

The attached package of information is designed to answer most of the questions and inquiries concerning the opening of a new Telephone Answering Service in the serving territory of General Telephone Company of California.

The selection of a location for your Answering Service is totally up to you, the customer. The procurement of the necessary business license is your responsibility.

There are over one hundred-fifty Central Offices (Switching Centers) in the serving territory of General Telephone Company of California. When you have selected the area you wish to serve, call the local Service Office of the Telephone Company (telephone number is in the front pages of your local telephone directory). They will give you the address of the serving Central Office for that area. Select your Answering Service location accordingly.

## INFORMATION CONCERNING ANSWERING SERVICES

The services provided by and the rates charged by General Telephone Company of California are governed by a set of rules and regulations referred to as the Tariff Schedules. These Tariff Schedules are authorized by the California Public Utilities Commission and must be absolutely adhered to by the telephone company.

In establishing and operating an answering service, the owner should at all times be certain that the services he would like to render to his clients are within the category of approved services and serving arrangements as specified in the Tariffs of the serving telephone company and the Public Utilities Commission of the State of California. The Tariff regulating General Telephone Company and Pacific Telephone Company are not structured identically.

Technically, a person is engaged in telephone answering service activity whenever he answers the telephone line for any other person. Tariff Schedule A-24 states in part that a customer of General Telephone Company is considered engaged in the telephone answering service business when that customer has a total of 10 or more lines or extensions of lines of any other number of businesses or residences terminating on his premises, and under these circumstances, that customer is required to subscribe to the services as set forth in Tariff Schedule A-24, dealing exclusively with telephone answering service serving arrangements and rates. General Telephone Company is required by law to apply and enforce the terms, conditions and rates of the Tariffs.

The serving arrangements for telephone answering service are furnished to enable customers of the telephone company to answer incoming calls on lines of clients of that customer. The clients of a telephone answering service will be provided only one-way incoming service over the utilities exchange service lines to telephone answering service arrangements. The equipment must be arranged so that the answering service may not have the capability of making outgoing calls over clients lines. The telephone answering service will be provided two-way individual line primary service for its own use in the conduct of their business. The client line must be one-party service. No individual client line may terminate at more than one answering service at the same time. If one answering service arrangement does not provide full time service as may be required by a tenant or client, then the client may not have a second answering service pickup the line after hours. It must be "one or the other."

The answering service should be located as near as possible to the telephone companies local Central Office (Switchroom) for two reasons: First, each client of the answering service will pay a monthly rate to the telephone company, with the rate determined by the actual mileage between the answering service and the Central Office. For competitive purposes, the answering service with the shortest possible

mileage distance to the Central Office has the advantage. Second, the telephone company requires a cash deposit on a 5 year contract agreement. The amount of cash deposit is determined by the actual cost to the telephone company to place a dedicated cable of wire pairs between the Central Office and the answering service. If the answering service is to be located within on 1/4 of mileage from the Central Office, the amount of cash deposit on the 5 year contract is usually in the neighborhood of several thousand dollars per each 100 cable pair. If the answering service is located any great distance from the Central Office, then the deposit could be many times that amount. The contract deposit is refunded to the answering service at the rate of 1/60th per month, with 6% simple interest, paid at the end of each twelve months, for the 5 years. Should the answering service go out of business, or move, or for any reason fail to continue using the provided facilities anytime during the term of the 5 year contract, the deposit is forfeit to the telephone company.

When the answering service is serving only clients whose primary telephone location is located in the same building as the answering service, the portion of the 5 year contract dealing with main cable from the local Central Office is eliminated and the major portion of the deposit is related to in-house cable construction at a lower contract cost.

General Telephone Company will not start the planning, ordering of equipment, nor placement and construction of the contracted cable facilities until a contract is signed and deposit received. Depending on local conditions and restrictions, the completion of the cable facilities construction could take several months.

The client of an answering service will pay to the telephone company an \$8.00 connection charge to have an extension of his business line terminated at the answering service. If a clients business line terminates only at the answering service and has no other termination, then the installation charge is \$20.00 In each case add an additional \$8.00 if the answering service and the client locations are both located in the same building (Item #2 below).

