

Schedule of General Regulations

Applying in the Exchanges of this Company, in
Michigan, as Designated in the Table of Contents
herein.

TABLE OF CONTENTS

	<u>Sheet Number</u>	<u>Revision Number</u>	<u>Date Issued</u>
Title Page	1	Original	03/18/93
Table of Contents	2	* 1st	04/23/97
Subject Index	3	Original	03/18/93
Applications	4	Original	03/18/93
Definitions	5	Original	03/18/93
General	6 6.1	Original Original	03/18/93 03/18/93
Classification and Use of Telephone Services	7 7.1	Original * 1st	03/18/93 04/23/97
Provision, Ownership and Maintenance of Facilities	8 8.1	Original Original	03/18/93 03/18/93
Contracts for Service or Facilities	9 9.1	Original Original	03/18/93 03/18/93
Payments and Deposits	10 10.1 10.2	Original Original Original	03/18/93 03/18/93 03/18/93
Cancellation for Cause	11 11.1	Original Original	03/18/93 03/18/93
Construction, Installation and Maintenance Charges	12 12.1 12.2 12.4	Original Original Original Original	03/18/93 03/18/93 03/18/93 03/18/93

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By: Harry L. Cribbs, Jr., President

Kaleva, Michigan

GENERAL REGULATIONS

SUBJECT INDEX

Applications	4	General	6 - 6.1
Cancellation for Cause	11 - 11.1	Payments and Deposits	10 - 10.2
Classification and Use of Telephone Services	7	Provision, Ownership and Maintenance Charges	8 - 8.1
Construction, Installation and Maintenance Charges	12 - 12.1	Service Drops	12.2
Contracts for Service or Facilities	9 - 9.1		
Definitions	5		

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By: Harry L. Cribbs, Jr., President

Kaleva, Michigan

GENERAL REGULATIONS

APPLICATIONS

A. APPLICATION OF REGULATIONS

1. The provisions contained in these regulations apply to intrastate services and facilities furnished by Kaleva Telephone Company, hereinafter referred to as the Telephone Company.
2. Any rules and regulations relating to deposits, billing and payments, as specifications by M.P.S.C. Order U-4240 Consumer Standards and Billing Practices - Residential Telephone Service.
3. When services and facilities are provided, in part by the Telephone Company and in part by other companies, the regulations of the Telephone Company apply to that portion of the service or facilities furnished by it.

B. EXPLANATION OF SYMBOLS

- (C) Signifies a change in regulation.
- (D) Signifies a discontinued rate, treatment or regulation.
- (I) Signifies an increased rate or new treatment resulting in increased rate.
- (N) Signifies a new rate, treatment, or regulation.
- (R) Signifies a reduced rate or new treatment resulting in reduced rate.

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GENERAL REGULATIONS

DEFINITIONS

Authorized User

An "Authorized User" is a person, firm or corporation (other than the customer) on whose premises a station on the private line service or channel is located and who may communicate over the private line or channel according to the terms of the Tariffs. An authorized user must be specifically named in the service contracted.

Channel

The term "Channel" designates the electrical path provided by the Telephone Company between two or more stations.

Contract

The term "Contract" refers to the service agreement between a customer and the Telephone Company under which facilities for communications between specified locations, for designated periods, and for the use of the customer and the authorized users specifically named in the contracts are furnished in accordance with the provisions of the Tariffs applicable.

Customer

The term "Customer" refers to the person, firm or corporation who signs the contract and is responsible for the payment of charges and the compliance with the rules and regulations of the Telephone Company.

Effective Two-Wire Facilities

A facility that electrically is equivalent to a pair of wires. Physically the facility is not necessarily a pair of wires.

Effective Four-Wire Facilities

A facility that electrically is equivalent to two pair of wires. Physically the facility is not necessarily two pair of wires.

Exchange

The term "Exchange" means a unit established for the administration of telephone service in a specified area which usually embraces a city, town or village and its environs. It may consist of one or more central offices together with the associated plant used in furnishing communications service within that area.

Exchange Area

The term "Exchange Area" applies to the territory service by an exchange.

Service Central Office

The term "Service Central Office" denotes the central office from which a customer or authorized user would normally be served for local exchange telephone service.

