

## Table of Contents

2.01	QUALIFICATIONS AND OBLIGATIONS FOR SERVICE .....	1
2.02	APPLICATION FOR SERVICE .....	2
2.03	NON-DISCRIMINATION POLICY FOR SERVICE .....	3
2.04	BANKRUPTCY & DELINQUENT ACCOUNTS .....	4
2.05	PREMISES; RESPONSIBILITY THEREFOR; INSPECTIONS .....	5
2.06	INSPECTIONS AFTER SERVICE .....	7
2.07	NEW SERVICES - CONSTRUCTION .....	8
A.	New Service .....	8
B.	Refund .....	9
2.08	WORK PERFORMED AT CUSTOMER'S REQUEST .....	10
A.	Moving Equipment .....	10
B.	Charges for Work Done on Customer's Premises .....	10
2.09	POINT OF DELIVERY .....	11
2.10	LIABILITY FOR LEAKAGE AND DAMAGE .....	12
2.11	EASEMENTS FOR LINES - CUSTOMER TO GRANT EASEMENTS .....	13
2.12	RIGHT OF ACCESS .....	14
2.13	UNDERGROUND SERVICES .....	15
2.14	CONNECTION, RECONNECTION AND DISCONNECTION CHARGES .....	16
2.15	BILLING .....	17
A.	Standard Procedure .....	17
B.	Non-Receipt of Statement .....	17
C.	Adjustments .....	17
D.	Delinquencies .....	18
E.	Credit Card Payments .....	18
2.16	IDENTIFICATION VALIDATION REPORT .....	19
2.17	LIMITS OF LIABILITY .....	20
2.18	POLICY ON TRANSFER, TERMINATION AND WITHDRAWAL .....	21
A.	SUSPENSION; REINSTATEMENT .....	21
B.	TERMINATION BY WITHDRAWAL OR RESIGNATION .....	21
C.	TERMINATION BY DEATH OR CESSATION OF EXISTENCE; CONTINUATION OF SERVICE IN REMAINING OR NEW PARTNERS .....	21
D.	EFFECT OF TERMINATION .....	22
E.	EFFECT OF DEATH, LEGAL SEPARATION OR DIVORCE UPON A JOINT SERVICE ..	22
2.19	TERMINATION REGULATIONS .....	23
A.	Termination of Contract by Customer .....	23
B.	Termination by HolstonConnect .....	23
2.20	TERMINATION PROCEDURE .....	25
A.	Causes for Discontinuance of Service .....	25
B.	Additional Causes .....	25
C.	Restoration of Service .....	26
D.	Review of Disputes .....	26
2.21	USER GROUP APPLICATIONS/TERMINATIONS .....	28
2.22	NOTICE OF TROUBLE .....	29
2.23	COMPLIANCE WITH RULES AND REGULATIONS .....	30
2.24	TAMPERING WITH AND CARE OF PROPERTY .....	31
2.25	DETERMINATION OF RATE CLASS AND COMPLIANCE WITH RATE SCHEDULES ..	32
2.26	ORAL AGREEMENTS .....	33
2.27	INFORMATION TO CUSTOMERS .....	34
2.28	DEFECTIVE, LOST OR STOLEN EQUIPMENT AND INTERRUPTED SERVICE .....	35
2.29	REQUEST FOR INVESTIGATION .....	36
2.30	INTERRUPTION OF SERVICE .....	37

HolstonConnect Guidelines

- A. Liability of Customer..... 37
- B. Emergency Repairs..... 37
- 2.31 USE OF EQUIPMENT, ETC. .... 38
- 2.32 RESIDENTIAL RATE SCHEDULE..... 39
- 2.33 BUSINESS RATE SCHEDULE..... 40
- 2.34 IDENTITY THEFT PREVENTION POLICY ..... 41

2.01 QUALIFICATIONS AND OBLIGATIONS FOR SERVICE

Any natural person, firm, association, corporation, cooperative, business trust, partnership, federal, state or local government, or departments, agencies or any other political subdivision thereof (each hereinafter referred to as "person," "applicant," "him" or "his") shall be eligible to become a customer of, and, at one or more premises owned or directly occupied or used by him, to receive utility services from, HolstonConnect, LLC. Customers of HolstonConnect, LLC. shall not become a member of Holston Electric Cooperative, Inc.

JOINT CUSTOMERS. Spouses will be accepted into a joint account or, if one of them is already a customer, will automatically convert such account into a joint account. The words "customer," "applicant," "person," "his" and "him," shall include Spouses applying for or holding a joint account, unless otherwise clearly distinguished in the text; and all provisions relating to the rights, powers, terms, conditions, obligations, responsibilities and liabilities of customers shall apply equally, severally and jointly to them. Without limiting the generality of the foregoing –

- (a) notice to, or waiver of notice signed by, either or both shall constitute, respectively, a joint notice or waiver of notice;
- (b) suspension or termination in any manner of either shall constitute suspension or termination of the joint account.

2.02 APPLICATION FOR SERVICE

Application for service -- wherein the applicant shall agree to purchase utility services and to be bound by and to comply with all of the other provisions of the Holston Electric Cooperative Articles of Incorporation and Bylaws and HolstonConnect's Policies and Guidelines, and all rules, regulations, rate types and rate schedules established pursuant thereto, as all the same then exist or may thereafter be adopted or amended (the obligations embraced by such agreement being hereinafter called "service obligations") -- shall be made in writing on such form as is provided therefore by Holston Electric Cooperative or HolstonConnect. With respect to any particular type of service for which the Board of Directors shall require it, such application shall be accompanied by a supplemental contract, executed by the applicant on such form as is provided therefore by Holston Electric Cooperative or HolstonConnect. The service application shall be accompanied by any applicable fees provided (together with any service security deposit, service connection deposit or fee, facilities extension deposit, or contribution in aid of construction that may be required by HolstonConnect), which fee (and such service security deposit, service connection deposit or fee, facilities extension deposit, or contribution in aid of construction, if any) shall be refunded in the event the application is not approved.

Each prospective Customer desiring service must sign Holston's standard form of application for service or contract and agree to the Customer Agreement, Standard Terms and Conditions, Acceptable Use Policy, Privacy Rights, and HolstonConnect Guidelines and any other contracts before service is supplied by Holston.

Nevertheless, by paying the initial invoice for service, the applicant will be deemed to have:

- (a) applied for utility services from HolstonConnect;
- (b) agreed to be bound by and comply with HolstonConnect's Customer Agreement, Standard Terms and Conditions, Acceptable Use Policy, Digital Millennium Copyright Act, and HolstonConnect Guidelines;
- (c) agreed to be bound by and comply with Holston Electric Cooperative's membership obligations;
- (d) granted to Holston Electric Cooperative and HolstonConnect the right to enter the property to repair and maintain Holston Electric Cooperative's and HolstonConnect's equipment.

2.03 NON-DISCRIMINATION POLICY FOR SERVICE

HolstonConnect shall operate its business in a non-discriminatory manner and comply with USDA's Equal Opportunity Policy.

