

## 2. Regulations

### 2.1 Undertaking of the Company

#### 2.1.1 Scope

The Company undertakes to furnish basic local exchange service consisting of an access line and usage within a local calling area for the transmission of high-quality 2-way interactive switched voice or data communication within the State of Michigan under the terms of this tariff.

Customers 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 herein, 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 of Facilities

2.1.2.1 The Company reserves the right to limit or 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.

2.1.2.2 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 fiber optic cable facilities as well as facilities the Company may obtain from other carriers, from time to time, to furnish service as required at the sole discretion of the Company.

2. Regulations (Cont'd)

2.1 Undertaking of the Company (Cont'd)

2.1.3 Terms and Conditions

- 2.1.3.1 Except as otherwise provided herein, service is provided and billed on the basis of a minimum period of at least one month, and shall continue to be provided until cancelled by the Customer, in writing, on not less than 30 days notice. A residential customer shall have the right to cancel or reduce service or any portion of service without further service charge within 30 days of receiving a bill for new services or changed services. Unless otherwise specified herein, for the purpose of computing charges in this tariff, a month is considered to have 30 days. All calculations of dates set forth in this tariff shall be based on calendar days, unless otherwise specified herein.
- 2.1.3.2 Customers may be required to enter into written Service Orders which shall contain or reference the name of the Customer, 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.
- 2.1.3.3 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 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.

2. Regulations (Cont'd)

2.1 Undertaking of the Company (Cont'd)

2.1.3 Terms and Conditions (Cont'd)

- 2.1.3.4 This tariff shall be interpreted and governed by the laws of the State of Michigan without regard for the State's choice of laws provision.
- 2.1.3.5 The Customer has no property right to the telephone number or any other call number designation associated with services furnished by the Company. The Company reserves the right to change such numbers, or the central office designation associated with such numbers, or both, assigned to the Customer, whenever the Company deems it necessary to do so in the conduct of its business.
- 2.1.3.6 The Customer agrees to operate Company-provided equipment in accordance with instructions of the Company or the Company's agent. Failure to do so will void Company liability for interruption of service and may make the Customer responsible for damage to equipment pursuant to section 2.1.3.8 below.

2. Regulations (Cont'd)

2.1 Undertaking of the Company (Cont'd)

2.1.4 Liability of the Company

The following provisions apply unless inconsistent with Michigan Law.

- 2.1.4.1 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, other defects, or representations by the Company, or use of these services or damages 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 Section 2.6, below. 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.
- 2.1.4.2 The Company's liability for willful misconduct, if established as a result of judicial or administrative proceedings, is not limited by this tariff. Company's liability, if any, with regard to delayed installation of Company facilities or commencement of service, shall not exceed \$1,000. With respect to any other claim or suit, by a Customer or by any others, for damages associated with the ordering (including the reservation of any specific number for use with a service), installation (including delays thereof), provision, termination, maintenance, repair, interruption or restoration of any service or facilities offered under this tariff, and subject to the provisions of Section 2.6, the Company's liability, if any, shall be limited as provided herein.

2. Regulations (Cont'd)

2.1 Undertaking of the Company (Cont'd)

2.1.4 Liability of the Company (Cont'd)

- 2.1.4.3 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 of any other government, including 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 military authority; preemption of existing service in compliance with national emergencies; insurrections; riots; wars; unavailability of rights-of-way or materials, or strikes, lockouts, work stoppages, or other labor difficulties.
- 2.1.4.4 The Company shall not be liable for: (a) any act or omission of any entity furnishing the Company or the Company's Customers facilities or equipment used for or with the services the Company offers; or (b) for the acts or omissions of other common carriers or warehousemen.
- 2.1.4.5 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.
- 2.1.4.6 The Customer shall indemnify and hold 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, condition, location or use of any installation provided by the Company.

2. Regulations (Cont'd)

2.1 Undertaking of the Company (Cont'd)

2.1.4 Liability of the Company (Cont'd)

2.1.4.6 (Cont'd)

The Company reserves the right to require each Customer to sign an agreement acknowledging acceptance of the provisions of this section as a condition precedent to such installations.

2.1.4.7 The Company shall not be liable for any defacement of or damage to the Customer's 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 gross negligence or willful misconduct of the Company's agents or employees. No agents or employees of other participating carriers shall be deemed to be agents or employees of the Company.

