

2. GENERAL REGULATIONS

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2. GENERAL REGULATIONS

2.1 UNDERTAKING OF THE COMPANY

2.1.1 SCOPE

- A. Private Line Transport is the furnishing of Company facilities for communication purposes of the customer and end users (jointly referred to as customer) between specified locations. Private Line Transport is provided by means of wire, fiber, radio or any other suitable technology or a combination thereof. Service is furnished 7 days per week, 24 hours per day for a minimum billing period of one month or as defined in 2.4.2, following.
- B. The Company shall be responsible only for the installation, operation and maintenance of the services which it provides, as defined in 2.1.4 and 2.1.5, following.
- C. The Company does not warrant that its facilities and services meet standards other than those set forth in this Price List and the associated technical references.
- D. The Company will, for maintenance purposes, test its services only to the extent necessary to detect and/or clear troubles.

2.1.2 LIMITATIONS

- A. The installation and restoration of services shall be subject to the terms and conditions set forth in Section 13 of the Access Service Tariff concerning the Telecommunications Service Priority (TSP) System.
- B. Subject to compliance with the rules mentioned in A., preceding, where a shortage of channels exists at any time either for temporary or protracted periods, the services offered herein will be provided to customers on a first come, first serve basis.
- C. The furnishing of service under this Price List will require certain physical arrangements of the facilities of the Company and is therefore subject to the availability of such facilities.

2. GENERAL REGULATIONS

2.1 UNDERTAKING OF THE COMPANY (CONT'D)

2.1.3 LIABILITY

- A. The Company's liability, if any, for its willful misconduct is not limited by this Price List. With respect to any other claim or suit, by a customer or by any others, for damages associated with the installation, provision, termination, preemption, maintenance, repair or restoration of service, including presubscription, and subject to the provisions of B. through G., following, the Company's liability shall not exceed an amount equal to the proportionate charge for the service for the period during which the service was affected.

This liability for damages shall be in addition to any amounts that may otherwise be due to the customer under this Price List as a Credit Allowance for a Service Interruption, as set forth in 2.4.3, following.

- B. The Company shall not be liable for any act or omission of any other carrier or customer providing a portion of a service, nor shall the Company for its own act or omission hold liable any other carrier or customer providing a portion of a service.
- C. The Company is not liable for any defacement of or damage to the customer's premises resulting from the furnishing of a service, including the installation and removal of equipment and associated wiring, unless the defacement or damage is caused by the Company's negligence.
- D. The Company shall be indemnified, defended and held harmless by the customer against any claim, loss or damage arising from the customer's use of services offered under this Price List, involving:
1. Claims for libel, slander, invasion of privacy, or infringement of copyright arising from the material transmitted over the facilities or the customer's own communications;
 2. Claims for infringement of patents arising from, combining with, or using in connection with, facilities furnished by the Company, or facilities or equipment furnished by the customer;
 3. All other claims arising out of any act or omission of the customer in the course of using services provided pursuant to this Price List.

2. GENERAL REGULATIONS

2.1 UNDERTAKING OF THE COMPANY

2.1.3 LIABILITY (CONT'D)

- E. The Company does not guarantee or make any warranty with respect to its services when used in an explosive atmosphere. The Company shall be indemnified, defended and held harmless by the customer from any and all claims by any person relating to such customer's use of services so provided.
- F. No license under patents (other than the limited license to use) is granted by the Company or shall be implied or arise by estoppel, with respect to any service offered under this Price List. The Company will defend the customer against claims of patent infringement arising solely from the use by the customer of services offered under this Price List and will indemnify such customer for any damages awarded based solely on such claims.
- G. The Company's failure to provide or maintain services under this Price List shall be excused by labor difficulties, governmental orders, civil commotions, criminal actions taken against the Company, acts of God and other circumstances beyond the Company's reasonable control, subject to the Credit Allowance for a Service Interruption.

2. GENERAL REGULATIONS

2.1 UNDERTAKING OF THE COMPANY (CONT'D)

2.1.4 INSTALLATION AND TERMINATION OF SERVICES

The services provided under this Price List will include any entrance cable or drop wiring to the Demarcation Point on the property where the customer is served.

