

TERMS OF SERVICE

applying to the provision of
Basic Local Exchange Service
within the local exchange operating territory of

RICO TELEPHONE COMPANY

in the

State of Colorado

Rico Telephone Company

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EXPLANATION OF SYMBOLS- SIGNIFYING CHANGES OR UPDATES

- (C) Change in text due to a changed regulation, term, or condition, which does not affect rates.
- (D) Discontinued service or deleted material.
- (I) Rate increase.
- (R) Rate reduction.
- (M) Material moved from or to another part of the utility's Terms of Service; a footnote indicating where the material was moved from and where the material was moved to shall accompany all "M" classified changes.
- (N) New material, including new products, rates, terms, or conditions.
- (T) Change in text not related to changes in rates, charges, terms, or conditions.

DEFINITIONS

ACCESS LINE: The circuit which travels from the Central Office to the subscriber's premise terminating at the protector which provides direct access to the local exchange and the toll switching networks.

CENTRAL OFFICE CHARGE: Applicable for work done in the Central Office or work involving Central Office equipment necessary to provide a network access line or make changes to an existing network access line.

CHANNEL: A transmission path for telecommunications between two points.

CIRCUIT: A Channel used for the transmission of electrical energy in the furnishing of telephone service.

COMMISSION: The Public Utilities Commission of the State of Colorado.

COMPANY: Refers to Rico Telephone Company.

CONNECTING COMPANY: A corporation, association, partnership, or individual owning or operating one or more exchanges and with whom traffic is interchanged.

CONTRACT: The service agreement between a subscriber and the Company under which services and facilities are furnished in accordance with the provisions of the applicable Terms of Service or Tariffs.

CUSTOMER PROVIDED EQUIPMENT (CPE): Devices, apparatus and their associated wiring provided by a subscriber for use with facilities furnished by the Company.

DIRECT DIALING: The capability for a subscriber to dial anywhere in the United States with a series of numbers without operator assistance.

EXCHANGE AREA: A geographical area, as defined by an exchange area map, where the Company, through its central offices, provides basic local exchange services.

EXTENSION STATION: An additional station connected on the same circuit as the main station and having the same telephone number as the main station.

EXTRA LISTING: Any listing of a name or information in connection with a subscriber's telephone number beyond that to which he is entitled in connection with his regular service.

FOREIGN EXCHANGE DIRECTORY LISTING: An alphabetical and directory listing in the directory of an exchange other than the exchange in which a subscriber is furnished local service.

LOCAL CHANNEL: That portion of a channel which connects a station to the interexchange channel; it also applies to a channel connecting two or more stations within an exchange area.

LOCAL EXCHANGE SERVICE (BASIC): The telecommunications service which provides a local dial tone, access line and local usage necessary to place or receive a call within an exchange area or local service area, and which gives access to the toll network.

LOCAL MESSAGE: A communication between subscribers' stations within the same Exchange Area.

LOCAL SERVICE AREA: That geographical area throughout which a subscriber can complete calls without incurring a toll charge.

PERMANENT SERVICE: Permanent service is defined as service provided at a premises for twelve (12) or more consecutive months. Service will not be considered permanent when provided to a temporary structure (e.g., structures that do not have a permanent foundation and permanent connections to basic utilities such as water; gas and electricity) at a premises.

PREMISES: All of the building or the adjoining portions of a building occupied and used by the subscriber; or all of the buildings occupied and used by the subscriber as a place of business or residence, which are located on a continuous plot of ground not intersected by a public highway or thoroughfare.

PREMISE VISIT CHARGE: Applicable if a Company employee must visit the customer's premises to move or change a service drop or standard network interface at the customer's request. Not applicable when a Company employee is on the customer's premise for any other business purpose.

PRIVATE BRANCH EXCHANGE (PBX): An arrangement of equipment used by a subscriber and connected directly to a central office by means of trunk access lines, from which connection is made to stations at various locations or customer premises, thereby providing telecommunications between these stations and also communication with the general exchange system.

PRIVATE LINE SERVICE: Any point-to-point or point-to-multi-point service dedicated to the exclusive use of an end-user for the transmission of any telecommunications service.

RETURNED CHECK CHARGE: Applicable when a check or draft presented for payment for service is not accepted by the institution on which it is written. After a total of three checks or drafts are returned unpaid, only cash or money orders will be accepted as payment.

SERVICE ORDER CHARGE: Applicable to work done in receiving, recording, and processing information necessary to execute a customer's request for the establishment of service. It is also applicable for a customer's request for any additions, moves, or changes to existing service

SUBSCRIBER: A person or agency subscribing for telephone service. As used in this Terms of Service, a separate subscriber is involved at each location, or continuous property, where service is furnished. One individual or firm therefore may be considered as two or more separate subscribers, even in the same Exchange. The privileges, restrictions, and rates established for a subscriber to any class of service are limited to the service at one location; and no group treatment of service at separate locations furnished to one individual or firm is contemplated or is to be implied, except when definitely provided for in the schedules.

TEMPORARY SERVICE: Local Exchange Access Service definitely known to be requested for a short period of time, such as service provided for contractors for use during construction of a building, for sales campaigns, athletic contests, conventions, fairs, circuses, and other similar types of usage. Additionally, temporary service conditions would apply for service which is expected to last less than 90 days.

TERMS OF SERVICE (TOS): The document filed by the Company with the Public Utilities Commission which lists the communication services offered by the Company and the associated rates and charges.

TOLL MESSAGE: A message from a calling station to a station located in a different local service area.

TRUNK: A telephone communication channel between (a) two ranks of switching equipment in the same central office, or (b) between central office units in the same switching center, or (c) between two switching centers.

APPLICATION OF TERMS OF SERVICE

The terms of service apply to the intrastate services and facilities of the Rico Telephone Company, hereinafter referred to as the Company. Failure on the part of the subscribers to observe these terms of service, after due notice of such failure, automatically gives the Company the authority to discontinue service.

OBLIGATION OF THE COMPANY

Availability of Facilities

The Company's obligation to furnish telephone service is dependent upon its ability to secure suitable facilities and to provide such service without unreasonable expense.

Interruption of Service

In the event that the customer's service is interrupted and remains out of order for more than 8 hours during a continuous 24-hour period after being reported by the customer or found to be out of order, adjustments will be made to the customer's bill. The adjustment will, at a minimum, be a credit on the monthly bill proportional to the duration of the service interruption, with each occurrence of the loss of service for 8 hours during the 24-hour time period counting as one day. For these purposes, every month is considered to have 30 days. No adjustment for interruption of service will be made for the negligence or willful act of the customer; a malfunction of the facilities other than those under the control of the Company; natural disasters or other events affecting large numbers of customers as described by the Commission in Rule 16.1.4 of the Rules Regulating Telecommunications Service Providers and Telephone Utilities; or the inability of the Company to gain access to the customer's premises when required.

Directory Errors and Omissions

The Company endeavors to correctly list customers, their telephone numbers and other information in the local telephone directory. The Company will waive the rate for special directory services in cases in which the Company is responsible for directory listing errors.

