AT&T RESIDENTIAL SERVICE AGREEMENT



This AT&T Residential Service Agreement (this "Agreement") applies to the AT&T services to which you subscribe, except Services provided under (a) Tariff or (b) another agreement between you and AT&T (unless that other agreement references this Agreement). The Effective Date of this Agreement for any individual Service is the later of: (a) the date on which the withdrawal of a Tariff governing the Service becomes effective or (b) the date on which you subscribe to or use the Service. AT&T GUIDEBOOK(S) AND TARIFFS — AS MODIFIED FROM TIME TO TIME — ARE INCORPORATED BY REFERENCE, TO THE EXTENT EACH APPLIES TO THE SERVICE(S) PROVIDED UNDER THIS AGREEMENT. You agree that it is impractical for AT&T to provide here all of the terms, conditions and charges that are set forth under those documents and that AT&T has acted reasonably in providing access to the Guidebook(s) as described in Section 1.

IF THERE IS A CONFLICT BETWEEN THE TERMS AND CONDITIONS OF THIS AGREEMENT, AN APPLICABLE GUIDEBOOK AND THE APPLICABLE TARIFF, THEN THE TERMS AND CONDITIONS OF THE TARIFF SHALL CONTROL, FOLLOWED BY THE APPLICABLE GUIDEBOOK(S), AND THEN THIS AGREEMENT. YOU SHOULD REGULARLY REVIEW THE GUIDEBOOK(S) AND TARIFF(S) FOR THE SERVICES TO WHICH YOU SUBSCRIBE TO ENSURE YOU ARE FAMILIAR WITH THE CURRENT CONTROLLING TERMS AND CONDITIONS. DOCUMENTS INCORPORATED BY REFERENCE ARE BINDING ON YOU AND AT&T.

UNLESS SERVICES ARE CANCELLED AS PROVIDED IN THIS AGREEMENT OR AN APPLICABLE TARIFF, YOUR SUBSCRIPTION TO, USE OF, OR PAYMENT FOR SERVICES AFTER THE EFFECTIVE DATE WILL CONSTITUTE YOUR AGREEMENT TO BE BOUND BY THE CHARGES, TERMS, AND CONDITIONS SET FORTH IN THIS AGREEMENT, INCLUDING THOSE INCORPORATED BY REFERENCE. IF YOU DO NOT AGREE WITH THE PROVISIONS OF THIS AGREEMENT, YOUR SOLE OPTION IS TO CANCEL YOUR SERVICES BY NOTIFYING AT&T AT THE NUMBER ON YOUR BILLING STATEMENT OR BY USING ANY OTHER METHOD DESIGNATED BY AT&T OR PROVIDED IN AN APPLICABLE TARIFF, WITHIN THIRTY (30) DAYS AFTER RECEIPT OF THIS AGREEMENT. IN THE EVENT YOU CANCEL YOUR SERVICES AS PROVIDED HEREIN, YOU WILL NOT BE RESPONSIBLE FOR THE PRO RATA PORTION OF ANY MONTHLY RECURRING CHARGES AFTER THE EFFECTIVE DATE OF CANCELLATION. YOU WILL BE RESPONSIBLE FOR ALL USAGE AND NONRECURRING CHARGES AND THE PRO RATA PORTION OF MONTHLY RECURRING CHARGES INCURRED PRIOR TO CANCELLATION.

PLEASE READ THIS AGREEMENT CAREFULLY TO ENSURE THAT YOU UNDERSTAND EACH PROVISION. EXCEPT WHERE, AND ONLY TO THE EXTENT THAT, IT HAS BEEN DEEMED UNENFORCEABLE BY THE HIGHEST COURT IN THE STATE, THIS AGREEMENT REQUIRES THE USE OF ARBITRATION TO RESOLVE DISPUTES (AS DESCRIBED IN SECTION 9) AND ALSO LIMITS THE REMEDIES AVAILABLE TO YOU IN THE EVENT OF A DISPUTE (AS DESCRIBED IN

SECTION 7). IF YOU RECEIVE SERVICES IN SC, THIS AGREEMENT IS SUBJECT TO ARBITRATION IN ACCORDANCE WITH THE SOUTH CAROLINA UNIFORM ARBITRATION ACT SECTION 15-48-10, ET SEQ.

<u>1. DEFINITIONS</u>

Terms not otherwise defined in this Agreement have the following meanings:

- a. **"Agreement"** means the terms and conditions set forth herein and in all documents incorporated herein by reference.
- b. **"AT&T," "the Company," "we," "our"** and **"us"** mean the affiliates and subsidiaries of AT&T that provide or may provide Services to you under this Agreement. In the Guidebook(s), AT&T may be referred to as "the Telephone Company," or "the Company."¹
- c. **"Guidebook or Guidebooks"** are those documents that contain the standard descriptions, pricing, and other terms and conditions for Services. In some jurisdictions, the Guidebook(s) may be called "Catalogs" or "Service Descriptions and Price Lists." You can find AT&T's Guidebooks at att.com/servicepublications. If you do not have access to the Internet, you may call your AT&T customer care center for assistance in obtaining a Guidebook, as follows: If you receive Services in AR, CA, CT, IL, IN, KS, MI, MO, NV, OH, OK, TX, or WI, call 1.800.288.2020. If you receive Services in AL, FL, GA, KY, LA, MS, NC, SC, or TN, call 1.888.757.6500. AT&T reserves the right to modify the Guidebook(s) as described elsewhere in this Agreement; you should regularly review the Guidebook(s) for the Services to which you subscribe to ensure you are familiar with the current controlling terms and conditions.
- d. **"Service"** or **"Services"** means all retail residential services offered by AT&T and provided under this Agreement, and for purposes of clarity only, does not include any retail Commercial Mobile Radio Services (such as cellular or other wireless services).
- e. **"Tariffs"** are documents that contain the standard descriptions, pricing, and other terms and conditions for regulated Services that are required to be filed by AT&T with appropriate regulatory commissions as required under applicable law or regulation. Tariffs also include any complete set of service terms that are required by operation of state law. If a Service is described in both a Tariff and a Guidebook, the terms of the Tariff shall control if the service is regulated in your state. You will find AT&T's Tariffs at att.com/servicepublications.
- f. "You" means the person or entity subscribing to the Services provided under this Agreement.

