

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In the Matter of

Core Communications, Inc.
Access Charge Tariff Filing,
Transmittal No. 15

WC Docket No. 21-__

**PETITION OF VERIZON AND AT&T TO SUSPEND
OR REJECT CORE'S REVISED TARIFF**

Under section 1.773 of the Commission's rules,¹ Verizon² and AT&T Services, Inc. ("AT&T") request that the Commission suspend and investigate or reject the recent tariff filing of Core Communications, Inc. ("Core"), Tariff FCC No. 3, Transmittal No. 15. Core's tariff filing is attached to this Petition as Exhibit A. It is unlawful for at least three reasons:

1. Core purports to grant itself the presumption that all 8YY traffic it sends to IXCs is lawful and was not auto-generated or otherwise uncompensable.
2. Core claims the unilateral right to determine what qualifies as a good faith dispute and to charge exorbitant late payment charges on disputed amounts that it, alone, decides were not withheld in good faith.
3. Core also claims the right to bill 8YY database query charges to IXCs to which it has terminated service and when those charges are unnecessary to route the toll-free call.

These unlawful provisions together allow Core to profit from 8YY arbitrage schemes that the Commission has sought to end, while denying IXCs the meaningful ability to challenge those practices and the charges that flow from them.

¹ 47 C.F.R. § 1.773(a)(2)(iii).

² The Verizon companies participating in this filing are the regulated, wholly owned subsidiaries of Verizon Communications Inc.

First, sections 2.10.4(A) and 2.21 are unlawful because they establish a presumption that all 8YY traffic that Core sends to IXC's is lawful if the IXC's do not block it in real time, and provide that an IXC cannot raise a dispute in good faith about such calls unless it first credits its 8YY customer for any charges on those calls. Core cannot shirk its responsibility to ensure that the 8YY calls it obtains are legitimate, nor can it use its tariff to interfere with IXC's' contracts with their 8YY customers.

Second, section 2.10.4(A) is unlawful because it makes Core the sole judge of whether an IXC's dispute is in good faith. This provision is doubly unlawful: under the Commission's *Northern Valley Order*, a carrier cannot be the sole judge of whether disputes about its own charges have merit, and the provision is vague in violation of § 61.2(a).

Third, section 2.13.3(H) is unlawful because it purports to allow Core to continue to profit from its 8YY arbitrage schemes through database query charges even after it has terminated service to a customer for nonpayment.

BACKGROUND

A. Core's 8YY Business Model

In its 2020 *8YY Order*, the Commission recognized that 8YY arbitrage schemes “increasingly affect and undermine the system of intercarrier compensation that currently underpins toll free calling.”³ Core — which the Commission long ago identified as the “poster boy of [intercarrier] compensation gamesmanship”⁴ — has actively pursued those arbitrage schemes. As Core's CEO, Bret Mingo, testified under oath, as terminating switched access rates

³ Report and Order, *8YY Access Charge Reform*, 35 FCC Rcd 11594, ¶ 2 (2020) (“*8YY Order*”).

⁴ Resp. of FCC to Emergency Mot. for Stay at 14, *WorldCom, Inc. v. FCC*, 288 F.3d 429 (D.C. Cir. 2002) (Nos. 01-1218 et al.) (filed June 12, 2001).

transitioned to bill-and-keep, Core moved to shed “any backwards-looking lines of business” and to “expand[] . . . operations” in the 8YY space.⁵ Mingo also testified that there is a “big market” for 8YY traffic, with “[b]illions and billions of minutes of market.”⁶ And Core actively buys those 8YY minutes, because — in Mingo’s words — “a purchase of X number of [8YY] minutes for \$100,000 . . . generates multiples of the \$100,000 in [originating switched access charge] revenues.”⁷ After Core began to focus on 8YY arbitrage, its switched access billing skyrocketed — its bills to Verizon alone increased by more than 800% between March 2018 and May 2018.