Transmitting Messages

The Company does not transmit messages. If, because of transmission difficulties, the operator repeats messages between subscribers, the operator is deemed to be acting as an agent of the subscriber.

Use of Connecting Company Lines

Lines of other connecting companies may be used to reach points outside the Company area when suitable arrangements can be made.

Defacement of Premises

The Company will repair or replace any defacement or damage of property due to installation, existence, or removal of Company property, when the damage is the result of negligence of the Company.

Adjustment of Charges

In case of overbilling due to omission or negligence of the Company, a refund will be made to the customer. The customer will have the choice of an immediate refund when the amount exceeds the charges for two months of basic local exchange service, or a credit on future bills. In case of underbilling due to omission or negligence of the Company, the customer will be allowed to make installment payments when the amount

exceeds the charges for two months of basic local exchange service. Installment payments for adjustment of charges, at the option of the customer, may extend over a time period equal in length to the period over which the errors were accumulated. No interest will be charged on underbilled amounts.

LIABILITY OF THE COMPANY

The liability of the Company for damages arising out of interruptions of service, for a period of more than 8 hours during a continuous 24-hour period after being reported by the customer, shall not exceed the proportional duration of the interruption of service. Each occurrence of the loss of service for 8 hours during the 24-hour period will count as one-day prorated credit on the customer's bill.

The Company is not liable for (1) acts or omissions of other companies when their facilities are used in connection with the Company's facilities to provide service; (2) any defacement or damage to the customer's premises, resulting from the Existence of the Company's facilities for example, demarcation point and drop on such premises, or from the installation or removal thereof, when such defacement or damage is not the result of the negligence of the Company, or its employees; (3) any accident, injury or death occasioned by its equipment or facilities when such is not due to negligence of the Company; or (4) claims for libel, slander or infringement of copyright arising from the material transmitted or recorded over its facilities; claims for infringement of patents arising from combining with, or in connection with facilities of the Company, apparatus and systems of the customer; and all other claims arising out of any act or omission of the customer in connection with facilities provided by the Company; failure to provide service; telephone directory errors for which the Company is not responsible.

Due to the interdependence among telecommunications providers and the interrelationship with non-Telephone Company processes, equipment and systems, the Company is not responsible for failures caused by circumstances beyond its control including, but not limited to, failures caused by the Customer; other telecommunications providers; customer premises equipment; or third party suppliers such as power companies, software companies, and equipment manufacturers. In addition, the Company does not ensure compatibility between Telephone Company and non-Telephone Company services used by the customer.

The Company will not be liable for any consequential, incidental or indirect damages for any cause of action, whether in contract or tort. Consequential, incidental and indirect damages include, but are not limited to lost projects, lost revenues and loss of business opportunity, whether or not the Company was aware or should have been aware of the possibility of these damages.

USE OF SERVICE AND FACILITIES

Ownership and Use of Equipment

All equipment and lines furnished by the Company are the property of the Company Even though located on the subscriber's premises. Company agents or employees shall have the right to enter said premises at any reasonable hour to install or maintain equipment, make collections, or remove equipment.

The Company may refuse to install or maintain any service at locations which are hazardous to Company employees. If such service is furnished, the subscriber may be required to install and maintain such service, holding the Company harmless from any claims for damage by reason of the installation and maintenance of this service.

Interconnection Policy

Subscriber-provided terminal equipment may be used and subscriber-provided communication systems may be connected with the facilities furnished by the Company for telecommunications services subject to regulations of the Company. In the event any unauthorized attachment is made, the Company shall have the right to disconnect, suspend, or terminate the service.

Use of Subscriber Service

Subscriber telephone service is furnished only for the use by the subscriber, his family, and associates. The Company may refuse to install or permit such service to remain on premises of public or semi-public character. The equipment may be installed at such locations provided the service is located so it is not accessible for public use.

Tampering with Equipment

The Company may refuse to furnish telephone service when company equipment shows any evidence of tampering for the purpose of obtaining service without payment of charges applicable to the service rendered by the Company.

Use of Improper Language or Impersonation of Another

The Company may refuse service to anyone who uses or permits abusive or obscene language over Company facilities or impersonates another individual with fraudulent or malicious intent.

Governmental Objections to Service

The Company may refuse service or discontinue service to anyone upon objection to such service by or on behalf of any governmental authority.

Indiscriminate Use of Facilities

The Company may refuse to furnish service or may require upgrading of services provided to any subscriber who allows indiscriminate use of Company facilities, except in case of emergencies.

ESTABLISHMENT AND FURNISHING OF SERVICE

Application for Service

Application for service must be made on the Company's standard form, which becomes A contract when accepted in writing by the Company or upon establishment of service. The subscriber may be required to pay in advance all charges for the first billing period and connection charge if applicable. An application for service is not considered to be valid until payment, if applicable, is received in immediately available funds. The conditions of such contracts are subject to all provisions of these Terms of Service. Requests for additional service may be made verbally, if provided in the original contract, and no advance payment will be required. A move within the exchange area is not considered to terminate the contract and orders for such may be made verbally.

Telephone Numbers

The Company may change any or all numbers whenever it deems it necessary in prudently conducting its business. Numbers will be changed only when necessary. A minimum of a 30-day notice will be given to the customer when a number change is to be made.

Alterations

The subscriber agrees to notify the Company of any alterations which will necessitate changes in the Company's wiring; and the subscriber agrees to pay the Company's current charges for such changes.

Payment for Service

The subscriber is required to pay all charges for services rendered by the Company in accordance with the provisions contained elsewhere in this Terms of Service. The subscriber is responsible for all charges for service rendered at his telephone, including collect charges.

Returned Check Charge

Payment made by checks or drafts which are not honored or paid by the payer's bank will be considered as nonpayment. All charges for exchange and toll service are payable only in lawful money of the United States. A Returned Check Charge of **\$20.00** will apply whenever a check or draft presented for payment for service is not accepted by the institution on which it is written. After a total of three checks or drafts are returned unpaid, only cash or money orders will be accepted as payment.

Maintenance and Repairs

The Company shall bear the expense of all repair and maintenance of its facilities, except where damage or destruction of its facilities is due to the gross neglect of the subscriber. The subscriber may not rearrange, remove, or disconnect any Company facilities without consent of the Company.

Line Extensions

Lines will be extended to permanent customers at premises that have been previously served by telephone facilities, that were left in place and continue to be functional, will not be assessed a construction charge to establish service unless special construction charges apply. Where required by the conditions, applicants may be required to provide to the Company suitable private right-of-way parallel to the public highway.

Unusual Installation Costs

When special conditions or special requirements of the subscriber involve unusual construction or installation costs, the subscriber will be required to pay any and all costs above those which would normally be incurred in the provision of the service. Title to all facilities constructed and paid for wholly or in part by the subscriber is vested in the Company.

ESTABLISHMENT AND MAINTENANCE OF CREDIT

Deposits

A deposit in the amount of an expected ninety days of estimated toll and sixty days of local service may be required from new subscribers or for reconnect of subscribers that have been disconnected for non-payment, in accordance with the deposit rules of the Public Utilities Commission of the State of Colorado. If the subscriber pays for his account in full on or before the due date for a period of twelve months or less, the deposit will be refunded.

