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November 17, 1997

RECEIVED
PROTHONOTARY'S OFFICE

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OFFICE OF SPECIAL
ASSISTANTS

Ms. Louise Fink Smith
Commonwealth of Pennsylvania
Public Utility Commission Legal Department
North Office Building
Harrisburg, Pennsylvania 17120

RE: Docket No. A-310302; Amended Petition for Approval to
Transfer Assets, Approval to Transfer Certificate Public
Convenience and Approval of Share Transfer

CLIENT
HOLDER

Dear Louise:

Enclosed you will find the original and four copies of the Amended Application referenced above to be filed jointly for Matrix Telecom, Matrix Telecom, Inc. and AvTel Communications, Inc. Please file the Application with the Commission and return a file-marked copy to my office in the self-addressed, stamped envelope enclosed. If there are fees associated with the filing of this Amended Application, please let me know.

If you have any questions or comments, or if I need to provide more information in order for the Application to be accepted, please contact me directly at the above number.

Hope all's going well and thank you for your assistance in getting this Amended Application filed.

Sincerely,



Mark A. Haney

MAH/td
Enclosures

F:\APPS\WPAVTEL\PENNSYLV\SMITH.01

ORIGINAL

BEFORE THE PENNSYLVANIA PUBLIC UTILITIES COMMISSION

IN THE MATTER OF:

Q 18929

97 NOV 18 PM 12: 26

AMENDED APPLICATION FOR APPROVAL OF MATRIX TELECOM, A Texas General Partnership, TO TRANSFER ASSETS, AND TO TRANSFER ITS CERTIFICATE OF PUBLIC CONVENIENCE TO MATRIX TELECOM, INC., a Texas Corporation, AND APPROVAL OF SHARE TRANSFER FROM MATRIX TELECOM, INC., A Texas Corporation, TO AVTEL COMMUNICATIONS, INC., A Delaware Corporation

§ § § § § § § § § § § §

RECEIVED PROTHONOTARY'S OFFICE

DOCKET NO. A-310302

AMENDED PETITION FOR APPROVAL TO TRANSFER ASSETS, APPROVAL TO TRANSFER CERTIFICATE OF PUBLIC CONVENIENCE AND APPROVAL OF SHARE TRANSFER

NOW COMES, Matrix Telecom, a Texas general partnership, and Matrix Telecom, Inc., and files this their Amended Petition for Approval of Matrix Telecom, a Texas general partnership to Transfer Assets, and to Transfer Its Certificate of Public Convenience to Matrix Telecom, Inc., and for Approval of a share transfer from Matrix Telecom, Inc. to AvTel Communications, Inc., a Delaware Corporation. In support thereof, the Petitioners would respectfully show unto the Pennsylvania Public Utilities Commission (hereinafter referred to as the "Commission") the following:

I.

Matrix Telecom, Inc. respectfully seeks the authority from the Commission to purchase Matrix Telecom's assets and customer base in the Commonwealth of Pennsylvania, and to allow Matrix Telecom to transfer its Certificate of Public Convenience No. 310108 to Matrix Telecom, Inc. so that it may continue as Matrix Telecom's successor-in-interest, continuing to resell interexchange telecommunications service within the Commonwealth of Pennsylvania, pursuant to Section 1102(A)(2) of the Pennsylvania Public Utility Code 66, Pa. C.S. Furthermore, Matrix Telecom

SECRET JUL 23 1998

DOCUMENTS FOLDER

respectfully seeks authority from the Commission, upon final approval of the transfer of the Certificate of Public Convenience No. 310108 and its assets to Matrix Telecom, Inc., to withdraw from the resale of interexchange telecommunications services within the Commonwealth of Pennsylvania. Matrix Telecom and Matrix Telecom, Inc. respectfully request that the Application be acted upon expeditiously as the approval sought herein is a non-controversial acquisition.

II. PARTIES

Matrix Telecom ("MT") is a Texas general partnership formed in May of 1990. The Commission issued to Matrix Telecom a Certificate of Public Convenience for it to operate as a reseller of interexchange competitive long distance services in Pennsylvania, a copy of which is attached hereto as Exhibit "A".

Matrix Telecom, Inc. ("MTI") is a "C" corporation duly incorporated under the laws of the State of Texas in 1990 and currently provides resold interstate interexchange long distance services. A true and correct copy of Matrix Telecom, Inc.'s Articles of Incorporation is attached hereto as Exhibit "B". Matrix Telecom, Inc. was issued a Certificate of Authority to conduct business in the Commonwealth of Pennsylvania on June 20, 1994, a true and correct copy of which is attached as Exhibit "C". Matrix Telecom, Inc. is the successor-in-interest to Matrix Telecom.

AvTel Communications, Inc., ("AvTel") is a publicly traded Delaware Corporation. As indicated in the description of the transaction set forth herein below, AvTel Communications, Inc., is intended to be the parent corporation of Matrix Telecom, Inc.

III. DESCRIPTION OF TRANSACTIONS

Through a series of transactions designed to achieve strategic and tax purposes, Matrix Telecom became incorporated into Matrix Telecom, Inc. Matrix Telecom, Inc. is owned and operated by the same persons and/or entities which owned and operated Matrix Telecom, the Texas

general partnership. The transactions made the basis of this Application: (i) were essentially made for tax purposes, (ii) do not materially change the effective ownership or control of Matrix Telecom; and (iii) have no effect on the services provided or the rates charged to the citizens of the Commonwealth of Pennsylvania. In anticipation of obtaining the Certificate of Public Convenience from the Matrix Telecom, upon approval of the Commission, Matrix Telecom, Inc. has attached hereto as Exhibit "D" a copy of its proposed original tariff for filing. Said proposed original tariff merely reflects the name change from Matrix Telecom, a Texas general partnership to Matrix Telecom, Inc.

Subsequently, the management of Matrix Telecom, Inc. has determined that it is in the best interests of the company to have Matrix Telecom, Inc. become a subsidiary of AvTel Communications, Inc., a publicly traded company through a transaction which is known in accounting circles as a reverse acquisition. (i.e., Matrix Telecom, Inc. is actually acquiring AvTel Communications, Inc.) Matrix Telecom, Inc. seeks approval to transfer 100% of Matrix Telecom, Inc.'s shares for 80% of AvTel Communications, Inc.'s shares, making Matrix Telecom, Inc. a wholly-owned subsidiary of AvTel Communications, Inc. This transaction does not involve a transfer of control because the current shareholders of Matrix Telecom, Inc. become the majority shareholders in AvTel Communications, Inc. Furthermore, the corporate officers, directors and ultimate control of Matrix Telecom, Inc. remains unchanged. Matrix Telecom, Inc. will remain the operating entity providing resold telecommunications services, and there will be no change in the manner in which services will be provided in the State.

IV. BOARD OF DIRECTORS AND OFFICERS

The current Board of Directors and Officers of Matrix Telecom, Inc. are as follows:

Raymond S. Waters, Jr.
Virginia A. Baker

Chief Executive Officer and Chairman of the Board
Vice President and Secretary

Joe Renteria
Gary L. Friedman
Janet J. Jensen
Jeffrey J. Jensen
Ron Howard

Vice President
Secretary and Director
Director
Director
Director

A complete biographical summary of the above-referenced Board of Directors and Officers is attached hereto as Exhibit "E" for all purposes.

V.
REGISTERED AGENT

Matrix Telecom, Inc.'s Registered Agent in the Commonwealth of Pennsylvania will remain CT Corporation Systems, whose business address is Seven Penn Center, Suite 1120, 1635 Market Street, Philadelphia, Pennsylvania 19103.

VI.
NOTICES

Communications and correspondence relating to this Amended Petition should be directed to Mark A. Haney of Haney & Ticknor, P.C., whose offices are located at 9001 Airport Freeway, Suite 650, Fort Worth, Texas 76180. Mr. Haney's office phone number is (817) 498-9911 and his facsimile number is (817) 656-1191.

Communications and correspondence regarding the ongoing operations of Matrix Telecom, Inc., after approval of the transfer of assets, transfer of the Certificate of Public Convenience and proposed share transfer, should be directed to Virginia A. Baker, Treasurer of Matrix Telecom, Inc., whose principal place of business is located at 8721 Airport Freeway, North Richland Hills, Texas 76180. The business phone number is (817) 581-9380 and facsimile number (817) 788-3026.

VII.
MATRIX TELECOM, INC.'S FINANCIAL ABILITY

Matrix Telecom, Inc. possesses the necessary financial ability and resources to provide the highest quality competitive interexchange telecommunications services within the Commonwealth of

Pennsylvania. The above-described changes in operating form has further strengthened Matrix Telecom, Inc.'s financial position and allows Matrix Telecom, Inc. to experience more favorable tax treatment. As evidence thereof, Matrix Telecom, Inc. has attached a true and correct copy of its most recent Financial Statement consolidated with AvTel Communications, Inc., as Exhibit "F" and the same is made a part of this Application for all purposes.

VIII. PUBLIC INTEREST SERVED

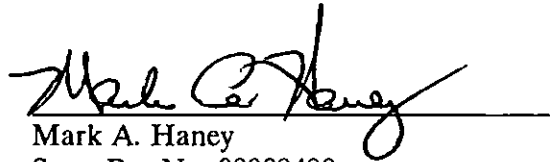
The granting by the Commission of the requests set forth in this Petition will allow Matrix Telecom, Inc. to continue to serve the public interest, in that the low cost long distance services offered by Matrix Telecom, Inc. will continue to be extended to Pennsylvania citizens who might not otherwise enjoy access to a wide variety of low cost long distance services. End users of Matrix Telecom, Inc.'s intrastate, interstate and international services will continue to enjoy service rates at price levels below those offered by most major carriers. Matrix Telecom, Inc.'s continued presence in the Pennsylvania marketplace as the successor-in-interest to Matrix Telecom will continue to stimulate competition and possibly lead to even lower rates for the types of services which Matrix Telecom, Inc. will continue to offer to the citizens of Pennsylvania. Matrix Telecom, Inc. has demonstrated the necessary technical, managerial, financial resources and ability to continue as the successor-in-interest to Matrix Telecom and to continue to offer competitive interexchange long distance telecommunications services to the citizens of the Commonwealth of Pennsylvania.

Furthermore, the share transfer involving AvTel Communications, Inc. provides the shareholders and management of Matrix Telecom, Inc., access to public capital markets and services the strategic interests of the company, making it more competitive.

WHEREFORE, PREMISES CONSIDERED, Matrix Telecom, a Texas general partnership and Matrix Telecom, Inc., a Texas "C" corporation and successor-in-interest to Matrix Telecom,

hereby respectfully request that the Pennsylvania Public Utilities Commission issue an order permitting Matrix Telecom to transfer its assets and its Certificate of Public Convenience to Matrix Telecom, Inc. and allow Matrix Telecom to withdraw from the resale of telecommunications services within the Commonwealth of Pennsylvania. Furthermore Matrix Telecom, Inc. hereby respectfully requests that the Pennsylvania Public Utilities Commission issue an order permitting the transfer of shares of Matrix Telecom, Inc. to AvTel Communications, Inc.

Respectfully submitted,



Mark A. Haney
State Bar No. 08908480

HANEY & TICKNOR, P.C.
9001 Airport Freeway, Suite 650
Fort Worth, Texas 76180
(817) 498-9911
(817) 656-1191 (fax)

Attorney For Matrix Telecom, Matrix
Telecom Inc. and AvTel Communications, Inc.

BEFORE THE PENNSYLVANIA PUBLIC UTILITIES COMMISSION

IN THE MATTER OF: §
§
AMENDED APPLICATION FOR APPROVAL §
OF MATRIX TELECOM, A Texas General §
Partnership, TO TRANSFER ASSETS, AND TO §
TRANSFER ITS CERTIFICATE OF PUBLIC §
CONVENIENCE TO MATRIX TELECOM, §
INC., a Texas Corporation, AND APPROVAL §
OF SHARE TRANSFER FROM MATRIX §
TELECOM, INC., A Texas Corporation, TO §
AVTEL COMMUNICATIONS, INC., §
A Delaware Corporation §

DOCKET NO. A-310302

AFFIDAVIT

STATE OF TEXAS §
§
COUNTY OF TARRANT §

BEFORE ME, the undersigned authority, on this day personally appeared Virginia A. Baker, who, being by me first duly sworn states as follows:

"My name is Virginia A. Baker. I am over the age of eighteen (18) years and otherwise fully competent to make this Affidavit.

"I am the Treasurer of Matrix Telecom, Inc. I have reviewed the assertions in the Amended Application for Approval of Matrix Telecom, a Texas General Partnership to Transfer Assets, and to Transfer Its Certificate of Public Convenience to Matrix Telecom, Inc., and Approval of Share Transfer from Matrix Telecom, Inc., a Texas Corporation, to Avtel Communications, Inc., a Delaware Corporation, including the exhibits attached thereto. I have personal knowledge of such facts contained therein and state that all such facts are true and correct to the best of my knowledge and belief."

Virginia A. Baker
VIRGINIA A. BAKER, Affiant

SUBSCRIBED AND SWORN TO before me on this 17th day of November, 1997, to which witness my hand and official seal of office.

[Signature]
NOTARY PUBLIC - STATE OF TEXAS

EXHIBIT A

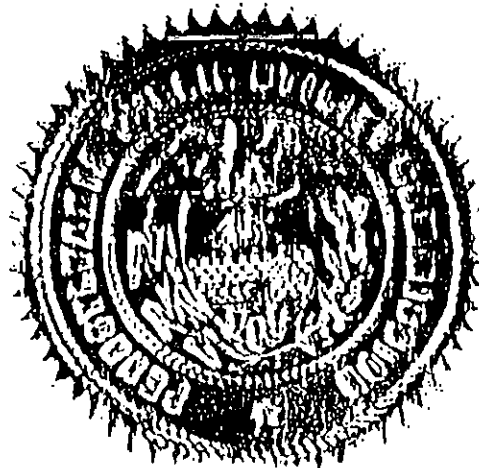
PENNSYLVANIA
PUBLIC UTILITY COMMISSION

A-310108

Application of Matrix Telecom
for approval to begin to offer, render, furnish, or supply services as an interexchange reseller to
the public in the Commonwealth of Pennsylvania

The Pennsylvania Public Utility Commission hereby certifies that after an investigation and/or
hearing, it has, by its report and order made and entered, found and determined that the granting of the
application is necessary or proper for the service, accomodation, convenience and safety of the public and
hereby issues to the applicant this **CERTIFICATE OF PUBLIC CONVENIENCE**
evidencing the Commission's approval .

In Witness Whereof, The PENNSYLVANIA PUBLIC UTILITY COMMISSION has caused
these presents to be signed and sealed, and duly attested by its Secretary at its office in the city
of Harrisburg this 11th day of September 1992.



John H. Alford

Secretary

EXHIBIT B



The State of Texas

SECRETARY OF STATE

IT IS HEREBY CERTIFIED, that
Articles of Incorporation
of

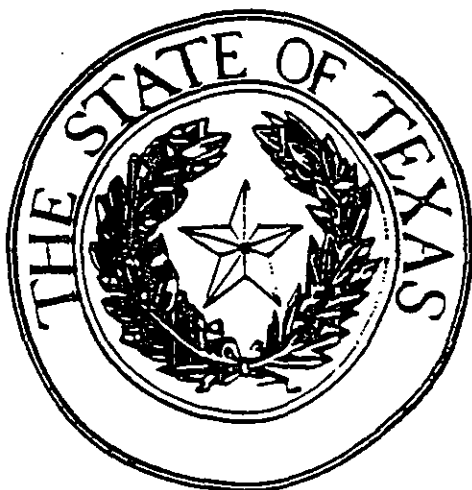
MATRIX TELECOM, INC.

were filed in this office and a certificate of incorporation was issued on

JUNE 13, 1990;

IT IS FURTHER CERTIFIED, that no certificate of dissolution has been issued, and
that the corporation is still in existence.