But even as Core has pursued arbitrage schemes to generate revenues, it has refused to pay amounts it owes other telephone companies. Instead, Core has a history of using the bankruptcy process to avoid legal judgments against it. For example, rather than pay a judgment after it lost a case in the Eastern District of Virginia, Core’s Virginia LEC filed for Chapter 11 bankruptcy in the United States Bankruptcy Court for the District of Maryland.⁸ The bankruptcy court judge ultimately dismissed that Chapter 11 case, finding it was merely an attempt “to evade the enforcement of the prior judgment.”⁹ And Core’s Maryland and Pennsylvania LEC entities filed for Chapter 11 bankruptcy in the United States Bankruptcy Court for the District of

⁵ 341 Meeting of Creditors Transcript at 16:4-5, 19:7-11, *In re Core Commc’ns, Inc.*, No. 17-258 (Bankr. D.D.C. June 7, 2017).

⁶ Transcript of Proceedings at 64:17-21, *In re CoreTel Va., LLC*, No. 15-16717-RAG (Bankr. D. Md. May 23, 2018) (testimony of Bret Mingo, CEO of CoreTel Virginia) (“Mingo Deposition”).

⁷ Debtor’s Post-Hearing Mem. at 9, *In re CoreTel Virginia, LLC*, No. 15-16717-RAG, Doc. 238 (Bankr. D. Md. June 6, 2018).

⁸ See *In re CoreTel Va., LLC*, No. 15-16717-RAG (Bankr. D. Md.).

⁹ Oral Ruling at 60:22-23, *In re CoreTel Va., LLC*, No. 15-16717-RAG (Bankr. D. Md. June 25, 2018).

Columbia, after the Pennsylvania Public Utilities Commission ruled that Core owed Verizon millions in unpaid bills.¹⁰

B. Core's Tariff Filing

Core's proposed tariff filing introduces several provisions that would permit Core to profit from 8YY arbitrage schemes and then allow Core to avoid any accountability for doing so.

1. **Sections 2.10.4(A), 2.10.5, and 2.21.** Core's proposed tariff filing puts the burden on IXC's to weed out suspect 8YY traffic. Even if Core takes no steps to identify and prevent "suspect, fraudulent, or otherwise illegal" 8YY traffic from crossing its network, section 2.21 provides that any 8YY traffic Core delivers to an IXC "will be presumed to be legal traffic" unless the IXC blocks that traffic from reaching its 8YY customers.

Section 2.21 also provides that, for an IXC to raise a "good faith" dispute about any completed calls — for instance, because the calls appear to be auto-dialed calls to 8YY numbers to generate switched access charges — the IXC must include "documentation" that it has already "credited any amounts assessed to [the IXC's] customers in connection with this traffic" or that "no customers were billed for this traffic." More generally, in section 2.10.4(A), Core reserves the right to decide which disputes it will "consider[] a good faith dispute."

In section 2.10.5, Core proposes to raise the late payment charge rate for disputes that Core concludes are not in good faith from the already substantial 1.5% per month to "3.0% per month, or the highest rate permitted by applicable law, whichever is less."

¹⁰ See Opinion and Order, *Core Commc'ns, Inc. v. Verizon Pa. Inc.*, C-2011-2253750 & C-2011-2253787 (Pa. P.U.C. Dec. 23, 2016) ("PPUC Core Op. & Order"), available at <http://www.puc.state.pa.us/pcdocs/1501784.docx>, *reh'g denied in relevant part*, C-2011-2253750 & C-2011-2253787 (Pa. P.U.C. Apr. 20, 2017), available at <http://www.puc.state.pa.us/pcdocs/1517796.docx>; *In re Core Commc'ns, Inc.*, No. 17-00258-ELG (Bankr. D.D.C.).

2. **Section 2.13.3(H).** Existing section 2.13.3 set out the process under which Core could terminate service to an IXC for, among other things, nonpayment of invoices. Core now proposes to add new section 2.13.3(H), which purports to give Core authority to keep charging an IXC for “8YY queries” that Core performs, even when it has terminated service to that IXC and even though Core will not complete the calls by sending them to the IXC.

