

SECTION 2 - REGULATIONS, CONT' D.

2.1 Undertaking of the Company, Cont' d. 2.1.3 Terms and

Conditions

- (A) Business Service is provided on the basis of a minimum period of at least one month, 24-hours per day. For the purpose of computing charges in this tariff, a month is considered to have 30 days.
- (B) Business Customers may be required to enter into written service orders which shall contain or reference a specific description of the service ordered, the rates to be charged, the duration of the services, and the terms and conditions in this tariff. Business Customers will also be required to execute any other documents as may be reasonably requested by the Company.
- (C) At the expiration of the initial term specified in each Service Order, or in any extension thereof, service shall continue on a month-to-month basis at the then current rates unless terminated by either party upon 30 days' written notice. Any termination shall not relieve the Business Customer of its obligation to pay any charges incurred under the service order and this tariff prior to termination. The rights and obligations which by their nature extend beyond the termination of the term of the service order shall survive such termination.

SECTION 2 - REGULATIONS, CONT' D. 2.1

Undertaking of the Company, Cont' d. 2.1.3 Terms and

Conditions, cont' d.

- (D) Service may be terminated upon written notice to the Customer if:
 - (1) the Customer is using the service in violation of this tariff; or
 - (2) the Customer is using the service in violation of the law.
- (E) This tariff shall be interpreted and governed by the laws of the State of Michigan regardless of its choice of laws provision.
- (F) No other telecommunications provider may interfere with the right of any person or entity to obtain service directly from the Company. No person or entity shall be required to make any payment, incur any penalty, monetary or otherwise, or purchase any services in order to have the right to obtain service directly from the Company.
- (G) To the extent that either the Company or any other telephone company exercises control over available cable pairs, conduit, duct space, raceways, or other facilities needed by the other to reach a person or entity, the party exercising such control shall make them available to the other on terms equivalent to those under which the Company makes similar facilities under its control available to its customers. At the reasonable request of either party, the Company and the other telephone company shall join the attempt to obtain from the owner of the property access for the other party to serve a person or entity.

SECTION 2 - REGULATIONS, CONT' D. 2.1

Undertaking of the Company, Cont' d. 2.1.4 Liability of the

Company, cont' d.

- (F) The Company is not liable for any defacement of or damage to Customer premises resulting from the furnishing of services or equipment on such premises or the installation or removal thereof, unless such defacement or damage is caused by negligence or willful misconduct of the Company's agents or employees.
- (G) The Company shall be indemnified, defended and held harmless by the Customer against any claim, loss or damage arising from Customer's use of services, involving claims for libel, slander, invasion of privacy, or infringement of copyright arising from the Customer's own communications.
- (H) **THE COMPANY MAKES NO WARRANTIES OR REPRESENTATIONS, EXPRESS OR IMPLIED EITHER IN FACT OR BY OPERATION OF LAW, STATUTORY OR OTHERWISE, INCLUDING WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR USE, EXCEPT THOSE EXPRESSLY SET FORTH HEREIN.**

SECTION 2 - REGULATIONS, CONT' D.

2.1 Undertaking of the Company, Cont' d.

2.1.8 Special Construction

Subject to the agreement of the Company and to all of the regulations contained in this tariff, special construction of facilities may be undertaken on a reasonable efforts basis at the request of the Customer. Special construction is that construction undertaken:

- (A) where facilities are not presently available, and there is no other requirement for the facilities so constructed;
- (B) of a type other than that which the Company would normally utilize in the furnishing of its services;
- (C) over a route other than that which the Company would normally utilize in the furnishing of its services;
- (D) in a quantity greater than that which the Company would normally construct;
- (E) on an expedited basis;
- (F) on a temporary basis until permanent facilities are available;
- (G) involving abnormal costs; or
- (H) in advance of its normal construction.

2.1.9 Ownership of Facilities

Title to all facilities provided in accordance with this tariff remains in the Company, its agents or contractors.

SECTION 2 - REGULATIONS,

CONT' D. 2.2 Prohibited Uses

- (A) The services the Company offers shall not be used for any unlawful purpose or for any use as to which the Customer has not obtained all required governmental approvals, authorizations, licenses, consents and permits.
- (B) The Company may require business applicants for service who intend to use the Company's offerings for resale and/or for shared use to file a letter with the Company confirming that their use of the Company's offerings complies with relevant laws and Michigan Public Service Commission regulations, policies, orders, and decisions.
- (C) The Company may require a Customer to immediately shut down its transmission of signals if said transmission is causing interference to others.
- (D) A customer, joint user, or authorized user may not assign, or transfer in any manner, the service or any rights associated with the service without the written consent of the Company. The Company will permit a Customer to transfer its existing service to another entity if the existing Customer has paid all charges owed to the Company for regulated communications services. Such a transfer will be treated as a disconnection of existing service and installation of new service, and non-recurring installation charges as stated in this tariff will apply.

