

## Legal Terms and Conditions

### **\*\*ACLJ WIRELESS TERMS AND CONDITIONS OF USE (\*\*wireless network, services and products provided by Exit Mobile)**

Please read this Agreement carefully before using your Wireless Service. By using the Service you agree to be bound by these terms and conditions.

**IF YOU DO NOT WANT TO ACCEPT THESE TERMS AND CONDITIONS, DO NOT ACTIVATE AND/OR USE YOUR WIRELESS DEVICE. You must be 18 years old to purchase a Product or Service and accept this Agreement. If you are ordering for a company, you're representing that you're authorized to bind it.** You may cancel your Service if you inform us in writing or by calling us at 1-877-547-3533 and returning to us in unused condition any wireless device you received from us within fourteen (14) days of delivery. Please see below Section 11 Returns.

This is an agreement ("Agreement") for wireless telecommunications services and related services and/or features ("Service") between you and ACLJ Wireless and Exit Mobile (collectively hereafter "ACLJ"), whereby the wireless network, services and products are provided by Exit Mobile. ACLJ Wireless is an independent marketing company for Exit Mobile. The words "we", "us", or "our" collectively refer to ACLJ Wireless and Exit Mobile. You represent that you are at least eighteen (18) years of age and have the legal capacity to accept this Agreement. This Agreement explains the terms and conditions upon which we agree to provide you Service or products and you agree to accept any Service or products provided by us.

- 1. Changes to the Agreement. We may make changes to this Agreement, Calling Plan or Service at any time upon thirty (30) days written notice to you, prior to the billing period in which the changes would go into effect.** -- If you use the Service after the effective date of the changes as stated in the notice, then you have accepted the new terms, rates and conditions of the Service. If the changes have a material adverse effect on you however, you can end the affected service, without any early penalty fee, just by not using the Service after the effective date and informing us in writing or calling us at 1-877-547-3533 to cancel your Service. However, you may still be liable for payment of the value of promotional offers you have received from us (if applicable), and/or the initial buyout amount paid by us to your prior carrier (if applicable).
- 2. Activating your Service.** -- Prior to activating your Service, we may check your credit and verify your identity. Your wireless Service is subject to credit approval prior to activating your Service and continuing credit approval while you are using our Service. You agree to provide us with accurate billing information, including your name, home address and telephone number. You must report any changes to this information to us within thirty (30) days of any change. You may be required to make a prepayment on your account if your credit has not been established to our satisfaction or if your credit or payment history becomes unsatisfactory to us. If you fail to provide the requested prepayment within two (2) business days of our request, you will be deemed in breach of your obligations under this Agreement and shall entitle ACLJ to suspend or terminate your Service immediately and without notice pursuant to Section 10. Upon activation of

your Service, you will be charged a nonrefundable activation fee. This fee will be on your first monthly invoice. Please see below Section 4(b) First Bill.

### 3. **Charges and Rates for Service.**

- a. **Number Portability.** – You may be able to take, or “port,” your current wireless phone number to another service provider. If you request your new service provider to port a number from us, and we receive your request from that new service provider, we’ll treat it as notice from you to terminate our service for that number upon successful completion of porting. After the porting is completed, you won’t be able to use our service for that number. You’ll remain responsible for any cancellation fee(s), and for all fees and charges through the end of the billing cycle, just like any other termination. If you’re porting a phone number to us from another company, we may charge a nonrefundable number portability fee, which will be charged on your first monthly invoice. Moreover, we may not be able to provide you some services, such as 911 location services, immediately.
- b. **Calling Plan charges. You agree to pay the monthly access charges, airtime charges, long distance charges, roaming fees, taxes, surcharges and any other applicable fees for Services you used --** Your rates, charges, minimum terms (if applicable) and credits are based on the Calling Plan and/or Bundling Plan (collectively called “Calling Plan”) that you chose. **Your Calling Plan becomes part of this Agreement.** To the extent any condition in your Calling Plan expressly conflicts with this Agreement, the condition in your Calling Plan will govern. If at any time you change your service (by accepting a promotion, for example), you will be subject to any requirements, such as a new minimum term, we set for that change. Your Calling Plan may be any of the following: no service term (only pre-paid service); month-to-month basis; 1-year term; and 2-year term. If your Calling Plan has an initial term (i.e. 1-year term; 2-year term), this Agreement will continue on a month-to-month basis after the initial term is finished, unless a subsequent term Calling Plan is selected by you. Read your Calling Plan carefully. Your Calling Plan describes your monthly access charge, the number of minutes included in your airtime monthly allowance, and the rate per minute for additional minutes, long distance and roaming fees. You are considered to be roaming and subject to a roaming charge whenever you make or receive calls out of your home area. Your Calling Plan may have different rates for weekdays and nights. **Any calls made between the hours of 7:00 p.m. and 5:59 a.m. on any Monday through Thursday are considered night or non-peak minutes. Any calls made between the hours of 7:00 p.m. Friday through 5:59 a.m. Monday are considered weekend minutes or non-peak minutes. All other calls are considered to be using peak minutes. We charge airtime for most calls, including toll free and operator assisted calls. All international calls will incur airtime charges and international per minute fees.** For International calling rates, contact us at 1-877-547-3533. **You agree to pay for all additional airtime charges, roaming fees, long distance fees, international calling fees and other fees that are not included in your Calling Plan.**