Interest to be Paid on Deposits

Simple interest, at the rate provided by the Colorado Public Utility Commission, shall accrue from the date of deposit until the date of refund or application to the customer's bill. If a deposit is retained during time periods having different rates of interest for customer deposits, the interest will be calculated using the interest rate applicable to each time period. Interest payments may be made annually or upon return of the deposit, at the customer's request. These payments, at the option of the utility, may be paid either in cash, or by a credit to the customer's account. The current deposit interest rate is 0.34%

Reconnection Charge

Where service has been terminated by the Company in accordance with Colorado Public Utilities Commission Rules and Regulations, the regular non-recurring charges shall apply for reconnection of service.

MINIMUM CONTRACT PERIODS AND TERMINATION OF SERVICE

Minimum Contract Periods

Except as hereinafter provided, the minimum contract period for all services and facilities is one month at the same location. The Company may require a minimum contract period longer than one month at the same location in connection with special (non-standard) types or arrangements of equipment, or for unusual construction necessary to meet special demands and involving extra cost.

Termination of Service- Subscriber's Request

Service may be terminated prior to the expiration of the minimum contract period upon notice being given to the Company, and upon payment of any applicable termination charges in addition to any applicable charges due for service which has been furnished. In the case of service for which the minimum contract period is one month, termination will require that charges due for the balance of the minimum period be paid.

In the case of directory listings where the listing has appeared in the directory or where an unlisted or non-published listing has been properly omitted, the charges are due to the end of the directory period, except that, in the following cases, charges will be continued only to the date of the termination of the extra listing or proper omission with a minimum charge of one month.

- (1) The Contract for the basic local exchange service is terminated.
- (2) The listed party becomes a subscriber to some other class of exchange service.
- (3) The listed party moves to a new location.
- (4) The listed party dies.

For special equipment, the charges will be based on the individual circumstances in each case as agreed upon at the time of installation.

Contracts for period longer than one month covering services whose installation required line extensions may be terminated upon payment of all charges that would accrue to the end of the contract period, or if the contract will be transferred to a new applicant who is to occupy the same premises and will subscribe to the service effective on the day following termination by the original subscriber.

Service may be terminated after the expiration of the initial contract period, upon the Company being notified, and upon payment of all charges due to the date of termination of the service.

Termination/Discontinuance of Service by the Company

The Company may discontinue service without prior notice:

- (1) If a condition immediately dangerous or hazardous to life, physical safety, or property exists.
- (2) Upon order by any court, the Commission, or any other duly authorized public authority;
- (3) If service was obtained fraudulently or without the authorization of the Company, or is being used for, or suspected of being used for, fraudulent purposes.
- (4) If it has tried diligently to meet the notice requirements, but has been unsuccessful in its attempt to contact the end user affected.

The Company may suspend or discontinue, sever the connection and remove any of its equipment from the end user's premises in the exchange after prior written notice only for one of the following reasons:

- (1) Failure to comply with the provisions of "Use of Service and Facilities" or "Payment for Service and Facilities."
- (2) Violation or non-compliance with the Commission's Rules and Regulations governing application for and supply of services by providers.
- (3) Obtaining service by subterfuge which includes, but is not restricted to, an application for service at a location in the name of another party by a customer whose account is delinquent and who continues to reside at the premises.
- (4) Failure to comply with municipal ordinances or other laws pertaining to telecommunications service which may adversely affect the safety of the customer or other persons or the integrity of the provider's service.

When written notice is required, the Company will, on fifteen (15) days written notice by U.S. Mail to the person designated by that end user to receive such notices of noncompliance or discontinuance of service, discontinue jurisdictional services. The written notice will provide for the following:

- (1) Clearly show the amount due and the date by which it must be paid,
- (2) Notice to the end user on how to contact the Company to resolve any dispute,
- (3) Information concerning the violation of any rule
- (4) Notice for the end user of his right to make an informal complaint to the Commission Staff by letter, telephone or in person, and
- (5) The right to request in writing a hearing before the Commission and
 - (a) That the hearing will be conducted in accordance with the Rules of Practice and Procedure of the Commission.

- (b) That the Company may request the Commission to order the applicant for a hearing to post an additional deposit or bond with the Company in an amount that the Commission deems reasonable under the circumstances.
- (c) That the Commission may order the Company not to terminate service pending a hearing at the discretion of the Commission. Ordinarily an order not to terminate service will be issued only if:
 - (i) The customer has posted a deposit or bond with the Company equal to the amount in dispute or as otherwise prescribed by the Commission; or
 - (ii) The customer has previously made an informal complaint to the Commission Staff and Staff investigation of the complaint indicates probable success of the customer.

The Company may refuse additional applications for service and/or refuse to complete any pending orders for service by the noncomplying end user at any time, on fifteen (15) days written notice by U.S. Mail to the person designated by that end user to receive such notices of noncompliance, if the provisions of "Use of Service and Facilities" and "Payment for Service and Facilities" are noncompliant. If the Company does not refuse additional applications for service on the date specified in the fifteen (15) day notice, and the end user's noncompliance continues, nothing contained herein shall preclude the Company's right to refuse additional applications for service to the non-complying end user without further notice. In the case of such discontinuance, all applicable charges, including termination charges shall become due. If the Company does not discontinue the provision of the services involved on the date specified in the fifteen (15) day notice, and the end user's noncompliance continues, nothing contained herein shall preclude the Company's right to discontinue the provision of the services to the non-complying end user without further notice.

When the Company has disconnected Local Exchange Access Service to the end user for noncompliance with the Terms of Service, the end user will be required to pay all unpaid charges prior to the reconnection of service. In addition, the end user will be required to reapply for service, being subject to the deposit requirements, Access Order, Line Connection and Installation (if applicable) Charges before service will be restored.

Limitations on the Discontinuance of Service

Jurisdictional service cannot be denied or discontinued for delinquency or nonpayment of charges for service unless the customer has been issued a bill for the charges consistent with the Commission's Rules and Regulations.

No end user will be given notice of discontinuance of service nor shall his service be discontinued if the unpaid bill is for services that are not jurisdictional telecommunications service. However, jurisdictional telecommunications service may be denied or discontinued when the Company can reasonably demonstrate that the jurisdictional service is being used to obtain unauthorized access to an interstate toll service being provided to the general public or if the Company has substantial reasonable grounds to believe that payment from the end user for jurisdictional toll services is in jeopardy.

The Company may discontinue or decline to furnish jurisdictional service to any end user for failure to pay any indebtedness incurred for toll services provided by another MTS provider of MTS services to the general public, either intrastate or interstate services, if (1) the MTS provider has a binding contractual relationship with the Company or is subscribing to the access tariffs of the Company, and the Company is the billing agent for the MTS provider; and (2) it is currently not technically feasible for either entity serving the end user to block the delinquent end user's access to toll service without simultaneously denying basic local exchange service.

