The Public Utilities Commission of Ohio TELECOMMUNICATIONS FILING FORM

(Effective: 01/20/2011)

This form is intended to be used with most types of required filings. It provides check boxes with rule references for the most common types of filings. It does not replace or supersede Commission rules in any way.

In the Matter of the Application of the Joint Application of)
The Middle Point Home Telephone Company, Telephone)
Service Company and Middle Point Acquisition Co.)
Pursuant to Section 4905.402 of the Revised Code)

 (\mathbf{D}_{1}) (\mathbf{v}_{1}) (\mathbf{v}_{1}) (\mathbf{v}_{1}) (\mathbf{v}_{2}) (\mathbf{v}_{2}) (\mathbf{v}_{2})

TRF Docket No. 90-____

Case No. <u>13</u> - <u>0184</u> -**TP** - <u>AMT</u>

NOTE: Unless you have reserved a Case #, leave the "Case No" fields BLANK.

Name of Registrant(s) <u>Telephone Service Company</u>
DBA(s) of Registrant(s)
Address of Registrant(s) 2 Willipie Street, Post Office Box 408, Wapakoneta, Ohio 45895
Company Web Address, www.telserco.com

Company web Address <u>www.terserco.com</u>		
Regulatory Contact Person(s) <u>Norman J. Kennard, Esquire</u>	Phone <u>717-255-7628</u>	Fax 717-236-8278
Regulatory Contact Person's Email Address <u>nkennard@thomaslonglaw.com</u>		
Contact Person for Annual Report Lonnie Pedersen		Phone <u>419-739-2200</u>
Address (if different from above)		
Consumer Contact Lonnie Pedersen		Phone <u>419-739-2200</u>
Address (if different from above)		
Motion for protoctive order included with filing? \Box Vec V No		

Motion for protective order included with filing? \Box Yes X No

Motion for waiver(s) filed affecting this case? 🗌 Yes X No [Note: Waivers may toll any automatic timeframe.]

Notes:

Section I and II are Pursuant to Chapter <u>4901:1-6</u> OAC.

Section III – Carrier to Carrier is Pursuant to 4901:1-7 OAC, and Wireless is Pursuant to 4901:1-6-24 OAC. Section IV – Attestation.

(1) Indicate the Carrier Type and the reason for submitting this form by checking the boxes below.

(2) For requirements for various applications, see the identified section of Ohio Administrative Code Section 4901 and/or the supplemental application form noted.

(3) Information regarding the number of copies required by the Commission may be obtained from the Commission's web site at <u>www.puco.ohio.gov</u> under the docketing information system section, by calling the docketing division at 614-466-4095, or by visiting the docketing division at the offices of the Commission.

(4) An Incumbent Local Exchange Carrier (ILEC) offering basic local exchange service (BLES) outside its traditional service area should choose CLEC designation when proposing to offer BLES outside its traditional service area or when proposing to make changes to that service.

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Exhibit	Description:
А	The tariff pages subject to the proposed change(s) as they exist before the change(s)
В	The Tariff pages subject to the proposed change(s), reflecting the change, with the change(s) marked in the
	right margin.
С	A short description of the nature of the change(s), the intent of the change(s), and the customers affected.
D	A copy of the notice provided to customers, along with an affidavit that the notice was provided according to
	the applicable rule(s).

All Filings that result in a change to one or more tariff pages require, at a minimum, the following exhibits.

