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**FILED WITH
Executive Secretary**

July 17, 2013

IOWA UTILITIES BOARD

Consumer Telcom

**General Service Agreement
for Residential Customers**

Effective Date - January 1, 2006

GENERAL SERVICE AGREEMENT FOR RESIDENTIAL CUSTOMERS

Thank you for choosing service from Consumer Telcom, Inc. ("Company").

PLEASE READ THIS GENERAL SERVICE AGREEMENT CAREFULLY. This governs the relationship between you ("Customer") and the Company and explains, among other things, the following:

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I. THE AGREEMENT

The Customer's agreement ("Agreement") with the Company consists of this General Service Agreement, the public disclosure documents posted on the Company website at <http://www.consumertelcom.com>, and the current terms of any optional calling plan, promotion, and/or authorized written communications the Customer has received from the Company. If the Customer has not selected an optional calling plan, all of the Company's Basic Service(s) and Rates (described below) will apply. If the Customer has selected an optional calling plan, only some of the Company's Basic Service(s) and Rates will apply.

YOUR ENROLLMENT IN, USE OF OR PAYMENT FOR SERVICES CONSTITUTES YOUR ACCEPTANCE OF AND AGREEMENT TO THE TERMS AND CONDITIONS OF THIS AGREEMENT. IF YOU DO NOT AGREE WITH THE RATES, CHARGES, AND TERMS OF THIS AGREEMENT, DO NOT USE THE SERVICES AND CALL THE COMPANY IMMEDIATELY AT 1-800-872-3811.

The Company may change this Agreement at any time. Consumer Telcom, Inc.'s rates, charges, terms, and conditions of service are subject to change unless otherwise established under a separate agreement. All

changes to the Company's rates, charges, terms, and conditions will be posted to the Company's website at <http://www.consumertelcom.com/>. The current rates, charges, terms, and conditions of service can also be obtained by calling Customer Service at 1-800-872-3811.

YOUR CONTINUED USE OF THE SERVICES CONSTITUTES YOUR AGREEMENT TO THE RATES, TERMS AND CONDITIONS THAT ARE IN EFFECT AT THE TIME YOU USE THE SERVICE.

For purposes of the Agreement, "Customer" means the Residential Customer, defined as either (i) the person responsible for payment of all charges; or (ii) any other person or with actual or apparent authority to represent that person or to use the service(s).

This Agreement covers the Customer's state-to-state service(s) and charges. To the extent permitted by law, this Agreement also applies to the Company's local and intrastate service(s) and charges, the Company's dial around service(s) and charges, the Company's travel card services, and the Company's international service(s) and charges, where the Agreement's provisions relating to these services and charges are not in conflict with applicable tariffs filed with state or federal agencies.

The rates and charges found in the Agreement are effective as of January 01, 2006 and are subject to change. For the Customer's most current rates and charges, the most current version of this General Service Agreement, or if the Customer has questions about the Company's services, the Customer should visit the Company's website at <http://www.consumertelcom.com> or call toll free at 1-800-372-3811.

I. SERVICE

A. Minimum Service Period

The minimum service period for all services is one month, thirty (30) days. Customers who cancel service prior to the completion of the minimum service period will be billed all applicable monthly recurring charges for the full thirty (30) day period.

B. Optional Calling Plans

If the Customer requests a calling plan, that calling plan is described in a separate document that is either included

along with this General Service Agreement or was sent to the Customer when the Customer initially selected the calling plan from the Company. For the current terms of a calling plan, the Customer should visit the Company's website at <http://www.consumertelcom.com> or call toll free 1-800-872-3811. The terms of the Customer's calling plan are incorporated by reference in this Agreement. Please note that, under a calling plan that has different per minute rates for different time periods, when a domestic call is begun during one time period and then ends during another time period, the rate for each time period applies for the portion of the call occurring during that time period.

C. Promotions/Bonus Offers

Promotions and/or bonus offers may be communicated to the Customer orally or in writing at the Company's discretion. For all promotions or bonus offers, a Customer's eligibility is limited as follows:

1. Only one bonus program at any one time will be associated with any account or Customer.
2. Sign-up bonuses or promotions are available only to new Customers of the Company.
3. To receive on-going benefits of a bonus award or promotion, a Customer must be a customer of the Company and in good standing at the time such award or promotion is scheduled to be granted.
4. The Company reserves the right to amend or terminate bonus programs and/or promotions upon appropriate notice to the Customer.

D. Rates and Charges

Set forth below are the Company's rates and charges for listed services. The rates described below **may not apply if the Customer has enrolled in an optional calling plan**, but the rates, charges, and fees described in Paragraphs D.4-5 and D.9, below will apply regardless of any optional calling plan in which the Customer has enrolled.