HolstonConnect shall not:

- A. Refuse or fail to accept applications or discriminate in the terms and conditions of service or to the receipt of any benefits or advantages related to such service;
- B. Refuse or fail to extend, or discriminate in the extension of, utility service to unserved persons;
- C. Deny to any person the benefits of improvement, expansion or upgrading, or discriminate among consumers or subscribers in improving, expanding or upgrading, of utility service;
- D. Discriminate in respect of rates for, or terms or conditions or priorities of, service among consumers or subscribers;

HolstonConnect shall make available to each new customer at [www.holstonconnect.com](http://www.holstonconnect.com) a copy of the customer agreement, standard terms and conditions, acceptable use policy and privacy rights.

HolstonConnect shall post and keep posted in conspicuous places upon its premises where notices to employees, applicants for employment, and customers are customarily posted a "Nondiscrimination Notice" and furnish each patron and each employee through its publication, The Tennessee Magazine, or its successor a copy of its "Statement of Nondiscrimination" each year.

2.04 BANKRUPTCY & DELINQUENT ACCOUNTS

- A. Except as provided in subsection B of this section, the business may not alter, refuse, or discontinue service to, or discriminate against, the trustee of a bankrupt customer or the customer solely on the basis that a debt owed by the bankrupt customer to Holston Electric Cooperative or HolstonConnect for service rendered before the order of bankruptcy was not paid when due.
- B. HolstonConnect may, however, alter, refuse, or discontinue service if neither the trustee nor bankrupt customer, within 20 days after the date of the order for relief has been entered, furnished adequate assurance of payment, in the form of a suitable deposit or other adequate security, for service after such date. The amount of deposit or security shall be subject to review by the court of competent jurisdiction upon request and by the trustee or customer.
- C. In order for HolstonConnect to service accounts or to collect any amounts debtors may owe, HolstonConnect may contact any debtor by telephone at any telephone number associated with the debtor account, including wireless telephone numbers, which could result in charges to the debtor. HolstonConnect may also contact debtors by sending text messages or emails, using any email address provided to HolstonConnect. Methods of contact may include using prerecorded or artificial voice messages and/or the use of an automatic dialing device, as applicable. Debts may be referred to an agency for collection immediately after the account becomes delinquent.

2.05 PREMISES; RESPONSIBILITY THEREFOR; INSPECTIONS

Each customer shall cause all premises receiving utility service pursuant to become and to remain wired in accordance with the specifications of the Tennessee Fire Insurance Underwriters Association, the National Electric Code, any applicable state code or local government ordinances, and of HolstonConnect. If the foregoing specifications are variant, the more exacting standards shall prevail. Each customer shall be responsible for -- and shall indemnify HolstonConnect and its employees, agents and independent contractors against death, injury, loss or damage resulting from any defect in or improper use or maintenance of -- such premises and all wiring and apparatuses connected thereto or used thereon. Each customer shall make available to HolstonConnect a suitable site, as determined by HolstonConnect, whereon to place HolstonConnect's physical facilities for the furnishing and metering of service and shall permit HolstonConnect's authorized employees, agents and independent contractors to have safe access thereto for inspection, maintenance, replacement, relocation, repair or disconnection of such facilities at all reasonable times. As part of the consideration for such service, each member shall be HolstonConnect's bailee of such facilities and shall accordingly desist from interfering with, impairing the operation of or causing damage to such facilities, and shall use his best efforts to prevent others from so doing. Each customer shall also provide such protective devices to his premises, apparatuses or base as HolstonConnect shall from time to time require in order to protect HolstonConnect's physical facilities and their operations and to prevent any interference with or damage to such facilities. In the event such facilities are interfered with, impaired in their operation or damaged by the customer, or by any other person when the customer's reasonable care and surveillance should have prevented such, the customer shall indemnify HolstonConnect and its employees, agents and independent contractors against death, injury, loss or damage resulting there from, including but not limited to HolstonConnect's cost of repairing, replacing or relocating any such facilities and its loss, if any, of revenues resulting from the failure or defective functioning of its metering equipment. HolstonConnect shall, however, in accordance with its applicable service rules and regulations, indemnify the customer for any overcharges for service

## HolstonConnect Guidelines

that may result from a malfunctioning of its equipment or any error occurring in HolstonConnect's billing procedures. In no event shall the responsibility of HolstonConnect extend beyond the point of delivery.



2.06 INSPECTIONS AFTER SERVICE

HolstonConnect shall have the right, but shall not the obligation, to inspect itself any installation after service is furnished.

If it shall be found by any agent of HolstonConnect that a customer's facilities or equipment are defective so as to be especially liable to fire or hazardous to life and property or to have been installed in violation of any laws or regulations, then HolstonConnect may, upon notice, discontinue the supplying of utility services until the defective or unlawful conditions have been corrected.

2.07 NEW SERVICES - CONSTRUCTION

A. New Service

1. Permanent Residence

a. When a customer requests a new service, the Broadband Department will estimate the cost of the job. That cost will be compared to the average cost per 1200 feet of service. If the estimated costs are less than the average cost, HolstonConnect will provide the service at no charge to the customer. If the estimated cost exceeds the average cost, the customer may be required to pay the difference. The average cost per determined feet of service installation will be updated annually by the Broadband department. (Board Approval 5.12.2020)

b. Under special circumstances an additional extension may be granted to the customer. This extension will be evaluated on a case to case basis and must meet the following criteria as determined by the engineering department:

1. Line must be constructed along the public road.
2. Line must be adjacent to properties other than properties owned by the customer requesting service.
3. Adjacent properties must have potential for future development.
4. Additional line extension will only be approved for permanent residences.

2. Barns, motor homes, campers, and occasional occupancy dwellings.

a. Normal service extension - No charge.

b. Primary line extension - Customer may pay fifty percent (50%) of all primary line extensions less than 1200 feet and 100% of primary line extensions over 1200 feet.

3. Underground Primary Service

If the developer requests an underground primary installation to serve a subdivision, apartment, or condominium the developer will be responsible for trenching, installation and purchase of all pull boxes, conduits and pads to the

specifications provided by HolstonConnect. Customer in such developments will provide conduit and trenching for secondary services. HolstonConnect may choose to construct underground primary services to apartments or condominiums at no cost to the developer if it proves to be the most feasible method of providing service.

4. Individual Customers

The cost for providing underground primary service to individuals will be calculated based on the difference between the cost of overhead service and the cost of underground service.

B. Refund

Qualifying members of HolstonConnect may be entitled to receive a refund of monies paid in aid of construction for line extension. Refunds may be made in part or whole when qualifying conditions are met.

A customer qualifying for refund of aid to construction will sign a five-year agreement with HolstonConnect agreeing to the following conditions:

- a. No refunds will be made after the five-year agreement period expires.
- b. It will be the customer's responsibility to report to HolstonConnect new connections that would qualify as a refund to the customer.
- c. Agreement is void if property is sold or transferred.
- d. Refund cannot exceed total aid to construction paid by customer.

2.08 WORK PERFORMED AT CUSTOMER'S REQUEST

A. Moving Equipment

The Customer requesting relocation of outdoor equipment for personal desires shall pay the entire cost of moving the equipment; except in very special cases where, in the opinion of HolstonConnect's installer the request will result in better service to the HolstonConnect's customers and not serve individual aesthetic values only, HolstonConnect may upon written approval by said official pay all or a part of the cost.

B. Charges for Work Done on Customer's Premises

HolstonConnect shall charge for all material and labor furnished at the Customer's request in the replacement or repair of Customer owned wiring or equipment. HolstonConnect shall charge for all material and labor furnished at the Customer's request in the replacement of HolstonConnect owned wiring and equipment when such replacement is made solely for the benefit and convenience of Customer.

