GUADALUPE VALLEY TELEPHONE COOPERATIVE, INC.

Local Exchange Tariff

2nd Revised Page 1 Replacing 1st Revised Page 1

RULES AND REGULATIONS

APPLYING TO ALL CUSTOMERS' CONTRACTS

		Page No.
I.	APPLICATION OF TARIFF	2
II.	AVAILABILITY OF FACILITIES	3
III.	CUSTOMER SERVICE AND PROTECTION	3
IV.	 A. Resolution of Disputes B. Application for Service C. Refusal of Service D. Application of Business or Residence Rates E. Advance Payments F. Deposits G. Order of Precedence for Establishing Service H. Billing and Payment for Service I. Discontinuance of Service J. Cancellation of Application for Basic Service K. Termination of Service L. Special Charges, Fees, and Taxes WSE OF SERVICE AND FACILITIES A. Use of Service 	21 21.1 22 22
	Unauthorized Attachments or Connections Use of Automatic Dialing-Announcing Devices	24 24
	B. Obligations of Customers	27
	C. Rights of the Cooperative Work Performed on an Overtime Basis Work Interruption Ownership Impairment of Telephone Service Abandonment of Telephone Service Abuse of Telephone Service Governmental Objections to Service Telephone Directories Telephone Numbers	28 28 28 28 28 28 29 29 29 30 30

SECTION 7 Original Page 1.1

RULES AND REGULATIONS

APPLYING TO ALL CUSTOMERS' CONTRACTS

Page No.

IV. USE OF SERVICE AND FACILITIES (Continued)

D.	Liability of the Cooperative	31
	Defacement of Premises	31
	Errors	31
	Interruptions of Service	32
	Indemnification	32
	Liability	33

RULES AND REGULATIONS

APPLYING TO ALL CUSTOMERS' CONTRACTS

I. APPLICATION OF TARIFF

The rules and regulations contained in this section apply to the service and facilities provided by the Cooperative in the State of Texas. These rules and regulations are in addition to those contained in the Switched and Special Access Service Tariff, Long Distance Message Telecommunications Service Tariff, the Wide Area Telecommunications Tariff and the Private Line Services and Channels Tariff. When services and facilities are provided in part by the Cooperative and in part by other connecting companies, the regulations of the Cooperative apply to the portion of the service or facilities furnished by the Cooperative. Failure on the part of the customer to observe these rules and regulations after due notice of such failure, automatically gives the Cooperative the right to discontinue service to that customer.

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

- A. In the event of a conflict between any rate, rule, regulation or provision contained in this tariff and any rate, rule, regulation or provision contained in the tariffs of Cooperatives' in which the Cooperative concurs, the rate, rule, regulation or provision contained in this tariff shall prevail.
- B. This tariff cancels and supercedes all other tariffs of the Cooperative issued and effective prior to the effective date shown on the individual sheets of this tariff.
- C. Should there be any conflict between this tariff and the Rules and Regulations of the Public Utility Commission of Texas (the Commission), the Commission's rules shall apply unless otherwise established by the courts.

1st Revised Page 3

Replacing Original Page 3

RULES AND REGULATIONS

APPLYING TO ALL CUSTOMERS' CONTRACTS

II. AVAILABILITY OF FACILITIES

The Cooperative's obligation to furnish, or continue to furnish, telecommunications service is dependent upon its ability to obtain, retain, and maintain, without unreasonable expense, suitable rights of way and facilities, and to provide for the installation of those facilities required to furnish and maintain that service.

It shall be the intent of the Cooperative to provide one party telephone service except in instances where facilities are not available. Where facilities are not available, party line service may be offered on a temporary basis until facilities become available.

III. CUSTOMER SERVICE AND PROTECTION

This part of the Rules and Regulations Section of the tariff provides information to telephone consumers about: resolving disputes with the Cooperative, applying for service, the classification of business and residential rates, deposits, billing, refusal of service, disconnection of service and cancellation of service. The rules set forth below summarize Sections 26.21 through 26.31 of the Commission's Substantive Rules. Please refer to the Substantive Rules for additional details concerning these provisions. A complete copy of the Substantive Rules will be available for review upon request.

The Cooperative also provides information in its published directory entitled "Your Rights as a Customer/Member." The Cooperative informs its customers every six months through a bill insert how customers may locate the information. The Cooperative provides the following information, in English and Spanish as necessary:

 rates and services information and the customer's right to inspect or obtain at reproduction cost a copy of the Cooperative's tariffs and service rules;

RULES AND REGULATIONS

APPLYING TO ALL CUSTOMERS' CONTRACTS

III. CUSTOMER SERVICE AND PROTECTION (Continued)

- 2) The credit requirements and the circumstances under which a deposit or an additional deposit may be required, how a deposit is calculated, interest paid on deposits, and the requirements for return of the customer's deposit;
- 3) The time allowed to pay outstanding bills;
- 4) Grounds for suspension and/or disconnection of service;
- 5) What the Cooperative must do before suspending and/or disconnecting service;
- 6) How to resolve billing disputes with the Cooperative and how disputes affect suspension and/or disconnection of service;
- 7) The customer's right to request alternative payment plans offered by the Cooperative, including, but not limited to, payment arrangements and deferred payment plans;
- 8) The steps to have service restored and/or reconnected after involuntary suspension or disconnection;
- 9) The availability of prepaid local telephone service to eligible customers;
- 10) Filing a complaint with the utility, procedures for a supervisory review, and right to file a complaint with the Public Utility Commission of Texas regarding any matter concerning the Cooperative's service. The Commission's contact information, Office of Customer Protection, P.O. Box 13326, Austin, Texas 78711-3326, the toll-free telephone number, fax, e-mail address, TTY, and Relay TX toll-free number;
- 11) The hours, address, and telephone numbers of the Cooperative offices where bills may be paid and information may be obtained, or a toll-free number that provides the customer this information;
- 12) A toll-free telephone number or the equivalent (such as WATS or collect calls) where customers may call to report service problems or make billing inquiries;

RULES AND REGULATIONS

APPLYING TO ALL CUSTOMERS' CONTRACTS

III. CUSTOMER SERVICE AND PROTECTION (Continued)

- 13) affirmation that the Cooperative services are provided without discrimination as to a customer's race, nationality, color, religion, sex, or marital status, and a summary of the company's policy regarding the provision of credit history based upon the credit history of a customer's former spouse;
- 14) notice of any special services such as readers or notices in Braille, if available, and the telephone number for the deaf at the Commission; and
- 15) how customers with physical disabilities, and those who care for them, can identify themselves to the Cooperative so that special action can be taken to appropriately inform these persons of their rights.