ARGUMENT

I. CORE’S REVISED TARIFF UNLAWFULLY ESTABLISHES A PRESUMPTION THAT CORE’S TRAFFIC IS LEGAL AND MAKES CORE THE SOLE JUDGE OF WHICH DISPUTES HAVE MERIT

Core designed newly proposed sections 2.10.4(A), 2.10.5, and 2.21 to increase its profits from its 8YY arbitrage efforts. The Commission should suspend and investigate or reject these provisions and require Core to submit a revised tariff that complies with its rules.

First, section 2.21 establishes an unlawful presumption that any traffic that Core sends its customers and that its customers do not block is “legal traffic.” This provision is unjust and unreasonable. As the Commission has recognized, “8YY robocallers have become very sophisticated and are able to display a different spoofed telephone number for each call they place to elude easy detection of their illegitimate calls.”¹¹ That is why “fraudulent [8YY] calls are only controllable from the originating point.”¹² Yet Core’s proposed tariff puts no burden on Core to ensure that the 8YY calls it purchases are legitimate calls by actual end users. Instead, Core seeks to shift to IXCs the burden to weed out illegitimate 8YY calls in real time — something that it knows IXCs cannot reliably do given the sophistication of 8YY robocallers.

¹¹ 8YY Order ¶ 17.

¹² Further Notice of Proposed Rulemaking, *8YY Access Charge Reform*, 33 FCC Rcd 5723, ¶ 32 (2018).

Core also has a history of taking no action to ensure that it is buying only legitimate 8YY traffic. For example, a review of the call detail records supporting Core's bills identified calls with illegitimate calling party telephone numbers, including all-zero numbers and unassigned NPA's or NPA-NXX's, as well as calls from telephone numbers making thousands of calls daily. Core's switched access bills also include charges for 8YY traffic under invalid CLLI codes, including the colorfully named "NOWAYISOURS." And of course, Core has every financial incentive to send *all* the calls it buys on to IXC's, no matter if they are auto-generated or legitimate. As noted above, Mr. Mingo testified that Core buys 8YY traffic in bulk because every dollar Core spends on 8YY traffic generates multiples in switched access charges billed to carriers like Verizon and AT&T. As the Commission recognized in its recent *8YY Order*, the business model of "intermediate providers" like Core "is rife with opportunities for arbitrage and fraud."¹³

Second, section 2.21 is also unlawful because it conditions an IXC's ability to dispute Core's billing for "fraudulent or otherwise illegal" 8YY traffic that the IXC did not block on the IXC first having refunded (or not having billed) its 8YY customers for that traffic. Under section 2.21, disputes over Core's bills for such illegitimate traffic are "good faith" only if the IXC verifies it "refunded or credited any amounts assessed to its customers" or documents "that no customers were billed for this traffic." This too is unjust and unreasonable. IXC's have contracts with their own 8YY customers, and those contracts spell out the situations in which those customers can get refunds. It is unjust and unreasonable for Core to try to use its tariff to change the terms of those contracts. In addition, section 2.21 requires an IXC to incur a financial penalty just to raise a dispute. The Commission addressed a similar situation in its *Northern*

¹³ *8YY Order* ¶ 1.

Valley Order, which held that a carrier acts unjustly and unreasonably by requiring IXC's to pay amounts billed before raising disputes.¹⁴ The Commission should similarly reject Core's effort to impose a financial prerequisite to disputing its charges.

Third, while section 2.21 addresses one specific ground on which IXC's can dispute Core's invoices, the more general billing dispute provision in section 2.10.4(A) is unlawful because it makes Core the sole judge of whether any dispute is in good faith. That provision says that "for the dispute to be considered a good faith dispute" by Core, an IXC must submit "all documentation as may reasonably be required to support the claim," without detailing what documentation Core considers "required." In the *Northern Valley Order*, the Commission held that a similar tariff provision — in which the CLEC was "the sole judge of whether any bill dispute has merit" — was unjust and unreasonable.¹⁵ Like that provision, section 2.10.4(A) is "unreasonable, because it conflicts with sections 206 to 208 of the Act, which allow a customer to complain to the Commission or bring suit in federal district court for the recovery of damages regarding a carrier's alleged violation of the Act."¹⁶

