

No supplement to this tariff will be issued except for the purpose canceling this tariff.

Access Services Tariff
Section 2
Original Sheet 16.06

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ACCESS SERVICES

APR 28 1995

(MT) 2. GENERAL REGULATIONS--(Continued)

2.4 Payment Arrangements and Credit Allowances

MO. PUBLIC SERVICE COMM.

2.4.1 Payment of Rates, Charges and Deposits--(Continued)

- B. The Telephone Company may, in order to safeguard its interests, require an IC to make a deposit prior to or at any time after the provision of a service to the IC to be held by the Telephone Company as a guarantee of the payment of rates and charges. Such deposit may not exceed the rates and charges for the service for a one-month period. The fact that a deposit has been made in no way relieves the IC from complying with the Telephone Company's regulations as to advance payments or the prompt payment of bills or constitute a waiver or modification of the regular practices of the Telephone Company providing for the discontinuance of the facilities for nonpayment of any sums due the Telephone Company for facilities provided.

(MT)

FILED

MAY 28 1995

MISSOURI
Public Service Commission

Issued: APR 28 1995

Effective: MAY 28 1995

By HORACE WILKINS, JR., President-Missouri
Southwestern Bell Telephone
St. Louis, Missouri

Schedule 1

UNITED TELEPHONE COMPANY
OF MISSOURI

First Revised Page 47
Cancels Original Page 47

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ACCESS SERVICE

MAR 27 1996

2. General Regulations (Cont'd)

2.3 Obligations of the Customer (Cont'd)

MISSOURI

Public Service Commission

2.3.16 Determination of Intrastate Charges for Mixed Intrastate and Interstate Toll Free Code (TFC) Access and WATS Service (Cont'd)

(T)

- (2) Customers who provide the Switched Access Percent Intrastate IntraLATA/CCL (PIIL/CCL) Report will supply the Telephone Company with an intrastate intraLATA percentage, by feature group, of originating Switched Access Service access minutes, and a percentage of common line terminating traffic for each LATA from which the customer may originate MTS/WATS and/or MTS/WATS-type traffic. The PIIL/CCL report will be used by the Telephone Company to determine the jurisdiction of calls, and proper rate application.

The Switched Access Service PIIL/CCL report must be provided to the Telephone Company on a quarterly basis. Effective on the first of January, April, July, and October of each year the customer will update the Switched Access Service PIIL/CCL report. The customer shall forward to the Telephone Company, to be received no later than 15 business days after the first of each month, a revised Switched access Service PIIL/CCL report showing the intrastate intraLATA percentages of use for the most recent three months for which data is available. The revised report will serve as the basis for the next three months billing and will be effective on the bill date for that Service. No prorative or retroactive billing will be done based on the report.

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

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APR 29 1996

MO. PUBLIC SERVICE COMM

ISSUED:
March 27, 1996

BY: John L. Roe
Vice President - Carrier and Regulatory Services
5454 West 110th Street
Overland Park, Kansas 66211

EFFECTIVE:
April 29, 1996

Schedule 2-1

UNITED TELEPHONE COMPANY
OF MISSOURI

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ACCESS SERVICE

SEP 17 1992

2. General Regulations (Cont'd)

MISSOURI

2.4 Payment Arrangements and Credit Allowances (Cont'd) **Public Service Commission**2.4.1 Payment of Rates, Charges and Deposits (Cont'd)

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 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.

FILED

NOV 7 1992

MO. PUBLIC SERVICE COMMISSION

ISSUED:
September 17, 1992BY: John L. Roe
Vice President - Administration
5454 West 110th Street
Overland Park, Kansas 66211EFFECTIVE:
~~October 17, 1992~~
NOV 7 1992

Schedule 2-2

Oregon Farmers Mutual Tel. Co.

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ACCESS SERVICE

2. General Regulations (Cont'd)

JUN 1 1990

2.4 Payment Arrangements and Credit Allowance

MISSOURI

2.4.1 Payment of Rates, Charges and Deposits

Public Service Commission

- (A) The Telephone Company will require a deposit from all customers with a proven history of late payments to the Telephone Company and all customers who do not have established credit unless the customer is a successor of a company which has established credit and has no history of late payments to the Telephone Company. The deposit may be required prior to or after establishment of service. The total deposit may not exceed the estimated charges for service for a two month period.