1. Basic "1 Plus" Residential Long Distance-State-to-State.

This service allows the Customer to place a long distance call to any location within the U.S. mainland, Alaska, Hawaii, or the U.S. territories, from its Residential telephone number(s) that are prescribed to the Company for long distance service and that are located within the city or cities in which the Customer maintains an active account with the

Company. The rate for "1 Plus" Residential Long Distance for all interstate (State-to-State) long distance calls is as follows:

Rate per Minute, all days
and time periods is: **\$0.09 per minute**

2. Basic "1 Plus" Residential Long Distance-Instate and/or Local Toll.

The terms of this Agreement apply to all in-state long distance and local toll calls in all states. **The rates for in-state long distance and local toll calls vary considerably among the states.** In addition, many states regulate these rates through approved filings with the state's public utilities commission. **Therefore, although the terms of this Agreement apply to in-state long distance and local toll calls, this Agreement does not cover the specific rates that will be charged the Customer for in-state long distance.** The Customer should contact the Company to obtain specific rate information for in-state long distance. Current in-state rates do not exceed \$0.49 per minute in any state.

3. Basic Residential Travel or Calling Card.

Customers can obtain a calling card from the Company and access the calling card service by dialing a Company-provided toll free number assigned under this service. Subscribers may originate calls from either touch-tone or rotary phones. (Calls originating from rotary phones will be completed with the assistance of operators and at an additional charge.)

a. Basic Residential Travel or Calling Card - Domestic Rates.

For calls placed to and from locations in the 48 contiguous United States:

State-to-State Per-Minute Rates: \$0.18/minute

In-State and Local Toll Rates: Rates and Surcharges vary by state and are subject to change. The Customer should contact the Company for specific rate information. For such calling card calls, current rates do not exceed \$0.60 per minute and current in-state surcharges do not exceed \$0.99 per call. Access Charge (Surcharge), per interstate (state-to-state) call:

Direct Dial The Customer places a Company issued calling card call without using the Company's operator services: **\$1.25**

Station-to-Station The Customer uses the Company's operator services to place a Company issued calling card call to reach another number and the call is billed to the Customer's Company-issued calling card: **\$2.25**

Person-to-Person The Customer uses the Company's operator services to place a Company-issued calling card call to reach a specific person and the call is billed to the Customer's Company-issued calling card only if the specific person is available: **\$4.90**

Pay Telephone The customer uses a pay telephone to place a Company-issued calling card: **\$0.35**

b. Basic Residential Calling Card - Off-Shore Rates.

This section covers the rates charged for calls placed using the Company's Basic Residential Calling Card to and from Off-Shore United States locations:

Calls Placed from:	Calls Placed To:	Rate Per Minute:
Domestic 48 States	Alaska, Hawaii, U.S. Virginia Islands, Puerto Rico	\$0.72
Domestic 48 States	Guam and Northern Mariana Islands	\$0.57
Alaska, Hawaii, U.S. Virgin Islands, Puerto Rico, and Northern Mariana Islands	Domestic 48 States	\$1.74

Calls Placed from:	Calls Placed To:	Rate Per Minute:
Alaska, Hawaii, U.S. Virgin Islands Puerto Rico & Northern Mariana Islands	Alaska, Hawaii, U.S. Virgin Islands, Puerto Rico, & Northern Mariana Islands	\$1.74
Alaska, Hawaii, U.S. Virgin Islands, Puerto Rico, and Northern Mariana Islands	Guam	\$3.57
Guam	Alaska, Hawaii, U.S. Virgin Islands, Puerto Rico, and Northern Mariana Islands	\$3.57

In addition to the rates set forth above, Customers are subject to the following surcharges:
Connection Fee Surcharge: A Customer who places a

U.S. Off-Shore call using the Company's Basic Residential Calling Card is charged a Connection Fee of \$0.35 per call.

Access Charge (Surcharge), per call:

Direct Dial: The Customer places a Company issued calling card call without using the Company's operator services: \$1.25

Station-to-Station: The Customer uses the Company's operator services to place a Company issued calling card call to reach another number and the call is billed to the Customer's Company-issued calling card: \$2.25

Person-to-Person: The Customer uses the Company's operator services to place a Company-issued calling card call to reach a specific person and the call is billed to the Customer's Company-issued calling card only if the specific person is available: \$4.90

Pay Telephone: The Customer uses a pay telephone to place a Company-issued calling card call: \$0.35

4. Directory Assistance

The Customer may access Directory Assistance (DA) by dialing 1+ area code + 555-1212. A charge will be applied to each call for information for any telephone number in the U.S. mainland, Alaska, Hawaii, the U.S. territories, and certain international locations. Up to two requests may be made on each DA call. The DA charge applies to each call regardless of whether or not the DA operator is able to furnish the requested telephone number. If the Customer fails to request more than one listing on any call to the Company's DA, the Customer will not receive credit for a second listing on any subsequent call to the Company's DA.

Per-Call Charge: \$1.99

5. Operator Assistance.

The Company does not currently offer Operator Assistance Directly. Operator Assistance is provided by the underlying carrier directly and is accessed by dialing "00" or by dialing 0 + the interstate long distance area code + the 7-digit number. The rate and surcharges are determined by the underlying carrier and are available at the time service is requested.

