

HomeWorks Tri-County Electric Cooperative Retail Access Service Tariff

I. Introduction and Definitions

When a Member-Consumer participates in Retail Access Service and obtains generation services from an alternative electric supplier (AES), the Cooperative will maintain a relationship and interact with the separate participants - including the Member-Consumer, the transmission service provider, and the AES.

The Member-Consumer's role:

The Member-Consumer is the end-user of power in the state of Michigan who has facilities connected to the Cooperative's distribution system. Under Retail Access Service, the Member-Consumer will conduct transactions with at least two participants - including the Cooperative and an AES. The Member-Consumer is responsible for choosing an AES. Member-Consumers may receive transmission service directly from the transmission service provider or the AES may make such arrangements as part of its service to the Member-Consumer.

The Cooperative's principal requirement is that the Member-Consumer must be taking service under the Cooperative's Schedule CD or Schedule PSDS and have a Maximum Demand of at least 1 MW. An individual Member-Consumer currently demand-metered and who is eligible to take service under the Cooperative's Schedule CD may achieve the Maximum Demand threshold by aggregating or summing the Maximum Demands for each metering point occurring during a single month. All charges or fees specified herein and all related rate schedules apply to aggregated metering points on an individual account basis. No more than 30% of the total number of member-consumers who meet the Maximum Demand of at least 1 MW may be eligible for service under this tariff.

The Member-Consumer is ultimately responsible for the purchase and delivery of power to the Cooperative's distribution system, sufficient to meet the Member-Consumer's electrical requirements for each hour of each day. If for any reason, including but not limited to the failure or default of the AES, the failure of its generation resources and/or transmission system constraints, power is delivered to a retail open access Member-Consumer by the Cooperative, then the Member-Consumer shall purchase said power from the Cooperative pursuant to the default service provisions of this tariff.

The Alternative Electric Supplier's role:

An alternative electric supplier (AES) is licensed by the state of Michigan to sell electric generation service to retail consumers in the state. The AES takes title to power and sells power in Michigan's retail electric market. An AES makes necessary arrangements to provide power to Member-Consumers, assembles products and/or services, and sells the products and/or services to Member-Consumers. The AES must meet all applicable statutory and regulatory requirements of Michigan and federal law.

Market participation responsibilities of the AES or Member-Consumer include: scheduling energy, obtaining and paying for transmission and ancillary services (including energy imbalance charges), and payment or provision of energy for losses incurred on the transmission system and the distribution system to deliver power. The AES is responsible for assuring power supply, arranging deliveries to the Cooperative's distribution system, and managing its own retail sales.

The Transmission Service Provider's role:

The transmission service provider delivers electrical energy to the Cooperative's distribution system. To obtain retail access service, the Member-Consumer, or the AES on behalf of the Member-Consumer, must arrange for transmission service from the transmission service provider. The transmission service provider provides services to transmission consumers, whether an AES or a Member-Consumer as defined herein, pursuant to its Open Access Transmission Tariff (OATT) rules and regulations as approved by the Federal Energy Regulatory Commission or pursuant to a transmission tariff approved by another appropriate regulatory authority.

The Cooperative's role:

The Cooperative provides facilities and related services for the distribution of electricity and is the Member-Consumer's primary contact for electric service. Under Retail Access, the Cooperative arranges for the physical connection of the Member-Consumer's facilities to the distribution system and provides system maintenance, outage restoration, metering equipment, meter data processing, bill processing for distribution services and other consumer support services.

The Cooperative's generation services (default service and full requirements service) offered herein are supplied by purchases for resale from the Cooperative's wholesale power supplier. Such purchases are made pursuant to tariffs that are established by the wholesale power supplier and approved by the Federal Energy Regulatory Commission or other appropriate regulatory authority.

Definitions:

"Aggregate" or "Aggregation" means to combine or the combination of multiple metering points serving an individual Member-Consumer for the purpose of qualifying for Retail Access Service.

"Alternative Electric Supplier" or "AES" means a person properly licensed by the state of Michigan to sell electric generation service to retail consumers in the state. AES does not include a person who physically delivers electricity from the AES directly to retail consumers in Michigan.

"Cooperative" means HomeWorks Tri-County Electric Cooperative, or its agent.

"Default Service" means generation service provided by the Cooperative. Default service shall be purchased under the rates, terms, and conditions in the applicable Retail Access Standby Service tariff.