The fact that a deposit has been made does not relieve the customer from the responsibility of complying with the Telephone Company's regulations regarding prompt payment of bills. Annual interest at the rate described in the 2.4.1(B)(2)(a) will be paid on all deposits held from the date the deposit is received up to and including the date the deposit is returned or credited to the customer's account. The deposit will be refunded after the customer has established a record of prompt payment for one year. When service is terminated, any deposit held will be credited on the final bill.

- (B) The Telephone Company will bill all usage charges monthly in arrears. All non usage sensitive access services, will be billed monthly in advance. Nonrecurring charges will be billed in the month following the provision of service.

- (1) The bill day(s) for all access services other than End User Access Service and Presubscription Service will be established by the Telephone Company for each customer account and shall appear on the carrier access bill. If the Telephone Company advises the customer in writing, an alternate billing schedule may be established. Alternate billing schedules shall not be established on less than 60 days notice or initiated by the Telephone Company more than twice in any consecutive 12 month period.

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Issued: 6/1/90

Robert Williams, Manager
P. O. Box 227
Oregon, Missouri 64473

Effective: 7/1/90

JUL 1 1990

Public Service Commission

Schedule 3

Rating Definitions

A Standard & Poor's *issue* credit rating is a current opinion of the creditworthiness of an obligor with respect to a specific financial obligation, a specific class of financial obligations, or a specific financial program (such as medium-term note programs and commercial paper programs.) It takes into consideration the creditworthiness of guarantors, insurers, or other forms of credit enhancement on the obligation and takes into account the currency in which the obligation is denominated. The issue credit rating is not a recommendation to purchase, sell, or hold a financial obligation, inasmuch as it does not comment as to market price or suitability for a particular investor.

Issue credit ratings are based on information furnished by the obligors or obtained by Standard & Poor's from other sources it considers reliable. Standard & Poor's does not perform an audit in connection with any credit rating and may, on occasion, rely on unaudited financial information. Credit ratings may be changed, suspended, or withdrawn as a result of changes in, or unavailability of, such information.

Issue credit ratings can be either long term or short term. Short-term ratings are assigned to those obligations considered short term in the relevant market. In the U.S., for example, that means obligations with an original maturity of no more than 365 days—including commercial paper. Short-term ratings are also used to indicate the creditworthiness of an obligor with respect to put features on long-term obligations. The result is a dual rating, in which the short-term rating addresses the put feature in addition to the usual long-term rating.

Medium-term notes are assigned long-term ratings. Medium-term notes' ratings, until recently, pertained to the program established to sell these notes. There was no review of individual notes, and, accordingly, the rating did not apply to specific notes (with certain exceptions). As of spring 2000, Standard and Poor's routinely assigns ratings to individual

drawdowns with a value of \$25 million or above.

Issue and *issuer* credit ratings use the identical symbols. The definitions closely correspond to each other, since the issue rating definitions are expressed in terms of default risk, which refers to likelihood of payment—the capacity *and* willingness of the obligor to meet its financial commitment on an obligation in accordance with the terms of the obligation. However, issue credit ratings also take into account the protection afforded by, and relative position of, the obligation in the event of bankruptcy, reorganization, or other arrangement under the laws of bankruptcy and other laws affecting creditors' rights.

Junior obligations are typically rated lower than the issuer credit rating, to reflect the lower priority in bankruptcy, as noted above. (Such differentiation applies when an entity has both senior and subordinated obligations, secured and unsecured obligations, operating company and holding company obligations, or preferred stock.) Debt that provides excellent prospects for ultimate recovery (such as secured debt) is often rated higher than the issuer credit rating. (See pages 59-85.) Accordingly, in the cases of junior debt and secured debt, the rating may not conform exactly with the category definition.