*IN TESTIMONY WHEREOF, I have hereunto
signed my name officially and caused to be
impressed hereon the Seal of State at my office in
the City of Austin, on May 24, 1994.*



Russell Kirk

Secretary of State

PH

EXHIBIT C

APR 28 1994

Microfilm Number _____

Filed with the Department of State on _____

Entity Number 2578/25

[Signature]
ACTING Secretary of the Commonwealth

APPLICATION FOR CERTIFICATE OF AUTHORITY
DSCB-15-4124/6124 (Rev 90)

Indicate type of corporation (check one):

Foreign Business Corporation (15 Pa.C.S. § 4124)

Foreign Nonprofit Corporation (15 Pa.C.S. § 6124)

In compliance with the requirements of the applicable provisions of 15 Pa.C.S. (relating to corporations and unincorporated associations) the undersigned association hereby states that:

1. The name of the corporation is Matrix Telecom, Inc.

2. The name which the corporation adopts for use in this Commonwealth is (complete only when the corporation must adopt a corporate designator for use in Pennsylvania):

3. (If the name set forth in Paragraph 1 is not available for use in this Commonwealth, complete the following):

The fictitious name which the corporation adopts for use in transacting business in this Commonwealth is:

This corporation shall do business in Pennsylvania only under such fictitious name pursuant to the attached resolution of the board of directors under the applicable provisions of 15 Pa.C.S. (relating to corporations and unincorporated associations) and the attached form DSCB-54-311 (Application for Registration of Fictitious Name).

4. The name of the jurisdiction under the laws of which the corporation is incorporated is:

Texas

5. The address of its principal office under the laws of the jurisdiction in which it is incorporated is:

9003 Airport Frwy., #340, Fort Worth, Texas 76180
Number and Street City State Zip County

6. The (a) address of this corporation's proposed registered office in this Commonwealth or (b) name of its commercial registered office provider and the county of venue is:

(a) _____
Number and Street City State Zip County

(b) c/o: C T CORPORATION SYSTEM Philadelphia
Name of Commercial Registered Office Provider County

APR 28 1994

JUN 06 1994

For a corporation represented by a commercial registered office provided, the county in (b) shall be deemed the county in which the corporation is located for venue and official publication purposes.

7. (Check one of the following):

(Business corporation): The corporation is a corporation incorporated for a purpose or purposes involving pecuniary profit, incidental or otherwise.

(Nonprofit corporation): The corporation is a corporation incorporated for a purpose or purposes not involving pecuniary profit, incidental or otherwise.

IN TESTIMONY WHEREOF, the undersigned corporation has caused this Application for a Certificate of Authority to be signed by a duly authorized officer this 20 day of April, 1994.

Matrix Telecom, Inc.

(Name of Corporation)
BY: [Signature]

(Signature)
TITLE: Secretary

EXHIBIT D

TITLE SHEET**PENNSYLVANIA TELECOMMUNICATIONS TARIFF**

This tariff contains the descriptions, regulations, and rates applicable to the furnishing of service and facilities for telecommunications services provided by Matrix Telecom, Inc., with principal offices at 9003 Airport Freeway, Suite 340, Fort Worth, Texas, 76180, telephone number (817)581-9380. This tariff applies for services furnished within the State of Pennsylvania. This tariff is on file with the Pennsylvania Public Utilities Commission ("PPUC"), and copies may be inspected, during normal business hours, at Matrix Telecom, Inc.'s principal place of business.

Issued: _____**Effective:** _____

by: Virginia A. Baker, Treasurer
Matrix Telecom, Inc.
9003 Airport Freeway, Suite 340
Fort Worth, Texas 76180

CHECK SHEET

Sheets 1 through 37 inclusive of this tariff are effective as of the date shown at the bottom of the respective sheet(s).

<u>SHEET</u>	<u>REVISION</u>	<u>SHEET</u>	<u>REVISION</u>
1	Original	13	Original
1.1	Original	14	Original
2	Original	15	Original
3	Original	16	Original
4	Original	17	Original
5	Original	18	Original
6	Original	19	Original
7	Original	20	Original
8	Original	21	Original
9	Original	22	Original
10	Original	23	Original
11	Original	24	Original
12	Original	25	Original
12.1	Original	26	Original
12.2	Original	27	Original
12.3	Original	28	Original
12.4	Original	29	Original
12.5	Original	30	Original
12.6	Original	31	Original
12.7	Original	32	Original
12.8	Original	33	Original
12.9	Original	34	Original
12.10	Original	35	Original
12.11	Original	36	Original
		37	Original

Issued: _____

Effective: _____

by: Virginia A. Baker, Treasurer
Matrix Telecom, Inc.
9003 Airport Freeway, Suite 340
Fort Worth, Texas 76180

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Section 2 - Rules and Regulations..... 6
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Issued: _____

Effective: _____

by: Virginia A. Baker, Treasurer
Matrix Telecom, Inc.
9003 Airport Freeway, Suite 340
Fort Worth, Texas 76180

SYMBOLS

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

- C - Changed Regulation
- D - Deleted or Discontinued Rate(s) or Regulation(s)
- I - Increased Rate
- M - Moved Rate or Regulation Without Change
- N - New Rate or Regulation
- R - Reduced Rate
- T - Change In Text Only
- S - Reissued Matter
- Z - Correction

Issued: _____

Effective: _____

by: Virginia A. Baker, Treasurer
Matrix Telecom, Inc.
9003 Airport Freeway, Suite 340
Fort Worth, Texas 76180

TARIFF 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 tariff. When a new sheet is added between sheets already in effect, a decimal is added. For example, a new sheet added between sheets 14 and 15 would be 14.1.
- B. Sheet Revision Numbers - Revision numbers also appear in the upper right corner of each page. These numbers are used to determine the most current sheet version on file with the PPUC. For example, the 4th revised Sheet 14 cancels the 3rd revised Sheet 14. Because of various suspension periods, deferrals, etc. the PPUC follows in their tariff approval process, the most current sheet number on file with the Commission is not always the tariff page in effect. Consult the Check Sheet for the sheet currently in effect.
- C. Paragraph Numbering Sequence - There are nine levels of paragraph coding. Each level of coding is subservient to its next higher level:
- 2.
 - 2.1.
 - 2.1.1.
 - 2.1.1.A.
 - 2.1.1.A.1.
 - 2.1.1.A.1.(a).
 - 2.1.1.A.1.(a).I.
 - 2.1.1.A.1.(a).I.(i).
 - 2.1.1.A.1.(a).I.(i).(1).
- D. Check Sheets - When a tariff filing is made with the PPUC, an updated check sheet accompanies the tariff filing. The check sheet lists the sheets contained in the tariff, with a cross reference to the current revision number. When new pages are added, the check sheet is changed to reflect the revision. All revisions made in a given filing are designated by an asterisk (*). There will be no other symbols used on this page if these are the only changes made to it (i.e., the format, etc. remains the same, just revised revision levels on some pages). The tariff user should refer to the latest check sheet to find out if a particular sheet is the most current on file with the PPUC.

Issued: _____

Effective: _____

by: Virginia A. Baker, Treasurer
Matrix Telecom, Inc.
9003 Airport Freeway, Suite 340
Fort Worth, Texas 76180

SECTION 1 - TECHNICAL TERMS AND ABBREVIATIONS

Access Line - An arrangement which connects the customer's location to a Matrix Telecom, Inc. network switching center.

Authorization Code - A numerical code, one or more of which are available to a customer to enable him/her 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.

Carrier - Matrix Telecom, Inc.

Customer - The person, firm, corporation or other entity which orders service and is responsible for payment of charges due and compliance with Matrix Telecom, Inc.'s tariff 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.

Holidays - Matrix Telecom, Inc.'s recognized holidays are New Year's Day, Martin Luther King, Jr. Day, President's Day, Memorial Day, Independence Day, Labor Day, Columbus Day, Veteran's Day, Thanksgiving Day and Christmas Day.

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.

Issued: _____

Effective: _____

by: Virginia A. Baker, Treasurer
Matrix Telecom, Inc.
9003 Airport Freeway, Suite 340
Fort Worth, Texas 76180

SECTION 2 - RULES AND REGULATIONS2.1 Undertaking of Matrix Telecom, Inc.

Matrix Telecom, Inc.'s services and facilities are furnished for communications originating at specified points within the State of Pennsylvania under terms of this tariff.

Matrix Telecom, Inc. installs, operates, and maintains the communication services provided hereinunder in accordance with the terms and conditions set forth under this tariff. Matrix Telecom, Inc. may act as the customer's agent for ordering access connection facilities provided by other carriers or entities when authorized by the customer, to allow connection of a customer's location to the Matrix Telecom, Inc. network. The customer shall be responsible for all charges due for such service arrangement.

Matrix Telecom, Inc.'s services and facilities 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 Limitations

2.2.1 Service is offered subject to the availability of facilities and the provisions of this tariff.

2.2.2 Matrix Telecom, Inc. reserves the right to discontinue furnishing service, or limit the use of service necessitated by conditions beyond its control; or when the customer is using service in violation of the law or the provisions of this tariff.

2.2.3 All facilities provided under this tariff are directly controlled by Matrix Telecom, Inc. and the customer may not transfer or assign the use of service of facilities, except with the express written consent of Matrix Telecom, Inc. Such transfer or assignment shall only apply where there is no interruption of the use or location of the service or facilities.

Issued: _____

Effective: _____

by: Virginia A. Baker, Treasurer
Matrix Telecom, Inc.
9003 Airport Freeway, Suite 340
Fort Worth, Texas 76180

SECTION 2 - RULES AND REGULATIONS2.2 Limitations (Cont.)

2.2.4 Prior written permission from Matrix Telecom, Inc. is required before any assignment or transfer. All regulations and conditions contained in this tariff shall apply to all such permitted assignees or transferees, as well as all conditions for service.

2.3 Liabilities of Matrix Telecom, Inc.

2.3.1 Matrix Telecom, Inc.'s liability for damages arising out of mistakes, interruptions, omission, delays, errors, or defects in the transmission occurring in the course of furnishing service or facilities, and not caused by the negligence of its employees or its agents, in no event shall exceed an amount equivalent to the proportionate charge to the customer for the period during which the aforementioned faults in transmission occur.

2.3.2 Matrix Telecom, Inc. shall be indemnified and held harmless by the customer against:

- (A) Claims for libel, slander, or infringement of copyright arising out of the material, data, information, or other content transmitted over Matrix Telecom, Inc.'s facilities.
- (B) All other claims arising out of any act or omission of the customer in connection with any service or facility provided by Matrix Telecom, Inc.

2.4 Interruption of Service

2.4.1 Credit allowance for the interruption of service which is not due to Matrix Telecom, Inc.'s testing or adjusting, negligence of the customer, or to the failure of channels or equipment provided by the customer, are subject to the general liability provisions set forth in 2.3.1 herein. It shall be the obligation of the customer to notify Matrix Telecom, Inc. immediately of any interruption in service for which a credit allowance is desired. Before giving such notice, the customer shall ascertain that the trouble is not being caused by any action or omission by the customer within his control, or is not in wiring or equipment, if any, furnished by the customer and connected to Matrix Telecom, Inc.'s facilities.

Issued: _____

Effective: _____

by: Virginia A. Baker, Treasurer
Matrix Telecom, Inc.
9003 Airport Freeway, Suite 340
Fort Worth, Texas 76180

SECTION 2 - RULES AND REGULATIONS2.4 Interruption of Service (Cont.)

2.4.2 For purposes of credit computation for leased facilities, every month shall be considered to have 720 hours.

2.4.3 No credit shall be allowed for an interruption of a continuous duration for less than two hours.

2.4.4 The customer shall be credited for an interruption of two hours or more at the rate of 1/720th of the monthly charge for the facilities affected for each hour or major fraction thereof that the interruption continues.

Credit Formula:

$$\text{Credit} = (A/720) \times B$$

"A" - outage time in hours

"B" - total monthly charge for affected facility

2.5 Restoration of Service

The use and restoration of service shall be in accordance with the priority system specified in part 64, Subpart D of the Rules and Regulations of the Federal Communications Commission.

2.6 Deposits

Matrix Telecom, Inc. may require a customer to make a deposit to be held as a guarantee for payment. A deposit does not relieve the customer of the responsibility to make prompt payment of bills on presentation. The deposit will not exceed an amount equal to:

- A. Two months charges for a service or facility which has a minimum payment period of one month; or
- B. The charges that would apply for the minimum payment period for a service or facility which has a minimum payment period of more than one month; except that the deposit may include an additional amount in the event that a termination charge is applicable.

Issued: _____

Effective: _____

by: Virginia A. Baker, Treasurer
Matrix Telecom, Inc.
9003 Airport Freeway, Suite 340
Fort Worth, Texas 76180

SECTION 2 - RULES AND REGULATIONS2.6 Deposits

- 2.6.1 A deposit may be required in addition to an advance payment.
- 2.6.2 When a service or facility is discontinued, the deposit, if any, will be applied to the customer's account and any credit balance will be refunded.
- 2.6.3 Deposits held shall accrue interest at a rate specified by the PPUC.
- 2.6.4 Customers whom Matrix Telecom, Inc. believes to be a credit risk may also be required, at any time, to provide other assurances of, or security for, the payment of Matrix Telecom, Inc.'s charges for its services, as Matrix Telecom, Inc. may deem necessary or appropriate, including, without limitation, advance payments for services, third party guarantees or payment, pledges or other grants of security in the assets of customer, and any other similar arrangements. The required deposit or other security may be increased or decreased by Matrix Telecom, Inc. as it deems appropriate in light of the changing conditions.

2.7 Advance Payments

For customers whom Matrix Telecom, Inc. feels an advance payment is necessary, Matrix Telecom, Inc. reserves the right to collect an amount not to exceed one (1) month's estimated charges as an advance payment for service. This will be applied against the next month's charges and if necessary a new advance payment will be collected for the next month. At this time, Matrix Telecom, Inc. charges no advance payments.

2.8 Taxes

All state and local taxes (i.e., gross receipts tax, sales tax, municipal utilities tax) are listed as separate line items and are not included in the quoted rates.

2.9 Employee Concessions

There are no employee concessions.

2.10 Customer Disputes

Customers have the right to refer billing and other complaints to Matrix Telecom, Inc. at 9003 Airport Freeway, Suite 340, Fort Worth, Texas, 76180, or call Customer Service toll-free at (800) 282-0242. If the customer is not satisfied with the solution offered by Matrix Telecom, Inc., the customer may appeal the decision to the PPUC for resolution.

Issued: _____

Effective: _____

by: Virginia A. Baker, Treasurer
Matrix Telecom, Inc.
9003 Airport Freeway, Suite 340
Fort Worth, Texas 76180

SECTION 3 - DESCRIPTION OF SERVICES3.1 Timing of Calls

The customer's long distance usage charge is based on the actual usage of Matrix Telecom, Inc.'s network. Usage begins when the called party picks up the receiver. When the called party picks up is determined by hardware answer supervision in which the local telephone company sends a signal to the switch or the software utilizing audio tone detection. When software answer supervision is employed, up to 90 seconds of ringing is allowed before it is billed as usage of the network. A call is terminated when the calling party hangs up.


3.1.1 Uncompleted Call Crediting

If a customer receives a bill for an uncompleted call, Matrix Telecom, Inc. will reimburse the customer for the full amount.

3.2 Calculation of Distance

Usage charges for all mileage sensitive products are based on the airline distance between rate centers associated with the origination 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. Matrix Telecom, Inc. uses the rate centers and associated vertical and horizontal coordinates that are produced by Bell Communications Research in their NPA-NXX V & H Coordinates Tape and Bell's NECA Tariff No. 4.

FORMULA 

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

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SECTION 3 - DESCRIPTION OF SERVICES

3.2 Calculation of Distance (Cont.)

EXAMPLE: Distance between Miami and New York City

	<u>V</u>	<u>H</u>
Miami	8,351	529
New York	<u>4,997</u>	<u>1,406</u>
Difference	3,354	-877

Square and add: $11,249,316 + 769,129 = 12,018,445$

Divide by 10 and round: $12,018,445 / 10 = 1,201,844.50$
 $= 1,201,845$

Take square root and round: $1,201,845 = 1,096.3$
 $= 1,096 \text{ miles}$

3.3 Minimum Call Completion Rate

A customer can expect a call completion rate (number of calls completed/number of calls attempted) of not less than 95% during peak use periods for all PG D services ("1+" dialing).

