

**Cheryl R. Winn**  
**Attorney At Law**

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December 28, 2009

**RECEIVED**

DEC 28 2009

**PUBLIC SERVICE  
COMMISSION**

**VIA COURIER**

Mr. Jeff Derouen  
Executive Director  
Public Service Commission  
211 Sower Boulevard  
P.O. Box 615  
Frankfort, KY 40602

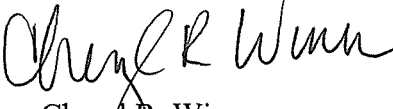
Re: Jeffery C. Cox, Complainant v. AT&T Kentucky, Defendant  
PSC 2009-00460

Dear Mr. Derouen:

Enclosed for filing in the above-referenced case are the original and five (10) copies of Answer and Motion to Dismiss of BellSouth Telecommunications, Inc. d/b/a AT&T Kentucky.

An Affidavit of Joan H. Duncan is attached as Attachment A to AT&T's Answer and Motion to Dismiss. Portions of Attachment A, including but not limited to the Exhibits thereto, are confidential. Accordingly, pursuant to 807 KAR 5:001, § 7, AT&T Kentucky files herewith its Motion for Confidentiality requesting that the Commission afford confidentiality to the requested material.

Sincerely,

  
Cheryl R. Winn

cc: Party of Record

Enclosures

765557

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

RECEIVED

DEC 28 2009

PUBLIC SERVICE  
COMMISSION

In the Matter of: )  
 )  
JEFFERY C. COX )  
 )  
COMPLAINANT )  
 )  
v. ) CASE NO.: 2009-00460  
 )  
AT&T KENTUCKY )  
 )  
DEFENDANT )

MOTION FOR CONFIDENTIALITY OF  
BELLSOUTH TELECOMMUNICATIONS, INC. D/B/A AT&T KENTUCKY

Petitioner, BellSouth Telecommunications, Inc. d/b/a AT&T Kentucky (“AT&T”), by counsel, hereby moves the Public Service Commission of the Commonwealth of Kentucky (the “Commission”), pursuant to KRS 61.878 and 807 KAR 5:001, § 7, to classify as confidential the information highlighted in the Affidavit of Joan Duncan (“Duncan Affidavit”), Attachment A to AT&T Kentucky’s Answer and Motion to Dismiss filed by AT&T Kentucky in this case on December 28, 2009. In addition, AT&T requests that Exhibits 1, 2, 3, 4, 5, and 6 to the Duncan Affidavit which are filed on yellow paper be granted confidentiality. Portions of the Duncan Affidavit and all pages of Exhibits 1, 2, 3, 4, 5, and 6 contain information of a personal nature and specific to the Complainant. Specifically, the information highlighted in the Duncan Affidavit identifies the Complaint’s telephone numbers and billing information associated with those numbers. Exhibit 1 to the Duncan Affidavit are copies of Complainant’s telephone bills for the period in question. Exhibit 2 to the Duncan Affidavit is a copy of the Complainant’s revised final bill. Exhibit 3 to the Duncan Affidavit contains a summary of information relative to the Complainant’s telephone services and billing for the time in question. Exhibit 4 to the

Duncan Affidavit contains the Interactive Voice Recorder (“IVR”) screenshots pertaining to each of Complainant’s wireless numbers and show his acceptance of the terms and conditions of his wireless service. Exhibit 5 to the Duncan Affidavit contains the IVR screenshots pertaining to the mailing of Customer Service Summaries for each of Complainant’s wireless telephone numbers. Exhibit 6 to the Duncan Affidavit contains the specific Customer Service Summaries with account details for each of Complainant’s wireless telephone numbers.

The Kentucky Open Records Act exempts certain personal information from the public disclosure requirements of the Act, including information the disclosure of which is prohibited by federal law or regulation. KRS 61.878(1)(a) and 61.878(1)(k).

The material for which AT&T seeks confidentiality contains personal and customer-specific information. This information is specific to the Complainant and to his telephone account services. Information provided to the Commission concerning specific customers is customer proprietary network information (“CPNI”) and should not be publicly disclosed without the approval of the individual customers. Disclosure of customer-specific information is subject to obligations under Section 222 of the Communications Act of 1937 as amended by the Telecommunications Act of 1996. Federal law imposes the obligation to maintain the confidentiality of such information from public disclosure when the disclosure of such information records is prohibited by federal law or regulation. Therefore, because CPNI is protected from disclosure by federal law, this information should be afforded proprietary treatment.

The Commission should also grant confidential treatment of the information for the following reasons:

- (1) The information for which AT&T is requesting confidential treatment is not known outside of AT&T;

(2) The information is not disseminated within AT&T and is known only by those AT&T employees who have a legitimate business need to know and act upon the information;

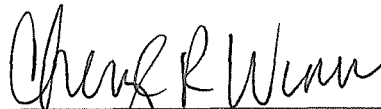
(3) AT&T seeks to preserve the confidentiality of this information through appropriate means, including the maintenance of appropriate security at its offices; and

(4) By granting AT&T's petition, there would be no damage to any public interest.

(5) The Commission previously granted confidentiality to the type of information for which AT&T is requesting confidentiality as described herein. *See* Kentucky Public Service Commission Letter dated September 14, 2009, KPSC Case No. 2009-00070, *In the Matter of: Alan W. and Elizabeth R. Jones v. BellSouth Telecommunications, Inc. d/b/a AT&T Kentucky and New Cingular Wireless PSC, LLC.*

For the reasons stated herein, AT&T respectfully requests the Commission to grant AT&T's request for confidential treatment of the information identified herein.

Respectfully submitted,



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COUNSEL FOR BELLSOUTH  
TELECOMMUNICATIONS, INC.  
D/B/A AT&T KENTUCKY

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

RECEIVED

DEC 28 2009

PUBLIC SERVICE  
COMMISSION

In the Matter of:

JEFFERY C. COX	)	
	)	
COMPLAINANT	)	
	)	
v.	)	CASE NO. 2009-00460
	)	
AT&T KENTUCKY	)	
	)	
DEFENDANT	)	

**ANSWER AND MOTION TO DISMISS OF AT&T KENTUCKY**

The Defendant, BellSouth Telecommunications, Inc. d/b/a AT&T Kentucky (“AT&T”), by counsel, for its Answer and Motion to Dismiss the Complaint of Jeffery C. Cox (“Mr. Cox”), states as follows:

**FIRST DEFENSE**

1. The Complaint fails to state a cause of action upon which relief can be granted.

**SECOND DEFENSE**

2. The services complained of are bundled, deregulated, nonbasic services, and therefore, the Complaint is barred, in whole or in part, by KRS 278.541, *et seq.*

**THIRD DEFENSE**

3. AT&T pleads accord and satisfaction as an affirmative defense. AT&T issued an adjustment credits on the customer’s account on November 19, 2008 and December 19, 2008. Additional adjustment credits were issued by AT&T on December 10 and December 18, 2009. [Attachment A, Affidavit of Joan H. Duncan (“Duncan Aff.”), ¶ 6, 11].