¹ See Appendix for list of Service Providers

2. USE OF SERVICES

The Services are subject to billing and technical capability, and may not be available at all locations. In using the Services, you agree to comply with all applicable state and federal laws and regulations. You agree not to use the Services for any illegal, unlawful, abusive, or fraudulent purpose. This limitation includes, but is not limited to, using the Services in a way that: (1) hinders or obstructs our ability to provide Services to you or any third party; or (2) avoids or attempts to avoid your responsibility to pay for the Services or avoids any third party's responsibility to pay for the Services. Services covered by this Agreement are provided solely for your residential household use and are not intended for business use. You agree that you, and anyone you authorize to use the Services, will comply with all of the provisions of this Agreement including but not limited to the applicable Guidebook(s) and/or Tariff(s) for the Services provided under this Agreement. You also agree to pay for all charges for Services provided under this Agreement even if such calls were not authorized by you. AT&T reserves the right to withdraw any Services or to modify the terms and conditions for any Services if changes occur, including regulatory changes, that affect either the availability of such Services, or the terms and conditions under which they can be provided. This is in addition to AT&T's rights under Section 4 of this Agreement to suspend or cancel the Services.

3. CHARGES AND PAYMENT

a. **General.** You agree to pay us for the Services at the prices and charges listed in the Guidebook(s) and in correspondence sent to you regarding your Services. The prices and charges for a particular service may depend on various factors, which may include, for example, the duration of a call, the time of day and day of week, and the distance called. The type of Service used to make the call and the Service calling plan you select may also affect the price and the charge. These factors, including calling plans and Service types, can be found in the Guidebook(s). Service types include, for example, direct-dialed from home or operator-assisted. The prices and charges for the Services may also include, for example, monthly fees, monthly minimums, or connection charges. There are non-recurring installation charges and other service charges associated with your Services that are listed in the Guidebook(s).

You agree to pay all taxes, surcharges, assessments, and other fees that are related to the Services and included on your invoice or bill, unless you are exempt from these payments and can provide documentary evidence of such exemption. Taxes and government surcharges will be in the amounts that federal, state, and local authorities require or permit us to bill you.

Any mathematical error made by AT&T or any of our representatives does not constitute an offer and thus may be corrected or modified by the Company.

You are responsible for preventing unauthorized use of the Services, and you are solely responsible for making payment to AT&T for charges resulting from such unauthorized use. If there is an interruption or failure of Services caused solely by AT&T and not by you, a third

party or some other cause(s) beyond our reasonable control, you may be entitled to a Services credit, as specified in the applicable Guidebook(s).

- b. **Price Changes.** We reserve the right to revise the prices and charges for our Services from time to time. Except as otherwise may be provided below or by any applicable state laws or requirements, the following provisions shall apply for price changes:
 - We will generally give you written notice of price increases at least thirty (30) days before the increase goes into effect, except as set forth below, unless a longer notice period is required by law in your state. In some instances, it may not be commercially reasonable for AT&T to provide such notice prior to the effective date of such change. Notice may be provided in a bill insert, as a message printed in your bill, in a separate mailing, by e-mail, or by any other reasonable method. The price increase will become effective on the date provided in the notice.
 - Price decreases may be made without further notice to you, unless otherwise required by law.
 - Promotional pricing and terms shall expire in accordance with the terms applicable to each promotion, without further notice to you. Such changes will automatically be passed on to you.
 - For the following types of calls, we will provide you the prices and charges if you request this information at the time you make a call (or at the time you receive a collect call), instead of written notice to you: AT&T collect calls; AT&T person-to-person calls; calls billed to a third party; and other types of operator-assisted calls. These prices and charges will also be set forth in our Guidebook(s).

YOUR SOLE REMEDY FOR ANY PRICE CHANGES MADE BY AT&T IS YOUR RIGHT TO TERMINATE THIS AGREEMENT AS DESCRIBED IN SECTION 4.

c. **Payments.** You must pay your Services bills on time, no later than the "due by" date specified on your bill. Bills must be paid in U.S. currency. All amounts due to AT&T under this Agreement, including any sales, use or similar taxes, fees and charges will be invoiced on your monthly bill. You will be billed monthly in the month prior to the month that Services are rendered. Usage-based charges, if any, will be billed in the month following such usage. If charges for your Services include a flat rate component, your first bill will include charges for the partial month in which Services began and Service charges for the next month.

If you provide us with a valid credit, charge or debit card number that we accept for payment of some or all of the charges, then you expressly authorize us to satisfy and pay all such charges by charging that credit or debit card number and to demand immediate payment from the credit, charge or debit card issuer. You agree to pay the credit, charge or debit card issuer all amounts charged to your credit, charge or debit card. No additional consent or notices are required for billing to that credit, charge or debit card or account. When payment is made by credit, charge or debit card, payment shall also be subject to the terms and conditions required by the credit, charge or debit card issuer. You also agree to provide us updated credit or debit card number and expiration date information in order for the recurring payments to be made on your account. A reasonable convenience fee may also apply per payment when authorized by you for payment by telephone.

If we bill you directly for the Services and your check, bank or credit union draft, electronic funds transfer, or other order for payment is dishonored and returned because there are insufficient funds in your account, or because your account has been closed, we will charge you an insufficient funds or returned check fee not to exceed the maximum amount permitted by law.

If AT&T does not receive your payment before the due date on your bill, you agree to pay AT&T a collections fee, a late payment charge and/or an interest charge as set forth in the Guidebook terms of service or tariffs. Our acceptance of late or partial payment (even if marked, "PAID IN FULL" or similar words) or late payment charges shall not constitute waiver of any of our right to collect the full amount due under this Agreement. If you are billed by us on a bill from a local exchange company other than AT&T, that local exchange company's collection fees, late payment and/or interest charges, and attorney fees as allowed by law will apply.

