

Mosaic NetworX LLC
Effective: May 18, 2011

New York PSC No. 2
Original Leaf No. 30
Revision 0
Superseding Revision:

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.12 Deposits and Advanced Payments

2.12.1 General

The Company reserves the right to validate the creditworthiness of Customers and billed parties through available verification procedures. Where a Customer's creditworthiness is unacceptable to the Company, Company may refuse to provide service, require a deposit or advance payment, or otherwise restrict or interrupt service to a Customer.

2.12.2 Deposits

- A. The Company may, in order to safeguard its interests, require a Customer which has a proven history of late payments to the Company or does not have established credit or has a bad credit rating to make a deposit prior to or at any time after the provision of service to the Customer to be held by the Company as a guarantee of the payment of rates and charges. No such deposit will be required of a Customer that has established satisfactory credit and has no history of late payments to the Company.
- B. The amount of deposit may be adjusted at the request of the Customer at any time when the character, purpose, or degree of the Customer's use of the service has materially changed, or when it is indicated that it will change.
- C. The making of a deposit shall not relieve any Customer of the obligation to pay current bills when due. A deposit shall only be applied to the indebtedness of the Customer for jurisdictional telecommunications services of the provider.

2.12.3 Advance Payments

To safeguard its interests, the Company may require a Customer to make an advance payment before services and facilities are furnished. This will be applied against the next month's charges and a new advance payment may be collected for the next month, if necessary. Advance payments do not accrue interest. An advance payment may be required in addition to a deposit.

Issued By:
Thomas Wierimaa
VP Finance and Regulatory
454 Las Gallinas Ave., Suite 145
San Rafael, CA 94903

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