#### **FOURTH DEFENSE**

4. AT&T pleads its Residential Service Agreement as an affirmative defense. [Exhibit B, Residential Services Agreement (“RSA”)]. The RSA incorporates AT&T Kentucky’s Price List into the RSA. [Attachment B, RSA, Section 2]. The Price List provides: “If objection in writing is not received by the company within thirty days after the bill is rendered the account shall be deemed correct and binding upon the subscriber.” [Attachment C, AT&T Kentucky’s General Exchange Price List, Section A2.4.3]. Complainant failed to timely dispute the September 19, October 19, November 19, December 19, 2008, and January 2009 bills. In fact, AT&T did not receive any written notice of the customer’s complaint until after complainant’s original complaint was filed with the Commission on or about November 24, 2009.

#### **FIFTH DEFENSE**

5. The damages of which the customer complains, if any, were caused in whole or in part by the customer and, therefore, AT&T pleads and relies upon same as a complete bar to the claims herein.

#### **SIXTH DEFENSE**

6. With regard to the specific allegations contained in subparagraph (c) of Mr. Cox’s Complaint, AT&T denies Mr. Cox’s allegation that he made a verbal deal with AT&T to bundle his landline, cell phone and DSL internet service for \$117 per month. AT&T also denies Mr. Cox’s allegation contained in subparagraph (c) of the Complaint that he was overcharged and that AT&T breached its contract with him. AT&T further denies Mr. Cox’s allegation contained in subparagraph (c) of the Complaint that he does not owe AT&T fees for early termination of his wireless service.

AT&T affirmatively states that its business records reflect that Mr. Cox selected the services for which he was billed and, by selecting those services, he also agreed to the terms and conditions concerning those services and should be held to the terms and conditions of his agreement with AT&T. Therefore, Mr. Cox should be required to pay the entire amount currently due to AT&T.

Mr. Cox established wireline service with AT&T on or about October 17, 1996. [Attachment A, Duncan Aff., ¶8]. Mr. Cox activated wireless service was activated on August 29, 2008, and was billed to his AT&T wireline account. [Attachment A, Duncan Aff., ¶ 8]. Additionally, Mr. Cox also ordered Fast Access DSL. [Attachment A, Duncan Aff., ¶8]. On September 3, 2008, Mr. Cox affirmatively agreed to the terms and conditions of the wireless service through the Interactive Voice Recorder (IVR) for each of his wireless numbers. IVR acceptance of the terms and conditions was automatically recorded on AT&T records. [Attachment A, Duncan Aff., ¶ 8, Exhibit 4 to Attachment A, Screenshots of IVR for each of Cox's wireless numbers]. Mr. Cox's Fast Access DSL service order was completed on September 1, 2008. [Attachment A, Duncan Aff., ¶ 8].

From August 29, 2008 through the disconnect date of November 8, 2008, Mr. Cox subscribed to Bundle 77. Bundle 77 requires subscription to several components in order to qualify to receive a \$5.00 discount on wireless, DTV and DSL. [Attachment A, Duncan Aff., ¶9]. The components consist of: (1) Complete Choice line -\$26; (2) any long distance plan \$2.95 or higher; (3) 1.5 DSL or higher - \$27.95; and (4) a choice of either a Wireless Plan for one cell at \$39.95 or higher or a DTV package of \$49 or higher. The ultimate monthly cost of the Bundle 77 depends upon the specific services the customer chooses. For example, to have a monthly price point of \$99.00 before taxes and surcharges, the customer would have to subscribe to the

low end of all the services in Bundle 77. Mr. Cox's service met the qualifications for Bundle 77. [Attachment A, Duncan Aff., ¶ 9].

Mr. Cox's wireless plan included multiple lines with associated monthly recurring costs for the wireless accounts, which did not include texting, overages, pay per use services, taxes, government fees, etc. [Attachment A, Duncan Aff., ¶ 9]. Mr. Cox incurred flat rate charges for the proration of the monthly service on the first bill. [Attachment A, Duncan Aff., ¶ 9]. These flat rate charges included shipping and handling charges and activation fees for both the primary and secondary lines. [Attachment A, Duncan Aff., ¶ 9]. On or about September 9, 2008, Mr. Cox added an additional service to his account. [Attachment A, Duncan Aff., ¶ 9].

Mr. Cox called AT&T on November 8, 2008 and canceled his AT&T service. [Attachment A, Duncan Aff., ¶ 10]. The disconnection of the service generated a separate wireless final bill because of the de-combining of his bill due to cancellation of service. [Attachment A, Duncan Aff., ¶ 10]. With respect to his wireless service, Mr. Cox was sent a final bill for early termination charges, surcharges and taxes for each wireless telephone number on his account. [Attachment A, Duncan Aff., ¶5, Exhibit 2 to Attachment A, Revised Final Bill, *see also* ¶10]. AT&T appropriately billed termination charges for the early termination of Mr. Cox's wireless services pursuant to the terms of Mr. Cox's Agreement with AT&T. [Attachment A, Duncan Aff., ¶ 10].

Specifically, the wireless Customer Service Summary mailed to Mr. Cox on August 31, 2008, provides:

If I terminate this Agreement before the expiration of my Service Commitment, I will pay AT&T an Early Termination Fee of \$175, reducing by \$5.00 for each full month completed toward the commitment term for each wireless telephone number associated with the service.



[Attachment A, Duncan Aff., ¶ 10, Exhibit 6 to Attachment A, Customer Service Summary, page 3 “Early Termination Fee”]. Accordingly, the termination charges, surcharges and taxes billed to Mr. Cox on his final wireless bill are appropriate and correct.


On December 10, 2009, AT&T made a credit adjustment to Mr. Cox’s wireline account because he disconnected service before the Bundle 77 credit appeared on the DSL portion of his combined bill. [Attachment A, Duncan Aff., ¶ 11]. Similarly, on December 18, 2009, AT&T issued an additional credit adjustment on his wireline account because Mr. Cox disconnected service before the wireless Bundle 77 credit appeared on the wireless portion of the bill.

[Attachment A, Duncan Aff., ¶ 11]. AT&T’s records indicate that Mr. Cox paid the balance on his wireline account in February of 2009. [Attachment A, Duncan Aff., ¶ 11]. AT&T’s records indicate a past due balance on his final wireless bill consisting of the early termination charges, surcharges and taxes. [Attachment A, Duncan Aff., ¶¶ 5, 11].