This Demarcation Point is to be mutually agreeable to the Company and the customer and is normally located near the point where the Company facilities enter the building or property, on the customer's side of the Company's protector, or its equivalent. The property owner or customer is responsible for service on the customer side of the Demarcation Point(s). Where feasible, one or more Alternate Demarcation Points may be placed or reinforced by the Company at the request of the customer or property owner. Charges will be applied to cover additional costs of placing or reinforcing Alternate Demarcation Points requested by the customer or property owner.

2.1.5 PROVISION OF SERVICES

- A. The Company, to the extent that such services are or can be made available with reasonable effort, and after provision has been made for the Company's Local Exchange Service, will provide to the customer upon reasonable notice services offered in this Price List at rates and charges specified herein.
- B. The services provided to the Demarcation Point under this Price List shall be maintained by the Company. The customer or others may not rearrange, move, disconnect, remove or attempt to repair any facilities provided by the Company, other than by connection or disconnection to any interface means used, except with the written consent of the Company.
- C. Facilities on the premises of a customer furnished by the Company to the POT, are the property of the Company, whose agents and employees shall have the right to enter said premises at any reasonable hour for the purpose of installing, inspecting or repairing the facilities, or upon termination of the service or channel, for the purpose of removing Company facilities.

2. GENERAL REGULATIONS

2.1 UNDERTAKING OF THE COMPANY (CONT'D)

2.1.6 CHANGES AND SUBSTITUTIONS

Except as provided for equipment and systems subject to F.C.C. Part 68 regulations at 47 C.F.R. Section 68.110 (b), the Company may, where such action is reasonably required in the operation of its business, (a) substitute, change or rearrange any facilities used in providing service under this Price List, including, but not limited to, (1) substitution of different metallic facilities, (2) substitution of carrier or derived facilities for metallic facilities used to provide other than metallic facilities and (3) substitution of metallic facilities for carrier or derived facilities used to provide other than metallic facilities, (b) change minimum protection criteria, (c) change operating or maintenance characteristics of facilities or (d) change operations or procedures of the Company.

In case of any such substitution, change or rearrangement, the transmission parameters will be within the range as set forth in applicable technical publications. The Company shall not be responsible if any such substitution, change or rearrangement renders any customer furnished services obsolete or requires modification or alteration thereof or otherwise affects their use or performance. If such substitution, change or rearrangement materially affects the operating characteristics of the facility, the Company will provide reasonable notification to the customer in writing. Reasonable time will be allowed for any redesign and implementation required by the change in operating characteristics. The Company will work cooperatively with the customer to determine reasonable notification requirements.

2.1.7 REFUSAL AND DISCONTINUANCE OF SERVICES

The Company, by written notice to the customer, may immediately discontinue the furnishing of Private Line Transport, without incurring any liability, upon:

- Nonpayment of any sum due the Company, or
- A violation of any condition governing the furnishing of service.

2. GENERAL REGULATIONS

2.1 UNDERTAKING OF THE COMPANY (CONT'D)

2.1.8 LIMITATION OF USE OF METALLIC FACILITIES

Signals applied to a metallic facility shall conform to technical limitations. These facilities are furnished only where operating conditions permit and are subject to the transmission limitations of such facilities. In the case of application of dc telegraph signaling systems, the customer shall be responsible, at their expense, for the provision of current limiting devices to protect the Company facilities from excessive current due to abnormal conditions and for the provision of noise mitigation networks when required to reduce excessive noise.

It is expressly declared that metallic facilities are in continually decreasing supply and the Company is not obligated to continue to provide such facilities. Due to facility rearrangements, continued use of metallic facilities may be denied to existing customers with no obligation on the Company's part to pay customer equipment rearrangement costs. The Company will give the customer 90 days notification of this type of facility rearrangements. Metallic facilities are provided only where existing facilities and operating conditions permit.

2.1.9 NOTIFICATION OF SERVICE-AFFECTING ACTIVITIES

The Company will provide the customer reasonable notification of service-affecting activities that may occur in normal operation of its business. Such activities may include, but are not limited to, equipment or facilities additions, removals or rearrangements, routine preventative maintenance and major switching machine change-out. Generally, such activities are not individual customer service specific, they affect many customer services. No specific advance notification period is applicable to all service activities. The Company will work cooperatively with the customer to determine reasonable notification requirements.