Core's attempt to make itself the arbiter of "good faith" disputes is unlawful on its face, but the Commission should not view it in isolation. Section 2.10.5 purports to require IXC's to pay late payment charges of 3% per month — the usurious rate of 36% *annually* — on any amounts withheld based on a dispute that Core decides was not raised in "good faith," assuming Core prevails on its dispute. Even Core's already-substantial 1.5% monthly baseline late payment charge exceeds both the time value of money and the rate the Commission applies in

¹⁴ Memorandum Opinion and Order, *Sprint Commc'ns Co. v. Northern Valley Commc'ns, LLC*, 26 FCC Rcd 10780, ¶ 14 (2011) ("*Northern Valley Order*").

¹⁵ *Northern Valley Order* ¶ 14.

¹⁶ *Id.*

cases involving “overcharging or improperly withheld payments”¹⁷ — the IRS tax refund rate, which is now less than one percent per year for overpayments of more than \$10,000 to corporations.¹⁸ Core’s proposed tariff thus pairs sole-decider power with a strong financial incentive to misuse it.

Relatedly, section 2.10.4(A) is also unlawful because it is vague and ambiguous. The Commission’s rules require “all tariff[s] . . . [to] contain clear and explicit explanatory statements.”¹⁹ But to count as a “good faith” dispute, section 2.10.4(A) requires the customer to submit “all documentation as may reasonably be required.” That, of course, is no guidance at all, much less the type of clear and explicit statement the Commission’s rules require.

The Commission should suspend and investigate or reject tariff sections 2.10.4(A), 2.10.5, and 2.21, and order Core to file a revised tariff that complies with the Commission’s rules.

II. CORE’S TARIFF UNREASONABLY PERMITS IT TO CHARGE UNNECESSARY 8YY DATABASE QUERIES FOR CUSTOMERS IT NO LONGER SERVES

The Commission’s *8YY Order* laid out a series of steps designed to undercut the financial incentives that make 8YY arbitrage schemes profitable. As relevant here, to eliminate one “obvious source of 8YY arbitrage” — “double dipping” of 8YY Database queries — the

¹⁷ *National Commc’ns Ass’n, Inc. v. AT&T Co.*, 1999 WL 258263, at *6 (S.D.N.Y. Apr. 29, 1999); *see also ACS of Anchorage, Inc. v. FCC*, 290 F.3d 403, 414 (D.C. Cir. 2002) (the Commission “co-opts” the IRS tax refund rate “for the calculation of prejudgment interest”).

¹⁸ *See* Internal Revenue Service, *Interest Rates Remain the Same for the Second Quarter of 2021* (Mar. 2, 2021), *available at* <https://www.irs.gov/newsroom/interest-rates-remain-the-same-for-the-second-quarter-of-2021>.

¹⁹ 47 C.F.R. § 61.2(a).

Commission “limit[ed] 8YY Database query charges to a single charge per call to be assessed by the carrier that originates the call.”²⁰

Section 2.13.3(H) targets this obvious arbitrage opportunity. By its terms, the provision permits Core to assess 8YY Database query charges to IXC to which it has terminated service even though Core is *never* “the carrier that originates the call.”²¹ Core has no end user customers of its own — as noted above, it purchases all its 8YY traffic in bulk from other carriers or 8YY aggregators. As a result, Core’s 8YY queries are never “necessary to identify the relevant Customer in advance of routing” because the entities from which it bought the traffic could perform those queries.

Section 2.13.3(H) is particularly egregious because it purports to give Core the right to continue acquiring 8YY traffic destined for IXC to which it has terminated service and then to bill them 8YY database charges for those calls, which it will refuse to complete. Section 2.13.3(H) says that if Core “discontinues service, it will no longer route any traffic that uses the Customer’s Carrier Identification Code (CIC), Local Routing Number (LRN), carrier owned NPA-NXX or any other element used to route traffic.” But even when Core “discontinues service,” the provision gives Core the right to charge “the now discontinued Customer” for 8YY queries. The only purpose of this provision is profit. Core buys its 8YY traffic. It is common in the market to specify which IXCs’ traffic — by CIC code — the purchaser wishes to acquire. If Core terminates service to an IXC, it should have to cease buying 8YY calls destined for that IXC. It is unjust and unreasonable to let Core profit from calls that it refuses to complete.