2.1.4.8 Notwithstanding the Customer's obligations as set forth in Section 2.3.2, the Company shall be indemnified, defended, and held harmless by the Customer or by others authorized by it to use the service against any claim, loss or damage arising from Customer's use of services furnished under this tariff, including:

- claims for libel, slander, invasion of privacy or infringement of copyright arising from the material, data, information, or other content transmitted via the Company's service; and
- patent infringement claims arising from combining or connecting the service offered by the Company with apparatus and systems of the Customer or others
- all other claims arising out of any act or omission of the Customer or others, in connection with any service provided by the Company pursuant to this tariff.

2. Regulations (Cont'd)

2.1 Undertaking of the Company (Cont'd)

2.1.4 Liability of the Company (Cont'd)

- 2.1.4.9 The entire liability of the Company for any claim, loss, damage or expense from any cause whatsoever shall in no event exceed sums actually paid to the Company by the Customer for the specific services giving rise to the claim, and no action or proceeding against the Company shall be commenced more than one year after the service is rendered.
- 2.1.4.10 The Company makes no warranties or representations, express or implied, including warranties of merchantability or fitness for a particular use, except those expressly set forth herein.
- 2.1.4.11 The Company shall not be liable for any act or omission of any other company or companies furnishing a portion of the service, or for damages associated with service, channels, or equipment which it does not furnish, or for damages which result from the operation of Customer-provided systems, equipment, facilities or services which are interconnected with Company services.

2. Regulations (Cont'd)

2.1 Undertaking of the Company (Cont'd)

2.1.4 Liability of the Company (Cont'd)

- 2.1.4.12 The Company does not guarantee nor make any warranty with respect to service installations at locations at which there is present an atmosphere that is explosive, prone to fire, dangerous or otherwise unsuitable for such installations. The Customer shall indemnify and hold 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 the Customer or by any other party, for any personal injury to, or death of, any person or persons, or 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, locations or use of service furnished by the Company at such locations.
- 2.1.4.13 The Company shall not be liable for the Customer's failure to fulfill its obligations to take all necessary steps including, without limitation, obtaining, installing and maintaining all necessary equipment, materials and supplies, for interconnecting the terminal equipment or communications system of the Customer, or any third party acting as its agent, to the Company's network. The Customer shall secure all licenses, permits, rights-of-way, and other arrangements necessary for such interconnection. In addition, the Customer shall ensure that its equipment and/or system or that of its agent is properly interfaced with the Company's service, that the signals emitted into the Company's network are of the proper mode, band-width, power, data speed, and signal level for the intended use of the Customer and in compliance with the criteria set forth in Section 2.1.6 following, and that the signals do not damage Company

2. Regulations (Cont'd)

2.1 Undertaking of the Company (Cont'd)

2.1.4 Liability of the Company (Cont'd)

2.14.13 (Cont'd)

equipment, injure its personnel or degrade service to other Customers. If the Customer or its agent fails to maintain and operate its equipment and/or system or that of its agent properly, with resulting imminent harm to Company equipment, personnel, or the quality of service to other Customers, the Company may, upon written notice, require the use of protective equipment at the Customer's expense. If this fails to produce satisfactory quality and safety, the company may, upon written notice, terminate the Customer's service without liability.

2.1.4.14 With respect to Emergency Number 911 Service:

(a) The Company is not responsible for any losses, claims, demands, suits or other action, or any liability whatsoever, other than the Company's sole negligence, arising out of the customer's use of 911 service whether suffered, made, instituted or asserted by the customer or by any other party or person, for any personal injury to or death of any person or persons, or for any loss, damage or destruction of any property, whether owned by the customer or others; and the customer and participating governmental units and agencies agree to purchase and maintain adequate insurance against such liability.

2. Regulations (Cont'd)

2.1 Undertaking of the Company (Cont'd)

2.1.4 Liability of the Company (Cont'd)

2.1.4.14 (Cont'd)

- (b) The Company is not responsible for any losses, claims, demands, suits or any liability whatsoever, whether suffered, made, instituted or asserted by the Customer or by any other party or person for any personal injury to or death of any person or persons, and for any loss, damage or destruction of any property, whether owned by the Customer or others, caused or claimed to have been caused by: (1) mistakes, omissions, interruptions, delays, errors or other defects in the provision of this service, or (2) installation, operation, failure to operate, maintenance, removal, presence, condition, location or use of any equipment and facilities furnishing this service.
- (c) Neither is the Company responsible for any infringement or invasion of the right of privacy of any person or persons, caused or claimed to have been caused, directly or indirectly, by the installation, operation, failure to operate, maintenance, removal, presence, condition, occasion or use of enhanced 911 service features and the equipment associated therewith, or by any services furnished by the Company including, but not limited to, the identification of the telephone number, address or name associated with the telephone used by the party or parties accessing enhanced 911 service, and which arise out of the negligence or other wrongful act of the Company, the Customer, its Users, agencies or municipalities, or the employees or agents of any one of them.