1st Revised Page 4

Replacing Original Page 4

RULES AND REGULATIONS

APPLYING TO ALL CUSTOMERS' CONTRACTS

III. CUSTOMER SERVICE AND PROTECTION (Continued)

A. Resolution of Dispute

Any customer or applicant for service who wishes to dispute any action or determination of the Cooperative under the Commission's customer service rules shall be given an opportunity for a supervisory review by the Cooperative. A customer may file a complaint by letter or by telephone, with the Cooperative and within twenty-one (21) days, the Cooperative will investigate and advise the customer of its response. Any customer who is dissatisfied with the Cooperative's review shall be informed of his/her right to file a complaint with the Public Utility Commission of Texas. Complaints forwarded to the Cooperative by the Public Utility Commission will be investigated and responded to in writing to the POUC within twenty-one (21) days of receipt.

B. Application for Service

Application for service, or requests from customers for additional service or changes in the grade or class of service become contracts when received by the Cooperative and are subject to the minimum contract term, which is one month unless specified otherwise. The Cooperative reserves the right to require application fro service to be made in writing on forms supplied by it. Applicants are required to pay in advance at the time application is made the membership fee and a deposit if required.

1st Revised Page 5

Replacing Original Page 5

RULES AND REGULATIONS

APPLYING TO ALL CUSTOMERS' CONTRACTS

- III. CUSTOMER SERVICE AND PROTECTION (continued)
 - B. Application for Service (Continued)

Any general change in rates, rules or regulations modifies the terms of the contract to the extent of such change without further notice. However, if rates are increased, the customer may cancel his contract upon reasonable written notice and upon payment for all service and any contractual liability.

C. Refusal of Service

1. Compliance by Applicant

The Cooperative may refuse to serve an applicant until such applicant complies with the state and municipal regulations and the Cooperative-approved rules and regulations on file with the Commission or for any of the reasons identified below:

- a. The applicant's installation or equipment is known to be hazardous or of such character that satisfactory service cannot be given or the applicant's facilities do not comply with all applicable state and municipal regulations.
- b. The applicant fails to comply with the Cooperative's tariffs pertaining to operation of nonstandard equipment or unauthorized attachments, which interfere with the service of others. The Cooperative shall provide the applicant notice of such refusal and allow the applicant a reasonable amount of time to comply with the Cooperative's tariffs.
- c. The applicant has acted as a guarantor for another customer and fails to pay the guaranteed amount, where such guarantee was made in writing to the utility and was a condition of service.

RULES AND REGULATIONS

APPLYING TO ALL CUSTOMERS' CONTRACTS

- III. CUSTOMER SERVICE AND PROTECTION (Continued)
 - C. Refusal of Service (Continued)
 - 1. Compliance by Applicant (Continued)
 - d. The applicant applies for service at a location where another customer received, or continues to receive, service and the utility bill is unpaid at that location and the utility can prove that the change in identity is made to avoid or evade payment of the Cooperative bill. An applicant may request a supervisory review if the Cooperative determines that the applicant intends to deceive the utility and refuses to provide service.
 - e. Except as provided in Section 1, subsection IV of this tariff describing Prepaid Local Telephone Service, service may be refused, if the applicant owes a debt to any utility for the same kind of service as that applied for, including long distance charges for nonresidential applicants where a provider of basic local telephone service bills those charges to the customer pursuant to its tariffs. If the applicant's indebtedness is in dispute, the applicant will be provided service upon complying with the Cooperative deposit requirements. Payment of long distance charges is not a condition of local exchange service for residential applicants.
 - f. The applicant refuses to pay a deposit if applicant is required to do so per the Cooperative tariff.
 - 2. Applicant's Recourse
 - a. In the event that the Cooperative refuses to serve an applicant under the provisions of these rules, the Cooperative must inform the applicant of the basis of its refusal and that the applicant may file a complaint with the Commission.

1st Revised Page 6

Replacing Original Page 6

RULES AND REGULATIONS

APPLYING TO ALL CUSTOMERS' CONTRACTS

- III. CUSTOMER SERVICE AND PROTECTION (Continued)
 - C. Refusal of Service (Continued)
 - 2. Applicant's Recourse (Continued)
 - b. The Cooperative will inform applicants eligible for Prepaid Local Telephone Service (PLTS) that PLTS service is available if they are not eligible for standard local telephone service.
 - 3. Insufficient Grounds for Refusal to Serve

The Cooperative shall not refuse service to a present customer or applicant because of:

- a. delinquency in payment for service by a previous occupant of the premises to be served;
- b. failure to pay for merchandise, or charges for nonutility service purchased from the Cooperative;
- c. failure to pay a bill that includes more than six months of underbilling unless the underbilling is the result of theft of service;
- d. failure to pay a bill of another customer at the same address except where the change of customer identity is made to avoid or evade payment of a telephone bill.
- e. Failure of a residential applicant to pay for long distance charges,

APPLYING TO ALL CUSTOMERS' CONTRACTS

III. CUSTOMER SERVICE AND PROTECTION (continued)

D. Application of Business or Residence Rates

- 1. Business rates apply at the following locations:
 - a. In offices, stores, factories, and all other places of a strictly business nature.
 - b. In boarding houses (except as noted below), offices of hotels, halls and offices of apartment buildings, quarters occupied by clubs, or lodges, public, private or parochial schools, colleges, hospitals, libraries, churches, and other similar institutions, except in churches and lodges as specified below.
 - c. At residence locations when the customer has no regular business telephone, and the use of the service either by himself, members of his household or his guests, or parties calling him can be considered as more of a business than a residential nature. This fact might be indicated by some form of advertising, or when such business use is not typically characteristic of residential telephone usage and occurs during times when, in compliance with the law or established custom, business places are ordinarily closed.
 - d. At residential locations where the service is located in a shop, office or other place of business.
 - e. In college fraternity houses where the members lodge within the house.
 - f. At any location where the location and expected usage of telephone service at that location are indicative of a business, trade or profession.

APPLYING TO ALL CUSTOMERS' CONTRACTS

III. CUSTOMER SERVICE AND PROTECTION (Continued)

D. Application of Business or Residence Rates (Continued)

- 2. Residence rates apply at the following locations:
 - a. In a private residence where business listings are not provided.
 - b. In private apartments of hotels, rooming houses or boarding houses where service is confined to the customer's use and which are not advertised as a place of business.
 - c. In the place of residence of a clergyman, physician, nurse or other medical practitioner, provided the office is located in their residence and is not a part of an office building. In any 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.
 - d. In a private stable or garage when strictly a part of a domestic establishment.
 - e. In churches where the service is not accessible for public use as in a clergyman's study.
 - f. In fire stations, including fire department dormitories and sleeping quarters.
 - g. In the private office or room of a charitable organization chartered by the State of Texas.

