

RULES AND REGULATIONS APPLYING TO ALL CUSTOMERS' CONTRACTS**A. General**

The regulations specified herein are in addition to the regulations contained in other sections of this Guidebook. Failure on the part of customers to observe these rules and regulations of the Company automatically gives the Company the right to cancel the contract and discontinue the furnishing of service.

The Company's obligation to furnish service or to continue to furnish service is dependent on its ability to obtain, retain and maintain suitable rights and facilities, and to provide for the installation of those facilities required incident to the furnishing and maintenance of that service.

The Company may discontinue certain Company services in geographic areas for which the Company has no customers subscribing to those services.

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The regulations covering the connection of equipment, accessories or facilities provided and maintained by the customer are contained in other sections of this Guidebook.

B. Application for Service

Applications for service, or requests from customers for additional service, and changes in the grade or class of service become contracts when received by the Company and are subject to the minimum contract term. The Company reserves the right to require application for service to be made in writing on forms supplied by it.

The terms and conditions of all contracts are subject to the rules and regulations in this Guidebook for the particular exchange for which service is to be furnished. Any general change in rates, rules or regulations shall act as a modification of the contract to that extent without further notice except that in case rates are increased, the customer may cancel his contract upon reasonable written notice and upon payment for all service, equipment and any contractual liability.

Unless otherwise specified, the minimum term for which service will be furnished is one month.

The Company reserves the right to refuse service to any applicant or former customer who is found to be indebted to the Company for prior service. The Company will not establish any new service until satisfactory arrangements have been made for the payment of all such indebtedness.

RULES AND REGULATIONS APPLYING TO ALL CUSTOMERS' CONTRACTS (cont'd)**C. Application of Business and Residence Rates****1. Business Rates Apply at the Following Locations^{/1/}:**

In offices, stores, factories and all other places of a strictly business nature.^{/2/}

In offices of hotels, halls and offices of apartment buildings, quarters occupied by clubs or lodges, public, private or parochial schools or colleges, hospitals, libraries, churches and other similar institutions, except in churches and boarding houses as specified below.

At residence locations when use of the service either by the customer, members of his household, his guests or parties calling him can be considered as more of a business than of a residence nature, which fact might be indicated by advertising either by business cards, newspapers, handbills, billboards, circulars, motion picture screens or other advertising matter such as on vehicles, etc., or when such business use is not such as commonly arises and passes over residence telephones during the intervals when, in compliance with the law or established custom, business places are ordinarily closed.

At residence locations, where the service or an extension line is located in a shop, office or other place of business.

In college fraternity houses where the members lodge within the house.

At any location where the listing of service at that location indicates a business, trade or profession, except as specified below.

^{/1/} An electronic Bulletin Board System (BBS) is a data calculating and storage device(s) utilized as a vehicle to facilitate the exchange of information through the use of AT&T Missouri services.

BBSs located at a residence location that do not solicit or require any remuneration, directly or indirectly, in exchange for access, and that use four or fewer local exchange access lines shall be permitted to subscribe to a flat rate residential offering. Residential measured or message rate service may not be used as the local exchange access service for the operation of BBSs. BBSs eligible for residential rates may not use paid-for advertising to promote or advertise their BBS. Those BBSs that do not meet these conditions will be considered businesses, and shall subscribe to the appropriate business rate service for all exchange lines used to operate the BBS.

^{/2/} Service to members of Amateur Radio Clubs including those located at business locations may be provided residential service pursuant to Federal Communications Commission Rule 47 C.F.R §§97.113(2) and (3).

RULES AND REGULATIONS APPLYING TO ALL CUSTOMERS' CONTRACTS (cont'd)

C. Application of Business and Residence Rates (cont'd)

2. Residence Rates Apply at the Following Locations^{/1/}:

In private residences where business listings are not provided.

In private apartments of hotels, rooming houses, boarding houses or other places where people obtain lodging or boarding on a continuous basis, where service is confined to the customer's use and elsewhere in rooming and boarding establishments where all of the following apply:

- Business listings are not provided,
- Place of lodging or boarding is not advertised as a business,
- Where there are less than five rooms for roomers,
- Where meals are furnished to less than ten boarders.

In the place of residence of a clergyman, physician, dentist, veterinary surgeon, other medical practitioner, Christian Science practitioner, nurse or midwife or in their office, provided the office is located in their residence and is not a part of an office building. In any of such cases, the listing may indicate the customer's profession, but only in connection with an individual name. If listings of firms or partnerships, etc., or additional listings of persons not residing in the same household are desired, business rates apply.

In a private stable or garage when strictly a part of a domestic establishment.

In churches where the service is not accessible for public patronage, as in pastors' studies.

^{/1/} Service to members of Amateur Radio Clubs including those located at business locations may be provided residential service pursuant to Federal Communications Commission Rule 47 C.F.R §§97.113(2) and (3).

RULES AND REGULATIONS APPLYING TO ALL CUSTOMERS' CONTRACTS (cont'd)**D. Advance Payments and Deposits**

The Company, may require a deposit or guarantee as a condition of new service. The deposit may be required prior to or no more than 30 calendar days after the Company actually provides service. An advance payment may be requested as stated below in 1. The Company reserves the right to make the determination as to the type of security requested of the applicant and applied as specified in this Guidebook.

1. Advance Payments

When making application for service, an applicant for service may be required to pay at the time the application is accepted, service connection charges, if applicable, and the first month's charges for exchange service, excluding charges for local messages in excess of the monthly guarantee. In all cases, the regular monthly charges for service are payable as specified in Part 4 of this Guidebook. In most cases, the provisions of this paragraph affect the initial payment and not the subsequent billing and collection practices as elsewhere provided in Part 2 this Guidebook.

The amount of the advance payment is credited to the customer's account and may be applied against any indebtedness under contract with the Company. In such cases, an additional payment may be required to satisfy the security obligation for the new application for service.

a. Residence Service

The Company may require an applicant for service to make an advance payment if:

1. Applicants With Previous Telephone Service of Twelve Months or More

The applicant is unable to establish that he had a previous account with a telephone utility for a period of at least twelve (12) months for which all undisputed charges were satisfactorily paid.