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GENERAL REGULATIONS

GENERAL

A. UNDERTAKING OF THE TELEPHONE COMPANY

1. The Telephone Company does not undertake to transmit messages but offers the use of its facilities for the transmission of communications, including access to Interexchange Carriers facilities.
2. The calling party and the called party are required to establish their identities to each other as may be necessary in the course of communication and the responsibility for doing so rests with those parties.

Agencies advising of emergency situations would be excluded from this requirement.

B. USE OF SERVICE AND FACILITIES

1. The service and facilities furnished are intended only for communications in which the customer or user authorized by the Telephone Company has a direct interest except where use by others is casual.
2. Services and facilities shall not be used for any purpose for which a payment or other compensation shall be received by them or either of them from any persons, firm or corporation for such use, or in the collection, transmission or delivery of any communications for others -- except that these provisions do not apply to the handling of messages accepted for transmission by customers who are engaged in public telegraph business nor to the transmission of communications on private lines, to, from, within and between air carriers, where the customer is an aeronautical communications company licensed under the Aviation Service rules of the Federal Communications Commission to operate stations in the aeronautical mobile and fixed services.

C. LIABILITY OF THE TELEPHONE COMPANY

1. In the event of an interruption to the service which is not due to the negligence or willful act of the customer, upon notice and application by the customer an allowance will be made for the time the interruption continues.

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GENERAL REGULATIONS

GENERAL

C. LIABILITY OF THE TELEPHONE COMPANY

2. The liability of the Telephone Company for damages arising out of mistakes, omissions, interruptions, delays, errors or defects in transmission, or failures or defects in facilities furnished by the Telephone Company, occurring in the course of furnishing service or other facilities and not caused by the negligence of the customer, or of the Telephone Company in failing to maintain proper standards of maintenance and operation and to exercise reasonable supervision shall in no event exceed an amount equivalent to the proportionate charge to the customer for the period of service during which such mistake, omission, interruption, delay, or error or defect in transmission, or failure or defect in facilities occurs.

The services furnished by the Company, in addition to the limitation set forth preceding, also are subject to the following limitation: the Company shall not be liable for damage arising out of mistakes, omissions, delays, errors or defects in transmission or other injury, including but not limited to injuries to persons or property from voltages or currents transmitted over the service of the Company, a. caused by Customer-provided equipment (except where a contributing cause is the malfunctioning of a Company-provided connecting arrangement, in which event the liability of the Company shall not exceed an amount equal to a proportional amount of the Company billing for the period of service during which such mistake, omission, interruption, delay, error, defect in transmission or injury occurs), or b. not prevented by Customer-provided equipment but which would have been prevented had Company-provided equipment been used.

3. The customer indemnifies and saves the Telephone Company harmless against claims for libel, slander, or infringement of copyright from the material transmitted over its facilities; against claims for infringement of patents arising from combining with, or using in connection with, facilities of the Telephone Company, apparatus and systems of the customer; and against all other claims arising out of any act or omission of the customer in connection with facilities provided by the Telephone Company.
4. When the lines of other telephone companies or interexchange carriers are used in establishing connections to points not reached by the Telephone Company's lines, the Telephone Company is not liable for any act or omission of the other company or companies.
5. As a part of the service a directory for each exchange is published from time to time, but as experience demonstrates that errors and omissions will occur with more or less frequency, the Telephone Company is not liable for errors in or omissions from Directories except in cases where a specific charge has been made for a listing; in no event shall the Telephone Company be liable for any such error or omission beyond the amount of such charge.
6. The Telephone Company is not liable for any unavoidable defacement of or damage to the premises of a customer (or authorized user) resulting from the attachment of the Telephone Company's facilities on such premises or from the installation or removal thereof.