SECTION 2 - REGULATIONS, CONT' D.

2.3 Obligations of the Customer 2.3.1 General

The Customer shall be responsible for:

- (A) the payment of all applicable charges pursuant to this tariff;
- (B) damage to or loss of the Company's facilities or equipment caused by the acts or omissions of the Customer; or the noncompliance by the Customer, with these regulations; or by fire or theft or other casualty on the Customer Premises, unless caused by the negligence or willful misconduct of the employees or agents of the Company;
- (C) providing at no charge, as specified from time to time by the Company, any needed personnel, equipment space and power to operate Company facilities and equipment installed on the premises of the Customer, and the level of heating and air conditioning necessary to maintain the proper operating environment on such premises;

SECTION 2 - REGULATIONS, CONT' D.

2.3 Obligations of the Customer, Cont' d. 2.3.1 General, cont'

d.

- (F) complying with all laws and regulations applicable to, and obtaining all consents, approvals, licenses and permits as may be required with respect to, the location of Company facilities and equipment in any Customer premises or the rights-of-way for which Customer is responsible under Section 2.3.1(D); and granting or obtaining permission for Company agents or employees to enter the premises of the Customer at any time for the purpose of installing, inspecting, maintaining, repairing, or upon termination of service as stated herein, removing the facilities or equipment of the Company;
- (G) not creating any liens or other encumbrances on the Company's equipment or facilities; and
- (H) making Company facilities and equipment available periodically for maintenance purposes at a time agreeable to both the Company and the Customer. No allowance will be made for the period during which service is interrupted for such purposes.

SECTION 2 - REGULATIONS, CONT' D.

2.3 Obligations of the Customer, Cont' d.

2.3.2 Claims

With respect to any service or facility provided by the Company, Customers shall indemnify, defend and hold harmless the Company from and against all claims, actions, damages, liabilities, costs and expenses, including reasonable attorneys' fees for:

- (A) any loss, destruction or damage to the property of the Company or any third party, or death or injury to persons, including, but not limited to, employees or invitees of either party, to the extent caused by or resulting from the negligent or intentional act or omission of the Customer, its employees, agents, representatives or invitees; or
- (B) any claim, loss, damage, expense or liability for infringement of any copyright, patent, trade secret, or any proprietary or intellectual property right of any third party, arising from any act or omission by the Customer, including, without limitation, use of the Company's services and facilities in a manner not contemplated by the agreement between the Customer and the Company.

SECTION 2 - REGULATIONS, CONT' D. 2.4 Customer

Equipment and Channels - Business Customers, Cont' d. 2.4.3

Interconnection of Facilities

- (A) Any special interface equipment necessary to achieve compatibility between the facilities and equipment of the Company used for furnishing Communication Services and the channels, facilities, or equipment of others shall be provided at the Business Customer's expense.
- (B) Communication Services may be connected to the services or facilities of other communications carriers only when authorized by, and in accordance with, the terms and conditions of the tariffs of the other communications carriers that are applicable to such connections.
- (C) Facilities furnished under this tariff may be connected to Customer-provided terminal equipment in accordance with the provisions of this tariff. All such terminal equipment shall comply with all applicable federal and state legal and regulatory requirements; and all User-provided wiring shall be installed and maintained in compliance with all such legal and regulatory requirements.
- (D) Users may interconnect communications facilities that are used in whole or in part for interstate communications to services provided under this tariff only to the extent that the user is an "End User" as defined below:

AEnd User means any customer of an interstate or foreign telecommunications service that is not a carrier except that a carrier other than a telephone company shall be deemed to be an Aend user" when such carrier uses a telecommunications service for administrative purposes and a person or entity that offers telecommunications services exclusively as a reseller shall be deemed to be an Aend user" if all resale transmissions offered by such reseller originate on the premises of such reseller.®

SECTION 2 - REGULATIONS, CONT' D.

2.5 Payment Arrangements, Cont' d 2.5.2 Payment for Service

(A) Facilities and Service Charges

The Customer is responsible for the payment of all charges for facilities and services furnished by the Company to the Customer and to all Users authorized by the Customer, regardless of whether those services are used by the Customer itself or are resold to or shared with other persons.