2. Applicants With No Previous Telephone Service or With Previous Telephone Service of Less Than Twelve Months

The applicant's credit record will be accessed and evaluated by means of a mechanized retrieval system between the Company and nationally recognized credit bureaus. This process is known as Application Scoring and involves the use of empirical data and a statistical credit model in determining the applicant's credit worthiness. No security payment will be required of those applicants who meet the Company's established credit criteria, as evaluated by the scoring model. The criteria used in assessing a score is as follows:

- Collection judgments
- Written-off accounts
- Outstanding collection accounts
- Various degrees of delinquency history from 30-180 days, and not paid in full or current at the time of scoring
- Bankruptcies
- Liens
- Other public records

RULES AND REGULATIONS APPLYING TO ALL CUSTOMERS' CONTRACTS (cont'd)**D. Advance Payments and Deposits (cont'd)****2. Deposits****a. Residence Service**

A deposit will be required of an applicant when the applicant has an outstanding prior debt with the Company. The amount of deposit for a new applicant will be twice the average monthly bill for subscribers within a customer class. (C)

A present customer may be required to post a deposit as a condition of continued service if undisputed charges in two (2) out of the last twelve (12) billing periods have become delinquent or the customer has had service discontinued at any time during the preceding twelve (12) billing periods.

The amount of deposit for a present customer will be twice that customer's average monthly billing for exchange and long distance charges. The average monthly billing will be based on the actual billing for the immediate months preceding the request for the deposit, not to exceed twelve (12) months.

Deposits held thirty (30) days or more, shall bear interest at a rate which is equal to one percent (1%) above the prime lending rate as published in the Wall Street Journal. This rate shall be adjusted annually on December 1 using the prime lending rate, as published in the Wall Street Journal on the last business day of September of each year, plus 1%. The interest shall be credited annually to the account of the customer or paid upon the return of the deposit, which ever occurs first.

The Company shall permit an applicant for service to pay the deposit in two equal monthly installments.

An applicant for service or a present customer may satisfy a deposit requirement by providing a Contract of Guaranty in an amount not to exceed the requested deposit from a present customer with the Company with at least two years of established service whose service has not been suspended for nonpayment within the last twelve (12) months. The guaranty contract shall be on a form provided by the Company which shall include the Company's right to transfer charges to the limit of the guaranty, from a defaulted bill of the customer, from whom a deposit or a Contract of Guaranty was required, to the guarantor's account or accounts and the further right to suspend the guarantor's service pursuant to Paragraph D.2.,a. of this Section. A guarantor shall be released upon satisfactory payment by the customer of all undisputed charges during the last twelve (12) billing periods.

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RULES AND REGULATIONS APPLYING TO ALL CUSTOMERS' CONTRACTS (cont'd)**D. Advance Payments and Deposits (cont'd)****2. Deposits (cont'd)****a. Residence Service (cont'd)**

The fact that a deposit has been made, or a guaranty provided, shall in no way relieve the customer from his responsibility to pay undisputed charges prior to their becoming delinquent nor constitute a waiver or modification of the provisions set forth in this Guidebook providing for the temporary suspension of service or the termination of the service for nonpayment of undisputed, delinquent charges.

Service may be discontinued for failure to post a required deposit or guaranty after the Company has furnished ten (10) days' written notice to the customer requiring the customer to furnish such deposit or guaranty. Service shall not be discontinued on a day when the offices of the Company are not available to facilitate reconnection of service or on a day immediately preceding such day.

Upon termination of the service, the amount of the deposit with accrued interest shall be applied in payment of any unpaid charges for exchange or long distance service and the balance, if any, shall be returned to the customer within twenty-one (21) days of the rendition of the final bill.

The amount of the deposit, with accrued interest, will be promptly returned or credited to the customer's account upon payment of all undisputed charges, provided these charges were not delinquent during the last twelve (12) billing periods.

b. Business Service

If it is deemed necessary by the Company in safeguarding its interests, applicants for service or present customers may be required to make a deposit of an amount not to exceed two (2) months' exchange service charges plus two months' estimated long distance service charges to be applied in payment of any unpaid charges for exchange or long distance service which may be rendered. Deposits held thirty (30) days or more will bear interest at a rate which is equal to one percent (1%) above the prime lending as published in the Wall Street Journal. The rate shall be adjusted annually on December 1 using the prime lending rate as published in the Wall Street Journal on the last business day of September of each year.

An applicant for service or a present customer may satisfy a deposit requirement by providing a Contract of Guaranty in an amount not less than the requested deposit from a present customer acceptable to the Company. The guaranty contract shall be on a form provided by the Company which shall include the Company's right to transfer charges to the limit of the guaranty, from a defaulted bill of the customer, from whom a deposit or a Contract of Guaranty was required to the guarantor's account or accounts and the further right to suspend the guarantor's service pursuant to Paragraph D.2., b. of this Section.

The fact that a deposit has been made or a guaranty provided shall in no way relieve the customer from complying with the Company's regulations as to the prompt payment of bills, nor constitute a waiver or modification of the regular practices of the Company providing for the temporary suspension of service or the termination of the service contract for non-payment of bills.

RULES AND REGULATIONS APPLYING TO ALL CUSTOMERS' CONTRACTS (cont'd)

D. Advance Payments and Deposits (cont'd)

2. Deposits (cont'd)
 - b. Business Service (cont'd)

Service may be discontinued for failure to furnish a suitable deposit, when conditions appear to require the Company to have such credit protection, after the Company has furnished five (5)days' written notice to the customer requiring the customer to furnish such deposit. If, in the judgment of the Company, unusual risk of financial loss exists, service may be suspended after forty-eight (48) hours' written notice has been furnished to the customer.

Any balance of the amount deposited and credited to the customer's account is returned to the customer at the termination of the contract, or it may be returned at any time previous thereto at the option of the Company when it is deemed that the customer has established satisfactory credit.

3. Record of Previous Accounts

The Company maintains a record of previous accounts by name and address in its offices.