Section I – Part I - Common Filings

Carrier Type Other (explain below)	X For Profit ILEC	Not For Profit ILEC	
Change terms & conditions of existing BLES	ATA <u>1-6-14(H)</u> (Auto 30 days)	ATA <u>1-6-14(H)</u> (Auto 30 days)	ATA <u>1-6-14(H)</u> (Auto 30 days)
Introduce non-recurring charge, surcharge, or fee to BLES			ATA <u>1-6-14(H)</u> (Auto 30 days)
Introduce or Increase Late Payment	ATA <u>1-6-14(1)</u> (Auto 30 days)	ATA <u>1-6-14(1)</u> (Auto 30 days)	ATA <u>1-6-14(1)</u> (Auto 30 days)
Revisions to BLES Cap.	$\Box ZTA 1-6-14(F)$ (0 day Notice)		
Introduce BLES or expand local service area (calling area)	C ZTA <u>1-6-14(H)</u> (0 day Notice)	C ZTA <u>1-6-14(H)</u> (0 day Notice)	ZTA <u>1-6-14(H)</u> (0 day Notice)
Notice of no obligation to construct facilities and provide BLES	ZTA <u>1-6-27(C)</u> (0 day Notice)	C ZTA <u>1-6-27(C)</u> (0 day Notice)	
Change BLES Rates	TRF <u>1-6-14(F)</u> (0 day Notice)	☐ TRF <u>1-6-14(F)(4)</u> (0 day Notice)	TRF <u>1-6-14(G)</u> (0 day Notice)
To obtain BLES pricing flexibility	BLS <u>1-6-14</u> (C)(1)(c) (Auto 30 days)		
Change in boundary	ACB <u>1-6-32</u> (Auto 14 days)	ACB <u>1-6-32</u> (Auto 14 days)	
Expand service operation area			TRF <u>1-6-08(G)</u> (0 day)
BLES withdrawal			C ZTA <u>1-6-25(B)</u> (0 day Notice)
Other* (explain)			

Section I – Part II – Customer Notification Offerings Pursuant to Chapter 4901:1-6-7 OAC

Type of Notice	Direct Mail	Bill Insert	Bill Notation	Electronic Mail
15-day Notice				
30-day Notice				
Date Notice Sent:				·

Section I – Part III – IOS Offerings Pursuant to Chapter 4901:1-6-22 OAC

IOS	Introduce New	Tariff Change	Price Change	Withdraw

Section II – Part I – Carrier Certification - Pursuant to Chapter 4901:1-6-08, 09 & 10 OAC

	ILEC	CLEC	Telecommunications	CESTC	CETC
Certification	(Out of Territory)		Service Provider		
			Not Offering Local		
* See Supplemental	ACE <u>1-6-08</u>	ACE <u>1-6-08</u>	ACE <u>1-6-</u> 08	ACE <u>1-6-</u> 10	UNC <u>1-6-</u> 09
form	* (Auto 30- day)	*(Auto 30 day)	*(Auto 30 day)	(Auto 30 day)	*(Non-Auto)

*Supplemental Certification forms can be found on the Commission Web Page.

Section II – Part II – Certificate Status & Procedural

Certificate Status	ILEC	CLEC	Telecommunications Service Provider Not Offering Local
Abandon all Services		ABN <u>1-6-26</u> (Auto 30 days)	ABN <u>1-6-26</u> (Auto 30 days)
Change of Official Name *	ACN <u>1-6-29(B)</u> (Auto 30 days)	ACN <u>1-6-29(B)</u> (Auto 30 days)	$\Box CIO 1-6-29(C)$ (0 day Notice)
Change in Ownership *	$\square ACO \underline{1-6-29(E)}$ (Auto 30 days)	$\Box \text{ ACO } \underline{1-6-29(E)}$ (Auto 30 days)	CIO <u>1-6-29(C)</u> (0 day Notice)
Merger *	X AMT <u>1-6-29(E)</u> (Auto 30 days)	AMT <u>1-6-29(E)</u> (Auto 30 days)	CIO <u>1-6-29(C)</u> (0 day Notice)
Transfer a Certificate *	ATC <u>1-6-29(B)</u> (Auto 30 days)	ATC <u>1-6-29(B)</u> (Auto 30 days)	CIO <u>1-6-29(C)</u> (0 day Notice)
Transaction for transfer or lease of property, plant or business *	ATR <u>1-6-29(B)</u> (Auto 30 days)	ATR <u>1-6-29(B)</u> (Auto 30 days)	CIO <u>1-6-29(C)</u> (0 day Notice)

* Other exhibits may be required under the applicable rule(s). ACN, ACO, AMT, ATC, ATR and CIO applications see <u>the 4901:1-6-29 Filing Requirements on the Commission's Web Page</u> for a complete list of exhibits.