(B) Taxes

The Customer is responsible for payment of any sales, use, gross receipts, excise, access or other local, state and federal taxes, charges or surcharges (however designated) (excluding taxes on Company's net income) imposed on or based upon the provision, sale or use of the Company' s services.

2.5.3 Billing and Collection of Charges

- (A) The Company shall render a bill during each billing period to every Customer. The billing period shall be monthly.
- (B) Non-recurring charges are due and payable from the customer within 30 days after the invoice date, unless otherwise agreed to in advance.
- (C) The Company shall present invoices for Recurring Charges monthly to the Customer, in advance of the month in which service is provided, and Recurring Charges shall be due and payable within 30 days after the invoice date. When billing is based on customer usage, charges will be billed monthly for the preceding billing periods.

SECTION 2 - REGULATIONS,

CONT' D. 2.5 Payment Arrangements, Cont' d

2.5.3 Billing and Collection of Charges, Cont' d

- (D) When service does not begin on the first day of the month, or end on the last day of the month, the charge for the fraction of the month in which service was furnished will be calculated on a pro rata basis. For this purpose, every month is considered to have 30 days.
- (E) Billing of the Customer by the Company will begin on the Service Commencement Date, which is the first day following the date on which the Company notifies the Customer that the service or facility is available for use, except that the Service Commencement Date may be postponed by mutual agreement of the parties, or if the service or facility does not conform to standards set forth in this tariff or the Service Order. Billing accrues through and includes the day that the service, circuit, arrangement or component is discontinued.
- (F) If service is disconnected by the Company in accordance with Section 2.5.6 and later restored, restoration of service will be subject to all applicable restoration and installation charges.

SECTION 2 - REGULATIONS, CONT' D.

2.5 Payment Arrangements, Cont' d

2.5.3 Billing and Collection of Charges, Cont' d

(G) The date of rendition of the Company's bill for basic local exchange service shall be the date of physical mailing of the bill by the Company. If the last calendar day for remittance falls upon a Sunday, legal holiday, or any other day when the offices of the provider regularly used for the receipt of payment of customer bills are not open to the general public, then the final payment date shall be extended through the next business day. The date of payment of remittance by mail is 2 days before receipt of the remittance.

(H) At a minimum, each Residential Customer bill rendered by the Company shall clearly state all of the following information:

- (1) The beginning and ending dates of the billing period.
- (2) The due date.
- (3) Any previous balance.
- (4) The telephone number for which the bill is rendered.
- (5) The total amount due for basic local exchange service and regulated toll service.
- (6) An itemized statement of all taxes due.
- (7) The total amount due.
- (8) The statement that rate schedules for basic local exchange service are available and will be mailed by the provider upon request at no cost to the customer.
- (9) The address and telephone number of the provider, designating where the customer may initiate an inquiry or informal complaint regarding the bill as rendered or the service provided.

SECTION 2 - REGULATIONS, CONT' D. 2.5

Payment Arrangements, Cont' d. 2.5.4 Advance Payments

The Company may require the prepayment of 1 billing period's charges for basic local exchange service as a condition of service. If a Residential Customer's basic local exchange service is subject to usage-sensitive pricing, then the prepayment permitted by this rule shall not be more than the average of charges for similar services purchased in the Residential Customer's exchange during the most recent calendar year for which data are available. In addition, where special construction is involved, the advance payment may also include an amount equal to the estimated non-recurring charges for the special construction and recurring charges (if any) for a period to be set between the Company and the Customer. The advance payment will be credited to the Customer's initial bill. An advance payment may be required in addition to a deposit.

SECTION 2 - REGULATIONS, CONT' D. 2.5

Payment Arrangements, Cont' d. 2.5.5 Deposits

- (A) To safeguard its interests, the Company may require a Customer to make a deposit to be held as a guarantee for the payment of charges, except as stated in (E) below. A deposit does not relieve the Customer of the responsibility for the prompt payment of bills on presentation. The deposit will not exceed \$150.00 per access line.
- (B) A deposit may be required in addition to an advance payment.
- (C) When a service or facility is discontinued, the amount of a deposit, if any, will be applied to the Customer's account and any credit balance remaining will be refunded. Before the service or facility is discontinued, the Company may, at its option, return the deposit or credit it to the Customer's account.
- (D) No deposit will be charged for lifeline customer that voluntarily elects to receive toll blocking service.
- (E) The Company will not require a cash deposit or other guarantee as a condition of obtaining basic local exchange service, unless the prospective customer refuses to produce identification that can be readily and inexpensively verified or if the prospective customer has a history of payment default within the past 60 months for telecommunication services.
- (F) The Company is not obligated to provide service to a household under any name if an outstanding bill exists at the address and the person responsible for that bill still resides at the address.

