
SECTION 2 - REGULATIONS**2.1 Undertaking of the Company****2.1.1 Scope**

The Company undertakes to furnish communications service pursuant to the terms of this tariff in connection with the provision of an access line and usage within a local calling area for the transmission of high quality, 2-way interactive switched voice or data communications between points within the State of Michigan.

Customers and users may use services and facilities provided under this tariff to obtain access to services offered by other service providers. The Company is responsible under this tariff only for the services and facilities provided hereunder, and it assumes no responsibility for any service provided by any other entity that purchases access to the Company network in order to originate or terminate its own services, or to communicate with its own customers.

2.1.2 Shortage of Equipment or Facilities

- (A) The Company reserves the right to limit or to allocate the use of existing facilities, or of additional facilities offered by the Company, when necessary because of lack of facilities, or due to some other cause beyond the Company's control.
- (B) The furnishing of service under this tariff is subject to the availability on a continuing basis of all the necessary facilities and is limited to the capacity of the Company's facilities as well as facilities the Company may obtain from other carriers to furnish service from time to time as required at the sole discretion of the Company.



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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.



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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.



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SECTION 2 - REGULATIONS, CONT'D.**2.1 Undertaking of the Company, Cont'd.****2.1.4 Liability of the Company**

- (A) The liability of the Company for damages arising out of the furnishing of its Services, including but not limited to mistakes, omissions, interruptions, delays, or errors, or other defects, representations, or use of these services or arising out of the failure to furnish the service, whether caused by acts or omission, shall be limited to the extension of allowances for interruption as set forth in 2.6. The extension of such allowances for interruption shall be the sole remedy of the Customer and the sole liability of the Company. The Company will not be liable for any direct, indirect, incidental, special, consequential, exemplary or punitive damages to Customer as a result of any Company service, equipment or facilities, or the acts or omissions or negligence of the Company's employees or agents.
- (B) The Company shall not be liable for any delay or failure of performance or equipment due to causes beyond its control, including but not limited to: acts of God, fire, flood, explosion or other catastrophes; any law, order, regulation, direction, action, or request of the United States Government or any state and local governments having or claiming jurisdiction over the Company, or of any department, agency, commission, bureau, corporation, or other instrumentality of any one or more of these federal, state, or local governments, or of any civil or military authority; national emergencies; insurrections; riots; wars; unavailability of rights-of-way or materials; or strikes, lock-outs, work stoppages, or other labor difficulties when it does not involve the company's employees.



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SECTION 2 - REGULATIONS, CONT'D.**2.1 Undertaking of the Company, Cont'd.****2.1.4 Liability of the Company, cont'd.**

- (C) The Company shall not be liable for any act or omission of any entity furnishing to the Company or to the Company's Customers facilities or equipment used for or with the services the Company offers.
- (D) The Company shall not be liable for any damages or losses due to the fault or negligence of the Customer or due to the failure or malfunction of Customer-provided equipment or facilities.
- (E) Explosive Atmosphere. The Company does not guarantee nor make any warranty with respect to installations it provides for use in an explosive atmosphere. The Customer indemnifies and holds the Company harmless from any and all loss, claims, demands, suits, or other action, or any liability whatsoever, whether suffered, made, instituted, or asserted by any other party or person(s), and for any loss, damage, or destruction of any property, whether owned by the Customer or others, caused or claimed to have been caused directly or indirectly by the installation, operation, failure to operate, maintenance, removal presence, condition, location, or use of any installation so provided. The Company reserves the right to require each Business Customer to sign an agreement acknowledging acceptance of the provisions of this section 2.1.4(E) as a condition precedent to such installations.



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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.**



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SECTION 2 - REGULATIONS, CONT'D.**2.1 Undertaking of the Company, Cont'd.****2.1.5 Service-Affecting Activities**

The Company will provide the Customer reasonable notification of service-affecting activities that may occur in normal operation of its business. Such activities may include, but are not limited to, equipment or facilities additions, removals or rearrangements and routine preventative maintenance.

