

**2. GENERAL REGULATIONS - CONDITIONS OF OFFERING**

**2.3 PAYMENTS FOR SERVICE**

**2.3.2 PAYMENT OF BILLS**

A. Payments

1. The rates specified in this Tariff are monthly rates and are payable monthly in advance, except as otherwise provided.
2. Customer payments are considered prompt when received at the Company or its agent by the pay-by-date on the bill. The pay-by-date is 20 days after the bill is rendered.
3. Residential customers may request a last date for timely payment later than the pay-by-date. Such requests must be made in writing and may be granted for good cause.
4. The Company may request payment upon issuance of a final bill when service is terminated at the customer's request. For all other bills, payment will not be requested until the pay-by-date.
5. The customer is held responsible for all charges for exchange service and facilities furnished at the customer's request. Failure to receive a bill does not exempt the customer from prompt payment of the account.
6. The customer is responsible for payment of all charges incurred, regardless of whether such charges are associated with the customer's usage or that of the customer's users as provided elsewhere in this Tariff.

B. Rendering of Bills

Regular customer bills are issued monthly. They contain the dates included in the billing period, dates for service charges associated with work performed and the last date for timely payment. Bills will include the amount of the net charge, stated by category, sales tax and excise tax, together with the gross amount of the bill, with separate entries for total amounts current or in arrears. Reasonable customer requests for bill detail will be furnished.

**2. GENERAL REGULATIONS - CONDITIONS OF OFFERING**

**2.3 PAYMENTS FOR SERVICE**

**2.3.2 PAYMENT OF BILLS (CONT'D)**

C. Partial Month Billing

Except as provided elsewhere in this Tariff, the charge for local service for a fractional part of a billing period is a pro rata share of the charges for a full billing period as specified in this Tariff. If the prorating indicates a refund is due, the refund is applied as a bill credit.

D. Late Payment Charge

- 1. The Late Payment Charge terms as specified in the Catalog applies to all past-due amounts billed on customers' bills and remaining unpaid at the time the next bill is prepared. (D)  
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  - 2. Collection procedures and the requirement for a deposit are unaffected by the application of a Late Payment Charge. (T)
  - 3. The Late Payment Charge does not apply to final bills, one-time miscellaneous bills, bills rendered or mailed late, or first month's bills for a telephone number change. (T)
- In addition, it does not apply to unpaid balances associated with disputed amounts. Undisputed amounts on the same bill are subject to the Late Payment Charge if unpaid and carried forward to the next bill. (T)
- 4. The Late Payment Charge will be waived on the first occurrence during a calendar year and will be so indicated on the customer's bills. (T)
  - 5. Where this Tariff and the Federal or Iowa Statutes or Administrative Code relating to government accounts conflict, the applicable Federal or Iowa Statutes or Administrative Code shall apply for government accounts. (T)

**2. GENERAL REGULATIONS - CONDITIONS OF OFFERING**

**2.3 PAYMENTS FOR SERVICE**

**2.3.2 PAYMENT OF BILLS (CONT'D)**

**E. Disputed Bills**

1. In the event of a dispute concerning the bill, the Company may require the customer to pay a sum of money equal to the amount of the undisputed portion of the bill.
  - a. Following payment of the undisputed amount, efforts to resolve the complaint, using complaint procedures in the Company's Tariff, shall continue and for not less than 45 days after the rendering of the disputed bill, the service shall not be disconnected for nonpayment of the disputed amount.
  - b. The 45 days may be extended by up to 60 days if requested of the utility by the Iowa Utilities Board in the event the customer files a written complaint with the Iowa Utilities Board.

**2.3.3 ADVANCE PAYMENTS**

- A. Applicants for telephone service who are required to make a deposit may be required to pay in advance of installation the service connection, installation and/or construction charges as specified in the Catalog.
- B. Existing customers who apply for additional service or changes in their existing service may be required to make advance payments, as described above, if, in the judgement of the Company, their credit is unsatisfactory.