3.4 Service Offerings

BASIC 101

Basic 101 is a "1+" presubscribed generic residential product. It is designed for the customers with less than \$50 a month in long distance or who primarily calls during the evening, night and weekend hours.

BASIC 102 (TPN Option)

Basic 102 is a "1+" presubscribed residential product. It is designed exclusively for the TPN-UNI customer with less than \$50 a month in long distance or who primarily calls during the evening, night and weekend hours.

BASIC 105 (CCC Option)

Basic 105 is a "1+" presubscribed residential product. It is designed exclusively for the CCC customer with less than \$50 a month in long distance or who primarily calls during the evening, night and weekend hours.

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SECTION 3 - DESCRIPTION OF SERVICES3.4 Service Offerings (Cont.)Basic 115 (International Option)

Basic 115 is a "1+" presubscribed international residential product. It is designed for customers with less than \$50 a month in long distance or who primarily call domestic and international during the evening, night and weekend hours.

Matrix Global Gateway 117

Matrix Global Gateway 117 is a "1+" presubscribed international product. It is designed for customers with less than \$200 a month in long distance who make frequent international calls. It has the same peak and off-peak calling times with flat peak and off-peak international rates available 15 to 18 hours a day on weekdays and 24 hours a day on weekends. There is a monthly recurring fee each month the customer makes an international call.

Prime Pacific 121

Prime Pacific 121 is a "1+" presubscribed international product. This service option is designed for the customer that calls frequently to the Pacific Rim in discount and economy calling periods.

Ring Russia 123

Ring Russia 123 is a "1+" presubscribed international product. It is designed for the customer who calls frequently to countries of the Commonwealth of Independent States (former USSR) in the discount and economy calling periods.

European Express 124

European Express 124 is a "1+" presubscribed international product. It is designed for the customer who calls frequently to Europe in the discount and economy calling periods.

Ring Russia I 126

Ring Russia 126 is a "1+" presubscribed international product. It is designed for the customer who calls frequently to countries of the Commonwealth of Independent States (former USSR) in the discount and economy calling periods.

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SECTION 3 - DESCRIPTION OF SERVICES3.4 Service Offerings (Cont.)Ring Russia II 127

Ring Russia II 127 is a "1+" presubscribed international product. It is designed for the customer who calls frequently to countries of the Commonwealth of Independent States (former USSR) in the discount and economy calling periods.

Basic 148

Basic 148 is designed for residential and small business customers who call more frequently during the day. It offers flat state-to-state rates.

Basic 149

Basic 149 is designed for residential and small business customers who call more frequently during the day. It offers flat state-to-state rates.

Casual Calling 151

Casual Calling 151 is a "1+" product that is accessed through dialing the CIC Code 10780 before dialing, the "1+", plus the desired number.

Basic 199 (Hearing Impaired Option)

Basic 199 is a "1+" presubscribed international residential product. It is designed for customers who have special needs, such as the hearing impaired. These customers usually have less than \$50 a month in long distance or they primarily call domestic and international during the evening, night and weekend hours. Directory Assistance fees are waived.

SBN Classic 146

SBN Classic 146 offers a 30% discount off of AT&T's DD and IDD rates for the first twelve months of service. Beginning in the seventh month, the customer then receives a 35% discount. This product has no minimum usage or monthly fee. Calls are rounded at whole minute increments. Calls can be originated from anywhere in the U.S., Hawaii, Puerto Rico and the U.S. Virgin Islands and can be terminated anywhere in the U.S.

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SECTION 3 - DESCRIPTION OF SERVICES3.4 Service Offerings (Cont.)SBNWats I 205

SBNWats I 205 is a "1+" presubscribed small business product. It is designed for customers who bill between \$50-\$200 a month in long distance primarily during the daytime hours. There is a usage fee assessed if the customer does not bill the minimum usage amount during the calendar month.

Global SBNWats I 207

Global SBNWats I 207 is a "1+" presubscribed international small business product. It is designed for customers who bill between \$50-\$200 a month in long distance internationally, primarily during the daytime hours. There is a usage fee assessed if the customer does not bill the minimum usage amount during the calendar month.

SBNWats II 305

SBNWats II 305 is a "1+" presubscribed small business product. It is designed for customers who bill over \$225 a month in long distance primarily during the daytime hours. There is a usage fee assessed if the customer does not bill the minimum usage amount during the calendar month.

Global SBNWats II 307

Global SBNWats I 307 is a "1+" presubscribed international small business product. It is designed for customers who bill over \$225 a month in international long distance primarily during the daytime hours. There is a usage fee assessed if the customer does not bill the minimum usage amount during the calendar month.

EasyWats I 201

EasyWats I 201 is a "1+" presubscribed business product. It is designed for customers who spend consistently between \$70 and \$150 a month in long distance. There is a monthly service charge for this product.

EasyWats II 301

EasyWats II 301 is a "1+" presubscribed business product. It is designed for customers who spend consistently over \$150 a month in long distance. There is a monthly service charge for this product.

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SECTION 3 - DESCRIPTION OF SERVICES3.4 Service Offerings (Cont.)EasyWats MGG 391

EasyWats MGG 391 is a business product. It is designed for the MGG customer who spends consistently between \$70 and \$10 a month in international long distance. There is a monthly service charge for this product.

One in Ten 140

One in Ten 140 is a "1+" presubscribed residential product. The customer gets their first billed call at a dime; then, one out of every ten calls thereafter at a dime. The calls are randomly selected and both domestic and international calls are eligible. There is no monthly recurring fee or monthly minimum usage for this product.

College Annuity 141

College Annuity 141 is a "1+" presubscribed residential product. It is designed for parents who wish to use their long distance discounts to contribute toward a college fund annuity for their children. A contribution equal to 10% of the annual long distance charges will be deposited into a college fund annuity or cash savings plan every twelve months for as long as the customer remains a Matrix Telecom, Inc. customer. At the end of the second year and each year thereafter, an additional 30% of annual contribution will be added to the annuity, as long as the customer remains with Matrix Telecom, Inc.

Smartworld Basic I 144

Smartworld Basic I 144 offers a 20% discount off of AT&T's DD and IDD rates for the first six months of service. Beginning in the seventh month, the customer then receives a 25% discount. This product has no minimum usage or monthly fee. Calls are rounded at whole minute increments. Calls can be originated from anywhere in the U.S., Hawaii, Puerto Rico and the U.S. Virgin Islands and can be terminated anywhere in the U.S.

Smartworld Basic II 145

Smartworld Basic II 145 offers a 20% discount off of AT&T's DD and IDD rates for the first six months of service. Beginning in the seventh month, the customer then receives a 25% discount. This product has no minimum usage or monthly fee. Calls are rounded at whole minute increments. Calls can be originated from anywhere in the U.S., Hawaii, Puerto Rico and the U.S. Virgin Islands and can be terminated anywhere in the U.S.

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SECTION 3 - DESCRIPTION OF SERVICES3.4 Service Offerings (Cont.)Flat Rate 210

Flat Rate 210 is a "1+" presubscribed product for businesses that have between \$200 and \$5,000 of long distance usage per month. The cost of the call is a flat rate and is not time of day or mileage sensitive.

Flat Rate 211

Flat Rate 211 is a "1+" presubscribed product for businesses that have between \$200 and \$5,000 of long distance usage per month. The cost of the call is the same regardless of time of day or distance.

Suntel Business Simplicity 212

Suntel Business Simplicity 212 is a "1+" presubscribed business product that is designed exclusively for Suntel customers.

Flat Rate Amerishare 216

Flat Rate Amerishare 216 is a "1+" presubscribed business product designed for Amerishare Agents. The cost of the call is determined by day, evening and night rates, and is not mileage sensitive.

Flat Rate Amerishare 217

Flat Rate Amerishare 217 is a "1+" presubscribed business product designed for Amerishare Agents. The cost of the call is determined by day, evening and night rates, and is not mileage sensitive.

Flat Rate Amerishare 218

Flat Rate Amerishare 218 is a "1+" presubscribed business product designed for Amerishare Agents. The cost of the call is determined by day, evening and night rates, and is not mileage sensitive.

Switched Flat Wats Rate 220

Switched Flat Wats Rate 220 is a "1+" presubscribed business product for businesses that have between \$200 and \$5,000 of long distance usage per month. A minimum usage fee is assessed when a minimum combined usage is not met. Combined usage includes 1+, 800 service and travel card. The cost of the call is a flat rate and is not time of day or mileage sensitive.

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SECTION 3 - DESCRIPTION OF SERVICES3.4 Service Offerings (Cont.)Switched Flat Wats Rate 221

Switched Flat Wats Rate 221 is a "1+" presubscribed business product for businesses that have between \$200 and \$5,000 of long distance usage per month. A minimum usage fee is assessed when a minimum combined usage is not met. Combined usage includes 1+, 800 service and travel card. The cost of the call is a flat rate and is not time of day or mileage sensitive.

Switched Flat Wats Rate 230

Switched Flat Wats Rate 230 is a "1+" presubscribed business product for businesses that have between \$200 and \$5,000 of long distance usage per month. A minimum usage fee is assessed when a minimum combined usage is not met. Combined usage includes 1+, 800 service and travel card. The cost of the call is a flat rate and is not time of day or mileage sensitive.

Switched Flat Wats Rate 231

Switched Flat Wats Rate 231 is a "1+" presubscribed business product for businesses that have between \$200 and \$5,000 of long distance usage per month. A minimum usage fee is assessed when a minimum combined usage is not met. Combined usage includes 1+, 800 service and travel card. The cost of the call is a flat rate and is not time of day or mileage sensitive.

Switched Flat Wats Rate 240

Switched Flat Wats Rate 240 is a "1+" presubscribed business product for businesses that have between \$200 and \$5,000 of long distance usage per month. A minimum usage fee is assessed when a minimum combined usage is not met. Combined usage includes 1+, 800 service and travel card. The cost of the call is a flat rate and is not time of day or mileage sensitive.

Switched Flat Wats Rate 241

Switched Flat Wats Rate 241 is a "1+" presubscribed business product for businesses that have between \$200 and \$5,000 of long distance usage per month. A minimum usage fee is assessed when a minimum combined usage is not met. Combined usage includes 1+, 800 service and travel card. The cost of the call is a flat rate and is not time of day or mileage sensitive.

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SECTION 3 - DESCRIPTION OF SERVICES3.4 Service Offerings (Cont.)Switched Flat Wats Rate 250

Switched Flat Wats Rate 250 is a "1+" presubscribed business product for businesses that have between \$200 and \$5,000 of long distance usage per month. A minimum usage fee is assessed when a minimum combined usage is not met. Combined usage includes 1+, 800 service and travel card. The cost of the call is a flat rate and is not time of day or mileage sensitive.

Switched Flat Wats Rate 251

Switched Flat Wats Rate 251 is a "1+" presubscribed business product for businesses that have between \$200 and \$5,000 of long distance usage per month. A minimum usage fee is assessed when a minimum combined usage is not met. Combined usage includes 1+, 800 service and travel card. The cost of the call is a flat rate and is not time of day or mileage sensitive.

Affiliated Companies Switched Outbound 260

Affiliated Companies Switched Outbound 260 is a "1+" switched customers who spend consistently over \$150 a month in long distance. There is a monthly service charge for this product.

Dedicated Flat Rate Outbound 310

Dedicated Flat Rate Outbound 310 is a presubscribed business product designed for customers who have a minimum of \$5,000 in monthly long distance usage, and utilized with special, dedicated lines commonly referred to as T-1. There is a fixed monthly recurring charge from the local telephone company for this service and special hardware is required that interfaces with the telephone system.

Dedicated Flat Rate Outbound 320

Dedicated Flat Rate Outbound 320 is a presubscribed business product designed for customers who have a minimum of \$5,000 in monthly long distance usage, and utilized with special, dedicated lines commonly referred to as T-1. There is a fixed monthly recurring charge from the local telephone company for this service and special hardware is required that interfaces with the telephone system.

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SECTION 3 - DESCRIPTION OF SERVICES3.4 Service Offerings (Cont.)Dedicated Flat Rate Outbound 330

Dedicated Flat Rate Outbound 330 is a presubscribed business product designed for customers who have a minimum of \$5,000 in monthly long distance usage, and utilized with special, dedicated lines commonly referred to as T-1. There is a fixed monthly recurring charge from the local telephone company for this service and special hardware is required that interfaces with the telephone system.

Dedicated Flat Rate Outbound 340

Dedicated Flat Rate Outbound 340 is a presubscribed business product designed for customers who have a minimum of \$5,000 in monthly long distance usage, and utilized with special, dedicated lines commonly referred to as T-1. There is a fixed monthly recurring charge from the local telephone company for this service and special hardware is required that interfaces with the telephone system.

Travel Card 401

Travel Card 401 is designed for the individual or small business that travels frequently. The domestic rates are the same for both in-state and out-of-state calling and are not mileage sensitive. Call origination is available from the continental U.S. and Hawaii. There is a domestic and international surcharge per call.

Travel Card (TPN Option) 402

Travel Card 402 is designed exclusively for TPN. The domestic rates are the same for both in-state or out-of-state calling and are not mileage sensitive. Call origination is available from the continental U.S. and Hawaii. There is a domestic and international surcharge per call.

Travel Card 415

Travel Card 415 is a residential and small business travel card. Domestic calls are priced less than AT&T's calling card, so the customer saves on every call. Call origination is available in the continental U.S. and Hawaii via a toll free 800 number. Toll free international call origination is available from over 49 countries and operated-assisted call origination from over 69 countries. There is an annual charge for international call origination.

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SECTION 3 - DESCRIPTION OF SERVICES3.4 Service Offerings . (Cont.)ProLine 800 501

ProLine 800 501 is designed for residential customers who use less than \$50 per month in 800 service. There is a monthly recurring charge. Service is available in the continental U.S.

NewLine 800 502

NewLine 800 502 is designed for residential customers who use less than \$50 per month in 800 service and is modeled after AT&T's StarterLine. There is a one hour minimum usage.

Flat Rate 800 Inbound 510

Flat Rate 800 Inbound 510 is an 800 service product designed for businesses that have between \$250 to \$5,000 of inbound long distance per month. There is a usage fee assessed if the customer does not bill the minimum usage amount during the calendar month. There is a monthly service charge for this product.

Flat Rate 800 Inbound 511

Flat Rate 800 Inbound 511 is an 800 service product designed for businesses that have between \$250 to \$5,000 of inbound long distance per month. There is a usage fee assessed if the customer does not bill the minimum usage amount during the calendar month. There is a monthly service charge for this product.

Flat Rate 800 Inbound 512

Flat Rate 800 Inbound 512 is an 800 service product designed for businesses that have between \$250 to \$5,000 of inbound long distance per month. There is a usage fee assessed if the customer does not bill the minimum usage amount during the calendar month. There is a monthly service charge for this product.

Flat Rate 800 Inbound 513

Flat Rate 800 Inbound 513 is an 800 service product designed for businesses that have between \$250 to \$5,000 of inbound long distance per month. There is a usage fee assessed if the customer does not bill the minimum usage amount during the calendar month. There is a monthly service charge for this product.

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SECTION 3 - DESCRIPTION OF SERVICES3.4 Service Offerings (Cont.)Flat Rate 800 Inbound 514

Flat Rate 800 Inbound 514 is an 800 service product designed for businesses that have between \$250 to \$5,000 of inbound long distance per month. There is a usage fee assessed if the customer does not bill the minimum usage amount during the calendar month. There is a monthly service charge for this product.

Flat Rate 800 Inbound 515

Flat Rate 800 Inbound 515 is an 800 service product designed for businesses that have between \$250 to \$5,000 of inbound long distance per month. There is a usage fee assessed if the customer does not bill the minimum usage amount during the calendar month. There is a monthly service charge for this product.

Amerishare Flat Rate Inbound 800 516

Amerishare Flat Inbound 800 516 is a flat rate 800 service product that is sold exclusively to Amerishare agents.