## 2. Regulations (Cont'd)

### 2.1 Undertaking of the Company (Cont'd)

#### 2.1.5 Notification of 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. Generally, such activities are not specific to an individual Customer but affect many Customers' services. No specific advance notification period is applicable to all service activities. The Company will work cooperatively with the Customer to determine the reasonable notifications requirements. With some emergency or unplanned service-affecting conditions, such as outage resulting from cable damage, notification to the Customer may not be possible.

#### 2.1.6 Provision of Equipment and Facilities

2.1.6.1 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.

2.1.6.2 The Company shall use reasonable efforts to maintain facilities 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 installed and owned by the Company, except upon the written consent of the Company.

2. Regulations (Cont'd)

2.1 Undertaking of the Company (Cont'd)

2.1.6 Provision of Equipment and Facilities (Cont'd)

- 2.1.6.3 Equipment installed and owned by the Company at the Customer Premises for use in connections with the services the Company offers shall not be used for any purpose other than that for which the Company provided it.
- 2.1.6.4 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.
- 2.1.6.5 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. Beyond this responsibility, the Company shall not be responsible for:
- (a) the transmission of signals by Customer provided equipment or for the quality of, or defects in, such transmission; or
  - (b) the reception of signals by Customer provided equipment; or
  - (c) network control signaling where such signaling is performed by Customer-provided network control signaling equipment.

## 2. Regulations (Cont'd)

### 2.1 Undertaking of the Company (Cont'd)

#### 2.1.7 Ownership of Facilities

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

### 2.2 Prohibited Uses

- 2.2.1 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.
- 2.2.2 The Company may require a Customer to immediately shut down its transmission of signals if said transmission is causing interference to others.
- 2.2.3 Customer may not use service furnished under this local exchange tariff, directly or indirectly, to provide a service that constitutes exchange access and/or is subject to the application of access charges under applicable law. The Company reserves the right to:
- 1) request that Customer provide written certification that it is using the service in compliance with this requirement; and/or
  - 2) conducts a site survey of Customer premises or an audit of Customer books and records upon reasonable notice or take other reasonable measures to satisfy itself that Customer is using service in compliance with this tariff.

In the event Customer is found to be using service in violation of this requirement, the Company may discontinue the provision of service without notice, any other provision of this tariff to the contrary notwithstanding. Customer shall indemnify the Company for any liability, losses, penalties or payments (including without limitation access charges and the Company's attorneys' fees) incurred due to Customer's misuse of the Company's services obtained under this tariff.

### 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;

2. Regulations (Cont'd)

2.3 Obligations of the Customer (Cont'd)

2.3.1 General (Cont'd)

- (b) reimbursing the Company for 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's premises, unless caused by the negligence or willful misconduct of the employees or agents of the Company. The Company will, upon reimbursement for damages, cooperate with the Customer in prosecuting a claim against the person causing such damage and the Customer shall be subrogated to the Company's right of recovery of damages to the extent of such payment.
- (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;
- (d) obtaining, maintaining, and otherwise having full responsibility for all rights-of-way and conduit necessary for installation of fiber optic cable and associated equipment used to provide basic local exchange service 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 costs associated with the 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;

2. Regulations (Cont'd)

2.3 Obligations of the Customer (Cont'd)

2.3.1 General (Cont'd)

- (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;
- (f) complying with all laws and regulations, and obtaining all consents, approvals, licenses and permits as may be required for: (1) the location of Company facilities and equipment on any Customer premises; (2) the rights-of-way for which the Customer is responsible under Section 2.3.1(d) above; and (3) Company agents or employees to enter the premises of the Customer 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) making Company facilities and equipment available periodically for maintenance purposes at a time agreeable to both the Company and the Customer. No allowance for scheduled interruptions in service will be made for the period during which service is interrupted for maintenance.

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, Customer shall indemnify, defend and hold harmless the Company from all claims, actions, damages, liabilities, costs and expenses, including reasonable attorneys' fees for:

- (a) any loss, destruction or damage to property of the Company or any third party, or the death of or injury to persons, including, but not limited to, employees or invitees of either the Company or the Customer, 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.

2. Regulations (Cont'd)

2.4 Customer Equipment and Channels

2.4.1 General

A Customer may transmit and receive information or signals via the facilities of the Company.