"Distribution Point of Delivery" means the point of interconnection between the Cooperative's distribution system and the Member-Consumer's service location.

"Distribution Point of Receipt" means the point of interconnection between the Cooperative's distribution system and the transmission system or other facilities where electric energy is received for delivery to a Member-Consumer.

"Distribution Service" means the provision of retail regulated electric service including delivery of Generation over the distribution system, and ancillary services all provided by the Cooperative pursuant to its rates for Retail Access Service.

"Distribution System" means facilities operated by the Cooperative for the purpose of distributing electric power within the Cooperative's electric service territory.

"Drop Request" means a request by an AES to terminate generation service to a Member-Consumer.

"Drop Response" means a response sent by the Cooperative to an AES which submitted a drop request that confirms the requested Member-Consumer drop as pending and provides certain Member-Consumer information or, if the drop request is denied, provides a reason or invalidation code explaining why the request was denied.

"Energy" refers to electrical energy, usually measured in kilowatt-hours (kWh) or megawatt-hours (MWh).

"Full Requirements Service" means the provision of retail regulated electric service including generation, transmission, distribution, and ancillary services all provided by the Cooperative pursuant to its rates for standard electric service.

"Generation Service" means the provision of electric power, transmission, and related ancillary services.

"Interval Demand Meter" means a meter capable of measuring and recording kW demands and kVAR demands on a sub-hour time interval and hourly integrated basis and measuring energy in kWh on a cumulative basis.

"Load" means any end-use device drawing energy from the electric system.

"Location" means each Member-Consumer facility, whether owned or leased, where power is delivered by the Cooperative.

"Maximum Demand" (also known as "peak demand") means the highest 15-minute integrated demand created during the current and previous 11 billing months at each voltage level, whether the Member-Consumer received service under this tariff or another Cooperative retail tariff.

"Member-Consumer" means, for purposes of Retail Access Service, a person with electrical load facilities connected to the Cooperative's distribution system and to whom power is delivered to its location pursuant to this tariff. All Member-Consumers, regardless of the voltage level of the service,

are considered to be connected to the Cooperative's distribution system.

"Open Access Transmission Tariff (OATT)" means Open Access Transmission Tariff of a person owning or controlling the Transmission System, on file with the Federal Energy Regulatory Commission, as may be amended from time to time.

"Person" means an individual, governmental body, corporation, partnership, association, or other legal entity.

"Power" means a combination of the electric demand and energy requirements of the Member-Consumer.

"Retail Access Service" means the service offered by the Cooperative under applicable laws, regulations, tariffs and agreements, which allows the Member-Consumer to purchase generation service from a licensed AES, with power delivered through the Cooperative's distribution system.

"Relevant Market" means either the Upper Peninsula or the Lower Peninsula of this state.

"Slamming" means the act of changing the Member-Consumer's chosen AES, or changing the Member-Consumer from full requirements service to generation service from an AES, without the Member-Consumer's consent.

"Switch" means a Member-Consumer move from one provider of generation service to another.

"Switch Date" means the date on which the Member-Consumer is actually assigned to a new generation service provider for purposes of energy supply responsibility.

"Switch Request" means a request by an AES to switch the Member-Consumer from the Cooperative or another AES to the requesting AES, for generation service.

"Switch Response" means a response sent by the Cooperative to an AES which submitted a switch request that confirms the requested Member-Consumer switch as pending and provides certain Member-Consumer information or, if the switch request is denied, provides a reason or invalidation code explaining why the request was denied.

"Transmission Service Provider" means a person that owns, controls and/or operates transmission facilities and provides transmission and related services to the Cooperative, including scheduling of power supply resources into the transmission system on behalf of the Cooperative.

"Transmission System" means facilities operated by a person used for transmitting electric power to the distribution point of receipt, and subject to the jurisdiction of the Federal Energy Regulatory Commission.

"Uniform Data Transaction" means specific technical arrangements for trading information, initiating business requests and executing other common transactions. These arrangements may encompass a number of electronic media and use specified transport protocols.

II. Member-Consumers

Retail Access Service is available to all existing or new Member-Consumers that meet the terms and conditions of this Retail Access Service tariff and other applicable Cooperative tariffs, subject to contracting with an AES.