2. GENERAL REGULATIONS

2.1 UNDERTAKING OF THE COMPANY (CONT'D)

2.1.10 COORDINATION WITH RESPECT TO NETWORK CONTINGENCIES

The Company intends to work cooperatively with the customer to develop network contingency plans in order to maintain maximum network capability following natural or man-made disasters which affect telecommunications services.

2.1.11 PROVISION AND OWNERSHIP OF TELEPHONE NUMBERS

The Company reserves the reasonable right to assign, designate or change telephone numbers, any other call number designations associated with Private Line Transport, or the Company serving office prefixes associated with such numbers, when necessary in the conduct of its business. Should it become necessary to make a change in such number(s), the Company will notify the customer of the effective date and an explanation of the reason(s) for such change(s).

2.1.12 SPECIAL TAXES, FEES AND CHARGES

Insofar as practicable, any sales, use, privilege, excise, franchise or occupation tax, costs of furnishing service without charge or similar taxes or impositions now or hereafter levied by the Federal, State, or Local government or any political subdivision or taxing authority thereof may be billed by the Company to its customers on a pro rata basis in the areas wherein such taxes, impositions or other charges shall be levied against the Company.

2. GENERAL REGULATIONS

2.2 USE

2.2.1 INTERFERENCE OR IMPAIRMENT

- A. The characteristics and methods of operation of any circuits, facilities or equipment provided by other than the Company and associated with the facilities utilized to provide services under this Price List shall not interfere with or impair service over any facilities of the Company, its affiliated companies, or its connecting and concurring carriers involved in its services, cause damage to their plant, impair the privacy of any communications carried over their facilities or create hazards to the employees of any of them or the public.
- B. Except as provided for equipment or systems subject to the F.C.C. Part 68 rules in 47 C.F.R. Section 68.108, if such characteristics or methods of operation are not in accordance with A., preceding, the Company will, where practicable, notify the customer that temporary discontinuance of the use of a service may be required; however, where prior notice is not practicable, nothing contained herein shall be deemed to preclude the Company's right to discontinue temporarily the use of a service if such action is reasonable under the circumstances. In case of such temporary discontinuance, the customer will be promptly notified and afforded the opportunity to correct the condition which gave rise to the temporary discontinuance. During such period of temporary discontinuance, Credit Allowance for Service Interruptions as set forth in 2.4.3, following, is not applicable.

2.2.2 UNLAWFUL USE

The service provided under this Price List shall not be used for an unlawful purpose.

2. GENERAL REGULATIONS

2.3 OBLIGATIONS OF THE CUSTOMER

2.3.1 ORDERING, PAYMENT AND COMPLIANCE WITH TERMS AND CONDITIONS

A. The customer shall be responsible for placing all orders for service, payment of all charges offered herein and compliance with Company terms and conditions.

B. Transfer of Service

The customer may not assign or transfer the use of services provided under this Price List; however, where there is no interruption of use or relocation of the services, such assignment or transfer may be made to:

1. Another customer, whether an individual, partnership, association or corporation, provided the assignee or transferee assumes all outstanding indebtedness for such services, and the unexpired portion of the minimum period and the termination liability applicable to such services, if any, or;
 2. A court-appointed receiver, trustee or other person acting pursuant to law in bankruptcy, receivership, reorganization, insolvency, liquidation or other similar proceedings, provided the assignee or transferee assumes the unexpired portion of the minimum period and the termination liability applicable to such services, if any.
- C. In all cases of assignment or transfer, the written acknowledgment of the Company is required prior to such assignment or transfer which acknowledgment shall be made within 15 days from the receipt of notification. All regulations and conditions contained in this Price List shall apply to such assignee or transferee.
- D. The assignment or transfer of services does not relieve or discharge the assignor or transferor from remaining jointly or severally liable with the assignee or transferee for any obligations existing at the time of the assignment or transfer.

2. GENERAL REGULATIONS

2.3 OBLIGATIONS OF THE CUSTOMER (CONT'D)

2.3.2 DAMAGES

The customer shall reimburse the Company for damages to the Company facilities utilized to provide services under this Price List caused by the negligence or willful act of the customer or resulting from the customer's improper use of the Company facilities, or due to malfunction of any facilities or equipment provided by other than the Company. Nothing in the foregoing provision shall be interpreted to hold one customer liable for another customer's actions. The Company will, upon reimbursement for damages, cooperate with the customer in prosecuting a claim against the person causing such damage, and the customer shall be subrogated to the right of recovery by the Company for the damages to the extent of such payment.