Telephone service will only be discontinued between the hours of 8:00 A.M. and 4:00 P.M. Mountain Time. The Company will not discontinue service on any Saturday, Sunday, or legal holiday recognized by the state of Colorado, or after twelve noon on any Friday or any day before any legal holiday, or at any time when the Company's business offices are not open for business.

The Company will postpone discontinuance of telephone service to a residential end user for sixty (60) days from the date of a certificate by a licensed physician which states that discontinuance of service will aggravate an existing medical emergency or create a medical emergency for an end user, a member of the end user's family, or other permanent resident on the premises where service is rendered. This postponement will be limited to 60 days within a continuous twelve month or a lesser period agreed upon by the Company and the customer of physician. This notice or certificate of medical emergency must be in writing and show clearly the name of the person whose illness would be exacerbated by discontinuance of service, the nature of the medical emergency, and the name, title, and signature of the person giving notice of or certifying the medical emergency.

Where service is provided to a medical care facility, including a hospital, medical clinic with resident patients, or nursing home, notice of pending discontinuance will be provided to the Commission as well as to the end user. Upon request from the Commission or its Staff, a delay in discontinuance of service of no less than five business days from the date of notice shall be allowed so that the Commission may take whatever steps are necessary to protect the interest of the resident patients.

PAYMENT FOR SERVICE AND FACILITIES

The subscriber shall pay for service and facilities monthly in arrears and shall pay for Toll Messages when billed.

All bills for service are due and payable on the fifteenth (15th) day after the billing date. Disconnect notices for non-payment will be mailed with at least a 15-day notice, stating that service will be discontinued 45 days following the billing date month (within the limitations as allowed by the Rules of the Commission) unless the subscriber's account is paid current in the interim.

If payment is not received in immediately available funds within 15 days of the due date as stated above, a late payment charge, calculated at the maximum interest rate allowed by Commission policy, will apply. The late payment charge will be calculated from the fifteenth day after the due date to and including the date that payment is actually received by the Company. Any penalty due will be included as a separate item on the next statement issued.

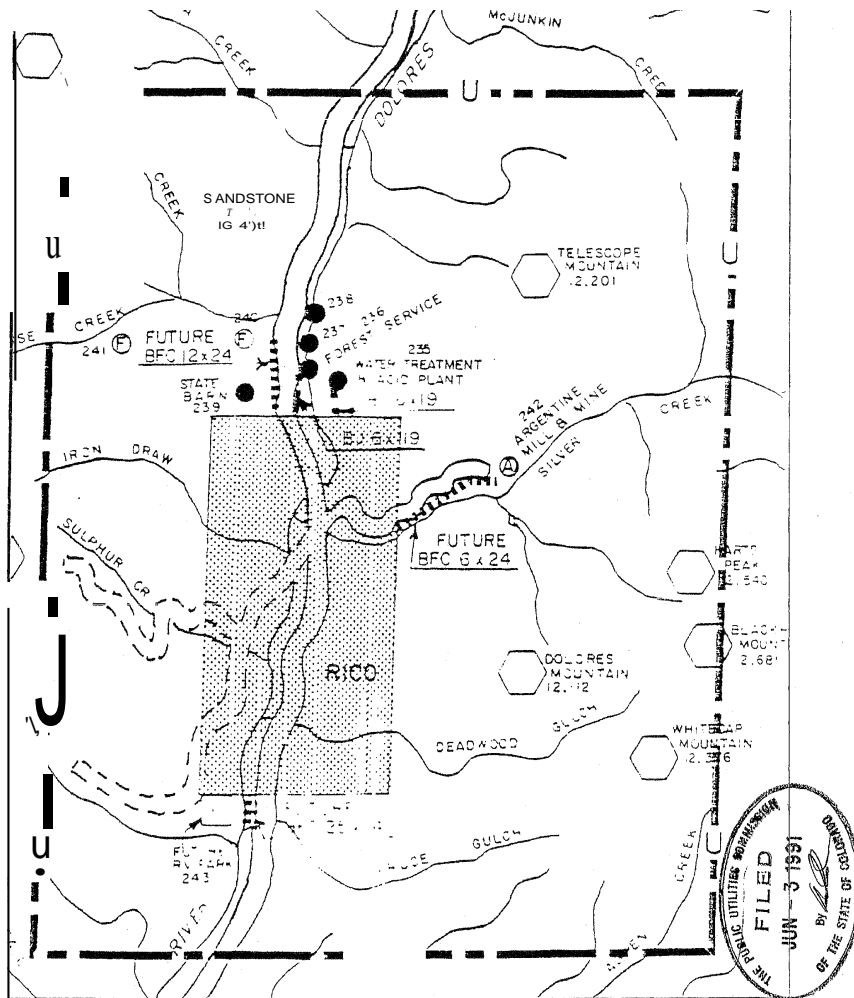
LOCAL CALLING AREA AND EXCHANGE AREA BOUNDARY MAP

In addition to the Rico exchange, a community of interest calling plan has been established which allows the subscribers of the Rico Telephone Company to call the following exchanges without incurring a toll charge.

Cortez*, Dolores, Dove Creek, Pleasant View and Telluride

* The Mesa Verde 529 NXX is included as part of the Cortez local calling area.

In selected instances, calls may be completed using 1 +dialing.



BASIC LOCAL EXCHANGE SERVICE RATES AND CONDITIONS

Per Access Line	<u>Residence (R-1)</u>	<u>Business (B-1)</u>
One Party	\$20.65	\$25.95
Lifeline	\$11.40	N/A
Trunk Hunting Service	\$ 1.00	\$ 1.00

Vacation rates of one month or more are at 50% of above listed rates, and are only available for Residence services.

These charges along with applicable local, state and federal taxes, regulatory assessments, cost recovery charges such as universal service fees, 911 fees, Federal Access Charge and other applicable charges and fees will be itemized on each customer's bill.

A community of interest calling plan has been established which allows the subscribers of the Rico Telephone Company to call the following exchanges, in addition to the Rico exchange, without incurring a toll charge. In selected instances, calls may be completed using 1 +dialing.

Cortez* Dolores Telluride Dove Creek Pleasant View

* The Mesa Verde 529 NXX is included as part of the Cortez local calling area.

Residence Rates Apply: In a private residence where business listings are not provided and telephone service is not used for the conduct of business; in the place of residence of a clergyman, physician, or other medical practitioner provided the subscriber does not maintain an office in the residence.

Business Rates Apply: At any location where activities are of a business, trade, or professional nature; at any location where the listing of service at that location indicates a business, trade, or profession; where only one network access line is provided at a location which is both a residence and a business; at schools, hospitals, libraries, churches, and other similar institutions.

The rates apply to the provision of network access lines which, when connected to a suitable telephone instrument provide access to the toll network and the local calling area. Touch Tone service is provided free of charge with Basic Local Exchange Service. Touch Tone service is provided only where facilities are available.

Instruments must be provided by the subscriber. Customer-provided terminal equipment meeting the criteria set forth in Part 68 of the FCC Rules and Regulations may be connected to facilities furnished by the Company, provided that the connection is made through an FCC approved standard jack or through customer interface furnished by the Company that is housed either in, or immediately adjacent to, and on the customer's side of the network interface device. The registration number and the ringer equivalence must appear on each unit or piece of equipment.