Amerishare Flat Rate Inbound 800 517

Amerishare Flat Inbound 800 517 is a flat rate 800 service product that is sold exclusively to Amerishare agents.

Dedicated Flat Rate Inbound 520

Dedicated Flat Rate Inbound 520 is an 800 service product designed for businesses that have between \$250 to \$5,000 of inbound long distance per month. There is a usage fee assessed if the customer does not bill the minimum usage amount during the calendar month. There is a monthly service charge for this product.

Dedicated Flat Rate Inbound 521

Dedicated Flat Rate Inbound 521 is an 800 service product designed for businesses that have between \$250 to \$5,000 of inbound long distance per month. There is a usage fee assessed if the customer does not bill the minimum usage amount during the calendar month. There is a monthly service charge for this product.

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SECTION 3 - DESCRIPTION OF SERVICES3.4 Service Offerings (Cont.)Dedicated Flat Rate Inbound 524

Dedicated Flat Rate Inbound 521 is an 800 service product designed for dedicated T-1 customer who have between \$250 to \$5,000 of inbound long distance per month. There is a usage fee assessed if the customer does not bill the minimum usage amount during the calendar month. There is a monthly service charge for this product.

Weather 601

Weather 601 is a weather service for all Matrix Telecom, Inc. travel card users. This service is designed for the user who travels frequently and needs to be informed of the weather status in the areas in which he plans to travel. The latest weather information may be retrieved any time, anywhere simply by using the travel card. A per call surcharge is assessed.

Voicemail 701

Voicemail 701 is a voicemail service for all Matrix Telecom, Inc. travel card users. This service is designed for the user who needs to stay in touch with customers and associates when out of the office. When a customer makes \$10 of travel card calls each month, Matrix Telecom, Inc. will waive the monthly recurring fee. An 800 number is provided that allows customers to leave messages free of charge. Messages can be retrieved any time, anywhere simply by using the travel card. A per call surcharge is assessed. There is a monthly recurring charge unless a monthly minimum travel card usage is met.

Directory Assistance

A single telephone number will be provided by Directory Assistance to customers requesting such, after providing the city of residence and name of the party in question. A call to Directory Assistance may be considered completed whether or not the number(s) requested are available from the Directory Assistance records. Certain Directory Assistance calls originating in a particular state and placed to the appropriate Directory Assistance may be exempt from any applicable rates depending upon that state's law governing Directory Assistance.

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SECTION 3 - DESCRIPTION OF SERVICES3.4 Service Offerings (Cont.)Matrix Prepaid Calling Card

The Matrix Prepaid Calling Card is a travel card product whereby a specific number of long distance minutes are purchased in advance. As calls are made, the number of available minutes is reduced. Cards only work from touch tone phones. Calls can be originated from anywhere in the U.S., Puerto Rico and the U.S. Virgin Islands and can be terminated anywhere in the U.S. and to more than 200 countries worldwide.

TravelCom 800

TravelCom 800 is a travel card product designed for customers that do not have a regular phone service. TravelCom 800 allows calling to customer specific phone numbers which in turn helps to reduce or limit fraud. Domestic and Canadian calls are allowed. No other international calling is permitted at this time.

Special Promotions

Matrix Telecom, Inc. will, from time to time, offer special promotions to its customers waiving certain charges. These promotions will be approved by the PPUC with specific starting and ending dates and under no circumstances run for longer than 90 days in any 12 month period.

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Fort Worth, Texas 76180

SECTION 4 - RATES/INTRALATA

BASIC 101

Mileage Band	Day		Eve		Nite	
	1st	Ad'l	1st	Ad'l	1st	Ad'l
1-10	0.1520	0.0760	0.1140	0.0475	0.0665	0.0285
11-16	0.1710	0.0950	0.1425	0.0665	0.0855	0.0475
17-22	0.1900	0.1045	0.1615	0.0760	0.0950	0.0570
23-30	0.2090	0.1330	0.1805	0.0950	0.1140	0.0665
31-40	0.2470	0.1520	0.1995	0.1235	0.1235	0.0760
41-55	0.2660	0.1710	0.2090	0.1235	0.1425	0.0855
56-70	0.2660	0.1900	0.2090	0.1235	0.1425	0.0950
71-124	0.2850	0.2090	0.2185	0.1330	0.1425	0.1045
125-196	0.2945	0.2090	0.2280	0.1425	0.1520	0.1140

Directory Assistance: .59

No monthly minimum or recurring fee.

Rounding is 60 seconds for initial period & 60 seconds for additional period.

BASIC 102 (TPN Option)

Mileage Band	Day		Eve		Nite	
	1st	Ad'l	1st	Ad'l	1st	Ad'l
1-10	0.1520	0.0760	0.1140	0.0475	0.0665	0.0285
11-16	0.1710	0.0950	0.1425	0.0665	0.0855	0.0475
17-22	0.1900	0.1045	0.1615	0.0760	0.0950	0.0570
23-30	0.2090	0.1330	0.1805	0.0950	0.1140	0.0665
31-40	0.2470	0.1520	0.1995	0.1235	0.1235	0.0760
41-55	0.2660	0.1710	0.2090	0.1235	0.1425	0.0855
56-70	0.2660	0.1900	0.2090	0.1235	0.1425	0.0950
71-124	0.2850	0.2090	0.2185	0.1330	0.1425	0.1045
125-196	0.2945	0.2090	0.2280	0.1425	0.1520	0.1140

Directory Assistance: .59

No monthly minimum or recurring fee.

Rounding is 60 seconds for initial period & 60 seconds for additional period.

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SECTION 4 - RATES/INTRALATA

BASIC 105 (CCC Option)

Mileage Band	Day		Eve		Nite	
	1st	Ad'l	1st	Ad'l	1st	Ad'l
1-10	0.1520	0.0760	0.1140	0.0475	0.0665	0.0285
11-16	0.1710	0.0950	0.1425	0.0665	0.0855	0.0475
17-22	0.1900	0.1045	0.1615	0.0760	0.0950	0.0570
23-30	0.2090	0.1330	0.1805	0.0950	0.1140	0.0665
31-40	0.2470	0.1520	0.1995	0.1235	0.1235	0.0760
41-55	0.2660	0.1710	0.2090	0.1235	0.1425	0.0855
56-70	0.2660	0.1900	0.2090	0.1235	0.1425	0.0950
71-124	0.2850	0.2090	0.2185	0.1330	0.1425	0.1045
125-196	0.2945	0.2090	0.2280	0.1425	0.1520	0.1140

Directory Assistance: .59
 No monthly minimum or recurring fee.
 Rounding is 60 seconds for initial period & 60 seconds for additional period.

BASIC 115 (International Option)

Mileage Band	Day		Eve		Nite	
	1st	Ad'l	1st	Ad'l	1st	Ad'l
1-10	0.1520	0.0760	0.1140	0.0475	0.0665	0.0285
11-16	0.1710	0.0950	0.1425	0.0665	0.0855	0.0475
17-22	0.1900	0.1045	0.1615	0.0760	0.0950	0.0570
23-30	0.2090	0.1330	0.1805	0.0950	0.1140	0.0665
31-40	0.2470	0.1520	0.1995	0.1235	0.1235	0.0760
41-55	0.2660	0.1710	0.2090	0.1235	0.1425	0.0855
56-70	0.2660	0.1900	0.2090	0.1235	0.1425	0.0950
71-124	0.2850	0.2090	0.2185	0.1330	0.1425	0.1045
125-196	0.2945	0.2090	0.2280	0.1425	0.1520	0.1140

Directory Assistance: .59
 No monthly minimum or recurring fee.
 Rounding is 60 seconds for initial period & 60 seconds for additional period.

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SECTION 4 - RATES/INTRALATA

Matrix Global Gateway 117

Mileage Band	Day		Eve		Nite	
	1st	Ad'l	1st	Ad'l	1st	Ad'l
1-10	0.1520	0.0760	0.1140	0.0475	0.0665	0.0285
11-16	0.1710	0.0950	0.1425	0.0665	0.0855	0.0475
17-22	0.1900	0.1045	0.1615	0.0760	0.0950	0.0570
23-30	0.2090	0.1330	0.1805	0.0950	0.1140	0.0665
31-40	0.2470	0.1520	0.1995	0.1235	0.1235	0.0760
41-55	0.2660	0.1710	0.2090	0.1235	0.1425	0.0855
56-70	0.2660	0.1900	0.2090	0.1235	0.1425	0.0950
71-124	0.2850	0.2090	0.2185	0.1330	0.1425	0.1045
125-196	0.2945	0.2090	0.2280	0.1425	0.1520	0.1140

Directory Assistance: .59
 No monthly minimum or recurring fee.
 Rounding is 60 seconds for initial period & 60 seconds for additional period.

Prime Pacific 121

Mileage Band	Day		Eve		Nite	
	1st	Ad'l	1st	Ad'l	1st	Ad'l
1-10	0.1520	0.0760	0.1140	0.0475	0.0665	0.0285
11-16	0.1710	0.0950	0.1425	0.0665	0.0855	0.0475
17-22	0.1900	0.1045	0.1615	0.0760	0.0950	0.0570
23-30	0.2090	0.1330	0.1805	0.0950	0.1140	0.0665
31-40	0.2470	0.1520	0.1995	0.1235	0.1235	0.0760
41-55	0.2660	0.1710	0.2090	0.1235	0.1425	0.0855
56-70	0.2660	0.1900	0.2090	0.1235	0.1425	0.0950
71-124	0.2850	0.2090	0.2185	0.1330	0.1425	0.1045
125-196	0.2945	0.2090	0.2280	0.1425	0.1520	0.1140

Directory Assistance: .59
 No monthly minimum or recurring fee.
 Rounding is 60 seconds for initial period & 60 seconds for additional period.

Issued: _____

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by: Virginia A. Baker, Treasurer
 Matrix Telecom, Inc.
 9003 Airport Freeway, Suite 340
 Fort Worth, Texas 76180

SECTION 4 - RATES/INTRALATA

Ring Russia 123

Mileage Band	Day		Eve		Nite	
	1st	Ad'l	1st	Ad'l	1st	Ad'l
1-10	0.1520	0.0760	0.1140	0.0475	0.0665	0.0285
11-16	0.1710	0.0950	0.1425	0.0665	0.0855	0.0475
17-22	0.1900	0.1045	0.1615	0.0760	0.0950	0.0570
23-30	0.2090	0.1330	0.1805	0.0950	0.1140	0.0665
31-40	0.2470	0.1520	0.1995	0.1235	0.1235	0.0760
41-55	0.2660	0.1710	0.2090	0.1235	0.1425	0.0855
56-70	0.2660	0.1900	0.2090	0.1235	0.1425	0.0950
71-124	0.2850	0.2090	0.2185	0.1330	0.1425	0.1045
125-196	0.2945	0.2090	0.2280	0.1425	0.1520	0.1140

Directory Assistance: .59

No monthly minimum or recurring fee.

Rounding is 60 seconds for initial period & 60 seconds for additional period.

European Express 124

Mileage Band	Day		Eve		Nite	
	1st	Ad'l	1st	Ad'l	1st	Ad'l
1-10	0.1520	0.0760	0.1140	0.0475	0.0665	0.0285
11-16	0.1710	0.0950	0.1425	0.0665	0.0855	0.0475
17-22	0.1900	0.1045	0.1615	0.0760	0.0950	0.0570
23-30	0.2090	0.1330	0.1805	0.0950	0.1140	0.0665
31-40	0.2470	0.1520	0.1995	0.1235	0.1235	0.0760
41-55	0.2660	0.1710	0.2090	0.1235	0.1425	0.0855
56-70	0.2660	0.1900	0.2090	0.1235	0.1425	0.0950
71-124	0.2850	0.2090	0.2185	0.1330	0.1425	0.1045
125-196	0.2945	0.2090	0.2280	0.1425	0.1520	0.1140

Directory Assistance: .59

No monthly minimum or recurring fee.

Rounding is 60 seconds for initial period & 60 seconds for additional period.

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 Matrix Telecom, Inc.
 9003 Airport Freeway, Suite 340
 Fort Worth, Texas 76180

SECTION 4 - RATES/INTRALATA

Ring Russia 126

Mileage Band	Day		Eve		Nite	
	1st	Ad'l	1st	Ad'l	1st	Ad'l
1-10	0.1520	0.0760	0.1140	0.0475	0.0665	0.0285
11-16	0.1710	0.0950	0.1425	0.0665	0.0855	0.0475
17-22	0.1900	0.1045	0.1615	0.0760	0.0950	0.0570
23-30	0.2090	0.1330	0.1805	0.0950	0.1140	0.0665
31-40	0.2470	0.1520	0.1995	0.1235	0.1235	0.0760
41-55	0.2660	0.1710	0.2090	0.1235	0.1425	0.0855
56-70	0.2660	0.1900	0.2090	0.1235	0.1425	0.0950
71-124	0.2850	0.2090	0.2185	0.1330	0.1425	0.1045
125-196	0.2945	0.2090	0.2280	0.1425	0.1520	0.1140

Directory Assistance: .59
 No monthly minimum or recurring fee.
 Rounding is 60 seconds for initial period & 60 seconds for additional period.

Ring Russia II 127

Mileage Band	Day		Eve		Nite	
	1st	Ad'l	1st	Ad'l	1st	Ad'l
1-10	0.1520	0.0760	0.1140	0.0475	0.0665	0.0285
11-16	0.1710	0.0950	0.1425	0.0665	0.0855	0.0475
17-22	0.1900	0.1045	0.1615	0.0760	0.0950	0.0570
23-30	0.2090	0.1330	0.1805	0.0950	0.1140	0.0665
31-40	0.2470	0.1520	0.1995	0.1235	0.1235	0.0760
41-55	0.2660	0.1710	0.2090	0.1235	0.1425	0.0855
56-70	0.2660	0.1900	0.2090	0.1235	0.1425	0.0950
71-124	0.2850	0.2090	0.2185	0.1330	0.1425	0.1045
125-196	0.2945	0.2090	0.2280	0.1425	0.1520	0.1140

Directory Assistance: .59
 No monthly minimum or recurring fee.
 Rounding is 60 seconds for initial period & 60 seconds for additional period.

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 Matrix Telecom, Inc.
 9003 Airport Freeway, Suite 340
 Fort Worth, Texas 76180

SECTION 4 - RATES/INTRALATA

Casual Calling 151

Mileage Band	Day		Eve		Nite	
	1st	Ad'l	1st	Ad'l	1st	Ad'l
1-10	0.1520	0.0760	0.1140	0.0475	0.0665	0.0285
11-16	0.1710	0.0950	0.1425	0.0665	0.0855	0.0475
17-22	0.1900	0.1045	0.1615	0.0760	0.0950	0.0570
23-30	0.2090	0.1330	0.1805	0.0950	0.1140	0.0665
31-40	0.2470	0.1520	0.1995	0.1235	0.1235	0.0760
41-55	0.2660	0.1710	0.2090	0.1235	0.1425	0.0855
56-70	0.2660	0.1900	0.2090	0.1235	0.1425	0.0950
71-124	0.2850	0.2090	0.2185	0.1330	0.1425	0.1045
125-196	0.2945	0.2090	0.2280	0.1425	0.1520	0.1140

Directory Assistance: .59

No monthly minimum or recurring fee.

Rounding is 60 seconds for initial period & 60 seconds for additional period.

SBNWats I 205

Mileage Band	Day		Eve		Nite	
	1st	Ad'l	1st	Ad'l	1st	Ad'l
1-10	0.1520	0.0760	0.1140	0.0475	0.0665	0.0285
11-16	0.1710	0.0950	0.1425	0.0665	0.0855	0.0475
17-22	0.1900	0.1045	0.1615	0.0760	0.0950	0.0570
23-30	0.2090	0.1330	0.1805	0.0950	0.1140	0.0665
31-40	0.2470	0.1520	0.1995	0.1235	0.1235	0.0760
41-55	0.2660	0.1710	0.2090	0.1235	0.1425	0.0855
56-70	0.2660	0.1900	0.2090	0.1235	0.1425	0.0950
71-124	0.2850	0.2090	0.2185	0.1330	0.1425	0.1045
125-196	0.2945	0.2090	0.2280	0.1425	0.1520	0.1140

Directory Assistance: .59

Monthly Minimum Usage: \$50 (\$10 min. usage fee assessed if minimum usage not met).

