

Rural Telephone Act

CHAPTER 407 OF THE REVISED STATUTES, 1989

as amended by

2007, c. 17, s. 21; 2017, c. 4, s. 97



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Published by Authority of the Speaker of the House of Assembly
Halifax

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amended 2007, c. 17, s. 21; 2017, c. 4, s. 97

**An Act Respecting
Rural Telephone Companies**

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Short title

1 This Act may be cited as the *Rural Telephone Act*. R.S., c. 407, s. 1.

Interpretation

2 In this Act,

(a) “Board” means the Board of Commissioners of Public Utilities;

(b) “company” means a company incorporated or about to be incorporated pursuant to this Act;

(c) “existing telephone company” means any person, firm, association or corporation operating a telephone system;

(d) “inspector” means an inspector of rural telephone companies appointed pursuant to this Act;

(e) “Minister” means the member of the Executive Council to whom the administration of this Act is assigned by the Governor in Council;

(f) “plant superintendent” means a plant superintendent of rural telephone companies appointed pursuant to this Act;

(g) “Registrar” means the Registrar of Joint Stock Companies;

(h) “rural district” means any part of a municipality or municipalities;

(i) “supervisor” means a supervisor of rural telephone companies appointed pursuant to this Act. R.S., c. 407, s. 2.

Rural telephone companies continued

3 All rural telephone companies shall continue to exist as constituted on the fifteenth day of April, 1939. R.S., c. 407, s. 3.

Appointment of officials

4 (1) The Governor in Council may from time to time appoint a supervisor of rural telephone companies, a plant superintendent of rural telephone companies, an inspector or inspectors of rural telephone companies and such other officers as he deems necessary, who shall perform such duties as may be required of them by this Act, by order in council or by the Minister and shall be paid such salary as the Governor in Council determines.

(2) The supervisor shall, subject to the direction of the Minister,

(a) supervise the administration of this Act;

(b) supervise the plant superintendent, inspectors and other officers appointed by the Governor in Council;

(c) promote the establishment and efficient operation of rural telephone companies.

- (3) The plant superintendent shall
- (a) assist and advise rural telephone companies in the construction and maintenance of rural telephone lines;
 - (b) have charge of all equipment purchased by the Province for use in constructing and maintaining rural telephone lines;
 - (c) direct the work of telephone linemen employed by the Province in the constructing and maintaining of rural telephone lines.
- (4) The inspectors shall
- (a) assist in the formation and organization of companies;
 - (b) supervise, inquire and examine into the affairs of any company;
 - (c) inspect the telephone system of every company applying for a subsidy pursuant to this Act and report thereon to the Minister. R.S., c. 407, s. 4.

Formation of mutual telephone company

5 Any three or more persons, residents of a rural district, may by subscribing their names, addresses and occupations to a memorandum of association and otherwise complying with the requirements of this Act in respect of registration, form a mutual telephone company. R.S., c. 407, s. 5.

Content of memorandum of association

6 The memorandum of association shall contain the following things, that is to say:

- (a) the name of the proposed company with the word "Mutual" as part of such name, and the word "Limited" as the last word of such name;
- (b) a statement that the objects for which the proposed company is to be established are to acquire, construct, lease, maintain and operate within the rural district proposed to be served by the company a telephone system for its members and for other persons, and the doing of all such other things as are incidental or conducive to the attainment of those objects;
- (c) a statement of the boundaries of the rural district proposed to be served by the company and identifying by name or otherwise the exchange or exchanges, if any, of any existing telephone company or companies with which the company desires to have its line or lines connected;
- (d) a declaration that each member undertakes to contribute to the assets of the company
 - (i) from time to time during the time that he is a member such sum as the company in general meeting or the directors from time to time deem requisite for the purposes of the company, and

(ii) during the time that he is a member or within one year afterwards, in the event of the company being wound up, such sum as is required for the payment of the debts and liabilities of the company contracted before the time at which he ceased to be a member, and of the costs, charges and expenses of winding up the company, and for the adjustment of the rights of the contributories among themselves,

provided that the aggregate amount which each member is liable to so contribute shall not exceed a sum specified in the memorandum. R.S., c. 407, s. 6.

Subscribing and form of memorandum

7 (1) The memorandum of association shall be subscribed as aforesaid in the presence of a witness who shall verify such subscriptions by affidavit.

(2) The memorandum of association and affidavit shall be as nearly as may be in Form A in the Schedule to this Act. R.S., c. 407, s. 7.

Accompanying map

8 (1) The memorandum of association shall be accompanied by a map or plan in triplicate made to a scale of approximately one mile to one inch.

(2) Such map or plan shall be furnished by the Board and the company shall indicate thereon the boundaries of the rural district proposed to be served by the company, the location of the telephone line or lines proposed to be constructed or acquired by the company and the location of each telephone proposed to be installed by the company, and the point or points, if any, within or without such rural district at which the company desires to have its line or lines connected with an exchange or exchanges of any existing telephone company or companies, and the location of each such exchange. R.S., c. 407, s. 8.

Power of board to approve or change memorandum

9 (1) The memorandum of association and the map or plan in triplicate shall be submitted to the Board, which may approve thereof or may change the boundaries of the rural district and may change the point or points, if any, at which the company's lines are to be connected with an exchange or exchanges of any existing telephone company or companies and may change the exchange or exchanges, if any, of the existing telephone company or companies with which the company's lines are to be connected, and may approve of the memorandum of association and the map or plan so changed.

(2) The memorandum of association and the map or plan as finally approved shall be certified by the Clerk of the Board and delivered to the Registrar, who shall retain and register the same.

(3) If the company proposes to have its line or lines connected with an exchange or exchanges of any existing telephone company or companies, the Board, before so approving of the memorandum of association and the map or plan, shall give ten days notice to such existing telephone company or companies

that the Board will hear the application for approval of such memorandum of association and map or plan, at a time and place stated in the notice.

(4) If, after the approval of the memorandum of association, it is made to appear to the Board that the plan or memorandum of association is incorrect or misleading in respect of any material matter, the Board may, in its discretion, make such changes in the boundaries of the district to be served by such company as it may deem proper, and may order that the lines or wires of such company be disconnected from the lines or wires of any other company or vary the terms of connection with any other company, or alter or amend the rates payable by either of such companies or make such other order respecting service as to the Board may seem just.