RULES AND REGULATIONS APPLYING TO ALL CUSTOMERS' CONTRACTS (cont'd)**E. Use of Service and Facilities****1. Use of Customer Service**

Local Exchange Service is furnished only for use by the customer, his family, employees or business associates, persons residing in the customer's household or authorized users, except as the use of the customer's local exchange service may be extended to end users of Payphone Exchange Access Service, guests of a Hotel-Motel, patients of a hospital, patrons of Enhanced Services Interconnection, or as defined in *Shared Tenant Service Arrangements* found in Section 37 of the General Exchange Tariff, P.S.C. Mo. No. 35. The Company has the right to refuse to install customer service or to permit such service to remain on the premises of a public or semi public character, except for Payphone Exchange Access Service, when the service is so located that the public in general or patrons of the customer may make use of the service. At such locations, however, customer service may be installed, provided the service is so located that it is not accessible for public use.

The customer is responsible for payment of all charges incurred, regardless of whether such charges are associated with his usage or that of any of his authorized users. The Company will render billing to the customer of record, and that customer shall be responsible for all charges including any charges transferred to the customer's account from terminated accounts billed to the same customer. The Company will not prorate nor divide billing between the customer and any of his authorized users.

Local Exchange Service may be used for providing access to resold or shared customer premises key equipment. Where Local Exchange Service is used for this purpose, no payment either direct or by means of a coin-collective device, or consideration for the Local Exchange Service is to be paid any party other than the Company, except as provided in this Guidebook.

Local Exchange Service may not be utilized in the provision of interexchange telecommunications service (MTS and WATS).

Business Local Exchange Service may be used in the provision of interstate enhanced service consistent with the FCC-mandated enhanced services exemption. Such interstate enhanced services use is limited to the period for which the FCC enhanced services exemption is in force.

Except as specifically provided for in this Guidebook, Local Exchange Service may not be used to extend the local calling scope of the subscribing customer.

In the event, a customer's service is discovered to be in violation of the aforementioned provisions, the Company shall backbill to recover the undercharge. To determine the amount of undercharge, the Company shall first review its service records to determine the period of undercharge. Should the customer dispute the period determined by the Company, the customer has the burden of demonstrating a shorter period of undercharge. In cases where the Company service records do not indicate a probable period of undercharge, a period of 12 months shall be used and the burden of demonstrating a shorter period shall be upon the customer. The undercharge shall be assessed based upon Switched Access Service charges.

The Company, upon failure of the customer to pay the amount backbilled, shall suspend service to the customer until such time as the backbilled amount plus late payment penalty, if any, are paid in full.

RULES AND REGULATIONS APPLYING TO ALL CUSTOMERS' CONTRACTS (cont'd)**E. Use of Service and Facilities (cont'd)****2. Paralleling Service**

When flat, measured or message rates are quoted in an exchange for business main station or commercial Private Branch Exchange Service, an applicant may, at his option, select service under one method of rate treatment, but the entire service furnished at the same premises including additional and auxiliary service must be uniformly on the same rate basis and not on a combination of the two.

The foregoing does not apply to:

- a. The premises of a provider of Enhanced Service where the measured service is being used to provide one service to its patrons (Voice Messaging) and flat rate for another (Telephone Answering Service);
- b. Payphone Exchange Access Service;
- c. Residence customers subscribing to flat rate residence offerings for purposes of operating Bulletin Board Systems and message or measured rate service is the customer's primary service.

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3. Transmitting Messages

The Company does not transmit messages but offers the use of its facilities for communications between its customers.

4. Use of Lines of Other Companies

When suitable arrangements can be made, lines of other telephone companies may be used in establishing connections to points not reached by the Company's lines. In establishing connections with the lines of other companies, the Company is not responsible or liable for any action of the Connecting Company.

5. Unauthorized Attachments or Connections

No equipment, accessory, apparatus, circuit or device shall be attached to or connected with the facilities furnished by the Company, whether mechanically, electrically, inductively, acoustically or otherwise, except as provided in this Part, and as authorized by the Federal Communications Commission. In case any such unauthorized attachment or connection is made, the Company shall have the right to remove or disconnect the same or to suspend the service during the continuance of said attachment or connection or to terminate the service.

RULES AND REGULATIONS APPLYING TO ALL CUSTOMERS' CONTRACTS (cont'd)**E. Use of Service and Facilities (cont'd)**

6. Except as otherwise provided in this Part, nothing herein shall be construed to permit the use of a device to interconnect any line or channel of the Company with any other communication line or channel of the Company or of any other person.
7. Temporary Dual Service

Any application of Dual Local Exchange Service is limited to instances involving the relocation of nonparty line service within a serving office area (and within the same switching entity) where the telephone number assignment and grade of service remain unchanged. It is intended, where the capability exists, to facilitate an occasional customer short-term need for continuing service at the old location beyond its re-establishment date at the new location.

Temporary Dual Service is a simple, nondesigned, "bridged" arrangement that can result in certain functional, operational and/or transmission reductions. Provided these limitations are understood by the customer and found acceptable by both customer and Company, dual service provisioning will not extend beyond a 30 consecutive calendar day period.

Under such arrangements, full rates and charges for each service location is applicable.

Service needs beyond the scope of Temporary Dual Service must be provided under standard guidebook provisions.

RULES AND REGULATIONS APPLYING TO ALL CUSTOMERS' CONTRACTS (cont'd)**F. Payment for Service****1. Payment for Service****a. Residence Service**

The customer is responsible for payment of all charges for services furnished the customer, authorized users, and any other charges for which the customer has agreed to be responsible, including but not limited to charges for services originated or charges accepted at the customer's telephone for exchange service; intrastate or interstate long distance service charges billed by the Company; any FCC-approved end user charge; any charges transferred to the customer's account from terminated accounts billed to the same customer; and any charges pursuant to Paragraph D., preceding, where the customer has executed a Contract of Guaranty. A customer shall have at least 21 days from the rendition of a bill to pay the charges stated.

Effective December 1, 2020, residential customers will have a Late Payment Charge of \$9.75 (C) applied to accounts which have charges greater than \$5.00 carried over to the next monthly bill. When the balance carried over is in dispute, the Late Payment Charge may be applied and adjusted later, if appropriate, based on the resolution of the claim.

If the customer notifies the Company before the next bill is generated, the Company will exempt the disputed portion of the bill from the Late Payment Charge until the claim is resolved. If the claim is resolved in favor of the Company, the Late Payment Charge will be applied if appropriate.