- c. **Additional features and Service charges** - Additional features or Services such as time, weather, operator or directory assistance, call dialing, calling card use, call forwarding, data calls, automatic call delivery, voice mail, and text messaging may have additional charges. **You agree to pay any such additional charges at our then current rates.**
  - d. **Taxes, Surcharges and Miscellaneous Fees** - **You agree to pay all charges for federal, state, and where applicable local taxes we bill you. You also agree to pay any surcharges, access fees, governmental fees and similar fees, such as fees for Universal Service Charges, other Regulatory Fees, and other charges related to our governmental costs that we bill you.** These charges may change at any time without notice.
  - e. **Loyalty Reward/Free Invoice Promotion** - If your Calling/Bundling Plan qualifies for a Loyalty Reward or free invoice on a certain month or billing cycle, you will receive a percentage credit off the Monthly Access Charge every month thereafter as long as your account is in good standing and you are current on your payments. We may discontinue the Loyalty Rewards Program at any time without notice to you.
  - f. **Rebates** – **Under certain terms and conditions, you may qualify for certain promotional rebates (plan, equipment, etc.), which may require you to mail certain forms, proof of purchase(s) etc. in order to redeem said rebate. Please read all applicable rebate terms carefully in order to verify qualification and redemption.**
  - g. **Overage Insurance** – **Under certain terms and conditions, and for an additional monthly fee per line of service and specified deductible per overage instance/claim, you may opt to obtain overage insurance. Please read pertinent overage insurance offer carefully in order to verify eligibility and applicability.**
  - h. **Promotional Offers** – **Upon notice, you may be automatically enrolled under certain promotional offerings, whereby you must opt out in order to stop receiving these offerings after the termination of the respective promotional offering period.**
4. **Billing.**
- a. **Bill Cycle** - You will be billed monthly, generally beginning when your Service began. Billing cycles may change from time to time without notice. Monthly access charges and fees are usually invoiced one billing cycle in advance. Other charges such as any airtime charges or any other chargeable time are generally invoiced soon after they are incurred. In some instances they may be applied against your airtime allowance in a subsequent billing cycle. Unused airtime minutes cannot be carried forward or credited on the next monthly bill.
  - b. **First Bill** - Your first bill, among other things, may contain the following:
    - 1. The sales tax amount from your equipment and accessory purchase;
    - 2. The nonrefundable activation fee;