We may demand immediate payment when actual usage is at least two times greater than your average usage as reflected on the monthly bills for the three months prior to the current bill or if you are a new customer who has been receiving Services for less than four months, where the actual usage is at least twice the estimated monthly usage charge.

- d. Billing. We will determine the design and the format of the bill. We will also determine the billing period. We may change both the format and the billing period from time to time and without notice to you. Charges begin to accrue at the start of each billing period and continue through the full billing period. We may prorate or adjust your bill if the billing period covers less than or more than a full month based on the number of days in the billing cycle for the month in which the charges are billed. Calls may be billed on a different basis, such as by rounding up to the next full minute for any fraction of minutes. When a percentage discount is applied, the resulting discount shall be rounded down to the nearest cent. Any and all billing inquiries or claims of overbilling you may have for the Services shall be referred in writing or by calling the number located on your bill to AT&T for investigation within 120 days of the first appearance of the charge(s) on your telephone bill. Except as otherwise may be required by any applicable state laws or requirements, absent a claim or dispute by you as to a charge within 120 days from its first appearance on your telephone bill, such charge shall be deemed to be correct, and you waive any objection you may have to such charge.
- e. Credit Check and Deposits. By applying for or subscribing to the Services, you give us permission to obtain your credit information from credit reporting agencies in accordance with AT&T's credit policies from time to time. If we determine that you may be a credit risk based upon AT&T's credit policies or: (1) an unsatisfactory credit rating; (2) insufficient credit history; (3) a record of late payments for either present or past bills; or (4) fraudulent, illegal or abusive use of any AT&T Services during the previous five (5) years, then we may require that you place

a deposit or other security with us or make an advance payment to secure payment for the Services we provide to you. If you refuse to make a deposit, provide other security or make an advance payment, we reserve the right to refuse to provide and/or continue to provide you Services. The amount of any such deposit will be the lesser of: (a) the amount permitted by law; or (b) a maximum of the estimated one-time charge required for your Services plus three times the amount of the highest actual billing in the previous three for the Services. Any additional security may also be required in accordance with AT&T's credit policy. You may be entitled to interest on your deposit, subject to the laws of the state where you receive the Services. If you fail to pay for the Services when due, we may, without providing you notice, apply the deposit, other security or advance payment to the amount you owe us. If you pay undisputed bills by the due date for twelve (12) consecutive billing months, we may credit your account with the deposit. If there is a credit balance on your account after the deposit is applied, we will refund or credit that amount to you, as permitted by law.

f. Credit Limits/Approved Usage. Based on your credit worthiness as determined by AT&T, we may set a credit limit or approved usage threshold on your account at any time. If we do this, we will notify you of your initial approved usage threshold and all changes to such threshold. If you exceed your credit limit or approved usage threshold, we may restrict your access to the Services we provide, including direct-dialed, operator-assisted, and calls requiring a 900 or 976 prefix. This restriction on your access to the Services will not affect your access to or use of 911 emergency services. If you fail to make timely payments, we may also lower your approved usage threshold or otherwise disconnect our Service.

4. SUSPENDING AND CANCELING SERVICES

- a. **Cancellation of Services by You.** You may cancel all or a portion of the Services to which you subscribe by discontinuing use of the Services you wish to cancel and placing a disconnect order with an AT&T Service Center by calling the number on your bill. The Guidebook specifies conditions applicable to cancellation of Services, including termination fees, if any. If you continue to subscribe to, use, or pay for other Services, this Agreement shall continue in effect for those Services until canceled by you. You are responsible for contacting us in order to discontinue Services that you no longer want or no longer can use with your existing Services, or that become incompatible with your other existing AT&T services or features.
- b. **Suspension, Cancellation or Termination of Services by AT&T.** If we believe that you or someone using the Services is abusing the Services or using them fraudulently, abusively, illegally, unlawfully, or for other than residential household purposes, we reserve the right to immediately and without notice suspend, restrict, or cancel the Services. If you do not pay your undisputed current or prior AT&T bills by the required due date, including late payment fees or any other charges permitted by this Agreement, we may suspend, restrict, or cancel the Services and this Agreement, with advance notice to you. If the state where you receive the state-specific requirements will apply. We reserve the right to discontinue Services at any time, subject to applicable law and regulation, by providing 30 days' notice to you.

- c. **Repair of Services.** We have the right at any time to suspend or interrupt Services to make necessary repairs or changes in our facilities. In such case, you may be entitled to a credit allowance under Section 3.a. of this Agreement. We may refuse to repair Services if we determine that the conditions at your premises are unsafe for us or our agents.
- d. **Outstanding Charges.** If Services are suspended, restricted, interrupted or cancelled for any reason, charges will accrue through the date that suspension, restriction, interruption or cancellation is fully processed by us. You are responsible for paying all outstanding undisputed charges for Services, including payment of any and all bills that remain due after the date of cancellation. Subject to Section 9 and applicable state law, you agree to reimburse us for any reasonable costs and expenses we incur, including attorney fees, to collect charges you owe us.
- e. **Reinstatement of Services**. If you ask us to reinstate your Services following suspension or cancellation, we may, in our sole discretion, require you to pay a deposit or a service restoral fee, or both.