Rounding is 60 seconds for initial period & 60 seconds for additional period.

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by: Virginia A. Baker, Treasurer
 Matrix Telecom, Inc.
 9003 Airport Freeway, Suite 340
 Fort Worth, Texas 76180

SECTION 4 - RATES/INTRALATA

EasvWats I 201

Mileage Band	Day		Eve		Nite	
	1st	Ad'l	1st	Ad'l	1st	Ad'l
1-10	0.1520	0.0760	0.1140	0.0475	0.0665	0.0285
11-16	0.1710	0.0950	0.1425	0.0665	0.0855	0.0475
17-22	0.1900	0.1045	0.1615	0.0760	0.0950	0.0570
23-30	0.2090	0.1330	0.1805	0.0950	0.1140	0.0665
31-40	0.2470	0.1520	0.1995	0.1235	0.1235	0.0760
41-55	0.2660	0.1710	0.2090	0.1235	0.1425	0.0855
56-70	0.2660	0.1900	0.2090	0.1235	0.1425	0.0950
71-124	0.2850	0.2090	0.2185	0.1330	0.1425	0.1045
125-196	0.2945	0.2090	0.2280	0.1425	0.1520	0.1140

Directory Assistance: .59
 Monthly Charge: \$7.50
 Rounding is 60 seconds for initial period & 60 seconds for additional period.

Global SBNWats I 207

Mileage Band	Day		Eve		Nite	
	1st	Ad'l	1st	Ad'l	1st	Ad'l
1-10	0.1520	0.0760	0.1140	0.0475	0.0665	0.0285
11-16	0.1710	0.0950	0.1425	0.0665	0.0855	0.0475
17-22	0.1900	0.1045	0.1615	0.0760	0.0950	0.0570
23-30	0.2090	0.1330	0.1805	0.0950	0.1140	0.0665
31-40	0.2470	0.1520	0.1995	0.1235	0.1235	0.0760
41-55	0.2660	0.1710	0.2090	0.1235	0.1425	0.0855
56-70	0.2660	0.1900	0.2090	0.1235	0.1425	0.0950
71-124	0.2850	0.2090	0.2185	0.1330	0.1425	0.1045
125-196	0.2945	0.2090	0.2280	0.1425	0.1520	0.1140

Directory Assistance: .59
 Monthly Charge: \$7.50
 Rounding is 60 seconds for initial period & 60 seconds for additional period.

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by: Virginia A. Baker, Treasurer
 Matrix Telecom, Inc.
 9003 Airport Freeway, Suite 340
 Fort Worth, Texas 76180

SECTION 4 - RATES/INTRALATA

EasyWats II 301

Mileage Band	Day		Eve		Nite	
	1st	Ad'l	1st	Ad'l	1st	Ad'l
1-10	0.1440	0.0720	0.1080	0.0450	0.0630	0.0270
11-16	0.1620	0.0900	0.1350	0.0630	0.0810	0.0450
17-22	0.1800	0.0990	0.1530	0.0720	0.0900	0.0540
23-30	0.1980	0.1260	0.1710	0.0900	0.1080	0.0630
31-40	0.2340	0.1440	0.1890	0.1170	0.1170	0.0720
41-55	0.2520	0.1620	0.1980	0.1170	0.1350	0.0810
56-70	0.2520	0.1800	0.1980	0.1170	0.1350	0.0900
71-124	0.2700	0.1980	0.2070	0.1260	0.1350	0.0990
125-196	0.2790	0.1980	0.2160	0.1350	0.1440	0.1080

Directory Assistance: .59

Monthly Charge: 15.00

Rounding is 60 seconds for initial period & 60 seconds for additional period.

SBNWats II 305

Mileage Band	Day		Eve		Nite	
	1st	Ad'l	1st	Ad'l	1st	Ad'l
1-10	0.1440	0.0720	0.1080	0.0450	0.0630	0.0270
11-16	0.1620	0.0900	0.1350	0.0630	0.0810	0.0450
17-22	0.1800	0.0990	0.1530	0.0720	0.0900	0.0540
23-30	0.1980	0.1260	0.1710	0.0900	0.1080	0.0630
31-40	0.2340	0.1440	0.1890	0.1170	0.1170	0.0720
41-55	0.2520	0.1620	0.1980	0.1170	0.1350	0.0810
56-70	0.2520	0.1800	0.1980	0.1170	0.1350	0.0900
71-124	0.2700	0.1980	0.2070	0.1260	0.1350	0.0990
125-196	0.2790	0.1980	0.2160	0.1350	0.1440	0.1080

Directory Assistance: .59

Monthly Minimum Usage: \$225 (\$20 min. usage fee assessed if minimum usage not met).

Rounding is 60 seconds for initial period & 60 seconds for additional period.

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by: Virginia A. Baker, Treasurer
 Matrix Telecom, Inc.
 9003 Airport Freeway, Suite 340
 Fort Worth, Texas 76180

SECTION 4 - RATES/INTRALATA

Global SBNWats II 307

Mileage Band	Day		Eve		Nite	
	1st	Ad'l	1st	Ad'l	1st	Ad'l
1-10	0.1440	0.0720	0.1080	0.0450	0.0630	0.0270
11-16	0.1620	0.0900	0.1350	0.0630	0.0810	0.0450
17-22	0.1800	0.0990	0.1530	0.0720	0.0900	0.0540
23-30	0.1980	0.1260	0.1710	0.0900	0.1080	0.0630
31-40	0.2340	0.1440	0.1890	0.1170	0.1170	0.0720
41-55	0.2520	0.1620	0.1980	0.1170	0.1350	0.0810
56-70	0.2520	0.1800	0.1980	0.1170	0.1350	0.0900
71-124	0.2700	0.1980	0.2070	0.1260	0.1350	0.0990
125-196	0.2790	0.1980	0.2160	0.1350	0.1440	0.1080

Directory Assistance: .59

Monthly Charge: 15.00

Rounding is 60 seconds for initial period & 60 seconds for additional period.

EasvWats MGG 391

Mileage Band	Day		Eve		Nite	
	1st	Ad'l	1st	Ad'l	1st	Ad'l
1-10	0.1520	0.0760	0.1140	0.0475	0.0665	0.0285
11-16	0.1710	0.0950	0.1425	0.0665	0.0855	0.0475
17-22	0.1900	0.1045	0.1615	0.0760	0.0950	0.0570
23-30	0.2090	0.1330	0.1805	0.0950	0.1140	0.0665
31-40	0.2470	0.1520	0.1995	0.1235	0.1235	0.0760
41-55	0.2660	0.1710	0.2090	0.1235	0.1425	0.0855
56-70	0.2660	0.1900	0.2090	0.1235	0.1425	0.0950
71-124	0.2850	0.2090	0.2185	0.1330	0.1425	0.1045
125-196	0.2945	0.2090	0.2280	0.1425	0.1520	0.1140

Directory Assistance: .59

Monthly Charge: \$7.50

Rounding is 60 seconds for initial period & 60 seconds for additional period.

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 Matrix Telecom, Inc.
 9003 Airport Freeway, Suite 340
 Fort Worth, Texas 76180

SECTION 4 - RATES/INTRASTATEBASIC 101

Mileage Band	Day		Eve		Nite	
	1st	Ad'l	1st	Ad'l	1st	Ad'l
1-10	0.1710	0.1170	0.1080	0.0945	0.0990	0.0945
11-22	0.2070	0.1350	0.1350	0.0990	0.0990	0.0945
23-55	0.2520	0.2295	0.1710	0.1530	0.1350	0.1260
56-124	0.2790	0.2565	0.1980	0.1800	0.1530	0.1440
125-292	0.2970	0.2745	0.2160	0.1980	0.1710	0.1620
293-354	0.3240	0.3015	0.2340	0.2160	0.1890	0.1800

Directory Assistance: .59

No monthly minimum billing or recurring fee.

Rounding is 60 seconds for initial period & 60 seconds for additional period.

BASIC 102 (TPN Option)

Mileage Band	Day		Eve		Nite	
	1st	Ad'l	1st	Ad'l	1st	Ad'l
1-10	0.1710	0.1170	0.1080	0.0945	0.0990	0.0945
11-22	0.2070	0.1350	0.1350	0.0990	0.0990	0.0945
23-55	0.2520	0.2295	0.1710	0.1530	0.1350	0.1260
56-124	0.2790	0.2565	0.1980	0.1800	0.1530	0.1440
125-292	0.2970	0.2745	0.2160	0.1980	0.1710	0.1620
293-354	0.3240	0.3015	0.2340	0.2160	0.1890	0.1800

Directory Assistance: .59

No monthly minimum billing or recurring fee.

Rounding is 60 seconds for initial period & 60 seconds for additional period.

BASIC 105 (CCC Option)

Mileage Band	Day		Eve		Nite	
	1st	Ad'l	1st	Ad'l	1st	Ad'l
1-10	0.1710	0.1170	0.1080	0.0945	0.0990	0.0945
11-22	0.2070	0.1350	0.1350	0.0990	0.0990	0.0945
23-55	0.2520	0.2295	0.1710	0.1530	0.1350	0.1260
56-124	0.2790	0.2565	0.1980	0.1800	0.1530	0.1440
125-292	0.2970	0.2745	0.2160	0.1980	0.1710	0.1620
293-354	0.3240	0.3015	0.2340	0.2160	0.1890	0.1800

Directory Assistance: .59

No monthly minimum billing or recurring fee.

Rounding is 60 seconds for initial period & 60 seconds for additional period.

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 Matrix Telecom, Inc.
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 Fort Worth, Texas 76180

SECTION 4 - RATES/INTRASTATE

BASIC 115 (International Option)

Mileage Band	Day		Eve		Nite	
	1st	Ad'l	1st	Ad'l	1st	Ad'l
1-10	0.1710	0.1170	0.1080	0.0945	0.0990	0.0945
11-22	0.2070	0.1350	0.1350	0.0990	0.0990	0.0945
23-55	0.2520	0.2295	0.1710	0.1530	0.1350	0.1260
56-124	0.2790	0.2565	0.1980	0.1800	0.1530	0.1440
125-292	0.2970	0.2745	0.2160	0.1980	0.1710	0.1620
293-354	0.3240	0.3015	0.2340	0.2160	0.1890	0.1800

Directory Assistance: .59
 No monthly minimum billing or recurring fee.
 Rounding is 60 seconds for initial period & 60 seconds for additional period.

Matrix Global Gateway 117

Mileage Band	Day		Eve		Nite	
	1st	Ad'l	1st	Ad'l	1st	Ad'l
1-10	0.1710	0.1170	0.1080	0.0945	0.0990	0.0945
11-22	0.2070	0.1350	0.1350	0.0990	0.0990	0.0945
23-55	0.2520	0.2295	0.1710	0.1530	0.1350	0.1260
56-124	0.2790	0.2565	0.1980	0.1800	0.1530	0.1440
125-292	0.2970	0.2745	0.2160	0.1980	0.1710	0.1620
293-354	0.3240	0.3015	0.2340	0.2160	0.1890	0.1800

Directory Assistance: .59
 No monthly minimum billing or recurring fee.
 Rounding is 60 seconds for initial period & 60 seconds for additional period.

Prime Pacific 121

Mileage Band	Day		Eve		Nite	
	1st	Ad'l	1st	Ad'l	1st	Ad'l
1-10	0.1710	0.1170	0.1080	0.0945	0.0990	0.0945
11-22	0.2070	0.1350	0.1350	0.0990	0.0990	0.0945
23-55	0.2520	0.2295	0.1710	0.1530	0.1350	0.1260
56-124	0.2790	0.2565	0.1980	0.1800	0.1530	0.1440
125-292	0.2970	0.2745	0.2160	0.1980	0.1710	0.1620
293-354	0.3240	0.3015	0.2340	0.2160	0.1890	0.1800

Directory Assistance: .59
 No monthly minimum billing or recurring fee.
 Rounding is 60 seconds for initial period & 60 seconds for additional period.

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by: Virginia A. Baker, Treasurer
 Matrix Telecom, Inc.
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 Fort Worth, Texas 76180

SECTION 4 - RATES/INTRASTATE

Ring Russia 123

Mileage Band	Day		Eve		Nite	
	1st	Ad'l	1st	Ad'l	1st	Ad'l
1-10	0.1710	0.1170	0.1080	0.0945	0.0990	0.0945
11-22	0.2070	0.1350	0.1350	0.0990	0.0990	0.0945
23-55	0.2520	0.2295	0.1710	0.1530	0.1350	0.1260
56-124	0.2790	0.2565	0.1980	0.1800	0.1530	0.1440
125-292	0.2970	0.2745	0.2160	0.1980	0.1710	0.1620
293-354	0.3240	0.3015	0.2340	0.2160	0.1890	0.1800

Directory Assistance: .59
 No monthly minimum billing or recurring fee.
 Rounding is 60 seconds for initial period & 60 seconds for additional period.

European Express 124

Mileage Band	Day		Eve		Nite	
	1st	Ad'l	1st	Ad'l	1st	Ad'l
1-10	0.1710	0.1170	0.1080	0.0945	0.0990	0.0945
11-22	0.2070	0.1350	0.1350	0.0990	0.0990	0.0945
23-55	0.2520	0.2295	0.1710	0.1530	0.1350	0.1260
56-124	0.2790	0.2565	0.1980	0.1800	0.1530	0.1440
125-292	0.2970	0.2745	0.2160	0.1980	0.1710	0.1620
293-354	0.3240	0.3015	0.2340	0.2160	0.1890	0.1800

Directory Assistance: .59
 No monthly minimum billing or recurring fee.
 Rounding is 60 seconds for initial period & 60 seconds for additional period.

Ring Russia I 126

Mileage Band	Day		Eve		Nite	
	1st	Ad'l	1st	Ad'l	1st	Ad'l
1-10	0.1710	0.1170	0.1080	0.0945	0.0990	0.0945
11-22	0.2070	0.1350	0.1350	0.0990	0.0990	0.0945
23-55	0.2520	0.2295	0.1710	0.1530	0.1350	0.1260
56-124	0.2790	0.2565	0.1980	0.1800	0.1530	0.1440
125-292	0.2970	0.2745	0.2160	0.1980	0.1710	0.1620
293-354	0.3240	0.3015	0.2340	0.2160	0.1890	0.1800

Directory Assistance: .59
 No monthly minimum billing or recurring fee.
 Rounding is 60 seconds for initial period & 60 seconds for additional period.

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 Matrix Telecom, Inc.
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SECTION 4 - RATES/INTRASTATE

Ring Russia II 127

Mileage Band	Day		Eve		Nite	
	1st	Ad'l	1st	Ad'l	1st	Ad'l
1-10	0.1710	0.1170	0.1080	0.0945	0.0990	0.0945
11-22	0.2070	0.1350	0.1350	0.0990	0.0990	0.0945
23-55	0.2520	0.2295	0.1710	0.1530	0.1350	0.1260
56-124	0.2790	0.2565	0.1980	0.1800	0.1530	0.1440
125-292	0.2970	0.2745	0.2160	0.1980	0.1710	0.1620
293-354	0.3240	0.3015	0.2340	0.2160	0.1890	0.1800

Directory Assistance: .59
 No monthly minimum billing or recurring fee.
 Rounding is 60 seconds for initial period & 60 seconds for additional period.

BASIC 148

Mileage Band	Day		Eve		Nite	
	1st	Ad'l	1st	Ad'l	1st	Ad'l
1-10	0.1710	0.1170	0.1080	0.0945	0.0990	0.0945
11-22	0.2070	0.1350	0.1350	0.0990	0.0990	0.0945
23-55	0.2520	0.2295	0.1710	0.1530	0.1350	0.1260
56-124	0.2790	0.2565	0.1980	0.1800	0.1530	0.1440
125-292	0.2970	0.2745	0.2160	0.1980	0.1710	0.1620
293-354	0.3240	0.3015	0.2340	0.2160	0.1890	0.1800

No monthly minimum billing or recurring fee.
 Rounding is 60 seconds for initial period & 60 seconds for additional period.