(5) If, after one year from the approval of the memorandum of association, it is made to appear to the Board that a company has failed to furnish and provide telephone service and facilities, or that the telephone service and facilities provided are inadequate or insufficient for or inferior to the reasonable needs of the rural district allotted to it, the Board may, by order, designate the telephone service or facilities which in its judgement the needs of the rural district demand, and may require the company to furnish the same on or before a day to be fixed in such order.

(6) If the company fails to furnish the telephone service or facilities as designated in such order, the Board, after due notice to the company, may permit any other company or any existing telephone company to enter such rural district and to furnish and supply telephone service and facilities therein as so designated at such rates and under such conditions as the Board may determine.

(7) No company incorporated pursuant to this Act shall on or after the fifteenth day of April, 1939, establish any substation, or give or attempt to give service beyond the boundaries of the district to it allotted, otherwise than to another telephone company under the provisions of this Act.

(8) Any company offending against subsection (7) shall be liable to a penalty of not more than five dollars for each day that such substation shall be maintained or such service given.

(9) In addition to such penalty, the Board may order any other company to sever its connection with and discontinue service to the offending company, and such connection shall only be restored and such service renewed upon such terms and conditions as the Board may order. R.S., c. 407, s. 9.

Take-over of other company

10 Any company incorporated pursuant to this Act may acquire, take over and amalgamate the undertakings of any other company incorporated pursuant to this Act upon such terms and subject to such conditions as may be approved by the Board. R.S., c. 407, s. 10.

Registered memorandum binding

11 The memorandum of association shall, when registered, bind the company and the members thereof to the same extent as if each member had subscribed his name and affixed his seal thereto and there was in the memorandum contained on the part of himself, his heirs, executors and administrators a covenant to observe all the conditions of such memorandum, subject to the provisions of this Act. R.S., c. 407, s. 11; revision corrected.

Duty of Registrar to certify incorporation

12 Upon the registration of the memorandum of association, the Registrar shall certify under the Registrar's hand and official seal that the company is incorporated pursuant to the provisions of this Act. R.S., c. 407, s. 12.

Incorporation and powers and liability

13 The subscribers of the memorandum of association, together with such other persons as from time to time become members of the company, shall thereupon be a body corporate by the name contained in the memorandum of association, capable forthwith of exercising all the functions of an incorporated company and having perpetual succession and a common seal, with power to hold lands, but no member shall be personally liable for any debt, default or liability of the company beyond the amount of the undertaking entered into on his behalf by the memorandum of association, unless such member has rendered himself liable for a greater sum by becoming surety for the debts of the company. R.S., c. 407, s. 13.

Certificate of incorporation is evidence

14 A certificate of incorporation given by the Registrar in respect of any company shall be conclusive evidence that all the requirements of this Act in respect of registration and of matters precedent and incidental thereto have been complied with, and that the company is a company authorized to be registered and duly registered pursuant to this Act. R.S., c. 407, s. 14.

Deemed member and register of members

15 (1) The subscribers of the memorandum of association of any company shall be deemed to have agreed to become members of the company the memorandum of which they have subscribed and, upon the incorporation of the company, shall be deemed to be members thereof, and every other person who has, as hereinafter provided, agreed to become a member of any company shall be deemed to be a member thereof.

(2) Every company shall cause to be kept in a book a register of its members and there shall be entered therein the following particulars:

(a) the names and addresses and the occupations, if any, of the members of the company, with the addition of the amount paid by each member pursuant to the undertaking contained in the memorandum of association;

- (b) the date on which each person became a member of the company; and
- (c) the date on which any person ceased to be a member of the company.

(3) The register of members shall be kept by the secretary of the company and shall during business hours be open to the inspection of any member and to the inspection of the Registrar or an inspector or any person appointed for the purpose by the Governor in Council or by the Board. R.S., c. 407, s. 15.

Directors

16 (1) The number of directors of a company shall not be less than three nor more than seven.

(2) The first directors shall be appointed by the subscribers of the memorandum of association.

(3) Until directors are appointed the subscribers of the memorandum of association shall be deemed to be directors. R.S., c. 407, s. 16.

Register of directors and availability for inspection

17 Every company shall keep a register containing the names, addresses and occupations of its directors, which register shall be kept by the secretary of the company and shall be open to the inspection of any member of the company, the Registrar, the supervisor and inspectors. R.S., c. 407, s. 17.

Power to install equipment and construct or lease lines

18 The company, after it has been incorporated, may from time to time construct its telephone line or lines and install its telephones and switchboards according to specification approved by the Board, and according to the directions, if any, of an inspector or of the Board, and may from time to time acquire or lease telephone lines, but no such line shall be acquired or leased until the acquisition or leasing thereof has been approved by the Board. R.S., c. 407, s. 18.

If company desires to connect with existing exchange

19 (1) If any company after it has been incorporated desires at any time to have its line or lines connected with an exchange or exchanges of any existing telephone company or companies, such company may adopt a map or plan in triplicate on a scale of approximately one mile to one inch.

(2) The map or plan shall be furnished by the Board, and the company shall indicate thereon the location of the telephone line or lines of the company and the location of the telephone line or lines, if any, proposed to be constructed or acquired by the company, and the location of each telephone installed or proposed to be installed by the company and the point or points, if any, within or without the rural district served by the company at which the company desires to have its line or

lines connected with such exchange or exchanges respectively, and the location of each such exchange.

(3) Such map or plan in triplicate may be submitted to the Board, which may approve thereof or may change the point or points at which the company's lines are to be connected with an exchange or exchanges of any existing telephone company or companies, and may change the exchange or exchanges of the existing telephone company or companies with which the company's lines are to be connected, and may approve of the map or plan so changed.

(4) The Board, before so approving of such map or plan, shall give ten days notice to such existing telephone company or companies that the Board will hear the application for approval of such map or plan at a time and place stated in the notice.

(5) The map or plan as finally approved shall be certified by the clerk of the Board and delivered to the Registrar, who shall retain and register the same. R.S., c. 407, s. 19.

Duty to connect if proposal approved

20 (1) When a map or plan has been approved as in this Act provided, every existing telephone company with whose exchange or exchanges the company's lines are to be connected according to such map or plan, shall, within ten days of being notified in writing by the company so to do, or within such further time, if any, as the Board may fix, and at the point or points shown on the map or plan so approved, properly connect the telephone line or lines of the company and keep the same so connected with such exchange or exchanges.