8. All allegations contained in the Complaint not specifically admitted are denied.
9. AT&T reserves the right to amend its Answer to add other affirmative defenses in the event that they become appropriate after discovery has been conducted.

WHEREFORE, AT&T respectfully requests that this Complaint be dismissed and held for naught and it be granted any and all other relief to which it may appear entitled.

Respectfully submitted,



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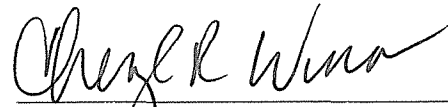
Cheryl R. Winn  
601 W. Chestnut Street, Room 407  
Louisville, KY 40203  
Telephone: 502-582-1475  
Fax: 502-582-1573

COUNSEL FOR BELLSOUTH  
TELECOMMUNICATIONS, INC. D/B/A AT&T  
KENTUCKY

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing was served on the following individual by mailing a copy thereof, this 28<sup>th</sup> day of December, 2009.

Jeffery C. Cox  
3236 Old Hartford Road  
Ownsboro, KY 42366



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Cheryl R. Winn

761913

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:	)	
	)	
JEFFERY C. COX	)	
	)	
COMPLAINANT	)	
	)	
v.	)	CASE NO.: 2009-00460
	)	
AT&T KENTUCKY	)	
	)	
	)	
DEFENDANT	)	

**AFFIDAVIT OF JOAN H. DUNCAN**

The Affiant, Joan H. Duncan, and after being duly sworn states as follows:

1. I have personal knowledge of the facts stated herein. I am competent to testify to the facts, which are stated to the best of my knowledge and recollection.

2. I have been employed by BellSouth Telecommunications, Inc. d/b/a AT&T Kentucky (“AT&T Kentucky”) or its predecessor companies since June 4, 1979. I currently am Area Manager Regulatory Relations. As Area Manager-Regulatory Relations, I am responsible for retail service quality matters.

3. I reviewed the Complainant’s Complaint filed with the Kentucky Public Service Commission (Case No. 2009-00460) on November 24, 2009, wherein the Complainant alleges that he made a verbal deal with AT&T to bundle his landline, cell phone and DSL internet service for \$117.00.

4. I reviewed the Complainant’s combined telephone bills dated September 19, 2008, October 19, 2008, November 19, 2008, and December 19, 2008, covering usage for the

months of August, September, October, November, and December for the wireline telephone number [REDACTED] and wireless telephone numbers [REDACTED] and [REDACTED].

A true and accurate copy of the telephone bills are attached hereto. [Exhibit 1, Combined monthly telephone bills, September – December, 2009].

5. I have reviewed the January 2009, revised final bill, for wireless telephone numbers [REDACTED] and [REDACTED]. A true and accurate copy of the revised final bill is attached hereto. [Exhibit 2, Revised final bill].

6. I reviewed Complainant's billing history from August 20, 2008 through November 8, 2008. Complainant received adjustments on his account on November 19, 2008 in the amount of [REDACTED] and on December 19, 2008 in the amount of [REDACTED]. The credits appeared on Complainant's combined bills. [See Exhibit 1, November and December 2009 bills].

7. A summary of the Complainant's billing history during the subject period is included. The summary reflects all payments and credits posted to Complainant's account. [See Exhibit 3, Summary of Billing History].

8. I reviewed AT&T's records regarding Complainant's services. Complainant established wireline service with AT&T on or about October 17, 1996 for telephone number [REDACTED]. Complainant activated wireless service on August 29, 2008. Complainant's wireless service was billed to his AT&T wireline account. Complainant activated two wireless accounts on August 29, 2008 for wireless telephone numbers [REDACTED] and [REDACTED]. Additionally, Complainant also ordered Fast Access DSL. On September 3, 2008, Complainant affirmatively agreed to the terms and conditions of the wireless service through the Interactive Voice Recorder (IVR) for each of his wireless numbers. IVR acceptance of the terms and conditions was automatically recorded on AT&T's records. [See Exhibit 4, IVR Screenshots for [REDACTED] and [REDACTED]]. The Customer Service Summary for each of his

wireless numbers was mailed to Complainant on 8/31/08. [Exhibit 5, IVR Screenshot verifying mailing of Customer Service Summaries for [REDACTED] and [REDACTED]].

Complainant's Fast Access DSL service order was completed on September 1, 2008.

9. I reviewed Complainant's selection of Bundle 77. From August 29, 2008 through the disconnect date of November 8, 2008, Complainant subscribed to Bundle 77. Bundle 77 requires subscription to several components in order to qualify to receive a \$5.00 discount on wireless, DTV and DSL. The components consist of: (1) Complete Choice line -\$26; (2) any long distance plan \$2.95 or higher; (3) 1.5 DSL or higher - \$27.95; and (4) a choice of either a Wireless Plan for one cell at \$39.95 or higher or a DTV package of \$49 or higher. The ultimate monthly cost of the Bundle 77 depends upon the specific services the customer chooses. For example, to have a monthly price point of \$99.00 before taxes and surcharges, the customer would have to subscribe to the low end of all the services in Bundle 77. Complainant subscribed to a [REDACTED] service billed at [REDACTED] per month which included a [REDACTED] discount. Complainant also subscribed to a [REDACTED] plan with a monthly recurring rate of [REDACTED]. Complainant further subscribed to DSL 1.5 at a cost of [REDACTED]. Finally, Complainant subscribed to a qualifying wireless plan. Complainant's wireless plan included two lines with associated monthly recurring costs of [REDACTED] for the wireless accounts, which did not include texting, overages, pay per use services, taxes, government fees, etc. Complainant incurred flat rate charges for the proration of the monthly service on the first bill. These flat rate charges included shipping and handling charges and activation fees for both the primary and secondary lines. On or about September 9, 2008, Complainant added [REDACTED] to his account.

10. I reviewed company records concerning Complainant's cancellation of his AT&T service. Complainant called AT&T on November 8, 2008 and canceled his AT&T service. The

disconnection of the service generated a separate wireless final bill because of the de-combining of his bill due to cancellation of service. [See Exhibit 6, Customer Service Summary, page 5, "Keeping My Combined Benefits"].

With respect to his wireless service, Complainant was sent a final bill in the amount of [REDACTED] for early termination charges, surcharges and taxes for wireless telephone number [REDACTED] and wireless telephone number [REDACTED]. AT&T appropriately billed termination charges for the early termination of Complainant's wireless services pursuant to the terms of Complainant's Agreement with AT&T. Specifically, the Customer Service Summary mailed to Complainant on August 31, 2008, provides:

If I terminate this Agreement before the expiration of my Service Commitment, I will pay AT&T an Early Termination Fee of \$175, reducing by \$5.00 for each full month completed toward the commitment term for each wireless telephone number associated with the service.