²⁰ 8YY Order ¶ 72, 82.

²¹ *Id.*

The Commission should suspend and investigate or reject section 2.13.3(H) and order Core to file a revised tariff that complies with the Commission's rules.

CONCLUSION

The Commission should suspend and investigate or reject Core's March 24, 2021 tariff filing. Core's unlawful provisions imperil the completion of customers' 8YY calls and raise "substantial questions of law and fact" that present "substantial risk that ratepayers or competitors would be harmed if the proposed tariff revisions were allowed to take effect."²² Core's tariff filing thus meets the factors for suspension of a new tariff filing laid out in section 1.773(a)(1)(ii) of the Commission's rules. The Commission should require Core to promptly file a new tariff that complies with relevant Commission rules, statute, and precedent.

Respectfully submitted,

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²² See Notice of Proposed Rulemaking, *Implementation of Section 402(b)(1)(A) of the Telecommunications Act of 1996*, 11 FCC Rcd 11233, ¶ 13 (1996) ("Pursuant to Section 204(a) of the Act, the Commission may suspend and investigate proposed tariffs if they raise substantial questions of law and fact and there is substantial risk that ratepayers or competitors would be harmed if the proposed tariff revisions were allowed to take effect.") (footnote omitted).

CERTIFICATE OF SERVICE

I, Scott H. Angstreich, do hereby certify that, on this 31st day of March 2021, the foregoing **PETITION OF VERIZON AND AT&T TO SUSPEND OR REJECT CORE'S REVISED TARIFF** was served on the following via email and fax:

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Exhibit A



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March 24, 2021

Via ETFS Filing

**This material is filed on 15 days' notice
under Section 204(a)(3) of the Communications Act**

Core Communications, Inc.
213 South Main Street
Anderson, SC 29624

FRN: 0017-11-8795
TRANSMITTAL No. 15

Secretary, Federal Communications Commission
Washington, DC 20554
ATTN: Wireline Competition Bureau

The accompanying tariff material, issued by Core Communications, Inc., et al. and bearing Tariff FCC No. 3, effective April 8, 2021, is sent to you for filing in compliance with the requirements of the Communications Act of 1934, as amended. This filing, made on fifteen (15) days' notice, introduces provisions to address fraudulent or otherwise illegal traffic by adding specific refund/credit provisions for Customers, acknowledging the parties' ability to block illegal traffic as permitted by law, and by updating dispute requirements for such traffic. This filing also revises Late Payment language and clarifies Cancellation by Company provisions.

The material contained in this filing consists of tariff pages indicated by the check sheet listed below:

FCC Tariff No.3 – 14th Revised Page 3

This transmittal letter and associated attachments are being filed electronically today via the Federal Communications Commission's Electronic Tariff Filing System (ETFS). Payment in the amount of \$960.00 has been electronically transmitted to the U.S. Bank in St. Louis, Missouri in accordance with the fee program procedures.

Supporting material is not required with this filing. Petitions pertaining to this filing may be sent to:

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Any questions you may have regarding this filing should be directed to my attention at 407-740-3006 or via email to croesel@inteserra.com. Thank you for your assistance in this matter.

Sincerely,

/s/ Carey Roesel

Carey Roesel
Consultant

cc: R. Gleaton- CoreTel (Via Email)
C. Van de Verg – CoreTel (Via Email)
tms: Transmittal 15
CR/sp