(2) The existing telephone company shall construct and maintain a telephone line or lines from such exchange or exchanges to such point or points if the construction and maintenance of such line or lines are necessary for the purpose of so connecting the telephone line or lines of the company and keeping the same so connected with such exchange or exchanges.

(3) Every such existing telephone company shall forthwith upon such connection being made furnish and continue to furnish the company and its members, and others in the rural district served by the company, and the subscribers and non-subscribers of the existing telephone company in each and every of its exchanges, with telephone service to the same extent as if the telephone system of the company formed a part of each exchange with which such system is connected as aforesaid.

(4) If the company at any time forms an exchange the existing telephone company shall furnish connection between said exchange or exchanges of the existing telephone company and the exchange of the company in lieu of furnishing telephone service as aforesaid.

(5) The tolls or rates for telephone service pursuant to this Section shall be either such flat rate or message rate as from time to time the Board may determine.

(6) In the case of flat rate, the rate shall be that determined from time to time by the Board for the particular exchange group to which the company's line is connected.

(7) In the case of message rate, the company shall pay to the existing telephone company such sum not exceeding five dollars per year as the Board may from time to time determine for each switchboard connection, and also such sum as from time to time the Board may determine, but not exceeding five cents for each and every message of not over five minutes duration sent to said exchange of the existing telephone company over the line of the company and the sum of five cents for each additional five minutes or fractional part thereof.

(8) The company shall pay the existing telephone company for messages sent beyond the exchange of the existing telephone company the like toll rates, if any, as are payable by subscribers in such exchange for such messages.

(9) The existing telephone company shall collect and shall pay over to the company monthly such sum as from time to time the Board may determine, but not exceeding five cents for each and every message of not over five minutes duration sent from the exchange of the existing telephone company over the line of the company and the sum of five cents for each additional five minutes or fractional part thereof and, when the company operates an exchange and in cases where the distance between the exchange of the company and the exchange of the existing telephone company is over seven miles, the said sum of five cents may be increased to such amount as the Board may approve.

(10) The existing telephone company shall be entitled to charge in addition to its regular toll rates for messages sent from any of its exchanges over the lines of the company, such amount for each message as it is required to pay to the company.

(11) The existing telephone company shall on or before the tenth day of each month furnish to the company a statement in writing, giving the following particulars respecting each such message during the preceding month:

(a) the name of the person sending such message, and of the place from which such message is sent;

(b) the name or telephone number of the person to whom and the place to which such message is sent;

(c) the amount which the company is liable to be charged by the existing telephone company for such message or the amount which the company is entitled to have collected and paid over to it by the existing telephone company for such message, as the case may be.

(12) If the existing telephone company makes default in complying with any of the provisions of this Section, it shall be liable to a penalty not exceeding twenty-five dollars for each and every day during which such default continues.

(13) Where no provision is made in this Act for tolls or rates for telephone service thereunder, such tolls or rates shall be determined by the Board. R.S., c. 407, s. 20.

Authority for existing company to disconnect line

21 Whenever it appears to the Board that the telephone line of the company is not being maintained in good working order, or whenever for any other reason it appears to the Board to be expedient, the Board may authorize the existing telephone company to disconnect its line and to keep the same disconnected from that of the company until the Board otherwise orders. R.S., c. 407, s. 21.

Desire to occupy district partly occupied

22 (1) Where the company desires to construct its telephone line and install its telephones within a district occupied in part by an existing company, it may apply to the Board, and if the Board, after such investigation as it deems necessary in the circumstances, is satisfied that the public interests in such district will be best served by the company, may order the existing company to withdraw its service from such district upon such terms and subject to such conditions as the Board determines.

(2) It shall be a term in any such order that compensation be paid to such existing company for any loss of its poles, wires and fixtures and other equipment occasioned by the withdrawal of such service.

(3) The loss to the existing company occasioned by any such order shall be determined in such manner as the Board may prescribe. R.S., c. 407, s. 22.

Placing wire on pole of existing company

23 The company may apply to the Board for permission to place its wires on any of the poles of any existing telephone company within or without the rural district served by the company, and the Board may grant such permission upon such terms and conditions as it thinks fit and, when such permission is granted, the company, subject to any such terms and conditions, shall be entitled to place its wires upon the poles in respect to which such permission has been granted. R.S., c. 407, s. 23.

Agreement between companies

24 (1) Every company incorporated pursuant to this Act may enter into any agreement with any other company providing in respect to such company's telephone systems respectively for exchange service, connection, inter-communication, joint operation, reciprocal use, transmission of messages or any other matter, on such terms and conditions as are deemed expedient.

(2) No such agreement shall be valid unless and until the same is approved by the Board.

(3) If such companies fail to agree, the Board may, on application, make an order providing in respect of such companies' respective telephone systems for exchange service, connection, inter-communication, joint operation, reciprocal use, transmission of messages or any other matter on such terms and conditions as the Board deems expedient. R.S., c. 407, s. 24.

Entitlement to membership in company

25 Any person resident in the rural district served by the company shall be entitled to become a member of the company on paying to the company on account of the undertaking entered into on his behalf by the memorandum of association the same amount, if any, as that which each of the other members has up to that time been called upon to pay on account of such undertaking, together with such additional amount, if any, as the Board determines, and on subscribing in the presence of at least one witness and delivering to the secretary of the company an agreement as nearly as may be in Form B in the Schedule to this Act. R.S., c. 407, s. 25.

Duty to furnish service

26 The company shall furnish telephone service to every member who desires the same and complies with the company's by-laws, rules or regulations, and the company shall provide reasonable facilities for the use of its lines by others, but shall not without its consent be compelled to provide individual line service for either its members or others, unless such persons defray the capital cost of providing the facilities necessary for the furnishing of such individual line service. R.S., c. 407, s. 26.

Transfer of interest in company

27 Any member of the company shall be at liberty to transfer his interest in the company to any person resident in the rural district, not already a member of the company, and notice in writing to the secretary of the company, signed by such member and the person to whom such transfer is made, shall entitle such transferee to all the privileges and make him liable for all the obligations of membership previously enjoyed or assumed by such member, provided that such transferee shall, in addition, pay to the company any expenses occasioned by any change in the location of a substation made necessary by such transfer. R.S., c. 407, s. 27.

Notice to member to pay call or other moneys due

28 (1) If any member fails to pay any call or other moneys due from the member in his character of member, the directors may, at any time during such time as the call or other moneys as aforesaid remain unpaid, serve a notice on the member requiring the member to pay such call or other moneys together with interest and any expenses that have accrued by reason of such non-payment.