3. The monthly access fee for the next bill cycle and possibly a prorated amount for the current month; and
  4. Any credit due from your phone purchase.
- c. **Chargeable time** - Your chargeable time starts when you first press “Send” or the call connects to the system. Chargeable time stops when your call disconnects from the system, which will be shortly after you press “End” or the call is otherwise terminated. Partial minutes of use are rounded up to the next minute.
- d. **Payment** - You agree to pay all access, usage, and similar charges and surcharges we bill you, even if you were not the user of your wireless phone and did not authorize its use. Payment is due in full in U.S. dollars by the due date as stated on your bill. If you agree to pay your bill by an automatic withdrawal from a banking institution or credit account, we may request payment from the account for the full invoice amount without additional authorization from you. An additional fee may be imposed for certain methods of payment. If we do not receive your payment in full by the due date, we may charge you a late fee of the lesser of one and one half percent (1.5 %) per month or the maximum fee allowed by law of the unpaid balance. We may charge you a fee up to the maximum allowed by your state if a payment is denied by a financial institution.
- e. **Nonpayment and suspension and reactivation charges** - If your bill is not paid in full by the due date, we may immediately and without notice suspend or terminate your Service pursuant to Section 10. If your Service is terminated and later reactivated, we may charge a reactivation fee.
- f. **Disputed charges** - Please contact us at 1-877-547-3533 if you believe that you have been charged incorrectly. You shall submit all disputes to us within thirty (30) days of the date of the invoice in question. If you do not submit your dispute before the end of the thirty (30) - day period, then you shall be deemed to have waived the right to dispute the invoice. Both parties will use good faith efforts to resolve the dispute within forty-five (45) days from the Due Date of the invoice in question. If, at the end of the forty-five (45) day period, we resolve the dispute against you, we will notify you and all amounts that were the subject of the dispute shall be paid by you within two (2) business days of such notification. If we resolve the dispute in your favor then we will notify you and a credit for the disputed amounts shall be posted to the next invoice following such notice.

## 5. Use of Service.

- a. **No abuse** - You agree not to use our Service in an abusive, unlawful or fraudulent manner. You may not resell or lease Services to anyone. You are responsible for all use of our Services and charges incurred by your wireless device including but not limited to the use by children or minors. If we suspect that you are using the Service in an abusive, unlawful or fraudulent manner, we may immediately and without notice suspend or terminate your Service pursuant to Section 10.



1. Act or omission by you, another person or company;
  2. Failing to provide Services or problems with your Services or wireless device;
  3. Accidents or any health-related claims allegedly arising from the use of the Services or any wireless device; or
  4. Failure or interruption in attempting to access emergency services from your wireless device.
- b. **Force Majeure** – ACLJ shall not be liable, nor shall any credit allowance or other remedy be extended, for any failure of performance or equipment due to causes beyond ACLJ’s reasonable control.
- c. **Damages** - If we are found to be liable to you for damages, you agree that any such damages shall not exceed the pro-rated monthly recurring charge for your Services during the affected period.

#### 10. Termination of Service.

- a. **ACLJ Termination of Service** - We may terminate your Service as described in Sections 5(a) and 4(e) in this Agreement immediately and without notice to you (i.e. if we suspect fraud, abuse or unlawful activity or nonpayment of charges when due). We may terminate your Service and/or suspend your Service for any other breach of this Agreement or for any other business or governmental reason with notice to you.
- b. **User Termination of Service** – You agree to notify us thirty (30) days in advance if you wish to cancel service. To notify us of your termination, please call us at 1-877-547-3533. You are responsible for making arrangements with other service providers to transition your services at time of cancellation. You are responsible for all charges incurred up to cancellation date and any past due amounts remaining on your bill. Cancellation of services by you with less than thirty (30) - day notice may result in loss of eligibility for various user promotions, and/or an early cancellation fee of \$150.00.
1. **Users Under Term Contract** – Certain users will expressly agree to enroll with our Service for a stated minimum period, in exchange for receiving certain user promotions from us, including but not limited to, “buyouts” of prior carrier’s contracts, etc. In the event User terminates their Service prior to the fulfillment of their entire agreed-upon minimum period, you agree to pay applicable cancellation fees, equal but not limited to an early penalty fee of \$150.00.
- c. **Return of Equipment Upon Termination of Service** – Upon termination of service, users who are under an express agreement to lease mobile equipment from us, must contact us at 1-877-547-3533, in order to make arrangements to return the wireless device, and all accompanying equipment (hereinafter mobile equipment”), within thirty (30) days of the formal termination date. If User does

not return the mobile equipment within the requisite deadline, User agrees to pay us an equipment fee of \$300.00.