In most of General Telephone Company's exchanges the monthly rate the client will pay to the telephone company is based on one or more of the following:

- 1) If the answering service termination of the line is the only termination of the line: \$12.60 per month, which may vary depending on local service rate.
- 2) If the answering service termination is an extension of a line which has its primary termination in another office in the same building, the monthly rate is \$1.85 for the answering service termination plus \$.50 for same building mileage.

- 3) If the primary location of the client line is not on the same premise as the answering service, then the monthly rate charged to the client by the telephone company is \$1.85 for the answering service termination, plus \$.50 for each 1/4 of circuit mileage between the answering service and the telephone company Central Office. (Commonly called Switchroom) This rate applies when the answering service and the client are both served by the same local Central Office.
- 4) When the client is served by a different remote Central Office, a separate set of rates apply. The local telephone company service office representative will quote individual rates upon request.
- 5) Certain areas previously served by California Water and Telephone Company have a completely different set of Tariffed mileage rates. The local service office of General Telephone Company will quote individual rates upon request.

The standard answering switchboard provided by General Telephone Company is called the "TAS-100" Board. A brochure picturing the TAS-100 and giving its dimensions is enclosed with this writing. Ample space at the answering service must be provided for rear access to the switchboards, and wall space for cable pair terminations and connections and for the necessary switching relays and related equipment. Separate electrical circuits are also required to operate the electrical equipment. A separate sheet of rates for TAS-100 services is enclosed. (See Page 5). General Telephone Company does not provide operator chairs, message racks, time-clocks, or special stationery or forms used by answering services.

Certain portions of Tariff Schedule A-24 deals with the providing of a multi-line pushbutton answering position (Commonly called a Call Commander Telephone). This equipment is used only when the Answering Service and the clients are both located in the same building.

	<u>INSTALLATION</u>	<u>MONTHLY</u>
1) 29 Line Capacity equipped for 11 lines	\$180.00*	\$33.00
2) 59 Line Capacity equipped for 11 lines	260.00*	42.00
3) 89 Line Capacity equipped for 11 lines	320.00*	49.50

In each of the above cases, each additional 6 line key strip beyond the initial 11 lines has an additional rate of \$45.00\* installation/connection charge and an additional \$10.50 per month.

When the above type multi-line pushbutton arrangements are being utilized by the answering service, a communicating line may be provided by the telephone company to permit the answering service and the clients in the same building to have direct "Hot Line" type communications. Individual conditions concerning the distance involved and the length of the circuit loop may require additional charges for control relay equipment, control circuits, and long line equipment, however, the following rates are typical for this service:

1) Charges by the telephone company to the answering service:

<u>SIZE</u>	<u>INSTALLATION</u>	<u>MONTHLY</u>
Capacity 8 Clients	\$ 67.00*	\$ 22.75
Capacity 17 Clients	87.00*	24.75
Capacity 26 Clients	102.00*	26.25
Capacity 35 Clients	112.00*	27.50

2) Charges by the telephone company to each client connection on the communicating line: \$7.00\* installation and \$2.75 per month.

All rates and charges to a client quoted herein are in addition to the rates and charges for the telephone serving arrangements the client may have in his own office. All rates and charges quoted throughout this informational communique are typical and are subject to additional service and equipment charges as may be required in individual cases to enable the telephone company to provide the service requested. In addition, all rates and charges for service provided by the telephone company are at all times subject to change in accordance with the rules and regulations of the Public Utilities Commission.

Please feel free to call on our telephone answering service consultant for further information at any time.

- (\*) \*In addition to the installation and/or connection charges indicated throughout this communique, a service order and activity charge will apply in each case as appropriate. Each case may vary, and any one or combination of the following will apply as a non-recurring charge in each case:

	<u>NONRECURRING CHARGE</u>
1) Primary line service order activity	\$15.00
2) Additional primary line, same order	6.50
3) Subsequent service order activity	3.00
4) Central Office activity, each line	5.00
5) Customer premise item activity	8.00
6) Additional premise item activity	8.00



TAS-100 RATES

The installation and monthly rates for TAS Answering Positions and all other answering service arrangements are over and above the Termination Contract and will be included on subsequent bill for monthly telephone service.