2.4.2 Station Equipment

2.4.2.1 The Customer is responsible for providing and maintaining any terminal equipment on the Customer premises. The electric power consumed by such equipment shall be provided by, and maintained at the expense of, the Customer. All such terminal equipment must be registered with the FCC under 47 C.F.R., Part 68 and all wiring must be installed and maintained in compliance with those regulations. The Company will, where practicable, notify the Customer that temporary discontinuance of the use of a service may be required; however, where prior notice is not practicable, nothing contained herein shall be deemed to impair the Company's right to discontinue forthwith the use of a service temporarily if such action is reasonable under the circumstances. In case of such temporary discontinuance, the Customer will be promptly notified and afforded the opportunity to correct the condition which gave rise to the temporary discontinuance. During such period of temporary discontinuance, credit allowance for service interruptions as set forth in Section 2.6 following is not applicable.

2. Regulations (Cont'd)

2.4 Customer Equipment and Channels (Cont'd)

2.4.2 Station Equipment (Cont'd)

2.4.2.2 The 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 other persons. Any additional protective equipment required to prevent such damage or injury shall be provided by the Company at the Customer's expense.

2.4.3 Interconnection of Facilities

2.4.3.1 Any special interface equipment necessary to achieve compatibility between the facilities and equipment of the Company used for furnishing basic local exchange service and the channels, facilities, or equipment of others may be provided at the Customer's expense.

2.4.3.2 Local 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 which are applicable to such connections.

2.4.3.3 Facilities furnished under this tariff may be connected to Customer provided terminal equipment in accordance with the provisions of this tariff.

2. Regulations (Cont'd)

2.4 Customer Equipment and Channels (Cont'd)

2.4.4 Inspections

- 2.4.4.1 Upon reasonable notification to the Customer, and at a reasonable time, the Company may make such tests and inspections as may be necessary to determine that the Customer is complying with the requirements set forth in Section 2.4.2.2 for the installation, operation, and maintenance of Customer-provided facilities and equipment to Company-owned facilities and equipment. No credit will be allowed for any interruptions occurring during such inspections.
- 2.4.4.2 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 Customer promptly if there is any need for further corrective action. Within ten days of receiving this notice the Customer must take this corrective action and notify the Company of the action taken. If the 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. The Company will, upon request 24 hours in advance, provide the Customer with a statement of technical parameters that the Customer's equipment must meet.

2. Regulations (Cont'd)

2.5 Payment Arrangements

2.5.1 Payment for Service

The Customer is responsible for payment of all charges for service and facilities furnished by the Company to the Customer or its Joint or Authorized Users. Objections must be received by the Company within 30 days after statement of account is rendered, or the charges shall be deemed correct and binding upon the Customer. If an entity other than the Company imposes charges on the Company, in addition to its own internal costs, in connection with a service for which a Company Non-Recurring Charge is specified, those charges may be passed on to the Customer.

2.5.1.1 Taxes: The Customer is responsible for the payment of any sales, use, gross receipts, excise, access or other local, state and federal taxes, charges or surcharges (however designated) excluding taxes on the Company's net income imposed on or based upon the provision of Basic Local Exchange Service, all of which shall be separately designated on the Company's invoices. Any taxes imposed by a local jurisdiction (e.g, County and municipal taxes) will only be recovered from those Customers residing in the affected jurisdictions. It shall be the responsibility of the Customer to pay any such taxes that subsequently become applicable retroactively.

2. Regulations (Cont'd)

2.5 Payment Arrangements (Cont'd)

2.5.1 Payment for Service (Cont'd)

2.5.1.2 A surcharge is imposed on all charges for service originating at addresses in states which levy, or assert a claim of right to levy, a gross receipts tax on the Company's operations in any such state, or a tax on interstate access charges incurred by the Company for originating access to telephone exchanges in that state.<sup>1</sup> This surcharge is based on the particular state's receipts tax and other state taxes imposed directly or indirectly upon the Company by virtue of, and measured by, the gross receipts or revenues of the Company in that state and/or payment of interstate access charges in that state. The surcharge will be shown as a separate line item on the Customer's monthly invoice.

In addition, monthly charges for Basic or Enhanced 911 will be shown as line items on the Customer's monthly invoice.

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<sup>1</sup>Pending the conclusion of any challenge to a jurisdiction's right to impose a gross receipts tax, the Company may elect to impose and collect a surcharge covering such taxes, unless otherwise constrained by court order or direction, or it may elect not to impose and collect the surcharge. If it has collected a surcharge and the challenged tax is found to have been invalid and unenforceable, the Company, in its sole discretion, will either reduce service rates for a fixed period of time in the future in order to flow - through to Customer an amount equivalent to the funds collected or it will credit or refund such amounts to affected Customers (less its reasonable administrative costs), if the funds collected were retained by the Company or if they were delivered over to the taxing jurisdiction and returned to the Company.