**2. GENERAL REGULATIONS - CONDITIONS OF OFFERING**

**2.3 PAYMENTS FOR SERVICE (CONT'D)**

**2.3.4 DEPOSITS**

**A. Deposit Requirements**

1. The Company may require from any customer or prospective customer a deposit to be held as a guarantee of the payment of charges. Any applicant who has not previously had telephone service and established a prompt payment record may be required to pay a deposit. The Company will consider objective information pertaining to credit worthiness.
2. An existing customer may be required to make a deposit or to increase a deposit presently held in cases where a deposit is inadequate to cover two months' local exchange service or where the customer's credit is impaired. Service may be disconnected unless the new or additional deposit is made within 12 days after written notification.
3. A deposit may be made at any Company business office or authorized agent.
4. The Company will maintain records which show the name and address of each depositor, the amount and date of the deposit and each transaction concerning the deposit. Unclaimed deposits, together with accrued interest, shall be credited to an appropriate account and shall be disposed of in accordance with law.
5. A receipt of deposit will be furnished to each customer from whom a deposit is received. Upon customer request, duplicate receipts will be provided to customers who have lost their receipt if the deposit is substantiated by Company records.
6. The fact that a deposit has been made in no way relieves the customer from complying with the Company's regulations as to the prompt payment of bills.
7. The deposit shall be refunded or credited to the customer after not more than 12 consecutive months of prompt payment or 11 timely payments and one late payment unless the Company has documented information which indicates the deposit is necessary to insure payment.
8. At such time as the service is terminated, the amount of the deposit is credited to the customer's account and any credit balance is refunded.

**2. GENERAL REGULATIONS - CONDITIONS OF OFFERING**

**2.3 PAYMENTS FOR SERVICE**

**2.3.4 DEPOSITS (CONT'D)**

B. Calculation of Deposit

The amount of the deposit shall not be more than the total of two months' local service. The amount of deposit may exceed this total when the provision of service is for short periods of time or special occasions.

C. Interest on Deposits

Interest shall be paid as specified in the Catalog.

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D. Deposit Alternative

1. Residential customers and Lifeline customers may choose to subscribe to an individual exchange access line for local calling in lieu of a deposit for a full service arrangement. The access line is equipped with Toll Restriction (also known as Toll Blocking) and Billed Number Screening as provided for in the Catalog. Toll Restriction (also known as Toll Blocking) will be provided at no charge to Lifeline customers.

**2. GENERAL REGULATIONS - CONDITIONS OF OFFERING**

**2.3 PAYMENTS FOR SERVICE**

**2.3.4 DEPOSITS**

D. Deposit Alternative (Cont'd)

2. Service applicants may choose to subscribe to the Direct Payment Alternative (DPA). This deposit option requires an automatic payment from a valid credit card for total monthly billed charges. The customer must remain on DPA until credit is established or a deposit is paid.

Toll Restriction may also be used as an alternative for customers who no longer qualify to participate in DPA, as in the case of a declined credit card.

- a. The customer may revert to standard payment arrangements when satisfactory credit has been established on the service account or a deposit is paid.
- b. Regulations, terms, conditions, rates and charges as described elsewhere in this Tariff apply as appropriate.

**2. GENERAL REGULATIONS - CONDITIONS OF OFFERING**

**2.3 PAYMENTS FOR SERVICE (CONT'D)**

**2.3.5 ADJUSTMENT OF CHARGES**

A. The Company shall make all reasonable efforts to prevent out of service conditions. Out of service is defined as:

1. The customer has lost the ability to either originate or receive calls from a premises or location such as a residence, place of business or office location.

B. In the event of an out of service condition, which is not due to the negligence or willful act of the customer, a pro rata adjustment will be made of any fixed monthly or annual charges for the service, and facilities affected by said out of service conditions as follows:

1. When the out of service period extends beyond 24 hours (except where specifically stated otherwise for a particular item), the charges for the service affected will be voluntarily adjusted on a pro rata basis for the duration of the service outage from the time it is reported to or detected by the Company.