Section III – Carrier to Carrier (Pursuant to 4901:1-7), and Wireless (Pursuant to 4901:1-6-24)

Carrier to Carrier	ILEC	CLEC
Interconnection agreement, or amendment to	□ NAG <u>1-7-07</u>	□ NAG <u>1-7-07</u>
an approved agreement	(Auto 90 day)	(Auto 90 day)
Request for Arbitration	ARB <u>1-7-09</u> (Non-Auto)	ARB <u>1-7-09</u> (Non-Auto)
Introduce or change c-t-c service tariffs,	ATA <u>1-7-14</u> (Auto 30 day)	ATA <u>1-7-14</u> (Auto 30 day)
Request rural carrier exemption, rural carrier	UNC <u>1-7-04</u> or 05	
suspension or modification	(Non-Auto)	
Changes in rates, terms & conditions to Pole	\Box UNC 1-7-23(B)	
Attachment, Conduit Occupancy and Rights-	onduit Occupancy and Rights- (Non-Auto)	
of-Way.		
	RCC	NAG
Wireless Providers See <u>4901:1-6-24</u>	[Registration &	[Interconnection
	Change in Operations]	Agreement or

Section IV. - Attestation

Registrant hereby attests to its compliance with pertinent entries and orders issued by the Commission.

<u>AFFIDAVIT</u> Compliance with Commission Rules

I am an officer/agent of the applicant corporation, <u>Telephone Service Company</u>, and am authorized to make this statement on its behalf.

Lonnie Pedersen (Name)

Please Check ALL that apply:

□ I attest that these tariffs comply with all applicable rules for the state of Ohio. I understand that tariff notification filings do not imply Commission approval and that the Commission's rules as modified and clarified from time to time, supersede any contradictory provisions in our tariff. We will fully comply with the rules of the state of Ohio and understand that noncompliance can result in various penalties, including the suspension of our certificate to operate within the state of Ohio.

☐ I attest that customer notices accompanying this filing form were sent to affected customers, as specified in Section II, in accordance with Rule 4901:1-6-7, Ohio Administrative Code.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on (Date) $\underline{J4W.15, 2013}$ at (Location) $\underline{2}$ $\underline{W1LUP}_{1E}$ \underline{ST} $\underline{WAPAKovETA}$ \underline{OH} $\underline{45895}$ *(Signature and Title) $\underline{M15/2013}$

• This affidavit is required for every tariff-affecting filing. It may be signed by counsel or an officer of the applicant, or an authorized agent of the applicant.

VERIFICATION

I. Lonnie D. Pedersen, Chief Operating Officer, verify that I have utilized the Telecommunications Filing Form for most proceedings provided by the Commission and that all of the information submitted here, and all additional information submitted in connection with this case, is true and correct to the best of my knowledge.

*(Signature and Title) term day , Chief Operating Officer (Date) 1/15/2013	
*Verification is required for every filing. It may be signed by counsel or an officer of the applicant, or an authorized agent of the	
applicant.	

Send your completed Application Form, including all required attachments as well as the required number of copies, to:

Public Utilities Commission of Ohio Attention: Docketing Division 180 East Broad Street, Columbus, OH 43215-3793 Or Make such filing electronically as directed in Case No 06-900-AU-WVR

BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Joint Application of	:	
The Middle Point Home Telephone Company,	:	
Telephone Service Company and	:	Case No. 13-0184-TP-AMT
Middle Point Acquisition Co. Pursuant	:	
to Section 4905.402 of the Revised Code	:	

JOINT APPLICATION

THE MIDDLE POINT HOME TELEPHONE COMPANY ("MHTC"), TELEPHONE SERVICE COMPANY ("TSC") and MIDDLE POINT ACQUISITION CO. ("MPAC"), Joint Applicants herein, make this Application to the Public Utilities Commission of Ohio (the "Commission") pursuant to Revised Code Section 4905.402.