BASIC 149

Mileage Band	Day		Eve		Nite	
	1st	Ad'l	1st	Ad'l	1st	Ad'l
1-10	0.1710	0.1170	0.1080	0.0945	0.0990	0.0945
11-22	0.2070	0.1350	0.1350	0.0990	0.0990	0.0945
23-55	0.2520	0.2295	0.1710	0.1530	0.1350	0.1260
56-124	0.2790	0.2565	0.1980	0.1800	0.1530	0.1440
125-292	0.2970	0.2745	0.2160	0.1980	0.1710	0.1620
293-354	0.3240	0.3015	0.2340	0.2160	0.1890	0.1800

No monthly minimum billing or recurring fee.
 Rounding is 60 seconds for initial period & 60 seconds for additional period.

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 Fort Worth, Texas 76180

SECTION 4 - RATES/INTRASTATE

One in Ten 140

Mileage Band	Day		Eve		Nite	
	1st	Ad'l	1st	Ad'l	1st	Ad'l
1-10	0.1800	0.1300	0.1100	0.1050	0.1000	0.1050
11-22	0.2200	0.1500	0.1400	0.1100	0.1000	0.1050
23-55	0.2700	0.2550	0.1800	0.1700	0.1400	0.1400
56-124	0.3000	0.2850	0.2100	0.2000	0.1600	0.1600
125-292	0.3200	0.3050	0.2300	0.2200	0.1800	0.1800
293-354	0.3500	0.3350	0.2500	0.2400	0.2000	0.2000

No monthly minimum billing or recurring fee.
 Rounding is 60 seconds for initial period & 60 seconds for additional period.

College Annuity 141

Mileage Band	Day		Eve		Nite	
	1st	Ad'l	1st	Ad'l	1st	Ad'l
1-10	0.1800	0.1300	0.1100	0.1050	0.1000	0.1050
11-22	0.2200	0.1500	0.1400	0.1100	0.1000	0.1050
23-55	0.2700	0.2550	0.1800	0.1700	0.1400	0.1400
56-124	0.3000	0.2850	0.2100	0.2000	0.1600	0.1600
125-292	0.3200	0.3050	0.2300	0.2200	0.1800	0.1800
293-354	0.3500	0.3350	0.2500	0.2400	0.2000	0.2000

No monthly minimum billing or recurring fee.
 Rounding is 60 seconds for initial period & 60 seconds for additional period.

Smartworld Basic I 144

Mileage Band	Day		Eve		Nite	
	1st	Ad'l	1st	Ad'l	1st	Ad'l
1-10	0.1520	0.1040	0.0960	0.0840	0.0880	0.0840
11-22	0.1840	0.1200	0.1200	0.0880	0.0880	0.0840
23-55	0.2240	0.2040	0.1520	0.1360	0.1200	0.1120
56-124	0.2480	0.2280	0.1760	0.1600	0.1360	0.1280
125-292	0.2640	0.2440	0.1920	0.1760	0.1520	0.1440
293-354	0.2880	0.2680	0.2080	0.1920	0.1680	0.1600

Rounding is 60 seconds for initial period & 60 seconds for additional period.

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SECTION 4 - RATES/INTRASTATE

Smartworld Basic II 145

Mileage Band	Day		Eve		Nite	
	1st	Ad'l	1st	Ad'l	1st	Ad'l
1-10	0.1425	0.0975	0.0900	0.0788	0.0825	0.0788
11-22	0.1725	0.1125	0.1125	0.0825	0.0825	0.0788
23-55	0.2100	0.1913	0.1425	0.1275	0.1125	0.1050
56-124	0.2325	0.2138	0.1650	0.1500	0.1275	0.1200
125-292	0.2475	0.2288	0.1800	0.1650	0.1425	0.1350
293-354	0.2700	0.2513	0.1950	0.1800	0.1575	0.1500

Rounding is 60 seconds for initial period & 60 seconds for additional period.

SBN Classic 146

Mileage Band	Day		Eve		Nite	
	1st	Ad'l	1st	Ad'l	1st	Ad'l
1-10	0.1520	0.1040	0.0960	0.0840	0.0880	0.0840
11-22	0.1840	0.1200	0.1200	0.0880	0.0880	0.0840
23-55	0.2240	0.2040	0.1520	0.1360	0.1200	0.1120
56-124	0.2480	0.2280	0.1760	0.1600	0.1360	0.1280
125-292	0.2640	0.2440	0.1920	0.1760	0.1520	0.1440
293-354	0.2880	0.2680	0.2080	0.1920	0.1680	0.1600

Rounding is 60 seconds for initial period & 60 seconds for additional period.

Casual Calling 151

Mileage Band	Day		Eve		Nite	
	1st	Ad'l	1st	Ad'l	1st	Ad'l
1-10	0.1710	0.1170	0.1080	0.0945	0.0990	0.0945
11-22	0.2070	0.1350	0.1350	0.0990	0.0990	0.0945
23-55	0.2520	0.2295	0.1710	0.1530	0.1350	0.1260
56-124	0.2790	0.2565	0.1980	0.1800	0.1530	0.1440
125-292	0.2970	0.2745	0.2160	0.1980	0.1710	0.1620
293-354	0.3240	0.3015	0.2340	0.2160	0.1890	0.1800

Directory Assistance: .59

No monthly minimum billing or recurring fee.

Rounding is 60 seconds for initial period & 60 seconds for additional period.

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SECTION 4 - RATES/INTRASTATE

BASIC 199 (Hearing Impaired Option)

Mileage Band	Day		Eve		Nite	
	1st	Ad'l	1st	Ad'l	1st	Ad'l
1-10	0.1710	0.1170	0.1080	0.0945	0.0990	0.0945
11-22	0.2070	0.1350	0.1350	0.0990	0.0990	0.0945
23-55	0.2520	0.2295	0.1710	0.1530	0.1350	0.1260
56-124	0.2790	0.2565	0.1980	0.1800	0.1530	0.1440
125-292	0.2970	0.2745	0.2160	0.1980	0.1710	0.1620
293-354	0.3240	0.3015	0.2340	0.2160	0.1890	0.1800

Directory Assistance: 0.00

No monthly minimum billing or recurring fee.

Rounding is 60 seconds for initial period & 60 seconds for additional period.

SBNWats I 205

Mileage Band	Day		Eve		Nite	
	1st	Ad'l	1st	Ad'l	1st	Ad'l
1-10	0.0903	0.0125	0.0654	0.0114	0.0646	0.0126
11-22	0.1093	0.0144	0.0818	0.0120	0.0646	0.0126
23-55	0.1330	0.0245	0.1036	0.0185	0.0881	0.0168
56-124	0.1473	0.0274	0.1199	0.0218	0.0999	0.0192
125-292	0.1568	0.0293	0.1308	0.0240	0.1116	0.0216
293-354	0.1710	0.0322	0.1417	0.0262	0.1234	0.0240

Directory Assistance: .59

Monthly minimum billing: \$50 (\$5 usage assessed if minimum billing not met).

Rounding is 30 seconds for initial period & 6 seconds for additional period.

Global SBNWats I 207

Mileage Band	Day		Eve		Nite	
	1st	Ad'l	1st	Ad'l	1st	Ad'l
1-10	0.0903	0.0125	0.0654	0.0114	0.0646	0.0126
11-22	0.1093	0.0144	0.0818	0.0120	0.0646	0.0126
23-55	0.1330	0.0245	0.1036	0.0185	0.0881	0.0168
56-124	0.1473	0.0274	0.1199	0.0218	0.0999	0.0192
125-292	0.1568	0.0293	0.1308	0.0240	0.1116	0.0216
293-354	0.1710	0.0322	0.1417	0.0262	0.1234	0.0240

Directory Assistance: .59

Monthly minimum billing: \$50 (\$5 usage assessed if minimum billing not met).

Rounding is 30 seconds for initial period & 6 seconds for additional period.

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SECTION 4 - RATES/INTRASTATE

Flat Rate 210

Mileage	Day		Eve		Nite	
Band	1st	Ad'l	1st	Ad'l	1st	Ad'l
1-3000	0.1520	0.1520	0.1520	0.1520	0.1520	0.1520

Directory Assistance: .59
 Rounding: 60 Seconds for initial period & 60 seconds for additional period.

Flat Rate 211

Mileage	Day		Eve		Nite	
Band	1st	Ad'l	1st	Ad'l	1st	Ad'l
1-3000	0.1520	0.1520	0.1520	0.1520	0.1520	0.1520

Directory Assistance: .59
 Rounding: 60 Seconds for initial period & 60 seconds for additional period.

Suntel Business Simplicity 212

Mileage	Day		Eve		Nite	
Band	1st	Ad'l	1st	Ad'l	1st	Ad'l
1-3000	0.1520	0.1520	0.1520	0.1520	0.1520	0.1520

Directory Assistance: .59
 Rounding: 60 Seconds for initial period & 60 seconds for additional period.

Flat Rate Amerishare 216

Mileage	Day		Eve		Nite	
Band	1st	Ad'l	1st	Ad'l	1st	Ad'l
1-3000	0.1520	0.1520	0.1520	0.1520	0.1520	0.1520

Directory Assistance: .59
 Rounding: 60 Seconds for initial period & 60 seconds for additional period.

Flat Rate Amerishare 217

Mileage	Day		Eve		Nite	
Band	1st	Ad'l	1st	Ad'l	1st	Ad'l
1-3000	0.1520	0.1520	0.1520	0.1520	0.1520	0.1520

Directory Assistance: .59
 Rounding: 60 Seconds for initial period & 60 seconds for additional period.

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 Fort Worth, Texas 76180

SECTION 4 - RATES/INTRASTATE

Flat Rate Amerishare 218

Mileage Band	Day		Eve		Nite	
	1st	Ad'l	1st	Ad'l	1st	Ad'l
1-3000	0.1490	0.1490	0.1490	0.1490	0.1490	0.1490

Directory Assistance: .59
 Rounding: 60 Seconds for initial period & 60 seconds for additional period.

Switched Flat Wats Rate 220

Mileage Band	Day		Eve		Nite	
	1st	Ad'l	1st	Ad'l	1st	Ad'l
1-3000	0.1520	0.1520	0.1520	0.1520	0.1520	0.1520

Directory Assistance: .59
 Rounding: 60 Seconds for initial period & 60 seconds for additional period.

Switched Flat Wats Rate 221

Mileage Band	Day		Eve		Nite	
	1st	Ad'l	1st	Ad'l	1st	Ad'l
1-3000	0.1520	0.1520	0.1520	0.1520	0.1520	0.1520

Directory Assistance: .59
 Rounding: 60 Seconds for initial period & 60 seconds for additional period.

Switched Flat Wats Rate 230

Mileage Band	Day		Eve		Nite	
	1st	Ad'l	1st	Ad'l	1st	Ad'l
1-3000	0.1520	0.1520	0.1520	0.1520	0.1520	0.1520

Directory Assistance: .59
 Rounding: 60 seconds for initial period & 60 seconds for additional period.

Switched Flat Wats Rate 231

Mileage Band	Day		Eve		Nite	
	1st	Ad'l	1st	Ad'l	1st	Ad'l
1-3000	0.1520	0.1520	0.1520	0.1520	0.1520	0.1520

Directory Assistance: .59
 Rounding: 60 seconds for initial period & 60 seconds for additional period.

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SECTION 4 - RATES/INTRASTATE

Switched Flat Wats Rate 240

Mileage Band	Day		Eve		Nite	
	1st	Ad'l	1st	Ad'l	1st	Ad'l
1-3000	0.1520	0.1520	0.1520	0.1520	0.1520	0.1520

Directory Assistance: .59
 Rounding: 60 seconds for initial period & 60 seconds for additional period.

Switched Flat Wats Rate 241

Mileage Band	Day		Eve		Nite	
	1st	Ad'l	1st	Ad'l	1st	Ad'l
1-3000	0.1520	0.1520	0.1520	0.1520	0.1520	0.1520

Directory Assistance: .59
 Rounding: 60 seconds for initial period & 60 seconds for additional period.

Switched Flat Wats Rate 250

Mileage Band	Day		Eve		Nite	
	1st	Ad'l	1st	Ad'l	1st	Ad'l
1-3000	0.1520	0.1520	0.1520	0.1520	0.1520	0.1520

Directory Assistance: .59
 Rounding: 60 seconds for initial period & 60 seconds for additional period.

Switched Flat Wats Rate 251

Mileage Band	Day		Eve		Nite	
	1st	Ad'l	1st	Ad'l	1st	Ad'l
1-3000	0.1520	0.1520	0.1520	0.1520	0.1520	0.1520

Directory Assistance: .59
 Rounding: 60 seconds for initial period & 60 seconds for additional period.

Affiliated Companies Switched Outbound 260

Mileage Band	Day		Eve		Nite	
	1st	Ad'l	1st	Ad'l	1st	Ad'l
1-3000	0.1520	0.1520	0.1520	0.1520	0.1520	0.1520

Directory Assistance: .59
 Rounding: 60 seconds for initial period & 60 seconds for additional period.

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 Fort Worth, Texas 76180

SECTION 4 - RATES/INTRASTATE

SBNWats II 305

Mileage Band	Day		Eve		Nite	
	1st	Ad'l	1st	Ad'l	1st	Ad'l
1-10	0.0846	0.0117	0.0648	0.0113	0.0638	0.0124
11-22	0.1024	0.0135	0.0810	0.0119	0.0638	0.0124
23-55	0.1246	0.0230	0.1026	0.0184	0.0870	0.0165
56-124	0.1380	0.0257	0.1188	0.0216	0.0986	0.0189
125-292	0.1469	0.0275	0.1296	0.0238	0.1102	0.0212
293-354	0.1602	0.0302	0.1404	0.0259	0.1218	0.0236

Directory Assistance: .59
 Monthly minimum billing: \$225 (\$20 usage fee assessed if minimum billing not met).
 Rounding is 30 seconds for initial period & 6 seconds for additional period.

Global SBNWats II 307

Mileage Band	Day		Eve		Nite	
	1st	Ad'l	1st	Ad'l	1st	Ad'l
1-10	0.0846	0.0117	0.0648	0.0113	0.0638	0.0124
11-22	0.1024	0.0135	0.0810	0.0119	0.0638	0.0124
23-55	0.1246	0.0230	0.1026	0.0184	0.0870	0.0165
56-124	0.1380	0.0257	0.1188	0.0216	0.0986	0.0189
125-292	0.1469	0.0275	0.1296	0.0238	0.1102	0.0212
293-354	0.1602	0.0302	0.1404	0.0259	0.1218	0.0236

Directory Assistance: .59
 Monthly minimum billing: \$225 (\$20 usage fee assessed if minimum billing not met).
 Rounding is 30 seconds for initial period & 6 seconds for additional period.

Dedicated Flat Rate Outbound 310

Day		Eve		Nite	
1st	Ad'l	1st	Ad'l	1st	Ad'l
0.1030	0.1030	0.1030	0.1030	0.1030	0.1030

Rounding is 6 seconds with a 30 second minimum.

Dedicated Flat Rate Outbound 320

Day		Eve		Nite	
1st	Ad'l	1st	Ad'l	1st	Ad'l
0.1030	0.1030	0.1030	0.1030	0.1030	0.1030

Rounding is 6 seconds with a 30 second minimum.

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SECTION 4 - RATES/INTRASTATE

Dedicated Flat Rate Outbound 330

Day		Eve		Nite	
1st	Ad'l	1st	Ad'l	1st	Ad'l
0.1030	0.1030	0.1030	0.1030	0.1030	0.1030

Rounding is 6 seconds with a 30 second minimum.

Dedicated Flat Rate Outbound 340

Day		Eve		Nite	
1st	Ad'l	1st	Ad'l	1st	Ad'l
0.1030	0.1030	0.1030	0.1030	0.1030	0.1030

Rounding is 6 seconds with a 30 second minimum.