6. Casual (Non-Account) Calling.

Casual rates, as set forth in this paragraph below, will be

charged when calls are completed over the Company's network and the caller does not have an active account with the Company. Examples of the situations when Casual rates will be charged include, but are not limited to, the following:

a. If the Customer signs up for Company service by contacting the Customer's local telephone company, but the local telephone company fails to notify the Company of the Customer's selection.

b. If the Customer's local telephone company notifies the Company that the Customer has requested cancellation of its Company service or if the Customer or the Customer's local telephone company has otherwise provided assurances to the Company that the Customer has switched carriers, then the Company will cancel the Customer's service account. If, however, after cancellation resulting from the Customer providing assurances to the Company that the Customer has switched carriers, the Customer's telephone line actually remains designated to the Company at the local telephone company's switch, then, beginning 30 days after cancellation, the Customer will be charged Casual rates for calls placed on the Company's service network. For calls placed on the Company's network during the first 30 days after such cancellation, the Customer will be charged the Casual Calling Rates.

c. If the Company cancels the Customer's account and blocks its line from placing calls on the Company's network for a reason described in Section V. B. and the Customer has not changed carriers within 120 days of the line being blocked, the Company may lift such block and allow the Customer access to the Company's network. In this situation, the Customer will be charged Casual rates for calls placed on the Company's network.

d. Casual rates will apply when a Customer dials 1010444 before placing an interstate long distance call from a telephone that is not associated with an active account with the Company.

Casual calling is billed at the following rates:

Per-Minute Rate:	\$0.5386
Per-Call Surcharge:	\$3.4900
In-State Surcharge (where applicable):	\$3.4900

If, after accessing the Company's network via Casual calling, the Customer places a call using the Company's

operator services, the Casual calling per-minute rate and per-call surcharge will not apply, but the per-minute rate and the applicable surcharge(s) as set forth in II.C.6 above will apply. If the Customer believes that the Customer is being charged Casual rates and surcharges in error, the Customer should contact a Company Customer Service Representative immediately. If these rates are being charged due to an error caused by the Company, the Customer's local telephone company, or some other cause beyond the Customer's control, the Customer will receive the appropriate credits.

7. Basic Casual (Non-Pic'd but Active) Calling.

These are customers who are Pic'd to another Long Distance Company or have selected "no Pic" at the Local Exchange Carrier but have informed the Company and submitted all billing ANI's and are classified as Casual Active Accounts by the Company. Calls are placed by dialing 1010444 before placing an interstate long distance call from a telephone.

- a. Customer's basic casual calling charges are billed at the following per minute rate: \$0.09/Min.
- b. If the Customer believes that the Customer is being charged Casual rates in error, the Customer should contact a Company Customer Service representative immediately. If these rates are being charged due to an error caused by the Company, the Customer's local telephone company, or some other cause beyond the Customer's control, the Customer will receive the appropriate credits.

8. Rounding Policy

For billing purposes, the length of each call is rounded to the next higher full minute. The computed charge for Basic Interstate Dial 1 calls is rounded to the next highest full minute. If the computed charges for taxes and surcharges include a fraction of a cent, the fraction is rounded to the nearest whole cent.

9. Other Charges.

a. Universal Service Fund (USF)

Customers will be assessed a monthly Universal Service Fund (USF) charge which is equal to a percentage of the

Customer's total net interstate retail charges (including usage, non-usage, and PICC), after the application of all other discounts and credits. USF charges are neither contributory to, or eligible to, receive discounts or are eligible to contribute to meeting minimum monthly usage requirements. A Customer will not be required to pay the USF charges if it demonstrates to the Company's reasonable satisfaction that the Customer is acquiring the Company's service for resale (i.e., not for its own internal use).

b. Non-Presubscribed Customer Federal Universal Service Surcharge

Customers will be assessed a monthly USF charge which is equal to a percentage of the Customer's total net interstate retail charges (including usage, non-usage, and PICC), after the application of all other discounts and credits. USF charges are neither contributory to, or eligible to, receive discounts or are eligible to contribute to meeting minimum monthly usage requirements. A Customer will not be required to pay the USF charges if it demonstrates to the Company's reasonable satisfaction that the Customer is acquiring the Company's service for resale (i.e., not for its own internal use).

c. Universal Service Administrative Fee

On all bills rendered on or after January 1, 2006, the Company will institute an administrative expense fee to recover its internal costs associated with the Federal and State Universal Service Funds. The current amount of that fee is \$1.44 per customer billing but will be adjusted by the Company based on actual internal costs incurred by it in connection with the administration of the USF programs.

d. Federal Excise Tax

3.0% of all invoiced interstate, intrastate, local toll, and international charges, not including certain taxes.

e. Payphone Use Charge

Charges for calls that originate from any domestic payphones and are carried over the Company's network will include a \$0.35 charge. This charge will be in addition to applicable basic charges and surcharges.

f. Taxes

(1) The Company's charges for services provided to you do not include:

- (a) applicable federal, state, local and foreign sales, use, excise, utility, gross receipts and value added taxes;
- (b) any tax imposed by any authority on the benefits of a promotion offered by the Company involving services or goods of a third party;
- (c) other taxes;
- (d) tax-like charges to recover amounts the Company is required by a governmental or quasi-governmental authority to collect from others or pay to others in support of statutory or regulatory funds or programs;
- (e) other tax-like charges; and
- (f) a tax-related surcharge imposed on all charges (net of bad debts) for outbound service originating in, or inbound service terminating in, a jurisdiction which levies, or asserts a claim of right to levy:
 - (i) a gross receipts tax, a license tax, or other tax-like charge on the Company's operations in that jurisdiction based on the Company's gross receipts, revenues or operations in that jurisdiction; or
 - (ii) a tax on interstate access charges incurred by the Company for access to telephone exchanges in that jurisdiction based on the amount paid for interstate access charges in that jurisdiction; or
 - (iii) an ad valorem tax on the Company's property located in that jurisdiction which is used in providing interstate or international service, the amount for which is derived by multiplying the ratio of interstate plus international revenue in the jurisdiction's state total revenue in that state times total ad valorem taxes imposed on the Company in that state during the current calendar year.

(2) All taxes, tax-like charges, and tax-related surcharges are referred to collectively as "Tax(es)." The Company may elect to impose and collect such Taxes, unless otherwise constrained by court order or direction. The customer agrees to pay all Taxes imposed. If the Company has collected Taxes and a challenged Tax is found to have been invalid and unenforceable, the Company, in its sole discretion, will either reduce service rates for a fixed period of time in the future in order to flow-through to customers an

amount equivalent to the amounts collected, or it will credit or refund such amounts to affected customers (less its reasonable administrative costs), if the amounts collected were retained by the Company or if they were delivered over to the jurisdiction and returned to the Company or it will negotiate an arrangement with the jurisdiction to provide a future benefit for customers in that jurisdiction.

(3) If the Customer provides the Company with a duly authorized tax exemption certificate, the Company will exempt the Customer in accordance with law, effective on the date the Company receives the certificate.

(4) Taxes based on the Company's net income will be the Company's sole responsibility.

(5) If the Customer is required by the laws of any foreign tax jurisdiction to withhold income or profit taxes from a payment, within 90 days of the withholding, the Customer will provide the Company with official tax certificates documenting remittance of the taxes. The tax certificates will be in a form sufficient to document qualification of the taxes for the foreign tax credit allowable against the Company's U.S. corporation income tax, and will be accompanied by an English translation. Upon receipt of the tax certificate, the Company will issue the Customer a credit for the amounts represented thereby.

g. Non-Incumbent LEC Billed Customer Billing Surcharge.

Customers whose service billing cannot be consolidated with incumbent local exchange carrier billing and or who are billed directly by the Company will be assessed a monthly billing surcharge.

Non-Incumbent LEC Billed Customer Billing Surcharge,
per customer account, per month \$ 6.95

h. Additional Surcharges.

The Company may adjust its rates and charges or impose additional rates and charges in order to recover amounts it is required or permitted by governmental or quasi-governmental authorities to collect from others or pay to others in support of statutory or regulatory funds, fees, or programs ("Governmental Charges"). Examples of such Governmental Charges include, but are not limited to Universal Service funding, utility and other fees imposed on communications providers, Primary Interexchange Carrier

Charge cost recovery and compensation payable to payphone service providers for use of their payphones to access the Company's service.

III. RESTRICTIONS ON THE USE OF SERVICE

A. The Company offers its services subject to availability of facilities, limitations of service offerings, and the provisions of this Agreement.

B. Services provided by the Company under this General Service Agreement for Residential Customers will not be used:

1. For any unlawful purpose, or
2. For making telephone calls that use automatic dialing devices and terminate into electronic information services, pay-per-call services, or other domestic or international audiotext services; or
3. For international call-back offerings using uncompleted call signaling to any country, when that country has prohibited such an offering by statute or regulatory decision.

C. The Company may (a) deny, for any lawful reason, the Customer's request for service, or (b) limit or allocate the facilities available to or utilized by any service, if necessary, to manage its network in an efficient manner; meet reasonable service expectations; furnish service to existing and future customers based on forecasted customer requirements; or for any other lawful reason.

D. The Company may, without notice (consistent with governing laws or regulations), block traffic to or from specific countries country codes local telephone exchanges ("NXX exchanges"), individual telephone stations, or calls using certain customer authorization codes, whenever the Company deems it necessary to take such action to prevent (1) the unlawful use of service; (2) nonpayment for service; (3) the use of service in violation of this Agreement; or (4) network blockage or the degradation of service furnished to the Customer or other Customers.

E. Due to the portable nature of the Company's calling card codes that are issued to the Company's customers, the Company reserves the right to block, without notice, any calling card code that the Company deems to have been

used, or that might be used, for fraudulent purposes. The Company may also intercept calling card calls for the dual purposes of verifying customer information and fraud avoidance. The Company will provide subsequent written notification by mail, and/or voice notification, of such blocking or termination. The Company will unblock as soon as it determines it can do so without undue risk, and it will, upon request by an affected customer, assign new card authorization codes to replace any that were deactivated.