A. Eligibility:

1. A Member-Consumer's eligibility to take Retail Access Service is subject to the full satisfaction of any terms or conditions imposed by pre-existing contracts with or tariffs of the Cooperative. Member-Consumers must have satisfied any past due amounts for regulated electric service owed to the Cooperative under any other arrangements or provisions for regulated electric service before taking service under this tariff.
2. An individual Member-Consumer who is eligible to take service under the Cooperative's Schedule CD or Schedule PSDS, and having a demand meter with a maximum demand of at least 1 MW, is eligible to take service under this tariff. An individual Member-Consumer receiving demand metered service at multiple metering points and who is eligible to take service under the Cooperative's Schedule CD may achieve the maximum demand threshold by aggregating or summing the maximum demands for each metering point occurring during a single month. All charges or fees specified herein and all related rate schedules apply to aggregated metering points on an individual account basis. No more than 30% of the total number of member-consumers

with a maximum demand of at least 1 MW may be eligible for service under this tariff.

B. Member-Consumer Information:

Member-Consumers will be provided their own usage and billing information upon request. No fee shall be charged for the first request per calendar year related to a specific Member-Consumer account. An AES must obtain written authorization from the Member-Consumer before the Cooperative will provide an AES with a Member-Consumer's currently available usage and billing information. Subsequent requests by the Member-Consumer or the AES will require a fee of \$30.00 per account that will be billed to the Member-Consumer.

C. Member-Consumer Enrollment and Switching:

1. A Member-Consumer which switches to an AES cannot return to the Cooperative's full requirements service for two years after the switch to the AES has been made. See Section II E.
2. A Member-Consumer will specify only one AES at any given time for the supply of power to each Member-Consumer account or Member-Consumer location.
3. A Member-Consumer shall be permitted to change AESs. Assuming all other requirements are met, the changes will become effective at the completion of their normal billing cycle. Member-Consumers will be assessed a fee of \$10.00 per Member-Consumer account for each change beyond one (1) within a calendar year. The change will be submitted to the Cooperative by the Member-Consumer's newly chosen AES as a switch request.
4. The AES shall submit to the Cooperative a switch request via a uniform data transaction after a required ten (10) day consumer rescission period.
5. The Cooperative will process one (1) valid switch request per Member-Consumer per meter reading cycle. Where multiple switch requests for the same Member-Consumer are received during the same meter reading cycle, the Cooperative will process the first valid switch request received. A switch response for each rejected switch request will be sent to the appropriate AES via a uniform data transaction within three (3) business days.

The Cooperative will normally validate a switch request within three (3) business days of the receipt of the switch request and will transmit a switch response to the AES. As part of the validation process, the Cooperative shall notify the Member-Consumer in writing that a switch request has been received and is being processed.

For valid switch requests from one AES to another, the Cooperative will at the same time send to the AES currently serving the Member-Consumer, via the appropriate uniform data transaction, notice that the AES's service is to be terminated, including the scheduled Member-Consumer switch date. In the event that the Member-Consumer or the new AES cancels the switch before the switch date, the Cooperative will send to the current AES, via appropriate uniform data transaction, notice reinstating the current AES's service unless the current AES has submitted a valid drop request.

Cut-off time for the receipt of switch requests is eight (8) business days in advance of the Member-Consumer's switch date. In the case of errors or omissions in switch requests received by the Cooperative, final disposition of exceptions may take up to five (5) business days.
6. Other than in situations where Member-Consumers require new meter installations as part of a switch, Member-Consumer switches will be scheduled to take place on the scheduled meter reading date, and will be effective on the actual meter reading date or the date of an estimated meter reading for billing purposes. The switch date shall be effective on the next scheduled meter read date that is not less than eight (8) business days after the switch request has been confirmed as pending. The AES change shall occur at midnight local time at the beginning of the effective date.
7. The Cooperative shall process drop requests submitted by AESs in the same manner as it processes switch requests, including Member-Consumer notification. AESs shall be

subject to the same timing, validation and uniform data transaction requirements for drop requests as for switch requests. An AES shall inform the Member-Consumer in writing of the submission of a drop request.