SECTION 2 - REGULATIONS, CONT' D.

2.5 Payment Arrangements, Cont' d.

2.5.6 Discontinuance of Service, cont' d.

Part II B Residential Customers, cont' d

- (C) Notice of shutoff of basic local exchange service shall contain all of the following information:
 - (a) The name and the billing address of the customer and, to the extent possible, the address of the service, if different;
 - (b) A clear and concise statement of the reason for the proposed shutoff of service;
 - (c) The date after which service will be subject to shutoff without further notice unless the customer takes appropriate action;
 - (d) The right of the customer to file a formal complaint with the commission if the dispute cannot be otherwise resolved and a statement that the customer must pay to the provider of basic local exchange service that portion of the bill for basic local exchange service and regulated toll service that is not in dispute within 3 days of the date that the formal complaint is filed;
 - (e) A statement that service will not be shut off pending the resolution of a formal complaint that is filed and prosecuted in conformity with all applicable statutes, rules, regulations, and orders of the commission; and
 - (f) The telephone number and address of the Company where the customer may make inquiry or enter into a settlement agreement.

SECTION 2 - REGULATIONS,

CONT' D. 2.5 Payment Arrangements, Cont' d.

2.5.6 Discontinuance of Service, cont' d.

Part II B Residential Customers, cont' d

- (D) The Company will not shutoff service unless written notice is sent, by first-class mail, to the customer or personally served not less than 5 days before the date of the proposed shutoff. If a shutoff of service is sought for nonpayment of a delinquent account, then a notice of shutoff will not be sent before the time the account becomes delinquent. Service of notice by mail is complete upon mailing, unless proven otherwise by the customer. The Company will maintain an accurate record of the date of mailing. The Company is responsible for the accurate and timely notice of shutoff.
- (E) A notice of shutoff of service shall not be issued if a customer has a pending formal complaint before the commission concerning the bill upon which the notice is based.
- (F) Subject to the requirements of these rules, the company may shut off basic local exchange service to a customer on the date specified in the notice of shutoff or within a reasonable time thereafter, but only at times that the Company has personnel available to reconnect service.
- (G) Basic local exchange service shall not be shut off on a day, or a day immediately preceding a day, when the Company's personnel are not available to reconnect service.
- (H) Basic local exchange service shall not be shut off while a complaint related to the reason for the shutoff is pending.

SECTION 2 - REGULATIONS,

CONT' D. 2.5 Payment Arrangements, Cont' d.

2.5.7 Cancellation of Application for Service

- (A) When a Customer cancels an application for service prior to the start of service or prior to any special construction, no charges will be imposed except for those specified below.
- (B) Where, prior to cancellation by the Customer, the Company incurs any expenses in installing the service or in preparing to install the service that it otherwise would not have incurred, a charge equal to the costs incurred by the Company, less net salvage, shall apply, but in no case shall this charge exceed the sum of the charge for the minimum period of services ordered, including installation charges, and all charges others levy against the Company that would have been chargeable to the Customer had service commenced.
- (C) Where the Company incurs any expense in connection with special construction, or where special arrangements of facilities or equipment have begun, before the Company receives a cancellation notice, a charge equal to the costs incurred by the Company, less net salvage, applies. In such cases, the charge will be based on such elements as the cost of the equipment, facilities, and material, the cost of installation, engineering, labor, and supervision, general and administrative expense, other disbursements, maintenance, taxes, and any other costs associated with the special construction or arrangements.
- (D) The special charges described in 2.5.7(A) through 2.5.7(C) will be calculated and applied on a case-by-case basis.

SECTION 2 - REGULATIONS, CONT' D.

(C) REGULATIONS, CONT' D. 2.6 Allowances

for Interruptions in Service, Cont' d. 2.6.1 Credit for

Interruptions, cont' d.