F. Whenever call blocking occurs on lines designated to the Company at the local telephone company's switch, customers or former customers will be unable to access the Company's network in order to make long distance and local toll calls, including, but not limited to, placing calls by dialing any dial-around code belonging to the Company.

G. Calls may not be placed or received using 1010444 dialing any dial-around code belonging to the Company, Collect, Sent Paid, or 3rd Party calling whenever (1) there is no obligation on the part of the serving local telephone company to perform billing and collection on behalf of the Company; or (2) where an obligation exists on the part of the serving local telephone company to perform billing and collection on behalf of the Company, but the local telephone company fails to discharge the obligation properly; or (3) the serving local telephone company fails to furnish, or provides untimely or inadequate, billing name and address ("BNA") to the Company; or (4) the serving local telephone company fails to furnish timely or adequate telephone number installation and disconnect information to the Company. For the purposes of this Section, call blocking will occur whenever the Company is unable to recover at least 60% of its billable revenues from the customers within a local telephone company service area during any monthly billing period as the result of unavailable, untimely, or inadequate billing and collection or as the result of unavailable untimely, or inadequate BNA or telephone number installation and disconnect information.

IV. PAYMENT OBLIGATIONS

A. The Customer is responsible for payment of all charges for services furnished to the Customer. This responsibility is not changed, by virtue of any use, misuse or abuse of the Customer's service or Customer-provided systems, equipment, facilities, or services interconnected to the Customer's service, undertaken or caused by third parties, including without limitation, the Customer's family, guests, or other members of the public.

B. The Customer must promptly notify the Company of any change in the Customer's invoicing address or, if applicable, in the credit card or bank account used for payment. The Customer should notify the Company via Customer Service or U.S. mail to the following address: 701 N. Green Valley Parkway Suite 200 Henderson, NV 89014.

C. Usage charges are billed after each billing period.

D. The Company's bills for service are due upon receipt. Amounts not paid within 21 days of the invoice will be considered past due. If the Company becomes concerned at any time about the Customer's ability to pay for services, the Company may require that the Customer pay their charges within a specified number of days and/or that the Customer make such payments in cash or the equivalent of cash.

E. If the Customer's telecommunications payment history is not acceptable to the Company or if the Customer's telecommunications payment history is unknown or indeterminable, the Customer may be required, at any time, to provide (i) pre-invoice payment based on usage incurred; (ii) a valid major credit card account number from an issuer acceptable to the Company and authorization for the Company to charge usage to the Customer's credit card account; or (iii) agreement that the Customer's usage of the Company network and services will be subject to toll usage limits to be determined by the Company. Prior to the Customer's compliance with this request, the Company reserves the right to cease accepting and processing service orders. The Company may request subsequent additional pre-invoice payments for usage and may increase or decrease toll usage limits as it deems appropriate. The Company may refuse to furnish services if any charges owed by the Customer to the Company or any Company affiliate are past due for service(s) provided to the Customer.

F. When billing and collection for the Company service is performed on the Company's behalf by a local telephone company, the security deposit requirements, and late payment provisions set forth in the Customer's service agreement with its local telephone company and/or in the local tariff of the local telephone company will apply to the Customer's Company-provided service. In addition, where a local telephone company purchases the Company's customer receivables, late payment provisions imposed by the local telephone company will apply to the Customer's

Company-provided service.

G. If the Company hires a collection agency to collect, or attempt to collect, any charges owed the Company, the Customer will be liable to the Company for an additional payment equal to 35 percent of the charges owed where permitted by applicable law. If the Company, incurs any fees or expenses, including attorneys' fees, in collecting, or attempting to collect, any charges owed the Company other than by hiring a collection agency, the Customer will be liable to the Company for the payment of all such fees and expenses reasonably incurred.

H. In the event payment is made by check and the Customer's check is not honored by the institution on which it was drawn, the Company will impose, and the Customer will be required to pay, a \$15.00 fee, where permitted by applicable law, in addition to other remedies available to the Company.

I. If Billing systems or other support are not available for a service, feature, surcharge, or other charge element at the time of service provision, the Company will bill for that service, feature surcharge, or other charge element as soon as its capable of doing so.

V. CANCELLATION OF SERVICE

A. By the Customer

1. In order to effectively cancel any service with the Company, whether it is a switched access long distance plan, a casual calling plan, or a Company calling card, the Customer must call the Company's Customer Service Department and notify the Company of the Customer's desire to terminate that particular service. In addition, if the Customer receives both InterLATA and IntraLATA (local toll) long distance service, the Customer must make sure to notify the Company's Customer Service Department of any decision to cancel either or both such services.

The Customer will remain responsible to pay for all monthly fees and charges incurred through the date that the Customer first directly notifies the Company of his or her desire to cancel service with the Company. Monthly fees charged by the Company are not pro-rated and the full amount of monthly fees shall be deemed earned by the

Company and due by customer for any portion of a month in which the customer cancels service.