The Company will perform adequate scheduling so as to provide service to a customer at a mutually agreed upon time. On a monthly basis, 90% of the commitments to customers with respect to the date of installation of primary basic local exchange service shall be met. The Company will take corrective action if the rate of met commitments falls below 90% for 3 consecutive months. Customer-caused delay or customer-missed appointments will not be figured into the rate of met commitments.

Calls requesting local directory assistance shall be answered within 10 seconds. The Company will take corrective action if its average answer time per month for local directory assistance calls is more than 10 seconds for 3 consecutive months.

The Company will maintain service so that the average monthly rate of initial customer trouble reports in any wire center area is not more than 6 per 100 access lines per month, exclusive of all of the following: (a) Reports concerning interexchange calls. (b) Trouble found in equipment that is not the provider's. (c) Nonregulated customer premises equipment or inside wiring. For the purpose of administering this rule, each party line customer shall be considered to have 1 local access line. Multiple trouble reports that are attributable to a common cause or defect shall not be aggregated. Rather, a separate report shall be counted for each customer line reported in trouble. A provider shall take corrective action if a customer trouble report rate is more than 6 per 100 access lines per month in a wire center area for 3 consecutive months.



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SECTION 2 - REGULATIONS, CONT'D.**2.1 Undertaking of the Company, Cont'd.****2.1.6 Provision of Equipment and Facilities**

- (A) The Company shall use reasonable efforts to make available services to a Customer on or before a particular date, subject to the provisions of and compliance by the Customer with, the regulations contained in this tariff. The Company does not guarantee availability by any such date and shall not be liable for any delays in commencing service to any Customer.
- (B) The Company shall use reasonable efforts to maintain only the facilities and equipment that it furnishes to the Customer. The Customer may not, nor may the Customer permit others to, rearrange, disconnect, remove, attempt to repair, or otherwise interfere with any of the facilities or equipment installed by the Company, except upon the written consent of the Company.
- (C) The Company may substitute, change or rearrange any equipment or facility at reasonable times, but shall not thereby alter the technical parameters of the service provided the Customer.
- (D) Equipment the Company provides or installs at the Customer Premises for use in connection with the services the Company offers shall not be used for any purpose other than that for which it was provided by the Company.



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SECTION 2 - REGULATIONS, CONT'D.**2.1 Undertaking of the Company, Cont'd.****2.1.6 Provision of Equipment and Facilities, cont'd.**

- (E) The Customer shall be responsible for the payment of service charges as set forth herein for visits by the Company's agents or employees to the Premises of the Customer when the service difficulty or trouble report results from the use of equipment or facilities provided by any party other than the Company, including but not limited to the Customer.
- (F) The Company shall not be responsible for the installation, operation, or maintenance of any Customer-provided communications equipment. Where such equipment is connected to the facilities furnished pursuant to this tariff, the responsibility of the Company shall be limited to the furnishing of facilities offered under this tariff and to the maintenance and operation of such facilities. Subject to this responsibility, the Company shall not be responsible for:
- (1) the transmission of signals by Customer-provided equipment or for the quality of, or defects in, such transmission; or
 - (2) the reception of signals by Customer-provided equipment.



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SECTION 2 - REGULATIONS, CONT'D.**2.1 Undertaking of the Company, Cont'd.****2.1.7 Non-Routine Installation**

At the Customer's request, installation and/or maintenance may be performed outside the Company's regular business hours or in hazardous locations. In such cases, charges based on cost of the actual labor, material, or other costs incurred by or charged to the Company will apply. If installation is started during regular business hours but, at the Customer's request, extends beyond regular business hours into time periods including, but not limited to, weekends, holidays, and/or night hours, additional charges may apply.



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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.



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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.