2. Regulations (Cont'd)

2.5 Payment Arrangements (Cont'd)

2.5.2 Billing and Collection of Charges

Bills will be rendered monthly to Customer.

- 2.5.2.1 All service, installation, Recurring Charges and Non-Recurring Charges are due and payable upon receipt.
- 2.5.2.2 The Company shall present bills for Recurring Charges monthly to the Customer, in advance of the month which service is provided.
- 2.5.2.3 For new customers or existing customers whose service is disconnected, 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.
- 2.5.2.4 Amounts not paid within 30 days after the date of invoice are considered past due.
- 2.5.2.5 A \$10.00 charge will be assessed for checks with insufficient funds or non-existing accounts.
- 2.5.2.6 For residential and small business service customers, a late payment charge of 1.5% may be assessed on payments not received within 30 days from the invoice date, where capabilities exist. The late payment charge will be applied to the entire unpaid balance of the customer's monthly invoice, including taxes. The late payment charge will not be applied to any disputed portion of the unpaid balance unless the dispute is resolved against the customer. The late payment charge of 1.5% is not applicable to subsequent rebilling of any amount to which a late payment charge has already been applied. Late charges are to be applied without discrimination.

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Issued under authority of M.P.S.C. Opinion and Order dated June 5, 1997, Case No. U-11345.

Issued: July 28, 2021

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Effective: August 1, 2021

## 2. Regulations (Cont'd)

### 2.5 Payment Arrangements (Cont'd)

#### 2.5.3 Disputed Bills

The Customer shall notify the Company of any disputed items on a bill within 30 days of receipt of the bill. If the Customer and the Company are unable to resolve the dispute to their mutual satisfaction, the Customer may file a complaint with the Michigan Public Service Commission pursuant to section 203 of the Public Act, 216, 1995. The Customer and Company will attempt alternative means of resolving the complaint as required by section 203(a) of the PA, 216, 1995.

2.5.3.1 The date of the dispute shall be the date the Company receives sufficient documentation to enable it to investigate the dispute.

The date of the resolution is the date the Company completes its investigation and notifies the Customer of the disposition of the dispute.

#### 2.5.4 Advance Payments

To safeguard its interests, the Company may require a Business Customer to make an Advance Payment before services and facilities are furnished. The Advance Payment will not exceed an amount equal to the Non-Recurring Charge(s) and one month's charges for the service or facility. 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 Business Customer. The Advance Payment will be credited to the Business Customer's initial bill. An Advance Payment may be required in addition to a deposit.

For Residential Customers, advance payment regulations are pursuant to the Michigan Public Service Commission Consumer Standards and Billing Practices for Residential Telephone Customers.

2. Regulations (Cont'd)

2.5 Payment Arrangements (Cont'd)

2.5.5 Deposits

2.5.5.1 Deposits may be required from residential customers pursuant to Part 3, R 460.2231 of the Michigan Public Service Commission Consumer Standards and Billing Practices for Residential Telephone Service.

For business service, applicants or Customers whose credit rating is, or may become, unsatisfactory may be required at any time to make a suitable deposit. The deposit requested will be in cash or the equivalent of cash, and will be held as a guarantee for the payment of charges. A deposit does not relieve the Customer of the responsibility for the prompt payment of bills on presentation.

2.5.5.1.1 For business customers the deposit will not exceed an amount equal to:

- (a) two month's charges for a service or facility which has a minimum payment period of one month; or
- (b) the charges that would apply for the minimum payment period for a service or facility which has a minimum payment period of more than one month; except that the deposit may include an additional amount in event that a termination charge is applicable. In addition, the Company shall be entitled to require such an applicant or Customer to pay all its bills within a specified period of time, and to make such payments in cash or the equivalent of cash. At the Company's option, such deposit may be refunded to the Customer's account at any time. Also, the Company reserves the right to cease accepting and processing Service Orders after it has requested a security deposit and prior to the Customer's compliance with this request.

2. Regulations (Cont'd)

2.5 Payment Arrangements (Cont'd)

2.5.5 Deposits (Cont'd)

2.5.5.1 (Cont'd)

2.5.5.1.2 For residential customers, deposits will meet the criteria set forth in Part 3, R 460.2234 of the Michigan Public Service Commission Consumer Standards and Billing Practices for Residential Telephone Service.