1st Revised Page 9

Replacing Original Page 9

RULES AND REGULATIONS

APPLYING TO ALL CUSTOMERS' CONTRACTS

III. CUSTOMER SERVICE AND PROTECTION (Continued)

E. Advanced Payments

When making application for service, the applicant may be required to pay at the time the application is accepted the service connection charge, if applicable, and the first month's charges for exchange service, excluding charges for local messages in excess of the monthly guarantee. This provision does not apply if a deposit is collected. In all cases, the regular monthly charges for service are payable as specified in the Local Exchange Tariff. The provisions of this paragraph affect the initial payment only and not the subsequent billing and collecting practices as elsewhere provided in this Tariff.

F. Deposits

The following provisions summarize the principal features of the Commission's Substantive Rules on deposits, Section 26.24, which provides additional details concerning this provision.

- 1. Requirements for Permanent Residential Applicants
 - a. The Cooperative may require a residential applicant for service to establish satisfactory credit, but establishment of credit shall not relieve the customer from complying with rules for prompt payment of bills. The credit worthiness of spouses established during the last twelve (12) months of shared service prior to their divorce, will be equally applied to both spouses for (12) months immediately after their divorce.

 2^{nd} Revised Page 10 Replacing 1^{st} Revised Page 10

RULES AND REGULATIONS

APPLYING TO ALL CUSTOMERS' CONTRACTS

III. CUSTOMER SERVICE AND PROTECTION (Continued)

- F. Deposits (Continued)
 - Requirements for Permanent Residential Applicants (Continued)
 - b. Subject to the following conditions, a residential applicant shall not be required to pay a deposit:
 - 1) If the residential applicant has been a customer of any telephone company within the last two years and is not delinquent in payment of any such telephone service account and during the last twelve (12) consecutive months of service did not have more than one occasion in which a bill for such service was paid after becoming delinquent and never had service disconnected for nonpayment.
 - If the residential applicant furnishes in writing a satisfactory guarantee for the amount of the required deposit to secure payment of bills for the service required.
 - 3) If the residential applicant demonstrates a satisfactory credit rating by appropriate means including, but not limited to, the production of generally acceptable credit cards, letters of reference, and names of credit references which may be quickly and inexpensively contacted by the Cooperative, or ownership of substantial equity.
 - 4) A deposit shall not be required of an eligible Lifeline applicant if the applicant chooses to subscribe to Toll Restriction Service.

APPLYING TO ALL CUSTOMERS' CONTRACTS

III. CUSTOMER SERVICE AND PROTECTION (Continued)

- F. Deposits (Continued)
 - Requirements for Permanent Residential Applicants (Continued)
 - c. The Cooperative may require an initial deposit from residential customers if: the customer has on more than one occasion during the last (12) consecutive months of service been delinquent in paying a bill for telephone service, or if the customer's service was disconnected for nonpayment. The customer may be required to pay this initial deposit within (10) days after issuance of a written disconnection notice that requests such deposit. Instead of an initial deposit, the customer may pay the total amount due on the current bill by the due date of the bill, provided the customer has not exercised this option in the previous (12) months. Alternatively, the customer may furnish a satisfactorily written guarantee to secure payment of bill in lieu of a cash deposit.
 - d. Customers who are required to provide an initial deposit in order to receive service will be provided a copy of the brochure, "Your Rights as a Customer", which includes information about deposits.

1st Revised Page 11 Replacing Original Page 11

RULES AND REGULATIONS

APPLYING TO ALL CUSTOMERS' CONTRACTS

III. CUSTOMER SERVICE AND PROTECTION (Continued)

- F. Deposits (Continued)
 - 2. Requirements for Non-Residential Service Customers

If the credit of a non-residential applicant for service has not been established satisfactorily to the Cooperative, the applicant may be required to make a deposit.

3. Reestablishment of Credit

Every applicant who previously has been a customer of a telephone company and whose service has been discontinued for nonpayment of bills shall be required before service is rendered to pay all amounts due the Cooperative or execute a deferred payment agreement, and reestablish credit.

- 4. Amount of Deposit and Interest for Permanent Residential, Non-Residential Service and Exemption from Deposit
 - a. The total of all deposits shall not exceed an amount equivalent to one-sixth (1/6) of the estimated annual billing, except as provided in Section 1, subsection IV of this tariff describing Prepaid Local Telephone Service. The estimated annual billings may include charges that are in a utility's tariffs. For nonresidential applicants and customers, the deposit amount may include long distance charges only where the provider of basic local telephone service bills those charges to the customer.

1st Revised Page 12

Replacing Original Page 12

RULES AND REGULATIONS APPLYING TO ALL CUSTOMERS' CONTRACTS

III. CUSTOMER SERVICE AND PROTECTION (Continued)

F. Deposits (Continued)

4. Amount of Deposit and Interest for Permanent Residential, Non-Residential Service and Exemption from Deposit (Continued)

- b. Additional Deposit Requirements
 - 1) During the first 12 months of service, if actual usage is three times estimated usage (or three times average usage of most recent three bills) and current usage exceeds \$150 and 150% of the security held, a new deposit requirement may be calculated. The Telephone Cooperative may require an additional deposit to be made within 10 days after issuance of written notice of termination and requested additional deposit, or, in lieu of additional deposit, the customer may elect to pay the current usage within 10 days after issuance of written notice of termination and requested additional deposit.
 - 2) Non-Residential Service If actual billings are at least twice the amount of the estimated billings, and a suspension notice has been issued on a bill within the previous 12-month period, a new deposit may be required to be made within 10 days after issuance of written notice of termination and requested additional deposit.
 - 3) Residential Service if actual billings are at least twice the amount of the estimated billings after two billing periods, and a suspension notice has been issued on a bill within the previous 12month period, a new deposit may be required to be made within 10 days after issuance of written notice of termination and requested additional deposit. In lieu of additional deposit, the customer may elect to pay the current bill by the due date of the bill, provided the customer has not exercised this option in the previous 12 months.

4th Revised Page 13 Replacing 3rd Revised Page 13

RULES AND REGULATIONS APPLYING TO ALL CUSTOMERS' CONTRACTS

III. CUSTOMER SERVICE AND PROTECTION (Continued)

F. Deposits (Continued)

4. Amount of Deposit and Interest for Permanent Residential, Non-Residential Service and Exemption from Deposit (Continued)

- c. In determining the amount of any deposit permitted in this tariff, no revenue from nontariffed products or services may be used.
- d. Estimated billings to determine the deposit amount shall not include long distance charges for residential applicants and customers.
- e. Interest on Deposits on deposits required from customers, the Cooperative shall pay a minimum interest on such deposits at an annual rate. The amount of interest to be paid on deposits will be established by the Commission on an annual basis in accordance with statutory requirements. The applicable statute is Tex. Utilities Code Ann. 183.003 (Vernon 1998). The current rate is established by the Commission annually in December for the following year.
 - Payment of the interest to the customer shall be annually if requested by the customer or at the time the deposit is returned or credited to the customer's account.
 - 2) The deposit shall earn interest from the date paid and shall cease to draw interest on the date it is returned to the customer's account.
- 5. Applicants for Permanent Residential Service Who are Sixty-five (65) Years of Age or Older - all such applicants will be considered as having established credit if the applicant does not have an outstanding account balance with the Cooperative or another telephone company for the same telephone service which accrued within the last two years. No cash deposit shall be required of such applicant under these conditions.