2.3.3 OWNERSHIP OF FACILITIES

Facilities utilized by the Company to provide service under the provisions of this Price List shall remain the property of the Company. Such facilities shall be returned to the Company by the customer whenever requested, within a reasonable period following the request, in as good condition as reasonable wear will permit.

2.3.4 EQUIPMENT SPACE AND POWER

The customer shall furnish or arrange to have furnished to the Company, at no charge, equipment space and electrical power required by the Company to provide services under this Price List at the POT of such services. The selection of ac or dc power shall be mutually agreed to by the customer and the Company. The customer shall also make necessary arrangements in order that the Company will have access to the premises at any reasonable hour for installing, testing, inspecting, repairing or removing Company services.

2. GENERAL REGULATIONS

2.3 OBLIGATIONS OF THE CUSTOMER (CONT'D)

2.3.5 HAZARDOUS AND EXPLOSIVE ENVIRONMENTS

The customer shall be responsible for the provision, installation and maintenance of sealed conduit with explosive-proof fittings between facilities furnished by the Company in explosive atmosphere and points outside the hazardous area where connection may be made with regular facilities of the Company. The customer may also be required to install and maintain Company facilities within the hazardous area if, in the opinion of the Company, injury or damage to Company employees or property might result from installation or maintenance by the Company.

2.3.6 AVAILABILITY FOR TESTING

The services provided under this Price List shall be available to the Company at times mutually agreed upon in order to permit the Company to make tests and adjustments appropriate for maintaining the services in satisfactory operating condition. Such tests and adjustments shall be completed within a reasonable time. No credit will be allowed for any interruptions involved during such tests and adjustments.

2.3.7 REFERENCES TO THE COMPANY

The customer may advise their end users that certain services are provided by the Company in connection with the service the customer furnishes to their end users; however, the customer shall not represent that the Company jointly participates in these services.

2.3.8 COORDINATION WITH RESPECT TO NETWORK CONTINGENCIES

The customer shall, in cooperation with the Company, coordinate in planning the actions to be taken to maintain maximum network capability following natural or man-made disasters which affect telecommunications services.

2.3.9 BUSINESS HOURS

Normal business hours are from Monday through Friday 8 a.m. to 5 p.m. Hours before 8 a.m. and after 5 p.m., Monday through Friday, and all of Saturdays are considered overtime. Sundays and Holidays are premium time.

2. GENERAL REGULATIONS

2.3 OBLIGATIONS OF THE CUSTOMER (CONT'D)

2.3.10 CLAIMS AND DEMANDS FOR DAMAGES

- A. With respect to claims of patent infringement made by third persons, the customer shall defend, indemnify, protect and save harmless the Company from and against all claims arising out of the combining with, or use in connection with, the services provided under this Price List, any circuit, apparatus, system or method provided by the customer.

- B. The customer shall defend, indemnify and save harmless the Company from and against any suits, claims, losses or damages, including punitive damages, attorney fees and court costs by third persons arising out of the construction, installation, operation, maintenance, or removal of the customer's circuits, facilities, or equipment connected to the Company's services provided under this Price List. Included, without limitation, are Workers Compensation claims, actions for infringement of copyright and/or unauthorized use of program material. Also included without limitation are libel and slander actions based on the content of communications transmitted over the customer's circuits, facilities or equipment. In addition, proceedings to recover taxes, fines, or penalties for failure of the customer to obtain or maintain in effect any necessary certificates, permits, licenses, or other authority to acquire or operate the services provided under this Price List shall be included in the indemnification. However, the foregoing indemnification shall not apply to suits, claims, and demands to recover damages for damage to property, death, or personal injury unless such suits, claims or demands are based on the tortious conduct of the customer, its officers, agents or employees.

- C. The customer shall defend, indemnify and save harmless the Company from and against any suits, claims, losses or damages, including punitive damages, attorney fees and court costs by the customer or third parties arising out of any act or omission of the customer in the course of using services provided under this Price List.