JOINT APPLICANTS

1. MHTC is an Ohio corporation, an incumbent local exchange carrier and a public utility subject to the jurisdiction of the Commission. MHTC provides local exchange telephone service and other services in the Middle Point Exchange in Van Wert County, serving approximately 500 access lines as of September 30, 2012.

The authorized capital stock of MHTC consists of Three Hundred Twenty Thousand Five Hundred Sixty (320,560) shares, of which Three Hundred Twenty Thousand Five Hundred Sixty (320,560) shares are issued and outstanding and no such shares are held in treasury. MHTC's largest shareholder, Chad Pollock, owns approximately 15% of the issued and outstanding shares of MHTC.

MHTC is a "telephone company" within the meaning of Ohio Rev. Code Section 4905.402(A)(4) and a "domestic telephone company" within the meaning of Ohio Rev. Code Section 4905.402(B). Additionally, MHTC is a small telephone company subject to Ohio Rev. Code Section 4927.04(B).

2. TSC is an Ohio corporation, an incumbent local exchange telephone company and a public utility subject to the jurisdiction of this Commission. TSC provides local exchange telephone service and other services in the Wapakoneta and Cridersville Exchanges in Auglaize and Allen Counties, serving approximately 6,250 access lines as of September 30, 2012.

The authorized capital stock of TSC consists of One Thousand Five Hundred (1,500) shares of stock, of which One Thousand (1,000) shares are issued and outstanding, and Five Hundred (500) shares are held in treasury. TSC's sole shareholder, Hanson Communications, Inc., owns 100% of the issued and outstanding shares of TSC.

TSC is a "telephone company" within the meaning of Ohio Rev. Code Section 4905.402(A)(4) and a "domestic telephone company" within the meaning of Ohio Rev. Code Section 4905.402(B). Additionally, TSC is a small telephone company subject to Ohio Rev. Code Section 4927.04(B).

3. MPAC is a corporation formed under the laws of Ohio for the purpose of facilitating the transaction described herein. The authorized capital stock of MPAC consists of One Thousand Five Hundred (1,500) shares of stock, of which One Thousand (1,000) shares are issued and outstanding, and Five Hundred (500) shares are held in treasury. TSC owns all of the issued and outstanding shares of MPAC. MPAC is not a "telephone company."

4. Attached hereto as Exhibit A are certificates of good standing for MHTC, TSC and MPAC.

PROPOSED TRANSACTION

5. On January 3, 2013, TSC, MPAC and certain shareholders of MHTC executed an Agreement and Plan of Merger (the "Agreement") with MHTC. Under that Agreement, the parties agreed that (a) MPAC will be merged with and into MHTC in accordance with the

General Corporation Law of the State of Ohio, (b) the separate existence of MPAC will cease and MHTC will continue as the surviving corporation as a wholly owned subsidiary of TSC, and (c) the outstanding shares of MHTC will be converted into the right to receive cash in an amount to be determined by a formula under the Agreement. The obligations of the parties to close and consummate the Agreement is expressly subject to the approval of the Commission.

6. The Agreement does not contemplate the merger of any telephone companies, or of any holding companies of telephone companies. Rather, through the vehicle of a merger of MPAC and MHTC, TSC will acquire equity ownership of MHTC. MHTC will issue no securities as part of the Agreement. Rather, TSC will exchange cash for already-issued shares of MHTC (which will then be cancelled) and MHTC will become a wholly owned subsidiary of TSC.

7. While the Agreement contains terms and conditions relating to the operations of MHTC and its subsidiaries, it also contains extensive terms and conditions considered proprietary by the parties. Accordingly, the Agreement is not an Exhibit to this Application.

8. Upon closing of the Agreement and the transactions it contemplates, MHTC would become a wholly-owned subsidiary of TSC. TSC would thereby be deemed to "acquire control" of a "domestic telephone company" within the meaning of Revised Code § 4905.402.

CONTINUING OPERATIONS

9. The operations, locations of business and employees of MHTC will remain largely unaffected by this transaction, and the financial structure of MHTC will not materially change. The limited long-term debt of MHTC will remain in place following the closing of the transaction.

