

<u>One Year Term Monthly Commitment</u>	<u>Rate per Minute</u>	
	<u>Switched Access (373)</u>	<u>Dedicated Access (773)</u>
Less than \$5	\$0.189	\$0.139
\$5.00 - \$9.99	\$0.189	\$0.139
\$10.00 - \$14.99	\$0.189	\$0.139
\$15.00 - \$19.99	\$0.189	\$0.139
\$20.00 - \$24.99	\$0.189	\$0.139
\$25.00 - \$29.99	\$0.189	\$0.139
\$30.00 - \$34.99	\$0.189	\$0.139
\$35.00 - \$39.99	\$0.189	\$0.139
\$40.00 - \$44.99	\$0.189	\$0.139
\$45.00 - \$49.99	\$0.189	\$0.139
\$50.00 - \$54.99	\$0.189	\$0.139
\$55.00 +	\$0.189	\$0.139

* - Grandfathered to existing Customers at existing locations.

(M)

Material that appears on this Sheet originally appeared on Sheet 79.

PRICE LIST – 1

BUSINESS TELECOM, INC. d/b/a BTI

SECTION 5 – GRANDFATHERED SERVICES (continued)

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

(M)(T)

E. Per Minute Usage Rates:

(M)

<u>Two Year Term Monthly Commitment</u>	<u>Rate per Minute</u>	
	<u>Switched</u>	<u>Dedicated</u>
	<u>Access (374)</u>	<u>Access (774)</u>
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

<u>Three Year Term Monthly Commitment</u>	<u>Rate per Minute</u>	
	<u>Switched</u>	<u>Dedicated</u>
	<u>Access (375)</u>	<u>Access (775)</u>
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

* - Grandfathered to existing Customers at existing locations.

(M)

Material that appears on this Sheet originally appeared on Sheet 80.

PRICE LIST – 1

BUSINESS TELECOM, INC. d/b/a BTI

SECTION 5 – GRANDFATHERED SERVICES (continued)

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

(M)(T)

F. Discounts:

(M)

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.

G. Other:

The Monthly Commitment shown in the Term Tables as provided in Section 5.3 (E.) 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.

(M)

* - Grandfathered to existing Customers at existing locations.

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

PRICE LIST – 1

BUSINESS TELECOM, INC. d/b/a BTI

SECTION 5 – GRANDFATHERED SERVICES (continued)

5.3 Corporate Connections*

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.

- | | | | |
|-----------|---|----------------|--------|
| A. | Installation Charge: | \$0.00 | (M) |
| B. | Minimum Billing Increment: | 30 seconds | (M)(I) |
| C. | Additional Billing Increment: | 6 seconds | (M) |
| E. | Usage Charges: | | (M) |
| | <u>Per Minute Rates - One Year Term Plan:</u> | | (M) |
| | 1+ Outbound Service | (165) \$0.1259 | |
| | Inbound Toll Free Service | (165) \$0.1259 | |
| | <u>Per Minute Rates - Three Year Term Plan:</u> | | |
| | 1+ Outbound Service | (166) \$0.1259 | |
| | Inbound Toll Free Service | (166) \$0.1259 | |
| E. | Discounts: | Not Applicable | |
| F. | Other: | | |
| | There is an interstate monthly recurring charge associated with this product. | | (M) |

* - Grandfathered to existing Customers at existing locations.

Material that appears on this Sheet originally appeared on Sheet 83.

PRICE LIST – 1

BUSINESS TELECOM, INC. d/b/a BTI

SECTION 5 – GRANDFATHERED SERVICES (continued)

5.3 Corporate Connections 275* (275)		(M)(T)
Customers must sign a one year term plan for this product.		(M)
A. Monthly Access:	\$0.00	(M)
B. Minimum Billing Increment:	30 seconds	(M)(I)
C. Additional Billing Increment:	6 seconds	(M)
E. Usage Charges:		(M)
1+ Outbound Service	\$0.1302	(M)
Inbound Toll Free	\$0.1302	
E. Discounts:	Not Applicable	
F. Other:		
There is an interstate monthly recurring charge associated with this product.		(M)

* - Grandfathered to existing Customers at existing locations.

Material that appears on this Sheet originally appeared on Sheet 84.

PRICE LIST – 1

BUSINESS TELECOM, INC. d/b/a BTI

SECTION 5 – GRANDFATHERED SERVICES (continued)

5.4	Travel Service Plus 159* (159)				(M)
	Intrastate service is only offered in conjunction with interstate and international service.				(M)
A.	Monthly Access:		\$0.00		(M)
B.	Minimum Billing Increment:		18 seconds		(M)
C.	Additional Billing Increment:		6 seconds		(M)
D.	Usage Charges:				(M)
	<u>Mileage Range</u>	<u>Day</u>	<u>Evening</u>	<u>Night</u>	(M)
	All Miles	\$0.2700	\$0.2700	\$0.2700	
	Per Call Initiation Charge:		\$0.00		
E.	Discounts:		Not Applicable		
F.	Other:				
	There is an interstate monthly recurring charge associated with this product.				(M)

* - Grandfathered to existing Customers at existing locations.

Material that appears on this Sheet originally appeared on Sheet 87.

PRICE LIST – 1

BUSINESS TELECOM, INC. d/b/a BTI

SECTION 5 – GRANDFATHERED SERVICES (continued)

5.5	International Heritage* (186)		(M)
	This service is offered only in conjunction with interstate service.		(M)
A.	Minimum Billing Increment:	30 seconds	(M)(I)
B.	Additional Billing Increment:	6 seconds	(M)
C.	Per Minute Rates:		(M)
	1+ Outbound Service	\$0.1416	(M)
	Inbound Toll Free	\$0.1416	(M)

* - Grandfathered to existing Customers at existing locations.

Material that appears on this Sheet originally appeared on Sheet 87.

PRICE LIST – 1

BUSINESS TELECOM, INC. d/b/a BTI

SECTION 5 – GRANDFATHERED SERVICES (continued)

5.6 Corporate Connections 272* (272)		(M)
Intrastate service is only offered in conjunction with interstate and international service.		(M)
A. Monthly Access:	\$0.00	(M)
B. Minimum Billing Increment:	30 seconds	(M)(I)
C. Additional Billing Increment:	6 seconds	(M)
D. Usage Charges:		(M)
1+ Outbound Service	\$0.1416	
Inbound Toll Free Service	\$0.1416	
Per Call Initiation Charge:	\$0.0000	
E. Discounts:	Not Applicable	
F. Other:		
There is an interstate monthly recurring charge associated with this product.		(M)

* - Grandfathered to existing Customers at existing locations.

Material that appears on this Sheet originally appeared on Sheet 88.

PRICE LIST – 1

BUSINESS TELECOM, INC. d/b/a BTI

SECTION 5 – GRANDFATHERED SERVICES (continued)

5.6 Corporate Direct* (279)

(M)

This service is offered only in conjunction with interstate service.

(M)

A. Monthly Access: \$0.00

(M)

B. Minimum Billing Increment: 30 seconds

(M)(I)

C. Additional Billing Increment: 6 seconds

(M)

D. Per Minute Rates:

(M)

1+ Outbound Service \$0.1333

Inbound Toll Free \$0.1416

Per Call Initiation Charge: \$0.0000

E. Discounts: Not Applicable

F. Other:

There is an Interstate monthly recurring charge associated with this product.

* - Grandfathered to existing Customers at existing locations.

(M)

Material that appears on this Sheet originally appeared on Sheet 88.