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GENERAL REGULATIONS

CLASSIFICATION AND USE OF TELEPHONE SERVICES

A. APPLICATION OF BUSINESS AND RESIDENCE RATES

1. The determination as to whether telephone service should be classified as Business or Residence is based on the character of the use to be made of the service. Service is classified as business service where the use is primarily or substantially of a business, professional, institutional, or otherwise occupational nature. Where the business use, if any, is incidental and where the major use is of a social or domestic nature, service is classified as residence service if installed in a residence.
2. Business rates apply at the following locations, among others:
 - a. In offices, stores, and factories, and in quarters occupied by clubs, churches, lodges, fraternal societies, schools, colleges, libraries, hospitals and other business establishments.
 - b. In residence locations where a place of residence is in the immediate proximity to a place of business and it is evident that the telephone in the residence is or will be used for business purposes; and in residence locations where an extension is located at a place where business rates would apply.
 - c. In the residence of a practicing physician, dentist, veterinary, surgeon, or other medical practitioner who has no service at business rates at another location.
 - d. In any residence location where there is a substantial business use of the service and the customer has no service elsewhere at business rates.
3. Residence rates apply at the following locations among others:
 - a. In private residences, in the residential portion of hotels, apartment houses, boarding houses, churches, or institutions when the use of the service is confined to the domestic use of the customer and the listings of a business character are not furnished.
 - b. In the residence of a practicing physician, dentist, veterinary, surgeon or other medical practitioner provided that such residence is not a part of an office building and provided the customer has service charged for at business rates at another location.
 - c. In the residence of a nurse.

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GENERAL REGULATIONS

CLASSIFICATION AND USE OF TELEPHONE SERVICES

B. LOCATION AND USE OF TELEPHONE SERVICES

1. Use of Business and Residence Telephone Services:

- a. Business subscriber telephone service - as distinguished from Paystation Service and excluding service in hotels - is furnished only for use by the customer, his employees and representatives - except as otherwise provided in the Telephone Company's Tariffs. (D)
- b. Residence telephone service is furnished only for use by the customer and members of the customer's domestic establishment - except as use by others is permitted in certain cases as provided for elsewhere in these regulations or the Telephone Company's Tariffs.
- c. Residence service is not permitted in locations where the service is used as an adjunct to business service.

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GENERAL REGULATIONS

PROVISION, OWNERSHIP AND MAINTENANCE OF FACILITIES

A. PROVISION OF EQUIPMENT

1. All facilities necessary for the provision of a given service or facility at the customers location may be furnished by the Telephone Company or the customer.
2. Where service is to be established at a location that would involve undue hazards to employees of the Telephone Company, the customer may be required to install and maintain equipment and facilities in a manner satisfactory to the Telephone Company, the remuneration to be based on the conditions involved.

B. AVAILABILITY OF FACILITIES

1. The Telephone Company's obligation to furnish service is dependent upon its ability to secure and retain, without unreasonable expense, suitable facilities and rights for the construction and maintenance of the necessary circuits and equipment.

C. PRIORITY OF SERVICE

1. In case a shortage of facilities exists at any time either for temporary or protracted periods, the establishment of telephone service takes precedence in the furnishing of any service or facility.

D. PROVISION AND OWNERSHIP OF DIRECTORIES

1. The Telephone Company distributes to its customers without charge such directory information as is generally necessary for the efficient use of the service. Any reasonable additional local directories or information requested by the customer will be furnished without additional charge. Beyond these requirements additional directories or information will be furnished as available at a reasonable charge.
2. Directories regularly furnished to customers are the property of the Telephone Company and are loaned to customers; they are to be returned to the Telephone Company upon request.

E. TELEPHONE NUMBERS

The assignment of a number to a subscriber's telephone service is made at the discretion of the Telephone Company. The subscriber has no priority right in the number, and the Telephone Company may make such changes in telephone numbers, including the central office designation, as in its judgment the requirements of the service may demand.

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GENERAL REGULATIONS

PROVISION, OWNERSHIP AND MAINTENANCE OF FACILITIES

G. OWNERSHIP OF COMPANY - PROVIDED LINES AND EQUIPMENT

1. Facilities furnished by the Telephone Company on the premises of a customer, authorized user, or agent of the Telephone Company are the property of the Telephone Company and are provided upon the condition that such facilities must be installed, relocated and maintained by the Telephone Company, and that the Company's agents and employees may enter said premises at any reasonable hour for the purpose of installing, inspecting or repairing the facilities or for the purpose of making collections from coin boxes or upon termination or cancellation of the service for the purpose of removing such instruments and lines.
2. Except as otherwise provided in the following paragraph, facilities furnished by the Telephone Company shall, upon termination of service from any cause whatsoever, be returned to it in good condition, reasonable wear and tear thereof excepted.