2.09 POINT OF DELIVERY

The point of delivery is the point, as designated by HolstonConnect, on Customer's premises where service is to be delivered to building or premises. All wiring and equipment beyond this point of delivery shall be provided and maintained by Customer at no expense to HolstonConnect.

2.10 LIABILITY FOR LEAKAGE AND DAMAGE

HolstonConnect will not be liable for any loss damage or injury whatsoever caused by loss of utility service after same has passed through the point of delivery nor for defects in the customer's wiring or appliances.

2.11 EASEMENTS FOR LINES - CUSTOMER TO GRANT EASEMENTS

- A. Each customer, as a condition of service, will grant HolstonConnect the right of easement or right of way for the construction, operation, maintenance, or relocation of HolstonConnect's facilities on or under such lands owned, leased or mortgaged to customer as HolstonConnect shall require for the furnishing of utility service to him or other customers including access across customers' property to any easement or right of way. The easement or right-of-way shall be a minimum 30 feet wide in rural areas and a minimum 20 feet wide in urban areas.
- B. Each customer will grant Holston Electric Cooperative, HolstonConnect, or their agents the right to cut, remove, and spray trees and shrubbery on HolstonConnect's right-of-way to the extent necessary to keep them clear of Holston Electric Cooperative's or HolstonConnect's lines or facilities. HolstonConnect will also have the right to cut and remove trees outside the right-of-way that are dead, weak, leaning or dangerous trees that are tall enough to strike HolstonConnect's lines in falling.

2.12 RIGHT OF ACCESS

HolstonConnect's identified employees shall have access to Customer's premises at all reasonable times for the purpose of billing, testing, repairing, removing, or exchanging any or all equipment belonging to HolstonConnect.

Each customer shall make available to HolstonConnect a suitable site on Customer's property, as determined by HolstonConnect, whereon to place the HolstonConnect's physical facilities for the furnishing of utility service and shall permit HolstonConnect's authorized employees, agents and independent contractors to have safe access thereto for billing and for inspection, maintenance, replacement, relocation, repair or disconnection of such facilities at all reasonable times.



2.13 UNDERGROUND SERVICES

HolstonConnect will be responsible for installing the underground service from a residence or small commercial building. Applicable charges will apply according to the rate schedule.

2.14 CONNECTION, RECONNECTION AND DISCONNECTION CHARGES

HolstonConnect may establish and collect standard charges to cover the reasonable average cost, including administration, of connection or reconnecting service, or disconnecting service as provided above. Higher charges may be established and collected when connections and reconnections are performed after normal office hours, or when special circumstances warrant.

2.15 BILLING

A. Standard Procedure

HolstonConnect will normally bill each customer each billing period in accordance with its applicable rate schedules. Billings will be issued on a monthly basis. Bills shall be payable not less than 15 days from the date on the bill for services. HolstonConnect reserves the right to adopt the plan of dividing the territory served into cycles and to render bills in each cycle at a selected time. Each bill rendered to the customer shall show:

1. The beginning and ending service dates for the period.
2. The date of the service and the date of the bill.
3. The final date by which a payment can be received before a delinquency charge is imposed.
4. The pro-rated and actual service rates and charges during the billing period.
5. The amount due for prompt payment and the amount due after delinquency in payment.
6. The amount of additional charges due for past due accounts, collection, connection or disconnection charges, installment payments, and other charges.
7. The total amount due for the current billing period.
8. The amount due for franchise and sales taxes stated separately.
9. The address and telephone number of the office where a customer may report a disputed bill, make an inquiry concerning a bill, delinquency or termination of service, or otherwise complain.
10. Notice that service is subject to termination for nonpayment.

B. Non-Receipt of Statement

Failure to receive a monthly statement shall not release customers from payment obligations.

C. Adjustments

If usage is inaccurately recorded due to equipment failure or for whatever reason and results in a customer being undercharged or overcharged, HolstonConnect shall adjust the bill to reflect the appropriate charges. The adjustment shall be calculated for the period in question should records be reasonably attainable. If the adjustment shows a net balance due to HolstonConnect, the customer may be given the opportunity to pay the additional charges in equal installments over a period. If a net balance is due to the customer it shall be refunded as a credit.

## HolstonConnect Guidelines

### D. Delinquencies

1. All bills for service are due and payable upon receipt. A bill shall be deemed delinquent if payment thereof is not received by HolstonConnect or its authorized agent on or before the date stated on the bill.
2. If the last calendar day for remittance falls on Sunday, legal holiday, or other day when the offices of HolstonConnect are not open to the general public, the final payment date shall be extended through the next business day.
3. HolstonConnect may discontinue service for a delinquent bill seven days after due date stated on bill.
4. If payment is made within 13 calendar days or less of service disconnection, in accordance with the appropriate provisions of HolstonConnect's guidelines, a charge shall be applied for reconnection as set forth.
5. Fourteen calendar days after due date, the service account shall be closed.

### E. Credit Card Payments

HolstonConnect will accept Discover, Visa, or MasterCard Credit or Debit Card payments for all services i.e. aid to construction, and payments. Credit card payments will be limited to residential and commercial customers with a limit of (\$5000.00) five-thousand dollars per customer number every twenty days.

2.16 IDENTIFICATION VALIDATION REPORT

An identification validation report may be run on all applicants for service. Customers will not be charged for obtaining their credit history and histories will not be run arbitrarily, or by request, or for any other purpose outside the scope of this policy. Required fees shall be paid in full unless otherwise provided herein and in amounts determined.

2.17 LIMITS OF LIABILITY

HolstonConnect assumes no liability, express or implied, in the event of service interruption or termination of service for nonpayment nor is HolstonConnect liable for conditions beyond its control when attempting to restore service in emergency or planned interruptions. Each customer exculpates HolstonConnect of any liability and specifically releases, indemnifies, and holds harmless HolstonConnect from any and all liability arising out of any interruption service or the provisions of this policy.

2.18 POLICY ON TRANSFER, TERMINATION AND WITHDRAWAL

A. SUSPENSION; REINSTATEMENT.

Upon his failure, after the expiration of the initial time limit prescribed either in a specific notice to him to pay any amounts due HolstonConnect or to cease any other noncompliance with his obligations, a person's service shall automatically be suspended; and he shall not during such suspension be entitled to receive service from HolstonConnect. Payment of all amounts due HolstonConnect, including any additional charges required for such reinstatement, and/or cessation of any other noncompliance with his obligations within the final time limit provided in such notice shall automatically reinstate the service, in which event the customer shall thereafter be entitled to receive service from HolstonConnect.

B. TERMINATION BY WITHDRAWAL OR RESIGNATION.

A customer may withdraw from service upon such generally applicable conditions as the Board of Directors shall prescribe and upon either (a) ceasing to (or, with the approval of the Board of Directors resigning his service in favor of a new applicant who also shall) own or directly occupy or use all premises being furnished service pursuant to his service, or (b) except when the Board of Directors specifically waives such condition, abandoning totally and permanently the use of service on such premises.

