



Vacation & Deployment Service Suspension Policy

This document outlines Americable's New Vacation & Deployment Suspension of Service Policy as well as how this new policy will benefit Americable Subscribers as well as Americable Customer Service and Accounting Departments.

Background

The current policy requires subscribers either return all Americable equipment (all DHCTs and Cable Modem) or if the subscriber desires to retain possession of the equipment in their residence while they are away on either vacation or deployment, they must place a deposit for the Cable Modem (\$50), and all DHCTs (E940 ~ \$115; 1850 ~ \$160; 4250 ~ \$240; 8300 ~ \$435; 8652 ~ \$522) in order to temporarily suspend their account.

This policy creates issues for our subscriber base in that they need to disconnect all their equipment (most with wires behind large entertainment centers) and bring that equipment back to the Americable Office. If they have a DVR DHCT (8300 or 8652) they may still have recordings they haven't watched yet and we can't/don't guarantee that they will receive the same DHCT upon their return and reactivation of their account. The majority of our customers simply can't afford to place the deposits particularly with regards to the DHCTs as evidenced by the fact that there are currently only 14 subscribers who have placed deposits on the DHCTs so that they don't have to put a credit card on file.

This policy also creates issues for Americable Customer Service who have to not only explain this policy but also manage the subscribers who elect to return all the equipment because they can't afford the deposits. Although we haven't done a detailed analysis of which packages and which DHCTs they request upon returning from Vacation/Deployment, basic marketing would dictate that we never want the customer to disconnect their DHCTs and have to come into our office in order to pick them up again, especially after returning from vacation when they may be reevaluating their finances.

Finally, we have added walk in traffic to the offices and added administrative costs in managing the deposits which have to be refunded upon the subscriber's return, without generating any revenue. Based on the number of Suspension Work Orders completed between May 1st, 2011 and April 30th, 2012 (1902) and assuming that at least 50% of the subscribers elect to suspend their accounts under this policy for at least a month, the additional revenue to the company would be approximately \$5000. However, as the majority of these work orders (1778) were for suspensions for deployment, it is likely that this number will significantly increase as the average deployment is at two months.



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Policy Revision:

Purpose:

The purpose of this policy revision is to improve customer service by implementing a more subscriber friendly approach towards vacations and deployments while reducing our administrative and support costs and simultaneously generating revenue to cover what administrative costs remain.

Policy:

A subscriber may suspend their Internet and/or Digital Cable Televisions services while they are on vacation and/or deployment provided they meet ALL of the criteria below:

1. They are going to be away for a minimum of two weeks and not more than 5 months.
2. They are a current "Auto CCE" customer whose credit card on file has at least 6 months remaining prior to expiration.
3. Their account is in good standing.

Once the above criteria have been verified, we will suspend the customer's services without them having to return the equipment to the office or place a deposit for either the Cable Modem or the DHCTs; however, the following fees will apply:

Packages and fees:

Service Administration Fee: \$ 4.95/month

- All monthly DHCT rental fees would apply as normal:
 - E940 \$ 3.50/month
 - 1850 \$ 4.75/month
 - 4250 \$ 7.00/month
 - 8300 \$13.00/month
 - 8652 \$15.00/month
- There will be no rental fee for the Cable Modem



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Guidelines for Customer Service:

1. Effective July 1, 2012, customers will no longer be allowed to place a deposit for the equipment and suspend their account.
2. Customers who have a deposit on their account currently and their account is in a 'Pending' status, will be grandfathered until they return and their deposit can be refunded either in the form of a check, credit back to their credit card on file or as a credit onto their account for the reactivated services.
3. Customers who have a deposit on their account currently and their account is active will be refunded.
4. When suspending a customer's account for vacation or deployment, please remove all Service packages, however, leave the rental fee packages for any DHCTs on the account and add the "Suspension Administration Fee" package (*package code = SAF*).
5. In the event that a customer has suspended their account yet returns early (within the first two weeks) and requests their account be reactivated, we will reactivate their account. However, it will be backdated as if the account had never been suspended. Basically, the customer would then be paying the normal service charges back to the date they requested suspension.

Sincerely,

James A. Smith, II
Regional Manager
Americable Intl Japan, Inc.