CHECK SHEET

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

PAGE	REVISION	PAGE	REVISION	PAGE	REVISION
1	Original	29.4	5 th Revised	52	Original
2	Original	29.5	5 th Revised	53	9 th Revised
3	14 th Revised *	29.6	5 th Revised	54	5 th Revised
4	Original	29.7	5 th Revised	55	5 th Revised
5	1 st Revised	29.8	5 th Revised	56	5 th Revised
6	Original	29.9	5 th Revised	57	9 th Revised
7	1 st Revised	29.10	5 th Revised	58	9 th Revised
8	6 th Revised	29.11	5 th Revised	59	13 th Revised
9	1 st Revised	30	1 st Revised	59.1	2 nd Revised
10	1 st Revised	31	Original	60	12 th Revised
11	1 st Revised	32	Original	61	9 th Revised
12	1 st Revised	33	1 st Revised *	62	13 th Revised
13	6 th Revised	34	Original	63	9 th Revised
14	1 st Revised	35	Original	64	13 th Revised
15	Original	36	1 st Revised	65	12 th Revised
16	Original	37	Original	66	13 th Revised
17	Original	38	Original	67	12 th Revised
18	1 st Revised	39	Original	68	12 th Revised
19	Original	40	1 st Revised *	69	13 th Revised
20	Original	41	1 st Revised	70	12 th Revised
21	Original	42	1 st Revised	70.1	Original
22	Original	43	2 nd Revised	71	Original
23	1 st Revised	43.1	Original	72	Original
24	Original	44	Original	73	Original
25	Original	45	Original	74	Original
26	Original	46	Original	75	Original
27	Original	47	1 st Revised	76	Original
28	8 th Revised *	48	Original	77	Original
29	1 st Revised *	49	1 st Revised	78	1 st Revised
29.1	5 th Revised	50	1 st Revised	79	5 th Revised
29.2	5 th Revised	51	2 nd Revised		
29.3	5 th Revised				

* - indicates those pages included with this filing

Transmittal No. 15

Issued: March 24, 2021

Effective: April 8, 2021

Issued By:
Chris Van de Verg, Chief Regulatory Counsel
213 South Main Street
Anderson, South Carolina 29624

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

2.10 Billing and Payment For Service (Cont'd.)

2.10.3 Payment for Service (Cont'd.)

- I. The Company will endeavor to bill usage charges monthly for the preceding billing period; however, the Company's failure to do so shall not affect the Customer's liability for such charges irrespective of the length of delay between the date of usage and the Company's billing for such usage. Company is permitted to backbill for usage within two (2) years of the date upon which service was provided.

2.10.4 Disputed Charges

- A. In the event that a billing dispute occurs concerning any charges billed to the Customer by the Company, the Customer must submit a documented claim for the disputed amount. The Customer will submit all documentation as may reasonably be required to support the claim, including but not limited to the specific invoices and amounts disputed, and all reasons therefor, for the dispute to be considered a good faith dispute. (C)
(C)

The Company shall review Customer disputes in a reasonably timely fashion, and the Company shall resolve each dispute based on the terms of this tariff.

- B. Customer shall pay any undisputed charges in full by the due date of the disputed invoice(s) and in any event, prior to or at the time of submitting a good faith dispute. Failure to tender payment for undisputed invoices, or portions of disputed invoices that are undisputed, is sufficient evidence for the Company to deny a dispute due to the Customer's failure to demonstrate that the dispute was made in good faith.
- C. If the dispute is resolved in favor of the Company and the Customer has withheld the disputed amount, any payments withheld pending resolution of the disputed amount shall be subject to the late payment penalty as set forth in 2.10.5.
- D. If the dispute is resolved in favor of the Company and the Customer has paid the disputed amount on or before the payment due date, no interest credit or penalties will apply.
- E. In the event that the Company pursues a claim in Court or before any regulatory body arising out of a Customer's refusal to make payment pursuant to this Tariff, including refusal to pay for services originating from or terminating to any Company End User, and the Company prevails on all or a substantial part of its claim, Customer shall be liable for the payment of the Company's reasonable attorneys' fees expended in collecting those unpaid amounts.