C. TERMINATION BY DEATH OR CESSATION OF EXISTENCE; CONTINUATION OF SERVICE IN REMAINING OR NEW PARTNERS.

The death of a natural person customer shall automatically terminate his service. The cessation of the legal existence of any other type shall automatically terminate such service; PROVIDED, upon the dissolution for any reason of a partnership, or upon the death, withdrawal or addition of any individual partner, such service shall continue to be held by such remaining and/or new partner or partners as continue to own or directly to occupy or use the premises being service pursuant to such service in the same

manner and to the same effect as though such service had never been held by different partners; PROVIDED FURTHER, neither a withdrawing partner nor his estate shall be released from any debts then due HolstonConnect.

D. EFFECT OF TERMINATION.

Upon the termination in any manner of a person's service, he or his estate, as the case may be, shall not be released from any debts or other obligations then remaining due HolstonConnect. Notwithstanding the suspension or expulsion of a customer, such suspension or expulsion shall not, unless the Board of Directors shall expressly so elect, constitute such release of such person from his obligations.

E. EFFECT OF DEATH, LEGAL SEPARATION OR DIVORCE UPON A JOINT SERVICE.

Upon the death of either spouse of a joint service, such service shall continue to be held solely by the survivor, in the same manner and to the same effect as though such service had never been joint; PROVIDED, the estate of the deceased spouse shall not be released from any debts due HolstonConnect. Upon the legal separation or divorce of the holders of a joint service, such service shall continue to be held solely by the one who continues directly to occupy or use the premises covered by such service in the same manner and to the same effect as though such service had never been joint; PROVIDED, the other spouse shall not be released from any debts due HolstonConnect.



2.19 TERMINATION REGULATIONS

A. Termination of Contract by Customer

HolstonConnect may require up to three days' notice of Customers who have fulfilled their contract terms and wish to discontinue service unless contract specifies otherwise. Notice to discontinue service prior to expiration of contract term will not relieve Customer from any minimum or guaranteed payment under any contract or rate.

B. Termination by HolstonConnect

1. If the customer does not make payment, notify HolstonConnect of a dispute of the bill, or make other arrangements acceptable to HolstonConnect, by last date for payment, HolstonConnect shall proceed on schedule with termination.
2. Terminations can be made on any day when HolstonConnect's office is scheduled to be open.
3. A customer has the right to examine HolstonConnect's records pertaining to that customer's service.
4. The person appointed shall hear the evidence, render a decision in writing and shall promptly provide the customer a copy of such decision.
5. If the customer believes the decision is in error and requests an appeal hearing by noon of the next following business day, or if HolstonConnect personnel desire to refer the matter to a higher level, a hearing will be conducted by the General Manager or someone designated to stand in for him during his absence. The General Manager or his designee will hear the evidence and render a final decision in writing and shall promptly provide the customer a copy of such final decision.
6. The customer has the right to post termination hearing under the above procedures if there was no hearing before termination, if customer requests such post termination hearing within three business days following such termination.
7. Hearings on disputed bills will be held by appointment at HolstonConnect's main

## HolstonConnect Guidelines

office between the hours of 8:00 and 5:00 on any business day.

2.20 TERMINATION PROCEDURE

A. Causes for Discontinuance of Service

HolstonConnect may discontinue or refuse service for any of the following reasons:

1. When the customer requests it.
2. When a utility bill becomes delinquent as herein provided and after proper notice.
3. When a dangerous condition exists on the customer's premises as herein provided.
4. When the customer fails to provide credit information or has a previous undisputed and unpaid separate account for service with HolstonConnect or Holston Electric Cooperative.
5. When the Customer misrepresents the identity of any person for the purpose of obtaining service.
6. When the customer refuses to grant HolstonConnect personnel access to equipment installed upon the premises of the customer for the purpose of inspection, maintenance or replacement.
7. When the customer violates any rule of HolstonConnect or Holston Electric Cooperative, especially such violations which adversely affect the safety of the customer or other persons, or the integrity of HolstonConnect's delivery system.
8. When the customer causes or permits unauthorized interference with, or diversion or use of, utility service situated or delivered on or about the customer's premises.

B. Additional Causes

The following shall also constitute sufficient cause for HolstonConnect to discontinue service:

1. The failure of a customer to pay for special charges.
2. The failure of the customer to pay for service received at a concurrent and point, residence or location. In the event of discontinuance or termination of service at a separate point, residence, or location, HolstonConnect may transfer any unpaid balance to any other service account with or without the customer's consent,

provided, however, that the customer is given notice and either agrees or is given a special notice of termination specifying the cause and afforded an opportunity to review as herein provided.

3. The failure of a customer to satisfy the obligations of a user group when a determination has been made that such current customer is a member of a user group as defined and who has been given written notice of such determination and the requirement that if all indebtedness of the user group is not satisfied in full, service will be terminated.

C. Restoration of Service

1. Upon the customer's request, HolstonConnect shall restore service promptly when the cause of discontinuance of services has been eliminated, applicable restoration charges paid and, if required, satisfactory credit arrangements have been made.
2. At all times, every effort shall be made to restore service by no later than the next business day following the day requested by the Customer.
3. If service has been terminated a reconnection fee will be charged as set forth.

D. Review of Disputes

1. When a customer advises HolstonConnect prior to the date of a proposed discontinuance of service that all or any part of any billing as rendered is in dispute or that HolstonConnect's reasons for discontinuance are factually invalid, HolstonConnect may:
  - (a) Immediately record the date, time and place the advice is given.
  - (b) Investigate the dispute promptly and completely.
  - (c) Attempt to resolve the dispute informally in a manner mutually satisfactory to both parties.
  - (d) Allow examination of HolstonConnect's records pertaining to the customer's service.
  - (e) Allow the customer a hearing before an official appointed or designated by the General Manager. The hearing to be held at the office of

## HolstonConnect Guidelines

HolstonConnect between the hours of 8:00 a.m. and 5:00 p.m. on regular business days.

2. A customer may advise HolstonConnect that a bill is in dispute in any reasonable manner such as by written notice, in person or by a telephone call directed to the appropriate personnel of HolstonConnect.
3. HolstonConnect, in attempting to resolve the dispute in a mutually satisfactory manner, may employ telephone communication, personnel meetings, formal and informal hearings, on-site visits or any other technique reasonably conducive to settlement of the dispute.
4. The customer shall have the right to have a representative at any hearing and shall be allowed to testify and have the testimony of witnesses.
5. The hearing officer will, after conducting a hearing, render a written decision and provide the customer with a copy.
6. If the customer does not make payment, notify HolstonConnect of a dispute nor make acceptable arrangements or in the event that a dispute is not resolved to the satisfaction of the customer, after full investigation, and HolstonConnect intends to proceed with discontinuance, HolstonConnect shall advise the customer and then discontinue service if proper notice has otherwise been given.

2.21 USER GROUP APPLICATIONS/TERMINATIONS

- A. Service will not be supplied by HolstonConnect to any applicant who is then indebted to HolstonConnect or who, at the time of application, is a member of a user group of a former or current customer, who is indebted to HolstonConnect, except upon payment in full of indebtedness.
- B. A member of a user group is defined as a person belonging to a group of persons wherein the person habitually occupies or occupied the location of service individually or with others and has generally received the benefits of service equally with all other occupants of the location without regard to the:
  - 1. legal relationship between the occupants;
  - 2. contributions to the cost of that service; or
  - 3. amount or name in which the service was furnished.
- C. If HolstonConnect receives information indicating the possibility or probability that an applicant or existing customer is a member of a user group and has or is attempting to procure a transfer or new service in order to defeat the collection of charges for service to that user group, the application may be delayed for a reasonable time during which an investigation shall be conducted to determine if such be the case in which case, the applicant shall be given notice of such determination and requirements relating thereto, including the requirement that all user group accounts must be paid in full and the possibility of termination if applicable.

