

## **Terms and Conditions for Certain Other Residential and Business Services**

**Terms and Conditions for Residential and Business Services including interexchange private line services that are de-tariffed in the state of North Carolina**

By North State Telephone Company d/b/a North State Communications

North State Telephone Company d/b/a North State Communications (“North State” or “Company”) offers some residential and business services including private line services to end users based on these terms and conditions along with price list instead of by tariffs (“Service(s)"). These Services are listed at (General Services Price List and Private Line Price List) on the web or can be examined in North State’s Business Offices.

Services are offered at the rates and under the terms and conditions stated herein, as such rates, terms and conditions may be modified by the Company from time to time. As used herein, "you" or "your" refers to the individual or entity using or paying for the Services. USE OF THE COMPANY’S SERVICE CONSTITUTES YOUR ACCEPTANCE OF THESE RATES, TERMS, AND CONDITIONS.

These terms and conditions supersede all previous representations, agreements, or understandings between the parties (with the exception of services subscribed to pursuant to paragraph 17 below) and shall be the prevailing terms of this agreement for Service rendered by North State to you.

**1. AVAILABILITY OF SERVICE.** Subject to the availability of facilities and subject to transmission and like conditions, Service is available for your use twenty-four (24) hours a day, seven (7) days a week.

**2. RATES AND CHANGES IN RATES, TERMS AND CONDITIONS.** Current rates for and terms and conditions associated with the Service are posted at **(General Services Price List and Private Line Price List)**. The Company reserves the right to make price changes for Service or changes in these terms and conditions upon providing fourteen (14) days advance notice by posting the changes at **(NORTH STATE’s web site)**. In addition, the Company will provide additional notice by any reasonable commercial method including, but not limited to, a bill insert or a bill message. You agree that you will be bound by any change in the rates, terms and conditions of the Service unless you cancel your Service as provided for in paragraph 13 below prior to the effective date of the change. For those customers unable to access the Company’s internet posted rates, terms and conditions of service, the Company also maintains updated rates, terms, and conditions in its offices located at: 111 Hayden Pl., High Point, NC, 153 S. Main St., Randleman, NC and 25 Salem St., Thomasville, NC.

**3. LIABILITY OF THE COMPANY.** The liability of the Company, if any, for interruption, delays, or failures in transmissions (any one of which is considered a "Service Problem"), whether caused by the negligence of the Company or otherwise, is limited solely to credits issued by the Company to you. No credit will exceed the charges billed by the Company to you for the period during which the Service Problem occurred. The Company will issue a credit only when the Service Problem lasts more than twenty-four (24) hours. The Company reserves the right to require you to apply for any such

credit in writing. The Company may also deny your request for credit where your evidence is inconclusive or the request for credit is otherwise unwarranted or insufficient.

CUSTOMER UNDERSTANDS AND AGREES THAT NORTH STATE SHALL NOT BE LIABLE FOR ANY INDIRECT, CONSEQUENTIAL, SPECIAL, INCIDENTAL OR PUNITIVE DAMAGES (INCLUDING THE LOSS OF GOODWILL, LOSSES ASSOCIATED WITH LOST OR STOLEN DATA, LOST SAVINGS, AND/OR LOST PROFITS) ARISING OUT OF NORTH STATE PROVIDING OR FAILING TO PROVIDE SERVICES TO THE CUSTOMER. CUSTOMER AGREES THAT ITS EXCLUSIVE REMEDY AGAINST NORTH STATE FOR DAMAGES ARISING FROM CUSTOMER'S USE OF NORTH STATE SERVICES IS TO DISCONTINUE USE OF NORTH STATE SERVICES.