Transmittal No. 15

Issued: March 24, 2021

Effective: April 8, 2021

Issued By:
Chris Van de Verg, Chief Regulatory Counsel
213 South Main Street
Anderson, South Carolina 29624

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

2.10 Billing and Payment For Service (Continued)

2.10.5 Late Payment Fees

A late payment charge of 1.5% per month, or the highest rate permitted by applicable law, whichever is less, shall be due to the Company for any billed amount for which payment has not been received by the Company within thirty (30) days of the invoice date of the Company's invoice for service, or if any portion of the payment is received by the Company in funds which are not immediately available upon presentment, if such unpaid amount is part of a good faith dispute. If an unpaid amount is not part of a good faith dispute as described in this tariff, a late payment charge of 3.0 % per month, or the highest rate permitted by applicable law, whichever is less, will apply. If the payment due date falls on a Saturday, Sunday, legal holiday or other day when the offices of the Company are closed, the date for acceptance of payments prior to assessment of any late payment fees shall be extended through to the next business day.

(C)
|
(C)

2.10.6 Returned Check Charge

A service charge equal to \$35.00, or the actual fee incurred by Company from a bank or financial institution, whichever is greater, 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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Issued: March 24, 2021

Effective: April 8, 2021

Issued By:
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213 South Main Street
Anderson, South Carolina 29624

2.13 Cancellation by Company (Cont'd.)

- A. For nonpayment: The Company, by written notice to the Customer and in accordance with applicable law, may refuse, suspend or cancel service without incurring any liability when there is an unpaid balance for service that is past due.
- B. For returned checks: The Customer whose check or draft is returned unpaid for any reason, after two attempts at collection, may, at the Company's discretion, be subject to refusal, suspension or cancellation of service in the same manner as provided for nonpayment of overdue charges.
- C. For neglect or refusal to provide reasonable access to the Company or its agents for the purpose of inspection and maintenance of equipment owned by the Company or its agents.
- D. For Customer use or Customer's permitting use of obscene, profane or grossly abusive language over the Company's facilities, and who, after five (5) days notice, fails, neglects or refuses to cease and refrain from such practice or to prevent the same, and to remove its property from the premises of such person.
- E. For use of telephone service for any property or purpose other than that described in the application.
- F. For Customer's breach of any contract for service between the Company and the Customer.
- G. For periods of inactivity in excess of sixty (60) days.
- H. If the Company discontinues service, it will no longer route any traffic that uses the Customer's Carrier Identification Code (CIC), Local Routing Number (LRN), carrier owned NPA-NXX or any other element used to route traffic. In the case of such discontinuance, all applicable charges, including termination charges, if any, shall become due. If the Company does not discontinue the provision of the services involved on the date specified in the five (5) days' notice, and the Customer's noncompliance continues, nothing contained herein shall preclude the Company's right to discontinue the provision of the services to the non-complying Customer without further notice. Charges for any access services the Company provides prior to routing traffic to the now discontinued Customer – i.e., 8YY queries necessary to identify the relevant Customer in advance of routing – will still apply.

$$\begin{array}{c} (\mathbf{N}) \\ \vdots \\ (\mathbf{N}) \end{array}$$

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

2.20 Mixed Interstate and Intrastate Switched Access Services

2.20.1 When mixed interstate and intrastate switched access service is provided, all charges, including nonrecurring charges, usage charges, and optional features changes shall be determined through the procedure set forth in 2.9.2, above.

2.21 Fraudulent/Unlawful Traffic ("Financial Traceback")

The Company and the Customer will work together to identify and mitigate fraudulent or otherwise illegal traffic.

The Company or the Customer may block illegal traffic to the full extent permitted by law. Any traffic delivered by the Company to the Customer that is not blocked by the Customer will be presumed to be legal traffic.

Customers may, however, dispute, and seek credits or refunds for, billing in connection with traffic that is not blocked by it or the Company pursuant to FCC 20-187. Such disputes must adhere to the requirements for billing disputes in Section 2.10.4 herein and must also include documentation that the Customer, based on the belief that the traffic was fraudulent or otherwise illegal, refunded or credited any amounts assessed to its customers in connection with this traffic or document that no customers were billed for this traffic. Billing disputes, and associated withholding of disputed amounts, based on allegations that the traffic sent to the Customer is suspect, fraudulent, or otherwise illegal which are not supported as described in this section will not be considered good faith disputes.

(N)

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