2.22 NOTICE OF TROUBLE

Customer shall notify HolstonConnect immediately should the service be unsatisfactory for any reason, or should there be any defects, trouble, or accidents affecting the supply of service. Such notices, if verbal, should be confirmed in writing.

2.23 COMPLIANCE WITH RULES AND REGULATIONS

All service furnished to customer shall be in accordance with these rules, regulations, and guidelines, and in case a customer fails to conform to such rules, HolstonConnect may immediately discontinue service. If service is so discontinued, applicable charges and documentation shall be required to be paid and provided before service is restored.



2.24 TAMPERING WITH AND CARE OF PROPERTY

No one except an agent of HolstonConnect or one otherwise lawfully entitled to do so shall be permitted to remove or tamper with HolstonConnect's connections, or with any of the property of HolstonConnect on or about the customer's premises. If at any time HolstonConnect shall find that wiring or equipment or parts thereof used in furnishing service to the customer has been tampered with by anyone except an agent of HolstonConnect or one otherwise lawfully entitled to do so, it shall be considered sufficient cause for discontinuance of service by HolstonConnect. HolstonConnect may assess a fee for the expense associated with the tampering, including the estimated usage.

2.25 DETERMINATION OF RATE CLASS AND COMPLIANCE WITH RATE SCHEDULES

A. Determination of Rate Class for Revenue Purposes

1. Residential Class

In order to be classified on a residential rate, the service must be to a single family dwelling including the separate private units of apartment houses and other multiple dwellings where the major use of service is for domestic purposes and the personal comfort and convenience of those residing therein, regardless of the fact that a person other than a resident pays for the charges e.g., landlord. Management has determined that empty dwellings which are inhabitable and not used for storage or other uses shall be on residential rates.

2. All other services other than “residential” be classified as small business, commercial, or industrial. Examples are: churches, government entities, etc.

2.26 ORAL AGREEMENTS

Agents of HolstonConnect are not authorized to bind HolstonConnect except in writing duly executed.

2.27 INFORMATION TO CUSTOMERS

- A. Information is available for the purpose of fairness and improved communication between HolstonConnect and its customers. HolstonConnect will make available to customers upon application for service through the online website or hard copy format upon request. and anytime upon request information on:
1. Current HolstonConnect Guidelines;
  2. Standard Terms and Condition;
  3. Privacy Rights;
  4. Acceptable Use Policy;
  5. Digital Millennium Copyright Act;
  6. Customer Agreement;
  7. Holston Electric Cooperative Bylaws, Schedule of Rules and Regulations, and Statement of Nondiscrimination.
- B. HolstonConnect, as it determines appropriate, shall use channels such as mail, The Tennessee Magazine, newspaper, radio, HolstonConnect's website or other technological means of communication if available to inform customers about rates and policies.

2.28 DEFECTIVE, LOST OR STOLEN EQUIPMENT AND INTERRUPTED SERVICE

The customer is responsible for the safe operating condition of their building wiring and the appliances attached thereto. If wires, or equipment in or about the customer's premises, are found in an unsafe condition, the customer shall open his service switch immediately to shut off the flow of electric energy and notify HolstonConnect's office at once. Defective, lost, or stolen HolstonConnect equipment or wiring shall be reported to HolstonConnect immediately. Defective HolstonConnect appliances shall be disconnected at once and properly repaired before using again. In case of interruption of service customer shall notify HolstonConnect immediately.

2.29 REQUEST FOR INVESTIGATION

HolstonConnect is ready and anxious to render adequate and satisfactory service. If the customer feels that service is not satisfactory, the nearest office of HolstonConnect should be advised in writing in order that a proper investigation may be made.

2.30 INTERRUPTION OF SERVICE

A. Liability of Customer

HolstonConnect will use reasonable diligence in furnishing regular and uninterrupted service but in case such service should be interrupted, or fail by reason of an act of God or public enemy, war, accidents, strikes, or their equivalent, legal process, state or municipal interference, breakdowns or injury to the equipment of HolstonConnect or extraordinary repairs, HolstonConnect will not be liable in damages for any such interruption of service.

B. Emergency Repairs

HolstonConnect reserves the right to shut off supply of service at any time when such action is necessary for the purpose of making repairs or in case of any emergency. In such case, HolstonConnect shall make every reasonable effort to restore service at the earliest possible moment. An interruption of service will not relieve the customer from any charges for service which has actually been rendered.

2.31 USE OF EQUIPMENT, ETC.

No equipment of HolstonConnect shall be used for any purpose other than on the regular business of HolstonConnect with the following exceptions:

- A. The General Manager shall have the right to exercise discretion and allow the use of HolstonConnect equipment for civic and/or elementary organizations, nonpolitical in nature, emergency situations and situations requiring cooperation with individuals, associations and firms located within our service area.
- B. HolstonConnect shall charge for the use of its equipment and personnel when assisting the furtherance of economic profit as determined by the General Manager in conformity with the intent of this policy.



HolstonConnect Guidelines

2.32 RESIDENTIAL RATE SCHEDULE

	NON-RECURRING CHARGES	RECURRING CHARGES
<b><i>Residential Connect High-Speed Internet</i></b>		
Vault – Up to 300 Mbps Internet		\$49.95
Legend – Up to 500 Mbps Internet		\$59.95
Infinity – Up to 1 Gig Internet		\$79.95
Managed Whole Home Wi-Fi		\$10.95
<b><i>Residential Connect Phone</i></b>		
Connect Local – Unlimited local		\$19.95
Connect Plus – Unlimited, local & domestic long-distance within continental U.S.		\$29.95
Alternate Number (Residential Only)		\$9.95
Additional Listing Residential		\$2.00
Foreign Listing Residential		\$2.50
Non-Listing Residential		\$2.50
Non-Published Residential		\$5.00
Caption Listing		\$7.00
Directory Assistance (per call)	\$1.95	
Domestic Long-Distance	\$0.03 per minute	
International Long-Distance	\$0.01 above rate sheet	
Offshore Long-Distance	\$0.01 above rate sheet	
<b><i>Residential HolstonTV</i></b>		
Connect Basic		
Connect Expanded		
Connect Beyond		
Broadband Installation Fee (May Be Waived with 12 Month Service Fulfillment)	\$300.00	
Unreturned Equipment Fee Per Device	Up to \$600.00	
Connection Fee Per Service	\$15.00	
Transfer Fee Per Service	\$25.00	
Returned Check Fee	\$25.00	
Service Call Fee	\$35.00	
One time Wi-Fi Support Call	\$29.95	
Additional Wallfish	\$60.00	
Additional Outlet	\$60.00	

\*Non-recurring charges may be applicable once or per occurrence.