[Exhibit 6, Customer Service Summary, page 3, "Early Termination Fee"]. Accordingly, the termination charges, surcharges and taxes of [REDACTED] billed to Complainant on his final wireless bill are appropriate and correct.

11. On December 10, 2009, AT&T made a credit adjustment of [REDACTED] to Complainant's wireline account for telephone number [REDACTED] because he disconnected service before the [REDACTED] Bundle 77 credit appeared on the DSL portion of his combined bill. [See Exhibit 1, December bill]. Similarly, on December 18, 2009, AT&T issued an additional credit of [REDACTED] on his wireline account for telephone number [REDACTED] because Complainant disconnected service before the [REDACTED] monthly wireless Bundle 77 credits appeared on the wireless portion of the bill. [See Exhibit 1, December bill]. AT&T's records indicate that Complainant paid the balance on his wireline account in February of 2009. AT&T's records



**EXHIBIT 1 IS PROPRIETARY**

**THERE IS NO EDITED VERSION**



**EXHIBIT 2 IS PROPRIETARY**

**THERE IS NO EDITED VERSION**

**EXHIBIT 3 IS PROPRIETARY**

**THERE IS NO EDITED VERSION**

**EXHIBIT 4 IS PROPRIETARY**

**THERE IS NO EDITED VERSION**

**EXHIBIT 5 IS PROPRIETARY**

**THERE IS NO EDITED VERSION**

**EXHIBIT 6 IS PROPRIETARY**

**THERE IS NO EDITED VERSION**



**at&t**

Your world. Delivered.

## AT&T RESIDENTIAL SERVICE AGREEMENT

**Note: See Section 18 for additional or different requirements in your state.**

This AT&T Residential Service Agreement ("Agreement") applies to all AT&T services you subscribe to, except for those provided under: 1) a tariff or 2) another agreement, unless that agreement references this Agreement ("Services"). When you receive this Agreement, your subsequent purchase or use of Services or your payment for them is your agreement to the terms and conditions of this Agreement.

PLEASE READ THIS AGREEMENT CAREFULLY. THIS AGREEMENT CONTAINS AN ARBITRATION PROVISION THAT GOVERNS DISPUTES BETWEEN YOU AND AT&T (SEE SECTION 9). HOWEVER, INSTEAD OF ARBITRATION, YOU HAVE THE RIGHT TO BRING ANY DISPUTE YOU MAY HAVE TO THE FEDERAL COMMUNICATIONS COMMISSION, STATE PUBLIC UTILITY COMMISSION, OR SMALL CLAIMS COURT, IF THE CLAIM IS WITHIN THE AGENCY'S OR COURT'S JURISDICTION. THIS AGREEMENT ALSO ESTABLISHES LIMITATIONS OF LIABILITY IN THE EVENT OF A DISPUTE (SEE SECTION 8). FOR CUSTOMERS RECEIVING SERVICES IN SOUTH CAROLINA, TO THE EXTENT THERE IS A FINAL, NON-APPEALABLE DECISION THAT THE FEDERAL ARBITRATION ACT DOES NOT APPLY, THIS AGREEMENT IS SUBJECT TO ARBITRATION IN ACCORDANCE WITH THE SOUTH CAROLINA UNIFORM ARBITRATION ACT SECTION 15-48-10, ET SEQ.

### 1. DEFINITIONS

Terms not otherwise defined in this Agreement have the following meanings:

**"AT&T", "the Company", "we", "our" and "us"** mean the AT&T companies providing your detariffed services under this Agreement.

**"Detariffed"** means that the description, price, and other terms and conditions for the service are no longer governed by tariffs filed with a state public utility commission (intrastate services) or the Federal Communications Commission (interstate and international services).

**"Force Majeure"** means causes beyond our control that prevent or hinder the delivery of any Service, such as fire; flood; lightning; meteorological phenomena; earthquakes; volcanic action; power failures or blackouts; severe weather; explosions; wars or armed conflicts; national, state or local emergencies; civil disobedience;

shortage of labor or materials; labor disputes, strikes, or other concerted acts of workers (whether of AT&T or others); embargoes; acts of God; and acts of terrorism.

“**Service(s)**” are all the detariffed AT&T services you subscribe to that are provided under this Agreement.

“**Guidebooks**” are documents that contain the description, price, and other terms and conditions for each detariffed service. They may be called “Service Guides”, “Catalogs”, or “Service Descriptions and Price Lists” in some states. Guidebooks are available online at [att.com/servicepublications](http://att.com/servicepublications). If you do not have web access, you may call AT&T for assistance.

“**Tariffs**” are documents that are filed with state public utility commissions (intrastate services) or the Federal Communications Commission (interstate and international services). They contain certain services, prices, and other terms and conditions that have not been detariffed. Tariffs are available online at [att.com/servicepublications](http://att.com/servicepublications). If you do not have web access, you may call AT&T for assistance.

“**You**” means the person subscribing to the Services provided under this Agreement.

## **2. GUIDEBOOKS AND TARIFFS INCORPORATED BY REFERENCE**

In some states, including California and Iowa, certain generally applicable terms and conditions remain in Tariffs and also govern the Services. The Guidebooks and such generally applicable Tariffs are incorporated into this Agreement by reference. In the event of a conflict between an applicable Tariff, the Guidebooks, and this Agreement, the Tariffs control, followed by the Guidebooks, then this Agreement.

## **3. USE OF SERVICES**

You agree not to use the Services for any illegal, unlawful, abusive, or fraudulent purpose. You understand and agree that you are responsible for use of the Services by all persons you authorize to use the Services. You also understand and agree that the Services are to be used for residential household purposes and not for business purposes.

## **4. CHARGES AND PAYMENT**

**a. General.** You agree to pay all applicable charges for Services purchased or used by you or by anyone you authorize. This includes governmental charges, including taxes, that we are required to bill you (“Mandatory Fees”) or are permitted to recover from you (“Discretionary Fees”). Discretionary Fees are designed, in a commercially reasonable manner, to recover local, state and/or federal charges we are required to pay to governmental entities, including, but not limited to, Universal Service Fund charges, some of which can change quarterly or more often. It is presumed that all calls dialed from your home were authorized by you. Any mathematical error made by AT&T or any



of our representatives does not constitute an offer and thus may subsequently be corrected by the Company.