H. MAINTENANCE AND REPAIRS

1. All expense of maintenance and repair, in connection with equipment facilities and services furnished by the Telephone Company, unless otherwise specified herein or elsewhere in the Telephone Company's Tariffs, is borne by the Telephone Company.
2. A customer (or authorized user) may not rearrange, disconnect, reconnect, remove or attempt to repair, or permit others to rearrange, disconnect, reconnect, remove or attempt to repair any facilities, furnished or owned by the Telephone Company, except upon the written consent of the Telephone Company. Where it is found that unauthorized work has been done by the customer, authorized user or his agents, charges will be made as if the work had been done by the Telephone Company.

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GENERAL REGULATIONS
CONTRACTS FOR SERVICE OR FACILITIES

A. GENERAL

1. Applications for service and facilities made orally or in writing become contracts upon the establishment of the service or facility.
2. Any change in rates or regulations prescribed by public authority having jurisdiction modifies all terms and regulations of contracts to the extent of such change.
3. Change of Customer with Continuity of Service

An applicant who qualifies for the establishment of service may take over the existing service of a subscriber without an interruption of that service.

Retention of the same telephone number is contingent on the applicant's compliance with all of the following conditions:

a. Residence Service

- (1) The existing customer concurs with the request to take over the telephone number
- (2) Applicant and the existing customer are members of the same household and have shared the telephone service.
- (3) The applicant agrees to pay all outstanding charges and assume all contractual obligations against the telephone number. (The Company will provide an itemization of all charges incurred by the previous customer before the applicant is required to elect to assume the charges and obligations or accept a telephone number change.)

b. Business Service

- (1) The existing customer concurs with the request to take over the telephone number.
- (2) Applicant assumes responsibility for all outstanding changes and all other contractual obligations against the telephone number.

4. Re-establish a Non-working Telephone Number.

The Company may accommodate the request of an applicant for assignment of an available telephone number listed in the current directory, provided the listed subscriber concurs with the assignment and the applicant assumes responsibility for all outstanding charges and all other contractual obligations against the telephone number.

5. Contracts for service or facilities may not be terminated except upon advance notice to the Company, at which time there is due and payable all unpaid charges or guarantees for the period the service, equipment or facilities have been furnished, and all applicable minimum and termination charges.

B. INITIAL CONTRACT PERIODS AND MINIMUM CHARGES

1. Unless otherwise specified in the Company's Tariffs, the minimum service period is one month from the date service is established and the minimum charge is the established rate for one month.
3. In lieu of contracts for the required initial service period, the Company may permit the payment of special installation charges or termination charges, the regular Establishment of Service Charges and installation charges to apply in addition.

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GENERAL REGULATIONS

CONTRACTS FOR SERVICE OR FACILITIES

C. APPLICATION OF MINIMUM AND TERMINATION CHARGES

1. Where a contract for service with a one-month minimum service period is cancelled before establishment of service is completed, a charge equal to the costs incurred to the Company, not to exceed the minimum service charge specified, is applied if all or a portion of the equipment or facilities has been installed.
2. Where a contract for service with an initial service period of more than one month is cancelled:
 - a. After the installation of the required equipment and facilities is completed, but before service is established, the termination charge is as specified for the type of service or equipment involved.
 - b. Before installation is completed, a charge consisting of the loss on equipment and facilities in the process of being built or installed, the installation labor, the labor cost of removal and other expenses, such charge not to exceed the termination charges applicable for the type of service or equipment involved is applicable.
3. Where only a portion of a service with an initial service period of more than one month is discontinued, termination charges apply for various items of equipment discontinued, as though they were the last of their kind installed.
4. With respect to the original contract, minimum and termination charges are waived where a new customer takes over the contract, for the unexpired period thereof, for the service and facilities to be furnished at the same location without lapse of service, and assumes all unpaid charges on the original contract. Minimum and termination charges involved in the original contract are also waived where a new customer takes over the service and facilities covered by the original contract under the conditions stated, except as to payment of unpaid charges, and executes a new contract for the full required minimum period. In either case, minimum and termination charges apply for any service or facilities furnished under the original contract which are not retained by the new customer.
5. When the use of the service or facilities is terminated because of the condemnation, destruction, or damage of property by fire or other cause beyond control of the customer, which renders the premises unfit for occupancy, the customer is required to pay only the charges for the period during which service or facilities have been furnished, no minimum or termination charges being applied.