HolstonConnect Guidelines

2.33 BUSINESS RATE SCHEDULE

	NON-RECURRING CHARGES	RECURRING CHARGES
<b><i>Business Connect High-Speed Internet</i></b>		
Pro – Up to 300 Mbps Internet		\$59.95
Enterprise – Up to 500 Mbps Internet		\$149.95
Elite – Up to 1 Gig Internet with a Service Level Agreement		\$499.95
<b><i>Residential Connect Phone</i></b>		
Business Local – Unlimited local		\$24.95
Business Plus – Unlimited. local & domestic long-distance within continental U.S.		\$34.95
Additional Listing Business		\$2.00
Foreign Listing Business		\$2.50
Non-Listing Business		\$4.50
Non-Published Business		\$7.00
Caption Listing		\$7.00
Directory Assistance (per call)	\$1.95	
Domestic Long-Distance	\$0.03 per minute	
International Long-Distance	\$0.01 above rate sheet	
Offshore Long-Distance	\$0.01 above rate sheet	
<b><i>Toll Free Services</i></b>		
Inbound Charge per MOU	\$0.04	
Toll Free Number		\$2.00
Toll Free Establishment	\$15.00	
<b><i>SIP Trucking</i></b>		
SIP/PRI Trunk/Port Installation	\$150.00	
SIP/PRI Voice Installation	\$7.00	
SIP/PRI Voice Channel		\$10.00
SIP/PRI DID Number Charge		\$0.30
<b><i>Account Level Minutes Use SIP Package</i></b>		
LD 1000 min		\$25.00
LD 5000 min		\$115.00
LD 10000 min		\$200.00
Conference Bridge		\$35.00
Business Static IP		\$10.00
Web Portal		\$1.00
Premium Attendant		\$7.00
Com Pilot/Portal	\$35.00	\$15.00
Dial By Name Directory	\$1.50	
<b><i>Business HolstonTV</i></b>		
Business Basic		
Business Expanded		
Business Beyond		
Broadband Installation Fee (May Be Waived with 12 Month Service Fulfillment)	\$300.00	
Unreturned Equipment Fee Per Device	Up to \$600.00	
Connection Fee Per Service	\$15.00	
Transfer Fee Per Service	\$25.00	
Returned Check Fee	\$25.00	
Service Call Fee	\$35.00	
One time Wi-Fi Support Call	\$29.95	
Additional Wallfish	\$60.00	
Additional Outlet	\$60.00	

\*Non-recurring charges may be applicable once or per occurrence.

2.34 IDENTITY THEFT PREVENTION POLICY

I. Policy Summary

It shall be the policy of HolstonConnect to maintain an Identity Theft Prevention Policy (“Policy”) that takes all reasonable steps to identify, detect, and prevent the theft of its customer’s personal information. HolstonConnect hereby adopts the following Policy for: (1) identifying and detecting Red Flags; (2) responding to Red Flags; and (3) preventing and mitigating Identity Theft.

Pursuant to the federal regulation, this Policy (1) identifies relevant Red Flags for the covered accounts that HolstonConnect offers or maintains, and incorporates those Red Flags into its Policy; (2) detects Red Flags that have been incorporated into the Policy; (3) responds to any Red Flags that are detected to prevent and mitigate identity theft; and (4) ensures the Policy is updated periodically, to reflect changes in risks to customers.

II. Policy Rationale

Under federal law and regulations, HolstonConnect must implement a policy and procedure in accordance with the Federal Trade Commission (“FTC”) and the Fair Credit and Reporting Act (“FCRA”). This Policy must be implemented no later than November 1, 2008. The federal regulation, the FTC’s Identity Theft Red Flags Regulation, creating the obligation to implement and maintain the Policy can be located at 16 C.F.R. § 681.2 *et seq.*

III. DEFINITIONS

The term “Identifying Information” means any name or number that may be used, alone or in conjunction with any other information, to identify a specific person, including name, Social Security Number, date of birth, official State or government issued driver’s license or identification number, alien registration number, government passport number, employer or taxpayer identification number, or address.

The term “Covered Accounts” means accounts that are used primarily for personal, family, household or business purposes that involve or are designed to permit multiple payments or transactions; any customer account for which there is a reasonably foreseeable risk of identity theft.

The term “Identity Theft” means a fraud committed or attempted using the identifying information of another person without authority.

The term “Red Flag” means a pattern, practice or specific activity that indicates the possible existence of Identity Theft.

The term “Service Provider” means a third-party contractor that provides a service directly to HolstonConnect.

#### IV. IDENTIFICATION OF ACCOUNTS SUBJECT TO RED FLAG POLICY

HolstonConnect maintains the following accounts which may be classified as Covered Accounts and therefore covered by the Policy.

1. HolstonConnect has accounts for its customers that allow the customers to pay for service prior to being rendered. Bills are sent and payments are due on a monthly basis.
2. HolstonConnect has accounts for its customers that allow equipment to be leased. Payment is due on a monthly basis.

These accounts are all covered by this Red Flag Policy. HolstonConnect does not offer banking or financial services.

#### V. IDENTIFICATION OF POTENTIAL RED FLAGS

##### A. **Risk Factors.** In identifying potential Red Flags associated with the accounts that

HolstonConnect maintains, HolstonConnect Board of Directors and management have considered the following Identity Theft risk factors:

1. **Types of Covered Accounts.** HolstonConnect is fiber-based advanced communications provider serving Hawkins County and a portion of Hamblen County, providing its customers with data, voice and video services. HolstonConnect will be available to approximately 30,000 customers. Customer accounts can consist of different components:

(a) *Payments for Services Rendered.* Payments from customers for services rendered are due within **fifteen (15)** days of billing. HolstonConnect does not regularly provide credit to its customers beyond this revolving, monthly account for services. Such service is delivered to a fixed physical location known to HolstonConnect. As a result, there is a low risk of misuse of Identifying Information to perpetrate fraud on the company for utility services rendered. However, Identifying Information maintained by HolstonConnect could be used to perpetrate Identity Theft and defraud other businesses if the information were wrongfully altered or disclosed.

(b) *Fees.* HolstonConnect and Holston Electric Cooperative may require the payment of fees upon application or installation of services. The fee is held by HolstonConnect under the terms and conditions of the service agreement. There is some risk that a customer who is a victim of Identity Theft could have the service fee refunded to an identity thief. Additionally, Identifying Information maintained by HolstonConnect could be used to perpetrate Identity Theft and defraud other businesses if the information were wrongfully altered or disclosed,

(c) *Payments for Leased Equipment.* Customers may have the option of paying a fixed rate over time through their bill. These services are provided to a fixed physical location known to HolstonConnect. As a result, there is low risk of misuse of Identifying Information to perpetrate fraud on HolstonConnect for these services that are paid for over time. However, Identifying Information maintained by HolstonConnect could be used to perpetrate Identity Theft and defraud other businesses if the information were wrongfully altered or disclosed.

2. **Methods for Opening Accounts.** HolstonConnect requires that prospective customers who wish to receive utility service submit a request for service with the following information:

1. Name, spouse information, mailing and service address, telephone numbers
2. Social security or relevant tax number(s) of customer, spouse
3. Contact information, employment, government issued identification
4. Statement of whether rental or owned

The applicant may be required to present to the HolstonConnect representative a state issued picture identification or other government issued photo identification that is verified visually as proof of identity. HolstonConnect then verifies through its consumer reporting agency that the social security numbers match the identity of the customers. If the account is opened by phone, fax, mail, or online, HolstonConnect requires a legible copy of the identification and a copy of the social security card.