Residential customers may have a Convenience Fee apply in each instance when the subscriber requests a Company Representative's assistance in processing a payment. The subscriber will be informed by the Company Representative of the charge prior to processing the subscriber's payment. The charge will not apply to payments made via the automated payment option of the Company's interactive voice response (IVR) systems, payments made online via the Company's website, or payments made by mail.^{/1/}

Convenience Fee (per payment request)	\$5.00
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^{/1/} The fee will not apply when automated payment systems are unavailable due to system problems.

RULES AND REGULATIONS APPLYING TO ALL CUSTOMERS' CONTRACTS (cont'd)

F. Payment for Service (cont'd)

1. Payment for Service (cont'd)

a. Residence Service (cont'd)

Upon nonpayment of any undisputed, delinquent charge due the Company, the Company may, after a written notice has been furnished to the customer, without incurring any liability, forthwith discontinue the furnishing of said service. This written notice shall be sent or delivered to the customer at least ten (10) days prior to the date of the proposed discontinuance. (C)

At least 24 hours preceding a discontinuance, the Company shall make reasonable efforts to contact the customer to advise him of the proposed discontinuance and what steps must be taken to avoid it.

The Company shall postpone a discontinuance for a time not in excess of 21 days if the telephone is necessary to obtain emergency medical assistance for a person who is a member of the household where the service is provided and where such a person is under the care of a physician. Any person who alleges such emergency shall, if requested, provide the Company with reasonable evidence of such necessity. Any applicant or one for whom an application is made, owing the Company for service furnished under a former contract, shall pay or make satisfactory arrangements for paying any bill outstanding and unpaid for such service before any additional service will be furnished.

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RULES AND REGULATIONS APPLYING TO ALL CUSTOMERS' CONTRACTS (cont'd)**F. Payment for Service (cont'd)**

1. Payment for Service (cont'd)
 - b. Business Service

The customer is responsible for payment of all charges for services furnished the customer, authorized users, and any other charges for which the customer has agreed to be responsible, including but not limited to charges for services originated or charges accepted at the customer's telephone for exchange service; intrastate or interstate long distance service charges billed by the Company; any FCC-approved end user charge; any charges transferred to the customer's account from terminated accounts billed to the same customer; and any charges pursuant to Paragraph D, preceding, where the customer has executed a Contract of Guaranty. A customer shall have at least 10 days from the rendition of a bill to pay the charges.

Effective November 1, 2011 business customers will have a Late Payment Charge equal to the greater of \$15.00 or 2.5% of the unpaid balance applied to accounts which have charges greater than \$5.00 carried over to the next monthly bill.

Where possible, the Company will exempt the disputed portion of the bill from the Late Payment Charge until the claim is resolved. If the claim is resolved in favor of the Company, the Late Payment Charge will be applied if appropriate.

The State of Missouri and its State agencies are exempted from the late payment charge unless or until §34.055 RSMo (1994) is revised to authorize telecommunications utilities to impose late penalties if the State does not pay for goods or services within 30 days.

Upon non-payment of any sum due the Company, the Company may, after a written notice has been furnished to the customer, without incurring any liability, forthwith discontinue the furnishing of service. This written notice shall be sent or delivered to the customer at least five days prior to the date of the discontinuance. If, in the judgment of the Company, unusual risk of financial loss exists, service may be suspended after 48 hours' written notice has been furnished to the customer.

Business customers may have a Convenience Fee apply in each instance when the subscriber requests a Company Representative's assistance in processing a payment. The subscriber will be informed by the Company Representative of the charge prior to processing the subscriber's payment. The charge will not apply to payments made via the automated payment option of the Company's interactive voice response (IVR) systems, payments made online via the Company's website, or payments made by mail.^{1/1}

Convenience Fee (per payment request)	\$5.00
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Any applicant or one for whom an application is made, owing the Company for service furnished under a former contract, shall pay or make satisfactory arrangements for paying any bill outstanding and unpaid for such service before any additional service will be furnished.

^{1/1} The fee will not apply when automated payment systems are unavailable due to system problems.

RULES AND REGULATIONS APPLYING TO ALL CUSTOMERS' CONTRACTS (cont'd)**F. Payment for Service (cont'd)**

1. Payment for Service (cont'd)
 - c. Resold Residence or Business Service

Customers of a Local Service Provider (LSP) will be transferred to the Company's local service if the LSP resells the Company's services and is delinquent by failing to render payment to the Company within 75 days of the bill date or as defined in the LSP Resale Agreement. Within 5 days of the transfer the Company shall inform in writing all affected customers that because of their LSP's failure to pay, their service is now being provided by the Company. The customer shall also be informed that they have 30 days to select a new LSP.

The Company may discontinue service to the LSP upon failure to pay undisputed charges as provided for in their Resale Agreement, and shall have no liability to the LSP or the LSP customers in the event of such disconnection.

If any customer fails to select a LSP within 30 days of the change of providers, the Company shall terminate the customer's service. The Company shall notify the Commission and the customer's IXC of record of the names of all customers whose service has been terminated. The customer shall be responsible for any and all charges incurred during the selection period.

2. Rates for Fractional Periods

If the period of use exceeds one month, the charges for the fractional part of a month following and consecutive with a full month will be a proportionate part of the monthly charges based on the actual number of days the facilities are furnished. For the purpose of administering this regulation with respect to the determination of charges for a fractional part of a month, every month is considered to have 30 days.

When rates are on a "per-day" basis, the minimum charge for each day or fraction thereof will be the charge for one day.

The customer is required to pay his pro-rata share of special license and other taxes as specified under paragraph K, '*Special Taxes, Fees and Charges*'.

RULES AND REGULATIONS APPLYING TO ALL CUSTOMERS' CONTRACTS (cont'd)**F. Payment for Service (cont'd)**

3. Some items of equipment, as determined by the Company, may be shipped to the customer at the customer's request via the United States Postal Service or other common carrier. If the customer elects this option, all shipping and handling charges imposed by the carrier will apply in addition to the rates and charges specified for the equipment.

All customers will receive one copy of their monthly telephone bill in a paper format unless the customer chooses another method offered by the Company. For an additional charge, the customer may choose to receive up to 99 paper copies of their monthly bill either as a one-time occurrence or on a recurring monthly basis.

