

ACCESS SERVICE

2 - General Regulations (Cont'd)

2.4 Payment Arrangements and Credit Allowances

2.4.1 Payment of Rates, Charges and Deposits

- (A) The Telephone Company will, in order to safeguard its interests, only require a customer which has a proven history of late payments to the Telephone Company or does not have established credit to make a deposit prior to or at any time after the provision of a service to the customer to be held by the Telephone Company as a guarantee of the payment of rates and charges. No such deposit will be required of a customer which is a successor of a company which has established credit and has no history of late payments to the Telephone Company. Such deposit may not exceed the actual or estimated rates and charges for the service for a two month period. The fact that a deposit has been made in no way relieves the customer from complying with the Telephone Company's regulations as to the prompt payment of bills. At such time as the provision of the service to the customer is terminated, the amount of the deposit will be credited to the customer's account and any credit balance which may remain will be refunded. (x)

Such a deposit will be refunded or credited to the customer's account when the customer has established credit or, in any event, after the customer has established a one-year prompt payment record at any time prior to the termination of the provision of the service to the customer. In the case of a cash deposit, for the period the deposit is held by the Telephone Company, the customer will receive simple interest at the rate of 1% per month (.000329 per day) or 12% annually. The rate will be calculated from the date the customer's deposit is received by the Telephone Company up to and including the date such deposit is credited to the customer's account or the date the deposit is refunded by the Telephone Company. Should a deposit be credited to the customer's account, as indicated above, no interest will accrue on the deposit from the date such deposit is credited to the customer's account. (x)

- (B) The Telephone Company shall bill on a current basis all charges incurred by and credits due to the customer under this tariff attributable to services, including, but not limited to maintenance of service as set forth in 13.3.1 following established or discontinued during the preceding billing period. In addition, the Telephone Company shall bill in advance charges for all services to be provided during the ensuing billing period except for charges associated with service usage and for the Federal Government which will be billed in arrears. (x)

- (x) Issued under authority of Special Permission No. 02-153 of the F.C.C. in order to restore currently effective provisions and to withdraw material filed under Transmittal No. 657 without becoming effective.