5. INDEMNIFICATION

YOU AGREE THAT AT&T, OUR EMPLOYEES, OFFICERS, DIRECTORS, AFFILIATES, SUBSIDIARIES, ASSIGNEES AND AGENTS, SHALL NOT BE RESPONSIBLE FOR ANY CLAIMS, DEMANDS, ACTIONS, CAUSES OF ACTION, SUITS, PROCEEDINGS, LOSSES, DAMAGES, COSTS AND EXPENSES, INCLUDING REASONABLE ATTORNEY FEES, ARISING FROM OR RELATING TO ANY USE OF ANY SERVICES, OR ANY ACT, ERROR, OR OMISSION IN CONNECTION THEREWITH, BY YOU OR ANY PERSON YOU AUTHORIZE OR PERMIT TO USE ANY SERVICES INCLUDING BUT NOT LIMITED TO MATTERS RELATING TO: INCORRECT, INCOMPLETE OR MISLEADING INFORMATION; DEFAMATION, LIBEL OR SLANDER; INVASION OF PRIVACY; IDENTITY THEFT; INFRINGEMENT OF A COPYRIGHT, TRADE NAME, TRADEMARK, SERVICE MARK, OR OTHER INTELLECTUAL PROPERTY; ANY DEFECTIVE PRODUCT OR SERVICE SOLD OR OTHERWISE DISTRIBUTED THROUGH OR IN CONNECTION WITH ANY SERVICES OR ANY INJURY OR DAMAGE TO PERSON OR PROPERTY CAUSED THEREBY; OR VIOLATION OF ANY APPLICABLE LAW OR REGULATION (COLLECTIVELY "LOSSES"). TO THE FULLEST EXTENT ALLOWED BY LAW, YOU AGREE TO INDEMNIFY AND HOLD HARMLESS AT&T, OUR AFFILIATES AND SUBSIDIARIES, AND OUR RESPECTIVE EMPLOYEES, OFFICERS, DIRECTORS, ASSIGNEES AND AGENTS FOR ALL SUCH LOSSES, INCLUDING ATTORNEY FEES, UNLESS SUCH CLAIMS ARE BASED ON OR ARISE FROM OUR WILLFUL MISCONDUCT OR GROSS NEGLIGENCE. THIS PROVISION WILL CONTINUE TO APPLY AFTER THE CANCELLATION OR TERMINATION OF THIS AGREEMENT.

6. DISCLAIMER OF WARRANTIES

THE SERVICES ARE PROVIDED BY AT&T ON AN "AS IS", "AS AVAILABLE" BASIS WITHOUT WARRANTIES OF ANY KIND, EITHER EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO WARRANTIES OF TITLE OR IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR OTHERWISE, OTHER THAN THOSE WARRANTIES (IF ANY) THAT ARE IMPLIED BY AND INCAPABLE OF EXCLUSION, RESTRICTION, OR MODIFICATION UNDER THE LAWS

APPLICABLE TO THIS AGREEMENT, ALL SUCH WARRANTIES BEING EXPRESSLY DISCLAIMED. AT&T DOES NOT AUTHORIZE ANYONE, INCLUDING BUT NOT LIMITED TO AT&T EMPLOYEES, AGENTS, OR REPRESENTATIVES, TO MAKE A WARRANTY OF ANY KIND ON AT&T'S BEHALF, AND YOU AGREE THAT YOU WILL NOT RELY ON ANY SUCH STATEMENT. AT&T DOES NOT WARRANT THAT ANY SERVICES WILL BE UNINTERRUPTED OR ERROR FREE.

7. LIMITATION OF LIABILITY

PLEASE READ THIS SECTION CAREFULLY, AS IT DESCRIBES THE LIMITATIONS ON AT&T'S LIABILITY TO YOU OR ANYONE ELSE FOR ANY LOSS OR DAMAGE THAT YOU OR OTHERS INCUR RELATING TO THE SERVICES PROVIDED UNDER THIS AGREEMENT.

- a. EXCEPT AS EXPRESSLY PROVIDED IN SECTION 9 BELOW (WHICH GOVERNS DISPUTE RESOLUTION BY ARBITRATION), YOUR ONLY AND SOLE REMEDY FOR LOSS OR DAMAGE CAUSED BY OPERATION OR USE OF ANY SERVICES PROVIDED UNDER THIS AGREEMENT, OR FOR THE DELAY, MALFUNCTION OR AT&T'S PARTIAL OR TOTAL FAILURE TO PROVIDE OR PERFORM ANY SERVICES UNDER THIS AGREEMENT, SHALL NOT EXCEED THE APPLICABLE CREDIT SPECIFIED IN THE RELEVANT AND APPLICABLE TARIFF OR GUIDEBOOK, OR, IF NO CREDITS ARE SPECIFIED, SHALL BE PAYMENT OF AN AMOUNT THAT DOES NOT EXCEED THE CHARGES PAID OR OWED BY YOU TO AT&T FOR SUCH SERVICES FOR THE PERIOD SUCH DELAY OR FAILURE TO PERFORM OCCURRED. THIS LIMITATION ON AT&T'S LIABILITY APPLIES REGARDLESS OF WHETHER THE ACTION YOU BRING AGAINST AT&T IS GROUNDED IN CONTRACT, TORT (INCLUDING ANY CLAIMS BY YOU THAT AT&T WAS NEGLIGENT), STRICT LIABILITY, OR OTHERWISE. HOWEVER, IF IT IS DETERMINED THAT AT&T'S NEGLIGENCE CAUSED INJURY TO A PERSON OR DAMAGE TO PROPERTY, WE WILL BE LIABLE ONLY FOR AN AMOUNT NOT TO EXCEED THE AMOUNT OF DIRECT DAMAGES TO THE PERSON OR PROPERTY FOR WHICH WE ARE FOUND RESPONSIBLE.
- b. YOU FURTHER ACKNOWLEDGE AND UNDERSTAND THAT, DUE TO THE NATURE OF THE SERVICES, CALLS OR MESSAGES MAY BE LOST FOR MANY REASONS. REASONS THAT CALLS OR MESSAGES MAY BE LOST INCLUDE, BUT ARE NOT LIMITED TO: DIALING ERRORS, POWER FAILURES, MALFUNCTIONING OF SERVICES AND EQUIPMENT AND ELECTRONIC INTERFERENCE. THEREFORE, AT&T SHALL NOT BE RESPONSIBLE TO YOU FOR: THE CONTENT OF ANY CALL OR MESSAGE; ANY FAILURE OR DELAY IN THE TRANSMISSION OR RECEIPT OF ANY CALL OR MESSAGE (INCLUDING BUT NOT LIMITED TO 911 CALLS); OR ANY INTERCEPTION, UNAUTHORIZED DISCLOSURE OR OTHER UNAUTHORIZED USE OF A CALL OR MESSAGE.
- c. YOU FURTHER AGREE THAT IN ALL CIRCUMSTANCES, AT&T AND ITS SUPPLIERS AND MANUFACTURERS SHALL NOT BE LIABLE OR RESPONSIBLE TO YOU OR ANYONE ELSE FOR:
 - ANY LOST PROFITS, LOSS OF INFORMATION, LOSS OF SIGNAL, OR TOLL FRAUD;
 - ANY DAMAGES RELATED TO THE ACCURACY, TIMELINESS OR CONTINUED AVAILABILITY OF ANY AT&T SERVICES; OR

 ANY DAMAGES RELATED TO LOSS OF BUSINESS OR REVENUES, LOSS OF DATA, LOSS OF USE OF ANY ASSOCIATED DEVICES, LOSS OF COSTS OF CAPITAL, COSTS OF SUBSTITUTE SERVICES OR REPLACEMENT SERVICES, OR DOWNTIME COSTS.