Additional instruments may be attached to network access lines. The Company reserves the right to limit the number of instruments connected to an access line if they cause interference with the normal operation of the line.

Toll Restriction Service prevents the subscriber from placing direct dial calls while allowing local and operator-handled calls to be placed. Toll Restriction Service is provided only where facilities are available. This service does not prevent incoming calls of any type or 911 calls where available.

Trunk hunting service permits a call to automatically select the next available line of a customer's pre-selected group when the line associated with the called number of the customer is busy. This charge is in addition to the access line rate. The rate for trunk hunting service is per access line arranged.

If primary basic local service (the first residential line and the first business line at a residential premise and the first two lines at a business premise) is not established within 30 days from the date of the customer's application for service or by the customer's requested date (if that date is more than 30 days beyond the application date), the following provisions apply:

- (1) The customer will receive a waiver of any and all installation charges for each eligible basic local exchange service line; the customer's account will also be credited in an amount equal to the pro rata monthly local exchange charge for each day thereafter that service is not provided.
- (2) Additionally, the customer shall be entitled to choose either Option 1 or Option 2, following, per the Commission's rules:

Option 1 - The customer may obtain an alternative service, chosen by the customer, that is not regulated by the Commission. Upon customer-provided verification of the customer's subscription to a qualifying alternative, the Company will provide reimbursement of the customer's payment of charges for the actual amount of the alternative used, up to \$150 per month, until primary basic local service is provided.

Option 2 - The customer may obtain an alternative service offered by the Company and regulated by the Commission, such as remote call forwarding. The Company will charge the customer the appropriate rates (if applicable) for the alternative service, if such rates are less than the rate for basic local exchange service. Otherwise, the customer will be charged the rate for basic local exchange service.

All customers who are not supplied service within five days of the date of the application for service will be given a written notice stating the number assigned by the Company to the application for service, the date of application for service, and all alternatives available to the customer pursuant to the Commission's rules. This notice will be hand-delivered or postmarked on or before the sixth business day after the date the application for service is received by the Company.

Unless basic local exchange service has been provided, the customer will be provided a second notice to be postmarked on or before the 31st calendar day after the date the application for service is received by the Company or before the second day after the customer's requested date (if that date is more than 30 days beyond the application date). This renotification shall include the expected service date, the reason for the delay, the number the Company has assigned to the application for service, the date of the application for service, and the postmarked date of the first notice. This renotification shall be mailed by certified-return-receipt mail. The customer will be provided with written renotification each time the expected date of service previously stated is delayed by more than ten days. This renotification shall be mailed by certified-return-receipt mail. Renotification is also required in the circumstances referenced in the Commission's rules concerning notification to the Director of the Commission when the period to provide service exceeds 150 days or the customer's requested date (if that date is more than 150 days beyond the application date). A copy of the Company's letter to the PUC Director, as specified in that rule, shall be mailed to the customer by certified-return-receipt-mail.

LIFELINE SERVICE (LOW-INCOME TELEPHONE ASSISTANCE PROGRAM)

The Lifeline Service Program provides for a discount of the recurring monthly rate for the provision of local residential service for qualifying low-income customers. The Low-Income Telephone Assistance Program discount is only available to low-income customers who meet eligibility requirements established by the Federal Communications Commission.

The monthly discount to eligible subscribers will be \$9.25 for residential service. The discount is applicable only to the customer's principal residence line.

The Low-Income Telephone Assistance Program discount will begin with the date the company receives a valid application from the customer or when new service is established for a qualifying customer subject to the eligibility requirements set forth above. The discount will be prorated on the basis of a 30-day month from the effective date of the customer's application.

A low-income customer may not be disconnected from local service solely for non-payment of toll charges, but the low-income customer must continue to pay the local service rates and charges. Toll blocking is available at no charge to a qualifying low-income customer. Toll blocking becomes a part of a low-income customer's service, when subscribed. Toll control is available at no charge to a qualifying low-income customer. Toll control becomes a part of a low-income customer's service, when subscribed. Toll limitation, which denotes both toll blocking and toll control, is available to a qualifying low-income customer.

If a qualifying low-income customer voluntarily elects toll blocking service from the Company, where that service is available, the customer will not be required to pay a deposit, if otherwise applicable, to initiate service. If toll blocking service is not available, a deposit will be charged, if applicable.

The Company will file information with the Lifeline Administrator demonstrating that the Lifeline plan meets the criteria set forth in Title 47, C.F.R, Subpart E of Part 54, and stating the number of low-income consumers and the amount of state assistance, pursuant to Section 54.40(d) of those rules.

CUSTOMER FREEZE OF PRESUBSCRIBED INTEREXCHANGE CARRIER (PIC)

A subscriber may choose to freeze their PIC to prevent a change in their long distance carrier without consent. Once a PIC freeze is in place, the Company cannot change a subscriber's interlata or intralata long distance carrier until the subscriber personally lifts the PIC freeze. A subscriber may contact the Company to obtain a PIC Freeze Request Form.

COLORADO HIGH COST FUND SURCHARGE

In order to accomplish the goal of universal basic service, the Colorado Utilities Commission was directed to create a system of support mechanisms to assist in the provision of basic service in high-cost areas (§40-15-502(5)(a) Colorado Revised Statutes (C.R.S.)) Specifically, the Colorado High Cost Fund (CHCF) was created under §40-15-208 C.R.S. with the Commission designated as its administrator.

The Commission requires all telecommunications service providers that provide Colorado intrastate telecommunications services to contribute to the Colorado High Fund based on their proportionate share of end-user telecommunications revenues.

A Colorado High Cost Fund Surcharge (or Colorado Universal Service Charge) will be charged in addition to the rates for those services, features and functions, for all intrastate retail telecommunications services provided to end-user customers. The Colorado Universal Service Charge may be changed periodically, as determined by the Public Utilities Commission of the State of Colorado. The aggregate charge will be shown separately on the end-user customer's bill. The current Colorado Universal Service Charge is 2.6%.

TELECOMMUNICATIONS RELAY SERVICES (TRS) SURCHARGE

Relay service enables deaf, hard-of-hearing, or speech impaired persons who use Text Telephone (TT) or similar device to communicate freely with the hearing population not using TT and vice versa. A Customer will be able to access the state provider to complete such calls.

The Company contributes to the Colorado Telephone Relay System as required under 4 Code of Colorado Regulations 723-2-2820. A surcharge of **\$0.04** for the Telephone Relay Services will appear as a line item on all monthly bills and is assessed on each line.

SERVICE CONNECTION, MOVE AND CHANGE CHARGES

	<u>Business</u>	<u>Residence</u>
Service Order	\$ 10.00	\$ 10.00
Premise Visit	20.00	20.00
Central Office	15.00	15.00
Returned Check Charge	20.00	20.00

These charges are intended to cover the expense incurred by the Company in conjunction with the following:

- Establishment of any service;
- Change to any service;
- Change in location of a service to other premises;
- Transfer of service from one customer to another;
- Change of telephone number at customer's request;
- Installation of auxiliary equipment;
- Restoral of service disconnected for nonpayment or failure to establish credit.

