

TARIFF DISTRIBUTION

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TYPE OF DISTRIBUTION: Approved

PURPOSE: GB - Establish or modify minimum balance requirements before
Late Payment Charges are assessed for residence customers

<u>TARIFF SECTION</u>	<u>PAGE NUMBER</u>	<u>PAGE REVISION</u>
G002	13.1	0010
H002	7.1	0006

A2. GENERAL TERMS AND CONDITIONS

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

A2.4.3 Payment For Service (Cont'd)

- H. A late payment charge of \$6.50 will apply to each residence subscriber's bill *with a balance greater than \$5.00* (including amounts billed in accordance with Billing and Collection Services) when any undisputed portion of a previous month's bill has not been paid in full prior to the next billing date. A late payment charge of \$15.00 and an interest charge of 1.50 percent (1.50%) of the unpaid balance will apply to each business subscriber's bill with a balance greater than \$6.00 (including amounts billed in accordance with Billing and Collection Services) when any undisputed portion of a previous month's bill has not been paid in full prior to the next billing date. The 1.50 percent (1.50%) interest charge is applied to all new charges on a subscriber's previous month's bill which were not paid prior to the next billing date. State Agencies subject to KRS 45.454 shall be assessed late payment charges in accordance with that statute. Additional penalty charges shall not be assessed on unpaid penalty charges. Federal Government customers are exempt from late payment and/or interest charges. (C)
- I. Residence subscribers with overdue bill balances for their existing service, which has been temporarily suspended for nonpayment, who are unable to pay the charges in full may be allowed to retain their local service if they elect to have a full toll restriction placed on their existing service, at no charge, until the charges are paid. These subscribers may arrange to pay the outstanding balance in up to twelve (12) monthly installment payments. An Installment Billing Service Fee may apply as specified in Section A4.
- J. Miscellaneous Fees Associated With Payments
 - 1. Payment Convenience Fee for Payment Made Via Telephone Call

A fee will apply for each instance of payment of outstanding charges when authorized by the subscriber by telephone (whether such telephone call was initiated by the subscriber or by the Company) and when the method of payment would allow the payment to be immediately credited to the subscriber's account, such as payment via an electronic check (eCheck) or any other discretionary type payment that may be accepted by the Company through such telephone contacts. This fee will not apply for payments taken directly by subscribers to authorized Company payment locations, payments mailed in, automatic funds transfers, payments through the Company Internet website (www.att.com), and other conventional methods of payments. The subscriber would be informed of any applicable charges prior to processing the subscriber's request.

 - a. Rates and Charges

	Rate	USOC
(a) Residence	\$5.00	NA
(b) Business	5.00	NA
 - (1) Per Telephone Request

A2.4.4 Allowance For Interruptions

When the use of service or facilities furnished by the Company is interrupted due to any cause other than the negligence or willful act of the subscriber or the failure of the facilities provided by the subscriber, a pro rata adjustment of the fixed monthly charges involved will be allowed, upon request of the subscriber, for the service and facilities rendered useless and inoperative by reason of the interruption during the time said interruption continues in excess of twenty-four hours from the time it is reported to or detected by the Company, except as otherwise specified in this guidebook. For the purpose of administering this, every month is considered to have thirty days.

A2.4.5 Provision For Certain State And Local Taxes And Fees

- A. When the Company is required to pay the three percent (3%) utilities gross receipts license tax for schools, authorized by KRS 160.613, the Company will increase its rates in any such county in which it is required to pay such school tax by three percent (3%).

B2. TERMS AND CONDITIONS

B2.4 Payment Arrangements And Credit Allowances

B2.4.1 Payment Of Charges And Deposits

- A. The subscriber is responsible for payment of all appropriate charges for services. The subscriber will receive a monthly bill for services provided by the Company. The bill will include the subscriber's account number, the due date of the bill, the amount due, the period of time covered by the bill, and itemized charges as appropriate. All charges due by the subscriber are payable at the Company's Business Office or at any agency duly authorized to receive such payments. If objection in writing is not received by the Company within thirty days after the bill is rendered the account shall be deemed correct and binding upon the subscriber. Nonpayment of charges for service may result in interruption or discontinuance of any or all of the services furnished the subscriber.
- B. Applicants for service who have no account with the Company or whose financial responsibility is not a matter of general knowledge, may be required to make an advance payment at the time an application for service is placed with the Company, equal to the installation charges if applicable and at least one month's charges for the service provided. In addition, where the furnishing of service involves an unusual investment, applicants may be required to make payment in advance of such portion of the estimated cost of the installation or construction as is to be borne by them. The amount of the advance payment is credited to the customer's account as applying to any indebtedness of the customer for the service furnished.
- C. The Company may, in order to safeguard its interests, require an applicant or customer to make such deposit as the Company deems suitable to be held by the Company as a guarantee of the payment of charges. The fact that a deposit has been made in no way relieves the applicant or customer from complying with the Company's Terms and Conditions as to advance payments or the prompt payment of bills on presentation. At such time as the contract is terminated the amount of the deposit is credited to the customer's account and any credit balance which may remain is refunded. At the option of the Company such a deposit may be refunded or credited to the customer at any time prior to the termination of the contract.
- D. Interest will be paid on all sums held on deposit at the rate of six percent (6%) annually. The interest will be applied as a credit to the customer's bill or will be paid to the customer on an annual basis. If the deposit is refunded or credited to the customer's bill prior to the deposit anniversary date, interest will be paid or credited to the customer's bill on a pro-rated basis. If interest is not credited to the customer's bill or paid to the customer annually, interest will be computed by a method which will result in an amount no less than that obtained by using a middle course method between simple and compound interest in compliance with Commission Order dated October 31, 1989 in Case No. 89-057. Interest on deposits computed in this manner will accrue until credited to the customer's bill or paid to the customer.
- E. The customer is held responsible for the payment of all the charges for service and channels in accordance with the Company's regular billing and collection practice.
- F. A charge of \$30.00 will apply whenever a check or draft presented for payment for service is not accepted by the institution on which it is written.
- G. At the option of the customer, all nonrecurring charges associated with an order for service may be billed over a three month period subject to the following:
- 50 percent (50%) of the total nonrecurring charges will be billed in the first monthly billing period after the charges are incurred, and 25 percent (25%) of the total nonrecurring charges plus an Extended Billing Plan Charge will be billed in each of the following two monthly billing periods.
 - The Extended Billing Plan Charge is calculated at a rate of 1.0 percent (1.0%) per month or 12 percent annually, on the unbilled balance of the nonrecurring charges.
 - If the customer disconnects service before the expiration of the plan period, all unbilled charges plus the Extended Billing Plan Charge, if applicable, will be included in the final bill rendered.
 - If the customer fails to make any of the payments prior to the next billing date, these late payment charges as specified in E will apply.
- H. A late payment charge of \$15.00 and an interest charge of 1.50 percent (1.50%) of the unpaid balance will apply to each business subscriber's bill with a balance greater than **\$5.00** (including amounts billed in accordance with Billing and Collection Services) when any undisputed portion of a previous month's bill has not been paid in full prior to the next billing date. The 1.50 percent (1.50%) interest charge is applied to all new charges on a subscriber's previous month's bill which were not paid prior to the next billing date. State Agencies subject to KRS 45.454 shall be assessed late payment charges in accordance with that statute. Additional penalty charges shall not be assessed on unpaid penalty charges. Federal Government customers are exempt from late payment and/or interest charges.

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