11. **Returns.** You may terminate your Service and return your wireless device for any reason for a refund within fourteen (14) days of delivery of your wireless device. You remain obligated to pay the monthly access and usage charges, all activation fees, taxes and surcharges that were incurred prior to the termination date. In order to cancel your service and return your wireless device for a refund you must cancel within fourteen (14) days of delivery of your wireless device by calling us at 1-877-547-3533 for a return authorization and return instructions. You must then immediately return the wireless device as instructed by us in the original box with the original packing slip, tray and all of the parts included. The wireless device, equipment and box must be in like new condition with no more than thirty (30) minutes of use. Any wireless device or equipment subjected to neglect, misuse, water damage, or wear and tear may not be returned for credit. Unless the wireless device is returned in this manner and within the time frame required, a full refund will not be given to you. For information regarding return of your product, call us at 1-877-547-3533.
12. **Package Shipping Damage or Evidence of Tampering.** If you find damage or tampering to your package after accepting delivery and the damage or tampering was not obvious at the time of delivery, you must report this to us by calling us at 1-877-547-3533 within forty-eight (48) hours of accepting delivery in order to return the package.
13. **Defective equipment.** Wireless devices that become defective within ninety (90) days after purchase may be returned to the manufacturer for repair or replacement under the manufacturer's warranty. Wireless devices subjected to neglect, misuse, or water damage may not be returned under the manufacturer's warranty. It is in the manufacturer's sole discretion whether or not to replace or repair your wireless device. If the wireless device is replaced, it may be replaced with a refurbished wireless device. For information regarding return of your product or more specific information about returned products, call us at 1-877-547-3533.
14. **Indemnification.** You will defend, indemnify and hold harmless ACLJ and its respective officers, directors, employees, contractors and agents against and from any loss, debt, liability, damage, obligation, claim, demand, judgment or settlement including without limitation, attorneys' fees and all reasonable costs and expenses of litigation arising out of, resulting from or based upon any complaint, claim, action, proceeding or suit to the extent that such claim arises out of any violation of this Agreement by you.
15. **Notices.** All notices to be sent to you pursuant to this Agreement shall be in writing and sent by electronic mail ("email") to the email address associated with your account (if available), and/or US mail or private courier. Any email notice shall be deemed delivered when sent. Notices sent via U.S. mail or courier shall be deemed delivered two (2) days after the date sent.
16. **Waiver and Amendment.** The failure of ACLJ to enforce any provision hereof on one or more occasions shall not constitute the permanent waiver of such provision.

17. **Settling a Dispute.** We have made every effort to provide a service that will meet and exceed your expectations. If a dispute arises between us, please contact us and we will attempt to resolve the dispute fairly and amicably. If the dispute continues, you may also contact your governing state and/or federal agency in order to aid in settling our dispute. If we are still unable to resolve the dispute, you agree to SETTLE DISPUTES EXCLUSIVELY BY ARBITRATION, except for certain actions under small claims or Justice Court actions (applies in Clark County, Nevada jurisdiction), and further agree that arbitration or a small claims/Justice Court action will provide for exclusive resolution of any issue. We agree to arbitrate all disputes and court claims arising out of or relating to this Agreement, or to any prior oral or written agreement for equipment or services between us. As the only alternative to arbitration, either party may bring an individual action in small claims or Justice Court (applies in Clark County, Nevada jurisdiction). Except to the extent prohibited by law, all claims must be filed within two years of the date the claim arises.
18. **Class Action Waiver.** Whether a small claims court or arbitration, you agree to only bring claims against each of us in an individual capacity and not as a class representative or a class member in a class or representative action. You also agree that the arbitrator may not consolidate proceedings of more than one person's claims, and may not otherwise preside over any form of a representative or class proceeding.
19. **Choice of Law.** This Agreement shall, in all respects, be governed by and construed and enforced in accordance with the laws of the State of Nevada, without respect to the state's conflict of laws provisions. You acknowledge and agree that any action to enforce or interpret the terms of this Agreement or relating to the Services to be provided by ACLJ shall be instituted and maintained only in Clark County, Nevada. You hereby consent to the jurisdiction and venue of such court and waive any objection to such jurisdiction and venue.
20. **Survival.** No termination of this Agreement shall affect the rights or obligations of either party with respect to payment or with respect to other provisions of this Agreement that, by their sense and context, are intended to survive termination of this Agreement, including without limitation, indemnification, limitation of liability, governing law and forum selection.
21. **Severability.** If any term or provision of this Agreement shall, to any extent, be determined to be invalid or unenforceable by a court or body of competent jurisdiction, then the provision shall be deemed modified to the minimum extent necessary to be valid.
22. **Assignment.** ACLJ may assign its rights and duties at any time to any party without notice to you. You may not assign this Agreement without the prior written consent of ACLJ.
23. **Costs and Attorneys' Fees.** If a proceeding is brought for the enforcement of this Agreement or because of any alleged or actual dispute, breach, default or misrepresentation in connection with any of the provisions of this Agreement or the

Services, each party shall be responsible and liable for their own attorney's fees and other costs and expenses incurred in such action or proceeding.

