

PC Telcom
PO Box 387, Holyoke, CO 80734
CATV Agreement, Digital TV Agreement and Equipment Lease Agreement
General Terms and Conditions

These General Terms and Conditions are incorporated into the CATV Agreement, Digital TV Agreement and/or Equipment Lease attached hereto and made a part thereof. They are in addition to the Terms and Conditions located on the PCTelcom website. The Minimum Term, Monthly Payments, Payment Date, Security Deposit and Commencement Date discussed below are all shown on the CATV, Digital Agreement and Equipment Lease .

1. **Definitions.** “You” and “your” refers to you, our Customer. “We,” “us” or “our” refers to PC Telcorp, Inc. d/b/a PCTelcom. "Equipment" shall mean that specific equipment referred to in the Equipment Lease.

2. **Lease.** We lease to you, and you lease from us, the Equipment which will be located at the Equipment Location Address described in the Equipment Lease. Acceptance of the Equipment occurs upon the later of delivery or final installation by us. When you receive the Equipment, you agree to inspect it and to verify by telephone or in writing such information as we may require. **ONCE WE ACCEPT THE LEASE, YOU MAY NOT CANCEL IT DURING THE FULL MINIMUM TERM unless you pay to us all unpaid Monthly Payments for the remainder of the Lease term plus any other amounts due to us under this Lease.**

3. **Term.** The standard (aka Customer Choice) Agreement for the CATV and/or Digital TV Agreement and/or Equipment Lease shall be for the Minimum Term of 24 months. This 24 month term shall renew automatically unless you notify us in writing at least 30 days prior to the expiration of the minimum term to terminate the Agreement(s) and/or Lease. If you elect month-to-month service, this lease will renew on a month to month basis. Under either the two-year term or the month-to-month term, you must pay any additional payments, including any monthly payments for services and equipment, until the Equipment is returned by you and is received by us or someone else designated by us in good condition and working order. You will pay all shipping charges for returning the Equipment to us.

4. **Rent.** For the Equipment, you agree to pay us as rent (“Rent”) the Monthly Payments, plus applicable taxes, on each Payment Date starting with the Commencement Date. The Rent will be paid to us at the address stated above, or at any other address specified in writing by us to you. If you retain possession but do not purchase the Equipment at the end of the Minimum Term, you will pay us the Monthly Payments after the Minimum Term on a month-to-month basis, so long as you retain the Equipment or until this Lease is terminated as provided herein. Rent shall also include any other amounts due us by you under this Lease.

5. **Customer Choice 2-Year Agreement for CATV and/or Digital TV and/or Net Lease.** If you elect the two-year Equipment Lease term and/or CATV and/or Digital Agreement, with installation costs waived, you agree that you are obligated to pay the Monthly Payment for the Minimum Term. In the event you terminate services prior to the end a two-year term, you agree to immediately return the Equipment in good working order, to pay any monthly equipment fees for the remaining Minimum Term that have not been paid, and any additional fees that were waived by the acceptance of a promotion or the signing of the 2-year agreement. If you elect the month-to-month Equipment Lease term, you are obligated to pay the Monthly Payment listed in the Equipment Lease each month. Under either the two-year term or the monthly-to- month term, in the event that the Equipment is not returned immediately upon termination of services or if the equipment is damaged or destroyed through no fault of ours, you agree to pay all costs for repair or replacement of the Equipment.

6. **Disclaimer of Warranties.** **THE EQUIPMENT IS LEASED TO YOU IN AS-IS CONDITION. NO SALESPERSON OF A SUPPLIER, MANUFACTURER OR US IS AUTHORIZED TO CHANGE ANY TERM OF THIS LEASE. YOU LEASED THE EQUIPMENT BASED ON YOUR OWN JUDGMENT. YOU SHALL BE ENTITLED TO ANY MANUFACTURER’S WARRANTY. WE ONLY WARRANT INSTALLATION SERVICES PERFORMED BY US FOR 90 DAYS AFTER COMPLETION OF INSTALLATION, DURING WHICH PERIOD OUR SOLE OBLIGATION WILL BE TO CORRECT ANY DEFICIENCY IN THE INSTALLATION SERVICES. EXCEPT AS SPECIFICALLY STATED, WE HAVE NOT MADE AND DO NOT MAKE, AND WE DISCLAIM, ANY REPRESENTATION OR WARRANTY OF ANY KIND, DIRECT OR INDIRECT, EXPRESS OR IMPLIED, AS TO THE SUITABILITY, DURABILITY, DESIGN, OPERATION OR CONDITION OF THE EQUIPMENT, ITS MERCHANTABILITY, FITNESS FOR USE FOR PARTICULAR PURPOSES, OR OTHERWISE. WE SHALL NOT BE LIABLE TO YOU AND YOU WILL NOT MAKE ANY CLAIM AGAINST US FOR ANY LOSS, DAMAGE, OR EXPENSE OF ANY KIND CAUSED DIRECTLY OR INDIRECTLY BY THE EQUIPMENT.**