You agree to pay no later than the "due by" date specified on your bill. Monthly recurring charges may be billed one month in advance. Usage-based charges may be billed after the charges are incurred. Calls billed on a per-minute basis may be billed by rounding up to the next full minute for any fractional minutes. When a percentage discount is applied, the resulting discount may be rounded down to the nearest cent. Your first bill may include charges for the partial month in which Services began and for the following month. If you pay by phone, a reasonable convenience fee may apply. If your payment is dishonored, we may charge you an insufficient funds or returned check fee. If you do not pay by the due date, we may charge you a collections fee, late payment charge, and/or an interest charge. The amounts of applicable charges and fees are available either in Tariffs; Guidebooks; on your bill; or, in the case of the convenience fee, by phone prior to incurring it. Our acceptance of late or partial payment (even if marked, "PAID IN FULL" or similar words) or late payment charges shall not constitute waiver of any of our rights to collect the full amount due under this Agreement.

**b. Credit.** Based on your credit worthiness, we may require that you make an advance payment or deposit and/or we may set a credit limit or approved usage threshold on your account at any time. If you fail to pay for the Services when due, we may apply the deposit, other security, or advance payment to the amount you owe us.

**c. Notice of Price and Fee Increases.** We will provide at least thirty (30) days' notice of price increases to all affected customers, by bill insert, as a message printed on your bill, in a separate mailing, or by any other reasonable method permitted by law. For increases in Mandatory and Discretionary Fees, we will provide notice as required by law.

When notice is required, we may, where permitted, provide notice of increases in Discretionary Fees by web posting only. If we provide notice by web posting only, we will advise you of that fact by bill insert, bill message or other reasonable method (other than web posting) at the time you receive this Agreement or within a reasonable period of time thereafter, or prior to the time that we initiate notice by web posting only. We will also send you a reminder, at least once a year, to regularly check our web site for such increases. Where commercially reasonable, we will post notice to the web site thirty (30) days prior to the effective date. Otherwise, we will post notice within a commercially reasonable time after we receive notice from the governmental entity. If you do not have web access, you may call us for such information at the AT&T telephone number shown on your bill for our Services. If you are notified that notice for increases in Discretionary Fees is by web posting only, you agree to check our web site at least once a month if you want to stay current on such increases.

For increases in prices associated with transaction-based calls, including, but not limited to, calls billed to a calling card/credit card and operator-assisted calls, and for increases in prices of international calls not covered by a calling plan and international mobile

termination charges, we may provide notice by web posting or in newspapers of general circulation only, where permitted.

**d. Expiration of Promotional Prices.** Promotional pricing and terms shall expire in accordance with the terms applicable to each promotion, without further notice to you.

## **5. SUSPENDING AND CANCELING SERVICES**

**a. Cancellation of Services by You.** You may cancel all or a portion of your Services by calling the applicable AT&T phone number on your bill. The Guidebooks specify conditions applicable to cancellation of Services, including termination fees, if any. If you do not call to cancel, you agree to pay for all Services you order, use, or pay for, and those Services continue to be governed by this Agreement.

**b. Discontinuance, Suspension, or Cancellation of Services by AT&T.** We reserve the right to discontinue providing Services in all or part of a service area at any time, subject to applicable law and regulation, by providing thirty (30) days' notice to affected customers. If we believe the Services are being used fraudulently, abusively, illegally, or unlawfully, we reserve the right to immediately and without notice suspend, restrict, or cancel them. If you do not pay the undisputed portion of your bill by the required due date, we may suspend, restrict, or cancel the Services with advance notice to you. If you violate any other term or condition of this Agreement, we may suspend, restrict, or cancel the Services if the violation is not remedied within a reasonable period of time after we provide notice to you. If you ask us to reinstate your Services following suspension or cancellation for any of the above reasons, we may require you to pay a deposit or a reconnection fee, or both. We may suspend or terminate any Services affected by a Force Majeure event, without notice to you.

**c. Repair of Services.** We have the right at any time to suspend or interrupt Services to make necessary repairs or changes in our facilities. We may refuse to repair Services if we determine that the conditions at your premises are unsafe for us, our agents, and/or our contractors.

## **6. INDEMNIFICATION**

You agree to indemnify and hold harmless AT&T, our employees, officers, directors, affiliates, subsidiaries, assignees and agents for any claims, demands, actions, causes of action, suits, proceedings, losses, damages, costs and expenses, including reasonable attorney fees, arising from or relating to any use of any Services by you or any person you authorize or permit to use any Services, including but not limited to claims relating to: incorrect, incomplete or misleading information; defamation, libel or slander; invasion of privacy; identity theft; infringement of a copyright, trade name, trademark, service mark, or other intellectual property; any defective product or service sold or otherwise distributed through or in connection with any Services or any injury or damage to person or property caused thereby; or violation of any applicable law or regulation (collectively "losses"), unless such claims are based on or arise from our

willful misconduct or gross negligence. This provision will continue to apply after the cancellation or termination of this Agreement.

## **7. DISCLAIMER OF WARRANTIES**

AT&T DOES NOT WARRANT THAT ANY SERVICES WILL BE UNINTERRUPTED OR ERROR FREE. ALL SERVICES ARE PROVIDED ON AN "AS IS", "AS AVAILABLE" BASIS WITHOUT WARRANTIES OF ANY KIND, EITHER EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE (OTHER THAN THOSE WARRANTIES, IF ANY, THAT ARE IMPLIED BY AND INCAPABLE OF EXCLUSION, RESTRICTION, OR MODIFICATION UNDER THE LAWS APPLICABLE TO THIS AGREEMENT), ALL SUCH WARRANTIES BEING EXPRESSLY DISCLAIMED. AT&T DOES NOT AUTHORIZE ANYONE, INCLUDING BUT NOT LIMITED TO AT&T EMPLOYEES, AGENTS, OR REPRESENTATIVES, TO MAKE A WARRANTY OF ANY KIND ON AT&T'S BEHALF, AND YOU AGREE THAT YOU WILL NOT RELY ON ANY SUCH STATEMENT.