One or more of the above charges may apply.

No charges will apply under the following circumstances: Service to which no monthly rates apply.

CUSTOM CALLING FEATURES

Custom Calling Features are provided in addition to the provision of Basic Local Exchange Service. They are optional features which can be added to enhance the existing service. These features will be provided only where facilities are available.

	<u>Monthly Rate</u>
Anonymous Call Rejection	1.00
Call Barring	1.00
Call Forwarding	1.00
Call Forwarding Busy Line	1.00
Call Forwarding - Don't Answer	1.00
Call Forwarding - Remote Access	1.00
Call Hold	1.00
Call Transfer	1.00
Call Waiting	1.00
Caller Identification Name and Number	1.00
Caller Identification – Number	1.00
Change Number Recording	1.00
Distinctive Ringing	1.00
Distinctive Ringing/Call Waiting	1.00
Do Not Disturb	1.00
Find Me Follow Me	1.00
Home Intercom	1.00
Hot Line	1.00
Long Distance (ANI Screening and Authorization Code)	1.00
Mandatory Account Codes	1.00
Multiple Appearance Directory Number (MADN)	1.00
Per Call Blocking	No Charge
Per Line Blocking	No charge
Phone Always Rings Busy	1.00
Priority Call	1.00
Selective Call Acceptance	1.00
Selective Call Forwarding	1.00
Selective Call Rejection	1.00
Speed calling, 30-number capacity	1.00
Three-way Calling	1.00
Toll Blocking	1.00
Wake-Up Service/Reminder Call Service	1.00
Warm Line	1.00
Business Plan Package	15.00

Package Rates: Where two or more custom calling features are subscribed to on the same access line, each additional custom calling feature will be \$.50 per month. For example, the first feature will be \$1.00 per month and the second, third or additional features subscribed to will be 50 cents each per month. A service order charge applies in addition to the monthly rate. An exception is made when custom calling features are ordered in conjunction with other services; in that case, only one service order charge would apply.

Custom Calling Feature Descriptions

Anonymous Call Rejection: This feature allows a customer to reject calls from parties who have blocked delivery of their number.

Automatic Callback (Redial): Allows a customer to dial a code that will cause the feature to automatically re-dial the last number the customer dialed. If the called number is busy, the feature will re-dial the called number for a limited period of time. A tone alerts the customer when the called number becomes available.

Call Barring: Allows Subscriber to block access to specific numbers or prevent call service access codes.

Call Forwarding: This feature provides for the forwarding of incoming calls to another number by signaling a prefix code and the telephone number of the service to which calls are to be transferred. Calls forwarded to stations outside the local calling area are subject to long distance charges.

Call Forwarding - Busy Line: Allows a customer to have incoming calls forwarded to another number when the called number is busy. The customer can activate and deactivate the forwarding feature by dialing a code as well as establish or change the number to which calls will be forwarded.

Call Forwarding- Don't Answer: Allows a customer to have incoming calls forwarded to another number if the customer does not answer after a preset number of ringing cycles. The customer can activate and deactivate the forwarding feature by dialing a code as well as establish or change the number to which calls will be forwarded.

Call Forwarding - Remote Access: Allows a customer to forward their telephone from a location other than their home or business.

Call Hold: Subscribers may place a call on hold and then call another number.

Call Trace: Allows a called party to initiate an automatic trace of the last call received. Call Trace is available on a usage basis only. After receiving the call which is to be traced, the customer dials a code and the traced telephone number is automatically sent to the Company for further action. The customer originating the trace will not receive the traced telephone number. The results of a trace will be furnished only to legally constituted law enforcement agencies or authorities upon proper request by them. The company is not liable for damages if, for any reason, the Call Trace attempt is not successful.

Call Transfer: Enables a customer to transfer an incoming call to a third party or add a third party to an existing call, forming a three party connection, and then to leave the connection without disconnecting the call. Transferring party may be liable for long distance charges incurred.

Call Waiting: This feature provides for the receipt of an incoming call when the line is already in use. When an identifying tone is heard in the receiver, the customer can place the first conversation on hold and receive the incoming call by depressing the switch hook. Call Waiting, in some CO areas, can be temporarily canceled. by the customer prior to or during any call by dialing a specific code. Incoming calls will receive a busy signal. Upon disconnecting from the call in progress, normal call waiting is automatically restored. Customers with Call Waiting will hear a distinctive call waiting tone when they also subscribe to Priority Call service.

Caller Identification Name and Number: Allows for the automatic delivery of a calling party's name and telephone number (including nonpublished and nonlisted telephone numbers) to the called customer, which gives the called customer an opportunity to decide whether to answer the call immediately or not. The name and number are displayed on customer provided equipment. The name displayed shall be the name associated with the calling telephone number as shown on the Company's records. The Company, in its discretion, may abbreviate or limit that name for display purposes. The Company does not assure name accuracy, and it shall not be liable to any party for errors, omissions or mistakes. The Company's sole and only obligation shall be to reasonably correct errors in names when notified in writing of such errors.

Caller Identification – Number: Allows for the automatic delivery of a calling party's telephone number (including nonpublished and nonlisted telephone numbers) to the called customer, which gives the called customer an opportunity to decide whether to answer the call immediately or not. The number is displayed on customer provided equipment.

Change Number Recording: If number is changed, callers calling the old number will receive a Message that the number has changed and what the new number is.

Distinctive Ringing: Allows the customer to have assigned to the same telephone line up to three additional telephone numbers. Each additional number will have its own distinctive ringing tone to identify which number is being called. If Call Waiting is also subscribed to, a distinctive call waiting tone will be heard for each number.

Distinctive Ringing/Call Waiting: Allows the customer to make a list of special numbers, which will be designated with a special ring when calling. If Call Waiting is subscribed to, a special tone will be heard.

Do Not Disturb: (Selective Call Acceptance numbers will be connected.) Subscribers can block their line temporarily preventing all incoming calls. Callers will hear a message that the subscriber is not currently accepting calls.

Find Me Follow Me: The subscriber makes a list of numbers that a call will be routed through. If one line isn't answered, then the next number on the list will be called.

Home Intercom: Subscriber may contact another extension on the same telephone line.

Hot Line: Pre-configures a phone line to automatically call a number when a phone is picked up.

Last Call Return: Allows a customer to dial a code that will cause the feature to automatically redial the number of the last incoming call to that line, whether the call was answered or not. The customer does not have to know the number of the calling party. If the called number is busy, the feature will redial the called number for a limited period of time. A tone alerts the customer when the called line is available.

Long Distance (ANI Screening and Authorization Code): ANI Screening will permit or deny calls based on the calling number. Customers can add a Long Distance account code up to 15 digits to restrict who can place long distance calls. A user must enter an Authorization Code and/or a pin number before they dial the long distance number.

Mandatory Account Codes: After dialing a number, the subscriber must enter an account code to complete the call. Can be used to restrict long distance calls.