AT&T IS ALSO NOT RESPONSIBLE FOR CLAIMS BY YOUR USERS FOR SUCH DAMAGES.

AT&T'S LIMITATION OF LIABILITY AND EXCLUSION OF DAMAGES DESCRIBED IN THIS SECTION APPLIES REGARDLESS OF WHETHER AT&T COULD HAVE FORESEEN THE DAMAGES. AT&T'S LIMITATION OF LIABILITY AND EXCLUSION OF DAMAGES DESCRIBED IN THIS SECTION ALSO APPLIES REGARDLESS OF WHETHER YOU OR ANYONE ELSE IS UNABLE TO USE OR ACCESS AT&T'S NETWORK OR FACILITIES (OR ANY PART OF AT&T'S NETWORK OR FACILITIES) EITHER ON THEIR OWN, OR WHEN THE FACILITIES ARE USED WITH OTHER COMMUNICATION FACILITIES, OR WHEN THE FACILITIES ARE USED WITH ANY SERVICES PERFORMED OR NOT PERFORMED BY AT&T OR ANY OTHER PARTY.

d. IN NO EVENT WILL AT&T BE LIABLE OR RESPONSIBLE FOR INDIRECT, INCIDENTAL, SPECIAL OR CONSEQUENTIAL DAMAGES ARISING OUT OF, RESULTING FROM, OR IN CONNECTION WITH THE PROVISION, OPERATION OR USE OF THE SERVICES PROVIDED UNDER THIS AGREEMENT. AT&T'S LIMITATION OF LIABILITY AND EXCLUSION OF DAMAGES DESCRIBED IN THIS SECTION APPLIES REGARDLESS OF WHETHER THE FORM OF ACTION BROUGHT AGAINST AT&T IS IN CONTRACT, TORT (INCLUDING CLAIMS AGAINST AT&T FOR NEGLIGENCE, ERROR, MISTAKE OR OMISSION ON THE PART OF AT&T OR ITS AGENTS OR SUPPLIERS), STRICT LIABILITY OR OTHERWISE.

WITHOUT LIMITING THE GENERALITY OF THE LIMITATION OF LIABILITY AND EXCLUSION OF DAMAGES IN THIS SECTION, YOU SPECIFICALLY AGREE THAT AT&T SHALL NOT BE RESPONSIBLE OR LIABLE FOR THE TYPES OF DAMAGES DESCRIBED IN THIS SECTION ARISING OUT OF, RESULTING FROM, OR IN CONNECTION WITH, ANY ACCIDENT OR INJURY CAUSED BY THE OPERATION OR FAILURE OF AT&T'S SERVICES. YOU FURTHER ACKNOWLEDGE AND AGREE THAT THE PRICING OF SERVICES UNDER THIS AGREEMENT REFLECTS THE INTENT AND UNDERSTANDING OF THE PARTIES TO THIS AGREEMENT TO LIMIT AT&T'S LIABILITY AS DESCRIBED IN THIS AGREEMENT.

- e. YOU AGREE THAT THE OPERATION AND USE OF ANY OF AT&T'S SERVICES ARE AT YOUR OWN AND SOLE RISK. AT&T SHALL HAVE NO LIABILITY OR RESPONSIBILITY FOR THE OPERATION, USE OR MALFUNCTION OF ANY OF ITS SERVICES, REGARDLESS OF WHETHER AT&T HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES AND REGARDLESS OF WHETHER SUCH DAMAGES ARE FORSEEABLE TO AT&T. AT&T SHALL ALSO HAVE NO LIABILITY OR RESPONSIBILITY FOR ANY OF YOUR ACTS OR OMISSIONS, OR FOR ANY SELECTION OR RETENTION OF, OR ANY ACTS OR OMISSIONS OF, THIRD PARTIES IN CONNECTION WITH ANY SERVICES.
- f. THE LIMITATIONS OF LIABILITIES OR REMEDIES AND EXCLUSIONS OF DAMAGES SET FORTH IN THIS AGREEMENT APPLY TO THE FULLEST EXTENT ALLOWED BY APPLICABLE LAW. IN THE EVENT THAT THE LIMITATIONS OF LIABILITIES OR REMEDIES AND EXCLUSIONS OF DAMAGES

DESCRIBED IN THIS AGREEMENT (OR ANY PORTIONS THEREOF) ARE FOUND TO BE UNENFORCEABLE FOR ANY REASON, OR IN THE EVENT THAT ANY OF YOUR REMEDIES UNDER THIS AGREEMENT FAIL OF THEIR ESSENTIAL PURPOSE, YOU EXPRESSLY AGREE THAT, EXCEPT AS SET FORTH IN SECTION 9 BELOW (WHICH GOVERNS DISPUTE RESOLUTION BY ARBITRATION), AT&T'S TOTAL LIABILITY TO YOU (OR TO ANYONE ELSE CLAIMING BY, THROUGH OR UNDER YOU) FOR ANY CAUSE OF ACTION WHATSOEVER, AND REGARDLESS OF WHETHER THE FORM OF ACTION AGAINST AT&T IS IN CONTRACT, TORT (INCLUDING ANY CLAIMS THAT AT&T WAS NEGLIGENT), OR OTHERWISE, WILL NOT AND SHALL NOT EXCEED, UNDER ANY CIRCUMSTANCES, THE AGGREGATE AMOUNT OF CHARGES PAID BY YOU FOR ANY SERVICES UNDER THIS AGREEMENT.