RULES AND REGULATIONS

APPLYING TO ALL CUSTOMERS' CONTRACTS

III. CUSTOMER SERVICE AND PROTECTION (Continued)

- F. Deposits (Continued)
 - 6. Refund of Deposit
 - a. If service is not connected or after disconnection of service, the Cooperative shall promptly and automatically refund the customer's deposit plus accrued interest on the balance, if any, in excess of the unpaid bills for service furnished. A transfer of service from one premises to another within the service area of Cooperative shall not be the deemed а disconnection within the meaning of these rules, and no additional deposit may be demanded unless in accordance with these rules.
 - b. When the customer has paid bills for service for twelve (12) consecutive residential billings or for twenty-four (24) consecutive commercial or industrial billings without having service disconnected for non-payment and without having more than two occasions on which a bill was delinguent, and when the customer is not delinquent in the payment of current bills, the Cooperative shall promptly and automatically refund the deposit plus accrued interest to the customer in the form of cash or credit to a customer's bill or void the guarantee. If the customer does not meet these refund criteria, the and interest may be retained deposit in accordance with Paragraph 4 above.

APPLYING TO ALL CUSTOMERS' CONTRACTS

III. CUSTOMER SERVICE AND PROTECTION (Continued)

G. Order of Precedence for Establishing Service

Application for service in a particular exchange will be completed in accordance with the chronological order of their receipt depending upon the availability of facilities. Where facilities are limited, the following order of precedence shall apply:

a. Cases involving the public welfare such as civil defense, fire, police and ambulance.

b. Application for new business service shall be given priority over applications for residence service.

c. All others.

H. Billing and Payment for Service

- The customer is responsible for payment of all charges for services furnished him, including charges for service originated or accepted at his access line. In addition, the customer is responsible for any charges, which may be applicable to a guarantee of deposit as provided in Subparagraph E.1.b.2 above.
- 2. Disputed Bills

In the event of a dispute between a customer and the Cooperative over any bill for utility service, the Cooperative shall make an appropriate investigation and report the results to the customer. In the event the dispute is not resolved, the Cooperative shall inform the customer of the Public Utility Commission's complaint procedures.

1st Revised Page 16 Replacing Original Page 16

RULES AND REGULATIONS APPLYING TO ALL CUSTOMERS' CONTRACTS

III. CUSTOMER SERVICE AND PROTECTION (Continued)

- H. Billing and Payment for Service (Continued)
 - 3. The customer shall pay all charges for service monthly in advance. Payment is due on or before the due date, which is sixteen (16) days after issuance of the bill. The postmark, if any, on the envelope of the bill or the issuance date on the bill if there is no postmark on the envelope shall constitute proof of the date of issuance. If the bill is not paid by the due date, the Cooperative may discontinue service after ten (10) days written notice to the customer in accordance with paragraph 26.27(a) and 26.28(a) of the Commission's Substantive Rules.
 - 4. If a residential customer expresses an inability to pay all of his or her bill and has not been issued more than two termination notices at any time during the preceding twelve (12) months, he or she may enter into a deferred payment plan with the Cooperative in accordance with paragraph 26.27(i) of the Commission's Substantive Rules.
 - 5. A one-time penalty not to exceed five (5) percent may be applied to delinquent non-residential bills. The one-time penalty shall not apply to residential bills. The penalty may not be applied to any balance to which the penalty was applied in a previous billing and shall only apply on undisputed amounts or if the dispute is resolved in favor of the Cooperative.
 - 6. Any applicant or one for whom an application is made, owing the Cooperative for service furnished under a former contract, shall pay or make satisfactory arrangements for paying any bill outstanding and unpaid before any additional service will be furnished.
 - 7. The Cooperative will toll block a residential customer for the nonpayment of long distance charges at the request and expense of a long distance carrier due to the nonpayment of long distance charges at a charge to the long distance carrier not more than \$10.00 for onetime installation nor more than \$1.50 per month for toll blocking.

 2^{nd} Revised Page 17 Replacing 1^{st} Revised Page 17

RULES AND REGULATIONS

APPLYING TO ALL CUSTOMERS' CONTRACTS

III. CUSTOMER SERVICE AND PROTECTION (Continued)

H. Billing and Payment for Service (Continued)

- 8. Where technically capable, the Cooperative will provide toll blocking that allows the residential customer access to toll-free numbers. The Cooperative will not apply toll blocking in an unreasonably preferential, prejudicial, or discriminatory manner. The cooperative will notify the customer within (24) hours of initiating toll blocking.
- 9. Adjustment of Charges if billings for telephone service are found to differ from the Cooperative's lawful rates for the services purchased by the customer, the Cooperative shall calculate a billing adjustment. If the customer was overcharged, the Cooperative will refund all overcharges.

If the customer was undercharged, the Cooperative may back bill the customer for a period not to exceed six (6) months, unless the Cooperative can produce records to identify and justify the additional amount of backbilling. Service may not be disconnected for charges incurred six months prior to the date the Cooperative initially notifies the customer of the amount of undercharge and the total additional amount that will be due. If the underbilling is \$50.00 or more, the Cooperative shall offer such customer a deferred payment plan option, for the same length of time as that of the underbilling.

Overbillings that are not adjusted by the Cooperative within three billing cycles of the bill in error and certain underbillings shall accrue interest. The interest rate shall be established annually by the Commission in December for the following year in accordance with the Public Utility Commission's Substantive Rule 26.27(d).

APPLYING TO ALL CUSTOMERS' CONTRACTS

III. CUSTOMER SERVICE AND PROTECTION (Continued)

H. Billing and Payment for Service (Continued)

10.Adjustments of Charges for Service Interruptions

In the event a customer's service is interrupted other than by the negligence or willful act of the customer and remains out of order for twenty-four (24) hours or longer after access to the premises is made available and after the customer reports to the Cooperative that the service is out of order, the Cooperative shall make an appropriate adjustment to the customer's bill.

Replacing Original Page 17.1

11. Where the Cooperative is in receipt of a partial payment from a residential customer, the payment shall first be allocated to basic local telephone service. The charge for basic local telephone service is combined as part of a bundled package of services and subscribed to by a customer, will be the stand-alone rate for basic service according to the Cooperative's tariffs.