(2) The notice shall name a day on or before which such call or other moneys as aforesaid and all interest and expenses that have accrued by reason of such non-payment are to be paid and shall also name the place where payment is to be made.

(3) The notice shall also state that in the event of non-payment at or before the time and the place appointed the member shall be liable to be expelled from the company.

(4) If the requirements of any such notice are not complied with, any member may at any time thereafter before payment of all such calls or other moneys, interest and expenses has been made, be expelled from the company by resolution of the directors to that effect, but such member shall, notwithstanding, be liable to pay to the company all calls or other moneys due by the member in his character as a member at the time he is expelled. R.S., c. 407, s. 28.

Pleading in action against member by company

29 In any action or suit brought by a company against any member to recover any call or other moneys due from such member in his character of member, it shall not be necessary to set forth the special matter, but it shall be sufficient to allege that the defendant is a member of the company and indebted to the company in respect of a call made or other money due whereby an action or suit has accrued to the company. R.S., c. 407, s. 29.

General meeting and voting

30 A general meeting of every company shall be held at least once in every year and at every general meeting each member shall be entitled to have one vote on each question submitted to the meeting. R.S., c. 407, s. 30.

By-laws and regulations

31 A company may at any general meeting called for the purpose from time to time make by-laws, rules and regulations for the management of the company or for the better carrying out of the provisions of this Act provided that no such by-laws, rules or regulations shall be effective until approved by the Governor in Council and delivered to and registered by the Registrar. R.S., c. 407, s. 31.

Regulations in Table A

32 If a company has no by-laws, rules and regulations, or if it has by-laws, rules and regulations in so far as they do not exclude or modify the regulations in Table A in the Schedule to this Act, the regulations in Table A in the Schedule shall so far as applicable be the regulations of the company in the same manner and to the same extent and capable of being changed by the company in the same manner as if they were contained in duly approved and registered by-laws, rules and regulations. R.S., c. 407, s. 32.

Schedule of rates for non-members

33 (1) Notwithstanding any of the provisions of the *Public Utilities Act*, a schedule of rates, rentals and tolls to be charged for telephone service to those who are not members of the company shall be adopted by the directors of the company, who may alter or amend the same or may repeal such schedule and substitute another schedule in lieu thereof but no such schedule, alteration, amendment or repeal shall be effective until the same has been approved of by the Board.

(2) Notwithstanding any of the provisions of the *Public Utilities Act*, when the revenues of the company, including the revenues derived from rates, rentals and tolls to be charged for telephone service pursuant to subsection (1) and from any other source is insufficient for the purpose of the company or, where there is no revenue, the directors shall, for the purpose of providing the additional revenue required or for providing the revenue required, as the case may be, adopt a schedule of rates, rentals and tolls to be charged for telephone service to members and may alter or amend the same, or may repeal such schedule and substitute another schedule in lieu thereof, but no such schedule, alteration, amendment or repeal shall be effective until the same has been approved of by the Board. R.S., c. 407, s. 33.

Power to change boundaries of district

34 Any company by a resolution passed by a two-thirds majority of the members of the company present in person or by proxy at a meeting called for the purpose may so far modify the conditions contained in its memorandum of association as to enlarge the boundaries of the rural district to be served by the company or may so far modify the conditions contained in its memorandum of association as to abandon in whole or in part the rural district allotted to such company by the Board, but no such modification shall be effective until the resolution has been approved of by the Board and a copy of such resolution certified by the Clerk of the Board to have been so approved has been delivered to and registered by the Registrar. R.S., c. 407, s. 34.

Power to change name of company

35 Any company by a resolution passed by a two-thirds majority of the members of the company present in person or by proxy at a meeting called for the purpose, may change its name, but no such change of name shall be effective until a certified copy of the resolution has been delivered to, approved of and registered by the Registrar. R.S., c. 407, s. 35.

Power to alienate undertaking of company

36 Any company, by a resolution passed by a majority of not less than three fourths of such members of the company entitled to vote, as are present in person or by proxy at a general meeting of the members of the company of which notice specifying the intention to propose such resolution has been duly given, and confirmed by a majority of such members entitled to vote as are present in person or by proxy at a subsequent general meeting, of which notice has been duly given, and held at an interval of not less than fourteen days, nor more than one month, from the date of the first meeting, may sell or dispose of the undertaking of the company or

any part thereof, to an existing telephone company, for such consideration as the members of the company may think fit, but no such sale shall be effective until such resolution so confirmed has been approved by the Board and a copy of such resolution certified by the Clerk of the Board to have been so approved has been delivered to and registered by the Registrar. R.S., c. 407, s. 36.

No dividend or bonus

37 The company shall not declare or pay any dividend or bonus. R.S., c. 407, s. 37.

Cash subsidy for lines

38 (1) The Governor in Council is authorized to grant to any company a cash subsidy at a rate not exceeding fifty dollars for each mile of its telephone line constructed or acquired pursuant to the provisions of this Act.

(2) The Governor in Council may, in addition to such grant of fifty dollars per mile, grant and pay a cash subsidy of twenty-five dollars per mile to such company for a second circuit of telephone line so constructed and every such additional grant shall be made on such terms and subject to such conditions as the Governor in Council prescribes.

(3) Where, in order to give telephone service to an outlying community or settlement, it is necessary to construct a line through an uninhabited or sparsely settled district, the Governor in Council may, on the recommendation of an inspector, grant and pay an additional subsidy, not exceeding twenty dollars per mile, towards the construction of such line.

(4) Where it is necessary to construct such line through an uninhabited district exceeding fifteen miles in length, the Governor in Council may on the recommendation of an inspector grant and pay a further additional subsidy, not exceeding twenty dollars per mile, towards the construction of such line and such recommendation shall be accompanied by a report showing in detail the facts and circumstances on which the recommendation is based, and such other matters relevant thereto as the Governor in Council may require.

(5) The Governor in Council may grant and pay a cash subsidy of thirty dollars per mile for the construction of local trunk lines connecting the exchanges of adjoining companies or connecting the exchanges of companies and those of existing telephone companies. R.S., c. 407, s. 38.

Deemed public utility

39 Every company incorporated pursuant to this Act shall be deemed to be a public utility within the meaning of the *Public Utilities Act*, and the provisions of the *Public Utilities Act* and the rules and regulations made thereunder shall apply to every such company unless inconsistent with the provisions of this Act. R.S., c. 407, s. 39.

