

# BCT'S CREDIT POLICY

## APPLICATION OF REGULATIONS

The regulations set forth apply to intrastate service and facilities furnished within the State of Oregon by BCT.

Rates and regulations may be changed or canceled only with the consent or approval of the Board of Directors of BCT.

BCT is not subject to the jurisdiction of the Oregon Public Utility Commission (OPUC), although in regards to telephone service, it has with the exception of deposits, adopted the OPUC Rules and Regulations, which are set forth herein. Cable Television services follow the rules and regulations set forth by the appropriate Cable Television franchise agreements for the City of Oregon City, Clackamas County, and as stated in filed pricing established by the Board of Directors of BCT.

BCT furnishes Exchange, Toll, Private Line Service, Broadband/DSL and Cable Television, Wireless Telephone Service and Data Storage service throughout the territory it serves, as shown by its filed rates, regulations, and maps. BCT also furnishes toll service to the territory serviced by connecting companies subject to their rates and regulations.

## ESTABLISHMENT OF CREDIT

Before an application for service is accepted, BCT requires one of the following establishments of credit:

1. Previous cooperative service with acceptable payment history within the last six (6) months or
2. Credit Report as provided by a National reporting agency showing established credit in good standing
3. a deposit that could be up to two times the monthly charge per service (Phone, Broadband/DSL, Cable TV, Wireless Telephone, and Data Storage).

## DEPOSITS

The applicant or customer may be given the option to pay any required deposit in three (3) equal monthly installments if they so chose.

Applicants or customers will be required to make a deposit based on two (2) months average usage when:

1. An applicant does not satisfy the credit screening requirements; or a customer or applicant;
2. has been disconnected for nonpayment within the last 24 months; or
3. was previously terminated for theft of service of any Oregon regulated electric, gas, water or telecommunications utility; or
4. owes a bill that is 30 days or more overdue and has not made payment arrangements with BCT; or
5. was previously exempted from paying a deposit based upon false credit information.

An additional deposit or prepayment may be required when service records indicate unbilled activity greater than that upon which credit was originally established. A cash deposit is waived when a customer or applicant provides a written surety agreement from a responsible party to secure payment in an amount equal to two months' average usage. A responsible party is a customer of BCT who meets one of the qualifying conditions outlined above in the establishment of credit. The surety agreement obligation will automatically terminate should the responsible party no longer meet the conditions set forth herein. In the event a responsible party is subsequently found not to qualify, the applicant or customer will be required to either pay a deposit or obtain a written surety agreement from another responsible party. The surety obligation ceases when the customer establishes good credit.

## INTEREST AND DEPOSIT RECORDS

Simple interest, at the rate established by BCT, will be paid on deposits. Interest payments will be made upon refund of the deposit. Interest will be prorated when a deposit is held for less than a full year.

## DEPOSIT REFUND

A customer's deposit, plus accrued interest, shall be promptly refunded when service is discontinued, provided that refunds due shall first be applied to any unpaid balance on the customers account. BCT may continue holding a deposit until such time as credit has been satisfactorily established or reestablished. After satisfactory credit has been established or reestablished, the deposit plus any accrued interest shall be promptly refunded or credited to the customer's account. A customer shall be entitled to a check refund upon request.

## PAYMENTS

Customers may pay in person at the business office located at 15223 S Henrici Road, Oregon City. Also customers may mail their payment to Post Office Box 1390, Oregon City, OR 97045 or through electronic transfer of funds via credit card, debit card or through an Automated Clearing House (ACH) transaction directly from their checking account by going to [www.bctelco.com](http://www.bctelco.com) to sign up.

In the case where the customer subscribes to multiple services from BCT on the same account, any payment received shall be applied to the whole balance owed on that account. Customers may not designate application for a division of the payment. The customer has the option of establishing separate accounts for each stand alone service in accordance with the rules and regulations as set forth by the BCT Board of Directors.

## ADVANCE PAYMENTS

At the time an application for service is made, an applicant may be required to pay an amount equal to one month's service rate plus installation charges that may be applicable in addition to special construction charges.

## MONTHLY BILLS

Monthly bills are due and payable when presented and become past due if payment is not received by the twentieth (20th) day of the current month.

The customer is responsible for all charges for service furnished by BCT, including toll charges from carriers contracting for billing services from BCT.

Monthly recurring rates are billed in advance. Extended Area Service (EAS) and toll charges are billed as accumulated. BCT shall provide detailed recurring charges, toll and wireless usage charges on the customer's monthly bill.

Opening and closing bills will be prorated on the number of days service was active in the opening or closing month. Exceptions are services with a specific minimum billing period.

If applicable, BCT will include all services subscribed to by the customer on one monthly billing statement. Charges for each service will list separately on the monthly bill.