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GENERAL REGULATIONS

PAYMENTS AND DEPOSITS

A. PAYMENT PROVISIONS

1. The customer shall pay for services and facilities monthly in advance except as otherwise provided elsewhere in the Telephone Company tariffs or as required by lawful regulations or practical limitations, and shall pay all other charges when billed by the Telephone Company.
2. The customer assumes responsibility for all charges on messages originating at equipment contracted for by him and for messages received on which the charges have been reversed with the consent of the person answering the telephone, unless another party assumes responsibility for payment of a call under an arrangement mutually agreeable to the Telephone Company and the other party.
3. Charges are payable at the Telephone Company's Business Office or at any agencies duly authorized to receive such payment.
4. Charges for a fractional part of a month are computed on the basis of a thirty-day month.

B. ADVANCE PAYMENTS

1. Applicants for service and facilities, other than Federal, State or Municipal governmental agencies, may be required to pay at the time the application is made all service connections charges and installation charges that may be applicable, as well as such special construction and installation charges as are to be borne by the applicant.

C. DEPOSITS

1. Applicants or customers whose credit rating is, or may become, unsatisfactory will be required to make a suitable deposit, to be applied at any time at the option of the Telephone Company in payment of any unpaid charges for service rendered to the customer or in payment of termination charges that may be applicable. Any balance of the amount deposited, credited to the customer's account, is returned to the customer at the time of termination of the contract or may be returned at any time previous thereto at the option of the Telephone Company when a satisfactory credit rating has been established.

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GENERAL REGULATIONS

PAYMENTS AND DEPOSITS

C. DEPOSITS (Continued)

2. Applicants or customers who request service in a location where the equipment may be subject to loss or damage through theft, vandalism or other reasons involving a responsibility on the part of the customer may be required to make suitable deposit to cover that responsibility, such deposit not to exceed the value of the equipment furnished.
3. Simple interest - at the rate of 9 percent per annum - will be paid on all sums retained on deposit by the Telephone Company for thirty days or longer. No interest credit will be made on a deposit or any portion of a deposit after the date on which a notice of refund is deposited in the U.S. Mail addressed to the last known address of the customer.
4. The fact that a deposit has been made neither relieves the applicant nor the customer from complying with the Telephone Company's regulations as to advance payments and the prompt payment of bills on presentation nor constitutes a waiver or modification of the regulations of the Telephone Company providing for the discontinuance of service for nonpayment of any sums due the Telephone Company for service rendered.

D. ADJUSTMENT OF CHARGES

1. Services Under Written Consent

Adjustment of charges will be made when billing errors are brought to the attention of the Company. The adjustment (additional billing or refund) will be determined from records without regard to time period except as provided in the Statute of Limitations. Refunds due the customer will be paid with interest on any amounts for service supplied over one year from the date the billing inquiry was initiated, at the interest rate specified for credit deposits.

2. All Other Services

- a. All services supplied will be billed within one year. In the adjustment of charges because of errors in billing within one year from the date the billing inquiry was initiated, correction will be made in the full amount for that period of time.

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GENERAL REGULATIONS

PAYMENTS AND DEPOSITS

D. ADJUSTMENTS OF CHARGES (Continued)

2. All Other Services (Continued)

- b. No customer will be liable for net underbilled service after one year except when the service was obtained by the customer under fraud or deception. Correction for billing errors will be made for the period over one year from the date the billing inquiry was initiated to determine a net refund due the customer during this period of time. This refund will be paid together with interest at the rate established for credit deposits.