- g. THE PROVISIONS IN THIS SECTION 7 WILL SURVIVE AND CONTINUE TO APPLY AFTER THIS AGREEMENT TERMINATES.
- h. NOTHING IN SECTION 7 LIMITS ACTUAL DAMAGES THAT YOU INCUR AND THAT ARE CONCLUSIVELY DETERMINED TO BE THE DIRECT RESULT OF AT&T'S GROSS NEGLIGENCE OR WILLFUL OR INTENTIONAL MISCONDUCT.
- i. COMPENSATION FOR ANY INJURY YOU SUFFER DUE TO THE FAULT OF THIRD PARTIES MUST BE SOUGHT FROM SUCH THIRD PARTIES. AT&T WILL NOT BE LIABLE FOR ANY FAILURE OF PERFORMANCE DUE TO ANY ACTION, SUCH AS BLOCKING OR REFUSAL TO ACCEPT CERTAIN CALLS, THAT AT&T DEEMS NECESSARY IN ORDER TO PREVENT UNAUTHORIZED, FRAUDULENT, OR UNLAWFUL USE OF SERVICES PROVIDED UNDER THIS AGREEMENT.
- j. FOR THE PURPOSES OF THIS SECTION 7, "AT&T" SHALL INCLUDE ALL OF THE COMPANY'S EMPLOYEES, OFFICERS, DIRECTORS, AFFILIATES, SUBSIDIARIES, ASSIGNEES AND AGENTS.

8. FORCE MAJEURE

You agree that we will not be held responsible for any delay, loss, damage, or failure in performance of any Services or of any of these terms or conditions, if applicable, caused by accident or casualty, fire, flood, lightning, meteorological phenomenon, earthquake, volcanic action, power failure or blackout, severe weather, explosion, declared or undeclared war or armed conflict, national, state or local emergencies, civil disobedience, delay in transportation, failure of suppliers to deliver equipment, acts or omissions of carriers or suppliers, shortage of labor or materials, labor disputes, strikes or other concerted acts of workers (whether of AT&T or others), embargo, government requirement or other civil or military authority, acts of regulatory or governmental agencies, act of terrorism, act of God, or unnamed events or acts otherwise known as force majeure, acts of any third party, or other similar causes beyond our control, which prevent or hinder the delivery of any Services ("Condition"). If any such Condition occurs, you must pay for any Services provided, and we may elect to immediately terminate any Services without notice.

9. DISPUTE RESOLUTION BY BINDING ARBITRATION

Please read this carefully. It affects your rights.

Summary:

MOST CUSTOMER CONCERNS CAN BE RESOLVED QUICKLY AND TO THE CUSTOMER'S SATISFACTION BY CALLING AT&T AT 1.800.288.2020 IF YOU RECEIVE SERVICES IN AR, CA, CT, IL, IN, KS, MI, MO, NV, OH, OK, TX, or WI, or BY CALLING 1.888.757.6500 IF YOU RECEIVE SERVICES IN AL, FL, GA, KY, LA, MS, NC, SC, or TN. IN THE UNLIKELY EVENT THAT AT&T'S SERVICE CENTER IS UNABLE TO RESOLVE A COMPLAINT YOU MAY HAVE TO YOUR SATISFACTION (OR IF AT&T HAS NOT BEEN ABLE TO RESOLVE A DISPUTE IT HAS WITH YOU AFTER ATTEMPTING TO DO SO INFORMALLY), WE EACH AGREE TO RESOLVE THOSE DISPUTES THROUGH BINDING ARBITRATION OR SMALL CLAIMS COURT INSTEAD OF IN COURTS OF GENERAL JURISDICTION. ARBITRATION IS MORE INFORMAL THAN A LAWSUIT IN COURT. ARBITRATION USES A NEUTRAL ARBITRATOR INSTEAD OF A JUDGE OR JURY, ALLOWS FOR MORE LIMITED DISCOVERY THAN IN COURT, AND IS SUBJECT TO VERY LIMITED REVIEW BY COURTS. ARBITRATORS CAN AWARD THE SAME DAMAGES AND RELIEF THAT A COURT CAN AWARD. ANY ARBITRATION UNDER THIS AGREEMENT WILL TAKE PLACE ON AN INDIVIDUAL BASIS; CLASS ARBITRATIONS AND CLASS ACTIONS ARE NOT PERMITTED. AT&T WILL PAY ALL COSTS OF ARBITRATION, NO MATTER WHO WINS, SO LONG AS YOUR CLAIM IS NOT FRIVOLOUS. MOREOVER, IN ARBITRATION YOU ARE ENTITLED TO RECOVER ATTORNEYS' FEES FROM AT&T TO AT LEAST THE SAME EXTENT AS YOU WOULD BE IN COURT. IN ADDITION, UNDER CERTAIN CIRCUMSTANCES (AS EXPLAINED BELOW), AT&T WILL PAY YOU AND YOUR ATTORNEY A SPECIAL PREMIUM IF THE ARBITRATOR AWARDS YOU AN AMOUNT THAT IS GREATER THAN WHAT AT&T HAS OFFERED YOU TO SETTLE THE DISPUTE.

Arbitration Agreement:

- a. AT&T and you agree to arbitrate all disputes and claims between us. This agreement to arbitrate is intended to be broadly interpreted. It includes, but is not limited to:
 - claims arising out of or relating to any aspect of the relationship between us, whether based in contract, tort statute, fraud, misrepresentation or any other legal theory;
 - claims that arose before this or any prior Agreement (including, but not limited to, claims relating to advertising);
 - claims that are currently the subject of purported class action litigation in which you are not a member of a certified class; and
 - claims that may arise after the termination of this Agreement.

In this Section, references to "AT&T," "we," "our," and "us" include our respective subsidiaries, affiliates, agents, officers, employees, predecessors in interest, successors and assigns, as well as all authorized or unauthorized users or beneficiaries of services or equipment under this or prior Agreements between us.