12.Notice to Governmental Entities Regarding Texas Prompt N Payment Act

Non-residential customers who are governmental entities under the Texas Prompt Payment Act (TPPA), Chapter 2251 Title 10 General Government, Texas Government Code Annotated, are responsible for notifying the Company of their status. TPPA provisions apply with regard to overdue payment, interest due on overdue payments and certain exceptions in the statute.

2nd Revised Page 18 Replacing 1st Revised Page 18

RULES AND REGULATIONS APPLYING TO ALL CUSTOMERS' CONTRACTS

III. CUSTOMER SERVICE AND PROTECTION (Continued)

I. Discontinuance of Service

1. Discontinuance with Notice

Proper notice consists of a separate mailing or hand delivery at least ten (10) days prior to the stated date of disconnection, with the words "termination notice" or similar language prominently displayed on the notice.

If mailed, the cutoff day may not fall on a holiday or weekend but on the next work day after the tenth day. Telephone service may be disconnected after proper notice for any of the following reasons:

- a. Failure to pay a bill for charges that are in the Cooperative's tariffs, including long distance charges for nonresidential customers only where the Cooperative bills those charges to the customer pursuant to Cooperative tariffs, or failure to make deferred arrangements by the date of suspension or disconnection.
- b. Violations of the Cooperative's rules pertaining to the use of service in a manner which interferes with the service of others or relating to the operation of nonstandard provided equipment, if a reasonable attempt has been made to notify the customer, and the customer has been afforded a reasonable opportunity to remedy the situation.
- c. Failure of the guarantor to pay the amount guaranteed, when the Cooperative has a written agreement, signed by the guarantor, that allows for disconnection of the guarantor's service for nonpayment.
- d. Failure to comply with the terms of a deferred payment agreement except as provided in Section 1, subsection IV of this local tariff relating to Prepaid Local Telephone Service.

APPLYING TO ALL CUSTOMERS' CONTRACTS

- **III. CUSTOMER SERVICE AND PROTECTION** (Continued)
 - I. Discontinuance of Service (Continued)
 - 1. Discontinuance with Notice (Continued)
 - e. Failure to pay an underbilled amount or a deposit as required by Section 7 of this Local Tariff relating to Credit Requirements and Deposits.
 - f. Avoidance of toll blocking by incurring long distance charges after toll blocking was implemented for the residential customer by the Cooperative due to nonpayment of long distance charges.
 - 2. Telephone service may be disconnected without notice under either of the following conditions:
 - a. A known dangerous condition exists;
 - b. Service is connected without authority by a person who has not applied for service or who has reconnected service without authority.

2nd Revised Page 19 Replacing 1st Revised Page 19

RULES AND REGULATIONS

APPLYING TO ALL CUSTOMERS' CONTRACTS

III. CUSTOMER SERVICE AND PROTECTION (Continued)

1. Discontinuance of Service (Continued)

3. The Cooperative may not disconnect service for any of the following reasons:

- a. Delinquency in payment for service by a previous occupant of the premises;
- b. Failure to pay for any charges that are not provided for in the Cooperative's tariffs;
- c. Failure to pay for a different type of class of telephone service unless fee for such service was included on the bill at the time service was initiated;
- d. Failure to pay disputed charges until a determination
 is made on the accuracy of the charges;
- e. Failure to pay charges arising from an underbilling resulting from any misapplication of rates more than six months prior to the current billing;
- f. Failure of a customer receiving Lifeline service to pay charges incurred for toll service while the customer is receiving Lifeline service;
- g. Failure of a residential customer to pay long distance charges;
- h. Where a delinquent customer at a permanent residence has established that such action will prevent the customer from summoning emergency medical help for someone seriously ill residing at that residence and the customer has complied with the following:
 - Each time a customer seeks to avoid suspension or disconnection of service under this subsection, the customer before the date of suspension or disconnection must:

RULES AND REGULATIONS

APPLYING TO ALL CUSTOMERS' CONTRACTS

III. CUSTOMER SERVICE AND PROTECTION (Continued)

- 1. Discontinuance of Service (Continued)
 - 3. (Continued)
 - h. (Continued)
 - 1. (Continued)
 - (i) have the person's attending physician (the term "physician" means any public health official, including, but not limited to, medical doctors, doctors of osteopathy, nurse practitioners, registered nurses, and any other similar public health official) contact the Cooperative by the stated date of disconnection;
 - (ii) have the person's attending physician submit a written statement to the Cooperative; and
 - (iii) enter into a deferred payment plan.

The prohibition against suspension or disconnection is effective sixty-three (63) days from the issuance of the Cooperative's bill or a shorter period agreed upon by the Cooperative and the customer or physician.

4. Disconnection on holidays or weekend.

Unless a dangerous condition exists, or unless the customer requests disconnection, service shall not be disconnected on a day, or on a day immediately preceding a day, when Cooperative personnel are not available to the public for the purpose of making collections and reconnecting service.

5. Unauthorized Charges on Customer Bills

A customer who reports an unauthorized charge on their bill may not be disconnected for nonpayment of an unauthorized charge. The Cooperative will not file an unfavorable credit report against a customer who has not paid charges that were alleged to be unauthorized unless the dispute regarding these charges is resolved against the customer.

APPLYONG TO ALL CUSTOMERS' CONTRACTS

III. CUSTOMER SERVICE AND PROTECTION (Continued)

I. Discontinuance of Service (Continued)

6. Suspension and Disconnection Notices

Any suspension or disconnection notice issued by a utility to a customer must consist of the following:

a) The notice will not be issued to the customer before the first day after the bill is due. Payment of the delinquent bill at the Cooperative's authorized payment agency is considered payment.

b) The notice will be a separate mailing or hand delivery with a stated date of suspension or disconnection and with the words "suspension notice" or "disconnection notice", or similar language prominently displayed on the notice.

c) The notice will have a suspension or disconnection date that is not a holiday or weekend day, not less than ten days after the notice is issued.

d) The notice will be provided in English and Spanish.

e) Notices for residential customers will indicate the specific amount owed for tariffed local telephone services required to maintain basic local telephone service.

f) Notices will indicate a statement notifying customers that if they need assistance paying their bill, or are ill and unable to pay their bill, they may be able to arrange an alternative payment method or establish a deferred payment plan. The notice will advise customers to contact the Cooperative for more information.

g) Residential notices will include the customer's right to receive basic local telephone service without entering Prepaid Local Telephone Service if the customer does not owe for basic local service.

RULES AND REGULATIONS

APPLYING TO ALL CUSTOMERS' CONTRACTS

III. CUSTOMER SERVICE AND PROTECTION (Continued)

I. Discontinuance of Service (Continued)

7. Disconnection due to Abandonment.

The Cooperative may not abandon a customer or a certificated service area without written notice to its customers therein and all similar neighboring companies, and without approval from the Commission.