A customer may request a duplicate paper copy or copies of their bill. A charge of \$3.00 will apply for each complete bill copy not in excess of 15 pages; an additional charge of \$.05 per page per bill will apply in excess of 15 pages. When Business Local Calling Assurance is included in a bundle or package, the duplicate paper bill charge will be \$7.95.

These charges will apply to each copy of the bill, including both one-time and recurring monthly requests. If the customer's bill is lost, for reasons other than negligence by the customer, and the customer notifies the Company within 60 days of the billing date, one copy of the bill will be provided no charge.

4. Annuity Factors

Unless specified elsewhere in the Guidebook, the following table of annuity factors should be used to calculate the appropriate monthly payment for those services offering an optional payment plan:

Annuity Factors Based on Discount Rate of 9.50%

<u>Installment Term</u>	<u>Factor</u>	<u>Installment Term</u>	<u>Factor</u>
12 Months	.0875	72 Months	.0181
24 Months	.0457	84 Months	.0161
36 Months	.0319	96 Months	.0147
48 Months	.0249	108 Months	.0136
60 Months	.0208	120 Months	.0127

RULES AND REGULATIONS APPLYING TO ALL CUSTOMERS' CONTRACTS (cont'd)

G. Obligations of Customers and Rights of the Company

1. Obligations of Customers
 - a. Alterations -- The customer agrees to notify the Company promptly, in writing, whenever alterations or new construction on premises owned or leased by him will necessitate changes in the Company's network wiring or equipment, and the customer agrees to pay the Company's current charges for such changes.
 - b. Maintenance and Repairs -- All ordinary expense of maintenance and repair associated with network facilities and equipment, unless otherwise specified in this Guidebook, is borne by the Company. The customer agrees to take good care of the network equipment and facilities provided. In case of damage to or destruction of any of the Company's network equipment or facilities not due to ordinary wear and tear, the customer is held responsible for the cost of replacing the Company's network equipment destroyed or for the cost of restoring the Company's network equipment to its original condition, except where such damage is not occasioned by the negligence of the customer.
 - c. Rearrangements and Installation of Equipment and Facilities -- Customers may not install, rearrange, disconnect or remove or permit others to install, rearrange, disconnect or remove any network wiring or equipment associated with the Company facilities, except upon the written consent of the Company or as provided for by this Guidebook.
 - d. Use of Commercial Power for Operation of Equipment or Facilities -- Unless specifically provided otherwise in this Guidebook, when commercial power is used for the operation of Company equipment or facilities, the customer will provide the necessary power wiring, power outlets and commercial power. The customer assumes all responsibility for the safe condition of the power wiring, power outlets and commercial power.
 - e. Electrical Grounding/Bonding -- The customer is responsible for grounding and/or bonding the premises, any structure in which service is to be provided or used, as well as any equipment and associated wiring. The Company shall in no way be liable for any harm or any damages arising in connection with any failure to properly ground or bond the service, the premises, any structure in which the service is to be provided or used, any equipment or any associated wiring.

RULES AND REGULATIONS APPLYING TO ALL CUSTOMERS' CONTRACTS (cont'd)**G. Obligations of Customers and Rights of the Company (cont'd)**

2. Rights of the Company
 - a. Work Performed on an Overtime Basis -- The charges specified in this Guidebook do not contemplate work being performed by the Company employees involved at a time when overtime wages apply, due to the request of the customer. If the customer requests that overtime labor be performed, an additional charge based on the additional costs involved applies.
 - b. Work Interruption -- The charges specified in this Guidebook do not contemplate work once begun being interrupted by the customer. If the customer interrupts work once begun, an additional charge based on the additional costs involved applies.
 - c. Ownership -- Equipment and lines on customers' premises furnished by the Company shall be and remain the property of the Company, whose agents and employees have the right to enter said premises at any reasonable hour for the purpose of installing, inspecting, maintaining or repairing the equipment and lines for the purpose of making collections from coin boxes and, upon termination of the service, for the purpose of removing such equipment and lines.
 - d. Customers' Use of Equipment for Display Purposes -- The Company reserves all rights with respect to use of items furnished or owned by it for display of advertising, and the customer shall not so display advertising or permit such display except upon the approval of the Company.
 - e. Impairment of Telephone Service -- When the general telephone service to the public is impaired by a customer's use of telephone service or service directly incident thereto, the Company shall have the right to require the customer to contract with the Company for such additional equipment or facilities and/or to require the customer to attend properly the equipment or facilities, as may be necessary in the judgment of the Company, to remove the cause of said impairment, or if the requirement is refused or will not remedy the situation, to discontinue service completely.
 - f. Abandonment of Telephone Service -- The Company may discontinue service which has been abandoned.
 - g. Abuse of Telephone Service -- The Company may discontinue service which is used:
 - In such a way that interferes with the service of other telephone users;
 - For any purpose other than a means of communication;
 - To communicate profane or obscene language;
 - For a call or calls, anonymous or otherwise, if made in a manner which reasonably could be expected to frighten, abuse, torment or harass another;
 - In any fraudulent or unlawful manner;
 - To disseminate without authorization confidential, proprietary information of the Company or information that would enable other persons to gain unauthorized access to the Company's network or facilities; or
 - In a manner which violates any of the lawful regulations of the Company.

RULES AND REGULATIONS APPLYING TO ALL CUSTOMERS' CONTRACTS (cont'd)

G. Obligations of Customers and Rights of the Company (cont'd)

2. Rights of the Company (cont'd)

(D)

(D)

- h. Telephone Numbers -- The Company reserves the right to change the telephone number or numbers assigned to a customer or the central office designation associated with such telephone number or numbers, or both, as reasonably appropriate in the conduct of its business. The customer has no property right in any number or central office designation assigned by the Company in the furnishing of telephone service. (C)
- i. Unauthorized Attachments or Connections -- Where the customer uses unauthorized equipment, accessories, apparatus, circuit or device, he will be held responsible for the cost of correcting any impairment of service caused by the use of such attachment or connection and will be billed the amount specified in Part 3 of the Guidebook for each service call made to his premises or the premises of any other customer by reason of the use of such attachment or connection with facilities of the Company. (C)
- j. Protective Equipment (C)
 - 1. When a hazardous electrical environment is present at a customer's premises, protective equipment is required sufficient to protect all facilities affected when the estimated rise in ground potential is sufficient to cause damage to Company facilities or to endanger the safety of its employees or customers or impair other customer's service. The customer may elect to provide his own protective equipment, subject to Company specifications, or such protective equipment can be provided by the Company and special charges will apply.
 - 2. Neutralizing transformers, isolating transformers, drainage coils and other special protective equipment for use in providing service to customer's premises where there are high ground potentials, even though not required by the preceding paragraph, may be provided by the customer, subject to Company specifications, or such protective equipment can be provided by the Company and special charges will apply.

