

Murray Electric System's Internet Services Rules & Regulations

SCHEDULE OF RULES AND REGULATIONS FOR C/LAN AND HOME LAN SERVICES

DEFINITION OF TERMS AND EXPLANATION OF ABBREVIATIONS

1. "MES." Murray Electric System located at 401 Olive Street, Murray, Kentucky 42071, (270) 753-5312
2. "Customer." The purchaser or electric service and other services.
3. "Subscriber." The purchaser of services who is not an electric customer.
4. "C/LAN." Local Area Network services provided to commercial customers or subscribers.
5. "HomeLAN." Local Area Network services provided to residential customers or subscribers.
6. "Month." One twelfth of a year, as near 30 days as practicable.

1. SERVICE PROVIDED

MES will furnish and install facilities necessary to provide local area network communications and access to the Internet, through its interactive cable system, to a personal computer or network of computers of Customer or Subscriber equipped with a broadband network interface device. MES will provide two (2) hours training/assistance service as a part of the installation. Additional training/assistance will be charged at the rate of \$50.00 per hour for services rendered between the hours of 8:00 am -4:30 pm central time, and \$75.00 per hour for services rendered after 4:30 pm. MES will only assure the operation of software described in the proposal for C/LAN services presented by MES to Customer or Subscriber or software installed by MES pursuant to a request for HomeLAN Service. MES assumes no responsibility for installation or assistance with regard to any software currently owned by Customer or Subscriber or purchased by Customer or Subscriber after installation of C/LAN-HomeLAN services. Additionally, service may be temporarily refused, limited, interrupted, or curtailed due to government, regulations or orders, system capacity limitations, limitations imposed by an underlying communications carrier, or because equipment modifications, upgrades, repairs or reallocations or other similar activities necessary or proper for the operation or improvement of MES's system. Service and equipment are furnished for use by Customer or Subscriber for any lawful purpose. Customer or Subscriber warrants that he/she is at least eighteen (18) years old.

2. INSTALLATION AND ACCESS

The initial routing of the cables on Customer or Subscriber's premises necessary for the provision of C/LAN-HomeLAN shall be in a location agreed to between MES and Customer or Subscriber. Any relocation of the C/LAN-HomeLAN cabling or facilities solely for the convenience or at the request of Customer or Subscriber shall be paid for by Customer or Subscriber.

The Customer or Subscriber agrees to furnish necessary right of way upon his premises for the installation of any facilities that may be required to provide C/LAN-HomeLAN to

Customer or Subscriber and to confer upon MES the right to enter upon the premises after reasonable notice, for the purposes of installation, maintenance, and repair of said facilities and equipment, and that upon termination of the agreement, to permit MES to enter the premises for the purpose of removing any additional facilities or lines that may have been required for the original installation.

3. TERMINATION

Services to Customer or Subscriber may be discontinued at any time by MES upon failure of Customer or Subscriber to pay any charges due for these services, or, immediately, whenever, in the sole discretion and determination of MES, such discontinuance is in the best interest of other MES Customers or Subscribers, such as (but not by way of limitation) interference with the system of MES caused by the condition or operation of Customer or Subscriber's facilities or system.

Upon termination of services hereunder, for whatever reason, and by whomever, Customer or Subscriber shall promptly deliver back to MES any property leased or rented by it from MES or the appropriate charges per equipment, varying from \$325 to \$410, will be charged to the customer or subscriber.

4. LIMITATION OF MES'S LIABILITY

Customer or Subscriber understands that alternative and competing internet communications carriers are available to Customer or Subscriber; occasional interruption or irregularities in the service may occur; any potential harm from interruptions or irregularities in the service is speculative in nature; MES cannot offer the service at rates which reflect its value to each Customer or Subscriber; and MES assumes no responsibility other than that contained in these Rules and Regulations. Accordingly, Customer or Subscriber agrees that except as limited by law, MES's sole liability for loss or damage arising out of mistakes, omissions, interruptions, delays, errors, or defects in the service or transmission of service provided by MES or any underlying communications carrier, or for losses or damages arising out of the failure of MES or operations shall be as follows:

A credit allowance as described in subsection 4(a)(iii) below, will be made at Customer or Subscriber's request in the form of a pro-rate adjustment of the fixed monthly charges billed to Customer or Subscriber. Fixed monthly charges are the monthly charges for access and optional features per access account ID, all as described in the schedule of rates and charges in effect at the time of interruption.