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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;



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SECTION 2 - REGULATIONS, CONT'D.**2.3 Obligations of the Customer, Cont'd.****2.3.1 General, cont'd.**

- (D) obtaining, maintaining, and otherwise having full responsibility for all rights-of-way and conduits necessary for installation of fiber optic cable and associated equipment used to provide Communication Services to the Customer from the cable building entrance or property line to the location of the equipment space described in 2.3.1(C). Any and all costs associated with obtaining and maintaining the rights-of-way described herein, including the costs of altering the structure to permit installation of the Company-provided facilities, shall be borne entirely by, or may be charged by the Company to, the Customer. The Company may require the Customer to demonstrate its compliance with this section prior to accepting an order for service;
- (E) providing a safe place to work and complying with all laws and regulations regarding the working conditions on the premises at which Company employees and agents shall be installing or maintaining the Company's facilities and equipment. The Customer may be required to install and maintain Company facilities and equipment within a hazardous area if, in the Company's opinion, injury or damage to the Company's employees or property might result from installation or maintenance by the Company. The Customer shall be responsible for identifying, monitoring, removing and disposing of any hazardous material (e.g. friable asbestos) prior to any construction or installation work;



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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.



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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.



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SECTION 2 - REGULATIONS, CONT'D.**2.4 Customer Equipment and Channels - Business Customers****2.4.1 General**

A User may transmit or receive information or signals via the facilities of the Company. The Company's services are designed primarily for the transmission of voice-grade or data telephonic signals, except as otherwise stated in this tariff. A User may transmit any form of signal that is compatible with the Company's equipment, but the Company does not guarantee that its services will be suitable for purposes other than voice-grade telephonic and data communication except as specifically stated in this tariff.

2.4.2 Station Equipment

- (A) Terminal equipment on the Business User's Premises and the electric power consumed by such equipment shall be provided by and maintained at the expense of the Business User. The Business User is responsible for the provision of wiring or cable to connect its terminal equipment to the Company Point of Connection.
- (B) The Business Customer is responsible for ensuring that Customer-provided equipment connected to Company equipment and facilities is compatible with such equipment and facilities. The magnitude and character of the voltages and currents impressed on Company-provided equipment and wiring by the connection, operation, or maintenance of such equipment and wiring shall be such as not to cause damage to the Company-provided equipment and wiring or injury to the Company's employees or to other persons. Any additional protective equipment required to prevent such damage or injury shall be provided by the Company at the Business Customer's expense.



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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:

"End 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 "end 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 "end user" if all resale transmissions offered by such reseller originate on the premises of such reseller."



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SECTION 2 - REGULATIONS, CONT'D.**2.4 Customer Equipment and Channels - Business Customers, Cont'd.****2.4.4 Inspections**

- (A) Upon suitable notification to the Business Customer, and at a reasonable time, the Company may make such tests and inspections as may be necessary to determine that the Business Customer is complying with the requirements set forth in Section 2.4.2(B) for the installation, operation, and maintenance of Customer-provided facilities, equipment, and wiring in the connection of Customer-provided facilities and equipment to Company-owned facilities and equipment.
- (B) If the protective requirements for Customer-provided equipment are not being complied with, the Company may take such action as it deems necessary to protect its facilities, equipment, and personnel. The Company will notify the Business Customer promptly if there is any need for further corrective action. Within ten days of receiving this notice, the Business Customer must take this corrective action and notify the Company of the action taken. If the Business Customer fails to do this, the Company may take whatever additional action is deemed necessary, including the suspension of service, to protect its facilities, equipment and personnel from harm.



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SECTION 2 - REGULATIONS, CONT'D.**2.5 Payment Arrangements****2.5.1 Nondiscriminatory Service**

The Company will not discriminate against nor penalize a customer for exercising a right granted under this section or under applicable law. The Company will provide all services described under this tariff in compliance with the following:

- (A) The Company will not make a statement or representation, including an omission of material information, regarding the rates, terms, or conditions of providing a basic local exchange service that is false, misleading, or deceptive.
- (B) The Company will not charge a customer for a subscribed service for which the customer did not make an initial affirmative order. Failure to refuse an offered or proposed service is not an affirmative order for the service.
- (C) If a customer cancels a service, the Company will not charge the customer for service provided after the effective date that the service was canceled.
- (D) The Company will not state to a customer that basic local exchange service will be shut off unless the customer pays an amount that is due in whole or in part for an unregulated service.



