

IRS Eliminates Long-Standing Federal Excise Tax TMC Customers to Profit



Ron Ireland
CFO, TMC Communications

We're pleased to report some very good news! The IRS recently announced that it will stop collecting the three percent federal excise tax (FET) that applies to long-distance service. You may have noticed that this tax was eliminated from your June TMC invoice and will be excluded from all future invoices.

The FET elimination only applies to long-distance service. The IRS will continue to assess the tax on local service. Therefore, if you have local service with TMC, the three percent FET still applies and will continue to appear on your bill.

In addition to eliminating the FET on long-distance service, the IRS has stated that customers are eligible for a refund from the IRS for the amount of FET paid on long-distance services from February 28, 2003, to August 1, 2006.

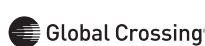
We'd like to assist you in requesting this refund from the IRS. In the next few weeks, you'll receive a letter from me with the total amount of FET on long-distance service you have paid to TMC from February 28, 2003, to August 1, 2006. I suggest that you provide this information to your accountant or tax preparer.

The IRS has stated that customers may obtain the government-issued refund or credit ONLY on their 2006 federal income tax returns (to be filed in 2007). TMC cannot issue this refund for you. For more information on refund procedures, please visit the IRS website periodically at www.irs.gov.

There are still some unanswered questions and the IRS has said that it will provide more details at a later date. TMC will continue to provide you with more information as it becomes available to us.

We value your business and are committed to providing you with the information you need to understand how this tax elimination affects your business. Thank you for your patience and for choosing TMC.

TMC
Carrier
Partners:



Achieve diversity and simplicity with TMC's multi-carrier network

Did you know that TMC has an extensive portfolio of voice and data services that utilize six of the nation's most reliable networks?

Over the past decade, we've negotiated contracts with multiple carrier partners to provide you with the nation's top Tier 1 carrier networks for all of your voice and data services. TMC's buying power and long-standing relationships with these networks allow us to secure significant savings and pass these discounts along to you. You enjoy low rates from reliable networks while receiving "carrier-class" service and excellent redundancy measures such as high capacity fiber networks and SONET technologies.

TMC's multi-carrier network also allows you to easily implement a business continuity strategy. You can include two different underlying carriers in your network design. In the event that one carrier goes down, TMC, as the Responsible Organization (RespOrg), will immediately switch traffic to the alternative carrier in just minutes. This strategy redirects both your inbound and outbound calls and allows your business to continue running without interruption.

By choosing TMC for all of your telecommunication needs, managing your voice and data services is simple! All of your services are on one easy to understand bill with one customer care number to call. If you have a question, we don't force you to wade through an automated phone system. We understand that voice and data services are important to your businesses ongoing success. A live, knowledgeable customer care representative answers your call right away.

To learn how TMC's multi-carrier network can simplify your business, call us today at 866-999-1155.

Fast, Accurate Service... We Guarantee It!

Introducing TMC's *Rapid Response* Guarantees

We are committed to making sure that your relationship with TMC meets or exceeds your expectations.





We are continually working on ways to provide you with the fastest service and easiest access to information. In just a few months, we will launch our e-billing system which will allow you to log onto the TMC website to view your bill, in addition to other exciting new features. Included in the new e-billing system are tools that allow you to analyze your calling patterns and create customized reports. With the click of a mouse, you'll be able to view calls by state, average cost of call by call type (intrastate, interstate, etc.) and view the number of minutes used on your 800 numbers.

While we can't control some things, like the occasional carrier outage, we will be there every step of the way, day and night, to get your systems back up and running. A live, knowledgeable customer care representative is available to assist you 24/7. If you ever have a problem you need resolved, we guarantee that we will work to solve it.

What does the *Rapid Response* guarantee mean?

Provisioning

Stay informed throughout every step of the provisioning process. Email notifications will be sent to you and your Agent Representative throughout every step of the installation process to assure a smooth, successful and fast installation of services.

- + 24 hours** **Order Confirmation**
Letter and email confirmation after your submitted order is credit-approved.
- 
+ 48 hours **Order Validation**
Email confirmation of circuit configuration, delivery address, order specifics and anticipated FOC dates.
- 
+ 10 days **FOC Date Notice**
Email with dates for loop installation and estimated circuit install.
- 
+ 7 days **Test & Turn up Notice**
Letter sent to you which includes circuit ID, escalation list, TMC contacts, confirmed turn-up date.
- 
< 30 days **Circuit Ready**
Your circuit will be up and running within 30 days from order validation.



Repair

Catastrophic Event / Carrier Outage

If a major event causes an outage, we're on top of it. We send out a notification every 60 minutes until the service has been restored. We continue to update you as we receive notification from the carrier.

Impaired Service

If service is impaired, TMC will contact you with a resolution plan within two hours. We will continue to update you every two hours until the issue is resolved.

Bill Resolution

If there is ever an issue with your bill, we resolve it within days, not months or years like most carriers. TMC will assess the problem and deliver a resolution plan to you within 48 hours.

How do I invoke the guarantee?

Call us! If any service is not delivered as promised, call us anytime day or night. Someone is always available to take your call and assist you with anything you may need. We are a flexible, customer-focused organization. Every TMC employee is empowered to assist you!