D. Metering:

1. Metering equipment for Member-Consumers taking Retail Access Service shall be furnished, installed, read, maintained, and owned by the Cooperative.
2. Member-Consumers shall be required to have an interval demand meter at each metering point.
3. If a new interval demand meter is required, time and material costs to install it will be assessed to the Member-Consumer.
4. The Cooperative may require that the meter be read via telephone. In such cases, Member-Consumers will be required to provide a telephone connection for purposes of meter interrogation by the Cooperative. If a Member-Consumer is not able to allow sharing of a telephone connection, the Member-Consumer may be required to obtain a separate telephone connection for such purposes. The Member-Consumer is responsible for assuring the performance of the telephone connection. The Member-Consumer shall be responsible for all costs of the required telephone connection.
5. In cases where a telephone connection used by the Cooperative for meter interrogation is out of service, the Cooperative may retrieve the data manually for a nominal monthly fee of \$40.00 payable by the Member-Consumer. In the event that the telephone connection is out for three consecutive billing months, the Member-Consumer's Retail Access Service may be terminated and the Member-Consumer will be returned to service under the Cooperative's full requirements service tariffs subject to the provisions of Section II E, unless said outage is due to non-performance by the telecommunications service provider.
6. Energy consumption and demand for settlement purposes shall be based on the data from the interval demand meters.
7. Where monthly metered energy data is not available due to metering errors, malfunctions, or otherwise, the billing quantities will be estimated by the Cooperative using the available historical data and other relevant information for the Member-Consumer.

E. Return to Full Requirements Service:

1. A Member-Consumer which switches to an AES cannot return to the Cooperative's full requirements service for two (2) years after the switch to the AES has been effectuated. After such two (2) year period, a Member-Consumer may return to full service after giving the Cooperative at least 30 days written notice, unless the Member-Consumer wants to take service during the summer months of June through September, in which case the Member-Consumer must give the Cooperative notice no later than the preceding December 1. The Cooperative will return the Member-Consumer to full requirements service following the notice period. Said notice period commences with the beginning of the Member-Consumer's billing cycle following receipt of the Member-Consumer's written notice of intent to return to full requirements service. If the Member-Consumer returns to the Cooperative's full requirements service for any reason prior to such two (2) year period or prior to the expiration of the notice period, the Member-Consumer's rate will be determined as the greater of:
 - a. The charges for default service plus the applicable Retail Access Service rate, or
 - b. 110% of the applicable full requirements service rate.
2. A Member-Consumer, having given notice of its intent to return to full requirements service under Section II E 1, will receive Cooperative default service if, at any time during the notice period, it discontinues purchasing generation service from an AES.
3. A Member-Consumer taking default service under the provisions of Section II E 2, may

switch to another AES as provided in Section II C, at any point during the period that they are on default service.

4. The AES shall transmit a Member-Consumer drop request to the Cooperative via a uniform data transaction when the Member-Consumer requests return to full requirements service or when AES service is not being continued for any reason. The AES shall inform the Member-Consumer of the drop request in writing.
5. The Cooperative will normally validate a drop request within three (3) business days of the receipt of the drop request and will transmit a drop response to the AES. As part of the validation process, the Cooperative will notify the Member-Consumer in writing that a drop request has been received and is being processed.
6. The switch from AES to full requirements service will be processed on the next meter read date after the AES submits the necessary drop request to the Cooperative, provided that the requirements of Section II E 1 are met. If the requirements of Section II E 1 are not met, then the Member-Consumer will be switched to Cooperative default service until said requirements are met. The switch shall occur at midnight local time at the beginning of the effective date.
7. A Member-Consumer returning to full requirements service must remain on such service for the minimum term stated in the applicable full requirements service tariff, but not less than twelve (12) months.
8. In the event of slamming from full requirements service, a Member-Consumer who desires to return to full requirements service may do so; the Cooperative will waive the twelve (12) month minimum term requirements. The Cooperative's default service does not apply to such Member-Consumers.
9. In the event a Member-Consumer is dropped by the AES due to the bankruptcy of the AES or upon the complete withdrawal of the AES from the relevant market, the Member-Consumer may receive default service from the Cooperative for not more than three (3) full billing cycles. By the end of that time period, the Member-Consumer must either have a switch request completed on their behalf as provided in Section II C, or give notice of its intent to return to full requirements service as provided in Section II E 1. A Member-Consumer that does not arrange for generation service from a different AES or give notice of its intent to return to full requirements service within three (3) months shall be disconnected.