If, in the judgment of the Company, circumstances prevent a customer from notifying the Company of an outage of service, the requirement for notification to or detection by the Company may be waived. If known by the Company, the period adjusted will begin with the time at which the out of service occurred. In all other cases, this period will be considered to have begun at the time the customer first became aware of the service outage.

2. When an out of service condition, reported to the Company, continues for a period less than 24 hours, adjustments for such outages will be made, if in the opinion of the Company, circumstances so warrant.

**2. GENERAL REGULATIONS - CONDITIONS OF OFFERING**

**2.3 PAYMENTS FOR SERVICE (CONT'D)**

**2.3.7 INDIVIDUAL CASE BASIS**

The Company may offer individualized arrangements on a case-by-case basis where necessary to meet prices, terms, or conditions of service offered to its large multi-state business customers by competitors.

**2.3.8 RESERVED FOR FUTURE USE**

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**2. GENERAL REGULATIONS - CONDITIONS OF OFFERING**

**2.4 LIMITATIONS OF LIABILITY**

**2.4.1 LIMITATIONS**

- A. The liability of the Company for damages arising out of mistakes, omissions, interruptions, delays, errors, or defects in transmission occurring in the course of furnishing service or facilities shall in no event exceed an amount equivalent to the proportionate charge to the customer for the period of service during which mistake, omission, interruption, delay, error, or defect in transmission occurs.
- B. The customer indemnifies and saves the Company harmless against claims for libel, slander, infringement of copyright arising from the use of material transmitted over its facilities, or infringement of patents arising from combining with or using in connection with, facilities of the Company, apparatus or systems of the customer; and against all other claims arising out of any act or omission of the customer in connection with facilities provided by the Company.
- C. The services furnished by the Company, in addition to the limitations set forth preceding, also are subject to the following limitation: The Company shall not be liable for damage arising out of mistakes, omissions, interruptions, delays, errors or defects in transmission or other injury, including but not limited to injuries to persons or property from voltages or currents transmitted over the service of the Company, caused by customer provided equipment.

**D. Defacement of Premises**

The Company is not liable for any defacement or damage to the customer's premises resulting from the existence of the Company's facilities, apparatus, and associated wiring on such premises, or from the installation or removal thereof, when such defacement or damage is not the result of the negligence of the Company.

**E. Outgoing and Incoming Service Privileges**

The Tariffs of the Company govern and fix the outgoing service of a customer and in no manner guarantee the customer the same incoming service. All incoming service of a customer depends upon and is limited by the right of a calling customer to such service.

**2. GENERAL REGULATIONS - CONDITIONS OF OFFERING**

**2.5 RESPONSIBILITIES OF PARTIES**

**2.5.1 COMPANY RESPONSIBILITY**

A. Maintenance and Repair

1. The Company undertakes to maintain and repair the facilities which it furnishes to customers. It is contemplated that all work on customers' premises can be performed during regular working hours.
2. The Company does not guarantee the depth of the facilities to a customer's premises. The facilities will be at a depth sufficient to protect the cable from injury or damage imposed by expected surface usage. For purposes of this rule, expected surface usage includes such activities as gardening, power raking, lawn aerating, sod removal, and lawn mowing. Expected surface usage does not include such activities as planting of trees and/or shrubs, placing fence posts, digging footings, placing drainage tile, and excavating for swimming pools. Where the customer is performing activities on the premises which could cause damage to our buried facilities, the customer shall contact the Company for location of the facilities to avoid damage. When a customer does not request a location of the facilities and causes damage to Company facilities while performing other than expected surface usage activities, the customer will be held responsible for the damages.