Equipment ordered on initial service order:

	<u>INSTALLATION</u>	<u>MONTHLY RATE</u>
• TAS Cord Type Answering Position equipped for terminating 100 or less lines (Installed with 20 station lines)	\$ 250.00*	\$ 25.00
Additional group 10 station lines each	10.00*	5.00
TAS-LBL (Local Business Line)	28.00*	12.60***
Rotary charges per line	---	.50

The net amount of the 5 year termination contract for each cord type answering position is \$1,355.00.

OPTIONAL SERVICES

Customer auxiliary station (Administrative Use Only) Plus applicable mileage for off-premise stations.	\$ 5.00*	\$ 1.25
Additional operator's headset (1 comes with each position)	---	2.00
Line lamp test feature	45.00*	8.00
Reserve battery power (Amp for 5 hours rs. pwr. svc.)	150.00*	20.00
Bridging arrangement Basic Unit incl. 1st 2 ckts.	50.00*	25.00
Additional ckt., each	**15.00	9.50

\*See (\*) Page 4

\*\*Not applicable when installed at the same time as the basic unit and on the same answering position.

\*\*\*May vary depending on local service rate.

The installation and monthly rate for Concentrator-Identifier equipment is over and above the installation, monthly rate, and termination contract for other telephone answering service equipment. A separate termination contract applies in addition to the following rates:

Equipment on Concentrator-Identifier service billed to the telephone answering service; when both the concentrator and the identifier are located within the serving territory of General Telephone Company.

	<u>INSTALLATION</u>	<u>MONTHLY RATE</u>
Concentrator-Identifier system equipped for terminating 100, or less lines	\$ 200.00*	\$ 75.00
Concentrator-Identifier trunks (Minimum 2, maximum 4 each) @ 50¢ per circuit 1/4 mile each trunk between the Concentrator and the Identifier	---	Actual
Minimum of 40 lines required @ \$2.50 per line, less number of actual lines in use.	---	100.00
The net amount of the 5 year termination contract for a Concentrator-Identifier System is \$5,900.00		

A separate attendant position is not required for Concentrator-Identifier arrangements, however, jack strips may not be intermixed with local clients and Concentrator-Identifier clients on the same jack strip. If both local and Concentrator-Identifier clients are to be on the same position, they must be grouped and the minimum grouping may not be less than 20 jacks per group. C-I jack strips may not be divided between more than two answering positions.

Rates billed by the telephone company to the client of a telephone answering service when service is provided through a Concentrator-Identifier System:

	<u>INSTALLATION</u>	<u>MONTHLY RATE</u>
Client's extension line terminating on telephone answering attendant's position	\$ 8.00	\$ 1.85
Concentrator-Identifier termination	---	2.50
Client's business answering line	20.00	12.60**

Plus mileage charges if the client line is not served from the same Central Office in which the Concentrator Unit is located.

NOTE: The telephone company must install large acid type batteries and battery racks as part of Concentrator-Identifier service. The answering service must provide a suitable area for the batteries, well ventilated, away from employees work area, in accordance with building code restrictions.

\*See (\*) Page 4

\*\*May vary depending on local service rate.

To: ALL ANSWERING SERVICES IN GENERAL TELEPHONE COMPANY'S SERVING AREA

General Telephone Company of California now includes in Tariff Schedule A-24 for telephone answering services an arrangement to provide small compact loudspeakers, connected to an auxiliary station jack on a cord type answering position.

Although other applications of this arrangement may apply, the most common usage and benefit to the answering service is for placing a line on "Hold" when calling a hospital to have a doctor paged. The attendant places the cord plug into the associated auxiliary station jack and restores her key. When the doctor answers his page, the attendant hears him over the speaker and she reattends the line. General Telephone Company rates for the "Hold" loudspeaker serving arrangement are:

	<u>MONTHLY</u>	<u>INSTALLATION</u>
Auxiliary Station Jack	\$ 1.25	\$ 5.00
Compact Speaker	<u>2.00</u>	<u>5.00</u>
TOTAL	\$ 3.25	\$ 10.00 *

Touch calling (or touch dialing) is now available on cord type answering positions for the telephone answering services. When the answering positions are arranged for touch calling, the telephone company will furnish a touch calling pad to replace the rotary dial. No position will be furnished with both a touch calling pad and a rotary dial. All local individual primary lines and foreign exchange lines (your own service) terminating on the answering positions must be originating from Central Offices that have been converted to touch calling capability. Not all Central Offices have been converted to touch calling. If you are interested, call your local service office and tell them the telephone numbers of all primary lines on your positions. They will check on it for you.