If the Customer either voluntarily cancels the Customer's Company account or if the Company cancels the Customer's service for any reason set forth in this document, the Company will have no obligation whatsoever to assist the Customer in any respect in switching from the Company to another carrier.

B. By the Company

1. The Company reserves the right to discontinue furnishing services, cancel the Customer's account, and/or block the Customer's access to the Company network, without incurring any liability, immediately and without notice if the Company deems that such action is necessary to prevent or to protect against fraud or to otherwise protect the Company's personnel, agents, facilities or services. Without limitation, the Company may take such actions if:
 - a. The customer refuses to furnish information or furnishes false information that (i) is essential for billing; or (ii) pertains to the Customer's credit-worthiness, its status under federal and/or state low income programs, its past or current use of common carrier communications service, or its planned use of such service;
 - b. The Customer indicates that he or she will not comply with a request for security for the payment for services;
 - c. The Company has received notice from the Customer's local telephone company that the local telephone company has cancelled the Customer's local exchange service or switched off the Company's network;
 - d. The Customer's service usage charges exceed established parameters based on the Customer's history of usage, which may indicate an unlikelihood of payment or possible fraud;
 - e. The Customer has been given written notice by the Company of any past due amount (which remains unpaid in whole or in part) for any of the Company's or an affiliated carrier's service to which the Customer either subscribes or had subscribed or used;
 - f. The Customer either refuses to pay when

billed for service indicates to the Company or an entity billing on the Company's behalf that the Customer does not intend to pay for service used by the Customer;

- g. The Customer uses the service to transmit or receive a message, locate a person, or otherwise give or obtain information without payment for the service (i.e., signaling);
- h. The Customer uses, or attempts to use, service with the intent to avoid the payment, either in whole or in part of the charges for the service by (i) using or attempting to use service by rearranging, tampering with, or making connections to service in an unauthorized manner; or (ii) using tricks, schemes, false or invalid numbers, false credit devices, or other fraudulent means or device;
- i. The Customer acts, or fails to act, in a manner that hinders or frustrates any investigation by the Company or others having legal authority to investigate the Customer's legal obligations;
- j. The Customer's telephone equipment fails to pass back to the Company the appropriate signal to start and stop billing for a call;
- k. The Customer was previously provided with notice of breach of contract, took corrective action, but thereafter engages in the same breach activity;
- l. The Customer subscribes to a Company-issued calling card service and has not used the service (with the exception of calls to Directory Assistance) for 12 months. In such case, the Company may deactivate calling card to reduce the risk of fraud or abuse. If the Customer wishes to renew service, the Company will promptly provide a new card; or
- m. The Company has made available service to the Customer and the Customer has failed to place the available service into actual and substantial use during the 90-day period immediately following the availability, or, if during any service term, the Customer has not actually and substantially used the available service for any consecutive 90-day period. As used in this paragraph, "actual and substantial use" will mean a pattern of

use that discloses an intent on the Customer's part to employ the service to transmit information of the Customer's choosing.

2. The Company reserves the right to discontinue furnishing services, cancel the Customer's account, and/or block the Customer's access to the Company network, without incurring and liability, immediately upon written notice to the Customer if;
 - a. Any invoice charges remain outstanding and owed by the Customer after the 21st day from the date of the invoice notifying the Customer of the charges; or
 - b. The Customer fails to comply with a request by the Company for security for the payment for services.
3. The discontinuance of service(s) by the Company pursuant to these provisions does not relieve the Customer of any obligation to pay the Company for charges due and owing for service(s) furnished up to the time of discontinuance.

VI. LIABILITY

A. The Company will not be liable for: (i) any failure or performance due to causes beyond its control, including, but not limited to, acts of God, fires, floods or other catastrophes, national emergencies, insurrections, riots or wars, strikes, lockouts, work stoppages or other labor difficulties; (ii) preemption of existing services to restore service in compliance with the FCC's Rules and Regulations; and any law, order, regulation or other action of any governing authority or agency thereof; or (iii) delayed installation of the Company's facilities or commencement of service.

B. The Company will not be liable for any damages, direct or indirect, associated with the ordering, installation (including delays thereof), provision, termination, maintenance, repair, interruption, or restoration of any service of facilities offered by the Company except as expressly provided below:

1. With respect to the routing of calls by the Company to public safety answering points or municipal emergency service providers, the

Company's liability, if any, will be limited to the lesser of:

- (a) the actual monetary damages incurred and proved by the Customer as the direct result of the Company's action, or failure to act, in routing the call, or
 - (b) the sum of \$100.00.
2. With respect to the provisioning of, or any error or omission in, data, information, or content furnished in connection with any service provided by the Company, for example, Directory Assistance, the Company's liability will be limited to the lesser of:
 - (a) the amount of actual money damages proven by the Customer to have been incurred as the proximate result of its reliance on such data, information, or content; or
 - (b) \$100.
 3. The Company's liability for service interruptions for any service provided to a Customer shall not exceed an amount equal to a pro-rata portion of the recurring charges, if any, charged to the Customer for the service period affected for the period(s) during the service interruption.