2. GENERAL REGULATIONS

2.3 OBLIGATIONS OF THE CUSTOMER (CONT'D)

2.3.11 DETERMINATION OF JURISDICTION AND CHARGES FOR MIXED INTERSTATE AND INTRASTATE PRIVATE LINE TRANSPORT SERVICE

- A. When a customer orders a Private Line Transport Service, the customer must state the jurisdiction for each service ordered. When a Private Line Transport Service is used for both interstate and intrastate traffic, the jurisdiction will be determined as follows:
1. If the customer's estimate of the interstate traffic on the service involved constitutes ten percent or less of the total traffic on that service, the service will be provided in accordance with the applicable terms and conditions of this Price List.
 2. If the customer's estimate of the interstate traffic on the service involved constitutes more than ten percent of the total traffic on that service, the service will be provided in accordance with the appropriate interstate terms and conditions specified in the F.C.C. No. 1 Tariff.
- B. If a customer's estimate of interstate traffic on an interstate service should change to ten percent or less, the service requires a change in jurisdiction and the customer must submit an order to change the jurisdiction of the service.

A change in jurisdiction is considered a service rearrangement and subject to the terms and conditions set forth in 3.2.C.3., following.

- C. If a customer's estimate of interstate traffic on an intrastate service should change to more than ten percent, the service requires a change in jurisdiction and the customer must submit an order to change the jurisdiction of the service.

A change in jurisdiction is considered a service rearrangement and subject to the regulations set forth in the F.C.C. No. 1 Tariff.

- D. When mixed interstate and intrastate service is provided, the jurisdiction of the service is determined in accordance with A. through C., preceding. If the service is determined to be an intrastate service, 100 percent of all appropriate charges in this Price List apply. If the service is determined to be an interstate service, 100 percent of the interstate charges, as specified in the F.C.C. No. 1 Tariff, apply.

2. GENERAL REGULATIONS

2.3 OBLIGATIONS OF THE CUSTOMER

2.3.11 DETERMINATION OF JURISDICTION AND CHARGES FOR MIXED INTERSTATE AND INTRASTATE PRIVATE LINE TRANSPORT SERVICE (CONT'D)

- E. For Private Line Transport Service, the Company will ask the customer to provide the data the customer uses to determine the projected interstate percentage, if a billing dispute arises or a regulatory commission questions the customer-provided interstate percentage. The customer shall supply the data within 30 days of the Company request. The Company will not request such data more than once a year. The customer shall keep records of system design and functions from which the percentage of interstate and intrastate use can be ascertained and, upon request of the Company, make the records available for inspection as reasonably necessary for purposes of verification of the percentages.

- F. Jurisdictional Report Proprietary Information

The data the customer provides to the Company to support their interstate percentage is considered proprietary to the customer. The Company agrees to use and protect such information by exercising the same degree of care normally used to protect its own proprietary information.

- G. A Company audit request is intended to occur only in extreme circumstances, not as a matter of course, and only after the Company has given reason to the customer why such action is necessary.

2. GENERAL REGULATIONS

2.3 OBLIGATIONS OF THE CUSTOMER

2.3.11 DETERMINATION OF JURISDICTION AND CHARGES FOR MIXED INTERSTATE AND INTRASTATE PRIVATE LINE TRANSPORT SERVICE (CONT'D)

H. Contested Audits

1. When a jurisdictional audit is conducted by the Company or an independent Certified Public Accountant (CPA) auditing firm selected by the Company, the audit results will be furnished to the customer by certified U.S. Mail (return receipt requested). The customer may contest the audit results by providing written notification (by certified U.S. Mail, return receipt requested), to the Company within fifteen (15) calendar days from the date the audit report is furnished to the customer by certified U.S. Mail (return receipt requested). When a jurisdictional audit is conducted by an independent Certified Public Accountant (CPA) auditing firm selected by the customer, the audit results will be furnished to the Company by certified U.S. Mail (return receipt requested). The Company may contest the audit results by providing written notification (by certified U.S. Mail, return receipt requested), to the customer within fifteen (15) calendar days from the date the audit report is furnished to the Company by certified U.S. Mail (return receipt requested).
2. Contested audits will be resolved by the Company, and the customer, within thirty (30) days of written notification, or a neutral arbitrator will be mutually agreed upon by the Company and the customer. During the initial thirty (30) day resolution period, the Company and the customer will review the audit process and the data used to calculate the PIU factor in an attempt to resolve the dispute. Should the Company and the customer resolve the dispute on the PIU factor, a neutral arbitrator would not be warranted.