The rates for touch calling are in addition to the rates and charges for your present service. The installation charge is \$55.00\* for each cord type position arranged. The monthly charge is \$1.75 for each primary line terminating on the answering arrangements.

\*See (\*) Page 4



PORTIONS OF THE RULES AND REGULATIONS RELATED TO UTILITY PROVIDED  
TELEPHONE SERVICE.

RULE NO. 20

OWNERSHIP AND USE OF FACILITIES ON CUSTOMERS' PREMISES

All instrumentalities and equipment furnished by the Utility in connection with the customer's service shall be carefully used, and only authorized employees of the Utility shall be allowed to connect, disconnect, move, change, or alter in any manner any or all such instrumentalities, and equipment. The Utility shall own, furnish and maintain all such facilities including instrumentalities, inside wiring, protective apparatus and other equipment necessary to provide telephone service. All facilities provided shall conform to the established construction standards of the Utility.

At the customer's convenience, equipment provided by the customer may be attached to or connected with the facilities provided by the Utility as provided in Rule No. 41. Where direct electrical connections are made to a "Connecting Arrangement" provided by the Utility, the customer will be responsible for furnishing and maintaining all facilities beyond the point of connection with the Utility facilities.

In case any unauthorized attachment or connection is made, the Utility shall have the right to remove or disconnect same or to suspend the service of the customer during the continuance of said attachment or connection or to terminate the service.

RULE NO. 27

CUSTOMER'S PRIVATE SERVICE NOT FOR PUBLIC USE

The customer shall not permit the public use of service furnished him for his private use.

If it is found that the customer is permitting public use of service furnished him for his private use, the Utility will thereafter provide public business service except in cases where the customer consents to the facilities being so located as to be inaccessible to the public or permits no further public use after the matter has been called to his attention.

Except as otherwise provided in the tariff for service furnished to hotel customers, the use of the service is restricted to the customer, his agents, or representatives, and no service furnished shall in any case be resold.

RULE NO. 41

CUSTOMER-PROVIDED FACILITIES CONNECTED TO UTILITY EXCHANGE FACILITIES

Rule No. 41 is a seven page document, and like all other rules, regulations and Tariff Schedules related to telephone service, is available for your examination at your local telephone company service office. The following are candid excerpts from this rule:

PROVISION OF FACILITIES

1. The Utility will permit customer-provided facilities to be connected to the Utility's exchange facilities subject to the conditions set forth in this Rule.
2. Direct electrical connections of customer-provided facilities to the Utility's exchange facilities shall be by means of "Connecting Arrangements" provided by the Utility, as set forth in Paragraph B. All other direct electrical connections are considered unauthorized attachments. There are no connecting arrangements currently provided for in Tariff Schedule A-24. As the need arises, each request for connecting arrangement, and the rates for same, would have to be individually filed with and approved by the Public Utilities Commission before service may be provided.
3. Acoustic or inductive connections of customer-provided facility to the Utility's exchange facilities may be made externally to a Utility network control signaling unit.
4. Satisfactory performance of the exchange and message toll network requires continuing functional compatibility of the network control signals and the Central Office equipment involved. To assure such continuing compatibility, network control signaling in the furnishing of exchange and message toll service shall be performed by equipment provided by the Utility, except as otherwise provided in the Tariff Schedules.