F. Billing and Payment:

1. The Cooperative will bill the Member-Consumer for Retail Access Service as outlined in Section III B.
2. The Member-Consumer shall pay the Cooperative the amount billed by the Cooperative on or before a due date established by Member-Consumer billing rules.
3. Where incorrect billing results from an error discovered by the Cooperative, the AES or the Member-Consumer, the error will be corrected and revised bills, as appropriate for the Member-Consumer and/or AES, will be calculated and settled on the next billing period after the error is discovered. Billing errors discovered by the Cooperative shall be adjusted as provided for in the applicable billing rules.

G. Disconnection of Service:

The Cooperative is the only person allowed to physically disconnect service to a Member-Consumer. Disconnection of service to a Member-Consumer for non-payment of the Cooperative's bill or for any violation of the Cooperative's tariffs shall be in accordance with applicable Cooperative tariffs. The Cooperative shall notify the AES in writing of the intent to disconnect and the date and time of actual disconnection. The Cooperative shall not be liable for any losses to the AES due to disconnection.

III. AES

The AES will not be eligible to enroll Member-Consumers unless and until the following conditions

have been satisfied and continue to be satisfied. The AES has sole responsibility for conditions 1, 2, and 3. The Cooperative will check and verify conditions 4 and 5.

1. The AES is licensed by the state of Michigan.
2. The AES has obtained and maintains a Member-Consumer-signed enrollment indicating that the Member-Consumer has chosen to switch its generation service to the AES.
3. The AES has executed agreements with the appropriate transmission service provider(s).
4. The AES has demonstrated its capability to meet the Cooperative's defined standards and protocols for uniform data transactions.
5. The AES has executed a Retail Access Service agreement (which may include, but is not limited to, a portfolio of Member-Consumers, negotiated services, etc.) with the Cooperative and complied with the Cooperative's Member-Consumer enrollment requirements to prevent slamming.

A. Switch and Drop Requests:

1. Switch requests and drop requests will be handled in accordance with Section II C, and will be accepted for processing by the Cooperative.
2. When a Member-Consumer requests to discontinue receiving generation service from the AES or when the AES's service is being discontinued for any reason, the AES shall transmit a Member-Consumer drop request to the Cooperative via a uniform data transaction within no more than three (3) business days.

B. Billing:

1. Unless otherwise agreed, the Cooperative and the AES will separately bill the Member-Consumer for the respective services provided by each. The Member-Consumer will receive separate bills for services provided and is responsible for making payments to the Cooperative for service provided in accordance with requirements of the Cooperative as set forth in the applicable billing rules and approved tariffs.
2. The Cooperative may elect to offer a service where it bills the Member-Consumer for services that the Cooperative provides as well as services provided by the AES. If the Cooperative bills for AES charges, the following conditions will apply:
 - a. The Cooperative and the AES must have entered into a billing agreement that specifies the terms and conditions under which such billing will occur.
 - b. Any discrepancies in charges collected and remitted will be corrected and reflected in the subsequent billing cycles.
 - c. Payments received from or on behalf of a Member-Consumer shall be applied in the following order:
 - (1) To the Member-Consumer's past due balance owed the Cooperative,
 - (2) To current balances due the Cooperative,
 - (3) To current balances due the Cooperative for other charges such as facilities or loan agreements, and
 - (4) To the AES for all balances due for services provided.
 - d. Optional Services (i.e., billing and remittance processing, credit and collections, meter read information, Member-Consumer information, etc.) may be provided by the Cooperative pursuant to terms negotiated with the AES, and shall be offered on a non-discriminatory basis. Amounts owed to the Cooperative by an AES may be deducted from the AES's Member-Consumer payments received by the Cooperative prior to remittance to the AES.
 - e. The Cooperative will not pursue collections action for any AES.
3. Unless otherwise specified by the Cooperative, all payments made to the Cooperative by the AES will be made by electronic funds transfer to the Cooperative's account.

C. Terms and Conditions of Service:

1. The AES is responsible for providing power to be transmitted by the appropriate

transmission service provider(s) to the Cooperative's distribution point of receipt. The AES shall meet all obligations necessary to schedule power to match the Member-Consumer's load, subject to energy imbalance charges and penalties in accordance with the terms of the OATT of the transmission service provider(s).