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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.



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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.



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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.



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SECTION 2 - REGULATIONS, CONT'D.**2.5 Payment Arrangements, Cont'd****2.5.3 Billing and Collection of Charges, Cont'd**

- (I) Unless otherwise specified by the Customer, if partial payment of a bill is made, then the Company shall first credit the partial payment to basic local exchange service and regulated toll service.
- (J) Not later than 15 days after the completion of an order for new service or a change in existing service that results in a billing change, the Company shall send to the Residential Customer a written itemized statement of the services ordered, including all associated charges.
- (K) A Residential Customer shall have the right, within 1 billing period of receiving a bill for new services or changed services, to cancel, reduce, or modify a service or a portion of a service without further service charge.



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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.



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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) Simple interest on deposits will accrue at a rate equal to the rate paid on United States savings bonds, series EE.
- (E) No deposit will be charged for lifeline customer that voluntarily elects to receive toll blocking service.
- (F) 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.
- (G) 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.

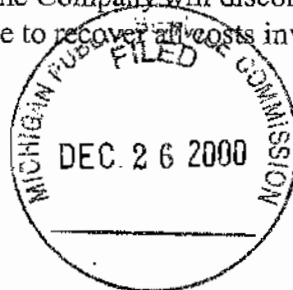


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SECTION 2 - REGULATIONS, CONT'D.**2.5 Payment Arrangements, Cont'd.****2.5.6 Discontinuance of Service****Part I - Business Customers**

- (A) Upon nonpayment of any amounts owing to the Company, the Company may, by providing the requisite prior written notice to the Business Customer, discontinue or suspend service without incurring any liability.
- (B) Upon violation of any of the other material terms or conditions for furnishing service the Company may, by giving 30 days' prior notice in writing to the Business Customer, discontinue or suspend service without incurring any liability if such violation continues during that period.
- (C) Upon condemnation of any material portion of the facilities used by the Company to provide service to a Business Customer or if a casualty renders all or any material portion of such facilities inoperable beyond feasible repair, the Company, by notice to the Business Customer, may discontinue or suspend service without incurring any liability.
- (D) Upon the Business Customer's insolvency, assignment for the benefit of creditors, filing for bankruptcy or reorganization, or failing to discharge an involuntary petition within the time permitted by law, the Company may immediately discontinue or suspend service without incurring any liability.
- (E) Upon any governmental prohibition or required alteration of the services to be provided or any violation of an applicable law or regulation, the Company may immediately discontinue service to Business Customers without incurring any liability.
- (F) In the event of fraudulent use of the Company's network by Business Customers, the Company will discontinue service without notice and/or seek legal recourse to recover all costs involved in enforcement of this provision.



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SECTION 2 - REGULATIONS, CONT'D.**2.5 Payment Arrangements, Cont'd.****2.5.6 Discontinuance of Service, cont'd.****Part I - Business Customers, cont'd**

- (G) Upon the Company's discontinuance of service to the Customer under Section 2.5.6(A) or 2.5.6(B), the Company, in addition to all other remedies that may be available to the Company at law or in equity or under any other provision of this tariff, may declare all future monthly and other charges that would have been payable by the Customer during the remainder of the term for which such services would have otherwise been provided to the Customer to be immediately due and payable.

Part II - Residential Customers

- (A) The Company may shut off basic local exchange service to a Residential Customer for one or more of the following reasons:
- (a) Nonpayment of a delinquent account for basic local exchange service;
 - (b) Nonpayment of a delinquent account with a delinquent balance of \$150 or more for basic local exchange service and regulated toll service in the name of the customer;
 - (c) Maintaining a delinquent balance of \$125 or more for three consecutive months for basic local exchange service and regulated toll service;
 - (d) Unauthorized tampering or interference with facilities and equipment owned by a provider of basic local exchange service that are situated on or about the customer's premises.
 - (e) Refusal to grant access at reasonable times to equipment installed upon the premises of the customer for the purpose of inspection, maintenance, or replacement;
 - (f) Misrepresentation of the customer's identity for the purpose of obtaining basic local exchange service.



