
RULES AND REGULATIONS

INDEX

	<u>Page</u>
2.1 Undertaking of Carrier	2
2.2 Limitations	2
2.3 Use of Service	2
2.4 Liabilities of the Carrier	3
2.5 Deposits and Interest	4
2.6 Billing and Billing Disputes	5
2.7 Taxes	6
2.8 Payment for Service	6
2.9 Return Check Charge	7
2.10 Cancellation of Service by Customer	7
2.11 Denial or Cancellation of Service by the Carrier	7
2.12 Refunds or Credits for Interruption of Service	8

Effective:

TDS Long Distance Corporation
James Barr III, President and CEO
301 South Westfield Road
Madison, WI 53717

RULES AND REGULATIONS

2.1 UNDERTAKING OF CARRIER

- 2.1.1 Carrier provides long distance message telecommunications service to customers within the state of Washington under the terms and conditions of this price list.
- 2.1.2 The Carrier's services are provided on a monthly basis, and are available twenty-four (24) hours per day, seven (7) days per week.

2.2 LIMITATIONS

- 2.2.1 Service is offered subject to the availability of the necessary facilities and/or equipment and subject to the provisions of this price list.
- 2.2.2 Carrier reserves the right to discontinue or limit services when necessitated by conditions beyond its control, or when the Customer is using service in violation of provisions of this price list, or in violation of the law.
- 2.2.3 Carrier does not undertake to transmit messages, and will not be liable for errors in transmission or for failure to establish connections.

2.3 USE OF SERVICE

- 2.3.1 Service is provided for use by the Customer and may be used by others, when so authorized by the Customer, provided that all such usage shall be subject to the provisions of this Price List, and shall not affect the Customer's responsibility for all payments required under this Price List.
- 2.3.2 Service is furnished subject to the condition that it will not be used for an unlawful purpose. Service will not be furnished if any law enforcement agency, acting within its jurisdiction, advises that such service is being used or will be used in violation of the law, or if the Carrier receives other evidence that such service is or will be used for such purposes.

Effective:

TDS Long Distance Corporation
James Barr III, President and CEO
301 South Westfield Road
Madison, WI 53717

RULES AND REGULATIONS

2.4 LIABILITIES OF THE CARRIER

- 2.4.1 The Carrier's liability for damages arising out of mistakes, interruptions, omissions, delays, errors or defects in transmission which occur in the course of furnishing service(s) or facilities in no event shall exceed an amount equivalent to the proportionate charge to the Customer for the period during which the faults in transmission occur.
- 2.4.2 The Carrier shall not be liable for claim or loss, expense or damage (including indirect, special or consequential damage), for any interruption, delay, error omission, or defect in any service, facility or transmission provided under this f, if caused by any person or entity other than the Carrier, by any malfunction of any service or facility provided by an underlying carrier, by an Act of God, fire, war, civil disturbance, or act of government, or by any other cause beyond the Carrier's direct control.
- 2.4.3 The Carrier will make no refund of overpayment by a Customer unless the claim for overpayment, together with proper evidence, is submitted within one (1) year from the date of alleged overpayment unless billing records prepared by the Carrier can be produced which would justify a credit beyond one year.
- 2.4.4 The Carrier shall not be liable for any claim, loss, or refund as a result of loss or theft of Customer-specific identifying codes issued for use with the Carrier's services.
- 2.4.5 The Carrier shall not be liable for any defacement of or damages to the premises of a Customer resulting from the furnishing of service(s), which is not the direct result of the Carrier's negligence.

Effective:

TDS Long Distance Corporation
James Barr III, President and CEO
301 South Westfield Road
Madison, WI 53717

RULES AND REGULATIONS

2.5 DEPOSITS AND INTEREST

- 2.5.1 The Carrier may, in order to safeguard its interest, require an applicant or a customer to pay a deposit in accordance with WAC 480-120-056 rules.
- 2.5.2 The amount of the deposit for nonresidential customers shall not exceed two-twelfths of the estimated annual billing
- 2.5.3 The amount of the deposit for residential customers shall not exceed two months customary utilization for applicants or subscribers with previous verifiable service or two months estimated usage for applicants or subscribers without previous verifiable service. Customer utilization is calculated using charges for the previous three months service.
- 2.5.4 If the subscribers toll charges exceed thirty dollars or the toll charges exceed customary utilization over the previous six months by twenty dollars or by twenty percent, whichever is greater, may make payment by alternative means as listed in the WAC 480-120-056 rules.
- 2.5.5 The Carrier may request additional deposits, if the subscriber's actual toll bill exceeds the estimate provided by the customer at the time of application. The additional deposit will be in accordance with WAC 480-120-056 rules.
- 2.5.6 A residential subscriber or applicant who is unable to establish credit and is required to pay a deposit, but who is unable to make a deposit, shall be allowed to make alternative arrangements that are in accordance with the WAC 480-120-056 rules.
- 2.5.7 The subscriber may transfer the deposit, less any outstanding balance to a new location within the same serving area.
- 2.5.8 The fact that a deposit has been made in no way relieves the applicant or customer from complying with the Carrier's regulations as to advance payments and the prompt payment of bills on presentation.
- 2.5.9 Interest on deposits held will be in accordance with the WAC 480-120-056 rules.
- 2.5.10 At such time as the service is terminated or the Carrier has received satisfactory payment, the amount of the deposit plus accrued interest will be credited to the customer's account and any credit balance, which may remain, is refunded.

