



January 25, 2012

Dear Valued TelePacific Customer,

As you may know, TelePacific relies on other providers to supply portions of its service to your business. Over the past several years, local telephone companies have raised the rates they charge to their business customers, including the rates TelePacific pays them to access your premises. In addition, wholesale prices charged to companies like TelePacific to provide service to our end user customers have increased for some services.

As a result, TelePacific is raising the rates we charge on certain services. These new rates will go into effect March 1, 2012, subject to approval by the California Public Utilities Commission.

Please refer to the list below for affected services; this notice and impacted rates are also posted on <http://www.telepacific.com/notice> for your reference.

We regret the need for the increase, but as our costs increase we need to ensure our ability to provide the highest level of service to our customers. If you have any questions please call 877-487-8722, option 3.

New Rate Per Month • 1, 2 and 3-Year Monthly Recurring Charge California   AT&T (ILEC Territory)		
Business Line, Business Line Custom (BLC) and Business Line Deluxe (BLD)	per line	\$26.55
Business Line Custom Plus (BLC+)	per line	\$35.55
Network Redundancy Package 1	per package	\$113.81
Network Redundancy Package 2	per package	\$212.62

New Rate Per Month • California				
		1-Year MRC*	2-Year MRC*	3-Year MRC*
OnePac Office	per line	\$36.54	\$32.54	\$30.54
OnePac Line	per line	\$38.04	\$35.54	\$33.04
Flex T1 Line	per line	\$27.47	\$24.42	\$21.36

\*Monthly Recurring Charge

Sincerely,

Michael W. James  
TelePacific Communications  
Senior Vice President  
Customer Experience