In no event shall North State be liable to Customer or any person for any cost, damage or harm whatsoever arising from: (a) Customer's negligence or willful acts; (b) the attachment or use of any equipment or wiring by Customer which is used in conjunction with the Service; (c) the use of any facilities of other carriers by North State in rendering its services; (d) errors or omissions associated with your telephone number or listing information provided via directory assistance; (e) any unlawful use of any North State service or violation of North State's Acceptable Use Policy; or (f) any acts beyond the control of the Company including, but not limited to: (1) acts of God, riots, fire, flood or other catastrophe; or (2) any law, regulation, directive, order or request of any federal or state governmental authority or agency having jurisdiction over North State or its services.

You are responsible for charges for service ordered from any Local Exchange Carrier or other entity for telecommunications services and/or facilities connecting you and the Company.

You are responsible for adherence to the rules and regulations pertaining to Customer Provided Equipment (CPE) or services other than those provided by the Company that you use to connect to the switched public telephone network including but not limited to the Federal Communications Commission Rules found in 47 C.F.R. Part 68.

**4. INDEMNITY.** Customer agrees to indemnify and hold harmless North State for any liability with respect to any and all claims and damages, of every kind (including specifically special, indirect, incidental, punitive, exemplary or consequential damages), arising from Customer's use of the Service. This indemnity of North State also extends to: (a) any claims or damages arising out of or attributed, directly or indirectly, to service problems; (b) any claims or damages of the owner of your premises or equipment; (c) any other third party claims and damages; or (d) damages resulting from the unauthorized use of Customer's account by third parties.

**5. No Warranties.** EXCEPT AS MAY BE EXPRESSLY SET FORTH HEREIN, THE COMPANY MAKES NO WARRANTIES EXPRESS OR IMPLIED WITH RESPECT TO THE PROVISION OF ITS SERVICES, AND EXPRESSLY DISCLAIMS ANY

IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. NORTH STATE'S LIABILITY FOR DEFECTIVE MATERIALS OR WORKMANSHIP IS LIMITED TO THE REPAIR OR REPLACEMENT OF THE DEFECTIVE MATERIAL AND/OR A CORRECTIVE SERVICE VISIT.

**6. Waiver.** Based on the circumstances presented, North State may waive certain of the requirements stated herein. Such waiver will be limited to that set of specific circumstances and shall not constitute a general waiver of any of the provisions hereof and will not eliminate Customer's obligation to continue to comply with the Acceptable Use Policy.

**7. PAYMENT.** You will provide the Company with your name, address and telephone number for billing purposes. Business entities will provide the name of a designated officer or agent. All information provided will be accurate, and the Company has the right to access and verify credit information. The Company may require you to apply for service in writing. It is your responsibility to keep the Company informed of your current mailing address.

Once Service is activated, you are responsible for paying all charges associated with the Service. Monthly Service charges are billed in advance and usage charges are billed in arrears. All bills from the Company are due by the 30th day after the bill date and are payable at the Company's office as designated on the bill. Except in the case of a dispute as provided for in Section 10, if there is an outstanding balance that has been due for over thirty (30) days, you are subject to service disconnection five (5) days after written notice by the Company. Connection charges will apply to reconnect service once it is disconnected for nonpayment. All returns of automatic debits, declined credit/debit cards and checks for credit/nonpayment reasons are subject to a charge of \$25 or an amount that will not exceed the maximum allowed by law. The Company may apply a late fee at a rate up to the maximum rate permitted by law to each of your bills not paid by the due date. You are responsible to pay all the Company's cost of collection, including bank or credit card company charges and reasonable attorneys' fees.

**8. CALCULATION OF USAGE.** Charges for usage-based Service offered by the Company begin when the connection is established. Charges are assessed in increments of one minute, with additional minute increments rounded up. Where charges for Service vary due to time of day, time periods are defined in the Company's rate tables and are determined by the local time of the location where you make the call. When a call is established in one rate period and ends in another rate period, the rates are based on the portion of your call that occurs within each rate period.

**9. TAXES, FEES AND SURCHARGES.** In addition to the charges for the Service, you are also responsible for paying all applicable federal, state and local use, excise, sales or privilege taxes, and all fees chargeable to or against the Company as a result of its provision of Service to you.