8. Collection costs.

The customer is responsible for all collection costs, including attorney's fees, incurred by the Cooperative as a result of any breach of contract by the customer.

9. Disputes.

In the event of a dispute between a customer and the Cooperative, the Cooperative shall not disconnect service pending completion of a supervisory review of the dispute as provided in Part III.paragraph A. above.

J. Cancellation of Application for Basic Service

When the customer cancels an application for service prior to the start of installation of service, or prior to the start of special construction, no charge applies.

When installation of service has been started prior to the cancellation, a cancellation charge equal to the minimum service charges shall apply.

APPLYING TO ALL CUSTOMERS' CONTRACTS

III. CUSTOMER SERVICE AND PROTECTION (Continued)

J. Cancellation of Application for Basic Service (Continued)

Where special construction has been started prior to the cancellation, a charge equal to the cost incurred in the special construction, less net salvage, applies. Installation or special construction for a customer is considered to have started when the Cooperative incurs any expense in connection with the installation which would not otherwise have been incurred.

K. Termination of Service

The customer may terminate service prior to the expiration of the initial contract period after giving notice to the Cooperative, and after payment of the termination charges given below, in addition to all charges due for service which has been furnished.

- 1. In the case of service for which the initial contract period is one month, the charges are due for the balance of the initial month.
- 2. Service may be terminated after the expiration of the initial contract period after notifying the Cooperative and payment of charges due to the date of termination of the service as provided elsewhere in this tariff.

4th Revised Page 21.1 Replacing 3rd Revised Page 21.1

RULES AND REGULATIONS

APPLYING TO ALL CUSTOMERS' CONTRACTS

III. CUSTOMER SERVICE AND PROTECTION (Continued)

L. Special Charges, Fees and Taxes

- 1. Texas Universal Service Fund (TUSF) Surcharge
 - a. The Texas Universal Service Fund (TUSF) is a funding mechanism that has been established by the State of Texas to insure that local phone rates are affordable for low income customers in high cost areas, and to support programs for customers with disabilities. The TUSF Surcharge is intended to recover the cost of the TUSF assessment paid by the Cooperative. The Cooperative's TUSF Surcharge amount is determined by applying the TUSF assessment rate, as determined by the Commission to actual rates for services that are considered "intrastate telecommunications services receipts", as that term has been defined by the Commission.
 - b. The TUSF Surcharge will be identified on the retail customer's bill as "Texas Universal Service".
 - c. Effective September 1, 2004, charges for all eligible intrastate taxable telecommunications services receipts on a retail customer's bill, except Lifeline and Link Up, will be assessed a TUSF Surcharge based on the TUSF assessment rate approved by Commission order. The TUSF assessment rate may be changed periodically by the Commission.
- 2. Residential, non-residential and point-to-point access lines provided pursuant to this tariff are subject to a municipal franchise fee as established for the city in which the end user of the access lines is located. Effective with the charges billed on or after March 1, 2000, the monthly recurring municipal charge will be equal to a monthly amount developed using criteria as recommended by your local municipality with information supplied by this local certificated telecommunications provider (CTP). The fee should be assessed as a per-line-charge on the end user bill. This municipal charge results from implementation of House Bill 1777 - Telecommunications which allows all municipalities to Franchise Law, be compensated by CTPs for right-of-way usage. The fee has been developed and/or allocated across rate classifications according to local municipal guidelines.

2nd Revised Page 21.2 1st Revised Page 21.2

RULES AND REGULATIONS

APPLYING TO ALL CUSTOMERS' CONTRACTS

III. CUSTOMER SERVICE AND PROTECTION (Continued)

- L. Special Charges, Fees and Taxes (continued)
 - 3. Texas Infrastructure Fund (TIF) Reimbursement Surcharge

The Texas Telecommunications Infrastructure Fund (TIF) Reimbursement Surcharge, as allowed for by the Texas Utility Code, PURA Section 57.048, is intended to flow through Guadalupe Valley Telephone Cooperative's TIF assessment. The TIF surcharge is calculated at 1.25% of taxable telecommunications charges. The Texas TIF Reimbursement Surcharge is subject to sales tax.

The Surcharge will be identified on the customer's bill as "Texas TIF Reimbursement".

D

1st Revised Page 22 Replacing Original Page 22

RULES AND REGULATIONS

APPLYING TO ALL CUSTOMERS' CONTRACTS

IV. USE OF SERVICE AND FACILITIES

A. Use of Service

- 1. Local exchange telephone service, as distinguished from Pay Telephone Services, is furnished only for use by the customer, his family, employees or business associates, or persons residing in the customer's household, except as the use of customer service may be extended to Pay Telephone Access Service, or to guests of a hotel-motel. The Cooperative has the right to refuse to install customer service or to permit such service to remain on the premises of a public or semipublic character, except for Pay Telephone 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.
- 2. 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.
- 3. Local residence exchange service may not be used for providing access to resold or shared customer premises key equipment. Local business exchange service may not be used for providing access to resold or shared customer premises key or switching equipment, intraLATA Long Distance Message Telecommunications Service and intraLATA Wide Area Telecommunications Service.

RULES AND REGULATIONS

APPLYING TO ALL CUSTOMERS' CONTRACTS

- IV. USE OF SERVICE AND FACILITIES (Continued)
 - A. Use of Service (Continued)
 - 4. Party Line Service The Cooperative accepts applications for party line service with the understanding that each customer will so use the service as not to interfere with an equitable proportionate use of the service by the other customers on the same line. When the duration or number of local messages sent or received by a party line customer is so great as to prevent an equitable proportionate use of the line by other customers on the line, the Cooperative shall have the right to require the customer to contract for a higher grade of service, or to discontinue the service of a customer in question.
 - 5. Emergency Situations Under Texas law it is a misdemeanor to willfully refuse to relinquish a party line when informed that the line is needed for an emergency call to summon police, fire or medical assistance. It is also a misdemeanor to secure willfully the use of a party line by falsely stating that such a line is needed for an emergency call. The law defines "emergency" as a "situation in which property or human life is in jeopardy and the prompt summoning of aid is essential."
 - 6. Transmitting Messages The Cooperative does not transmit messages but offers the use of its facilities for communications between its customers.
 - 7. Use of Lines of Other Companies When suitable arrangements can be made, lines of other telephone companies may be used in establishing connections to point not reached by the Cooperative's lines. In establishing connections with the lines of other companies, the Cooperative is not responsible or liable for any action of the Connecting Company.