2. GENERAL REGULATIONS

2.3 OBLIGATIONS OF THE CUSTOMER

2.3.11 DETERMINATION OF JURISDICTION AND CHARGES FOR MIXED INTERSTATE AND INTRASTATE PRIVATE LINE TRANSPORT SERVICE

H. Contested Audits (Cont'd)

3. Contested audits will be resolved by a neutral arbitrator mutually agreed upon by the Company and the customer. The arbitration hearing will be conducted in Denver, Colorado or a state and location within the Company operating territory that is mutually agreed upon by both parties. The arbitration proceeding, including the decision rendered, shall be governed by the law (both statutory and case) of the state in which the arbitration hearing is held, including but not limited to the Uniform Arbitration Act as adopted in that state.
4. Prior to the arbitration hearing, each party shall notify the arbitrator of the PIU factor which that party believes to be correct. The arbitrator, in deciding, may adopt the PIU factor of either party or may adopt a PIU factor different from those proposed by the parties.
5. If the arbitrator adopts a PIU factor proposed by one of the parties, the other party (whose PIU factor was not adopted) shall pay all costs of the arbitration. If the arbitrator adopts a PIU factor higher than the PIU factor proposed by both parties, then the party proposing the lower PIU factor shall pay all costs of the arbitration. If the arbitrator adopts a PIU factor lower than the PIU factor proposed by both parties, then the party proposing the higher PIU factor shall pay all costs of the arbitration. If the arbitrator adopts a PIU factor which falls between the two factors proposed by the parties, then the parties shall each pay one-half of the arbitration costs.
6. Absent written notification, within the time frame as set forth preceding, audit results cannot be contested and the Company will adjust the customer's PIU factor based upon the audit results.

2. GENERAL REGULATIONS

2.4 PAYMENT ARRANGEMENTS AND CREDIT ALLOWANCES

2.4.1 PAYMENT OF RATES, CHARGES AND DEPOSITS

A. Deposits

The Company will, in order to safeguard its interests, only require a customer who has a proven history of late payments to the Company or does not have established credit to make a deposit prior to or at any time after the provision of service to the customer to be held by the Company as a guarantee of the payment of rates and charges. 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 Company's terms and conditions 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. Such a deposit will be refunded or credited to the 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 case of a cash deposit, interest shall be paid for the period during which the deposit is held, as specified in Section 2 of the Minnesota Exchange and Network Services Tariff.

The interest will be paid for the number of days from the date the customer deposit is received by the Company to and including the date such deposit is credited to the customer's account or the date the deposit is refunded by the 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.

B. Advance Payments

1. In accordance with the Company's practice of requiring that all regularly recurring rates for services, equipment, and facilities be paid monthly in advance, an applicant for service will be required to pay in advance at the time application for service is made, the nonrecurring charges applicable, together with at least one month's charges for the services, equipment, and facilities applied for, and, where necessary, in the opinion of the Company, the estimated amount of construction charges.
2. The amount of the advance payment will be credited to the customer's account and applied to any indebtedness under the contract for service, equipment, and facilities furnished, and for nonrecurring charges.