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SECTION 2 - REGULATIONS, CONT'D.**2.5 Payment Arrangements, Cont'd.****2.5.6 Discontinuance of Service, cont'd.****Part II - Residential Customers, cont'd****(A) Cont'd**

- (g) A violation of a tariff provision of the provider of basic local exchange service that is on file with or approved by the Michigan Public Service Commission that adversely affects the safety of the customer or other persons or the integrity of the provider's basic local exchange system;
- (h) Any other unauthorized use or interference with basic local exchange service, including improper use of a party line service by denying other customers on the line an equitable proportionate use of the service.

- (B) Notwithstanding any other provision of this tariff, the Company will postpone the shutoff of basic local exchange service and regulated toll service to a Residential Customer for not more than 15 days if the customer produces a physician's certificate stating that the current mental or physical condition of the customer, a member of the customer's family, or another permanent resident of the premises where service is rendered who is suffering from an existing mental illness or medical condition will be endangered by a shutoff of service. The certificate shall identify the mental illness or medical condition of the customer, the member of the customer's family, or other permanent resident of the premises where service is rendered. If the Company is notified telephonically or in writing that a psychiatric or medical emergency exists, then the Company will permit 7 days for the Residential Customer to produce the certificate or notice. The postponement may be extended for 1 additional 15-day period by the renewal and the resubmission of the certificate or notice.



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SECTION 2 - REGULATIONS, CONT'D.**2.5 Payment Arrangements, Cont'd.****2.5.6 Discontinuance of Service, cont'd.****Part II - 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.



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SECTION 2 - REGULATIONS, CONT'D.**2.5 Payment Arrangements, Cont'd.****2.5.6 Discontinuance of Service, cont'd.****Part II - 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.



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SECTION 2 - REGULATIONS, CONT'D.**2.5 Payment Arrangements, Cont'd.****2.5.6 Discontinuance of Service, cont'd.****Part II - Residential Customers, cont'd**

- (I) After basic local exchange service has been shut off to a Residential Customer, the Company will restore service promptly, but not later than 1 working day after the customer's request, when the cause for the shutoff of service has been cured or credit arrangements satisfactory to the Company have been made.
- (J) Any payments required for service restoration may be made by the customer in any reasonable manner. Payment by personal check may be refused by the provider if the customer has tendered payment in this manner and the check has been dishonored during the last 3 years, excluding bank error.
- (K) Before restoring service, the Company at its option may require 1 or more of the following: (a) 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 provider; (b) An arrangement or settlement agreement requiring the payment of all amounts owed to the provider for basic local exchange service and regulated toll service; (c) Payment of an amount provided by tariff for basic local exchange service restoration; and/or (d) A security deposit or payment guarantee not to exceed \$150 per access line.



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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.



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SECTION 2 - REGULATIONS, CONT'D.**2.5 Payment Arrangements, Cont'd.****2.5.8 Changes in Service Requested**

If the Customer makes or requests material changes in circuit engineering, equipment specifications, service parameters, premises locations, or otherwise materially modifies any provision of the application for service, the Customer's installation fee shall be adjusted accordingly.

2.6 Allowances for Interruptions in Service

Interruptions in service that are not caused by the Customer, or during which the Company does not provide a satisfactory replacement service, will be credited to the Customer as set forth in 2.6.1 for the part of the service that the interruption affects.

2.6.1 Credit for Interruptions

- (A) A credit allowance will be made when an interruption occurs because of a failure of any component furnished by the Company under this tariff. An interruption period begins from the time the Customer's service is reported or is found to be out of service. An interruption period ends when the service, facility or circuit is operative. If the Customer reports a service, facility or circuit to be inoperative but declines to release it for testing and repair, it is considered to be impaired, but not interrupted.
- (B) For calculating credit allowances, every month is considered to have 30 days. A credit allowance for fixed recurring fees only is applied on a pro rata basis against the rates specified hereunder and is dependent upon the length of the interruption. Only those facilities on the interrupted portion of the circuit will receive a credit.



