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WN U-1 Original Sheet No. 16

HAT ISLAND TELEPHONE COMPANY

RULES AND REGULATIONS

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18. Late Payment Charge

A Late Payment Charge of one percent (1%) applies to all amounts previously billed on a Subscriber's bill and remaining unpaid at the time of the next month's bill except as provided for in WAC 480-120-172 as applicable.

The Late Payment Charge will be uniformly applied to all exchange Subscribers.

The Late Payment Charge will not be applied for those amounts due, or past due, on Subscribers' bills which are from Interexchange Carriers, other bona fide telecommunications carriers or Internet Service Providers for which the Company does not have an arrangement for Billing and Collection.

The Company will waive Late Payment Charge(s) for Subscribers who establish a preferred payment date, and whose payment is made by the scheduled date. If payment is not made by the scheduled date, Late Payment Charge(s) shall apply.

When the Subscriber contacts the Company to question certain charges made to the Subscriber's billing and the Subscriber and the Company work together to resolve the concern, if the Company agrees to credit the Subscriber's account, the Company will also credit the Subscriber's account for any Late Payment Charge(s) associated with the credited amount.

When a complaint involving disputed charges is referred to the Commission for resolution, the Company will waive the Late Payment Charge(s) associated with the disputed amount for the period of time the complaint is open with the Commission, provided that charges not in dispute are paid when due. In cases where disputes are resolved in favor of the Company, the Late Payment Charge will be applied or reinstated during the period of waiver, if any.

Issued: May 4, 2017

Effective: June 3, 2017

Issued by: HAT ISLAND TELEPHONE COMPANY

By: Christopher W. Burns

Title: Chief Operating Officer