### **ACLJ Wireless Protection Coverage Terms and Conditions**

Some provisions in this Wireless Protection Coverage Agreement (hereinafter "Agreement") restrict coverage. Read this entire Agreement carefully. It sets forth each party's rights and duties and what is and is not covered.

This is an Agreement, for wireless protection coverage of wireless device(s) between you and ACLJ Wireless, whereby the wireless services, products and coverage are provided by Exit Mobile (collectively hereafter "ACLJ"). The words "you" and "your" refer to the "Insured Subscribers." The words "we", "us" and "our" collectively refer to ACLJ Wireless and Exit Mobile.

Other capitalized words and phrases have special meaning. Refer to Section IX. DEFINITIONS.

#### **I. COVERAGE.**

Subject to all of the terms and conditions of this Agreement, we agree to provide the wireless protection coverage as stated in this Agreement on a month-to-month basis, provided that any covered damage or Loss to the Covered Property occurs while your coverage is in effect.

##### **Information About Your Coverage**

With regard to all enrollment requests including those which require a predefined Waiting Period, the coverage specified in this Agreement begins at 12:01 a.m. on the later of the date of such request or the expiration of any predefined required Waiting Period. The information pertaining to your communication equipment coverage included in your receipt, invoice, or other documentation is incorporated by reference in this Agreement and specifically includes the name and address of the Insured Subscriber and information to determine the effective date of coverage (See Section I.F).

#### **A. WHAT WE INSURE.**

We insure your Covered Property for direct physical Loss that results from a covered cause of Loss to Covered Property so long as you remain eligible for coverage. In the event of a covered Loss, our obligation under this Agreement is to repair or replace, at our sole option, the Covered Property.

#### **B. COVERED PROPERTY.**

We cover the Covered Property (as defined in Section IX. DEFINITIONS) of Insured Subscribers enrolled for coverage and on file with us or our authorized representative for direct physical Loss from a covered cause of Loss. Coverage is subject to the terms, conditions, Exclusions, and Limits of Wireless Protection Coverage contained in this Agreement.

### **C. PROPERTY NOT COVERED.**

The following is not covered:

1. Any property or equipment that is not Covered Property.
2. Contraband or property in the course of illegal transportation or trade.
3. Any antenna or wiring attached to, protruding from, or on the exterior of any vehicle or watercraft.
4. Property in transit to you from a manufacturer or seller that is not the Authorized Service Facility.
5. Personalized data such as contact lists, photos, video, and music downloads. Customized software, such as personal information managers (PIM's) ring tones, games, or screen savers.
6. Covered Accessories will only be covered when they are part of a Loss to Covered Property other than Covered Accessories.
7. Color face plates or other Non-Covered Accessories.
8. Preventive maintenance or preferential adjustments.

### **D. COVERED CAUSE OF LOSS.**

We cover all risk of direct physical Loss to Covered Property regardless of other insurance you may have except that we do not cover those causes of Loss listed in the Exclusions (Section II).

### **E. ENROLLMENT FEE.**

A one-time nonrefundable enrollment fee of \$30.00 per line will be charged up-front to your regular account for enrollment into ACLJ's Wireless Protection Coverage Program (hereinafter "Program"). This fee will appear on the first Invoice subsequent to your express directive of enrolling your line of service into this Program.

### **F. PAYMENT OF PREMIUMS.**

Monthly premiums will be charged to your regular account with your Service Provider for transmittal to us based upon the equipment category class of your Covered Property as follows:

All eligible equipment types: \$6.00 per month

## **G. WHEN COVERAGE IS EFFECTIVE.**

All coverage is effective at 12:01 A.M. on the effective date of coverage as stated herein.

1. If you submit your request for enrollment for wireless protection coverage at Initial Activation and your Covered Property is purchased from ACLJ Wireless: Your coverage under this Agreement begins on the 31<sup>st</sup> day after our approval of your enrollment. Upon our approval, the 1<sup>st</sup> day of the 30-day Waiting Period for coverage is retroactive to the date of the submission of your request for enrollment. We or our authorized representative will notify you within 30 days if your request is not approved.