Long-term credit ratings

'AAA' An obligation rated 'AAA' has the highest rating assigned by Standard & Poor's. The obligor's capacity to meet its financial commitment on the obligation is extremely strong.

'AA' An obligation rated 'AA' differs from the highest rated obligations only to a small degree. The obligor's capacity to meet its financial commitment on the obligation is very strong.

'A' An obligation rated 'A' is somewhat more susceptible to the adverse effects of changes in circumstances and economic condi-

tions than obligations in higher rated categories. However, the obligor's capacity to meet its financial commitment on the obligation is still strong.

'BBB' An obligation rated 'BBB' exhibits adequate protection parameters. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the obligor to meet its financial commitment on the obligation.

Obligations rated 'BB', 'B', 'CCC', 'CC', and 'C' are regarded as having significant speculative characteristics. 'BB' indicates the least degree of speculation and 'C' the highest. While such obligations will likely have some quality and protective characteristics, these may be outweighed by large uncertainties or major exposures to adverse conditions.

'BB' An obligation rated 'BB' is less vulnerable to nonpayment than other speculative issues. However, it faces major ongoing uncertainties or exposure to adverse business, financial, or economic conditions that could lead to the obligor's inadequate capacity to meet its financial commitment on the obligation.

'B' An obligation rated 'B' is more vulnerable to nonpayment than obligations rated 'BB', but the obligor currently has the capacity to meet its financial commitment on the obligation. Adverse business, financial, or economic conditions will likely impair the obligor's capacity or willingness to meet its financial commitment on the obligation.

'CCC' An obligation rated 'CCC' is currently vulnerable to nonpayment, and is dependent upon favorable business, financial, and economic conditions for the obligor to meet its financial commitment on the obligation. In the event of adverse business, financial, or economic conditions, the obligor is not likely to have the capacity to meet its financial commitment on the obligation.

'CC' An obligation rated 'CC' is currently highly vulnerable to nonpayment.

'C' The 'C' rating may be used to cover a situation where a bankruptcy petition has been filed or similar action has been taken but payments on this obligation are being continued. 'C' is also used for a preferred stock that is in arrears (as well as for junior debt of issuers rated 'CCC-' and 'CC').

'D' The 'D' rating, unlike other ratings, is not prospective; rather, it is used only where a

default has actually occurred—and not where a default is only expected. Standard & Poor's changes ratings to 'D':

- On the day an interest and/or principal payment is due and is not paid. An exception is made if there is a grace period and Standard & Poor's believes that a payment will be made, in which case the rating can be maintained;
- Upon voluntary bankruptcy filing or similar action. An exception is made if Standard & Poor's expects that debt service payments will continue to be made on a specific issue. In the absence of a payment default or bankruptcy filing, a technical default (i.e., covenant violation) is not sufficient for assigning a 'D' rating;
- Upon the completion of a tender or exchange offer, whereby some or all of an issue is either repurchased for an amount of cash or replaced by other securities having a total value that is clearly less than par;
- In the case of preferred stock or deferrable payment securities, upon nonpayment of the dividend or deferral of the interest payment.

With respect to issuer credit ratings (that is, corporate credit ratings, counterparty ratings, and sovereign ratings), failure to pay a financial obligation—rated or unrated—leads to a rating of either 'D' or 'SD'. In the ordinary case, an issuer's distress leads to general default, and the rating is 'D'. 'SD' is assigned when an issuer can be expected to default selectively, that is, continue to pay certain issues or classes of obligations while not paying others. In the corporate context, selective default might apply when a company conducts a coercive exchange with respect to one or some issues, while intending to honor its obligations with regard to other issues. (In fact, it is not unusual for a company to launch such an offer precisely with such a strategy—to restructure part of its debt in order to keep the company solvent.)

Nonpayment of a financial obligation subject to a bona fide commercial dispute or a missed preferred stock dividend does not cause the *issuer* credit rating to be changed.

Plus (+) or minus (-): The ratings from 'AA' to 'CCC' may be modified by the addition of a plus or minus sign to show relative standing within the major rating categories.

r Use of the "r" was largely discontinued as of July 2000.