**10. BILLING DISPUTES.** If you believe you have been billed in error, you must contact the Company within sixty (60) days of the date of the bill that contains the disputed charge. Refunds or adjustments will not be issued for any charge that is more than sixty (60) days old. You may withhold from payment to the Company the disputed portion of any bill pending resolution of the dispute, but all non-disputed charges are due within the normal time period. The Company will notify you of the results of its inquiry, and either adjust the billing, issue a credit, or notify you that all or a portion of the disputed amount is still owed. You will be required to pay such amount within thirty (30) days thereafter, and if you fail to pay this amount within the time required, your account will be deemed past due and unpaid. In such event, the Company will be entitled to terminate your Service immediately without any liability whatsoever and/or require an additional deposit. In addition, any payments you withhold pending resolution of the dispute may be subject to a late fee up to the maximum rate permitted by law for such charges remaining unpaid.

**11. BILLING ENTITY CONDITIONS.** When billing for the Company's Service is performed by local exchange telephone companies, credit card companies or others, the payment conditions and regulations of such companies apply, including any applicable interest and/or late payment charges.

**12. DEPOSITS.** The Company reserves the right to require you to make a deposit to guarantee payment for Service before activating Service. After your Service is activated, if your actual monthly usage exceeds your estimated monthly usage by more than fifty percent (50%), the Company may also require a deposit or additional deposit.

The Company will return your deposit as follows: (a) when an application for Service has been cancelled prior to the time that your Service is activated, your deposit will be applied to any existing charges, and any excess portion of the deposit, if any, will be returned by the Company within ninety (90) days following settlement of your account; (b) upon the discontinuance of Service, the Company will refund your deposit to the extent that it exceeds any unpaid charges for Service provided to you; or (c) the unused portion of a deposit will be refunded to you if you have paid each bill rendered by the Company for Service within the prescribed period for each of the twelve (12) months after the date the deposit was made. The refunding or crediting of your deposit and accrued interest in no way relieves you of your obligation to comply with all of the terms of this contract or from making payments when due.

**13. TERMINATION OF SERVICE BY THE CUSTOMER.** Subject to any other signed service contracts between you and the Company as referenced in paragraph 17 below, and upon providing the Company adequate information as to your identity, you may terminate Service with three (3) working days notice, by notifying the Company by US mail, fax, e-mail, or by telephonic conversation. All amounts due under the terms and conditions of the Service plan selected are immediately due and payable upon such termination.

If the Company cancels your account, unless the account is canceled for cause as stated in Section 14, the Company will make a reasonable attempt to inform you. This notification is usually provided on the next bill statement you receive after your request for termination has been received. Only a request to terminate your service relieves you of your obligation to pay any monthly account charge. SET UP FEES ARE NOT REFUNDABLE.

**14. TERMINATION OF SERVICE BY THE COMPANY.** The Company may immediately terminate or withhold Service to you without incurring any liability whatsoever for the following reasons: (a) nonpayment of any sum due for Service where your charges remain unpaid more than thirty (30) days following written notice of nonpayment from the Company mailed, postage prepaid, to your last known address; (b) your acts or omissions which constitute, in the reasonable opinion of the Company, a violation of or a failure to comply with any term of this contract, and where such violation or failure to comply with a term of this contract threatens to interfere with the Company's operations or its furnishing of Service to, or the use of Service by, another customer of the Company; (c) the implementation of any order of a court of competent jurisdiction, or of a federal or state regulatory authority of competent jurisdiction, prohibiting the Company from furnishing you Service; (d) where you have failed or neglected to tender any additional or required deposit within thirty (30) days of demand by the Company; or (e) where the Company reasonably deems partial or complete termination of Service is necessary to prevent unlawful use of its Service.