Notwithstanding the foregoing, either party may bring an individual action in small claims court, or make a complaint to the Federal Communications Commission or a state public utilities commission if the claim is within the court's or agency's jurisdiction. **YOU AGREE THAT, BY ENTERING INTO THIS AGREEMENT, YOU AND AT&T ARE EACH WAIVING THE RIGHT TO A TRIAL BY JURY AND TO PARTICIPATE IN A CLASS ACTION.** This Agreement evidences a transaction in interstate commerce, and thus the Federal Arbitration Act governs the interpretation and enforcement of this provision. This arbitration provision shall survive termination of this Agreement.

b. A party who intends to seek arbitration must first send to the other, by certified mail, a written Notice of Dispute ("Notice"). The Notice to AT&T should be addressed to: AT&T Services, Inc., 175 E. Houston St., Room 4W20, San Antonio, Texas 78205, Attn Customer Arbitration ("Notice Address"). The Notice must (1) describe the nature and basis of the claim or dispute; and (2) set forth the specific relief sought ("Demand"). If AT&T and you do not reach an agreement to resolve the claim within thirty (30) days after the Notice is received, you or AT&T may commence an arbitration proceeding. During the arbitration, the amount of any settlement offer made by AT&T or you shall not be disclosed to the arbitrator until after the arbitrator determines the amount, if any, to which you or AT&T is entitled.

You may download or copy a form notice and a form to initiate arbitration from here: att.com/residentialarbitration

c. After AT&T receives notice at the Notice Address that you have commenced arbitration, it will promptly reimburse you for your payment of the filing fee. (The filing fee currently is \$125 for claims under \$10,000, but is subject to change by the arbitration provider. If you are unable to pay this fee, AT&T will pay it directly upon receiving a written request at the Notice Address.) The arbitration will be governed by the Commercial Dispute Resolution Procedures and the Supplementary Procedures for Residential Related Disputes (collectively, "AAA Rules") of the American Arbitration Association ("AAA"), as modified by this Agreement, and will be administered by the AAA. The AAA Rules are available online at adr.org, by calling the AAA at 1.800.778.7879, or by writing to the Notice Address. All issues, including the scope of this arbitration provision, are for the arbitrator to decide, except that issues relating to the enforceability of the arbitration provision are for the court to decide. The arbitrator is bound by the terms of this Agreement. In no event shall the arbitrator have the authority to (a) make any award that is in excess of or contrary to what this Agreement provides, or (b) order consolidation or arbitration on a class wide or representative basis. Unless AT&T and you agree otherwise, any arbitration hearings will take place in the county (or parish) of your billing address. If your claim is for \$10,000 or less, we agree that you may choose whether the arbitration will be conducted solely on the basis of documents submitted to the arbitrator, through a telephonic hearing, or by an in-person hearing as established by the AAA Rules. If your claim exceeds \$10,000, the right to a hearing will be determined by the AAA Rules. Except as otherwise provided for herein, AT&T will pay all AAA filing, administration and arbitrator fees for any arbitration initiated in accordance with the notice requirements above. If, however, the arbitrator finds that either the substance of your claim or the relief sought in the Demand is frivolous or brought for an improper purpose (as measured by the standards set forth in Federal Rule of Civil Procedure 11(b)), then the payment of all such fees will be governed by the AAA Rules. In such case, you agree to reimburse AT&T for all monies previously disbursed by it that are otherwise your obligation to pay under the AAA Rules.

- d. If, after finding in your favor in any respect on the merits of your claim, the arbitrator issues you an award that is:
 - equal to or less than the greater of (1) \$5,000 or (2) the maximum claim that may be brought in small claims court in the county of your billing address; and
 - greater than the value of AT&T's last written settlement offer made before an arbitrator was selected,

then AT&T will:

- pay you the greater of (1) \$5,000 or (2) the maximum claim that may be brought in small claims court in the county of your billing address ("the premium") instead of the arbitrator's award; and
- pay your attorney, if any, twice the amount of attorneys' fees, and reimburse any expenses, that your attorney reasonably accrues for investigating, preparing, and pursuing your claim in arbitration ("the attorney premium").

If AT&T did not make a written offer to settle the dispute before an arbitrator was selected, you and your attorney will be entitled to receive the premium and the attorney premium, respectively, if the arbitrator awards you any relief on the merits. The arbitrator may make rulings and resolve disputes as to the payment and reimbursement of fees, expenses, and the premium and the attorney premium at any time during the proceeding and upon request from either party made within fourteen (14) days of the arbitrator's ruling on the merits.

- e. The right to attorneys' fees and expenses discussed in paragraph (d) supplements any right to attorneys' fees and expenses you may have under applicable law. Thus, if you would be entitled to a larger amount under the applicable law, this provision does not preclude the arbitrator from awarding you that amount. However, you may not recover duplicative awards of attorneys' fees or costs. Although under some laws AT&T may have a right to an award of attorneys' fees and expenses if it prevails in an arbitration, AT&T agrees that it will not seek such an award.
- f. The arbitrator may award declaratory or injunctive relief only in favor of the individual party seeking relief and only to the extent necessary to provide relief warranted by that party's individual claim. YOU AND AT&T AGREE THAT EACH MAY BRING CLAIMS AGAINST THE OTHER ONLY IN YOUR OR ITS INDIVIDUAL CAPACITY, AND NOT AS A PLAINTIFF OR

CLASS MEMBER IN ANY PURPORTED CLASS OR REPRESENTATIVE PROCEEDING. Further, unless both you and AT&T agree otherwise, the arbitrator may not consolidate more than one person's claims, and may not otherwise preside over any form of a representative or class proceeding. If this specific proviso is found to be unenforceable, then the entirety of this arbitration provision shall be null and void.

g. Notwithstanding any provision in this Agreement to the contrary, we agree that if AT&T makes any change to this arbitration provision (other than a change to the Notice Address) during the period of time that you are receiving Services, you may reject any such change by sending us written notice within 30 days of the change to the Arbitration Notice Address provided above. By rejecting any such change, you are agreeing that you will arbitrate any dispute between us in accordance with the language of this provision.

