
SECTION 2 REGULATIONS (cont'd)

2.6 Payment Arrangements

2.6.1 Payment for Service

The Customer is responsible for the payment of all charges for facilities and services furnished by the Company to the Customer.

A) Taxes

The Customer is responsible for the payment of federal excise taxes, state and local sales and use taxes and similar taxes imposed by governmental jurisdictions, all of which shall be separately designated on the Company's invoices. Any taxes imposed by a local jurisdiction (e.g., county and municipal) will only be recovered from those Customers residing in the affected jurisdictions.

Certain telecommunications services, as defined in the Indiana Code, are subject to state sales tax at the prevailing tax rates, if the services originate, or terminate in Indiana, or both, and are charged to a Customer's telephone number or account in Indiana.

2.6.2 Billing and Collection of Charges

The Customer is responsible for payment of all charges incurred by the Customer or other users for services and facilities furnished to the Customer by the Company.

A) Nonrecurring charges are due and payable within thirty (30) days after the date the invoice is mailed to the Customer by the Company.

B) The Company shall present invoices for recurring charges monthly to the Customer, in advance of the month in which service is provided, and recurring charges shall be due and payable within thirty (30) days after the date the invoice is mailed to the Customer by the Company. When billing is based upon Customer usage, usage charges will be billed monthly for the preceding billing period.

SECTION 2 REGULATIONS (cont'd)

2.6 Payment Arrangements (cont'd)

2.6.2 Billing and Collection of Charges (cont'd)

C) When service does not begin on the first day of the month, or end on the last day of the month, the charge for the fraction of the month in which service was furnished will be calculated on a pro rata basis. For this purpose, every month is considered to have thirty (30) days.

D) Billing of the Customer by the Company will begin on the service commencement date, which is the day on which the Company notifies the Customer that the service or facility is available for use, except that the service commencement date may be postponed by mutual agreement of the parties, or if the service or facility does not conform to standards set forth in this tariff or the Service Order. Billing accrues through and includes the day that the service, circuit, arrangement or component is discontinued.

E) If any portion of the payment is received by the Company after the date due, or if any portion of the payment is received by the Company in funds which are not immediately available upon presentment, then a late payment penalty shall be due to the Company. A late payment charge of 1.5% per month, for bills not paid within thirty (30) days of receipt, is not applicable to subsequent rebilling of any amount to which a late payment charge has already been applied. Late payment charges are to be applied without discrimination.

F) The Customer should notify the Company of any disputed items on an invoice within thirty (30) days of receipt of the invoice. Adjustments or credit for billing errors made be made to the known date of the error or for a period of one year, whichever is shorter. If the Customer and the Company are unable to resolve the dispute to their mutual satisfaction, the Customer may file a complaint with the IURC in accordance with the Commission's rules of procedure. The address of the Commission is as follows:

Indiana Utility Regulatory Commission
302 West Washington Street, Suite E306
Indianapolis, IN 46204
Phone: (317) 232-2701 Facsimile: (317) 232-6758

SECTION 2 REGULATIONS (cont'd)

2.6 Payment Arrangements (cont'd)

2.6.2 Billing and Collection of Charges (cont'd)

G) If service is disconnected by the Company (in accordance with Section 2.6.3 following) and later re-installed, re-installation of service will be subject to all applicable installation charges. If service is suspended by the Company (in accordance with Section 2.6.3 following) and later restored, restoration of service will be subject to the rates in this tariff.

2.6.3 Discontinuance of Service for Cause

A) Upon nonpayment of any amount owing to the Company, the Company may, by giving five (5) business days prior written notice to the Customer, discontinue or suspend service without incurring any liability, to the extent permitted to do so by law.

B) Upon violation of any of the other material terms or conditions for furnishing service the Company may, by giving ten (10) days prior written notice to the Customer, discontinue or suspend service without incurring any liability if such violation continues during that period.