COMMUNICATIONS SYSTEM CANCELLATION  
AND TERMINATION CONTRACT

It is hereby agreed between GENERAL TELEPHONE COMPANY OF CALIFORNIA,  
hereinafter referred to as the "Company," and ZEBRA TELEPHONE ANSWERING SERVICE,  
ANYTOWN, CALIFORNIA, hereinafter referred to as the "Customer," that:

1. The Customer hereby places an order with the Company for a ONE POSITION  
TAS WITH 400 CABLE PAIR-DOWNTOWN C.O. communications system. The Company will provide, install and maintain for the use of the Customer the necessary mechanical equipment and facilities as detailed in Exhibit "A" attached hereto needed in connection with the furnishing of the system. The entire service to be furnished by the Company is to be in accordance with its established rates, rules and regulations.
2. Ownership of all equipment furnished by the Company shall remain in the Company. The Customer shall be responsible for loss or damage to the equipment furnished under this Contract unless such loss or damage is due to causes beyond his control.
3. If the Customer cancels all or any part of the initial order, including subsequent additions, between the date this Contract is executed and the date installation of the equipment is completed, the Customer will pay to the Company an amount of money equal to the cost incurred by the Company for that portion of the system which has been cancelled. These costs will include, where applicable, labor costs for the installation and removal of the equipment and engineering and supply expense. The amount shall not exceed charges set forth in Exhibit "A" attached hereto. The date of installation shall be deemed to be the date on which the equipment provided herein is available for use of the Customer.
4. In the event the equipment to provide the operational features of the system provided hereunder is not retained by the Customer for the period specified in the Company's tariffs, or as set forth on Exhibit "A" in lieu thereof, the Customer will pay to the Company an amount of money equal to the cost of the equipment and installation, less the cost of recoverable equipment, plus the estimated cost of removal. These costs shall be deemed to be \$42,029, as itemized on Exhibit "A" attached hereto. This amount to decrease by 1/60th for each full month the Customer retains service.
5. At the Company's option the Customer may be required to make an initial payment to the Company at the time of executing this Contract equal to the costs specified in Section 4 above. For each full month the Customer retains service under this Contract the Company will refund to the Customer an amount of money equal to 1/60th except that the refunds will be accumulated for a twelve-month period, at which time payment will be made to the Customer. These annual refunds will include interest on the refunded amount and on the unrefunded balance at the rate of 6 percent per annum. In the event the Customer does not retain service for a full twelve-month period the Company will refund to the Customer, without interest, the accumulated credit for each full month the Customer retained service in that portion of the twelve-month period in which service was discontinued.
6. In the event a portion of the equipment established under this Contract or any Supplement thereto is removed or discontinued at the request of the Customer, it shall be deemed, for purposes of determining the termination charges applicable, that such equipment shall have been removed or discontinued in inverse order to its installation.

7. The Company will provide and install such additions to the initial installation of equipment as may be requested by the Customer from time to time, provided, however, that each such additional installation of equipment amounting to five hundred dollars (\$500.00) or more shall be covered by a contract supplement made pursuant to the terms and conditions of the schedule of rates then in effect and on file with the Public Utilities Commission of the State of California.

8. This Contract is not transferable without the written consent of the Company.

9. This Contract shall at all times be subject to such changes or modifications as the Public Utilities Commission of the State of California may from time to time direct in the exercise of its jurisdiction. Upon establishment of service, the Customer will pay to the Company the established tariff rates for such service and will be governed by the rules and regulations on file with said Commission.

10. The terms of this Contract and each of them cannot be waived, altered or amended by any representations or promises of any persons unless the same be consented to in writing by the Company.

EXECUTED at ANYTOWN, California, DECEMBER 1, 19 75.

GENERAL TELEPHONE COMPANY  
OF CALIFORNIA

CUSTOMER

By \_\_\_\_\_

By \_\_\_\_\_

Title Sales Manager

Title (Owner)

SAMPLEEXHIBIT A

Zebra Telephone Answering Service  
201 Main Street  
Anytown, California

Net Cost Installation and Removal  
of Receiving Cabinet Equipment, per position: \$ 1,355.00

Net Cost Installation and Removal  
of Distribution and House Cable Facilities,  
Cable Pair from DNTN. Central Office: 34,444.00\*

Net Cost Installation and Removal  
of Concentrator-Identifier System,  
XXX Central Office: 5,900.00

Standby Power Supply 330.00

Net Amount for Termination Contract,  
advance Deposit required: \$42,029.00

Contract Is Advance Pay, per John Doe  
(ADVANCE - FUTURE) (DIVISION SERVICE MANAGER)

\*Each case will vary depending on quantity of cable pair, distance to the local Central Office, and local restrictions related to aerial and/or underground requirements.