

TWO-TIER PAYMENT PLAN

A. GENERAL

This Section contains the regulations applicable to the Two-Tier Payment Plan for specific services, as indicated in the appropriate Section(s) elsewhere in this Tariff, unless such regulations are specifically exempted in the appropriate Tariff Section for the particular service.

Recurring, non-recurring and termination liability charges are not included in this Section. These are applicable according to the appropriate Section(s) which offer the applicable service(s).

The Two-Tier Payment Plan is an optional method of payment which provides monthly rates consisting of two tiers. As described below, a customer who elects Two-Tier Payment will select one of the optional first tier payment periods specified in the appropriate Section(s) for the applicable service(s).

Each item under the Two-Tier Plan has two levels (or tiers) of monthly rates. The first tier - Tier A - is a rate contemplated to be in effect during the term of the payment period selected by the customer. The second tier - Tier B - is a variable rate in effect over the entire period the customer has the service. During the selected payment period, the total monthly rate for each such item is a composite of the first and second tiers. Upon the expiration of the selected payment period, the first tier rate is no longer applicable.

A customer who does not elect a Two-Tier Payment Plan may obtain the same services for the payment of regular non-recurring and recurring charges as stated in the Companion Payment Plan (which does not include Two-Tier rates) for the applicable services.

B. REGULATIONS

1. TIER A RATE APPLICATION

The Tier A rate in effect at the time that a particular item is installed and billed under an applicable Two-Tier Payment Plan is not subject to change, during the term of the payment period selected by the customer, by the Telephone Company but is subject to the jurisdiction of the Pennsylvania Public Utility Commission and is subject to change, during the term of the payment period selected by the customer, upon order of said Commission.

2. MAINTENANCE

Complete maintenance, including the replacement of components, will be provided by the Company for the entire period the customer has the service, contingent on availability of parts.

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B. REGULATIONS (Cont'd)

3. CREDIT FOR REUSE

The credit for reuse of equipment provided for a service furnished under a Two-Tier Payment Plan will be determined by the Telephone Company, using factors for each service that reflect the reusability of the equipment employed in furnishing the service.

4. DISCONNECTION OF SERVICE PRIOR TO THE EXPIRATION OF THE SELECTED PAYMENT PERIOD

In the event a customer should disconnect all or part of the service prior to expiration of the selected payment period, the customer will be required to pay an amount equal to the present worth of the unpaid balance of the sum total of the Tier A rate(s), less any credit for reuse of the equipment that may be applicable.

5. MOVES

a. In-Service Moves

In-service moves or changes will constitute disconnection and termination of service under the Two-Tier Plan. In the event that the payment period selected by the customer for the original installation has not yet expired, the customer will be obligated to pay any unpaid portion of his Tier A liability, as covered in B.4. preceding.

b. Out-of-Service Moves

(1) Within the Territory of the Telephone Company

Customer requests for out-of-service moves of the same equipment to locations of the same customer within the territory of the Telephone Company may be provided at charges based on costs. Rate levels and progression of Tier A payments, if still applicable, will continue unchanged, and appropriate Tier B rates will continue, during the out-of-service period. The Telephone Company will specify the necessary out-of-service period and the costs involved.

Product/Service charges as specified in the Tariff for services covered by the Two-Tier Payment Plan will not be applicable. Appropriate non-recurring charges for all other connecting services will be applicable at the new location. (C)

Only complete arrangements or systems will be moved rather than individual components that are dependent on host units for operation.

(C) Indicates change

ISSUED DECEMBER 12, 1984.

EFFECTIVE (FEBRUARY 10, 1985)
FEBRUARY 17, 1985.

By J. J. Doherty, Jr., Assistant Vice-President, One Parkway, Philadelphia, Pa.

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B. REGULATIONS (Cont'd)

5. MOVES (Cont'd)

b. Out-of-Service Moves (Cont'd)

(1) Within the Territory of the Telephone Company (Cont'd)

Service must have been billed to the same customer at the original location for a period of four months to qualify for an out-of-service move. Transfer of service between two customers, either in anticipation of a move at the same time as an out-of-service move, is not permitted.

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6. ADDITIONS

Additions of equipment or features can be made on either a Two-Tier or Companion Payment Plan basis at the customer's option, irrespective of the Payment Plan originally selected, in accordance with the provisions set forth in the appropriate Section(s) for the applicable service(s), at the rates in effect at the time the addition is made.

7. SUPERSEDURE

A customer may, upon written concurrence of the Company and for payment of a transfer charge of \$100.00, transfer services billed under a Two-Tier Payment Plan to another customer at the same location. The customer to whom service is transferred will be subject to all provisions of the previous customer's service, Tier A rate progression, and other aspects of the equipment configuration in effect at the time of the transfer.

8. SUSPENSION OF SERVICE

Suspension of service is not provided for items billed under the Two-Tier Payment Plan.

9. CONVERSION TO TWO-TIER SUBSEQUENT TO INSTALLATION

A customer who has not elected Two-Tier Payment at the time of installation may do so subsequently under the following conditions:

The customer will select a first tier payment period from options provided in the currently effective Section(s) for the applicable service(s). The payment period selected will begin at the date of conversion.

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ISSUED DECEMBER 12, 1984.

EFFECTIVE (FEBRUARY 10, 1985)
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B. REGULATIONS (Cont'd)

9. CONVERSION TO TWO-TIER SUBSEQUENT TO INSTALLATION (Cont'd)

Rates and charges for Two-Tier Payment as stated in the Section(s) for the applicable service(s) at the date of conversion will apply.

The customer will receive credit against Tier A obligations for any Product/Service charges previously paid, to the extent that the Product/Service charges previously paid exceed any Product/Service charges which would have been applicable had the service been provided under the Two-Tier Payment Plan. No credit will be granted for recurring charges previously paid.

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10. PAYMENT OPTIONS

Customers who select a Two-Tier Payment Plan will have the option of prepaying the sum total of the applicable Tier A payments. The Telephone Company will determine and use present worth factors in the calculation of such payments.

11. VINTAGING

Vintaging is the same equipment in service at different Tier A rate levels. Equipment installed after vintaging will be installed at currently effective Two-Tier rates and charges.

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