Multiple Appearance Directory Number (MADN): For when a subscriber wishes for more than one phone to ring for a single number.

Per Call Blocking: Allows the customer to block their number and name from being displayed on an individual call by dialing *67 with a tone dial phone (1167with rotary dial phone) immediately before the call. It is necessary to repeat this procedure before each call that you wish to block CALLERID.

Per Line Blocking: Allows the customer to block their number and name from being displayed on any outgoing calls. In some cases, the customer may wish to have their number delivered on specific calls. To do this, the customer dials *82 with a tone dial phone (1182 with a rotary dial phone) immediately before the call. There is one exception to per line blocking; the number will always be delivered when dialing 911. Service order charges do not apply the first time a customer subscribes to this service or at any time for law enforcement agencies and domestic violence programs.

Phone Always Rings Busy: Callers get a busy signal, for those who don't want callers to know they're away.

Priority Call: Allows a customer to assign a maximum of 15 callers' telephone numbers to a special list. The customer will hear a distinctive ring at his/her location when calls are received from callers' telephone numbers on that list, or the customer will hear a distinctive Call Waiting tone if they also subscribe to that service and are on the phone.

Selective Call Acceptance: Allows the customer to list up to 32 numbers that will be allowed to terminate at the customer's telephone. All other calls are routed to a recording.

Selective Call Forwarding: Allows a customer to specify a special list of a maximum of 32 telephone numbers. Incoming calls placed to the customer from telephone numbers on that list will automatically be forwarded to a predefined telephone number. All other calls will be handled normally.

Selective Call Rejection: Enables a customer to reject call attempts from up to 32 numbers of calling parties by dialing a code and the telephone numbers of calls to be rejected. Any call attempts to the customer from these numbers will be prevented from terminating to the customer and will instead be connected to an announcement informing the caller that the call is not presently being accepted by the called party. A customer may also reject future calls from the most recent call received by dialing a code after completing the call.

Speed Calling: Enables the customer to call a preselected group of telephone numbers by dialing 1 or 2 digits rather than the actual number. Speed Calling is available with up-to 30-telephone number capacity. It will be provided to PBX customers only on the basis that all trunks will be equipped with Speed Calling and have a common numbering plan.

Three-Way Calling: This feature provides for the ability of a three-way conversation. The customer with the service dials the first number. After connection, the called party is put on hold by depressing the switch hook while a second number is dialed. After connection with the second called number, the first party to be called is added to the line by depressing the switch hook again, and a three-way conversation can take place.

Toll Blocking: This feature allows a customer to prevent direct-dialed toll calls and operator-handled calls from being placed from their telephone. This feature does not prevent a customer from dialing toll-free calls such as 1-800 or 1-888 calls. Billed Number Screening is also employed with this feature to identify that this telephone number will not accept billing of calls for third-party or collect calls. The Company shall not be liable for any and all claims for loss or damages caused by a customer subscribing to this feature, nor does the Company guarantee that no third-party or collect calls will be billed to the telephone number. In the event that third-party, collect, or toll calls are billed to the telephone number, the customer will be liable for payment of those charges.

Wake-Up/Reminder Call Service: This feature provides a wake-up call at the time programmed by the customer or an automatic call to help them to remember something. Subscribers to any of the other Monthly Custom Calling Feature offerings as described herein (other than Last Number Redial) will also receive this feature and Last Number Redial at no charge.

Warm Line: Warm Line service allows a customer to establish a switched connection to a predetermined number if the customer does not dial a number within thirty (30) seconds after going off-hook. When the customer's telephone goes off-hook and dialing begins within the specified time delay period, the call will proceed normally as dialed. If dialing has not started before the end of the predefined time delay period, a predetermined stored number is automatically dialed by the central office switching equipment.

CONSTRUCTION CHARGES

General

Reasonable rates and charges for the provision of local exchange services involve consideration of the costs and degree of risk associated with the provision of the services. Some situations may involve substantial extra cost or risk to the Company, such as, but not limited to: 1) the facilities may be temporary; 2) facilities are ordered in advance of actual Customer demand for service; 3) unusual costs are involved in furnishing the service; 4) the cost of providing service may involve considerable investment to extend facilities beyond existing facilities.

Construction costs are based on actual route construction conditions for providing service and will generally enable the Company to extend service to new Customers at a reasonable cost without adding an undue burden to the general body of Customers. Construction costs, in excess of any allowances provided in Section 8. following, will be billed to Customers as a Construction Charge.

The locations for construction of line or facility extensions are determined by the Company and the distances (including drop wire) are measured along the Company selected route.

Applicants requesting service at premises that have been previously served by telephone facilities, that were left in place and continue to be functional, will not be assessed a Construction Charge to establish service unless Special Construction Charges apply.

Construction Charges will be associated with the premises for which they were established rather than the Customer. Credit for Construction Charges may not be transferred from one premises to another.

Payment of Construction Charges, Land Development, Special and/or Temporary Construction Charges by the Customer requesting basic local telephone service, Developers requesting the placement of basic local exchange telephone facilities or for Customers requesting special construction and/or placement of temporary telephone exchange facilities, are in addition to regular rates and charges applicable for the exchange service provided.

The Company will provide an Engineering Cost Estimate, free of charge, for the first request for telephone service to an individual Customer's premises or to each individual Customer requesting service as a group of customers, and upon receipt of Customer provided information by the Company. Subsequent requests for Engineering Cost Estimates for facility extensions at the same premises or group of premises within three-years of the initial request, will be billed to the Applicant(s) using the appropriate hourly engineering charges of the Company. Engineering Cost Estimates will be provided to the Applicant(s) within 30 days of the request for the estimate and will be valid for a period of 90 days after presentation to the Applicant(s) unless the Company extends the date. The good faith written cost estimate shall inform the Customer that receipt of the Construction Charge payment by the Company is required before the customer's request will be considered an application for service. The payment of such charges, when received by the Company, shall be notice to the Company that the customer desires service and the payment date shall be considered the date of the application for service.

With the approval of the Company and at the option of the Company, arrangements may be made for the payment of Construction Charges (either for a single Applicant or an Applicant within a group project) in monthly installments over a reasonable period, generally, not to exceed one year. The Company may at its option include monthly Construction Charge amounts in the Customer's regular monthly service bill. Failure of a Customer to make monthly installments of Construction Charges may result in suspension or termination of telephone service. All unpaid installments become due upon termination of service.

With the approval of the Company and subject to the provisions following, a Customer may furnish material, labor, and structures (e.g., trench and backfill, conduit, poles) as partial or full payment of Construction Charges in lieu of cash. The Customer must meet the following specific criteria for any work done by the Customer in public rights-of-way prior to receiving Company approval:

- (1) Signed liability agreement holding the Company harmless for any action taken as a result of said construction activities;
- (2) Company specified insurance requirements;
- (3) Bonded to cover workmanship and damage;
- (4) Public and Personal Safety Standards; and
- (5) Approval of appropriate governing bodies.

The ownership of any pole line, circuit or other facilities provided wholly or in part at the expense of an Applicant under this Terms of Service shall at all times be vested exclusively in the Company or another company with which the Company has joint agreement.

