

GENERAL RULES AND REGULATIONS – Continued**ESTABLISHMENT AND MAINTENANCE OF CREDIT - Continued****B. Deposits – Continued**

The Company may require a deposit or guarantee prior to providing new service or as a condition of continued service. The Company may require a deposit or guarantee as a condition of continued service if:

- (A) The customer has delinquent charges in two (2) out of the last twelve (12) billing periods; or
- (B) The customer has had service disconnected for nonpayment of a delinquent charge or failed to post a required deposit or guarantee.

In lieu of a deposit, Company may accept a written guarantee. The guarantee shall not exceed the amount of a cash deposit that the Company could request under this section, from a present customer with the Company, with at least two years of established service whose service has not been suspended for non-payment within the last twelve (12) months. The guaranty contract shall be on a form provided by the Company which shall include the Company's right to transfer charges to the limit of the guarantee, from a defaulted bill of the customer from whom a deposit or a Contract of Guarantee was required, to the guarantor's account or accounts and the further right to suspend the guarantor's service. A guarantor shall be released upon satisfactory payment by the customer of all undisputed charges during the last twelve (12) billing periods.

No deposit, guarantee, additional deposit nor additional guarantee will be required by the Company because of race, sex, creed, national origin, marital status, age, number of dependents, source of income, disability or geographical area of residence.

Terms of Deposits:

- A. Deposits shall not exceed the estimated charges for two (2) months' service based on the average bill during the preceding twelve (12) months, or, in the case of new applicants for service, the average monthly bill for new subscribers within a customer class.

(D)

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Upon discontinuance or termination of service, the deposit will be credited to the charges stated on the final bill, and any balance will be returned to the customer within twenty-one (21) days of the rendition of the final bill. (D)

Upon satisfactory payment of all undisputed charges during the last twelve (12) billing periods, guarantors will be released or deposits will be refunded or credited against charges on subsequent bills. Payment of charges will be considered satisfactory if received prior to the date on which the charge becomes delinquent provided the charge is not in dispute. The Company may withhold the refund of a deposit pending the resolution of a dispute with respect to charges secured by the deposit. (D)

The Company will maintain records of all pertinent information with regard to each deposit held.

The Company will provide within ten (10) days of a customer request a receipt that contains information pertinent to that deposit.

The fact that a deposit has been made, or a guaranty provided, shall in no way relieve the applicant or customer from complying with the Company's regulations as to advance payments and payment for service, nor constitute a waiver or modification of the regulations pertaining to the discontinuance of service for nonpayment of any charges due the Company for services rendered. The Company may discontinue service to any customer failing to pay undisputed delinquent charges without regard to the fact that such customer has made a deposit with the Company to secure payment of such charges or has furnished the Company with a guarantee in writing of such charges.

GENERAL RULES AND REGULATIONS - Continued

- (D)
- C. DISCONTINUANCE OF SERVICE FOR FAILURE TO MAINTAIN CREDIT (T)
1. Service may be discontinued for failure to maintain or establish credit, as specified above, within five days after the Company has served or mailed notice requiring the customer to do so.
- D. RESTORAL OF SERVICE CHARGES (T)
1. Where service has been discontinued for failure to maintain credit as specified above, the restoral of service charge will be made and collected by the Company.

APPLICATION OF BUSINESS AND RESIDENCE RATES

- A. BUSINESS RATES APPLY AT THE FOLLOWING LOCATIONS:
1. In offices, stores, factories, mines, and all other places of a strictly business nature.
2. In boarding houses, except as noted under B-2, offices of hotels, halls, and offices of apartment buildings; quarters occupied by Clubs, or lodges, public, private or parochial schools or colleges, hospitals, libraries, churches and other similar institutions.
3. At residence locations when the subscriber has no regular business telephone and the use of the service either by himself, members of his household, or his guests, or parties calling him can be considered as more of a business than of a residence nature, which fact might be indicated by advertising either by business cards, newspapers, handbills, billboards, circulars, motion pictures, screens, or other advertising matter, such as on vehicles, etc., or when such business use is not such as commonly arises and passes over to residence telephone during the intervals when, in compliance with