Such credit allowance will be based upon the period of the time which such mistakes, omissions, delays, errors or defects in the service or its transmission caused interruptions in the rendering of the service. Any such period of time an interruption occurs will be measured from the time it is reported to MES. In the event Customer or Subscriber is affected by such interruption for a period of less than 24 hours, no such adjustment shall be made. When an interruption exceeds 24 hours, the length of the interruption will be measured in 24-hour days. A fraction of a day consisting of less than 12 hours will not be credited, but a period of 12 hours or more will be considered an additional day.

The credit allowance will be computed by dividing the length of the service interruption by a standard 30-day month and then multiplying the result by MES's fixed monthly charges for each interrupted access account ID. In no case will the credit exceed the fixed monthly charges.

A credit allowance will not be given for mistakes, omissions, interruptions, delays, errors or defects, or curtailments in the service caused by the negligence or willful act of customers, subscribers, or other parties, or mistakes, omissions, interruptions, delays, errors, or defects

caused by failure of equipment or service not provided by MES.

The service furnished by MES, in addition to the limitations set forth preceding, is also subject to the following limitation: The liability of MES for loss or damages arising out of mistakes, omissions, interruptions, delays, errors, or defects in the service, its transmission or failures or defects in facilities of the underlying communications carrier, occurring in the course of furnishing service and not caused by the negligence of the authorized user, or the underlying communications carrier in failing to maintain proper standards of maintenance and operation and to exercise reasonable supervision, shall in no event exceed an amount equivalent to the proportionate fixed monthly charge to the authorized user for service during the period of time in which such mistakes, omissions, interruptions, delays, errors, or defects in service, its transmission, or failures or defects in facilities furnished by MES or the underlying communications carrier occurred.

MES shall in no event be liable for service or equipment interruptions or delays in transmission, errors or defects in service or equipment, when caused by Acts of God, fire, war, riots, government authorities, default of supplier, or other causes beyond MES's or any underlying communications carrier's control.

Customer or Subscriber acknowledges that internet systems use public access facilities to transmit voice and data communications and that the service may not be completely private. MES is not liable to Customer or Subscriber for any claims, loss, damages or cost which may result from lack of privacy on the system.

Customer or Subscriber acknowledges that internet systems may carry material, which may be considered abusive, profane, or sexually offensive and that MES is not liable to Customer or Subscriber for any claims, loss, damages or cost that may result from such material.

5. DISCLAIMER OF WARRANTIES AND LIMITATION OF REMEDIES

Customer or Subscriber acknowledges and agrees that MES is not the manufacturer of equipment and internet package software, and MES hereby disclaims all representation and warranties, direct or indirect, express or implied, written or oral, in connection with the equipment or service or internet package software (whether purchased or leased by Customer or Subscriber from MES or another), including but not limited to any and all express and implied warranties of suitability, durability, merchantability, and fitness for a particular purpose. MES, to the extent permitted by law, assigns to Customer or Subscriber any and all manufacturers' warranties relating to equipment or internet package software purchased by Customer or Subscriber, and Customer or Subscriber acknowledges receipt of any and all such manufacturers' warranties.

Customer or Subscriber acknowledges and agrees that its sole and exclusive remedy in connection with any defects in the equipment or software, including manufacture or design, shall be against the manufacturer of the equipment or software under the manufacturer's warranties and that MES shall have no liability to Customer or Subscriber in any event for any loss, damage, injury, or expense of any kind or nature related directly or indirectly to any equipment or software or service provided hereunder. Without limiting the above, MES shall have no liability or obligation to Customer or Subscriber, in either contract or tort, for special, incidental, or consequential damages of any kind incurred by Customer or Subscriber, such as, but not limited to, claims or damages for personal injury, wrongful death, loss of use, loss of anticipated profits, or other incidental or consequential damages or economic losses of any kind incurred by Customer or Subscriber directly or indirectly resulting from or related to any equipment or service or software described hereunder, whether or not caused by company's negligence, to the full extent same may be disclaimed by law. Any references to equipment or software in this paragraph shall be deemed to apply to all equipment of software purchased by Customer or Subscriber or leased by Customer or Subscriber from

MES or another Lessor.