In the event your Service is partially or completely terminated for any of the reasons stated herein, you will remain responsible for all unpaid Service charges due and owing to the Company. The Company will have the right to apply your deposit and any accrued interest to all cancellation charges and to all outstanding charges associated with your Service. If you seek reinstatement of Service following a partial or complete termination of Service by the Company, you will pay to the Company prior to the time Service is reinstated: (a) all accrued and unpaid charges; (b) a deposit, and (c) all applicable connection charges.

**15. TESTING AND INSPECTIONS AND EMERGENCY SITUATIONS.** Without incurring any liability whatsoever, the Company may, at any time, interrupt the provision of Service to you:

(a) In order to perform tests and inspections to assure compliance with this contract and/or the proper installation and operation of either your equipment and facilities or the Company's equipment and facilities; or

(b) In emergency situations where keeping you in service may threaten the Company's ability to provide service to a majority of its other customers, law enforcement agencies or emergency relief workers.

The Company may continue such interruption until any noncompliance or improper equipment or facilities identified is corrected.

**16. OWNERSHIP OF CODES AND NUMBERS.** From time to time the Company may issue you certain account codes or numbers. Neither these terms and conditions, nor any marketing material shall create or imply any ownership interest or proprietary rights in any Company assigned codes or numbers. The Company reserves the right to provide you replacement codes or numbers if it becomes necessary for the Company to use said numbers or codes for other purposes.

**17. CUSTOMIZED SERVICE PACKAGES OR COMPETITIVE (NEGOTIATED) PRICING.** You may request customized service packages or competitive (negotiated) pricing arrangements not provided in the Company's standard pricing. The Company will determine on a case by case basis whether it will provide these specialized arrangements. These are beyond the scope of these terms and conditions and will require separate contracts that may contain mandatory service terms.

**18. MUTUALLY AGREED TO INDEPENDENT ARBITRATION.** You and the Company will use your best efforts to settle any dispute or claim arising from or relating to this agreement. **THE PARTIES WILL NEGOTIATE WITH EACH OTHER IN GOOD FAITH FOR A MINIMUM OF AT LEAST THIRTY (30) DAYS BEFORE SUING IN COURT.** If the parties cannot reach an agreement within thirty (30) days, and if it is mutually agreeable, you and the Company may submit the dispute or claim to independent arbitration. You and the Company further agree, however, that mutually agreed to arbitration will not be available for any dispute or claim involving a debt owed to the Company by you. Both parties agree no arbitrator has the authority to award relief in excess of what this contract provides, award punitive damages or any other damages. All fees and expenses of the arbitration shall be borne by the party ruled against in the arbitration or shared if both parties are deemed to share fault. You and the Company agree not to reveal the results of any arbitration except as required by law.

**19. PERMITTED USE.** North State services may be used for only legal purposes. It is not acceptable to use North State equipment, systems, networks, or services to transmit or facilitate threatening, obscene, objectionable, or harassing materials or communications. North State reserves the right to contact law enforcement to report any illegal activity.

Customer represents that he/she is an individual over the age of eighteen or is using North State services under the supervision of an adult, and that Customer will not knowingly use North State services to solicit or harm a person under the age of 18 in any manner.

North State reserves the right to respond to violations of its Acceptable Use Policy in the manner it deems appropriate, including but not limited to the termination of the Customer's right to use North State services.

**20. Choice of law.** Any dispute arising out of or relating to the use of this service shall be governed by and construed in accordance with the laws of the State of North Carolina without regard to otherwise applicable choice of law principles, except that the arbitration

provision shall be governed by the Uniform Arbitration Act (N.C. Gen. Stat. § 1-567.1, et seq.).

**21. Modifications.** North State reserves the right, at its sole discretion, to modify this Acceptable Use Policy from time to time, which modifications shall become effective upon the posting thereof on North State's website and Customer's use of the North State equipment, systems, networks, or services following such posting.

**22. Rates.** ([Click here](#)) for residential and business rates. ([Click here](#)) for private line rates.