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PSC NO. 5 TELEPHONE Broadwing Communications LLC Initial Effective Date: June 17, 2006 Section 2 Leaf: 17 Revision 0 Superseding Revision 0

SECTION 2: REGULATIONS

2.5 Customer Deposits and Advance Payments (cont'd)

2.5.2 Deposits

- A) To safeguard its interests, the Company may require the Customer to make a deposit to be held as a guarantee for the payment of charges. A deposit does not relieve the Customer of the responsibility for the prompt payment of bills on presentation. The deposit will not exceed an amount equal to:
 - 1) two month's charges for a service or facility which has a minimum payment period of one month; or
 - 2) the charges that would apply for the minimum payment period for a service or facility which has a minimum payment period of more than one month; except that the deposit may include an additional amount in the event that a termination charge is applicable.
- B) A deposit may be required in addition to an advance payment.
- C) When a service or facility is discontinued, the amount of a deposit, if any, will be applied to the Customer's account and any credit balance remaining will be refunded. Before the service or facility is discontinued, the Company may, at its option, return the deposit or credit it to the Customer's account. If the amount of the deposit is insufficient to cover the balance due to the Customer's account, the Company retains the right to collect any amounts owing after the deposit has been applied plus any costs related to the collection of any remaining balance.
- D) Deposits held will accrue simple interest at a rate specified by the New York Public Service Commission without deductions for any taxes on such deposits. Interest will not accrue on any deposit after the date on which reasonable effort has been made to return it to the Customer.

Issued by: Daniel E. Meldazis, Director - Regulatory Affairs, Chicago, Illinois 60601