E. TEMPORARY DISCONTINUANCE FOR NONPAYMENT

1. Where service has been temporarily denied in accordance with the provisions of this Tariff and the service is re-established, or where on account of nonpayment of charges an agent of the Telephone Company visits the premises of the customer to remove or disconnect the facilities and because of payment does not discontinue the service, a subsequent order charge and line charge, if applicable, applies. This charge covers the customer's entire service and facilities, being independent of the number of units involved, and is in addition to all other charges due.
2. The Restoral of Service charge does not apply in the event where service has been actually discontinued; upon payment of all charges due, the service will be re-established on the basis of a new application for service and the payment of the charges associated with such application.

F. ADJUSTMENTS FOR LOCAL TAXES, FEES, ETC.

1. The rate schedules set forth in the various tariffs of the Telephone Company do not include any amounts resulting from any taxes, fees, or exactions imposed by or for any municipal corporation or other political subdivision or local agency of government against the Telephone Company, its property or its operations, excepting only taxes imposed generally on corporation..
2. In order to prevent other subscribers from being compelled to share such impositions, the amounts resulting from any such taxes, fees, or exactions imposed against the Telephone Company, its property, or its operations, excepting only taxes imposed generally on corporations, shall be billed prorata by the Telephone Company to its exchange subscribers within the limits of the municipal corporation, or other political subdivision or local agency of government by or for which such taxes, fees or exactions are imposed.

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GENERAL REGULATIONS
CANCELLATION FOR CAUSE

A. GENERAL

1. For cause as provided herein and without incurring any liability, the Telephone Company either temporarily discontinues the furnishing of a service or facility to a customer or terminates the contract.
2. Where service is so terminated on the initiative of the Telephone Company, the regulations covering termination charges apply as in the case of termination of service at the customer's request.

B. CANCELLATION AFTER WRITTEN NOTICE

1. Under any of the conditions in a. through f. following, discontinuance or termination by the Telephone Company may be made five (5) days after furnishing a written notice by depositing in the mails a letter addressed to the customer or his agent at the address to which the bills for the service or facility are sent:
 - a. In the event of nonpayment of any sum due the Telephone Company;
 - b. Upon failure to make suitable deposit as required by this Tariff;
 - c. In the event of improper use of party line service by a customer, including interference with an equitable proportionate use of the service by other customers on the same line, and the customer refuses to contract for a higher grade of service;
 - d. In the event the character of use of a service is not in accordance with the class of service contracted for, and the customer refuses to contract for a proper class of service;
 - e. In the event of abuse or fraudulent use of service. Abuse or fraudulent use of service includes:
 - (1) The use of service or facilities of the Telephone Company to transmit a message or to locate a person or otherwise to give or obtain information, without payment of the charge applicable for service;
 - (2) The obtaining, or attempting to obtain, or assisting another to obtain or to attempt to obtain, local telephone exchange service or message toll telephone service, by rearranging, tampering with, or making connection with any facilities of the Telephone Company, or by any trick, scheme, false representation, or false credit devise, or by or through any other fraudulent means or device whatsoever, with intent to avoid the payment, in whole or in part, of the regular charge for such service;
 - (3) The use of the service or facilities of the Telephone Company for a call or calls, anonymous or otherwise, if in a manner reasonably to be expected to frighten, abuse, torment, or harass another;
 - f. Upon violation not otherwise provided for of any of the regulations governing the furnishing of a service or facility.

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GENERAL REGULATIONS
CANCELLATION FOR CAUSE

C. CANCELLATION UPON WRITTEN REQUEST BY PUBLIC OFFICIALS

1. Under either of the conditions in a. and b. following, written notice of intention to discontinue or terminate service, to which shall be attached a copy of the written representation referred to below, shall be given by posting a registered letter in the United States mails, addressed to the customer or his agent at the location to which bills for the service are sent, at least seventy-two hours prior to such discontinuance or termination:
 - a. Whenever the judge of any court of record in Michigan, having jurisdiction over criminal offenses, including any such judge acting under Act 196 of the Public Acts of 1917, as amended, the Attorney General of Michigan, the United States Attorney in and for any Federal judicial district in Michigan, or the Prosecuting Attorney of any county, shall represent in writing to the Company that he has probable cause to believe that the service furnished at a designated location is being used in furtherance of the commission of a specified criminal offense and in such writing shall request that such service be discontinued or terminated, the Company, if not restrained by order of a court of competent jurisdiction, will so discontinue or terminate such service, with like effort as to both the Company and the customer as though the latter had of his own volition directed that same be done.
 - b. Upon notice in writing by a federal, state or local law enforcement agency, acting under the provisions of Public Law 87-216, that service is being or will be used for the purpose of transmitting or receiving gambling information in interstate or foreign commerce in violation of federal, state or local law.