(C) (Cont'd)

Over 24 Hours. If a Customer's service is reported or is found to be out of service and remains out of service for more than 24 hours, then 1 of the following adjustments shall be made to the Customer's bill in the next billing period in which it is practicable to do so:

- (1) If the duration of the outage is less than 5 days of a month, then the appropriate credit shall be the prorated amount of the customer's monthly service rate.
- (2) If the duration of the outage is 5 days or longer, then the appropriate credit is the credit owed pursuant to 2.6.1(C)(1) for the first 4 days of the outage plus an additional \$5.00 per day for the fifth day and each subsequent day of the outage, up to the amount of the customer's monthly service rate.
- (3) A credit adjustment will not be made if the outage is caused by the Customer or if a satisfactory replacement Service is provided to the Customer. Should the Customer elect to use an alternative Service provided by the Company during the period that a service is interrupted, the Customer must pay the tariffed rates and charges for the alternative Service.

SECTION 2 B REGULATIONS, CONT' D.

2.7 Restoration of Service, cont' d.

2.7.2 Residential Service Restoration

When a Residential Customer's Basic Local Exchange Service has been shutoff in accordance with this Tariff, the Company will restore Service promptly, but not later than one (1) working day after the Residential Customer's request, after the cause for the shutoff of service has been cured or credit arrangements satisfactory to the Company have been made. Before restoring service, the Company reserves the right to require one or more of the following:

- (1) Payment of the total amount due on all of the Customer's delinquent and shutoff accounts for basic local exchange service and regulated toll service owed to the Company;
- (2) An arrangement or settlement agreement requiring the payment of all amounts owed to the Company for basic local exchange service and regulated toll service;
- (3) Payment of the restoration charge and any applicable installation charges pursuant to Section 4.3.4 of this tariff;
- (4) Payment of an advance payment and/or security deposit pursuant to Section 2.5.4 and 2.5.5 of this tariff.

Any payments required for service restoration may be made by the Customer in any reasonable manner, except that payment by personal check may be refused by the Company if the Customer has tendered payment by a check that had been dishonored during the previous 3 years, excluding bank error.

SECTION 2 - REGULATIONS, CONT' D.

2.10 Transfers and Assignments

Neither the Company nor the Customer may assign or transfer its rights or duties in connection with the services and facilities provided by the Company without the written consent of the other party, except that the Company may assign its rights and duties:

- (A) to any subsidiary, parent company or affiliate of the Company; or
- (B) pursuant to any sale or transfer of substantially all the assets of the Company; or
- (C) pursuant to any financing, merger or reorganization of the Company.

2.11 Notices and Communications

- (A) The Customer shall designate on the Service Order an address to which the Company shall mail or deliver all notices and other communications, except that the Customer may also designate a separate address to which the Company's bills for service shall be mailed.
- (B) The Company shall designate on the Service Order an address to which the Customer shall mail or deliver all notices and other communications, except that Company may designate a separate address on each bill for service to which the Customer shall mail payment on that bill.
- (C) All notices or other communications required to be given pursuant to this tariff will be in writing. Notices and other communications of either party, and all bills mailed by the Company, shall be presumed to have been delivered to the other party on the third business day following placement of the notice, communication or bill with the U.S. Mail or a private delivery service, prepaid and properly addressed, or when actually received or refused by the addressee, whichever occurs first.
- (D) The Company or the Customer shall advise the other party of any changes to the addresses designated for notices, other communications or billing, by following the procedures for giving notice set forth herein.

SECTION 2 - REGULATIONS, CONT' D.

2.12 Formal and Informal Procedures

For Residential Customers, informal complaints will be handled by the Company's customer service department, which will use good faith efforts to informally resolve the dispute. If the Company and the Residential Customer are unable to informally resolve the dispute, the customer may file a formal complaint with the Michigan Public Service Commission.

2.12.1 Alternative Dispute Resolution

The following provisions apply if the formal complaint is for \$ 1,000 or less or if the customer elects to pursue an alternative means of dispute resolution.

- (A) The customer shall file a formal written complaint with the Michigan Public Service Commission.
- (B) If the customer and the Company cannot agree on an alternative means of dispute resolution within 20 days, they shall participate in a mediation proceeding conducted by administrative law judge or other person designated by the Commission.
- (C) If mediation is utilized, the mediator will provide a recommended settlement to the parties within 45 days after the written complaint was filed.
- (D) Within 7 days after the date of the recommended settlement, each party shall file with the commission a written acceptance or rejection of the recommended settlement. A party's failure to file a timely acceptance or rejection shall be deemed to be a rejection of the recommended settlement.
- (E) If the parties accept the recommended settlement, then the recommendation will be adopted by the Commission as a final order.
- (F) If a party rejects the recommended settlement, then the complaint shall proceed to a contested case hearing before the Commission.