RULES AND REGULATIONS APPLYING TO ALL CUSTOMERS' CONTRACTS (cont'd)**H. Liability of the Company****1. Defacement of Premises**

No liability shall attach to the Company by reason of any defacement or damage to the customer's premises resulting from the existence of the Company's equipment, facilities and associated wiring on such premises, or by the installation or removal thereof, when such defacement or damage is not the result of the negligence of the Company or its employees.

2. Reserved

(C)

(D)

(D)

3. Interruptions of Service

The customer assumes all risk for damages arising out of mistakes, omissions, interruptions, delays, errors or defects in transmission, failures or defects in equipment and facilities furnished by the Company occurring in the course of furnishing service, in the telephone service or other communication services furnished him by the Company, or of the Company failing to maintain proper standards of maintenance and operation and to exercise reasonable supervision, except as follows: If service is interrupted other than by negligence or willful act of the customer, an allowance at the rate for that portion of the customer's service affected by the interruption shall be made for the time such interruption continues after the fact is reported by the customer or after detected by the Company and the interruption is for more than 24 hours. No other liability shall in any case attach to the Company in consideration of such interruptions. The Company will not be responsible for any loss or damage nor for any impairment or failure of the service arising from or in connection with the use of customer-owned facilities or equipment and not caused solely by the negligence of the Company.

4. Indemnification

The customer indemnifies and saves harmless the Company against claims, losses or suits for injury to or death of any person, or damage to any property which arises from the use, placement or presence of the Company's equipment, facilities and associated wiring on the customer's premises and, further, the customer indemnifies and saves harmless the Company against claims for libel, slander or the infringement of copyright arising directly or indirectly from the material transmitted over the facilities of the Company or the use thereof by the customer; against claims for infringement of patents arising from combining with, or using in connection with, facilities furnished by the Company and apparatus, equipment and systems provided by the customer; and against all other claims arising out of any act or omission of the customer in connection with the services or facilities provided by the Company.

RULES AND REGULATIONS APPLYING TO ALL CUSTOMERS' CONTRACTS (cont'd)

H. Liability of the Company (cont'd)

5. The services furnished by the Company, in addition to the limitations set forth preceding, also are subject to the following limitation: the Company shall not be liable for damage arising out of mistakes, omissions, interruptions, delays, errors or defects in transmission or other injury including, but not limited to, injuries to persons or property from voltages or currents transmitted over the service of the Company, (1) caused by customer-provided equipment (except where a contributing cause is the malfunctioning of a Company-provided connecting arrangement, in which event the liability of the Company shall not exceed an amount equal to a proportional amount of the Company billing for the period of service during which such mistake, omission, interruption, delay, error, defect in transmission or injury occurs), or (2) not prevented by customer-provided equipment.

RULES AND REGULATIONS APPLYING TO ALL CUSTOMERS' CONTRACTS (cont'd)**I. Transfer of Contracts**

1. A customer may transfer his contract(s) having a term length of greater than one month, to another party at the same location when there is no reason to question the responsibility of the other party and when the new party willingly assumes all the obligations of the former customer and pays any additional charges that are applicable. A Transfer of Service Agreement signed by the new customer may be required and bills are rendered the new party without any adjustments. Such contract is terminable under the same conditions as was the original contract.
2. The telephone number of a telephone service affected by a transferred contract covering a change of party may be changed unless it is clearly shown that the new party is, in fact, the successor of and is entitled to receive and will properly care for the incoming messages for the listed number. In order to retain the listed telephone number, the new customer must assume any outstanding indebtedness under the transferred contract.

J. Termination of Contracts

1. Cancellation of Application for Services
 - a. Where the applicant cancels an application for service prior to the start of installation or special construction of facilities, no charge applies.
 - b. Where installation of facilities, other than those provided by special construction, has been started prior to the cancellation, the charge specified below, whichever is lower, applies.
 - A charge equal to the estimated costs incurred in such installation, less estimated net salvage.
 - The charge for the minimum period of the service ordered by the customer as provided in this Guidebook plus the full amount of any termination charges applicable.
 - c. Where special construction of facilities has been started prior to the cancellation and there is another requirement for the specially constructed facilities in place, no charge applies.
 - d. Where special construction of facilities has been started prior to the cancellation and there is no other requirement for the specially constructed facilities, a charge equal to the costs incurred in the special construction, less net salvage, applies except that where one or more, but not all, of the services involved in the special construction are canceled, a charge equal to the cost, less net salvage, incurred for the discontinued services applies instead. Net salvage is determined based on the value of reusable material, less cost of removal. In determining the charge, each canceled service is treated as discontinued as of the date on which it was to have been placed in service.
 - e. Installation or special construction of facilities for a customer is considered to have started when the Company incurs any expense in connection therewith or in preparation therefore which would not otherwise have been incurred, provided the customer had advised the Company to proceed with the installation or special construction.

RULES AND REGULATIONS APPLYING TO ALL CUSTOMERS' CONTRACTS (cont'd)**J. Termination of Contracts (cont'd)****2. Termination of Contracts During Minimum Terms**

- a. Service and Equipment Contracts may be terminated before expiration of the minimum term, under the following conditions:^{/1/}
 1. On payment of all charges for service rendered-In case of abandonment of the premises because of condemnation or, if in the opinion of the Company, the premises has been substantially destroyed from causes beyond the control of the customer, the customer has up to two months from date of destruction to decide to:
 - Terminate contract. The customer will not be required to pay the charges applicable for the unexpired portion of the termination agreement.
 - Continue same service subject to the availability of equipment. The same service is installed without Complex Installation/Move Charges or Service Charges. Upon completion of installation of the same type of service, the period of time the customer was out-of-service is added to the expiration date of the existing contract term.
 - Change service. If the service is changed, the customer's existing contract is terminated and the customer will not be required to pay the charges applicable for the unexpired portion of the termination agreement and a new contract is issued. The Service Charges will be based on the difference between the Service Charges applicable to re-establish the existing service and the Service Charges to establish the new service. If the Service Charges to establish the new service are less than the Service Charges to re-establish the existing service, no charges are applicable. The customer is required to pay all other nonrecurring charges for the new equipment.
 2. On payment of all charges for services for the minimum contractual period.
- b. Listings - Contracts may be terminated before expiration of the minimum term, under the following conditions:^{/1/}
 1. On payment of all charges for service rendered
 - In case the contract for main service is terminated, or
 - In case the listed party becomes a customer to some other class of exchange service similar in classification, i.e., business or residence, to that under which the listed party is listed, or
 - In case the listed party moves to a new location or quits business, or
 - In case of death of the listed party.
 2. On payment of all charges for service for the minimum contractual period.