D. IMMEDIATE CANCELLATION WITH VERBAL NOTICE

1. Under any the of conditions in a. to e. following, said discontinuance or termination by the Telephone Company will be made immediately, verbal notice being given the customer or his agent in person or by telephone if he can be reached; a confirming written notice will be mailed to the customer or his agent at the address to which bills are sent:
 - a. In the event of the use of profane or indecent language over the facilities;
 - b. In the event of abandonment of the station or facilities;
 - c. If the use of the service or facilities by the customer, or the manner of such use, or his failure to contract for adequate facilities (though these require he defray an unusual expense), tends to affect injuriously the efficiency of the Company's general plant or services;
 - d. If a service or facility is used in a manner which substantially impairs the service of a particular customer;
 - e. In the event that a customer transmits a previously recorded message over the exchange or toll facilities of the Company without properly identifying himself or the sponsor.

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Kaleva, Michigan

CONSTRUCTION REGULATIONS
CONSTRUCTION, INSTALLATION AND MAINTENANCE CHARGES

EXTENSION OF LINE FACILITIES

A. GENERAL

1. An extension of Telephone Company facilities in locations where Telephone Company facilities currently do not exist will generally be made as follows:
 - a. Cable - Line extensions requiring cable will be placed for a distance of 1000 feet per residence or per business customer without charge to the customer requesting service. A facility charge will apply to the customer for a line extension in excess of this standard allowance (1000 feet).
 - b. (1) Private Property - Trench, pole(s) or conduit on private property shall be provided at the expense of the property owner or the property owner's representative, i.e., developer, customer, etc. The structure shall meet the company's design standards and shall be owned and maintained by the property owner or property owner's representative(s). Cable placed in or on these structures shall be owned and maintained by the Telephone Company.
(2) Platted Subdivisions and Mobile Home Parks - Line extensions to platted subdivisions and mobile home parks will be made as part of the Telephone Company's regular construction program.
 - c. Other - Trench, pole(s) or conduit placed in situations other than private property, i.e., public or private right of way, easements, etc., will be placed, owned and maintained by the Telephone Company.
2. Provision of Private Right-of-Way
Where required by the conditions, applicants shall provide without expense to the Telephone Company, private right-of-way parallel to the public highway; such right-of-way shall be free from tree interference and otherwise suitable.
3. Distributing Plant on Private Property, Other Than Service Drops
When the customer desires that distributing plant on the customer's private property be placed underground - the Telephone Company having determined from the conditions that aerial facilities should be provided or having provided such facilities - the customer pays the excess of the installed cost to the Telephone Company of the underground (buried) wire or cable over the cost of the aerial facilities and pays the cost of dismantling and removing any aerial facilities being changed.

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By: Harry L. Cribbs, Jr., President

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EXTENSION OF LINE FACILITIES

B. EXTENSION LINE FACILITY CHARGES

1. GENERAL

a. Refundable

- (1) The facility charge applies to anyone who requests an extension of line facilities that requires cabling beyond the standard allowance (1000 feet)(A1a.). Based on cost charges will apply for cable in excess of the standard allowance.
- (2) The facility charges may be waived if the construction of the line extension is being financed by borrowing funds through the Rural Electrification Administration.

2. FACILITIES AGREEMENT

a. The Telephone Company and the developer, builder, owner or authorized representative will enter into a written agreement for provision of the requested line extension. The Company will not begin construction until an agreement has been executed and payment of the facility charge has been made.

b. The agreement will include:

1. A legal description of the area for which facilities are requested.
2. The total cable footage excluding the standard allowance.
3. The amount of the refundable charge.
4. Provision for an annual refund on the anniversary date of the agreement.
5. The construction of distribution facilities will comply with Company standards and practices for providing such facilities.
6. A term of no longer than five years.