Travel Card 401

Mileage Band	Day		Eve		Nite	
	1st	Ad'l	1st	Ad'l	1st	Ad'l
0-9999	0.2650	0.2500	0.2500	0.2300	0.2300	0.2100

Surcharge: .40

Directory Assistance: .59

Travel Card 402 (TPN Option)

Mileage Band	Day		Eve		Nite	
	1st	Ad'l	1st	Ad'l	1st	Ad'l
0-9999	0.2650	0.2500	0.2500	0.2300	0.2300	0.2100

Surcharge: .40

Directory Assistance: .59

Travel Card 415

Mileage Band	Day		Eve		Nite	
	1st	Ad'l	1st	Ad'l	1st	Ad'l
1-10	0.1900	0.1300	0.1200	0.1050	0.1100	0.1050
11-22	0.2300	0.1500	0.1500	0.1100	0.1100	0.1050
23-55	0.2800	0.2550	0.1900	0.1700	0.1500	0.1400
56-124	0.3100	0.2850	0.2200	0.2000	0.1700	0.1600
125-292	0.3300	0.3050	0.2400	0.2200	0.1900	0.1800
293-354	0.3600	0.3350	0.2600	0.2400	0.2100	0.2000

Surcharge: \$0.30

Rounding is 60 seconds for initial period & 60 seconds for additional period.

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SECTION 4 - RATES/INTRASTATE

ProLine 800 501

<u>DAY</u>	<u>EVE</u>	<u>NITE</u>
0.1723	0.1440	0.1280

Monthly Recurring Charge: 16.00
 Rounding is 60 seconds with a 30 second minimum.

NewLine 800 502

<u>Mileage Band</u>	<u>Peak Rate</u>	<u>Off-Peak Rate</u>
0-9999	0.3000	0.3000

Monthly minimum usage: 60 minutes
 Rounding is 60 seconds for initial period & 60 seconds for additional period.

Switched 800 Service 510

<u>Mileage Band</u>	<u>Day</u>		<u>Eve</u>		<u>Nite</u>	
	<u>1st</u>	<u>Ad'l</u>	<u>1st</u>	<u>Ad'l</u>	<u>1st</u>	<u>Ad'l</u>
1-3000	0.1520	0.1520	0.1520	0.1520	0.1520	0.1520

Directory Assistance: .59
 Rounding: 60 seconds for initial period & 60 seconds for additional period.

Switched 800 Service 511

<u>Mileage Band</u>	<u>Day</u>		<u>Eve</u>		<u>Nite</u>	
	<u>1st</u>	<u>Ad'l</u>	<u>1st</u>	<u>Ad'l</u>	<u>1st</u>	<u>Ad'l</u>
1-3000	0.1520	0.1520	0.1520	0.1520	0.1520	0.1520

Directory Assistance: .59
 Rounding: 60 seconds for initial period & 60 seconds for additional period.

Switched 800 Service 512

<u>Mileage Band</u>	<u>Day</u>		<u>Eve</u>		<u>Nite</u>	
	<u>1st</u>	<u>Ad'l</u>	<u>1st</u>	<u>Ad'l</u>	<u>1st</u>	<u>Ad'l</u>
1-3000	0.1520	0.1520	0.1520	0.1520	0.1520	0.1520

Directory Assistance: .59
 Rounding: 60 seconds for initial period & 60 seconds for additional period.

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SECTION 4 - RATES/INTRASTATE

Switched 800 Service 513

Mileage Band	Day		Eve		Nite	
	1st	Ad'l	1st	Ad'l	1st	Ad'l
1-3000	0.1520	0.1520	0.1520	0.1520	0.1520	0.1520

Directory Assistance: .59
 Rounding: 60 seconds for initial period & 60 seconds for additional period.

Switched 800 Service 514

Mileage Band	Day		Eve		Nite	
	1st	Ad'l	1st	Ad'l	1st	Ad'l
1-3000	0.1520	0.1520	0.1520	0.1520	0.1520	0.1520

Directory Assistance: .59
 Rounding: 60 seconds for initial period & 60 seconds for additional period.

Switched 800 Service 515

Mileage Band	Day		Eve		Nite	
	1st	Ad'l	1st	Ad'l	1st	Ad'l
1-3000	0.1520	0.1520	0.1520	0.1520	0.1520	0.1520

Directory Assistance: .59
 Rounding: 60 seconds for initial period & 60 seconds for additional period.

Amerishare Inbound 800 516

Mileage Band	Day		Eve		Nite	
	1st	Ad'l	1st	Ad'l	1st	Ad'l
1-3000	0.1520	0.1520	0.1520	0.1520	0.1520	0.1520

Directory Assistance: .59
 Rounding: 60 seconds for initial period & 60 seconds for additional period.

Amerishare Inbound 800 517

Mileage Band	Day		Eve		Nite	
	1st	Ad'l	1st	Ad'l	1st	Ad'l
1-3000	0.1520	0.1520	0.1520	0.1520	0.1520	0.1520

Directory Assistance: .59
 Rounding: 60 seconds for initial period & 60 seconds for additional period.

Issued: _____

Effective: _____

by: Virginia A. Baker, Treasurer
 Matrix Telecom, Inc.
 9003 Airport Freeway, Suite 340
 Fort Worth, Texas 76180

SECTION 4 - RATES/INTRASTATE

Dedicated Flat Rate Inbound 520

Day		Eve		Nite	
1st	Ad'l	1st	Ad'l	1st	Ad'l
0.1030	0.1030	0.1030	0.1030	0.1030	0.1030

Rounding is 6 seconds with a 30 second minimum.

Dedicated Flat Rate Inbound 521

Day		Eve		Nite	
1st	Ad'l	1st	Ad'l	1st	Ad'l
0.1030	0.1030	0.1030	0.1030	0.1030	0.1030

Rounding is 6 seconds with a 30 second minimum.

Dedicated Flat Rate Inbound 524

Day		Eve		Nite	
1st	Ad'l	1st	Ad'l	1st	Ad'l
0.1030	0.1030	0.1030	0.1030	0.1030	0.1030

Rounding is 6 seconds with a 30 second minimum.

Weather 601

Day		Eve		Nite	
1st	Ad'l	1st	Ad'l	1st	Ad'l
0.2650	0.2500	0.2500	0.2300	0.2300	0.2100

Surcharge: .40

Directory Assistance: .99

Voicemail 701

Day		Eve		Nite	
1st	Ad'l	1st	Ad'l	1st	Ad'l
0.2650	0.2500	0.2500	0.2300	0.2300	0.2100

Surcharge: .40

Directory Assistance: .99

Issued: _____

Effective: _____

by: Virginia A. Baker, Treasurer
 Matrix Telecom, Inc.
 9003 Airport Freeway, Suite 340
 Fort Worth, Texas 76180

SECTION 4 - RATES/INTRASTATE

Directory Assistance

\$.68 per inquiry, one inquiry per call.

TravelCom 800

Domestic:

<u>Day</u>	<u>Evening</u>	<u>Night</u>
0.2385	0.2195	0.1895

Canadian:

<u>Day</u>	<u>Evening</u>	<u>Night</u>
0.55	0.42	0.31

Matrix Prepaid Calling Card

Fee charged is set according to the volume of time purchased by customer.

Issued: _____

Effective: _____

by: Virginia A. Baker, Treasurer
 Matrix Telecom, Inc.
 9003 Airport Freeway, Suite 340
 Fort Worth, Texas 76180

EXHIBIT E

MATRIX TELECOM, INC.
CURRENT OFFICERS AND DIRECTORS

Mr. Ray Waters, Chairman of the Board, Chief Executive Officer and President was named Chief Operating Officer in February 1996, having previously filled positions with the Company as Director of Business Development and Director of Operations. Mr. Waters has over 18 years of experience in the telecommunications industry. From 1983 to 1995, he worked with Sprint Communications where he led organizations responsible for marketing, product management and development, and sales support. While at Sprint, he was directly responsible for introduction of two network management products for the large business market segment, and was a member of the team which introduced the industry's first Virtual Private Network service. From 1978 to 1983, Mr. Waters worked for AT&T Long Lines and filled positions in network planning and engineering, human resources, and operations as a participant in the Manager Development Program. In addition to his telecommunications experience, Mr. Waters recently completed a dual career in the naval reserve, where he attained the grade of Captain and served three tours, each Commanding Officer and Executive Officer.

Mr. Gary L. Friedman has served in an advisory capacity with the Company since its inception in May 1990, and has served as Director, Secretary, and Vice President of Strategic Operations since January 1994. Since 1984, Mr. Friedman has served as Director of UICI; and since 1985, he has served as Director and Treasurer of United Group Associations ("UGA"), a leading agency offering association benefits packages, with emphasis on health insurance. Mr. Friedman has served as Secretary of UGA since July 1990.

Ms. Virginia A. Baker, C.P.A., Vice President and Treasurer, has served the Company in a key financial capacity since October 1993. From July 1990 to October 1993, Ms. Baker served as Controller of VarTec Telecom, Inc., a large facility based national long distance provider headquartered in Dallas, Texas. Prior to entering private industry, Ms. Baker worked as a Certified Public Accountant from September 1987 to July 1990 for Deloitte and Touche, a nationally recognized big six accounting firm.

Mr. Joe Renteria, Vice President of Information Systems, has served the Company in a key management position since October 1993. Mr. Renteria's responsibilities include all areas of information systems and related technologies. Prior to joining the Company, Mr. Renteria was Manager of Information Systems for RSR Corporation, a national heavy metals producer, from August 1979 to September 1993. Mr. Renteria has over 30 years of information systems experience, 25 of which have been in management level positions.

Janet J. Jensen, Director, has worked with Matrix Telecom since 1990. In 1991, Ms. Jensen established Matrix International Marketing (now BestConnections) to provide marketing and support for Matrix Telecom to the field agents as a secondary product. Ms. Jensen Graduated from Coe College in Cedar Rapids, Iowa with a Bachelor of Arts in 1979.

Jeffrey J. Jensen, Director, has played a major role in the building of several other companies and was one of the founders of Matrix Telecom. Mr. Jensen joined Specialized Association Services

("SAS"), a direct marketing company that handles member benefits programs and membership renewals, in 1989. Mr. Jensen helped expand SAS to a company of more than 100 employees and serving more than 600,000 association members. He also founded CORE Marketing, Inc., a marketing company, in 1996 and serves as President. He has a BSS in Economics and Philosophy and a MS in Information Systems.

Ronald Howard, Director, has been employed by United Group Association, Inc. ("UGA"), a management company, since July 1, 1997 and prior to that date served as a consultant to UGA in a financial and management advisory capacity since November, 1996. Prior to his consulting with UGA, Mr. Howard was Executive Vice President of Associates First Capital Corporation, a financial services company, from August 1990 to July 1996. Additionally, from 1993 to 1996, Mr. Howard served as Chairman of Associated Investment Corporation, an industrial loan chartered bank in Salt Lake City, Utah. Mr. Howard also serves as a member on the Board of Directors of U.S. Metro Lines Services, Inc., U.S. Telco, Inc. And as an executive officer of Sun Network Technologies, LLC. Mr. Howard earned a BS in Marketing from Sacred Heart University, in Fairfield, Connecticut.

EXHIBIT F

**UNAUDITED PRO FORMA CONDENSED COMBINED
BALANCE SHEET**
June 30, 1997

<u>Assets</u>	<u>Matrix</u>	<u>Best</u>	<u>Pro Forma Adjustments (Note B)</u>	<u>Matrix/Best Pro Forma Combined</u>	<u>AvTel</u>	<u>Adjustments (Note C)</u>	<u>Pro Forma Combined</u>
Current assets							
Cash and cash equivalents	\$ 4,240,644	211,169	--	4,451,813	431,405	--	4,883,218
Accounts receivable, net	8,465,520	--	--	8,465,520	205,871	--	8,672,391
Due from affiliates	964,300	--	--	964,300	86,000	(500,000) ⁽⁶⁾	550,300
Other current assets	<u>1,570,087</u>	<u>--</u>	<u>--</u>	<u>1,570,087</u>	<u>18,869</u>	<u>--</u>	<u>1,588,956</u>
	15,240,551	211,169	--	15,451,720	743,145	(500,000)	15,694,865
Property and equipment, net	1,418,196	15,137	--	1,433,333	523,805	--	1,957,138
Loans to affiliates	1,924,303	--	--	1,924,303	--	--	1,924,303
Investments	--	3,317,940	(3,317,940) ⁽²⁾	--	--	--	--
Goodwill, net	--	--	--	--	567,614	7,557,588 ⁽²⁾ (8,125,202) ⁽⁵⁾	--
Other assets, net	3,369	--	--	3,369	5,499	--	8,868
Deferred income taxes	<u>134,288</u>	<u>--</u>	<u>--</u>	<u>134,288</u>	<u>--</u>	<u>--</u>	<u>134,288</u>
	<u>\$ 18,720,707</u>	<u>3,544,246</u>	<u>(3,317,940)</u>	<u>18,947,013</u>	<u>1,840,063</u>	<u>(1,067,614)</u>	<u>19,719,462</u>

**UNAUDITED PRO FORMA CONDENSED COMBINED
BALANCE SHEET
June 30, 1997
(Continued)**

<u>Liabilities and Stockholders' Equity</u>	<u>Matrix</u>	<u>Best</u>	<u>Pro Forma Adjustments (Note B)</u>	<u>Matrix/Best Pro Forma Combined</u>	<u>AvTel</u>	<u>Adjustments (Note C)</u>	<u>Pro Forma Combined</u>
Current liabilities							
Accounts payable and other accrued expenses	\$ 2,063,743	--	--	2,063,742	201,434	--	2,265,176
Accrued network services costs	4,328,597	--	--	4,328,597	--	--	4,328,597
Deferred revenue	--	--	--	--	123,013	--	123,013
Sales and excise tax payable	1,341,572	--	--	1,341,572	--	--	1,341,572
Due to affiliates	2,207,665	177,008	--	2,384,673	199,041	--	2,583,714
Income tax payable	20,447	--	--	20,447	--	--	20,447
Lease obligations - current portion	--	--	--	--	32,368	--	32,368
Note payable	<u>9,962,023</u>	<u>177,008</u>	<u>--</u>	<u>10,139,031</u>	<u>628,099</u> <u>1,183,955</u>	<u>(500,000)⁽⁶⁾</u> <u>(500,000)</u>	<u>128,099</u> <u>10,822,986</u>
Lease obligation, less current portion	--	--	--	--	77,889	--	77,889
Stockholders' Equity							
Preferred stock	--	--	--	--	1,000,000	--	1,000,000
Common stock	8,255,626	--	3,367,238 ⁽²⁾	11,622,864	7,136	(5,352) ⁽¹⁾ (11,613,281) ⁽⁶⁾	11,367
Paid in capital in excess of par value	--	3,209,779	(3,209,779) ⁽²⁾	--	135,475	5,352 ⁽¹⁾ 6,993,196 ⁽²⁾ 11,173,698 ⁽⁶⁾	18,307,731

**UNAUDITED PRO FORMA CONDENSED COMBINED
BALANCE SHEET
June 30, 1997
(Continued)**

<u>Liabilities and Stockholders' Equity</u>	<u>Matrix</u>	<u>Best</u>	<u>Pro Forma Adjustments (Note B)</u>	<u>Matrix/Best Pro Forma Combined</u>	<u>AvTel</u>	<u>Adjustments (Note C)</u>	<u>Pro Forma Combined</u>
Retained earnings (accumulated deficit)	942,641	157,459	(157,459) ⁽²⁾	942,641	(564,392)	564,392 ⁽²⁾ (8,125,202) ⁽³⁾	(7,182,561)
Treasury Stock	<u>(439,583)</u>	<u>--</u>	<u>(3,317,940)</u>	<u>(3,757,523)</u>	<u>--</u>	<u>439,583</u> ⁽⁴⁾	<u>(3,317,940)</u>
	<u>8,758,684</u>	<u>3,367,238</u>	<u>(3,317,940)</u>	<u>8,807,982</u>	<u>578,219</u>	<u>(567,614)</u>	<u>8,818,587</u>
	<u>\$ 18,720,707</u>	<u>3,544,246</u>	<u>(3,317,940)</u>	<u>18,947,013</u>	<u>1,840,063</u>	<u>(1,067,614)</u>	<u>19,719,462</u>