2. GENERAL REGULATIONS

2.4 PAYMENT ARRANGEMENTS AND CREDIT ALLOWANCES

2.4.1 PAYMENT OF RATES, CHARGES AND DEPOSITS (CONT'D)

- C. The Company shall bill on a current basis all charges incurred by and credits due to the customer under this Price List attributable to services, established or discontinued during the preceding billing period. In addition, the 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, State, County and Municipal Governments which will be billed in arrears. The bill day (i.e., the billing date of a bill for a customer for Private Line Transport Service under this Price List), the period of service each bill covers and the payment date will be as follows:
1. The Company will establish a bill day each month for each customer account. The bill will cover non usage sensitive service charges for the ensuing billing period. Payment for such bills is due as set forth in D., following. If payment is not received by the payment due date, as set forth in D., following, in immediately available funds, a late payment penalty will apply as set forth in E., following.
 2. For billing purposes each month is considered to have 30 days.
- D. All bills as set forth preceding, for service provided to the customer by the Company are due 31 days (payment due date) after the bill date or by the next bill date (i.e., same date in the following month as the bill date), whichever is the shortest interval, except as provided herein, and are payable in immediately available funds. If such payment due date would cause payment to be due on a Saturday, Sunday or Holiday (i.e., New Year's Day, Independence Day, Labor Day, Thanksgiving Day, Christmas Day, Veterans Day and a day when Washington's Birthday, Memorial Day or Columbus Day is legally observed), payment for such bills will be due from the customer as follows:
1. If such payment due date falls on a Sunday or on a Holiday which is observed on a Monday, the payment due date shall be the first non-Holiday day following such Sunday or Holiday. If such payment due date falls on a Saturday or on a Holiday which is observed on Tuesday, Wednesday, Thursday or Friday, the payment due date shall be the last non-Holiday day preceding such Saturday or Holiday.

2. GENERAL REGULATIONS

2.4 PAYMENT ARRANGEMENTS AND CREDIT ALLOWANCES

2.4.1 PAYMENT OF RATES, CHARGES AND DEPOSITS (CONT'D)

- E. In the event of a billing dispute, the customer must submit a documented claim for the disputed amount. If the claim is submitted within 90 days of the payment due date, any interest credits due the customer upon resolution of the dispute shall be calculated from the bill payment date. If the customer submits a claim for the disputed amount more than 90 days from the payment due date, any interest credits due the customer upon resolution of the dispute shall be calculated from the date the claim was submitted, rather than from the bill payment date. Any undisputed amounts withheld by the customer in conjunction with disputed amounts withheld shall be subject to the late payment penalty. The Company will resolve the dispute and assess interest credits or penalties to the customer as follows:
- If the dispute is resolved in favor of the Company and the customer has paid the disputed amount on or before the payment due date, no credits or penalties will apply.
 - If the dispute is resolved in favor of the customer and the customer has withheld the disputed amount, no credits or penalties will apply.
 - If the dispute is resolved in favor of the customer and the customer has paid the disputed amount, the customer will receive a credit from the Company for the disputed amount times a late factor. The late factor shall be:
 - 0.000407 per day, compounded daily for the number of days from the date when payment was made or credit claimed, to and including the payment due date of the bill that reflects the credit for the disputed amount. In the event that the Company agrees to refund a credit by check or wire transfer, interest will be applied up to and including the date of issuance for either the check or wire transfer.
 - If the dispute is resolved in favor of the Company and the customer has withheld the disputed amount, any payments withheld pending settlement of the dispute shall be subject to the late payment penalty as set forth in E., preceding.
- F. Adjustments for the quantities of services established or discontinued in any billing period beyond the minimum period set forth for services in other sections of this Price List will be prorated to the number of days or major fraction of days based on a 30 day month. The Company will, upon request and if available, furnish such detailed information as may reasonably be required for verification of any bill.

2. GENERAL REGULATIONS

2.4 PAYMENT ARRANGEMENTS AND CREDIT ALLOWANCES

2.4.1 PAYMENT OF RATES, CHARGES AND DEPOSITS (CONT'D)

- G. When a rate as set forth in this Price List is shown to more than two decimal places, the charges will be determined using the rate shown. The resulting amount will then be rounded to the nearest penny (i.e., rounded to two decimal places).

2.4.2 MINIMUM PERIODS AND FRACTIONAL RATES

- A. The minimum period for which services are provided and for which rates and charges are applicable is one month unless otherwise specified in this Price List or in specific service agreements.
- B. The minimum period for which service is provided and for which rates and charges are applicable, for a Custom Service provided on an individual case basis, is one month unless a different minimum period is established with the custom arrangement.

Where circumstances warrant, a customer subscribing to Private Line Transport may request, on an individual case basis, an Alternate Pricing Arrangement. The terms and conditions of such an arrangement will be determined by the Company at the time the request is made.

- C. When a service is discontinued prior to the expiration of the minimum period, charges are applicable, whether the service is used or not, as follows:
1. When a service with a one month minimum period is discontinued prior to the expiration of the minimum period, a one month charge will apply at the rate level in effect at the time service is discontinued.
 2. When a service with a minimum period greater than one month is discontinued prior to the expiration of the minimum period, a termination charge will apply as specified in 2.4.8, following.