Tax exemption

40 Every company and its telephone system and property is exempt from all assessments, rates and taxes whatsoever. R.S., c. 407, s. 40.

Company property on premises of another

41 No instrument, wire, apparatus or material of or belonging to any company, lawfully supplied or placed upon the premises of any person, firm or corporation by such company, shall be subject to distress or to the landlord's lien for rent of the premises, nor shall the same be taken in execution pursuant to any warrant or process for the collection of taxes against the person in whose possession the same may be. R.S., c. 407, s. 41.

Reserve account

42 (1) For the purpose of renewing and replacing the telephone lines when the same have become unserviceable due to ordinary depreciation or for the purpose of repaying to the Minister of Finance, upon the abandonment of any telephone line or part thereof, any cash subsidy granted to any company by the Governor in Council in respect of such telephone line or part thereof so abandoned, every company that has been or is hereafter paid a subsidy pursuant to this Act, shall yearly on or before the thirty-first day of December deposit at interest in a chartered bank to the credit of an account to be called the "reserve account" of the company, a sum not less than ten per cent of the amount of such subsidy or such part thereof as has not been repaid to the Minister of Finance.

(2) The Board, upon the report of an inspector or plant superintendent that a company has executed repairs to or has renewed, replaced or reconstructed its telephone lines or telephone equipment, may, on the recommendation of an inspector or plant superintendent, make an order permitting the company to withdraw the whole or part of its reserve account to defray the cost of said repairs, renewals, replacements or reconstruction.

(3) Where it is established to the satisfaction of the Board that the telephone line of any company has suffered damage due to extraordinary casualty during the year preceding that for which the deposit to the reserve account is due, the Board may, on application of any company, relieve it from the making of said deposit but such relief may not be granted to any company more than once in any period of ten years.

(4) On or before the thirty-first day of December following the date on which a company was paid such subsidy the yearly sum to be so deposited shall be duly apportioned for that year and the due proportionate part thereof shall be paid into said account.

(5) No moneys to the credit of such account, including accrued interest, shall be withdrawn except by order of the Board and no officer of the company or other person shall draw or sign any cheque or order on any bank on such account for the purpose of withdrawing any moneys to the credit of such account,

unless and until an order of the Board approving such withdrawal has been first had and obtained.

(6) Any such officer or other person who violates the provisions of this Section shall be liable to a penalty equal to twice the amount of the sum withdrawn or set out in such cheque or order, as the case may be, and such penalty shall be recoverable with full costs from any person liable therefor in any court of competent jurisdiction by an action brought by the Minister of Finance in his name of office, and such action may be continued by his successor in office as if no change had occurred.

(7) Every such company shall, on or before the last day of January in each year, make a return to the Board of the amount to the credit of such account and such return shall be certified by the manager of the branch of the bank in which such account is kept.

(8) If any company makes default in complying with any of the provisions of this Section, the Board may order the existing telephone company to disconnect its line and keep the same disconnected from that of the company until the Board otherwise orders.

(9) If a company fails to furnish telephone service in the rural area allotted to it by the Board and if it appears to the Board that the company is unable or unwilling to furnish adequate telephone service the Board may make an order permitting the Minister of Finance to withdraw all moneys to the credit of the reserve account of the company and on such order being made the said moneys shall become absolutely vested in Her Majesty in right of the Province.

(10) Where any company abandons in whole or in part any telephone line erected in the rural district allotted to it by the Board and obtains the approval of the Board to such abandonment such company may be required to repay at once to the Minister of Finance the amount of any and all subsidies granted to it by the Governor in Council in respect of the telephone line or part thereof so abandoned and for the purpose of providing for or helping to make such payment, the Board may, if the company abandons part of its telephone line make an order permitting the company to withdraw from its reserve account such sum as the Board may approve but in no event any greater sum than the Board may find to be properly referable to the part of the telephone line so abandoned and, if the company abandons the whole of its telephone line, the Board may make an order permitting the company to withdraw all moneys to the credit of its reserve account.

(11) Whenever the Board has authorized any existing telephone company to disconnect its line from the line of the company on account of the failure of the company to make the required deposits to its reserve account the Board, on receipt of a report from an inspector that such company has renewed and replaced its lines, may order the existing company to reconnect its line with the line of such company on such terms and conditions as may appear to the Board to be fair and just. R.S., c. 407, s. 42.

Loan by Governor in Council

43 (1) The Governor in Council may, from time to time, advance by way of loan to any company from the amount or amounts from time to time authorized by the Legislature for such purpose, such sum or sums as may be necessary for carrying out the purposes of this Act, such sum or sums so advanced to be subject to such terms and conditions as to repayment as the Governor in Council may determine.

(2) The Governor in Council may authorize and direct the Minister to enter into and execute on behalf of Her Majesty in right of the Province any agreement or agreements with any such company required to carry out the provisions of this Section or any orders in council made hereunder.

(3) The provision of the *Public Utilities Act* requiring the approval and consent of the Board of Commissioners of Public Utilities to certain borrowing by public utilities shall not apply to loans granted pursuant to this Section. R.S., c. 407, s. 43.

Certain contracts between companies prohibited

44 No contract respecting any matter in respect of which provision is made by this Act shall be made or entered into between a company and an existing telephone company and, if any such contract has been or is hereafter made or entered into, the same shall be void. R.S., c. 407, s. 44.

Use by others of current or apparatus of company

45 (1) No person shall lay or cause to be laid any conductor which shall communicate with any conductor belonging to any company without the consent of such company, and no person shall in any way obtain, utilize or use the wires or electric current or service of any company or attach any instrument or apparatus to any conductor or instrument of any company without the consent of such company.

(2) If any person wilfully or maliciously violates any of the provisions of this Section, such person shall be liable to a penalty of one hundred dollars, and to a further penalty of forty dollars for every day during which such violation continues. R.S., c. 407, s. 45.

No interference with property or service

46 (1) No person shall break, interfere with, molest, injure or destroy any instrument, wire, fuse, fitting, post, line material or property of or belonging to any company, or in any way obstruct, disturb or impede the action, operation or working of any line or instrument of any company, or in any way obstruct, impede or interfere with any worker or employee of any company or an inspector or plant superintendent or linemen in the performance of their duties.

(2) If any person wilfully or maliciously violates any of the provisions of this Section such person shall be liable to a penalty not exceeding forty dol-

lars or to imprisonment for a term not exceeding one month, or to both. R.S., c. 407, s. 46.