**UNAUDITED PRO FORMA CONDENSED COMBINED
STATEMENT OF OPERATIONS
For the Six Month Period Ended June 30, 1997**

	<u>Matrix</u>	<u>Best</u>	<u>Pro Forma Adjustments (Note D)</u>	<u>Matrix/Best Pro Forma Combined</u>	<u>AvTel</u>	<u>WNI</u>	<u>Pro Forma Adjustments (Note E)</u>	<u>AvTel/ WNI Pro Forma Combined</u>	<u>Pro Forma Adjust- ments (Note F)</u>	<u>Pro Forma Combined</u>
Revenues	\$26,829,063	497,300	(497,300) ⁽²⁾	26,829,063	1,346,084	108,583	-	1,454,667	-	28,283,730
Cost of revenues	<u>18,314,213</u>	-	-	<u>18,314,213</u>	<u>314,560</u>	<u>18,526</u>	-	<u>333,086</u>	-	<u>18,647,299</u>
Gross margins	8,514,850	497,300	(497,300) ⁽²⁾	8,514,850	1,031,524	90,057	-	1,121,581	-	9,636,431
Operating expenses										
Selling, general and administrative	7,800,920	471,542	(497,300)	7,775,162	1,268,338	84,726	-	1,353,064	-	9,128,226
Depreciation and amortization	<u>364,200</u>	<u>2,890</u>	-	<u>367,090</u>	<u>59,845</u>	<u>7,000</u>	<u>6,400(2)</u>	<u>73,245</u>	<u>(8,683)⁽²⁾</u>	<u>431,652</u>
Total operating expenses	<u>8,165,120</u>	<u>474,432</u>	<u>(497,300)</u>	<u>8,142,252</u>	<u>1,328,183</u>	<u>91,726</u>	<u>6,400</u>	<u>1,426,309</u>	<u>(8,683)</u>	<u>9,559,878</u>
Operating income (loss)	349,730	22,868	-	372,598	(296,659)	(1,669)	(6,400)	(304,728)	8,683	76,553
Interest expense	(6,864)	-	-	(6,864)	(3,481)	-	-	(3,481)	-	(10,345)
Other income, net	<u>(44,238)</u>	<u>35</u>	-	<u>(44,203)</u>	<u>30,290</u>	<u>(8,990)</u>	-	<u>21,300</u>	-	<u>(22,903)</u>
Income (loss) before income taxes	298,628	22,903	-	321,531	(269,850)	(10,659)	(6,400)	(286,909)	8,683	43,305
Income tax expense (benefit)	<u>125,426</u>	-	<u>9,619⁽²⁾</u>	<u>135,045</u>	-	-	-	-	<u>(116,857)⁽²⁾</u>	<u>18,188</u>
	<u>173,202</u>	<u>22,903</u>	<u>(9,619)</u>	<u>186,486</u>	<u>(269,850)</u>	<u>(10,659)</u>	<u>(6,400)</u>	<u>(286,909)</u>	<u>125,540</u>	<u>25,117</u>
Net income (loss)	<u>\$ 173,202</u>	<u>22,903</u>	<u>(9,619)</u>	<u>186,486</u>	<u>(269,850)</u>	<u>(10,659)</u>	<u>(6,400)</u>	<u>(286,909)</u>	<u>125,540</u>	<u>25,117</u>
Net income (loss) per common share	<u>\$ 0.05</u>			<u>0.06</u>	<u>(0.04)</u>			<u>(0.04)</u>		<u>-</u>
Weighted average shares outstanding	<u>3,484,260</u>			<u>3,055,147</u>	<u>7,123,751</u>			<u>7,129,584</u>		<u>9,364,913</u>

**UNAUDITED PRO FORMA CONDENSED COMBINED
STATEMENT OF OPERATIONS
For the Year Ended December 31, 1996**

	<u>Matrix</u>	<u>Best</u>	<u>Pro Forma Adjustments (Note D)</u>	<u>Matrix/Best Pro Forma Combined</u>	<u>AvTel</u>	<u>WNI</u>	<u>Pro Forma Adjustments (Note E)</u>	<u>AvTel/ WNI Pro Forma Combined</u>	<u>Pro Forma Adjust- ments (Note F)</u>	<u>Pro Forma Combined</u>
Revenues	\$71,558,295	1,280,273	(1,280,273) ⁽²⁾	71,558,295	263,139	964,658	-	1,227,797	-	72,786,092
Cost of revenues	<u>47,674,396</u>	<u>---</u>	<u>---</u>	<u>47,674,396</u>	<u>89,121</u>	<u>129,049</u>	<u>---</u>	<u>218,170</u>	<u>---</u>	<u>47,892,566</u>
Gross margins	23,883,899	1,280,273	(1,280,273) ⁽²⁾	23,882,899	174,018	835,609	-	1,009,627	-	24,893,526
Operating expenses										
Selling, general and administrative	18,798,926	1,193,332	(1,280,273)	18,711,985	504,991	521,018	-	1,026,009	-	19,737,994
Depreciation and amortization	<u>993,940</u>	<u>10,021</u>	<u>---</u>	<u>1,003,961</u>	<u>---</u>	<u>84,000</u>	<u>77,000⁽²⁾</u>	<u>161,000</u>	<u>---</u>	<u>1,164,961</u>
Total operating expenses	<u>19,792,866</u>	<u>1,203,353</u>	<u>(1,280,273)</u>	<u>19,715,946</u>	<u>504,991</u>	<u>605,018</u>	<u>77,000</u>	<u>1,187,009</u>	<u>---</u>	<u>20,902,955</u>
Operating income (loss)	4,091,033	76,920	-	4,167,953	(330,973)	230,591	(77,000)	(177,382)	-	3,990,571
Interest expense	(230,922)	-	-	(230,922)	(945)	-	-	(945)	-	(231,867)
Other Income, net	<u>271,172</u>	<u>18,619</u>	<u>---</u>	<u>289,871</u>	<u>21,268</u>	<u>(60,175)</u>	<u>---</u>	<u>(38,907)</u>	<u>---</u>	<u>250,964</u>
Income (loss) before income taxes	4,131,283	95,619	-	4,226,902	(310,650)	170,416	(77,000)	(217,234)	-	4,009,668
Income tax expense (benefit)	<u>1,686,878</u>	<u>---</u>	<u>40,160⁽²⁾</u>	<u>1,727,038</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>(42,977⁽²⁾)</u>	<u>1,684,061</u>
	2,444,405	95,619	(40,160)	2,499,864	(310,650)	170,416	(77,000)	(217,234)	42,977	2,325,607
Equity in net income (loss) of DNS	122,327	-	-	122,327	-	-	-	-	-	122,327
Net income (loss)	\$ <u>2,566,732</u>	<u>95,619</u>	<u>(40,160)</u>	<u>2,622,191</u>	<u>(310,650)</u>	<u>170,416</u>	<u>(77,000)</u>	<u>(217,234)</u>	<u>42,977</u>	<u>2,447,934</u>
Net income (loss) per common share	\$ <u>0.88</u>			<u>1.05</u>	<u>(0.05)</u>			<u>(0.04)</u>		<u>0.26</u>
Weighted average shares outstanding	<u>2,919,978</u>			<u>2,490,865</u>	<u>5,908,169</u>			<u>5,943,169</u>		<u>9,068,309</u>

Notes to Unaudited Pro Forma Condensed Financial Information

(A) Basis of Presentation

The unaudited pro forma condensed financial information reflects the exchange of 376,727 shares of Matrix stock for 100% of the outstanding shares of Best Connections, Inc. ("Best"), an affiliated company. Due to the existence of the common control of Matrix and Best, their share exchange was accounted for as a combination of entities under common control with the assets of Best being recorded at their historical cost basis. The unaudited pro forma condensed financial information also reflects the exchange of 35,000 shares of AvTel common stock, \$100,000 cash and secured promissory notes of \$177,000 for 100% of the outstanding shares of WestNet Communications, Inc. ("WNI"). The transaction was accounted for as a purchase. Additionally, the unaudited pro forma condensed financial information also reflects the exchange of AvTel common stock for all of the outstanding common stock of Matrix pursuant to the Share Exchange. Although AvTel common stock is being used in the Share Exchange, for accounting purposes the Share Exchange is being treated as a reverse acquisition of AvTel by Matrix. After the Share Exchange, the former shareholders of Matrix will own 81% of AvTel. This transaction will be accounted for using the purchase method of accounting.

June 30, 1997 Pro Forma Balance Sheet Adjustments

(B) Matrix/Best - The pro forma adjustments applicable to the June 30, 1997 balance sheet assume the Best share exchange took place as of June 30, 1997.

(1) Matrix issues 376,727 shares of Matrix stock for 100% of the outstanding shares of Best. Best's primary asset consists of 805,840 shares of Matrix common stock. As part of the Best/ Matrix merger, Matrix assumes the Best obligation related to 805,840 outstanding options to purchase common shares at \$3.75 per share (1,999,997 post-split AvTel shares at \$1.50 per share). Such outstanding options will result in compensation expense in the future for AvTel as such options vest.

(2) To eliminate Best's investment in Matrix common stock and reflect issuance of Matrix common shares for Best.

(C) Matrix/AvTel - The pro forma adjustments applicable to the June 30, 1997 balance sheet assume the AvTel Share Exchange took place as of June 30, 1997 and reflect a preliminary purchase price allocation.

(1) Reflects 1 for 4 reverse split of AvTel's common stock.

(2) This adjustment reflects recording of the purchase price of AvTel by Matrix using the trading value of the AvTel shares immediately prior to the public announcement of the Share Exchange as required for a reverse acquisition.

The preliminary allocation of the purchase price is as follows:

	<u>Carrying</u> <u>Value</u>	<u>Fair</u> <u>Value</u>	<u>Pro Forma</u> <u>Adjustment</u>
Current Assets	\$ 743,145	743,145	-
Property and equipment	523,805	523,805	-
Goodwill	567,614	8,125,202	(7,557,588)
Other assets	5,499	5,499	-
Current liabilities	(1,183,955)	(1,183,955)	-
Lease obligation, less current portion	(77,889)	(77,889)	-
		<u>\$8,135,807</u>	

The purchase price is comprised of the following:

preferred stock \$1,000,000
common stock 7,135,807
\$8,135,807

- (3) For purposes of the determination of the purchase price, the trading value of AvTel common shares for a period immediately prior to the public announcement of the Share Exchange was used. This resulted in a price per share of \$1.00 pre reverse split and a total purchase price of \$8,135,807.
 - (4) This adjustment recapitalizes Matrix based on par value of AvTel common stock.
 - (5) Goodwill recorded in the acquisition results from recording the reverse purchase acquisition utilizing the market trading price of AvTel common stock which significantly exceeds the fair value of the underlying net tangible and intangible assets of AvTel. Accordingly, immediately following the Share Exchange the resulting goodwill in the amount of \$8,125,202 will be charged to operations of AvTel.
 - (6) To eliminate \$500,000 advance to AvTel by .
- (D) Matrix and Best six months ended June 30, 1997 and year ended December 31, 1996 pro forma statements of operations adjustments.
- (1) For purposes of the Unaudited Pro Forma Condensed statements of operations presented the acquisition of Best is assumed to have been completed as of January 1, 1996.
 - (2) To eliminate commission revenue at Best and commission expense at Matrix.
 - (3) This adjustment reflects the tax impact of Best's income at 42% (the combined federal and state). Best was a limited liability company prior to June 30, 1997.
- (E) AvTel and WNI's six months ended June 30, 1997 and year ended December 31, 1996 pro forma statements of operations adjustments.
- (1) For purposes of the Unaudited Pro Forma Condensed Statements of Operations presented the acquisition of WNI is assumed to have been completed as of January 1, 1996. The acquisition by AvTel of Silicon Beach Communications, Inc. in November 1996 and of the 20% minority interest of the Friendly Net, LLC in March 1997 have not been included in these pro forma financial statements due to their not being material for these purposes.
 - (2) To amortize goodwill at AvTel related to the WNI acquisition over 36 months.
- (F) Matrix and AvTel's six months ended June 30, 1997 and year ended December 31, 1996 pro forma statements of operations adjustments.
- (1) For purposes of the Unaudited Pro Forma Condensed Statements of Operations presented the Share Exchange is assumed to have been completed as of January 1, 1996.
 - (2) To eliminate \$8,683 amortization of goodwill at AvTel for the six month period ended June 30, 1997. There was no goodwill amortization for the year ended December 31, 1996.
 - (3) To adjust income tax expense to reflect utilization of AvTel losses at a combined federal and state rate of 42%.
 - (4) For purposes of determining the purchase price, the trading value of AvTel shares was used for a period immediately preceding the announcement of the Share Exchange. However, the net asset values of AvTel including goodwill cannot be supported by the operations of AvTel. Accordingly, immediately following the Share Exchange, the resulting goodwill in the amount of \$8,125,202 will be charged to operations. Since this is a one time charge resulting from the Share Exchange, it is not reflected in the pro forma statements of operations.

COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA PUBLIC UTILITY COMMISSION
P. O. BOX 3265, HARRISBURG PA 17105-3265

IN REPLY PLEASE
REFER TO OUR FILE
Secretary
717-772-7777

July 28, 1998

310302

A-310302 F0002

A-310032 F5000

A-310108 F2000

MARK A HANEY, ATTORNEY
HANEY AND TICKNOR, PC
9001 AIRPORT FREEWAY
SUITE 650
FORT WORTH TEXAS 76180

DOCKETED
JUL 28 1998

Dear Mr. Haney:

Receipt is acknowledged of the Joint Application of Matrix Telecom, Inc., Matrix Telecom General Partnership and Avtel Communications, Inc., for approval of various transactions, which have been captioned and docketed to the above numbers, as described below:

- A-310302 - Application of Matrix Telecom, Inc., for approval to offer Reseller of Toll Services to the public in the Commonwealth of PA;
- A-310302 F0002 - Joint Application of Matrix Telecom, Inc., Matrix Telecom General Partnership and Avtel Communications, Inc., to cover various transactions.
- A-310302-F5000 - Application for approval of the transfer of stock of Matrix Telecom, Inc., to Avtel Communications, Inc.
- A-310108 F2000 - Application of the transfer of assets from Matrix Telecom General Partnership to Matrix Telecom, Inc., and the abandonment of telecommunications service by Matrix Telecom General Partnership.

This matter will receive the attention of the Commission and you will be advised of any further necessary procedure.

Sincerely,

James J. McNulty
James J. McNulty
Secretary

**DOCUMENT
FOLDER**

JJM:ddt

DATE: July 28, 1998

SUBJECT: A-310302
A-310302 F0002
A-310302 F5000
A-310108 F2000

DOCUMENT
FOLDER

DOCKETED
JUL 28 1998

TO: Bureau of Fixed Utility Services

FROM: James J. McNulty, Secretary *JJM*

KJR

JOINT APPLICATION OF MATRIX TELECOM, INC., MATRIX TELECOM GENERAL PARTNERSHIP AND AVTEL COMMUNICATIONS, INC., FOR VARIOUS TRANSACTIONS

We attach hereto a copy of the Joint Application of Matrix Telecom, Inc., Matrix Telecom General Partnership and Avtel Communications, Inc., for approval of various transactions, which have been captioned and docketed to the above numbers, as follows:

- A-310302 - Application of Matrix Telecom, Inc., for approval to offer Reseller of Toll Services to the public in the Commonwealth of PA;
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- A-310302 F5000 - Application for approval of the transfer of stock of Matrix Telecom, Inc., to Avtel Communications, Inc.
- A-310108 F2000 - Application of the transfer of assets from Matrix Telecom General Partnership to Matrix Telecom, Inc., and the abandonment of telecommunications service by Matrix Telecom General Partnership.

May we have a report prepared by your Bureau for Public Meeting.

Attachment

cc: Law Bureau
Office of Special Assistants-w/memo & caption only

ddt