2.5.5.2 A deposit may be required in addition to an advance payment

2.5.5.3 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.

2.5.5.4 Deposits held will accrue interest at a rate of 9% per annum as specified by the Michigan Public Service Commission. Interest shall be credited semi-annually upon the service account of the customer or paid upon the return of the deposit, whichever occurs first.

2.5.6 Discontinuance of Service

2.5.6.1 Upon nonpayment of any amounts owing to the Company, the Company may, by giving requisite prior written notice to the Customer in accordance with Part 5 of the Michigan Public Service Commission Consumer Standards and Billing Practices for Residential Telephone Service, discontinue or suspend service without incurring any liability.

2.5.6.2 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 Customer, discontinue or suspend service without incurring any liability if such violation continues during that period.

2. Regulations (Cont'd)

2.5 Payment Arrangements (Cont'd)

2.5.6 Discontinuance of Service (Cont'd)

- 2.5.6.3 Upon condemnation of any material portion of the facilities used by the Company to provide service to a Customer or if a casualty renders all or any material portion of such facilities inoperable beyond feasible repair, the Company, by notice to the Customer, may discontinue or suspend service without incurring any liability.
- 2.5.6.4 Upon the Customer's insolvency, assignment for the benefit of creditors, filing for bankruptcy or reorganization, failing to discharge an involuntary petition within the time permitted by law, or abandonment of service, the Company may, with prior notice to the customer, immediately discontinue or suspend service without incurring any liability.
- 2.5.6.5 Upon any governmental prohibition, or required alteration of the services to be provided or any violation of any applicable law or regulation, the Company may immediately discontinue or suspend service without incurring any liability.
- 2.5.6.6 The Company may discontinue the furnishings of any and/or all service(s) to a Customer, without incurring any liability:
  - 2.5.6.6.1 Upon written notice by depositing in the mail a letter addressed to the Customer or personally served at least 10 days prior to the date of the proposed discontinuance, if the Company deems that such action is necessary to prevent or to protect against fraud or to otherwise protect its personnel, agents, facilities or services. The Company may discontinue service pursuant to this sub-section.2.5.6.6.1 (a-e) if:

2. Regulations (Cont'd)

2.5 Payment Arrangements (Cont'd)

2.5.6 Discontinuance of Service (Cont'd)

2.5.6.6 (Cont'd)

2.5.6.6.1 (Cont'd)

- (a) The Customer provides false information to the Company regarding the Customer's identity, address, credit-worthiness, past or current use of common carrier communications services, or its planned use of the Company's service(s); or
- (b) The Customer has been given ten (10) day written notice by the Company of any past due amount (which remains unpaid in whole or in part) for any of the Company's other common carrier communications services to which the Customer either subscribes or had subscribed or used; or
- (c) The Customer uses, or attempts or use, service with the intent to avoid the payment, either in whole or in part, of the tariffed charges for the service by:
  - (c.1) Using or attempting to use service by rearranging, tampering with, or making connections to the Company's service not authorized by this tariff; or
  - (c.2) Using tricks, schemes, false or invalid numbers, false credit devices, electronic devices; or
  - (c.3) Any other fraudulent means or devices; or
- (d) Use of service in such a manner as to interfere with the service of other users; or
- (e) Use of service for unlawful purposes.

2. Regulations (Cont'd)

2.5 Payment Arrangements (Cont'd)

2.5.6 Discontinuance of Service (Cont'd)

2.5.6.6 (Cont'd)

2.5.6.6.2 Immediately upon written notice to the Customer of any sum thirty (30) days past due;

2.5.6.6.3 Upon ten (10) days written notice to the Customer, after failure of the Customer to comply with a request made by the Company for security for the payment of service in accordance with Section 2.5.5; or

2.5.6.6.4 Ten (10) days after sending the Customer written notice of noncompliance with any provision of this tariff if the noncompliance is not corrected within that ten (10) day period; or

2.5.6.6.5 Upon five (5) days written notice, excluding Sundays and holidays, for non-payment of a bill for service.

2.5.6.7 The suspension or discontinuance of service(s) by the Company pursuant to this Section does not relieve the Customer of any obligation to pay the Company for charges due and owing for service(s) furnished during the time of or up to suspension or discontinuance.