1st Revised Page 24 Replacing Original Page 24

RULES AND REGULATIONS APPLYING TO ALL CUSTOMERS' CONTRACTS

- IV. USE OF SERVICE AND FACILITIES (Continued)
 - A. Use of Service (Continued)
 - 8. Unauthorized Attachments or Connections No equipment, accessory, apparatus, circuit or device shall be attached to or connected with Cooperative facilities except as provided in this Tariff. In case of any such unauthorized attachment or connection is made, the shall have the right Cooperative to remove or disconnect the same, to suspend service during the continuance of said attachment or connection, or to disconnect service. The customer shall be held responsible for the cost of correcting any impairment of service caused by the use of such attachments or connections and shall be billed for each service call made to his premises because of the use of such attachments or connections.
 - 9. Except as otherwise provided in the Tariff, nothing herein shall be construed to permit the use of a device to interconnect any Cooperative-owned line or channel with any other communications line or channel of the Cooperative or of any other person.
 - 10. Use of Automatic Dialing-Announcing Devices
 - a. An automatic dial announcing device is any automatic equipment capable of playing a recorded message when a connection is completed to a telephone number.
 - b. The following requirements are imposed on the user of an automatic dial announcing device:
 - The user shall obtain a permit from the Commission, as written notice specifying the type of device to be connected, and the Cooperative may request a copy from the Commission;
 - 2) The device is not used for random number dialing or to dial numbers by successively increasing or decreasing integers, and may not simultaneously engage two or more lines of a multi-line business;

1st Revised Page 25 Replacing Original Page 25

RULES AND REGULATIONS

APPLYING TO ALL CUSTOMERS' CONTRACTS

IV. USE OF SERVICE AND FACILITIES (Continued)

- A. Use of Service (Continued)
 - 10. Use of Automatic Dialing-Announcing Devices
 (Continued)
 - b. (Continued)
 - 3) The message conveyed by the device, or a message delivered by a human, must be in a single language and must state within the first (30) seconds of the call the nature of the call and the name, address and call-back telephone number other than the ADAD number of the person, company, or organization making the call. If used for debt collection purposes or if a live operator introduces the call, this provision does not apply;
 - 4) The device disconnects from the called person's line not later than (5) seconds after either party hangs up or if the device cannot disconnect in that period, a live operator must introduce the call and receive the called party's consent;
 - No calls shall be made to emergency telephone 5) numbers of hospitals, fire departments, law enforcement offices, medical physician or service offices, health care facilities, poison control centers, "911" lines, other entities providing emergency services, any guest room or patient room of a hospital, health care elderly home similar facility, or establishment, any telephone numbers assigned to paging service, cellular telephone service, specialized mobile radio service, or other radio common carrier, or any service for which the called party is charged for the call;
 - 6) For calls terminating in the State of Texas, the device is not to be used to make a call:

1st Revised Page 26 Replacing Original Page 26

RULES AND REGULATIONS

APPLYONG TO ALL CUSTOMERS' CONTRACTS

IV. USE OF SERVICE AND FACILITIES (Continued)

- A. Use of Service (Continued)
 - 10. Use of Automatic Dialing-Announced Devices (Continued)
 - 6) (Continued)
 - 3. On a Sunday before 12:00 p.m. or after 9:00 p.m., or after 9 p.m. on a weekday or a Saturday, when the device is used for solicitation; or
 - 4. At any hour that collection calls would be prohibited under the Federal Fair Debt Collection Practices Act, 15 United States Code, Section 1692, et seq., when the device is used for collection purposes; and
 - 7) A violation of any portion of this section shall subject the user to prosecution for a Class A misdemeanor as set forth in the Public Utility Regulatory Act, §55.138 and subject the user to administrative penalties by the Commission.
 - 8) If during a call, a cross-promotion or reference is made to any sponsor-provided service where the caller will incur a charge to place the call, the estimated time and rate must be stated.
 - c. Disconnection. The Cooperative may disconnect or refuse to connect service to a person using or intending to use an automatic dial announcing device if it determines that the device is not capable of disconnecting from a called party's line as required in this section or that the device would cause or is causing network harm. The Cooperative shall give written notice, by mailing or hand delivery, if practicable, to the person using the device of its intent to disconnect service not later than the third day before the date of the disconnection, except that if the device is causing network congestion or blockage, the notice may be given by telephone or hand delivery, if practicable, on the day before the date of disconnection.

2nd Revised Page 27 Replacing 1st Revised Page 27

RULES AND REGULATIONS APPLYING TO ALL CUSTOMERS' CONTRACTS

IV. USE OF SERVICE AND FACILITIES (Continued)

A. Use of Service (Continued)

10. Use of Automatic Dialing-Announcing Devices (Continued)

c. (Continued)

Upon receipt of notification by the Commission that a permit has been suspended under the provisions of the Texas Family Code Annotated, Chapter 232 pertaining to failure to pay child support, the Cooperative shall disconnect service to that person and may reconnect service only on a determination by the Commission that the person will comply with the provisions of the section.

- d. Exception. These provisions do not apply to the use of an automatic dial announcing device when the call is used fro an emergency or public service approved by a county's emergency management coordinator in the county where the call is received or where a public or private primary or secondary school system attempts to account for truant students. However, the Cooperative may disconnect service to a person using the device if it is causing harm to the network.
- e. Form and Fee. Anyone applying for a permit to use one or more automatic dial announcing devices shall use a Commission form and pay a Commissionprescribed fee for each permit issued.
- f. Complaints. Upon receipt of an ADA-related complaint, the Cooperative will record and forward the complaint to the Commission within (3) business days and so inform the complainant.

B. Obligations of Customers

 Alterations - The customer agrees to notify the Cooperative promptly in writing whenever alterations or new construction on premises owned or leased by him will necessitate changes in the Cooperative's facilities, and the customer agrees to pay the Cooperative's current costs for such changes.

SECTION 7

2nd Revised Page 28 Replacing 1st Revised Page 28

RULES AND REGULATIONS

APPLYONG TO ALL CUSTOMERS' CONTRACTS

- IV. USE OF SERVICE AND FACILITIES (Continued)
 - B. Obligations of Customers (Continued)
 - 2. Unless specifically provided otherwise in this tariff, when commercial power is used for the operation of customer provided premises equipment or GVTC equipment or facilities, the customer provides the necessary power wiring, power outlets and commercial power and assumes all responsibility for the safe condition of the power wiring, power outlets and commercial power.

C. Rights of the Cooperative

- 1. Work Performed on an Overtime Basis The charges specified in this Tariff do not contemplate work being performed by the Cooperative employees 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.
- Work Interruption The charges specified in this Tariff 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.
- 3. Ownership Any facilities on the customer's premises furnished by the Cooperative shall be and remain the property of the Cooperative, whose agents and employees have the right to enter said premises at any reasonable hour for the purpose of installing, terminating, inspecting, maintaining or repairing service, and making collections from pay telephones.
- 4. 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 Cooperative shall have the right to require the customer to contract with the Cooperative for such additional facilities as may be necessary in the Cooperative's judgment to remove the cause of said impairment, or if the customer refuses this requirement or will not remedy the situation, to discontinue service completely.
- 5. Abandonment of Telephone Service The Cooperative may discontinue service, which has been abandoned.