Summary Proceedings Act

47 The penalties and imprisonment prescribed for any of the violations of this Act shall be recovered or enforced pursuant to the *Summary Proceedings Act*. R.S., c. 407, s. 47.

Effect and enforcement of order of Board

48 Any decision or order made by the Board pursuant to this Act, shall have the same force and effect and may be enforced in the same manner as any decision or order made by the Board pursuant to the *Public Utilities Act*. R.S., c. 407, s. 48.

SCHEDULE

Form A

Rural Telephone Act

MEMORANDUM OF ASSOCIATION

1 The name of the company is Mutual Telephone Company, Limited.

2 The objects for which the company is established are to acquire, construct, lease, maintain and operate within the rural district hereinafter described, a telephone system for the members of the company and for other persons, and the doing of all such other things as are incidental or conducive to the attainment of those objects.

3 The boundaries of the rural district proposed to be served by the company are as follows:

4 Each member of the company undertakes to contribute to the assets of the company

(a) from time to time during the time that he is a member such sum as the company in general meeting or the directors from time to time deem requisite for the purposes of the company; and

(b) during the time that he is a member or within one year afterwards, in the event of the company being wound up, such sum as is required for the payment of the debts and liabilities of the company contracted before the time at which he ceased to be a member, and of the costs, charges and expenses of winding up the company, and for the adjustment of the rights of the contributories among themselves,

provided that the aggregate amount which each member is liable to so contribute shall not exceed \$.

We, the several persons whose names, addresses and occupations are subscribed, are desirous of being formed into a company in pursuance of this Memorandum of Association.

Names, address and occupation of subscribers.

Witness to the above signatures

.
Occupation
Address

Province of Nova Scotia

I, of in the County of (occupation) make oath and say as follows:

- 1. That I am a subscribing witness to the foregoing Memorandum of Association.
- 2. That I know (here state the names of the subscribers whose subscriptions have been witnessed by the deponent)
- 3. That each of said persons subscribed his name, his address and his occupation to the foregoing Memorandum of Association in my presence, and that each of them resides within the boundaries of the rural district described in said Memorandum.

Sworn to at in the County of this day of 19....., before me

..... A Justice of the Peace in and for the County of

Form B

Rural Telephone Act

AGREEMENT TO BECOME A MEMBER

The Mutual Telephone Company, Limited

We (or I), the subscriber, hereby agree to become a member of the above-named company subject to the provisions of its Memorandum of Association and the by-laws, rules and regulations which may have been or which may hereafter be lawfully made by the members of the company.

Dated the day of, 19.....

..... (signature of subscriber)

..... (occupation)

..... (address)

Witnesses to the above signatures,

..... (signature of witness)

..... (address of witness)

..... (occupation of witness)

Table A

Regulations for Management of
a Company Incorporated pursuant to
the Rural Telephone Act

PRELIMINARY

1 In these regulations, unless the context otherwise requires, expressions defined in the Rural Telephone Act shall have the meaning so defined and the words importing the masculine gender shall include feminine gender and words importing persons shall include bodies corporate, and the expression "the Act" means the Rural Telephone Act.

2 "subscribers" shall mean and include members of the company and non-members purchasing telephone service from the company.

3 "call" shall mean a demand on the member of the company to contribute to the assets of the company pursuant to the undertaking of the member contained in clauses 4(a) and 4(b) of the memorandum of association of the company.

CALLS

4 A call shall be deemed to have been made at the time when the resolution authorizing the call was passed by the company in general meeting or by the directors.

5 Fourteen days notice of any call shall be given specifying the time and place of payment, and to whom such call shall be paid.

TRANSMISSION OF INTEREST

6 The executors or administrators of a deceased holder of an interest in the company shall be the only person recognized by the company as having any title to the interest.

7 Any person resident in a rural district and not a member of the company becoming entitled to an interest in the company in consequence of the death, insolvency, or bankruptcy of any member, or by assignment of the heirs-at-law of any deceased member, may with the consent of the directors, which they shall not be under any obligation to give and upon the production of such evidence as may be required by the directors, be registered as a member in respect of such interest.

BORROWING POWERS

8 The directors on behalf of the company may

(a) raise or borrow money for the purposes of the company or any of them;

(b) secure the repayment of money so raised or borrowed in such manner and upon such terms and conditions in all respects as they think fit; provided that the power to pledge or to execute mortgages of the company's real or personal property shall not be exercised by the directors, except with the sanction of a resolution passed by a majority of not less than two thirds of such members entitled to vote, as are present in person or by proxy at a general meeting of which notice specifying the intention to propose the resolution has been given by the notice calling the meeting.

MEETINGS

9 The first general meeting of the company, hereinafter called the statutory meeting, shall be held at such time within four months from the date of registration of the memorandum of association of the company, and at such place as the directors may determine.

10 At the statutory meeting any resolution may, if all the members of the company are present in person, be discussed and passed whether notice thereof has or has not been given in accordance with these articles.

11 Other general meetings of the company shall be held at least once in every calendar year, at such time and place as may be determined by the directors, provided that it shall not be necessary to hold a general meeting during the calendar year in which the statutory meeting is held.

12 The general meetings referred to in the next preceding paragraph shall be called ordinary meetings, and all other meetings of the company, other than the statutory meeting, shall be called special meetings.

13 (1) The directors may, whenever they think fit, and they shall on the requisition of one half of the members of the company convene a special general meeting of the company.

(2) The requisition must state the objects of the meeting, and must be signed by the requisitionists and deposited at the registered office of the company, and may consist of several documents in like form, each signed by one or more requisitionists.

(3) If the directors do not proceed to cause a meeting to be held within twenty-one days from the date of the requisition being so deposited the requisitionists, or the majority of them, may themselves convene the meeting, but any meeting so convened shall not be held after three months from the date of the deposit.

(4) If at any such meeting a resolution requiring confirmation at another meeting is passed, the directors shall forthwith convene a further special general meeting for the purpose of considering the resolution and, if the directors do not convene the meeting within seven days from the date of the passing of the first resolution, the requisitionists, or a majority of them, may themselves convene the meeting.

(5) Any meeting convened under this paragraph by the requisitionists shall be convened in the same manner, as nearly as possible, as that in which meetings are to be convened by directors.

