

TELEBEEP, INC.

STATEMENT EXPLAINING HOW THE COMPANY'S OPERATING PROCEDURES ENSURE COMPLIANCE WITH THE FCC'S CPNI RULES

I. Customer Proprietary Network Information ("CPNI")

CPNI is defined in Section 222(f) of the Communications Act as (A) information that relates to the quantity, technical configuration, type, destination, and amount of use of a telecommunications service subscribed to by any customer of a telecommunications carrier, and that is made available to the carrier by the customer solely by virtue of the carrier-customer relationship; and (B) information contained in the bills pertaining to telephone exchange service or telephone toll service received by a customer of a carrier (except that CPNI does not include subscriber list information).

Generally, CPNI includes personal information regarding a consumer's use of his or her telecommunications services. CPNI encompasses information such as: (a) the telephone numbers called by a consumer; (b) the length of a consumer's phone calls, and (c) the telecommunications and information services purchased by a consumer.

II. Use of CPNI Is Restricted

The Company recognizes that CPNI includes information that is personal and individually identifiable, and that privacy concerns have led Congress and the FCC to impose restrictions upon its use and disclosure, and upon the provision of access to it by individuals or entities inside and outside the Company.

The Company has designated a CPNI Compliance Officer who is responsible for: (1) communicating with the Company's attorneys and/or consultants regarding CPNI responsibilities, requirements and restrictions; (2) supervising the training of Company employees and agents who use or have access to CPNI; and (3) receiving, reviewing and resolving any questions or issues arising within the Company regarding use, disclosure, or provision of access to CPNI.

Company employees and agents that may deal with CPNI have been informed that there are substantial federal restrictions upon CPNI use, distribution and access. In order to be authorized to use or access the Company's CPNI, employees and agents must receive training with respect to the requirements of Section 222 of the Communications Act and the FCC's CPNI Rules (Subpart U of Part 64 of the FCC Rules).

III. Permissible Uses of CPNI

Company employees and agents are strictly prohibited from using CPNI, and from providing CPNI to individuals or entities inside or outside the Company, except as follows:

1. The Company may, after receiving an appropriate request from a customer, disclose or provide the customer's CPNI to any person or entity designated by the customer. Any and all such customer requests: (1) must be made in writing; (2) must include the customer's correct billing name and address and telephone number; (3) must specify exactly what type or types of CPNI must

- be disclosed or provided; (4) must specify the time period for which the CPNI must be disclosed or provided; and (5) must be signed by the customer.
2. In the absence of an appropriate written request from the customer, the Company may provide the customer's phone records or other CPNI to a law enforcement agency only in response to a warrant or subpoena that specifies the particular CPNI to be furnished.
 3. The Company may use, disclose or permit access to CPNI to provide the same category of telecommunications service to a customer from which the CPNI is derived. For example, the Company may use the CPNI from its provision of local exchange service to a customer to provide or market new, additional or modified local exchange service offerings to the customer. Likewise, the Company may use the CPNI from its provision of long distance toll service to a customer to provide or market new, additional or modified long distance toll service offerings to the customer.
 4. The Company and its authorized employees may use, disclose or permit access to CPNI to provide services necessary to, or used in, the provision of the telecommunications service from which the CPNI is derived.
 - a. The FCC has noted the publishing of directories as an example of this permitted use.
 - b. The FCC has indicated that telecommunications carriers may use, disclose or permit access to CPNI, without customer approval, to provide inside wiring installation, maintenance, and repair services.
 - c. The FCC has stated that local exchange carriers and commercial mobile radio service providers may use CPNI, without customer approval, to market "adjunct-to-basic" services such as speed dialing, computer-provided directory assistance, call monitoring, call tracing, call blocking, call return, repeat dialing, call tracking, call waiting, caller ID, call forwarding, and certain Centrex features.
 - d. Any other use, disclosure or provision of CPNI under this "necessary to or used in the provision of" category must be expressly approved in writing by the Company's CPNI Compliance Officer.
 5. The Company, its authorized employees and its billing agent may use CPNI to initiate, render, bill and collect for telecommunications services.
 6. The Company may use CPNI to protect the Company's rights or property, and to protect users and other carriers from fraudulent, abusive or illegal use of (or subscription to) the telecommunications service from which the CPNI is derived.
 7. The Company may use, disclose, or permit access to CPNI derived from its provision of Commercial Mobile Radio Services, without the customer's approval, to provide customer premises equipment ("CPE") and information services.
 8. The Company has adopted a policy that it does not and will not use, disclose or permit access to CPNI by an affiliate.

9. When an existing customer calls the Company to inquire about or order new, additional or modified services (in-bound marketing), the Company may use the customer's CPNI to assist the customer for the duration of the customer's call if the Company provides the customer with the oral notice required by Sections 64.2008(c) and 64.2008(f) of the FCC's Rules.
10. The Company has adopted a policy that it does not and will not use, disclose, or permit access to CPNI in connection with Company-initiated marketing of services to which a customer does not already subscribe from the Company (out-bound marketing).

IV. CPNI Compliance Officer

In addition to the specific matters required to be reviewed and approved by the Company's CPNI Compliance Officer, employees and agents are strongly encouraged to bring any and all other questions, issues or uncertainties regarding the use, disclosure, or access to CPNI to the attention of the Company's CPNI Compliance Officer for appropriate investigation, review and guidance. The extent to which a particular employee or agent brought a CPNI matter to the attention of the CPNI Compliance Officer and received appropriate guidance is a material consideration in any disciplinary action brought against the employee or agent for impermissible use, disclosure or access to CPNI.

V. Disciplinary Procedures

The Company has informed its employees and agents that it considers compliance with the Communications Act and FCC Rules regarding the use, disclosure, and access to CPNI to be very important.

Violation by Company employees or agents of such CPNI requirements will lead to disciplinary action (including remedial training, reprimands, unfavorable performance reviews, probation, and termination), depending upon the circumstances of the violation (including the severity of the violation, whether the violation was a first time or repeat violation, whether appropriate guidance was sought or received from the CPNI Compliance Officer, and the extent to which the violation was or was not deliberate or malicious).

TELEBEEP, INC.

EMPLOYEE ACKNOWLEDGMENT FORM
CPNI COMPLIANCE STATEMENT

I hereby acknowledge that I have received a copy of the CPNI Compliance Statement for Telebeep, Inc. from the CPNI Compliance Officer and the CPNI Compliance Officer has reviewed its contents with me. It is my responsibility to read and comply with the policies established in the above mentioned CPNI Compliance Statement. I understand that any variation from compliance with the Company's policy regarding CPNI may result in my termination of employment with Company.

Employee Signature

Date of Receipt

Employee Name (Please Print)

Tom Schommer
Telebeep Compliance Officer Signature of Acknowledgment