3. The facility charge will be based on cost for cable and based on cost for Service Wire for extensions in excess of the standard allowances. All distribution facilities so constructed shall be the property of the Company.

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C. REFUNDS OF EXTENSION LINE FACILITY CHARGE

1. An annual refund, initially payable on the first anniversary date of the agreement and annually thereafter until the agreement expires, will be as follows:
 - a. The amount of refund will equal three times the annual rural residential basic local exchange service rate per residence where telephone service is established in residential areas and an amount equal to three times the annual business basic local exchange rate for each exchange or trunking service added in that year.
 - b. The total refund shall not exceed the facility charge. The term of the agreement will not exceed five years.
2. On each anniversary date of the agreement the Telephone Company will determine if additional customers have been added to the facilities for which a charge was made.
3. Upon expiration of the agreement, the Telephone Company will have no obligation to refund any portion of the facility charge not previously refunded.

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D. CONSTRUCTION CHARGES, SPECIAL

1. Special, based on cost in the form of installation charges, monthly charges, or both, are applied in addition to the usual service connection charges and monthly rates when, because of unusual investment or expense, the revenue does not reasonably compensate the Company - when facilities are provided beyond the standard allowance, when conditions require the provision of special equipment or unusual plant construction, installation or maintenance, or when the customer's location requires annual payment for licenses or agreement for the use of Public or Private land.
2. Except as specified, title to all construction provided wholly or partly at a customer's expense is vested in the Company.
3. The cost to the Company for attachments to structures of other companies, made in lieu of providing construction for which the customer would be charged under the provisions hereof, is borne by the customer. The customer is required to pay construction charges made by another company providing facilities connecting with the facilities of the Company.

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E. SERVICE DROPS

1. Facilities Provided of Type Determined by Telephone Company

Service Drops are provided either by aerial facilities - on poles of the Telephone Company or of other companies - or by underground facilities (buried), and, except as covered in 2 below, the type of facilities used is determined by the Telephone Company from the conditions involved. For facilities of the type so determined, the following treatment applies:

- a. A Service Drop measuring not more than 250 feet is provided without construction charge. For the measured distance in excess of the 250 foot allowance, a facility charge applies as described elsewhere in the Company's tariffs.
- b. The measurement is the airline distance from the center of the highway paralleling the general distribution plant (located on or off the highway) to the terminal or Drop at the customer's building, or the airline distance from the distribution plant to that terminal, whichever is shorter.

2. Facilities Provided of Different Type than 1 above.

When from the conditions involved the Telephone Company determines that an aerial Service Drop should be provided and in lieu thereof the applicant desires underground or buried facilities, or when aerial facilities are used to provide service or channels to a customer and subsequently the customer requests that such facilities be placed underground, the following applies:

- a. Where cable is laid in conduit, the underground conduit shall be constructed and maintained by or at the expense of the customer and in addition the customer shall pay the cost of the underground cable - including the cost of installing it - less the estimated cost to the Telephone Company of installing such aerial facilities (not in excess of the 250 foot allowance specified in C.1.a.) as would be (or is) required to furnish the same service. The underground conduit shall be constructed in accordance with plans and specifications furnished by the Telephone Company; ownership of the conduit is retained by the customer.

The duct or ducts required in the underground conduit by the Telephone Company to furnish service shall be reserved for its exclusive use.
- b. Cable installed in conduit will be maintained and replaced at the expense of the Telephone Company where the conduit has been inspected in place by the Telephone Company and approved, but repairs or replacements of cable in conduit or trench made necessary by damages caused by the customer or the customer's representatives will be made only at the customer's expense.
- c. Where facilities are changed from aerial to underground or buried, in addition to the above, the customer is charged the cost of dismantling and removing the aerial facilities in addition to 2.a. preceding.

3. Computation of Facility Charge

- a. The facility charge will be based on cost for Service Wire for extensions in excess of the standard allowances.
- b. All service drop facilities so constructed shall be the property of the Telephone Company.

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