2. If you submit your request for enrollment for wireless protection coverage after Initial Activation or your Covered Property has not been purchased from ACLJ Wireless: Your coverage under this Agreement requires the successful completion of a test call to the “Covered Property” prior to becoming effective. Coverage begins on the 91<sup>st</sup> day after our approval for enrollment. Upon our approval, the 1<sup>st</sup> day of the 90-day Waiting Period for coverage is retroactive to the date of the test call. We or our authorized representative will notify you within 30 days if your request is not approved. Eligibility for enrollment after Initial Activation may be subject to limitation.

## **II. EXCLUSIONS.**

We will not pay for Loss caused directly or indirectly or resulting from events, conditions or cause of Loss identified in this Section II. Such Losses are excluded regardless of any other cause or event that contributes concurrently or in any sequence to the Loss.

A. Indirect Loss, meaning: any delay; loss of market; loss of use or any other consequential loss; interruption of business, or inconvenience; an increase of Loss caused by or resulting from the delay in replacing Covered Property due to interference at the location of replacement or repair by strikers, other persons or any other cause of loss.

B. Loss due to the intentional parting of Covered Property by you or anyone entrusted with the property. Loss due to intentional, dishonest, fraudulent or criminal acts by you or your family members; any of your authorized representatives; anyone you entrust with the property; and any of their family members; or anyone else with an interest in the property for any purpose, acting alone or in collusion with others.

C. Loss due to obsolescence, including technological obsolescence, of the Covered Property.

D. Loss caused by or resulting from change or enhancement in color, texture, or finish. Loss caused by or resulting from expansion, contraction, or any cosmetic damage of Covered Property, however caused. Such excluded causes of Loss include, but are not limited to, scratches, marring, and cracked displays that occur to Covered Property that do not affect the mechanical or electrical function of the Covered Property.

E. Loss caused by or resulting from faulty repair, adjusting, installation, servicing or maintenance, unless fire or explosion ensues and then only for Loss by ensuing fire or explosion. Loss caused by or resulting from unauthorized repair or replacement.

F. Loss caused by or resulting from the discharge, dispersal, seepage, migration, release or escape of Pollutants.

G. Loss caused by or resulting from use of the Covered Property in a manner for which it was not designed or intended by the manufacturer. Loss caused by or resulting from failure to follow the manufacturer's installation, operation or maintenance instructions.

H. Loss caused by or resulting from error or omission in design, programming, system configuration, faulty construction, or any original defect in any Covered Property, or manufacturer's recall. Loss due to Mechanical and/or Electrical Failure occurring during the term of the manufacturer's warranty.

I. Loss or damage to or of batteries (unless otherwise covered as a Covered Accessory when part of a Loss to other Covered Property) is not covered. Loss or damage to or of personalized data, such as contact lists, photos, video, and music downloads is not covered. Loss or damage to or of customized software, such as personal information managers (PIM's), ring tones, games, or screen savers is not covered. Loss or damage to or of antennas, external housings, or casings that does not affect the mechanical or electrical function of the Covered Property is not covered.

J. Loss caused by or resulting from normal wear and tear, gradual deterioration, inherent vice or latent defect.

K. Any Loss or damage caused by or through or in consequence, directly or indirectly, of Computer Virus, whether intentional or unintentional, and whether such loss be direct or indirect, proximate or remote or be in whole or in part caused by, contributed to or aggravated by the covered causes of Loss insured against under this Agreement.

L. Any Loss or damage caused by or through or in consequence, directly or indirectly, of Nuclear Hazard, meaning any weapon employing atomic fission or fusion; or nuclear reaction or radiation or radioactive contamination from any other cause; but we will pay for direct physical Loss caused by resulting fire, if the fire would be covered under this Certificate. Loss caused by or resulting from war, including undeclared or civil war; warlike action by a military force, including action hindering or defending against an actual or expected attack, by any government, sovereign or other authority using

military personnel or other agents; or insurrection, rebellions, revolution, usurped power of action taken by government authority in hindering or defending against any of these. Loss caused by or resulting from Governmental Action, meaning seizure or destruction of property by order

of governmental authority including economic and trade sanction as provided under applicable law and U.S. Treasury Department guidelines.