APPLYING TO ALL CUSTOMERS' CONTRACTS

- IV. USE OF SERVICE AND FACILITIES (Continued)
 - C. Rights of the Cooperative (Continued)
 - 6. Abuse of Telephone Service After giving the customer a reasonable opportunity to remedy the situation and after giving proper notice, the Cooperative may discontinue service which is used:
 - a. In such a way that interferes with the service of other telephone users;
 - b. For any purpose other than as a means of communication;
 - c. To communicate profane or obscene language;
 - d. 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;
 - e. In any fraudulent or unlawful manner; or
 - f. In any manner which violates any of the Cooperative's lawful regulations.
 - g. To obtain a customer's listed name, address or telephone number from Directory Assistance for any purpose other than to facilitate the making of a telephone call.
 - 7. Governmental Objections to Service The Cooperative may refuse to furnish or may discontinue telephone service to any person, firm or organization if a governmental authority objects to the provision of such service because the service is or is to be used for an illegal purpose. Issuance of a court order is necessary before service can be discontinued.

APPYING TO ALL CUSTOMERS' CONTRACTS

- IV. USE OF SERVICE AND FACILITIES (Continued)
 - C. Rights of the Cooperative (Continued)
 - 8. Telephone Directories. The Cooperative normally publishes telephone directories annually.
 - a. Distribution The Cooperative distributes to its customers without charge such directory information as in its opinion is generally necessary for the efficient use of the service. Any additional directories or information requested by a customer will be furnished without additional charge if the Cooperative agrees that such provisions will make the customer's use of telephone service more efficient. Other directories will be furnished at the Cooperative's discretion at a reasonable rate.
 - b. Ownership Directories regularly furnished to customers are the property of the Cooperative, are loaned to customers to aid in the use of telephone service, and are to be returned to the Cooperative upon request. Customers must not deface or mutilate directories. The Cooperative has the right to make a charge for directories issued in replacement of directories destroyed, defaced or mutilated while in the possession of customers.
 - 9. Telephone Numbers The Cooperative 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 Cooperative.

RULES AND REGULATIONS

APPLYING TO ALL CUSTOMERS' CONTRACTS

IV. USE OF SERVICE AND FACILITIES (Continued)

D. Liability of the Cooperative

- Given the customer's exclusive control of his communications over Cooperative-provided facilities, and of the other uses for which Cooperative facilities may be furnished, and because errors incident to the service and the use of facilities are unavoidable, the services and facilities furnished by the Cooperative are subject to the terms, conditions and limitations specified herein.
- 2. The Cooperative's failure to provide or maintain facilities under this tariff shall be excused by labor difficulties, governmental orders, civil commotions, acts of God and other circumstances beyond the Cooperative's control, subject to the interruption allowance provisions by this tariff.
- 3. Defacement of Premises No liability shall attach to the Cooperative by reason of any defacement or damage to the customer's premises resulting from the existence of the Cooperative's facilities on such premises, or by the installation or removal thereof, when such defacement or damage is not the result of the sole negligence of the Cooperative or its employees.
- Errors The Cooperative's liability, if any, for its 4. gross negligence or willful misconduct is not limited by this Tariff. With respect to any other claim or suit, by a customer or any others, for damages arising from errors or omissions in the making up or printing of its directories or in accepting listings as presented by customers or prospective customers, the Cooperative's liability, if any, shall not exceed the amount paid for local exchange service during the period covered by the directory in which the error or omission occurred. In the case of extra listings in the alphabetical listing of the directory for which a charge is made, the Cooperative's liability shall not exceed the established rate for such listing during the period in which the error or omission occurred.

GUADALUPE VALLEY TELEPHONE COOPERATIVE, INC.

Local Exchange Tariff

1st Revised Page 32

Replacing Original Page 32

RULES AND REGULATIONS

APPLYING TO ALL CUSTOMERS' CONTRACTS

- IV. USE OF SERVICE AND FACILITIES (Continued)
 - D. Liability of the Cooperative (Continued)
 - Interruptions of Service In the event a customer's 5. service e is interrupted by other than the negligence or willful act of the customer, and it remains out of order for twenty-four hours or longer after access to the premises is made available and after being reported to be out of order, appropriate adjustments or refunds shall be made to the customer. The amount of adjustment or refund shall be determined on the basis or the known period of interruption, generally beginning from the time the service interruption is first reported. The refund to the customer shall be the pro rata part of the month's flat rate charges for the period of days and that portion of the service facilities rendered useless or inoperative. The refund may be accomplished by a credit on a subsequent bill for telephone service. No allowance for interruption of service will be made for any period in which such service interruption is caused by malfunction or failure of customer-owned equipment.
 - 6. Indemnification The Cooperative's liability, if any, for its gross negligence or willful misconduct is not limited by this tariff. With respect to any other claim or suit, by a customer or by any others, the customer indemnifies and saves harmless the Cooperative against claims, losses or suits for injury to or death of any person, or damage to any property which arises from:
 - a. The use, placement or presence of the Telephone Cooperative's facilities on the customer's premises or,
 - b. The use of customer-provided premises equipment, voltages or currents transmitted over the Cooperative's facilities caused by customerprovided premises equipment.

APPLYONG TO ALL CUSTOMERS' CONTRACTS

IV. USE OF SERVICE AND FACILITIES (Continued)

D. Liability of the Cooperative (Continued)

6. (Continued)

b. (Continued) Further, the customer indemnifies and saves harmless the Cooperative against claims for libel, slander, or the infringement of copyright arising directly or indirectly from the material transmitted over the Cooperative's facilities 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 Cooperative 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 Cooperative.

7. Liability - The Cooperative's liability, if any, for its gross negligence or willful misconduct is not limited by this tariff. With respect to any other claim or suit, by a customer or any others, for damages arising out of mistakes, omissions, interruptions, delays or errors, or defects in transmission occurring during provision of telephone service, the Cooperative's liability, if any, shall not exceed an amount equivalent to the proportionate charge to the customer for the period of service during which such mistake, omission, interruption, delay, error, or defect in transmission or service occurs and continues. This liability shall be in addition to any amounts that may otherwise be due to the customer under this tariff as an allowance for interruptions. However, any such mistakes, omissions, interruptions, delays, errors, or defects in transmission or service which are caused or contributed to be the negligence or willful act of the customer or authorized user, or joint user, or which arise from the use of customer-provided premises equipment shall not result in the imposition of any liability whatsoever upon the Cooperative.