6. INDEMNIFICATION AND RELEASE

Customer or Subscriber agrees to release, defend, indemnify and hold harmless MES, its officers, Board members, and employees, to the full extent permitted by law from and against any and all claims, damages, liabilities, and expenses, including legal and attorney fees, of any nature arising directly or indirectly out of these Rules and Regulations, including, without limitation, claims for personal injury or wrongful death to Customer or Subscriber or users of the equipment, products or services provided by MES or sued in conjunction with such equipment, products or services provided by MES and arising out of the manufacture, purchase, operation, condition, maintenance, installation, return or use of the equipment or service, or arising by operation of law, whether the claim is based in whole or in part on negligent acts or omissions of MES, its Board members, agents, or employees.

7. OPERATING RULES

Customer or Subscriber agrees not to publish on or over the internet content which violates or infringes upon the rights of any other. If MES is challenged by any third party regarding the suitability of Customer or Subscriber's content, MES may at MES's sole discretion delete Customer or Subscriber's content from the internet service. Customer or Subscriber agrees not to send unsolicited electronic mail to MES's customers or subscribers without MES's explicit written permission for each instance of communication. Customer or Subscriber agrees to accept electronic mail communications from MES from time to time in the interest of providing timely information about the services provided by MES. Customer or Subscriber shall have the right to not have their electronic mail address published on the MES website, but shall not have the right to be excluded from the occasional electronic mail communications from MES relative to the status of its services or other information deemed by MES to be vital to residents of Murray.

8. FEES AND CHARGES

The Customer or Subscriber shall pay MES the full monthly service charge applicable to the service rendered, which amount shall be due as shown on the statement from MES each month.

Monthly service charges shall be determined as per the schedule of rates applicable to the services for which the Customer or Subscriber has applied and received, and is subject to change.

9. DEPOSIT POLICY

In some cases, MES will make deposit decisions in such a way as to assure protection for MES from a customer's failure to remit payment for services. These decisions may be based on various factors, but will be applied in a non-discriminatory manner in all cases. The various factors may be any or all of the following: actual history with existing and former customers and a customer's credit scores. Unless extenuating circumstances are present, the following procedures shall be used as a guide for establishing deposit amounts:

- ***Residential Cable &/ or Internet Service Applicants who have an established or is establishing an electric account in their name:***
 1. New-service applicants who pose no credit risk (Green or Yellow Light returned on the ONLINE UTILITY EXCHANGE) will be charged no deposit.

2. New-service applicants who pose substantial credit risk (Red Light returned on the ONLINE UTILITY EXCHANGE) will be charged a \$100 deposit per digital box requested for Digital Cable.
 3. Any existing customer who has at least six (6) months of good pay history (no non-payment disconnects, returned checks, tamper charges etc. to MES; which is shown as all 0's or 1's in the credit history) will not be charged a deposit for digital service and boxes.
 4. Any existing customer who has established a poor pay history (non-payment disconnect, returned check, tamper charges etc. to MES; which is shown as anything other than a 0 or a 1 in the credit history) with MES for six (6) months or more will be charged a \$100 per digital box for Digital Cable.
- ***Residential Cable &/ or Internet Service Applicants who DO NOT have an established or establishing an electric account in their name:***
 1. New-service applicants who pose no credit risk (Green or Yellow Light returned on the ONLINE UTILITY EXCHANGE) will be charged no deposit. (This would only apply to homeowners).
 2. New-service applicants who pose no credit risk (Green or Yellow Light returned on the ONLINE UTILITY EXCHANGE) will be charged a \$40 deposit.
 3. New-service applicants who pose substantial credit risk (Red Light returned on the ONLINE UTILITY EXCHANGE) will be charged a \$80 deposit for Basic or Expanded Basic Cable &/or Internet.
 4. New-service applicants who pose substantial credit risk (Red Light returned on the ONLINE UTILITY EXCHANGE) will be charged a \$100 deposit per digital box requested for Digital Cable.
 - ***General***
 1. Deposits are required to be paid prior to the time a connect order is issued.
 2. Deposits are not transferable from one service address to another.
 3. Upon termination of service, the deposit will be applied against any unpaid balance.

4. Any remaining balance will be returned to the customer, either by check or by applying the balance of the deposit to any active account currently held by the customer.
5. No interest will be applied to any Basic or Expanded Basic Cable &/or Internet deposit.
6. Deposits received for security of equipment will not accrue interest.

10. SEVERABLE PROVISIONS

If any part of these Rules and Regulations are contrary to or prohibited by or deemed invalid under applicable laws and regulations of any applicable jurisdiction, the remaining provisions and parts thereof shall remain and be construed in full force and effect to the extent permitted by law.