### **III. LIMITS OF LIABILITY.**

#### **A. PER OCCURRENCE LIMITS.**

A per occurrence limit of U. S. \$1,500, applies to each covered Loss for repair or replacement due to Loss or damage to the Covered Property for any one Insured Subscriber. For any one Loss, we will not pay for replacement equipment having a manufacturer's suggested retail value of, or for repair costs that are, more than the per occurrence limit, less the applicable deductible set forth in Section IV.

#### **B. AGGREGATE LIMITS.**

A maximum of two (2) replacements or repairs of Covered Property will be allowed per Insured Subscriber in any one twelve (12) month period. The twelve month period is calculated based on the Date of Replacement for each covered Loss.

### **IV. DEDUCTIBLE.**

Each replacement or repair of an item of Covered Property is subject to a nonrefundable deductible per covered Loss as set forth in the deductible schedule below, which you must satisfy before we will authorize a replacement or repair.

The applicable deductible is set forth in the deductible schedule below.

#### **Deductible Applicable to Each Replacement -- \$50 for all non-Blackberry Devices and \$100 for Blackberry Devices**

**NOTE:** An additional non-returned equipment charge may apply (See Section VI.F) for causes other than loss or theft if you fail to return the Covered Property as directed at the time of Loss.

### **V. CONDITIONS IN THE EVENT OF LOSS.**

Subject to the terms and conditions set forth in this Agreement, we will make good any Loss covered under this Certificate.

A. In the event of a covered Loss, we will arrange for the replacement, or at our sole option, the repair, of the Covered Property through the Authorized Service Facility.

B. An Insured Subscriber will not be entitled to receive cash in lieu of actual replacement or repair of the Covered Property.

C. Replacement equipment may, at our option, be refurbished equipment or different equipment of like kind and quality.

D. Replacement equipment will be approved equipment for use on the network of the Service Provider and in the same equipment category as the Covered Property at the time of Loss.

E. Equipment failure evaluation performed by ACLJ and/or our authorized representative and/or the manufacturer may be required prior to approval of your request for repair or replacement of the Covered Property.

## **VI. DUTIES IN THE EVENT OF A LOSS.**

A. In the event that your Covered Property is lost or stolen, you must notify your Service Provider as soon as possible to suspend service.

B. If a claim involves a violation of law or any loss of possession, you agree to promptly notify the law enforcement agency with jurisdiction and obtain confirmation of this notification.

C. You must report the Loss promptly to us not later than sixty (60) days from the date of Loss. If you do not report the Loss within sixty (60) days, you will have forfeited your claim. You must submit all claims through our authorized representative for our approval prior to repair or the delivery of replacement equipment. Any claims that are not submitted through our authorized representative for our approval will not be honored and fulfilled.

D. You will do what is reasonably necessary to minimize the Loss and to protect the Covered Property from any further Loss.

E. For Loss resulting from attempted theft, vandalism or lost equipment, you must provide us with a detailed proof of Loss statement, a police report case number, and/or a copy of the police report within sixty (60) days of the date the Loss is reported and prior to repair or receipt of replacement equipment.

F. If the cause of Loss is not loss or theft, you must keep the Covered Property until your claim is completed. We may require you to return the Covered Property to us at our expense. If we so direct, you must return the Covered Property to us in the return mailer we provide within ten (10) days or pay the non-returned equipment charge applicable to the model of Covered Property that suffered the Loss. **YOU CAN AVOID THIS CHARGE BY SIMPLY RETURNING THE COVERED PROPERTY AS DIRECTED.**

G. In the event of a covered Loss, you must permit us to inspect the property and records proving the Loss. You must cooperate in the investigation of such claim. If requested, you must permit us to question you under oath, at such times as may be reasonably required, about any

matter relating to this wireless protection coverage or your claim, including your books and records. Your answers must be signed and may be recorded.

H. In the event of a covered Loss, you may be required to provide a copy of the original bill of sale. You may also be required to present, or provide a photocopy of, a government issued photo I.D.

I. You must provide us with all of the necessary information required to approve your claim for replacement or repair of the Covered Property within sixty (60) days of the date that you report your Loss to us. Your failure to take delivery of repaired or replacement equipment within sixty (60) days of our claim approval will result in forfeiture of the repaired or replacement equipment and your claim under this Agreement.