## **8. LIMITATION OF LIABILITY**

- a.** You acknowledge and understand that – due to the nature of the Services – calls, messages, or service may be lost for many reasons, including but not limited to: dialing errors, power failures (including power failures at your residence), malfunctioning of Services and equipment, electronic interference, and Force Majeure events. Therefore, except as set forth in Subsection 8b below, your monetary remedy for loss or damage caused by the provision, operation, or use of any Services or for the delay, malfunction, or partial or total failure of any Services, including such loss or damage caused by AT&T's negligence, shall not exceed the credit specified in the applicable Tariff or Guidebook, or, if no credits are specified, shall not exceed the amount of the charges paid or owed by you to AT&T for such Services for the period of such delay, malfunction, or failure (except to the extent additional monetary remedies are provided for in Section 9). You also acknowledge and understand that AT&T is not responsible for any loss or damage caused by the interruption or other absence of commercial power and that it is your responsibility to maintain any desired backup power, including battery backup, at your residence in the event of a power outage.
- b.** The limitations of liability in Subsection 8a do not apply if it is determined that AT&T's gross negligence or willful misconduct caused you damage. In that event, AT&T will be liable only for the direct damages for which it is found responsible.
- c.** In no event will AT&T be liable or responsible for indirect, incidental, special, punitive, or consequential damages arising out of, resulting from, or in connection with the provision, operation, or use of the Services, or for the delay, malfunction, or partial or total failure of any Services, including but not limited to loss of revenue, profit or other economic loss; emotional distress; harm to reputation; loss of consortium; and/or pain and suffering, regardless of whether AT&T knew or should have known of the possibility

of such damages and regardless of whether AT&T's negligence caused such damages.

d. The provisions in this Section 8 will survive and continue to apply after this Agreement terminates. As used in this Section 8, AT&T means AT&T, its employees, officers, directors, affiliates, subsidiaries, assignees, agents, and suppliers. The disclaimers and limitations of liability in this Section 8 apply unless prohibited by applicable law.

## **9. DISPUTE RESOLUTION BY BINDING ARBITRATION**

**Instead of arbitration, you have the right to bring any dispute you may have with us to the Federal Communications Commission, state public utility commission, or small claims court, if the claim is within the agency's or court's jurisdiction.**

### **Summary of Arbitration Agreement (which is set forth below in detail):**

Most customer concerns can be resolved quickly and to the customer's satisfaction by calling AT&T's customer service center. **In the unlikely event that AT&T's customer service center is unable to resolve a complaint you may have to your satisfaction (or if AT&T has not been able to resolve a dispute it has with you after attempting to do so informally), we each agree to resolve those disputes through binding arbitration or small claims court instead of in courts of general jurisdiction.**

Arbitration is more informal than a lawsuit in court. Arbitration uses a neutral arbitrator instead of a judge or jury, allows for more limited discovery than in court, and is subject to very limited review by courts. Arbitrators can award the same damages and relief that a court can award. **Any arbitration under this Agreement will take place on an individual basis; class arbitrations and class actions are not permitted.** For any non-frivolous claim that does not exceed \$75,000, AT&T will pay all costs of the arbitration. Moreover, in arbitration you are entitled to recover attorneys' fees from AT&T to at least the same extent as you would be in court. In addition, under certain circumstances (as explained below), AT&T will pay you more than the amount of the arbitrator's award and will pay your attorney (if any) twice his or her reasonable attorneys' fees if the arbitrator awards you an amount that is greater than what AT&T has offered you to settle the dispute.

### **Arbitration Agreement:**

a. AT&T and you agree to arbitrate all disputes and claims between us. This agreement to arbitrate is intended to be broadly interpreted. It includes, but is not limited to:

- claims arising out of or relating to any aspect of the relationship between us, whether based in contract, tort, statute, fraud, misrepresentation or any other legal theory;
- claims that arose before this or any prior Agreement (including,

but not limited to, claims relating to advertising);

- claims that are currently the subject of purported class action litigation in which you are not a member of a certified class; and
- claims that may arise after the termination of this Agreement.

In this Section, references to “AT&T”, “you”, and “us” include our respective subsidiaries, affiliates, agents, officers, employees, predecessors in interest, successors and assigns, as well as all authorized or unauthorized users or beneficiaries of services or equipment under this or prior Agreements between us. Notwithstanding the foregoing, either party may bring an individual action in small claims court. **You agree that, by entering into this Agreement, you and AT&T are each waiving the right to a trial by jury and to participate in a class action.** This Agreement evidences a transaction in interstate commerce, and thus the Federal Arbitration Act governs the interpretation and enforcement of this provision. This arbitration provision shall survive termination of this Agreement.

**b.** A party who intends to seek arbitration must first send to the other, by certified mail, a written Notice of Dispute (“Notice”). The Notice to AT&T should be addressed to: AT&T Services, Inc., 208 S. Akard, Room 3100.04, Dallas, Texas 75202, Attn Customer Arbitration (“Notice Address”). The Notice must (1) describe the nature and basis of the claim or dispute; and (2) set forth the specific relief sought (“Demand”). If AT&T and you do not reach an agreement to resolve the claim within thirty (30) days after the Notice is received, you or AT&T may commence an arbitration proceeding. During the arbitration, the amount of any settlement offer made by AT&T or you shall not be disclosed to the arbitrator until after the arbitrator determines the amount, if any, to which you or AT&T is entitled.

**You may download or copy a form notice and a form to initiate arbitration from here: [att.com/residentialarbitration](http://att.com/residentialarbitration)**

**c.** After AT&T receives notice at the Notice Address that you have commenced arbitration, it will promptly reimburse you for your payment of the filing fee, unless your claim is for greater than \$75,000. (The filing fee currently is \$125 for claims under \$10,000, but is subject to change by the arbitration provider. If you are unable to pay this fee, AT&T will pay it directly upon receiving a written request at the Notice Address.) The arbitration will be governed by the Commercial Arbitration Rules and the Supplementary Procedures for Consumer Related Disputes (collectively, “AAA Rules”) of the American Arbitration Association (“AAA”), as modified by this Agreement, and will be administered by the AAA. The AAA Rules are available online at [www.adr.org](http://www.adr.org), by calling the AAA at 1.800.778.7879, or by writing to the Notice Address. The arbitrator is bound by the terms of this Agreement. All issues are for the arbitrator to decide, except that issues relating to the scope and enforceability of the arbitration provision are for the court to decide. Unless AT&T and you agree otherwise, any arbitration hearings will take place in the county (or parish) of your billing address. If your claim is for \$10,000 or

less, we agree that you may choose whether the arbitration will be conducted solely on the basis of documents submitted to the arbitrator, through a telephonic hearing, or by an in-person hearing as established by the AAA Rules. If your claim exceeds \$10,000, the right to a hearing will be determined by the AAA Rules. Regardless of the manner in which the arbitration is conducted, the arbitrator shall issue a reasoned written decision sufficient to explain the essential findings and conclusions on which the award is based. Except as otherwise provided for herein, AT&T will pay all AAA filing, administration and arbitrator fees for any arbitration initiated in accordance with the Notice requirements above. If, however, the arbitrator finds that either the substance of your claim or the relief sought in the Demand is frivolous or brought for an improper purpose (as measured by the standards set forth in Federal Rule of Civil Procedure 11(b)), then the payment of all such fees will be governed by the AAA Rules. In such case, you agree to reimburse AT&T for all monies previously disbursed by it that are otherwise your obligation to pay under the AAA Rules. In addition, if you initiate an arbitration in which you seek more than \$75,000 in damages, the payment of these fees will be governed by the AAA Rules.