14 Seven clear days' notice at the least of every general meeting, specifying the place, day and hour of the meeting, and in case of special business, the general nature of such business shall be given to the members entitled to be present at such meeting, and with the consent in writing of all the members, a meeting may be convened by a shorter notice and in any manner they think fit, or if all the members are present at a meeting, notice thereof may be waived.

15 Where it is proposed to call two meetings pursuant to Section 36 of the Act, the two meetings may be convened by one and the same notice, and it shall be no objection to said notice that it only convenes the second meeting contingently on the resolution being passed by the requisite majority at the first meeting.

16 The non-receipt by any member of any notice duly given in accordance with the provisions of these regulations shall not invalidate any proceedings had at any general meeting.

PROCEEDINGS AT GENERAL MEETINGS

17 The regular business of an ordinary meeting other than the statutory meeting shall be to receive and consider the profit and loss account, the balance sheet and the reports of the directors and of the auditors, to elect directors and other officers in the place of those retiring, and to transact any other business which, under these regulations, or the Act, ought to be transacted at an ordinary meeting.

18 (1) Two members personally present shall be a quorum of a general meeting for the choice of a chairman, and for the adjournment of the meeting.

(2) For all other purposes the quorum of a general meeting shall be three members.

19 No business shall be transacted at any general meeting unless the quorum requisite be present at the time when the meeting proceeds to business.

20 The president of the company shall be entitled to take the chair at every general meeting, or adjournment thereof, or if there be no president, or if at any meeting he is not present, the vice-president if any, of the company shall take the chair, or if the vice-president be also absent, the members present shall choose another director as chairman, and if no director be present, or if all the directors present decline to take the chair, then the members present shall choose one of their number to be chairman.

21 If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of members, shall be dissolved; in any other case it shall stand adjourned to the same day in the next week, at the same time and place, and, if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting the members present shall be a quorum and may proceed to transact the business for which the meeting was called.

22 (1) The chairman may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

(2) When a meeting is adjourned for ten days or more, notice of the adjourned meeting shall be given as in the case of an original meeting, save as aforesaid it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

VOTING AT GENERAL MEETINGS

23 At any general meeting each member of the company entitled to vote, who is present in person or by proxy shall be entitled to one vote on any resolution.

24 The chairman of any general meeting shall in the case of an equality of votes, have a casting vote in addition to the vote he may be entitled to as a member.

25 (1) The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorized in writing, or, if the appointer is a corporation, either under the common seal, or under the hand of an officer or attorney so authorized.

(2) No person shall act as a proxy unless either he is entitled on his own behalf to be present and vote at the meeting at which he acts as proxy or he has been appointed to act at the meeting as a proxy for a corporation.

26 Where the exercise of a right or obligation to elect belonging to or imposed on a member is the subject of a representation order made pursuant to the *Adult Capacity and Decision-making Act*, the member may vote by the member's representative appointed pursuant to that Act and the representative may vote by proxy.

27 No instrument appointing a proxy shall be valid after the expiration of twelve months from the date of its execution.

28 A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death of the principal or revocation of the proxy, or transfer of the share in respect of which the vote is given, provided no intimation in writing of the death, revocation or transfer shall have been received before the meeting by the company.

29 Every instrument of proxy, whether for a specified meeting or otherwise, shall, as nearly as the circumstances will admit, be in the form or to the effect following:

.....Limited

I, of, in the being a member of Limited, hereby appoint of or failing him of as my proxy, to vote for me and on my behalf at the ordinary general meeting of the Company to be held on the day of and at any adjournment thereof, or at any meeting of the Company which may be held within months from the date hereof.

As witness my hand this day of
Signed by the said in the presence of

DIRECTORS

30 The directors shall have power from time to time and at any time, to appoint other persons to be directors, either to fill a casual vacancy or as an addition to the board, but so that the total number of directors shall not at any time exceed the maximum number, fixed by the Act, and so that no such appointment shall be effective unless two thirds of the directors concur therein.

31 Every director shall be a member of the company.

32 A director may retire from his office upon giving one month's notice in writing to the company of his intention so to do, and such resignation shall take effect upon the expiration of such notice or its earlier acceptance.

33 The continuing directors may act notwithstanding any vacancy in their body, but so that if the number falls below the minimum fixed by the Act the directors shall not, except for the purpose of filling vacancies, act so long as the number is below the minimum.

34 The office of director shall be vacated if the director

- (a) ceases to be a member of the company;
- (b) is found to be an incompetent person or becomes of unsound mind;

or

- (c) resigns his office.

35 (1) At the statutory and at every ordinary meeting all the directors shall retire from office, but shall hold office until the dissolution of the meeting at which their successors are elected.

(2) The company shall at such meeting fill up the vacant offices by electing a like number of persons to be directors, unless it is determined at such meeting to reduce the number of directors. A retiring director shall be eligible for re-election.

36 If at any ordinary meeting at which an election of directors ought to take place no such election takes place, the retiring directors shall continue in office until their successors are elected and a general meeting for that purpose may on notice be held at any time.

37 The company in general meeting may from time to time determine the number of directors in conformance with the Act, and may determine or alter their qualification.

38 The company may, by a resolution passed by a majority of not less than two thirds of such members entitled to vote who are present in person or by proxy remove any director before the expiration of his period of office and appoint another qualified person in his stead; and the person so appointed shall hold office during such time only as the director in whose place he is appointed would have held the same if he had not been removed.

REGISTERS

39 The director shall cause to be kept a proper register, containing the names and address and occupations of the directors and officers.

PROCEEDINGS OF DIRECTORS

40 The directors may meet together for the dispatch of business, adjourn and otherwise regulate their meetings and proceedings as they think fit, and may determine the quorum necessary for the transaction of business but, until otherwise determined, three directors shall be a quorum.

41 The directors may from time to time make arrangements relating to the time and place of holding directors' meetings, the notices to be given thereof and what meetings may be held without notice and, unless otherwise provided by such arrangements,

(a) a meeting of directors may be held at the close of every ordinary general meeting of the company without notice;

(b) twenty-four hours notice of every other directors' meeting shall be given to each director.

42 The president or any two directors may at any time, and the secretary, upon the request of the president or two directors, shall, convene a meeting of the directors.

43 Questions arising at any meeting of directors shall be decided by a majority of votes, and in case of an equality of votes the chairman shall have a second or casting vote.

44 (1) The directors may elect a chairman of their meetings, who shall be called the president of the company.

(2) They may also elect a vice-chairman, who shall be called the vice-president of the company.