3. **Methods for Accessing Accounts.**

- (a) in person at HolstonConnect offices with their bill or by verifying certain Identifying Information;
- (b) over the telephone after providing HolstonConnect representative with certain Identifying Information, such as the caller's address and/or telephone number of the service location and the last four digits of the customer's Social Security Number or Tax Identification Number, a password;
- (c) over the Internet using a secure password; or
- (d) mobile app using a secure password.

4. **Previous Experience with Identity Theft.** To the best of its knowledge, HolstonConnect is not aware of any identity theft due to a security breach of, or unauthorized access to, its systems that are used to store customers' Identifying Information. HolstonConnect believes that part of the reason for this historical absence of Identity Theft of its customers' information is due to (1) the limited services and credit provided to its customers, both of which relate to a fixed physical location; (2) the small size of most customer deposits; (3) the relatively small size of the population it serves; (4) the relatively low rate of change in service; and (5)

HolstonConnect policies for securing customers' personal information.

**B. Sources of Red Flags.** In identifying potential Red Flags associated with the accounts that

HolstonConnect maintains, HolstonConnect Board of Directors and management have considered the following sources of Red Flags for Identity Theft:

1. **Past Incidents of Identity Theft.** As described in Section V.A.4 above, HolstonConnect is not aware of any past incidents of Identity Theft due to a security breach of, or unauthorized access to, its systems and files that are used to store customers' Identifying Information collected by HolstonConnect. In the event of incidents of Identity Theft in the future, such incidents shall be used to identify additional Red Flags and this Policy will be amended accordingly.
2. **Identified Changes in Identity Theft Risk.** As provided in Section VIII below, HolstonConnect will review at least annually this Policy, HolstonConnect operations, and HolstonConnect experience with Identity Theft for changes in the risk of Identity Theft.
3. **Applicable Supervisory Guidance.** In addition to considering the guidelines initially published with the FTC's Identity Theft Red Flags Regulation, as a part of its annual review, HolstonConnect will review additional regulatory guidance from the FTC and other consumer protection authorities. This review shall focus on new Identity Theft risks and recommended practices for identifying, detecting, and preventing Identity Theft.

**C. Categories of Red Flags.** In identifying potential Red Flags associated with the accounts

that HolstonConnect maintains, HolstonConnect Board of Directors and management have considered the following categories of Red Flags for Identity Theft, and will take the following actions upon discovering such Red Flags:

1. **Alerts, Notifications, and Warnings.** Alerts, notifications, or other warnings received from consumer reporting agencies or service providers, such as fraud detection services, can be Red Flags for Identity Theft. Such alerts, notifications and warnings include:
  - (a) A fraud or active duty alert is included in a consumer report
  - (b) A consumer reporting agency provides a notice of credit freeze in response to request for a consumer report
  - (c) Consumer reporting agency provides a notice of address discrepancy.
  - (d) A consumer report indicates a pattern of activity that is inconsistent with the history and usual pattern of activity of an applicant or customer, such as:
    - (1) A recent and significant increase in the volume of inquiries;
    - (2) An unusual number of recently established credit relationships;
    - (3) A material change in the use of credit, especially with respect to recently established credit relationships; or
    - (4) An account that was closed for cause or identified for abuse of account privileges.

**Required Response:** HolstonConnect may request and received a consumer report

and if that report indicates an information discrepancy, it shall be the policy of HolstonConnect to report any such information to management for further review and verification of the potential customer's information, including verifying identification in person at the utility's offices. It shall be the policy of HolstonConnect to train its representatives to look for unusual activity when reviewing customer accounts for service. If there are an unusually high number of inquiries on a particular account, representatives shall report such activity to supervisors for further review and inquiry.

2. **Suspicious Documents.** The presentation of suspicious documents can be a Red Flag for Identity Theft. Presentation of suspicious documents includes:

- (a) Documents provided for identification which appear to have been altered or forged.
- (b) The photograph or physical description on the identification is not consistent with the appearance of the applicant or customer presenting the identification.
- (c) Other information on the identification is not consistent with information provided by the person opening a new account or customer presenting the identification.
- (d) Other information on the identification is not consistent with readily accessible information that is on file with HolstonConnect, such as a service application card.
- (e) An application appears to have been altered or forged, or gives the appearance of having been destroyed and reassembled.

Required Response - representatives and other personnel of HolstonConnect shall report to management when it appears that account documents have been altered or forged when compared to other documents in a customer's file. It shall also be brought to a supervisor's attention immediately if any customer presents an invalid identification, or identification that appears forged for the purpose of obtaining access to account information.

3. **Suspicious Personal Identifying Information.** The presentation of suspicious personal Identifying Information, such as a suspicious address change, can be a Red Flag for Identity Theft. Presentation of suspicious personal Identifying Information occurs when:

- (a) Personal Identifying Information provided is inconsistent when compared against

- external information sources used by HolstonConnect. For example:
- (1) The address does not match any address in the consumer report; or
  - (2) The Social Security Number has not been issued, or is listed on the Social Security Administration's Death Master File.
- (b) Personal Identifying Information provided by the customer is not consistent with other personal Identifying Information provided by the customer.
  - (c) Personal Identifying Information provided is associated with known fraudulent activity as indicated by internal or third-party sources used by HolstonConnect, for example:
    - (1) The address on an application is the same as the address provided on a fraudulent application; or
    - (2) The phone number on an application is the same as the number provided on a fraudulent application.
  - (d) Personal Identifying Information provided is of a type commonly associated with fraudulent activity as indicated by internal or third-party sources used by HolstonConnect. For example:
    - (1) The address on an application is fictitious, a mail drop, or a prison; or
    - (2) The phone number is invalid, or is associated with a pager or answering service.
  - (e) The Social Security Number provided is the same as that submitted by other persons opening an account or other customers.
  - (f) The address or telephone number provided is the same as or similar to the account number or telephone number submitted by an unusually large number of other persons opening accounts or other customers.
  - (g) The person opening the Covered Account or the customer fails to provide all required personal Identifying Information on an application or in response to notification that the application is incomplete.
  - (h) Personal Identifying Information provided is not consistent with personal Identifying Information that is on file with HolstonConnect.
  - (i) To the extent HolstonConnect uses a challenge question to confirm a customer's identity, the person opening the account or the customer cannot provide authenticating information beyond that which generally would be available from a wallet or consumer report.

**Required Response.** HolstonConnect shall provide customers access to their account information in person at the utility's offices only after verifying the customer's identity through photo identification. Access to customer account information via telephone or internet shall require the customer to verify his or her identity using information that would only be known to the customer as reflected in the customer's account. Representatives shall be trained to make note in a customer's file when there is a lack of correlation between information provided by a customer and information contained in a file for the purposes of gaining access to account information. HolstonConnect will not provide account information without first clearing any discrepancies in the information provided.

4. **Suspicious Activity.** The unusual use of, or other suspicious activity related to, a



customer account is also a Red Flag for potential Identity Theft. Suspicious activities include:

- (a) Shortly following the notice of a change of address for a customer account, HolstonConnect receives a request for the addition of authorized users on the account.
- (b) Mail sent to the customer is returned repeatedly as undeliverable although transactions continue to be conducted in connection with the customer's covered account.
- (c) HolstonConnect is notified that the customer is not receiving paper account statements.
- (d) HolstonConnect is notified of unauthorized charges or transactions in connection with the customer's account.
- (e) A customer requests a refund check be sent to a new address without requesting a service disconnection or change in service location.
- (f) A customer requests that a refund check be made payable to a person other than the customer.
- (g) A customer requests that HolstonConnect provide the customer with personal identifying information from HolstonConnect's records.