A customer may request an individual statement for Telephone, Cable Television, Wireless Telephone Service and Stand Alone Broadband/DSL Service. There is a separate monthly charge for this service and customers need to notify BCT to request this service. If this request is made after service has been established or in the middle of a billing cycle, the separation of accounts cannot take place until the monthly statement has closed on the account. When under or over billing occurs, BCT shall notify the customer detailing the circumstances, period of time, and amount of adjustment. The over or undercharge shall be computed back to the date of the error if the date can be fixed. If no date can be fixed, the over or undercharge shall be computed for no more than six (6) months' usage. Under no circumstances shall the over or under billing be for more than one years' usage.

## LATE PAYMENT CHARGE

Monthly bills are due and payable when presented and become past due if payment is not received by the twentieth (20th) day of the current month. A late payment charge of one and a half percent (1½%) shall be applied to all amounts carried forward to the next month's statement.

## RETURNED ITEM CHARGE

A charge of \$35.00 will be applied each time a customer makes a payment with a Check or ACH transaction that is not honored by a bank or other financial institution. A charge of \$5.00 will be applied for each debt or credit card transaction that is declined by a bank or other financial institution. Repayment of the returned bank transaction must be Cash, Money Order or Credit/Debit Card, and may include the returned or denied item fee.

## REFUSAL OF SERVICE

BCT may refuse to provide service where the following conditions exist:

1. An overdue balance has been incurred by a person at a service address,
2. an applicant for service resided at the service address during the time the overdue balance was incurred, and
3. the person who incurred the overdue balance will reside at the location to be serviced under the new application.

Service can also be refused:

1. Until BCT receives full payment of any overdue amount and any other obligation related to a prior account;
2. for noncompliance with state and municipal codes and regulations governing service;
3. when BCT does not have adequate facilities to render the service applied for;
4. when the service will unfavorably affect service to other customers; or
5. when the facilities of the applicant or customer are unsafe.

BCT shall notify the refused party of the reason for refusal and their rights of appeal to BCT's Board of Directors.

## TEMPORARY SUSPENSION OF SERVICE

BCT may temporarily suspend service for violation of any regulations governing the furnishing of any of its services. Service suspension shall not be made until at least five days following written notification to the customer of the intention to suspend service. The written notification will be on the monthly billing statement. Permanent disconnection will follow within 10 days of a suspension unless full payment of any overdue amount or any other arrangement is made. Service suspension for nonpayment shall not take place on a day before a weekend or a state or utility recognized holiday.

Written notice appears on the monthly invoice notifying the date that payment is due to prevent suspension of service. Bills are due and payable upon presentation and considered past due on the 20th day of the month. Once service is suspended, the past due balance plus a reconnection charge is required to restore service.

## MINIMUM CONTRACT PERIOD

The minimum contract period is one month from the date service or additions to service are established unless the customer has entered into a special or promotional contractual agreement. The minimum charge is the established rate for one month of service.

Where a contract for service with a one month minimum period is canceled by the customer before establishment of the service is completed, a charge

not to exceed the installation charge specified is applied if all or a portion of the facilities have been installed. No minimum or termination charge will apply in the event the service is terminated because of the condemnation, destruction, or damage to property by fire or other cause beyond the control of the customer. Special contractual arrangements for special equipment or special assemblies of equipment are developed as required.

## TERMINATION OF SERVICE AT CUSTOMER'S REQUEST

Contracts for service may be terminated prior to the expiration of the contract period provided advance notice is given to BCT and upon agreement to pay all charges due for the service furnished, plus any termination charge which might be applicable.

## GROUND FOR DISCONNECTION OF SERVICE

Any service provided by BCT may be disconnected under the following circumstances:

1. Failure to pay a deposit or make payments in accordance with the terms of a deposit payment arrangement
2. where facilities provided are unsafe or do not comply with state and municipal codes governing service or the rules and regulations of the utility
3. where a customer requests BCT to disconnect service or close an account
4. where dangerous or emergency conditions exist at the service premises
5. failure to pay charges due for services rendered
6. where service is being obtained fraudulently.

## TELEPHONE SERVICE SUPERSEURE

Supersedures are only allowed on Telephone service. A Supersedure charge will apply where a new customer takes over the service of a former customer, provided the service is furnished at the same location without interruption and the new customer assumes all unpaid charges on the original contract. Termination charges will apply for any service furnished under the original contract which is not retained by the new customer. The act of Supersedure must be accomplished in writing and must be signed by both the former and new customers indicating their understanding of the Supersedure and their responsibilities.

## SET TOPS/CABLE CARDS AND LEASED MODEMS THAT ARE NOT RETURNED

The current retail value as listed in BCT's Price Schedule will be assessed on an account that disconnects services and the leased equipment is not returned to BCT. Upon return of each piece of leased equipment (set top converter, cable card, or modem) a receipt will be issued to the customer as proof of receipt by BCT.