C) Upon condemnation of any material portion of the facilities used by the Company to provide service to a Customer or if a casualty renders all or any material portion of such facilities inoperable beyond feasible repair, the Company, by notice to the Customer, may discontinue or suspend service without incurring any liability.

D) Upon the Customer's insolvency, assignment for the benefit of creditors, filing for bankruptcy or reorganization, or failing to discharge an involuntary petition within the time permitted by law, the Company may immediately discontinue or suspend service without incurring any liability.

SECTION 2 REGULATIONS (cont'd)

2.6 Payment Arrangements (cont'd)

2.6.3 Discontinuance of Service for Cause (cont'd)

E) Upon any governmental prohibition or governmental required alteration of the services to be provided or any violation of an applicable law or regulation, the Company may immediately discontinue service without incurring any liability.

F) In the event of fraudulent use of the Company's network, the Company may without notice suspend or discontinue service. The Customer will be liable for all related costs. The Customer will also be responsible for payment of any reconnection charges.

G) Upon the Company's discontinuance of service to the Customer under Section 2.6.3(A) or 2.6.3(B) of this tariff, the Company, in addition to all other remedies that may be available to the Company at law or equity or under any other provision of this tariff, may declare all future monthly and other charges which would have been payable by the Customer during the remainder of the term for which such services would have otherwise been provided to the Customer to be immediately due and payable (discounted to present value at six percent).

H) The Customer is responsible for providing adequate access lines to enable the Company to terminate all toll free (i.e., 800/888) service calls to the Customer's telephone equipment. Should the Customer have insufficient access lines on which to terminate toll free service calls, the Company reserves the right to request the Customer to add additional lines for call terminations. If, after ninety (90) days, the Customer has not made the requested change, the Company, without incurring any liability, reserves the right to terminate the Customer's toll free service, with thirty (30) days written notice.

SECTION 2 REGULATIONS (cont'd)

2.6 Payment Arrangements (cont'd)

2.6.4 Notice to Company for Cancellation of Service

Customers desiring to terminate service shall provide the Company thirty (30) days written notice of desire to terminate service.

2.6.5 Cancellation of Application for Service

A) Where the Company permits the Customer to cancel an application for service prior to the start of service or prior to any special construction, no charges will be imposed except for those specified below.

B) Where, prior to cancellation by the Customer, the Company incurs any expenses in installing the service or in preparing to install the service that it otherwise would not have incurred, a charge equal to the costs the Company incurred, less net salvage, shall apply, but in no case shall this charge exceed the sum of the charge for the minimum period of services ordered, including installation charges, and all charges others levied against the Company that would have been chargeable to the Customer had service begun.

C) Where the Company incurs any expense in connection with special construction, or where special arrangements of facilities or equipment have begun before the Company receives a cancellation notice, a charge equal to the costs incurred less net salvage, may apply. In such cases, the charge will be based on such elements as the cost of the equipment, facilities, material, the cost of installation, engineering, labor, and supervision, general and administrative expense, other disbursements, depreciation, maintenance, taxes, provision for return on investment, and any other costs associated with the special construction or arrangements.

D) The special charges described in Sections 2.6.5(A) through 2.6.5(C) above will be calculated and applied on a case-by-case basis.

SECTION 2 REGULATIONS (cont'd)

2.6 Payment Arrangements (cont'd)

2.6.6 Changes in Service Requested

If the Customer makes or requests material changes in circuit engineering, equipment specifications, service parameters, premises locations, or otherwise materially modifies any provision of the application for service, the Customer's installation fee shall be adjusted accordingly.

2.6.7 Returned Check Charges

A charge will be assessed for all checks returned by drawee bank or other financial institution for: insufficient or uncollected funds, closed account, apparent tampering, missing signature or endorsement, or any other insufficiency or discrepancy necessitating return of the instrument at the discretion of the drawee bank or other financial institution.

Bad Check Charges: \$25.00