Required Response. Representatives shall be trained to note unusual use of accounts, or suspicious activities related to accounts and verify the identity of customers in such circumstances. It shall further be the policy of HolstonConnect to not provide Identifying Information to customers, either verbally or in writing, even when customers are asking for their own information. Representative shall immediately notify management, who will conduct further reasonable inquiry, when a customer requests such information. It shall be the policy of HolstonConnect to train its representatives to look for unusual activity when reviewing customer accounts for service. Representatives shall also notify a supervisor when there are an unusually high number of inquiries on an account, coupled with a lack of correlation in the information provided by the customer.

5. Notices. Notices of potential Identity Theft are also serious Red Flags, including:

- (a) Notice from a customer of unauthorized charges in connection with that customer's account.
- (b) Notice from customers, law enforcement authorities, or other persons indicating that a customer has been a victim of Identity Theft;
- (c) Notice to HolstonConnect that a customer has provided information to someone fraudulently claiming to represent HolstonConnect;
- (d) Notice to HolstonConnect that a fraudulent website that appears similar to the HolstonConnect's website is being used to solicit customer personal identifying information;
- (e) HolstonConnect's mail servers are receiving returned e-mails that

HolstonConnect did not send, indicating that is customer may have received fraudulent e-mail soliciting customer personal identifying information.

Required Response: Upon notice from a customer, law enforcement authority, or other persons that one of its customers may be a victim of Identity Theft, HolstonConnect may contact the customer directly in order to determine what steps may be necessary to protect any customer information in the possession of HolstonConnect. Such steps may include, but not be limited to, setting up a new account for the customer with additional Identifying Information that may be identified only by the customer in order to protect the integrity of the customer's account, notifying customers or law enforcement of an on-going attempt to perpetrate a fraud on the service, and complying with all applicable provisions of the FCRA.

6. **Other Red Flags.** There are additional activities that may be a Red Flag for Identity Theft. These Red Flags include, but are not limited to:
  - (a) The name of an employee of HolstonConnect has been added as an authorized user on an account.
  - (b) An employee has accessed or downloaded an unusually large number of customer account records.
  - (c) HolstonConnect detects attempts to access a customer's account by unauthorized persons.
  - (d) HolstonConnect detects, or is informed of, unauthorized access to a customer's personal information.

## VI. DETECTING RED FLAGS

- A. It shall be the policy of HolstonConnect to obtain Identifying Information about, and verify the identity of, a person opening an account. HolstonConnect will obtain the customer's name, address for service location, and Social Security Number or Tax Identification Number to open a new account. HolstonConnect shall require presentation of valid government-issued identification to open a new account. It shall be the policy of HolstonConnect not to provide Identifying Information to customers, either verbally or in writing, even when a customer is asking for their own information.
- B. It shall be the policy of HolstonConnect to authenticate customers and customers, monitor transactions, and verify the validity of change of address requests, in the case of existing

accounts.

VII. PREVENTING AND MITIGATING IDENTITY THEFT

- A. If HolstonConnect discovers that any of its customers have become victims of Identity Theft, HolstonConnect shall take appropriate steps to mitigate the impacts of such Identity Theft.

These steps may include, but are not limited to:

1. Monitoring an account for evidence of Identity Theft;
2. Contacting the customer;
3. Changing any passwords, security codes, or other security devices that permit access to an account;
4. Reopening an account with a new account number;
5. Closing an existing account;
6. Not attempting to collect on an account or not selling a covering account to a debt collector;
7. Notifying the customer;
8. Notifying law enforcement;
9. Putting a stop payment on any outstanding deposit refund checks;
10. Putting a hold on any new refund checks; or
11. Determining that no response is warranted under the particular circumstances.

- B. HolstonConnect has a business relationship with the following Service Providers performing the described activities:

1. Southeastern Data Cooperative (SEDC) is HolstonConnect's service provider of billing and accounting software and includes HolstonConnect's primary customer information system. All normal customer account and billing information is setup, and maintained in this system. HolstonConnect's online bill payment system is also provided by SEDC.
2. Online Utility Exchange provides HolstonConnect identity verification and customized credit risk evaluation. The risk assessment is used to determine deposit amounts for customers. Through a software interface with SEDC and online connection to Online Utility Exchange's system, a risk assessment score and other information is generated and provided to the Customer Service Representatives.
3. Collection Agencies for uncollectible debts.
4. Cleaning Services for custodial care.
5. CrossTel and CrossSoft Billing provide HolstonConnect with ability to provision services for data, voice and video.
6. MobiTV provides HolstonTV with Live TV streaming services.

Under this business relationship, the Service Providers have access to customer Identifying Information covered under this Policy. HolstonConnect shall ensure that the Service Provider's work for HolstonConnect is consistent with this policy by providing them a copy of this policy, or by (a) amending the contract to incorporate these requirements; or (b) by determining that the Service Provider has reasonable alternative safeguards that provide the same or a greater level of protection for customer information as provided by HolstonConnect.

VIII. POLICY UPDATES AND ADMINISTRATION

- A. HolstonConnect shall consider updates at least annually to determine whether it has experienced any Identity Theft of its customers' accounts, whether changes in the methods of Identity Theft, the types of accounts HolstonConnect offers or maintains, or its business arrangements (through mergers, acquisitions, alliances, joint ventures, and service provider arrangements) require updates to this Policy, and whether changes are necessary to detect, prevent, and mitigate Identity Theft. HolstonConnect management will continue to monitor changes in methods of Identity Theft, and re-evaluate this Policy in light of those changes.
- B. Administration of this Policy shall be as follows:
1. The Board of Directors has adopted this Policy and will have ultimate authority over this Policy, but the Policy shall be managed by the General Manager. The General Manager shall have authority to delegate oversight and compliance to other individuals at the management level, including the responsibility for training and reviewing staff and management reports regarding compliance with the utility's Policy.
  2. Potential changes to the Policy shall be reviewed at least annually by HolstonConnect management. Material changes to the Policy that may be needed prior to the meeting described herein shall be brought to the General Manager's attention, and reviewed by management and the Board of Directors if deemed necessary.
  3. Reports.
    - (a) Management personnel assigned responsibility under this Policy or by delegation from the General Manager shall prepare a report, at least annually, regarding the implementation and progress of the utility's Policy for review by the General Manager. The General Manager may, at his or her discretion, bring any issues related to the Policy to the attention of the Board of Directors for review.
    - (b) The above-described report prepared by management personnel designated with supervising the Policy shall include a discussion of: the progress of implementing and the effectiveness of the Policy; ongoing risk level of Identity Theft of customer information; potential changes to the Policy and other operation practices of the utility to further the goal of protecting customer's personal information; and, identification and discussion of instances of Identity Theft of HolstonConnect's customers.
    - (c) Management personnel assigned responsibility shall keep records of meetings regarding this Policy showing the dates and topics discussed. Management personnel assigned responsibility shall also maintain a file with copies of past annual reports prepared under the Policy.