10. MISCELLANEOUS

- a. **No Third-Party Rights.** This Agreement does not give any third party a remedy, claim, or right of reimbursement.
- b. **Assignment.** Except as otherwise may be provided under any applicable state laws or requirements, we reserve the right to assign or otherwise transfer by merger or operation of law all or part of our rights or duties under this Agreement without notifying you. If we make such assignment, we will have no further obligations to you, but you will continue to be bound by this Agreement. You may not assign this Agreement or the Services to which you subscribe without our prior written consent, and any attempt by you to make such assignment is void. Our consent to an assignment by you shall not be unreasonably withheld.
- c. **Notices.** Except as otherwise may be provided under any applicable state laws or requirements, you must provide written notices to AT&T as specified in this Agreement. When notice by telephone is allowed under this Agreement, such notice from you to AT&T will be effective on the date we received your call, as shown in our records. At our option and in accordance with applicable laws, AT&T's notice to you under this Agreement will be provided by one or more of the following methods: recorded announcement; bill message; bill insert; newspaper; magazine or other periodical advertisement; postcard or letter; call to your billed telephone number; or e-mail to an e-mail address provided by you.
- d. **Secure Transmissions.** You understand that it may be possible for unauthorized third parties to monitor data traffic. If you desire to secure your transmissions in connection with any Services, you shall procure, at your own cost, encryption software or other transmission protection. You assume full responsibility for the establishment of appropriate security measures to control access to your equipment and information.
- e. **Severability.** Except as provided in Section 9, if any provision, phrase or wording of this Agreement is determined to be invalid or unenforceable, such invalidity or unenforceability shall not invalidate or render unenforceable the remainder of this Agreement, but rather the entire Agreement shall be construed as if not containing the particular invalid or

unenforceable provision, phrase or wording and the right and obligations of the parties to this Agreement shall be construed and enforced accordingly.

- f. **Survivability.** The terms and conditions contained in this Agreement that by their sense and context are intended to survive the performance hereof by either or both parties hereunder, shall so survive the completion of performance, cancellation or termination of this Agreement. Except as otherwise specifically stated in this Agreement, the provisions of this Agreement are for the benefit of the parties hereto and not for any other person. Waiver by either party or any default by the other party shall not be deemed a continuing waiver of such default or a waiver of any other default.
- g. **Governing Law.** Except as it relates to Section 9, this Agreement is governed by the law and regulations of the State where you receive your Service, without regard to its conflict of law principles, except to the extent that such law is preempted by or inconsistent with applicable federal law. This Agreement is limited to Services provided in the United States.
- h. **Entire Agreement.** This Agreement, which incorporates by reference the Guidebook(s) on our website at **att.com/servicepublications**, sets forth the entire agreement between you and AT&T and, with respect to the Services covered by this Agreement, takes the place of all previous agreements, understandings, statements, proposals, and representations between us, whether written or oral. This Agreement can be amended solely as provided in Section 11 below. No written or oral statement, advertisement, or Services description not expressly contained or referenced and incorporated in the Agreement will be allowed to contradict, vary, explain, or supplement the Agreement. Neither you nor AT&T is relying on any representations or statements by the other party or any other person that are not included in this Agreement.

11. CHANGES TO THIS AGREEMENT

From time to time, we may change this Agreement, including the terms of the Guidebook(s), which are part of this Agreement. If we make any changes to prices or charges, we will comply with our notice commitments described in Section 3(b) and 10(c) of this Agreement. We will notify you of all other changes in accordance with Section 10(c) above, and such changes will be effective no sooner than thirty (30) days after we provide written notice to you. Such notice shall consist of a general description of the change and shall identify the section of the Agreement or portion of the Guidebook(s) that has/have been amended. If you live in a state that requires a notice period of more than thirty (30) days, we will comply with the notice requirement in your state. You may also request a copy of the revised Agreement, including revised Guidebook(s) by calling us toll free at the toll free number provided in Section 1. We also reserve the right to modify the terms and conditions for the provision or the operation of any Services at any time. If you do not accept the modified rates, charges or terms and conditions of the Agreement, or the modified operation of the Services, you must terminate the Services before the changes become effective per the terms of this Agreement.

YOUR SOLE REMEDY FOR ANY CHANGES MADE BY US IS YOUR RIGHT TO CANCEL THE AFFECTED SERVICES.

12. STATE LAW

You may have certain rights under the laws of the state in which you receive the Services. To the extent that applicable state laws do not permit this Agreement to supersede such rights, those state rights will govern the Services you receive except where such state law is preempted by or inconsistent with an applicable federal law, such as the Federal Arbitration Act.

13. ADDITIONAL STATE PROVISIONS

California Customers: California Public Utilities Commission Decision 07-09-018 requires that certain generally applicable terms and conditions remain in AT&T's Tariffs. If and to the extent of a conflict between the terms and conditions of this Agreement or an applicable Guidebook and the terms and conditions of an applicable Tariff, the terms and conditions of the Tariff shall control. conditions AT&T's California Tariffs be found The terms and of can at att.com/servicepublications.

Kentucky Customers: Your Services may contain a Basic local exchange service and optional features that are on file with the Kentucky Public Service Commission and that are also available separately. Should you desire to purchase a Basic local exchange service and any such optional feature without additional products or services, you may purchase them individually at prices posted at att.com/servicepublications or filed with the Kentucky Public Service Commission.

Tennessee Customers: Your Bundled Offering contains telecommunications services that are also available separately. Should you desire to purchase only the telecommunications services included in your Bundled Offering, without additional products or services, you may purchase those telecommunications services individually at prices posted at att.com/servicepublications or filed with the Tennessee Regulatory Authority.

APPENDIX: SERVICE PROVIDERS

Southwestern Bell Telephone Company Illinois Bell Telephone Company Indiana Bell Telephone Company, Incorporated Michigan Bell Telephone Company The Ohio Bell Telephone Company Wisconsin Bell, Inc. Pacific Bell Telephone Company Nevada Bell Telephone Company BellSouth Telecommunications, Inc.