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SECTION 2 - REGULATIONS, CONT'D.

2.6 Allowances for Interruptions in Service, Cont'd.

2.6.1 Credit for Interruptions, cont'd.

(C) A credit allowance will be given for interruptions of 30 minutes or more. Credit allowances shall be calculated as follows:

Interruptions of 24 Hours or Less

<u>Length of Interruption</u>	<u>Interruption Period To Be Credited</u>
Less than 30 minutes	None
30 minutes up to but not including 3 hours	1/10 Day
3 hours up to but not including 6 hours	1/5 Day
6 hours up to but not including 9 hours	2/5 Day
9 hours up to but not including 12 hours	3/5 Day
12 hours up to but not including 15 hours	4/5 Day
15 hours up to but not including 24 hours	One Day

Two or more interruptions of 15 minutes or more during any one 24-hour period shall be considered as one interruption.



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SECTION 2 - 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) of 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.



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SECTION 2 - REGULATIONS, CONT'D.**2.6 Allowances for Interruptions in Service, Cont'd.****2.6.2 Limitations on Allowances**

No credit allowance will be made for:

- (A) interruptions due to the cause of, negligence of, or noncompliance with the provisions of this tariff by, the Customer, authorized user, or joint user;
- (B) interruptions of service during any period in which the Company is not given full and free access by the Customer to its facilities and equipment for the purpose of investigating and correcting interruptions;
- (C) interruptions of service during a period in which the Customer continues to use the service on an impaired basis;
- (D) interruptions of service during any period when the Customer has released service to the Company for maintenance purposes or for implementation of a Customer order for a change in service arrangements; and
- (E) interruption of service during a time period in which the Company provides a satisfactory replacement service.



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SECTION 2 - REGULATIONS, CONT'D.**2.6 Allowances for Interruptions in Service, Cont'd.****2.6.3 Cancellation For Service Interruption**

Cancellation or termination of service by Business Customers due to service interruption is permitted only if any circuit experiences a single continuous outage of 8 hours or more or cumulative service credits equaling 16 hours in a continuous 12-month period. The right to cancel service under this provision applies only to the single circuit that has been subject to the outage or cumulative service credits.

2.7 Restoration of Service**2.7.1 Business Service Restoration**

When a Business Customer's Basic Local Exchange Service has been shutoff in accordance with this Tariff, Service will be restored only upon the basis of the Business Customer completing a new application for Service and qualifying for Service as if it were a new Business Customer.



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SECTION 2 - 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.



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SECTION 2 - REGULATIONS, CONT'D.**2.8 Use of Customer's Service by Others****2.8.1 Joint Use Arrangements**

Joint use arrangements will be permitted for all services provided under this tariff. From each joint use arrangement, one member will be designated as the Customer responsible for the manner in which the joint use of the service will be allocated. The Company will accept orders to start, rearrange, relocate, or discontinue service only from the designated Customer.

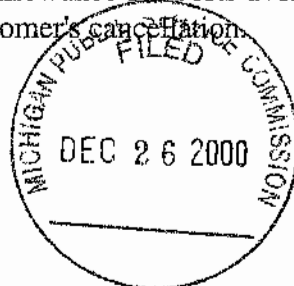
Without affecting the Customer's ultimate responsibility for payment of all charges for the service, each joint user shall be responsible for the payment of the charges billed to it.

2.9 Cancellation of Service

If a Business Customer cancels a Service Order or terminates services before the completion of the term for any reason whatsoever other than a service interruption (as defined in Section 2.6.1 above), the Business Customer agrees to pay to the Company termination liability charges, as defined below. These charges shall become due and owing as of the effective date of the cancellation or termination and be payable within the period, set forth in Section 2.5.3.

