

## SECTION 2 - TERMS AND CONDITIONS, (Cont'd.)

## 2.11 Deposits

2.11.1 Each applicant for service may be required to establish credit. Any applicant whose credit has not been duly established may be required to make a deposit at the time of application to be held as a guarantee of payment of charges. In addition, an existing Customer may be required to make a deposit or increase a deposit currently held. The Company shall pay interest on deposits pursuant to applicable rules and regulations.

2.11.2 A deposit shall not exceed the estimated charges for two months service, plus installation, and shall be returned: 1) when an application for service has been canceled prior to the establishment of service; or 2) at the end of twelve (12) consecutive months of a satisfactory credit history; or 3) upon discontinuation of service. The Company may first apply the deposit against any outstanding balances due. If a credit balance exists after such application, the Company shall refund the balance to the Customer.

2.11.3 The fact that a security deposit has been made in no way relieves the Customer from the prompt payment of bills upon presentation.

## 2.12 Advance Payments

The Company reserves the right to require an advance payment from the Customer instead of, or in addition to, a security deposit. The advance payment shall be in an amount equal to, or less than, estimated installation charges plus two months' estimated billing.