**d.** If, after finding in your favor in any respect on the merits of your claim, the arbitrator issues you an award that is greater than the value of AT&T's last written settlement offer made before an arbitrator was selected; then AT&T will:

- pay you the amount of the award or \$10,000 ("the alternative payment"), whichever is greater; and
- pay your attorney, if any, twice the amount of attorneys' fees, and reimburse any expenses (including expert witness fees and costs) that your attorney reasonably accrues for investigating, preparing, and pursuing your claim in arbitration ("the attorney premium").

If AT&T did not make a written offer to settle the dispute before an arbitrator was selected, you and your attorney will be entitled to receive the alternative payment and the attorney premium, respectively, if the arbitrator awards you any relief on the merits. The arbitrator may make rulings and resolve disputes as to the payment and reimbursement of fees, expenses, and the alternative payment and the attorney premium at any time during the proceeding and upon request from either party made within fourteen (14) days of the arbitrator's ruling on the merits.

**e.** The right to attorneys' fees and expenses discussed in Subsection 9d supplements any right to attorneys' fees and expenses you may have under applicable law. Thus, if you would be entitled to a larger amount under the applicable law, this provision does not preclude the arbitrator from awarding you that amount. However, you may not recover duplicative awards of attorneys' fees or costs. Although under some laws AT&T may have a right to an award of attorneys' fees and expenses if it prevails in an arbitration, AT&T agrees that it will not seek such an award.

**f.** The arbitrator may award declaratory or injunctive relief only in favor of the individual

party seeking relief and only to the extent necessary to provide relief warranted by that party's individual claim. **YOU AND AT&T AGREE THAT EACH MAY BRING CLAIMS AGAINST THE OTHER ONLY IN YOUR OR ITS INDIVIDUAL CAPACITY, AND NOT AS A PLAINTIFF OR CLASS MEMBER IN ANY PURPORTED CLASS OR REPRESENTATIVE PROCEEDING.** Further, unless both you and AT&T agree otherwise, the arbitrator may not consolidate more than one person's claims, and may not otherwise preside over any form of a representative or class proceeding. If this specific proviso is found to be unenforceable, then the entirety of this arbitration provision shall be null and void.

**g.** Notwithstanding any provision in this Agreement to the contrary, we agree that if AT&T makes any change to this arbitration provision (other than a change to the Notice Address) during the period of time that you are receiving Services, you may reject any such change by sending us written notice within thirty (30) days of the change to the Arbitration Notice Address provided above. By rejecting any future change, you are agreeing that you will arbitrate any dispute between us in accordance with the language of this provision.

## **10. CHANGES TO THIS AGREEMENT**

From time to time, we may change this Agreement, including the terms and conditions of the Guidebooks and Tariffs which are part of this Agreement. If any such change results in more restrictive terms or conditions, we will provide you at least thirty (30) days' notice, by bill insert, as a message printed on your bill, in a separate mailing, or by any other reasonable method permitted by law.

## **11. MISCELLANEOUS**

After receipt of any notice required by Sections 4, 10, and/or 18, your purchase or use of Services or your payment for them is your agreement to the changes described therein, as of their effective date. Services are provided subject to billing and technical limitations, and not all Services are available in all areas. This Agreement does not give any third party a remedy, claim, or right of reimbursement. You understand that it may be possible for unauthorized third parties to monitor data traffic. If you desire to secure your transmissions in connection with any Services, you shall procure, at your own cost, encryption software or other transmission protection. You assume full responsibility for the establishment of appropriate security measures to control access to your equipment and information. You agree that we may call you about the Services we provide you under this Agreement and the services that other AT&T affiliates provide you under separate agreements, whether such calls are automated, handled by a live attendant, or are provided through other means.

## **12. ASSIGNMENT**

Except as otherwise may be provided under any applicable state laws or requirements, we reserve the right to assign or otherwise transfer by merger or operation of law all or

part of our rights or duties under this Agreement without notice. You may not assign this Agreement or the Services to which you subscribe without our prior written consent, which will not be unreasonably withheld.

### **13. ENTIRE AGREEMENT**

This Agreement, which incorporates by reference applicable Guidebooks and Tariffs, sets forth the entire agreement between you and AT&T and, with respect to the Services covered by this Agreement, takes the place of all previous agreements, understandings, statements, proposals, and representations between us, whether written or oral. This Agreement can be amended solely as provided in Section 10.

### **14. SURVIVABILITY**

The terms and conditions contained in this Agreement that by their sense and context are intended to survive the performance hereof by either or both parties shall so survive the completion of performance, cancellation, or termination of this Agreement. Waiver by either party of any default by the other party shall not be deemed a continuing waiver of such default or a waiver of any other default.

### **15. SEVERABILITY**

Except as provided in Section 9, if any provision, phrase or wording of this Agreement is determined to be invalid or unenforceable, such invalidity or unenforceability shall not invalidate or render unenforceable the remainder of this Agreement, but rather the entire Agreement shall be construed as if not containing the particular invalid or unenforceable provision, phrase or wording and the rights and obligations of the parties to this Agreement shall be construed and enforced accordingly.

### **16. GOVERNING LAW**

Section 9 is governed by federal law. To the extent the federal law governing section 9 refers to state law, and for all other provisions of this Agreement, the law of the state in which you reside (or, in the case of multiple residences, the state in which the residence receiving the Services is located) applies, without regard to its conflict of law principles, except to the extent that such law is preempted by applicable federal law.

### **17. STATE LAW**

You may have certain rights under state law. To the extent that applicable state laws do not permit this Agreement to supersede such rights, those state rights will govern, except where such state law is preempted by applicable federal law, such as the Federal Arbitration Act.



## **18. ADDITIONAL/DIFFERENT STATE REQUIREMENTS**

The following terms and conditions apply in the following states, in addition to the terms and conditions provided above and/or instead of any conflicting terms and conditions provided above.

**Alabama, Louisiana, and Mississippi Customers:** Section 10. CHANGES TO THIS AGREEMENT shall be amended to read as follows:

From time to time, we may change this Agreement, including the rates, terms and conditions of the Guidebooks, Price Lists, Service Descriptions, Service Guides, and Tariffs which are part of this Agreement. In such event, we will provide you with at least thirty (30) days' prior written notice, by bill insert, as a message printed on your bill, in a separate mailing, or by any other reasonable method permitted by law, of any such modification and the proposed effective date. Upon receipt of such notice, you may elect to terminate your Services by contacting us within the thirty (30) day time period. Your continued use of the Services or your continuation of the account after the thirty (30) day time period has elapsed shall constitute your assent to the modifications in rates, terms and conditions.