^{/1/} Except as provided in the "Rules and Regulations Applying to All Customers" section of the Guidebook, the contract billing period for listings, including extra and joint-user listings, is one month. (C) (C)

RULES AND REGULATIONS APPLYING TO ALL CUSTOMERS' CONTRACTS (cont'd)**J. Termination of Contracts (cont'd)****3. Termination of Contracts After Expiration of Minimum Term**

Contracts, unless otherwise specified, may be terminated by either the customer or the Company, after the expiration of the minimum term, upon reasonable written notice from either party to the other.

4. Contractual Agreements

The basic termination charge and the minimum contract period referred to in this Guidebook are to be applied to the same customer at the same location. An assumption of an existing contract by a new customer as provided for in this Part is to be considered as a continuation of the same contract.

5. General Provisions

- a. A failure to make payments in accordance with the rules and regulations prescribed by the Company is regarded by the Company as a voluntary termination of the contract by the customer.
- b. After termination and upon nonpayment of any undisputed, delinquent charges due the Company, the Company may transfer such charges to any in-service account billed to the same customer.
- c. The 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 law or if the Company receives other evidence convincing to it that such service is being or will be so used.
- d. Abandonment of equipment or service by a customer is regarded by the Company as a voluntary termination of the contract.
- e. If it is deemed necessary by the Company, in compliance with paragraphs D.2, a. and/or b., customers may be required to provide security satisfactory to the Company in the amount sufficient to guarantee payment of the termination charge. If a cash deposit is made, simple interest at the rate of 9 percent per annum will be paid on deposits held 30 days or more.

RULES AND REGULATIONS APPLYING TO ALL CUSTOMERS' CONTRACTS (cont'd)**K. Special Taxes, Fees and Charges**

There shall be added to the customer's bill or charge, as a part of the rate for service, a surcharge equal to the pro rata share of any franchise, occupation, business, license, excise, privilege or other similar tax, fee or charge (hereafter called "tax") now or hereafter imposed upon the Company by any taxing body or authority, whether by statute, ordinance, law or otherwise and whether presently due or to hereafter become due.

On and after the effective date thereof, any subsequent increase, decrease, imposition or determination of liability for such taxes, fees or charges as described above shall be applied, in the manner provided below, to the customer's bill or charge on each individual billing date.

When such tax or taxes are imposed in terms of a flat sum payment of money, the surcharge applicable to each customer's bill or charge, as the pro rata share of such taxes described above, shall be determined by relating the flat sum payment to the total local exchange revenues within the jurisdiction of the taxing body; the fraction so described shall be converted to a percentage; the local exchange rate shall be increased by that percentage and applied to the customer's bill or charge, so that the amount added, when accumulated from all customers residing in the geographic jurisdiction of the body, will equal the amount of the flat sum payment.

When such tax or taxes are imposed in terms of a percentage of revenues or gross receipts, the surcharge applicable to each customer's bill or charge as the pro rata share of such taxes described above shall be determined by dividing the tax expressed as a percentage by 100 percent minus the tax expressed as a percentage and multiplying the decimal thus obtained by the customer's charges to which such tax applies.

$$\left(\frac{\text{Tax\%}}{100\% - \text{Tax\%}} \times \text{Taxable Charges} \right)$$

The charge constituting the amount of the surcharge provided for herein shall be stated separately on each customer's bill.

Where more than one tax, fee or charge is imposed by a taxing body or authority, the total of such surcharge applicable to a customer may be billed to the customer as a single amount.

L. Missouri Universal Service Fund

The Company will place on each customer's bill, a surcharge equal to the Missouri Universal Service Fund percentage assessment as ordered by the Commission in Case TO-98-329. The surcharge will appear as a separate line item and will be calculated by applying the percentage ordered by the Commission to the total of each customer's charges for intrastate regulated telecommunications services that meet the definition of net jurisdictional revenues at 20 CSR 4240-31.010(10). (C)

RULES AND REGULATIONS APPLYING TO ALL CUSTOMERS' CONTRACTS (cont'd)**M. Disaster Plan**

When a business or residence customer's premises is destroyed or partially destroyed by means beyond the control of the customer, e.g., natural disaster or fire, the following emergency plan will go into effect, except as provided pursuant to the Major Disaster Relief Plan in paragraph O:

The service connection charge to re-establish the local exchange access line after the disaster will be waived as specified in Part 3, Section 1.

The Service Connection Charge and, for the first thirty days, the monthly recurring charge for residence customers will be waived for the following services:

- Call Forwarding
- Call Forwarding-Busy Line
- Call Forwarding-Don't Answer
- Call Forwarding-Busy Line/Don't Answer
- Remote Access to Call Forwarding
- Customer Alerting Enablement
- Preferred Number Service

The Service Connection Charge and, for the first thirty days, the monthly recurring charge for business customers will be waived for the following services:

- Call Forwarding
- Call Forwarding-Busy Line
- Call Forwarding-Don't Answer
- Call Forwarding-Busy Line/Don't Answer
- Remote Access to Call Forwarding
- Customer Alerting Enablement
- TeleBranch®

The Customer will be billed the monthly recurring rate for these services at the end of the discounted period unless the customer specifically requests to discontinue the services.