7. **Title.** The Equipment is and remains our sole property during the Minimum Term and thereafter until this Lease is terminated. Your only right is to use the Equipment (including any software necessary for its operation) during the Minimum Term and thereafter as long as this Lease remains in effect and you are not in default under this Lease.

8. **Use, Maintenance, Repair.** You will not move the Equipment from the Equipment Location Address without our advance written consent. You will give us reasonable access to the Equipment Location so that we can check the Equipment's existence, condition and proper maintenance. You will use the Equipment in the manner for which it was intended, as required by all applicable manuals and instructions and keep it eligible for any manufacturer's certification. We will keep the equipment in good repair, condition and working order, except for ordinary wear and tear and except for damage caused to or repairs necessitated by improper use of or damage caused to the Equipment by your negligence or intentional misconduct or for loss, destruction or damage covered by paragraph 11, the repairs of which shall be paid for by you. All replacement parts and repairs will become our property. You will not make any permanent alterations to the Equipment and you will not attach it to any real estate. If any repairs or maintenance are covered by a manufacturer's or supplier's warranty but require payment of any amounts by you or us in connection with them, we shall have the right to charge you for any of those amounts which are paid by us.

9. **Taxes.** We will file any required personal property tax returns and pay applicable property taxes related to the Equipment unless you and we agree otherwise in writing. We do not have to contest any tax on the Equipment or this Lease.

10. **Indemnity.** We are not responsible for any injuries, damages, penalties, claims or losses, including legal expenses, incurred by you or any other person caused by the installation, manufacture, selection, purchase, lease, ownership, possession, maintenance, condition, use, return or disposition of the Equipment. You agree to indemnify us, to reimburse us for and to defend us against any claims for such losses, damages, penalties, claims, injuries or expenses incurred by you or any third party. This indemnity continues even after the Lease has expired.

11. **Loss or Damage.** You are responsible for any loss, destruction or damage to the Equipment caused by the negligence, misconduct, improper use or care of the Equipment by you or any person under your control, whether or not insured, from the time the Equipment is delivered to the Equipment Location Address until it is returned to us, except for routine maintenance, repair and warranty work to be provided by us. You are required to pay all Rent even if there is any such loss, destruction or damage. You must notify us in writing immediately of any loss, destruction or damage. Then at our option you will either (a) pay us to repair or replace the Equipment so that it is in good condition and working order, eligible for any manufacturer's certification, or (b) pay us the amount required by paragraph 15(b). You and we will apply any insurance proceeds received by either of us for the Equipment to reduce any of your unpaid obligations to us.

12. **Return of Equipment.** When this Lease is terminated, you will immediately (i) allow us access to your premises to remove the Equipment or (ii) at our option and your expense, return the Equipment, in good operating condition, to us at the place we tell you. You agree to continue to pay Rent until the Equipment is received by us or at the Company's discretion pay the total replacement cost of the equipment.

13. **Default.** You will be in default under this Lease if any of the following happen: (a) we do not receive any Monthly Payment or other payment within 10 days after its due date; or (b) you breach any of the terms or conditions of this Lease and do not correct the breach within 10 days after we send you written notice; or (c) you become insolvent, are liquidated or dissolved, merge, transfer substantially all of your stock or assets, stop doing business or assign your rights or property for the benefit of creditors; or (d) a petition is filed by or against you under any bankruptcy or insolvency law; or (e) (for individuals) you die or have a guardian appointed; or (f) you (or any affiliate) is in default under any other agreement between you and us or our affiliates; or (g) without our written permission in advance, you try to move, sell, transfer, pledge, part with possession of, sublet, or put a lien on, any of the Equipment.