Except as provided above preceding, the terms and conditions in this Terms of Service contemplate that the method of construction and the type of materials required to provide the quantity and grade of telephone service requested by the Customer will be determined by the Company. The Customer will be required to pay the added costs involved when a different type of construction or quantity of facilities than proposed by the Company, is desired.

Reinforcement of existing physical plant will be provided at the Company's expense unless Special Construction Charges apply.

Where new construction is required, the Company will consult with other utilities to minimize construction costs (e.g., sharing trenches, poles, etc.).

Consistent with the Commission's Rules Regulating Telecommunications Providers and Telephone Utilities, a written good faith cost estimate will be provided to the Customer. A Customer is responsible for paying the full amount of the Customer's share of the estimated Construction Charge prior to the Company commencing construction unless another payment arrangement is made pursuant to the above paragraphs. A Customer's share of the estimated construction costs is amount of the cost estimate in excess of the of the Construction Charge allowance. If the Customer's share of the actual cost to provide new service exceeds the Customer's estimated costs to provide new service, the Customer shall be responsible for additional Construction Charges in an amount not to exceed 10% of the Customer's estimated Construction Charges. If the Customer's share of the actual Construction Charges is less than the estimated Construction Charges, the Company will refund, or credit at the Customer's option, the excess amounts to the Customer.

Undertaking of the Company – Single Applicants

Construction Charges will apply to each Customer premises when service is established for the first time. Construction Charges apply to all types, classes and grades of service.

When construction is required to serve a new Applicant, the Company will try to survey other prospective subscribers who might be served from the new construction or an extension thereof and who might benefit by being included in the project. Construction Charge allowances are made only for those prospective subscribers making a written application for service.

Individual Applicants may be grouped in a single project when there is not more than one-half mile of construction between Applicants. Separate projects are established whenever the construction between any two Applicants exceeds one-half mile. Two or more projects may be combined whenever this results in lower charges (or no increase in Construction Charges) for all Applicants involved.

The Company will provide the Applicant at any premises with a single Construction Charge allowance regardless of the number of services ordered at that premises.

Applicants ordering service at more than one premises are treated as separate Applicants at each premises for purposes of this Terms of Service.

When a Customer disconnects service, no refund or adjustment is made of the Construction Charges applicable to that Customer's premises regardless of any future reconnection of basic telephone service by the Customer or upon connection of telephone service to a new applicant at this premises. Upon disconnect, any outstanding construction charge amounts become due and payable immediately.

Special Types of Construction

Where a special type of construction is desired by an Applicant or a specific route for extensions is requested to meet an Applicant's special requirements and where the construction or route so requested differs from the normal standards of the Company and is not legally required by ordinance, covenant, tract restriction or otherwise, the Applicant or Applicants served by such facilities or the tract Developer/Builder for land developments, shall be required to pay these additional costs in their entirety and in addition to any line extension charges required under this Terms of Service.

Where existing aerial facilities are requested to be relocated underground in an area where the Company would not, except for such request, relocate its facilities underground, the Company may charge the cost of such relocation to the persons requesting relocation of such facilities.

Special Constructions Charges will be applicable where, at the request of the Customer, the Company constructs a greater quantity of facilities than the Company would otherwise construct or normally utilize.

Limitations on Customer-Provided Construction and/or Materials in Lieu of Cash Payments for Construction Charges

The Company and the Applicant will enter into a written agreement for the provision of the requested facilities. The agreement will delineate the Company's responsibilities, the Applicant's responsibilities, the associated construction costs, allowances and Constructions Charges.

The ownership of any facilities provided wholly or in part at the expense of the Applicant under this Terms of Service shall at all times be vested exclusively in the Company.

In order to protect the Company's network and other end users, the Company will not connect to Applicant installed facilities unless the Applicant has complied with the following:

- (1) The Applicant must inform the Company at least seven working days prior to the construction of facilities by the Applicant so that the Company can schedule its representative to inspect the plans, materials and construction;
- (2) The Applicant shall construct its facilities only during normal Company business hours unless another arrangement has been agreed to by the Applicant and the Company;
- (3) The materials and methods used for the construction shall be of the same quality and quantity utilized by the Company unless the Company has provided written authorization to the Applicant, approving other materials and/or construction;
- (4) Inspections performed by the Company's Engineering Services and Inspection Services will be paid for by the Applicant prior to the connection of Applicant's facilities to those provided by the Company. Company inspection personnel must be on site when cable is being plowed or if cable is placed in a trench, the trench must be left open until Company inspectors have inspected and approved the installation.
- (5) In all cases of construction of facilities by an end user, the materials furnished and method of construction are subject to the approval of the Company and an appropriate hourly engineering charge will be applied for the Company's supervision of the project.

Construction Charge Allowance

For extensions of facilities beyond the existing exchange facilities of the Company or in areas of new land development and in compliance with this Terms of Service, the Company will provide the Applicant a Construction Charge Allowance in an amount of \$2,200 per Applicant per premises. If this allowance equals or exceeds the cost of construction, no Construction Charge will be levied.

CONNECTION WITH SUBSCRIBER-OWNED EQUIPMENT

Customer-provided terminal equipment or communication systems (CPE) used in conjunction with telephone service shall not interfere with any of the service offerings of the Company, endanger Company employees or the public, damage or require the alteration of Company facilities, interfere with the proper functioning of Company facilities, or impair the operation of the telephone network. Upon notice from the Company that the CPE is causing or is likely to cause such hazard or interference, the customer shall make whatever changes are necessary to correct the problem.

The Company shall not be responsible for the installation, operation, or maintenance of any CPE. The customer shall be responsible for the payment of all Company charges for visits by the Company to the customer premises where a service difficulty or trouble report results from customer-provided equipment or facilities.

Where CPE is connected to Company facilities, the responsibility of the Company shall be limited to the furnishing, operation and maintenance of such facilities in a manner suitable for telephone service. The Company shall not be responsible for the through transmission of signals generated by the CPE, or for the quality of or defects in such transmission, or the reception of signals by CPE.

The Company shall not be responsible to the customer if changes in any of the facilities, operations or procedures of the Company render any CPE obsolete or require modification or alteration of such equipment or otherwise affect its use or performance.

Where CPE is used with telephone service in violation of any of these conditions, the Company will take whatever action is necessary to protect the network and will promptly notify the customer of the violation in writing. The customer shall discontinue use of the equipment or correct the violation. Written confirmation of the corrective action taken will be supplied to the Company within 10 days following receipt of notice of the violation by the customer. Failure of the customer to comply with these requirements shall result in suspension of the customer's service until the customer complies with the provisions of this Terms of Service.

Customer-provided terminal equipment, which meets the criteria set forth in Part 68 of the FCC Rules and Regulations, may be connected to facilities furnished by the Company, in accordance with the following provisions:

The connection shall be made through an FCC approved standard jack or through a customer interface, which is a Company-furnished connecting device that is housed either in, or immediately adjacent to, and on the customer's side of the network interface device.

Registration number and the ringer equivalence must appear on each unit or piece of equipment.