C. The Company's liability for willful misconduct, if established as a result of judicial or administrative proceedings, is not limited by this Agreement.

D. IN NO EVENT WILL THE COMPANY BE LIABLE TO THE CUSTOMER FOR ANY INDIRECT, SPECIAL, INCIDENTAL, CONSEQUENTIAL, EXEMPLARY, OR PUNITIVE LOSS OR DAMAGE OF ANY KIND, INCLUDING LOST PROFITS (WHETHER OR NOT THE COMPANY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH LOSS OR DAMAGES) BY REASON OF ANY ACT OR OMISSION IN ITS PERFORMANCE UNDER THIS AGREEMENT.

E. The Company will be indemnified, defended, and held harmless by the Customer and/or by others authorized by the Customer to use the service against all claims of loss or damage arising from the use of service furnished by the Company, including:

1. Allegations or claims of libel, slander, invasion or privacy, or infringement of copyright arising out of the material, data, information, or other content transmitted via the Company service; and
2. All other allegations and claims arising out of any act or omission by the Customer or others using the service in connection with any service provided by the Company.

F. THE COMPANY MAKES NO EXPRESS OR IMPLIED REPRESENTATIONS OR WARRANTIES ABOUT ITS SERVICES AND DISCLAIMS ANY IMPLIED WARRANTIES OF TITLE OR IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE OR NON-INFRINGEMENT. THE COMPANY DOES NOT AUTHORIZE ANYONE TO MAKE A WARRANTY ON THE COMPANY'S BEHALF AND THE CUSTOMER MAY NOT RELY ON ANY STATEMENT OF WARRANTY AS A WARRANTY BY THE COMPANY. THIS SECTION SURVIVES TERMINATION OF THIS AGREEMENT.

G. The Company will not be liable for any act or omission of any other company or companies furnishing a portion of the service, or from any act or omission of a third party, including those vendors participating in the Company offerings made to the Customer, or for damages associated with service, channels, or equipment that it does not furnish, or for damages that result from the operation of customer provided systems, equipment, facilities or services that are interconnected with the Company services.

VII. PRIVACY

A. Customer Proprietary Network Information (CPNI)

To inform the Customer of other Company-affiliated products and services that may interest the Customer, the Company account(s), particularly information known as CPNI. Information constituting CPNI includes the kinds of services the Customer has, how the Customer uses them and how they are billed. Federal law restricts the use of CPNI for purposes other than providing service, without the customer's approval.

If the Customer does not want the Company to access and use the Customer's CPNI (except as otherwise permitted by law) please contact the Company. Until the Customer tells the Company otherwise, the Company will understand the

Customer to have approved its internal use of the Customer's CPNI for purposes reasonably related to its offering or provisioning other products and services to the Customer.

B. Privacy Policy

It is the Company's policy not to sell or rent its personally identifiable customer information to unaffiliated companies or organizations. In the future should the Company decide to sell or rent such information to those entities, it will provide notification and the opportunity for its customers to indicate that they would prefer the Company not sell or rent such information about them to such third parties. Such notice may be provided by amending the Agreement or by any other comparably effective means.

C. Caller ID

Due to federal rules, the Customer's telephone number (i.e., calling party number or "CPN") may be identified to a called party if that party has caller ID capability. The Customer can prevent this from occurring on an interstate call by dialing *67 (or 1167 on rotary or pulse-dialing telephones) prior to placing the interstate call. If the Customer has per-line blocking, the Customer must dial *82 or (1182 for rotary pulse-dialing telephones) prior to placing an interstate call to allow a called party to identify the Customer's CPN. Because these Caller ID-related services are provided by the Customer's local telephone company, the Customer should contact the Customer's local telephone company for rate information for such services.

VIII. DISPUTE RESOLUTION

THIS SECTION PROVIDES FOR RESOLUTION OF MOST DISPUTES THROUGH BINDING ARBITRATION. This Section applies to any dispute between you and the Company arising out of or relating to this Agreement, including any dispute you may have regarding the Services, charges for Services, advertising, your change of long distance service to Company, or any other dispute that either you or Company has that is related to this Agreement, even if the dispute arises after your Service has terminated. All disputes must be resolved as described in this Section. **YOU AGREE THAT ANY DISPUTE WILL NOT BE RESOLVED BY A JUDGE OR JURY IN COURT (EXCEPT FOR SMALL CLAIMS COURT, IF APPLICABLE). YOU FURTHER AGREE THAT ANY DISPUTE YOU MAY HAVE AGAINST COMPANY**

CANNOT BE JOINED WITH THE DISPUTE OF ANY OTHER PERSON OR ENTITY IN A LAWSUIT, ARBITRATION OR ANY OTHER PROCEEDING, OR RESOLVED ON A CLASS-WIDE BASIS.

A. If the Customer has a dispute regarding the Customer's service or bill, the Customer must first call Company Customer Service at 1-800-872-3811 to attempt to resolve the dispute.