**California Customers:** This Agreement does not apply to customers who reside in California.

**Kentucky Customers:** Your Services may contain a Basic local exchange service and optional features that are on file with the Kentucky Public Service Commission and that are also available separately. Should you desire to purchase a Basic local exchange service and any such optional feature without additional products or services, you may purchase them individually at prices posted at *att.com/servicepublications* or filed with the Kentucky Public Service Commission.

**Ohio Customers:** Additional information regarding your rights and responsibilities under the Ohio Minimum Telephone Service Standards (Ohio Administrative Code 4901:1-5), for services provided by AT&T Ohio, as applicable to this Agreement, that are under the jurisdiction of the Public Utilities Commission of Ohio (PUCO), can be found in the "Telephone Customer Rights and Responsibilities" section of your AT&T telephone directory. These rights and responsibilities include complaint handling, ordering or changing service, service repair, payment of bills, and disconnection and reconnection of service. As required by the PUCO, if we believe the Services are being used fraudulently, abusively, illegally, or unlawfully, we will attempt to notify you through reasonable means before we suspend, restrict, or cancel the Services.

**South Carolina Customers:** This Agreement is deemed to have been received by you three (3) business days after it was deposited in the U.S. Mail, first-class delivery. Within thirty (30) days from that date, you have a right to terminate your Services by

contacting the AT&T company/companies providing Services to you under this Agreement and to pay off your account in the same manner and under the same rates, terms, and conditions as set forth in this Agreement. This Agreement relates back to the date it was sent to you (existing customers) or to the date you requested service (new customers). If you do not terminate the Agreement as described, your use of the Services or the continuation of your AT&T account for Services after the thirty (30) day period expires constitutes your assent to all the rates, terms and conditions of this Agreement. If, at the time you receive this Agreement, you are purchasing Services under a pre-existing Tariff or agreement for a specific term, the rates, terms and conditions of that Tariff or agreement will control until the end of the term, at which time the rates, terms and conditions of this Agreement will control.

**Tennessee Customers:** Your Bundled Offering contains telecommunications services that are also available separately. Should you desire to purchase only the telecommunications services included in your Bundled Offering, without additional products or services, you may purchase those telecommunications services individually at prices posted at [att.com/servicepublications](http://att.com/servicepublications) or filed with the Tennessee Regulatory Authority.

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BELLSOUTH  
TELECOMMUNICATIONS, INC.  
KENTUCKY  
ISSUED: December 14, 2007  
BY: Joan A. Coleman, President - KY  
Louisville, Kentucky

GENERAL SUBSCRIBER SERVICES TARIFF

PSC KY. TARIFF 2A  
Tenth Revised Page 13  
Cancels Ninth Revised Page 13  
EFFECTIVE: January 1, 2008

**A2. GENERAL REGULATIONS**

**A2.4 Payment Arrangements And Credit Allowances (Cont'd)**

**A2.4.3 Payment For Service**

- A. The subscriber is responsible for payment of all appropriate charges for telephone services, including completed calls and equipment. The subscriber will receive a monthly bill for telephone services provided by the Company. The bill will include the subscriber's telephone number, the due date of the bill, the amount due, the period of time covered by the bill, and itemized local and toll charges as appropriate. Similar billing information will be provided on separate sheets for the subscriber's preferred long distance carrier and other carriers as appropriate. All charges due by the subscriber are payable at the Company's Business Office or at any agency duly authorized to receive such payments. If objection in writing is not received by the Company within thirty days after the bill is rendered the account shall be deemed correct and binding upon the subscriber. Nonpayment of charges for service may result in the interruption or discontinuance of any or all of the services furnished the subscriber.
- B. Except as otherwise stated in the tariff, the subscriber shall pay monthly in advance or on demand all charges for service and equipment and shall pay on demand all charges for long distance service and billed local usage.<sup>1</sup> The subscriber is responsible for payment of all charges for services furnished the subscriber, including charges for services originated or charges accepted at the subscriber's station. Service shall not be disconnected for nonpayment of charges unless the Company has given the affected subscriber a written notice of the proposed date of disconnection at least five (5) days before the proposed date of disconnection. No service shall be terminated until at least twenty (20) days after the date of the original unpaid bill.
- C. Should service be suspended for nonpayment of charges, it will be restored only in accordance with payment of a charge for restoration in Section A4. When the period of suspension is more than one day, credit will be given from the date of suspension up to and including the date service is restored.
- D. When the service has been disconnected for nonpayment, the service agreement is considered to have been terminated. Reestablishment of service may be made only upon the execution of a new service agreement which is subject to the provisions of this Tariff.
- E. In its discretion, the Company may restore or reestablish service which has been suspended or disconnected for nonpayment of charges, or otherwise discontinued, terminated or interrupted, prior to payment of all charges due. Such restoration or reestablishment shall not be construed as a waiver of any rights to suspend or disconnect service for nonpayment of any such or other charges due and unpaid or for the violation of the provisions of this Tariff; nor shall the failure to suspend or disconnect service for nonpayment of any past due account or accounts operate as a waiver or estoppel to suspend or disconnect service for nonpayment of such account or of any other past due account.
- F. The Company will apply an administrative charge to the subscriber's account for each separate occasion upon which a check, draft or other payment instrument is not accepted by the subscriber's financial institution on which it is written.
  - 1. Returned check/bank draft

	Rate	USOC	
(a) Each	\$30.00	NA	(1)
<p>G. Customers who have deferred payment agreements for services provided by the Company will be allowed to spread the Service Charges, as specified in Section A4, plus interest over the respective period of the agreement. Interest on deferred amounts will be calculated at the Company's incremental cost of capital. That interest rate is 13 percent. This interest rate will be revised periodically by the Company upon approval of the Commission. If, in the judgment of the Company, the maximum interest rate allowed by law is insufficient to cover the costs of providing the deferred payment option, the Company will suspend the availability of said option until such time as the costs of providing said option can be recovered through the application of a lawful interest rate. Notice will be made to the Commission before suspension of the deferred payment option. Suspension of the deferred payment option will not affect customers who have executed a deferred payment agreement prior to the effective date of such suspension. The deferred charges (including calculated interest) will be prorated on a monthly basis over the selected deferral period length.</p>			

**Note 1:** Basic monthly charges are billed in advance. Toll charges for long distance services and additional charges for local usage are billed in arrears.