2.5.6.8 Upon the Company's discontinuance of service to the Customer under Section 2.5.6.1 or 2.5.6.2, all applicable charges, including termination charges, shall become due. This is 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

2. Regulations (Cont'd)

2.6 Allowances for Interruptions of Service

2.6.1 Credit for Interruptions: When the use of service or facilities furnished by the Company is interrupted due to any cause other than the negligence or willful act of the Customer, or the operation or failure of the facilities or equipment provided by the Customer, a pro rata adjustment of the monthly Recurring Charges subject to interruption will be allowed for the service and facilities rendered useless and inoperative by reason of the interruption whenever said interruption continues for a period of 24 hours or more (or for a period of eight (8) hours or more for customers of Small Business Local Service) from the time the interruption is reported to or known to exist by the Company, except as otherwise specified in the Company's tariffs. 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.

For calculating credit allowances, every month is considered to have 30 days. A credit allowance is applied on a pro rata basis against the monthly Recurring Charges specified hereunder for Local Line or Local Trunk Service and is dependent upon the length of the interruption. Only those facilities on the interrupted portion of the circuit will receive a credit. Credit allowances for service outages that exceed 24 hours in duration will be rounded up to the next whole 24 hours.

2. Regulations (Cont'd)

2.6 Allowances for Interruptions of Service (Cont'd)

2.6.2 Limitations on Allowances

No credit allowance will be made for:

- (a) interruptions due to the negligence of, or noncompliance with the provisions of this tariff by, the Customer, Authorized User, Joint-User, or other common carrier providing service connected to the service of Company;
- (b) interruptions due to the negligence of any person other than the Company including but not limited to the Customer or other common carriers connected to the Company's facilities;
- (c) interruptions due to the failure or malfunction of non-Company equipment;
- (d) interruptions of service during any period in which the Company is not given full and free access to its facilities and equipment for the purpose of investigating and correcting interruptions;
- (e) interruptions of service during a period in which the Customer continues to use the service on an impaired basis;
- (f) 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;
- (g) interruption of service due to circumstances or causes beyond the control of the Company.

2. Regulations (Cont'd)

2.7 Cancellation of Service

2.7.1 Cancellation of Application for Service

- 2.7.1.1 Applications for service are noncancellable unless the Company otherwise agrees. Where the Company permits Customer to cancel 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.
- 2.7.1.2 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 the Company incurred, less net salvage, shall apply, but in no case shall this charge exceed the sum of the charge for the minimum period of service ordered, including installation charges, and all charges others levy against the Company that would have been chargeable to the Customer had service begun.
- 2.7.1.3 The special charges described in 2.7.1.1 and 2.7.1.2 will be calculated and applied on a case-by-case basis.

2. Regulations (Cont'd)

2.7 Cancellation of Service (Cont'd)

2.7.2 Cancellation of Service by the Customer

If a 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 2.6.1 above), Customer shall pay to Company the following sums which shall become due and owing as of the effective date of the cancellation or termination and be payable within the period set forth in 2.5.2: all costs, fees and expenses reasonable incurred in connection with:

- 1) all Non-Recurring Charges reasonably expended by Company to establish service to Customer, plus
- 2) any disconnection, early cancellation or termination charges reasonably incurred and paid to third parties by Company on behalf of Customer, plus
- 3) all Recurring Charges specified in the tariff for the balance of the then current term.

2.8 Transfer 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; (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. Regulations (Cont'd)

2.9 Notices and Communications

- 2.9.1 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 Customer may also designate a separate address to which the Company's bills for service shall be mailed.
- 2.9.2 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.
- 2.9.3 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 deposit 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.
- 2.9.4 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.

2. Regulations (Cont'd)

2.9 Use of Service

2.9.1 Beginning July 2, 2002, customers subscribed to resale service as described in this tariff will receive service via the Unbundled Network Elements Platform (UNEP). The terms, rates and charges of customer's existing service as of that date will not change; customers may not make additional changes to their existing service as of that date. If the customer wishes to make a change to their existing service, the Company will require the customer to change service to another of the Company's existing offerings provided via UNEP.

2.9.2

2. Regulations (Cont'd)

2.9 Use of Service

2.9.3

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Issued under authority of M.P.S.C. Opinion and Order dated June 5, 1997, Case No. U-11345.