Effective:

TDS Long Distance Corporation
James Barr III, President and CEO
301 South Westfield Road
Madison, WI 53717

RULES AND REGULATIONS

2.6 BILLING AND BILLING DISPUTES

- 2.6.1 Billing to Customers will be scheduled monthly. Usage charges are billed in arrears. Recurring fixed charges are billed monthly in advance. A bill will be considered rendered to the Customer when deposited in the United States mail with postage prepaid. If the delivery is by other than United States mail, the bill will be considered rendered when delivered to the last known address of the party responsible for payment.
- 2.6.2 The Customer is responsible for payment of all charges for services furnished to the Customer or its joint or authorized users. This responsibility is not changed due to any use, misuse, or abuse of the Customer's Service or Customer provided equipment by third parties, the Customer's employees, or the public. This responsibility includes payment for calls or services that originate at the Customer's number(s), that are accepted at the Customer's number(s) (e.g., collect calls), that are billed to the Customer number(s) via Third Number Billing if the Customer is found to be responsible for such call or service, the use of a Calling Card, or the use of a Company-assigned Special Billing Number and incurred at the specific request of the Customer.
- 2.6.3 Payment is due by the date printed on the bill. Payments are sent to the address listed on the bill.
- 2.6.4 If a Customer's bill is not paid by the due date printed on the bill, the Carrier may impose a late charge on past due amounts at the maximum lawful rate under applicable state law.
- 2.6.5 In the event of a dispute concerning an invoice, the Customer must pay a sum equal to the amount of the undisputed portion of the bill.
- 2.6.6 In the event suit is brought or an attorney is retained by the Carrier to enforce the terms of this Price List, the Carrier shall be entitled to recover, in addition to any other remedy, reimbursement for reasonable attorneys' fees, court costs, costs of investigation and other related expenses incurred in connection therewith.

Effective:

TDS Long Distance Corporation
James Barr III, President and CEO
301 South Westfield Road
Madison, WI 53717

RULES AND REGULATIONS

2.7 TAXES

- 2.7.1 All stated charges in this price list are computed by the Carrier exclusive of any federal, state, or local use, excise, gross receipts, sales or privileges taxes, duties fees, or similar liabilities (other than general income or property taxes) whether charged to or against the Carrier or its Customer.
- 2.7.2 The Customer is responsible for payment of any sales, use, gross receipts, excise or other local, state and federal taxes, charges or assessments, however designated (excluding taxes on the Carrier's net income) imposed on or based upon the provision, sale or use of the Carrier's services.
- 2.7.3 All state and local sales taxes are listed as separate line items on the Customer's bill.
- 2.7.4 Other taxes, charges and regulatory assessment shall be identified in the aggregate on the Customer's bill.

2.8 PAYMENT FOR SERVICE

- 2.8.1 All charges due by the Customer are payable to any agency duly authorized to receive such payments. The billing agency may be a LEC, credit card company, or other billing service. The terms and conditions for billing, payment and collection, including without limitation, any late payment charge, specified in the LEC's local exchange service price list shall apply to charges of the Carrier when the LEC serves as the billing agent for the Carrier or buys the Carrier's accounts receivables. Terms of payment shall be according to the rules and regulations of the agency, but must comply with the Commission's rules and regulations.
- 2.8.2 Adjustments to the Customer's bills shall be made to the extent that circumstances exist which reasonably indicate that such changes are appropriate.

Effective:

TDS Long Distance Corporation
James Barr III, President and CEO
301 South Westfield Road
Madison, WI 53717

RULES AND REGULATIONS

2.9 RETURNED CHECK CHARGE

2.9.1 If a check offered by a Customer for payment of service provided is dishonored, a returned check charge may be applied in the amount not to exceed the maximum amount allowed under the state law.

2.10 CANCELLATION OF SERVICE BY CUSTOMER

2.10.1 A Customer may cancel service by providing written or verbal notice to the Carrier or its agents.

2.11 DENIAL OR CANCELLATION OF SERVICE BY THE CARRIER

2.11.1 Carrier, upon written notice to the customer and in accordance with WAC 480-120-081 and WAC 480-120-061, may discontinue service or cancel an application for service without incurring any liability for any of the following reasons:

- (A) Non-payment of any sum due to Carrier for service;
- (B) A violation of any regulation governing the service under this price list;
- (C) A violation of any law, rule, or regulation of any government authority having jurisdiction over the service; or
- (D) Carrier is prohibited from furnishing services by order of a court or other government authority having jurisdiction.

2.11.2 The notice shall contain the reason(s) for denial or termination of service.

2.11.3 The Carrier shall not be required to give the written notice provided for situations where the Carrier has evidence of fraudulent or illegal use of the Carrier's services.

2.11.4 The discontinuance of service by the Carrier pursuant to this Section does not relieve the Customer of any obligations to pay the Carrier for charges due and owing for service(s) furnished up to the time of discontinuance.

Effective:

TDS Long Distance Corporation
James Barr III, President and CEO
301 South Westfield Road
Madison, WI 53717

RULES AND REGULATIONS

2.12 REFUNDS OR CREDITS FOR INTERRUPTION OF SERVICE

2.12.1 The Customer shall be credited for an interruption of two hours or more at the rate of 1/720th of the monthly charge for the service affected for each hour or major fraction thereof that the interruption continues. Calculations of the credit shall be made in accordance with the following formula:

$$\text{Credit} = \frac{A}{720} \times B$$

"A" = outage time in hours

"B" = total monthly charge for affected facility, where applicable

Effective:

TDS Long Distance Corporation
James Barr III, President and CEO
301 South Westfield Road
Madison, WI 53717