2. Retail Access Service may not commence until metering has been installed as specified in this tariff as outlined in Section II D.
3. The AES will provide to the Cooperative or the Cooperative's designated recipient daily energy schedules for all services including losses associated with use of the distribution system. The AES will provide verification that it has arranged for and scheduled transmission service to deliver energy, the energy schedule has been approved by the transmission service provider(s), and the AES has covered losses on the transmission system(s).
4. The AES will pay the Cooperative under applicable tariffs for all applicable ancillary services, emergency energy services, standby and backup services provided by the Cooperative to the AES for the AES's Member-Consumer(s) from the service commencement date to the service termination date.
5. The Cooperative shall bill the AES for all associated switching fees incurred as a result of slamming by the AES plus the actual administrative cost incurred for switching a slammed Member-Consumer from one rate service to another.
6. An AES shall not resell Member-Consumer account information or transfer it to other parties for any other purpose. The Cooperative will only release Member-Consumer data to the Member-Consumer or its authorized representative, which may be the AES.

D. Distribution Power Losses:

The Alternative Electric Supplier is responsible for replacing losses associated with the delivery of power to the Member-Consumer's meter. The amount that the AES shall cause to be delivered to the Cooperative's distribution system will be the amount of power delivered at the Member-Consumer's meter plus an amount to reflect loss factors. For calendar year 2004, the loss factors were:

Primary Service	3.0%
Secondary	7.5%
Primary Substation	0

Contact the Cooperative to obtain the applicable loss factors for the current billing period.

IV. Dispute Resolution

The Cooperative shall have no duty or obligation to resolve any complaints or disputes between AESs and Member-Consumers.

The Cooperative shall have no duty or obligation to resolve any complaints or disputes between AESs or Member-Consumers and their transmission service provider(s). Disputes involving a transmission service provider's OATT shall be resolved using the dispute resolution procedures as described in the OATT.

In the event the AES has a dispute over the implementation of the Cooperative's Retail Access Service, then the AES shall provide the Cooperative with a statement of the dispute and the proposed resolution to the designated Cooperative contact. Upon receipt of the statement of dispute, the Cooperative shall attempt to resolve the dispute according to the following process:

- A. The Cooperative will investigate the dispute and attempt to resolve the dispute informally in a manner that is satisfactory to both parties within five (5) business days of initial receipt of the statement of dispute.
- B. If the dispute is not resolved in five (5) business days, the parties shall attempt to resolve the dispute by promptly appointing a senior representative of each party to attempt to mutually agree upon a resolution. The two senior representatives shall meet within ten (10) business days. If the two senior representatives cannot reach a resolution within a 30-day period, the dispute may, on demand of either party, be submitted to arbitration as provided in this section.
- C. The dispute, if mutually agreed by the parties, may be submitted for resolution in accordance

with the American Arbitration Association ("AAA") commercial arbitration rules. The judgment rendered by the arbitrator may be enforced in any court having jurisdiction of the subject matter and the parties.

- D. The arbitrator may be determined by AAA.
- E. The findings and award of the arbitrator shall be final and conclusive and shall be binding upon the parties, except as otherwise provided by law. Any award shall specify the manner and extent of the division of the costs between the parties.

Nothing in this section shall restrict the rights of any party to seek resolution of the dispute with the appropriate regulatory agency with jurisdiction.

V. Liability and Exclusions

- A. In no event will the Cooperative or its suppliers be liable under any cause of action relating to the subject matter of this tariff, whether based on contract, warranty, tort (including negligence), strict liability, indemnity or otherwise for any incidental or consequential damages including but not limited to loss of use, interest charges, inability to operate full capacity, lost profits or claims of AESs or Member-Consumers.
- B. The Cooperative will not be liable to an AES or Member-Consumer for damages caused by interruption of service, voltage or frequency variations, single-phase supply to three-phase lines, reversal of phase rotation, or carrier-current frequencies imposed by the Cooperative for system operations or equipment control, except such as result from the failure of the Cooperative to exercise reasonable care and skill in furnishing the service.
- C. In no event will the Cooperative be liable to an AES or Member-Consumer for loss of revenue or other losses due to meter or calculation errors or malfunctions. The Cooperative's sole obligation and the AES's or Member-Consumer's sole remedy will be for the Cooperative to repair or replace the meter and prepare revised bills as described in Section II F 3.