14. **Remedies.** If there is a default, at our sole discretion, we may do any or all of the following: (a) give you written notice of the default; (b) require you immediately to pay us as compensation for loss of our bargain and not as a penalty, (i) all unpaid Monthly Payments for the remainder of the Lease term, plus (ii) any other amounts due, including any expenses we incur to take possession, hold, repair and dispose of the Equipment, plus (iii) the estimated average fair market value of similar equipment of like age, provided that we will discount all future Monthly Payments to their present value at the higher of 6% or the lowest rate allowed by law; (c) require you to return the Equipment as provided in paragraph 13; and/or (d) pursue any other remedy we may have. In the event you do not return the Equipment, we or our agent may peacefully repossess it without a court order and you will not make any claims against us or the Equipment for trespass, damage or any other reason. Although you agree that we do not have to do so, if we sell the Equipment, we will give you credit for the amounts we receive. You will immediately pay us any amounts still owing. If this is not a true lease and if we are paid a price which exceeds the amounts you owe us plus our costs of sale, we will give you the excess. You agree that we only need to give you 10 days advance notice of any sale and no notice of advertising. You agree to pay all our costs of enforcing our rights against you including attorney's fees and court costs. You agree that we will keep all of our rights against you even if we do not choose to enforce them at the time you default. You also agree that we may telephone you at any reasonable time to enforce our rights.

15. **Assignment. YOU MAY NOT SELL, TRANSFER, ASSIGN, PERMIT A LIEN ON OR SUBLEASE THE EQUIPMENT.** We may, without notifying you, sell, assign or transfer this Lease and our rights to the Equipment. You agree that if we do so, the new owner will have the same rights and benefits that we now have, and will have to perform any of our obligations. You agree that the rights of the new owner will not be subject to any claims, defenses or setoffs that you may have against us. Any such assignment, sale, or transfer of this Lease or the Equipment by us will relieve us of any future obligations to you by us under this Agreement. If you are given notice of a new owner, you agree to respond to any requests about this Lease and, if directed, to pay the new owner all Monthly Payments and other amounts due under this Lease.

16. **Collection Expenses, Overdue Payment, Termination.** You agree that we can, but do not have to, take on your behalf any action which you fail to take to comply with this Lease and our expenses will be added to the Monthly Payments which you owe us and be considered part of the required Monthly Payments. We may charge you a late charge to cover collection costs equal to the higher of 10% of any late payment or \$22, but not more than the highest legal rate. To the extent allowed by law, any late payment will continue to accrue interest at the lower of 18% per year or the highest legal rate from the due date until paid. If you so request us and we permit the early termination of this Lease, you agree to pay a fee for the privilege of early termination (see paragraph 5).

17. **Miscellaneous.** This Agreement/Lease contains our entire agreement and supercedes any conflicting provision or equipment purchase orders or any other agreement; except for additional penalties applicable from promotions that customer has participated in. **TIME IS OF THE ESSENCE IN THIS LEASE.** If a court finds any provision of this Lease to be unenforceable, the remaining terms of the Lease remain in effect. All our and your written notices must be sent by certified or first class mail or recognized overnight delivery service, postage prepaid, to your or our address given above or at such other address as you or we may have later given in writing. At our request you will sign or obtain and send us any UCC financing statement waivers or financial information that we ask for and you will pay all costs involved. You grant us a security interest in your rights in the Equipment to secure your Lease obligations. We may execute and file any UCC financing statement in your name. **We both intend to comply with all applicable laws. If it is determined that your payments under this Lease result in an interest payment higher than allowed by applicable law, then any excess interest collected will be applied to the repayment of principal and interest will be charged at the highest rate allowed by law. In no event will we charge or receive or will you pay any amounts in excess of the legal amount.**

18. **Customer Waivers.** You waive all notices of our intent to accelerate the Monthly Payments, the acceleration of the Monthly Payments, and of the enforcement of our rights. **WE AND YOU EACH AGREE TO WAIVE AND TO TAKE ALL REQUIRED STEPS TO WAIVE ALL RIGHTS TO A JURY TRIAL.** To the extent you are permitted by law, you waive all rights and remedies you have under Article 2.5 (Sections 508-522) of the Uniform Commercial Code, including but not limited to your rights to: (a) cancel or repudiate this Lease; (b) reject or revoke acceptance of the Equipment; (c) recover damages from us for any breach of warranty or for any other reason; and (d) grant a security interest in any Equipment in your possession. To the extent you are permitted to by law, you also waive any rights you now or later may have under any statute or otherwise which require us to sell, lease or otherwise use any Equipment to reduce our damages or which may otherwise limit or modify any of our rights or remedies. **Any action you take against us for any default including breach of warranty or indemnity, must be started within one (1) year after the event which caused it.** We will not be liable for specific performance of this Lease or for any losses, damages, delay or failure to deliver the Equipment.

Signed: _____ Date: _____