RULES AND REGULATIONS APPLYING TO ALL CUSTOMERS' CONTRACTS (cont'd)**N. Major Disaster Relief Plan**

To assist in cases of state and/or federally recognized disasters, The Company may provide special offerings of its products and services to residence and business customers. Such disasters include, but are not limited to, acts of God, natural disasters, terrorism, military action or war.

The disaster aid offering(s) will be at the discretion of the Company and the Missouri PUC will be notified of the terms and conditions of the offering(s).

The offering(s) will be limited in duration.

O. Customer Specific Pricing Plan Services

Customer Specific Pricing Plan Services are available for the provision of:

1. Dedicated, non-switched, private line and special access services;
2. Central office-based switching systems which substitute for customer premise, private branch exchange (PBX) services; and
3. Any business service offered in an exchange in which basic local telecommunications service offered by the incumbent local exchange telecommunications company has been declared competitive under Section 392.245 RSMo., and any retail business service offered to an end-user in a noncompetitive exchange.

Unless otherwise provided in the customer contract, the rules and regulations applying to all customers' contracts found in the Guidebook apply to all Customer Specific Pricing Plan Services.

P. Telecommunications Service Priority System

The priority provisioning and restoration of services offered under this Guidebook relative to the National Security Emergency Preparedness (NSEP) Telecommunications Service Priority (TSP) System shall be pursuant to the regulations and rates as delineated in Part 8, Section 5.

For application in this guidebook, such regulations, rates and charges shall be interpreted to apply on a "per request, per line/trunk" basis.

RULES AND REGULATIONS APPLYING TO ALL CUSTOMERS' CONTRACTS (cont'd)**Q. Cost Assessment Charge (CAC)**

A Cost Assessment Charge is assessed on a per line or trunk basis or as shown below for residence and business customers. The CAC is also assessed on a percentage basis against all billed revenue for business customers subscribing to the transport services listed below. The CAC is established to recover property taxes (from business customers) as well as the ongoing costs associated with the administration of Local Number Portability (from line- and trunk-based services from residence and business customers). This charge is not a tax or fee that the government requires AT&T to collect from customers. The CAC does not apply to 911 Services, Coin Services, or any of the following account types: Federal, State and Local Government accounts; Resale accounts; or accounts designated by the Company as Wholesale.

	<u>USOC</u>	<u>Monthly Rate</u>	
- Per residence network access line	C8RCC	\$0.18	(R)
- Per business network access line	C8RCD	\$5.73	
- Per residence DigiLine ISDN BRI	C8RCC	\$0.18	(R)
- Per business DigiLine ISDN BRI	C8RCD	\$5.73	
- Per Plexar/Centrex Station	C8RCD	\$5.73	
- Per SmartTrunk PRI	C8RCE	\$28.65	
- Per PBX Trunk, and Digital Loop Service	C8RCG	\$51.57	
- SuperTrunks	C8RCF	\$137.52	
- Transport services	-	7.00%	
- OPT-E-MAN® Service			
- Customized Switched Metro Ethernet (CSME) Service			

DISCOUNTS**A. General**

Upon proper Company approval, the Company will grant discounts from standard rates for service furnished under either one of the two following classifications:

Official Service

- Official Service is service furnished for the conduct of the Company's business and is generally furnished through telephones located in the Company's offices or in residences of employees or agents whose duties require that they be readily accessible to call at any time.
- A discount from standard rates may be allowed in connection with service furnished for the conduct of the Company's business.

Discounted Service

A discount from standard rates may be allowed in connection with service furnished through residence service telephones at the residences of employees and retired employees receiving a service or disability pension.

B. Missouri School Discount Program

1. A discount from standard monthly rates may be allowed in connection with service furnished through the Missouri School Discount Program, pursuant to the Video Instructional Development and Educational Opportunity Program, as enacted by the Missouri State Legislature.
2. Upon the customer's request, a discount of 20 percent from standard monthly access line rates may be allowed to educational institutions within the Company's certified area, as determined in following paragraph c.
3. An educational institution shall be defined as an accredited public or private school in the state of Missouri. Private schools must be accredited by either the Missouri Chapter of the National Federation of non-Public Schools Accrediting Association, Independent Schools Association of The Central States, North Central Association of Colleges and Schools, Accrediting Association of Bible Colleges, Distance Education and Training Council, and/or the University of Missouri - Columbia. Public schools must be accredited by the Department of Elementary and Secondary Education for the State of Missouri and/or the North Central Association of Colleges and Schools.
4. The qualifying discount will be permitted only on the local exchange access line. All other features, ancillary services or options, relative to the particular service, shall continue to be billed at the appropriate rates.
5. The qualifying discount will be permitted only where the predominant use is providing educational and instructional programs and for the educational institution's administrative use. The discount is not allowed to residential complexes associated with the institution.
6. In addition to meeting the qualification specified in paragraph c., preceding, an eligible customer must sign an affidavit certifying that the qualification is met. The affidavit will be retained on file with the Company.
7. The customer should request to receive the discount on all subsequent additions of eligible services which are ordered. There will be no additional affidavits required.

DISCOUNTS (cont'd)**B. Missouri School Discount Program (cont'd)**

8. The following local exchange business services are eligible for a discount under this program:
 - Flat Rate Single-line business^{/1/}
 - Flat Rate Multiline business^{/1/}
 - Flat Rate Analog trunks^{/1/}
 - Information Terminal Service^{/1/}
 - Digital Transmission Loop Arrangement for Digital Loop Service (Month-to-Month Rate)^{/1/}

C. Discounts for Schools and Libraries Receiving Federal Universal Service Fund Support

For the purpose of permitting eligible schools and libraries to participate to the fullest extent possible in the Federal Universal Service Fund, the Company offers eligible schools and libraries discounted rates on certain intrastate services as provided in the discount matrix adopted by the Commission in Case No. TO-97-552. The Federal Universal Service Fund shall provide the funding for any such discount, and any discount shall only be available to an eligible school or library to the extent such institution receives funding from the Federal Universal Service Fund. Discounts are subject to the terms and conditions set forth in 47 CFR 54.500-54.517. Discounts on intrastate telecommunications services for eligible schools and libraries shall mirror the interstate discount as stated in the FCC Report and Order in CC Docket No. 96-45, as adopted by the Missouri Public Service Commission in Case No. TO-97-552.

/1/ See Part 4, Section 2, A.1. for eligibility.