**2.5.2 CUSTOMER RESPONSIBILITY**

A. Maintenance and Repair

1. If a customer requests that work be performed during hours which result in overtime or premium rates of pay, a charge will apply in addition to other rates and charges which may be applicable, equal to the amount of overtime or premium time payments.
2. It is also contemplated that all installation, removals, service connections, moves and changes requested by a customer be performed without the Company incurring unusual costs. If a customer requests that work be performed in a special manner or at a special time which results in unusual costs, a charge equal to the amount of unusual costs may apply in addition to other applicable rates and charges.

**2. GENERAL REGULATIONS - CONDITIONS OF OFFERING**

**2.5 RESPONSIBILITIES OF PARTIES**

**2.5.2 CUSTOMER RESPONSIBILITY**

**A. Maintenance and Repair (Cont'd)**

3. A Service Test is an examination, test or other method utilized to determine the condition of customer premises equipment and inside station wiring, and no trip to the customer premises is required. In the event a Service Test is not sufficient to determine the condition of customer premises equipment and inside station wiring and a trip to the customer's premises is required, a maintenance of service charge, as found elsewhere in this Tariff, may apply. The Company shall not be liable to the customer or other parties for claims arising out of the mistakes, omissions, or errors in performing a service test.

**B. Protection of Construction**

The customer shall protect the construction of the Company used to render the service against other users of the property when, in the judgment of the Company, such other uses would impair its services or constitute a hazard to its property or to the safety of its employees.

**C. Lost and Damaged Equipment**

The customer shall be responsible for damages to facilities of the Company caused by the negligence or willful act of the customer. The customer may not rearrange, disconnect, remove, or attempt to repair, nor permit others to rearrange, disconnect, remove or attempt to repair any facilities installed by the Company except upon the written consent of the Company.

**D. Unauthorized Attachments or Connections**

No apparatus, circuit or device not furnished by the Company shall be attached to or connected with the facilities furnished by the Company, whether physically, by induction or otherwise, except as provided in this Tariff. In case any such unauthorized attachment or connection is made, the Company shall have the right to remove or disconnect the same; or to suspend the service during the continuance of said attachment or connection; or to terminate the service.

**2. GENERAL REGULATIONS - CONDITIONS OF OFFERING**

**2.5 RESPONSIBILITIES OF PARTIES**

**2.5.2 CUSTOMER RESPONSIBILITY (CONT'D)**

E. Battery, Power Supply, and Space

The Company will furnish battery or power necessary to operate its equipment except as may be otherwise provided in this Tariff. In all cases where it is specified in this Tariff that "commercial" or "high voltage" power is required, this refers to the source of power commonly used in the community for light and power. Whenever "commercial" or "high voltage" power is used in connection with telephone service furnished under this Tariff, all the outlets and wiring on which such power is impressed shall be installed and maintained by the customer and the power shall be furnished by the customer. All space required for operation of that portion of our equipment located on the customer's premises, will be provided by and at the expense of the customer.

F. Broadcast of Recorded Telephone Conversations

The provisions of 2.5.2.D., preceding, shall not apply to the broadcasting of a recording of a telephone conversation during the period of recording, provided that in the interests of protecting the privacy of telephone service the recording is made as provided elsewhere in this Tariff.

**2.6 SPECIAL TAXES, FEES AND CHARGES**

A. Adjustments for Municipality Payments

If at any future time a municipality acquires the legal right to impose an occupation tax, license tax, permit fee, franchise fee or other similar charge upon the Company, and imposes the same by ordinance or otherwise, such taxes, fee or charges shall be billed to the telephone customers receiving service within the territorial limits of such municipality. Such billing shall allocate the tax, fee or charge among customers uniformly on the basis of each customer's monthly charges for the types of service made subject to such tax, fee or charge.

**2.12 NATURAL DISASTER RELIEF FOR CUSTOMERS**

In situations where customers' telecommunications services are interrupted by natural disasters, the Company may offer alternative telecommunications services to customers in the immediate affected area, and waive otherwise applicable charges for those services. The availability and details of the offers, including, but not limited to, the maximum duration of the offer or waiver of any applicable charges, will be determined by the Company in each instance of natural disaster.

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