(3) The president of the company shall preside at the meetings of the directors; but, if there be no president, or if at any meeting of directors the president is not present within five minutes after the time appointed for holding the same, the vice-president of the company shall preside.

(4) If neither the president nor vice-president be present at any meeting within the time aforesaid, the directors present shall choose one of their number to be chairman of the meeting.

(5) The directors may at any time supersede the president or vice-president and elect others to take their places.

45 The secretary and treasurer of the company shall be appointed by the directors. If the directors think fit the same person may hold both offices.

46 All acts done at any meeting of the directors, or of a committee of directors, or by any person acting as a director, shall, notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such directors or persons acting as aforesaid, be as valid as if every such person had been duly appointed to be a director.

47 A resolution in writing, signed by all the directors shall be as valid and effectual as if it has been passed at a meeting of the directors duly called and constituted.

MINUTES

48 The directors shall cause minutes to be duly entered in books provided for the purpose of

(a) all appointment of officers;

(b) the names of the directors present at each meeting of the directors, and at any committee of directors;

(c) all orders made by the directors and committees of directors;

(d) all resolutions and proceedings of general meetings and of meetings of the directors and committees of directors,

and any such minutes of any meeting of directors, or of any committee of directors, or of the company, if purporting to be signed by the chairman of such meeting or by the chairman of the next succeeding meeting shall be received as prima facie evidence of the matters stated in such minutes.

POWERS OF DIRECTORS

49 The management of the business of the company shall be vested in the directors, who, in addition to the powers and authorities by these regulations or otherwise

expressly conferred upon them, may exercise all such powers and do all such acts and things as may be exercised or done by the company and are not hereby or by the memorandum of association of the company or by statute expressly directed or required to be exercised or done by the company in general meeting, but subject nevertheless to the provisions of the statutes in that behalf, and of these regulations and to any determinations from time to time made by the company in general meeting, provided that no determination so made shall invalidate any prior act of the directors which would have been valid if such determination had not been made.

THE SEAL

50 The seal of the company shall not be affixed to any instrument, except by the authority of a resolution of the board of directors and in the presence of at least one director and of the secretary or such other person as the directors appoint for the purpose; and that one director and secretary or other person as aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

ACCOUNTS

51 The directors shall cause true accounts to be kept of the sums of money received and expended by the company, and of the matters in respect of which such receipt and expenditure take place, and of all sales and purchases of goods by the company, and of the assets, credits and liabilities of the company.

52 The books of account shall be kept at the registered office of the company, or at such other place or places as the directors think fit.

53 The directors shall from time to time determine whether and to what extent, and at what times and places, and under what conditions and regulations, the accounts and books of the company or any of them shall be open to the inspection of the members, and no member shall have any right of inspecting any account or book or document of the company except as conferred by statute or authorized by the directors, or by a resolution of the company in general meeting.

54 At every ordinary meeting in every year the directors shall lay before the company a profit and loss account, and a balance sheet, containing a summary of the assets and liabilities of the company, made up to the date fixed by the company as the end of its fiscal year.

55 Every such balance sheet shall be accompanied by a report of the directors as to the state and condition of the company.

AUDIT

56 The company in general meeting shall appoint auditors to audit the books and accounts of the company for the ensuing year.

NOTICES

57 A notice may be served by the company upon any member either personally or by sending it through the post in a prepaid envelope or wrapper, addressed to such member at his registered place of address.

58 Each member may from time to time notify in writing to the company an address in the Province of Nova Scotia which shall be deemed his registered place of address within the meaning of the last preceding article.

59 Any notice sent by post shall be deemed to have been served on the day following that on which the envelope or wrapper containing the same is posted, and in proving such service it shall be sufficient to prove that the envelope or wrapper containing the notice was properly addressed and put into the post office with the postage prepaid on it.

60 Any notice or document so delivered or sent by post or left at the registered address of any member, in pursuance of these regulations shall, notwithstanding such member be then deceased, and whether or not the company have notice of his decease, be deemed to have been duly served, until some other person be registered in his stead, and such service shall for all purposes of these presents be deemed a sufficient service of such notice or document on his or her heirs, executors or administrators, and all persons, if any, jointly interested with him or her in any such interest.

61 The signature to any notice to be given by the company may be written or printed.

62 Where a given number of days notice or notice extending over any other period is required to be given, the day of service shall, unless it is otherwise provided, be counted in such number of days or other period.

TELEPHONE SERVICE

63 Telephone service shall be available to all persons resident within the area set out in the memorandum of association of the company, provided the terms of these regulations are complied with.

64 No telephone service shall be furnished by the company until a regular application form has been signed by the prospective subscriber.

65 Standard contracts for members shall be for a period of one year and shall be self-renewing, expiring on six months written notice by either party.

66 Standard contracts for non-members shall be for a period of one year and shall be self-renewing, expiring on twelve months written notice by either party.

67 (1) An applicant for service may be required to make a deposit with the company equal to the estimated charges for three months service, including the regular telephone charges, tolls, messages and flat rate service.

(2) Such deposit shall be held as security for all payments due the company from the subscriber and shall be returned when the subscriber ceases to use the service and pays all bills.

68 All bills for flat rates and toll and message services shall be rendered monthly and are due and payable within fifteen days after the date rendered.

69 (1) The company shall have the right to disconnect any subscriber whose bills remain unpaid thirty days after the same became due and payable but such disconnection shall not be made unless ten days' notice in writing has first been given to the subscriber.

(2) Any subscriber so disconnected shall pay all bills outstanding and a sum of two dollars for disconnecting and the sum of two dollars for being reconnected.

70 When telephone service is rendered for a less period than twelve months the subscriber shall pay all flat rate, toll and message services incurred during the period the service was rendered, and the additional sum of two dollars to cover the cost of connection and the sum of two dollars to cover the cost of disconnection.

71 The company shall have the right to discontinue the service of any subscriber who uses or permits the use of profane or obscene language from his or her telephone.

72 (1) A company may examine each telephone box connected with its telephone lines.

(2) If a telephone box owned by the member or subscriber is found to be defective the company may disconnect that member or subscriber from its telephone lines until such time as the telephone box of the member or subscriber is found to be operating in a manner satisfactory to the company.

(3) If the telephone box is owned by the company it may remove the telephone box for purposes of repair; provided, however, that the company shall effect the necessary repair with as little delay as possible.

R.S., c. 407, Sch.; 2007, c. 17, s. 21; 2017, c. 4, s. 97.