The Business Customer's termination liability for cancellation of service shall be equal to:

- (A) all unpaid Non-Recurring charges reasonably expended by the Company to establish service to the Business Customer; plus
- (B) any disconnection, early cancellation or termination charges reasonably incurred and paid to third parties by the Company on behalf of the Business Customer; plus
- (C) all Recurring Charges specified in the applicable Service Order Tariff incurred prior to disconnection, cancellation or termination; minus
- (D) a reasonable allowance for costs avoided by the Company as a direct result of the Business Customer's cancellation.



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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.



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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.



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SECTION 2 - REGULATIONS, CONT'D.**2.12 Formal and Informal Procedures, cont'd.****2.12.1 Alternative Dispute Resolution, cont'd.**

- (G) If the complaint involves a monetary dispute, the party who rejects the recommended settlement shall pay the opposing party's actual costs of proceeding to a contested case hearing, including attorney fees, unless the final order of the commission is more favorable to the rejecting party than the recommended settlement under this section. A final order is considered more favorable if it differs by 10% or more from the recommended settlement in favor of the rejecting party. If both parties reject the recommended settlement, then each party shall be responsible for its own costs and attorney fees.

2.12.2 Payment of Amount Not In Dispute

- (A) If a customer files a formal complaint with the Commission, then the Company may require the Customer to pay an amount equal to the part of the bill that is not in dispute.
- (B) The amount that is not in dispute shall be mutually determined by the Company and the Customer.
- (C) If the Company and the Customer are unable to mutually determine the amount that is not in dispute, then the Company may require the Customer to pay up to 50% of the amount that is in dispute.
- (D) If the Customer fails to pay to the Company either the amount that is not in dispute or 50% of the amount that is in dispute, then the Company may shut off service consistent with this tariff.
- (E) If the dispute is ultimately resolved in favor of the Customer, in whole or in part, then any excess moneys paid by the Customer shall be refunded promptly, with simple interest paid at the rate paid on United States Savings Bonds, series EE.



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SECTION 2 - REGULATIONS, CONT'D.**2.13 Customer Access to Information****2.13.1 Publication of Procedures**

- (A) The Company will have a pamphlet available for its customers that, in layman's terms, lists and summarizes the rights and responsibilities of its customers and the Company
- (B) The pamphlet will be displayed prominently and shall be available at all of the Company's office locations that are open to the general public. The pamphlet shall be available upon customer request at no charge.
- (C) The pamphlet shall include all of the following information:
 - (1) Methods for customers to understand and verify the accuracy of billings.
 - (2) Payment standards and procedures.
 - (3) Procedures for shutoff and reconnection of basic local exchange service.
 - (4) Inquiry, service, and complaint procedures.
 - (5) Commission procedures related to customer complaints.
- (D) The information contained in the pamphlet shall be made available by the Company in audio format to customers who have visual impairments at no cost to the customers. The information may be provided through recorded announcements or the physical provision of a recording.

2.13.2 Public Access To Rules And Rates

The Company will keep on file, and provide public access to, a copy of the Michigan Public Service Commission's rules and a schedule of all rates and service charges at all of its offices that are open to the general public. Upon the request of a customer and at no cost to the customer, the Company will provide a customer with 1 copy of the rules and the rate schedules applicable to the customer's usage.



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Issued by: Joc Mattausch, President
 1114-F South Winter Street, Adrian, Michigan 49221

SECTION 2 - REGULATIONS, CONT'D.**2.13 Customer Access to Information, cont.****2.13.3 Telephone Directories and Information**

The Company will publish, or will arrange by agreement with the incumbent local exchange carrier or other directory provider to publish, on a page preceding the alphabetical listings in its telephone directories, in a prominent manner, and without charge, all of the following information:

- (A) The telephone number and address of the Company where the customer may inquire about telephone service.
- (B) The telephone number and address of the Michigan Public Service Commission where a customer may file a formal complaint regarding a service regulated by the Commission.



Issued under authority of the MPSC in an order dated September 14, 1999, in Case No. U-11992.

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1114-F South Winter Street, Adrian, Michigan 49221