

SECTION 2 - TERMS AND CONDITIONS, (Cont'd.)**2.22 Flexible Pricing****2.22.1 General**

Flexible Pricing sets minimum and maximum rates that can be charged for telephone service. The Company may change a specific rate within the range of the established minimum and maximum rates.

2.22.2 Conditions

- A.** The Company reserves the right to change prices at any time subject to regulatory requirements by filing a revised Price list with the Commission.
- B.** Customer notification of rate change shall be made in accordance with Commission regulations. Where there are no regulations, notification will be made in a manner appropriate to the circumstances involved.
- C.** Rates may be reduced from time to time, in varying amounts. In no event, however, will rate elements that apply under this tariff to a service as a whole result in a minimum rate that is lower than the Company's incremental cost of providing such service.