10. Further, the ultimate acquisition of the stock of MHTC by TSC will not change or relocate in any material respect, by operation of law or otherwise, the operations, locations of business or employees of MHTC. Upon closing, it is anticipated that the current employees of MHTC will become employees of TSC. No assets of MHTC will be transferred to TSC, but TSC will provide certain support services to MHTC subsequent to closing.

11. Likewise, upon completion of this transaction, MHTC will remain a "domestic telephone company" and will remain subject to the jurisdiction of this Commission. The tariffs, rates, terms and conditions of service provided by MHTC will be unaffected by the proposed transaction.

- 12. Because the Agreement will not affect operations of MHTC in any material way:
 - MHTC will continue to provide the same excellent quality of service to their customers that they have to date;
 - The in-state presence of MHTC and their day-to-day operations will be largely unaffected;
 - The books and records of MHTC will either be retained in Ohio or will be available for review in Ohio immediately should the need arise;
 - The market power of MHTC will be unaffected;
 - TSC expects to continue (or improve) the existing infrastructure and capital expenditure programs of MHTC; and
 - The relationship between MHTC and its customers will remain unchanged, and the Commission's regulatory supervision of those relationships will be unaffected.

13. Additionally, because MHTC will be wholly owned by TSC, the communities it serves will benefit from TSC's long-established approach to community investment. TSC will actively promote economic development in each of the communities that MHTC currently serves.

14. TSC is an experienced owner and operator of rural telephone systems in the state of Ohio, with a track record for success in small communities. TSC has both confronted competition successfully and found new sources of revenue to replace traditional income streams. TSC has a well-earned reputation for effective management of telephone companies in the state of Ohio.

15. In short, as this Application makes clear, consummation of the transaction will itself have no negative effect whatsoever on the rates, terms or conditions of any service provided to any customer of MHTC. In fact, TSC intends to utilize its resources to improve the services MHTC currently offers its customers. Such improvements will be an ongoing process that will be implemented over time.

16. The Agreement was approved by the Board of Directors of MHTC on January 3, 2013 and by the Board of Directors of TSC on October 19, 2012. A notice to shareholders will be mailed to shareholders of MHTC on or after January 18, 2013. A vote on the Transaction will take place on or before February 13, 2013. The Joint Applicants will advise the Commission of results of that voting when they are known.

NOTICE TO CUSTOMERS

17. As described above, the ownership of MHTC stock by TSC will not result in any changes in any operation of MHTC and, hence, will be "transparent" to customers of MHTC. Nonetheless, if this transaction is approved as herein requested, the Joint Applicants will provide notice to customers upon closing of the transaction contemplated by the Agreement. The Notice will take the form of a bill insert or mailing to customers, as hereafter determined by the Joint Applicants. Said Notice and the date of the mailing of said Notice to MHTC customers will be provided to the Commission upon completion.

THIS JOINT APPLICATION SHOULD BE GRANTED

18. As demonstrated by the foregoing, the ownership of MHTC by TSC will benefit the stockholders, the employees and the customers of MHTC. TSC will continue the best attributes of MHTC, while providing the resources and expertise MHTC will need to face the future.

19. The Joint Applicants submit that TSC will properly and presently manage MHTC, so as to promote the public convenience and provide adequate service for a reasonable rate, rental, toll or charge.

20. Accordingly, Joint Applicants submit that the "acquisition of control" herein described will promote the public convenience and result in the continued provision of adequate service for a reasonable rate, rental, toll or charge.

21. The Joint Applicants request expedited approval of *this* Application, which is warranted and authorized by law. Under Revised Code § 4927.04, the Commission has the authority, in connection with small LEC proceedings, to make exemptions from certain provisions of Chapter 4905, including Section 4905.402. Therefore, given the executed Agreement and the absence of issues arising thereunder, the Joint Applicants respectfully request that the Commission accelerate its review and enter an Order granting this Application as promptly as possible or refrain from issuing an Order in this matter for a period of not less than thirty (30) days so that the Application will be deemed approved by operation of law. Such expedited treatment will allow the transaction to close on a timely basis, which will be in the interest of the customers of MHTC.