B. Before initialing or participating in any arbitration or other resolution proceeding concerning any aspect of this Agreement or regarding the Company's products or services, the Customer must notify the Company in writing of such a dispute and give the Company at least 60 days (from the time the Customer first notifies the Company in writing) to resolve the dispute. Such written notice should be mailed to: Consumer Telcom, Inc., 701 N. Green Valley Parkway Suite 200 Henderson, NV 89014.

C. If the Customer does not notify the Company in writing of a dispute with respect to the Company's charges, or application of Taxes, within 6 months from the date of the disputed invoice, such invoice will be deemed to be correct and binding on the Customer.

D. If either party is unable to resolve its dispute within 60 days of notifying the other party of its dispute, either party has the right to take the dispute to small claims court if qualifies under the rules of that court. Alternatively, either party may request arbitration of the dispute through the American Arbitration Association ("AAA"). Any dispute arising out of or related to this Agreement or the Company's products or services that is not resolved informally or through small claims court, regardless as to whether the dispute is based in contract, tort, statute, fraud, misrepresentation, or any other legal or equitable theory, must be resolved through final and binding arbitration submitted to the American Arbitration Association ("AAA"). The arbitration will be conducted pursuant to the AAA Arbitration Rules for the Resolution of Consumer-Related Disputes ("AAA Rules") as such rules are in effect on the date of commencement of the arbitration, and as such rules are modified by this Agreement. Either party may contact AAA in writing at: AAA Central Case Management Center, 13455 Noel Road, Suite 1750, Dallas, TX 75240-6636. For more information regarding AAA the Customer may visit their website at <http://www.adr.org>

E. In addition to the procedures described in this Section

for resolving a dispute, you may also have the right to file a complaint with an appropriate federal or state regulatory agency.

F. The arbitration will be based only on the written submissions of the parties and documents submitted to the arbitrator unless, the parties agree or the arbitrator orders otherwise. Additional charges may apply for such procedures.

G. The arbitration procedures set forth in this Dispute Resolution section are governed by the United States Arbitration Act, 9 U.S.C. §§ 1-16 et seq. ("USAA"). The arbitrator shall have no authority to award punitive, exemplary, or similar damages, or attorney fees. Judgment on the arbitrator's award may be entered in any court of competent jurisdiction. All post-award proceedings will be governed by the USAA.

H. Each party must pay its own expenses associated with any arbitration, including attorney fees. If you file a request for arbitration, you will have to pay a filing fee in accordance with the AAA fee schedule. Unless otherwise provided for in the AAA Rules, all administrative fees and expenses of an arbitration, including the fees and expenses of the arbitrator, will be divided equally between you and the Company. Each party will bear the cost of preparing and presenting its own case.

I. Any in-person arbitration proceedings will be held at the location that AAA selects in the state where the Customer is located, unless otherwise mutually agreed upon by the parties.

J. Each dispute will be decided on an individual basis and will not be consolidated in any action with the disputes or claims of other consumers or customers. The Customer agrees that the Customer may not bring any dispute or claim as a class action or as a private attorney general, and the Customer agrees not to act as a class representative or participate as a member of a class of claimants with respect to any dispute or claim relating to this Agreement or the services provided by the Company.

K. Any dispute or claim arising out of or relating to this Agreement or the services provided by the Company must be brought within two (2) years after the date on which the basis for the dispute or claim first arises.

L. If any portion of this Dispute Resolution section is

determined by a court to be inapplicable or invalid, then the remainder will still be fully effective and enforceable.

IX. MISCELLANEOUS PROVISIONS

A. This General Service Agreement and the terms of a calling plan, promotion, and/or authorized written communications the Customer has received constitute the entire Agreement between the Customer and the Company, and supersedes any and all prior agreements, oral or written, concerning the subject matter. If there is any inconsistency or conflict between the terms of any optional calling plan, promotion, and/or authorized written communications the Customer has received and the provisions of this Agreement, the provisions of this Agreement will control.

B. If the Customer either voluntarily cancels the Customer's Company account or if the Company cancels the Customer's service for any reason set forth above, the Company will have no obligation whatsoever to assist the Customer in any respect in switching from the Company to another carrier.

C. Customers may not modify or assign this Agreement. In its sole discretion, the Company may assign this Agreement.

D. No waiver of this Agreement or any of its terms and conditions is valid.

E. This Agreement is binding upon the Customer and the Company's agents and heirs.

F. If any part of provision of this Agreement is finally determined to be invalid or unenforceable under applicable law by a court or competent jurisdiction, then that part or provision will be ineffective only to the extent of such invalidity or unenforceability, without in anyway affecting the remaining parts or provisions of this Agreement.

G. This Agreement is governed by and constructed under the laws of the State of New York and applicable federal law, without regard to choice of law principles.

H. Any liability or obligation of a party to the other party under the provisions of Sections I, III, IV, VI, VIII, and IX, as applicable, will, in each case, survive cancellation or termination of this Agreement.