



PAC-WEST TELECOMM, INC.

1776 W. March Lane, Ste. 250

Stockton, California 95207

Phone: 1.800.399.1234

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Report of Management on Compliance
With the Federal Communications Commission's
Payphone Compensation Rules

Management of Pac-West Telecomm, Inc. (the "Company") is responsible for complying with the requirements set forth in Report and Order FCC 03-235, effective July 1, 2004 (the "Rules").

Management has performed an evaluation of the Company's compliance with the Rules as of July 1, 2004. Based on this evaluation, management asserts that the Company has complied with the requirements of the Rules.

Specifically, we represent:

- Our criteria for identifying calls originating from payphones is as follows:
 1. All call detail records "CDRs" are transferred from each Pac-West switch to centralized file storage.
 2. The CDRs are then translated from a binary to an ASCII format.
 3. Each CDR record is then stored in the DataMart file storage.
 4. A payphone CDR is identified by the Originating Line Identifier "OLI" digits in the "CDR_ORIG_LINE_INFO" field of the CDR.
 5. OLI digits of 07,25,27,29, and 70 are identified as payphone calls.
 6. All identifiable CDRs with the corresponding digits are transferred to the "CDR_payphone table".
- Our criteria for identifying compensable calls is as follows:
 1. Identifiable payphone CDRs, in which the dialed number is toll-free, will be flagged in the PAYPHONE_CALL field to "Y" by the Asuriti Rules engine.
 2. Identifiable payphone CDRs, which have the PAYPHONE_CALL field set to "Y" and the CALL_DURATION field is greater than zero ">0" are deemed compensable.
- Our criteria for identifying incomplete or otherwise noncompensable calls is as follows:
 1. Identifiable payphone CDRs, in which the dialed number is NOT toll-free, will be flagged in the PAYPHONE_CALL field to "N" by the Asuriti Rules engine.
 2. Identifiable payphone CDRs, in which the CALL_DURATION field is zero "0".
- Our criteria used to determine the identities of the PSPs to which the Completing Carrier owes compensation is as follows:
 1. The PSP info schema contains all of the PSP address information, identification codes, and each payphone ANI. This table is populated manually with the information received from media submitted by each PSP.
 2. All calls from each of the PSP's ANIs are queried from the ALC_PAYPHONE_DTL table. All matching calls that have the field "PAYPHONE_CALL" = "Y" and have a Call Duration > 0 are compensable calls.



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- o No clearinghouses or third party vendors are used by Pac-West to complete the payphone compensation process.
- o The Company obtains the following data from the Payphone Service Providers in order to compensate them:
 1. A soft copy file media containing applicable PSP information as defined by PacWest's Payphone Service Provider "PSP" Data Format Definition Document which includes
 - a. A naming format including PSP name along with the quarter and year for which compensation is due.
 - b. PSP billing name, address, city, state, zip, contact name, and contact telephone number.
 - c. PSP Automatic Number Identification "ANI" for each payphone and the beginning and ending date of PSP ownership of each ANI during the compensable quarter.
 - d. The total ANI record count for each file.

As verified by the third party auditor in the Company's Systems Audit Report, the Company has complied with 47 C.F.R. Section 64.1320(c). Specifically the Company:

- (1) has procedures to accurately track calls to completion,
- (2) has identified persons responsible for tracking, compensating and resolving disputes concerning completed payphone calls,
- (3) has effective data monitoring procedures,
- (4) adheres to established protocols to ensure that any software, personnel or any other network changes do not adversely affect its payphone tracking ability,
- (5) creates a compensable payphone call file by matching call detail records against payphone identifiers,
- (6) has procedures to incorporate call data into required reports,
- (7) has implemented procedures and controls needed to resolve payphone compensation disputes,
- (8) has contracted an independent third-party auditor to test critical controls and procedures to verify that errors are immaterial, and
- (9) has in place adequate and effective business rules for implementing and paying payphone compensation, including rules used to: (i) identify calls originated from payphones, (ii) identify compensable payphone calls; (iii) identify incomplete or otherwise non-compensable calls; and (iv) determine the identities of the payphone service providers to which the Company owes compensation.

Based on this evaluation, we assert that, as of July 1, 2004, the Company is in compliance with the FCC's Rules as set forth in 47 C.F.R. § 64.1310 *et seq.*



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Pac-West Telecom, Inc.

By: _____

A handwritten signature in black ink, appearing to be "J. Biggs", is written over a horizontal line.

Title: _____

CFO

The Company representative responsible for supervising and overseeing the administration of call tracking, payphone compensation, and resolving disputes is:

NAME – Jeanne Biggs

TITLE - Network Cost Analyst

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