For the foregoing reasons, with respect to their Joint Application, MHTC, TSC and MPAC pray that the Commission:

A. Consider and conclude that no hearing upon this Joint Application is necessary;

and

- B. Either
 - (i) FIND, as promptly as possible, that for TSC to "acquire control" of MHTC as described in this Joint Application, will promote the public convenience and result in the provision of adequate service for a reasonable rate, rental, toll or charge, and APPROVE this Application pursuant to Revised Code Section 4905.402(B); or alternatively,
 - (ii) REFRAIN from issuing an order in this matter for a period of not less than thirty (30) days, as a result of which this Joint Application will be deemed APPROVED by operation of law.

Respectfully submitted,

THE MIDDLE POINT HOME TELEPHONE COMPANY

By: C

Chad Pollock, President 106½ E. Jackson Street Post Office Box 41 Middle Point, OH 45863-0041 Phone: 419-968-2000 Facsimile: 419-968-2701 chad pollack@us.aflac.com

TELEPHONE SERVICE COMPANY By:

Lonnie D. Pedersen Chief Operating Officer 2 Willipie Street Post Office Box 408 Wapakoneta, OH 45895 Phone: 419-739-2200 Facsimile: 419-739-2299 ionnicia Leberco.com

Date: JANUARY 15,2013

MIDDLE POINT ACQUISITION CO.

By: Mark

Mark Hanson, President 2 Willipie Street Post Office Box 408 Wapakoneta, OH 45895 Phone: 419-739-2200 Facsimile: 419-739-2299 mark@telserco.com

EXHIBIT A

Certificates of Good Standing

United States of America State of Ohio Office of the Secretary of State

I, Jon Husted, do hereby certify that I am the duly elected, qualified and present acting Secretary of State for the State of Ohio, and as such have custody of the records of Ohio and Foreign business entities; that said records show THE MIDDLE POINT HOME TELEPHONE COMPANY, an Ohio corporation, Charter No. 17638, having its principal location in Middle Point, County of Van Wert, was incorporated on November 05, 1903 and is currently in GOOD STANDING upon the records of this office.



Witness my hand and the seal of the Secretary of State at Columbus, Ohio this 7th day of January, A.D. 2013

Ohio Secretary of State

Validation Number: V20137J214F0

United States of America State of Ohio Office of the Secretary of State

I, Jon Husted, do hereby certify that I am the duly elected, qualified and present acting Secretary of State for the State of Ohio, and as such have custody of the records of Ohio and Foreign business entities; that said records show TELEPHONE SERVICE COMPANY, an Ohio corporation, Charter No. 201373, having its principal location in Wapakoneta, County of Auglaize, was incorporated on April 14, 1947 and is currently in GOOD STANDING upon the records of this office.



Witness my hand and the seal of the Secretary of State at Columbus, Ohio this 7th day of January, A.D. 2013

Ohio Secretary of State

Validation Number: V20137J74785

United States of America State of Ohio Office of the Secretary of State

I, Jon Husted, do hereby certify that I am the duly elected, qualified and present acting Secretary of State for the State of Ohio, and as such have custody of the records of Ohio and Foreign business entities; that said records show MIDDLE POINT ACQUISITION CO., an Ohio corporation, Charter No. 2145156, having its principal location in Wapakoneta, County of Auglaize, was incorporated on October 19, 2012 and is currently in GOOD STANDING upon the records of this office.



Witness my hand and the seal of the Secretary of State at Columbus, Ohio this 7th day of January, A.D. 2013

Ohio Secretary of State

Validation Number: V20137J903D4

This foregoing document was electronically filed with the Public Utilities

Commission of Ohio Docketing Information System on

1/16/2013 10:56:28 AM

in

Case No(s). 13-0184-TP-AMT

Summary: Application of The Middle Point Home Telephone Company, Telephone Service Company and Middle Point Acquisition Co., Pursuant to Section 4905.402 of the Revised Code electronically filed by Ms. Teresa L Thomas on behalf of Telephone Service Company