Issued: July 28, 2021

Edwin Reese  
Analyst-Govt Relations  
1300 I Street NW, Suite 500W  
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Effective: August 1, 2021

2. Regulations (Cont'd)

2.9 Use of Service (Cont'd)

2.9.4 811 Dialing Service

2.9.4.1 General

811 Dialing Service (811) is a custom call-routing application utilizing a three-digit local dialing arrangement, terminating to a subscriber-provided number for access to advance excavation notice services. It provides the calling party an easy-to-remember three-digit dialing code with call delivery to established 811 subscribers. The 811 code was assigned for this purpose pursuant to the Sixth Report and Order, released March 14, 2005 by the Federal Communications Commission in CC Docket No. 92-105, which specifies that such calls be delivered to a number provided by the relevant 811 subscriber that is not a toll call for the party dialing the number (i.e., either a toll-free (8XX) or local number). This tariff covers calls originating on lines terminating in a Verizon Access switch (i.e., originating and terminating within the same MSA); it does not cover 1+, 0+, 0- operator-assisted, 101XXXX, or inmate calls).

2.9.4.2 Conditions

Calls placed using 811 are automatically routed to the 811 subscriber's terminating number, which the subscriber must provide in the form of either a toll-free number or a local number whose local calling area covers all of the locations to which the service is provided. The subscriber shall provide Verizon Access with this number in advance so that Verizon Access may properly translate its central office switches. If charges are required to re-route the call to the terminating number, they will be cared for by the use of a subscriber-provided toll-free number. Verizon Access is not responsible for redirecting or otherwise handling 911 and other calls misdialed or misrouted as 811 calls. The subscriber shall provide sufficient terminating number paths to its toll-free or local terminating number so as to not clog nor impair Verizon Access' network.

Verizon Access' offering of 811 to the subscriber also is conditioned on the subscriber's representation that it has been authorized by appropriate state authorities to receive and respond to 811 calls from the public within the areas served by Verizon Access, and that the subscriber has obtained all licenses, authorizations, and other prerequisites necessary to provide that service, and will at all times comply with all applicable laws and regulations.

The Company reserves the right to discontinue the service, without notice, if interruption of 811 is necessary to prevent or protect against fraud or otherwise protect Verizon Access' personnel, facilities or services.

811 is not available for resale.

2. Regulations (Cont'd)

2.9 Use of Service (Cont'd)

2.9.4 811 Dialing Service (Cont'd)

2.9.4.3 Limitations on Liability

The Company shall be indemnified and saved harmless by the subscriber against claims for libel, slander, or the infringement of copyright arising directly or indirectly from the material transmitted over the facilities or the use thereof; against claims for infringement of patents arising from combining with or using in connection with, facilities furnished by the Company, apparatus and systems of the subscriber; and against all other claims arising out of any act or omission of the subscriber in connection with the facilities provided by the Company. Neither the Company nor any concurring, connecting or other participating carrier shall be liable for any act or omission of another company or companies furnishing a portion of such service. The Company is not responsible to the subscriber, authorized user, joint user, sharer of service, patron of a reseller or any other person for damages arising out of mistakes, omissions, interruptions, delays, errors or defects in transmission, or failures or defects in facilities furnished by the Company occurring in the course of furnishing service or other facilities (Service Problems) or other injury, including but not limited to injuries to persons or property from voltages or currents transmitted over the service of the Company caused by terminal equipment. The Company is not responsible to the subscriber, authorized user, joint user, sharer of service, patron of a reseller or any other person for injuries or damages to persons or property arising from the existence of subscriber-provided power supply.

2.9.5 Emergency Services (Basic or Enhanced 911): The 911 services specified in this tariff are available the use of public agencies and counties in providing universal emergency number service systems to universal emergency number service districts under authority of the Emergency Telephone Service Enabling Act, 1986 Michigan Public Act No. 32 (hereafter referred to as PA 32). Emergency telephone services provided to emergency telephone districts under authority of PA 32 shall be provided in accordance with the terms and conditions of PA 32. The 911 services specified in this tariff which are provided by the Company as a part of a universal emergency number service under PA 32 shall to the extent they do not conflict with PA 32, be provided under the terms, conditions, rates and charges of this tariff.

2.9.6 Telecommunications Relay Service: The Michigan Telecommunications Relay Service (TRS) which enables deaf, hard-of-hearing or speech-impaired persons using Text Telephone Devices (TTY) or similar devices to communicate freely with the hearing population not using TTYs and visa versa. Persons using this service are liable for applicable per call charges as specified in this tariff.

Calls through TRS are rated and billed as if made directly from the originating number to the terminating number.

2.9.7 MI Restructuring Mechanism Surcharge – Michigan law requires telecommunications providers to contribute to an intrastate switched access rate restructuring mechanism. The fund is administered by the MI Public Service Commission. Effective October 1, 2010, the Company will impose a surcharge assessed on intrastate telecommunications services in order to recover their contributions to the fund. The surcharge rate will be the same as the contribution rate established by the MI PSC.