J. In the event of a covered Loss, you must satisfy the nonrefundable deductible applicable to the Loss.

## **VII. ELIGIBILITY AND CANCELLATION.**

### **A. Cancellation or Non-renewal Provisions.**

1. You may cancel coverage under this Agreement by mailing or delivering to us advance written notice stating when such cancellation is effective. You may send your written notice to our authorized representative as follows: ACLJ Customer Care Center, 4380 Boulder Highway, Las Vegas, NV 89121.

2. We may cancel or non-renew this Agreement by having a written notice of cancellation or non-renewal mailed or delivered to you, and by delivering notice electronically to the Named Insured Service Provider at least:

- a. Ten (10) days before the effective date if we cancel for nonpayment of premium; or
- b. Forty-five (45) days before the effective date of cancellation or non-renewal if we cancel or non-renew for any other reason; except where longer notice is required by applicable law, in which case the appropriate timely notice will be given.

**NOTE:** Continued eligibility for this wireless protection coverage ceases and coverage will automatically terminate upon our second (2nd) replacement or repair of Covered Property during any one twelve (12) month period beginning with the Date of Replacement for the first replacement or repair. We will forward a notice of ineligibility to you, by mail, email or fax at the time of the second (2nd) replacement or repair. You will remain ineligible for a period of twelve (12) months commencing on the Date of Replacement for the second (2nd) replacement or repair. (See Section III.B).

3. Notice will be mailed or delivered to you at the last address known to us or as otherwise authorized by you.
4. Notice of cancellation or non-renewal will state the effective date of cancellation or non-renewal and all wireless protection coverage under this Agreement will end on that date.
5. If coverage under this Agreement is cancelled, you will be refunded any unearned premium due in accordance with applicable law.
6. If cancellation or non-renewal notice is mailed, proof of mailing will be sufficient proof of notice.

**B. To be and remain eligible for coverage:**

1. You must have activated communications service with ACLJ directly and be a valid, active and current subscriber of ACLJ to be covered under this Agreement. Covered Property must be actively registered on ACLJ's network on the date of loss and have logged airtime prior to the date of loss.
2. The Covered Property must be designated by us and eligible for coverage under this Agreement. Eligibility may be limited to new equipment that has not been previously activated for service.
3. You must not have engaged in fraud or abuse with respect to this or a similar communications equipment wireless protection coverage program.
4. You must not have exhausted the benefits available under this Agreement by exceeding the aggregate limit. (See Section III.B).
5. You must not be in breach of any material term of this Agreement, including, but not limited to: Failure to return damaged Covered Property when requested in conjunction with a covered Loss; or, failure to satisfy the required deductible on a covered Loss.
6. Your account with your mobile carrier must be in good standing, current, and not have any delinquent balances.

**C. Responsibility of Premiums.**

You are responsible for the payment of all premiums, per the terms of this Agreement, as listed on your account from your Service Provider.

**D. Eligibility for Coverage.**

The wireless protection coverage provided under this Agreement is provided on a month to month term basis unless: you cease to be a valid, active and current subscriber; or you or your Covered Property cease to be eligible for coverage.

## **VIII. ADDITIONAL CONDITIONS.**

A. All claims for covered Loss under this Agreement will be made good within thirty (30) days after presentation and acceptance of satisfactory proof of interest and Loss to our authorized representative and satisfaction by you of your Duties in the Event of a Loss. We will ship approved replacement equipment or repaired equipment directly to you within the United States; however, we may require you to pick up your replacement or repaired equipment at an Authorized Service Facility.

B. If we and you disagree on the value of the Covered Property or the amount or satisfaction of Loss, either may elect arbitration pursuant to Section VIII.G. below.

C. Any recovery or salvage on a Loss will accrue entirely to our benefit until the expense incurred by us has been made up. Upon our request, you will return to us any damaged equipment. All Covered Property which we replace is the property of ACLJ and may be disabled, destroyed or reused. We will not provide replacement equipment if you are in breach of the terms of this Agreement due to: failure to return damaged Covered Property when requested in conjunction with a prior covered Loss; or, due to your failure to satisfy the non-returned equipment charge or deductible on a covered Loss.

D. No person or organization, other than you, having custody of Covered Property, will benefit from this wireless protection coverage.

E. If any Insured Subscriber to or for whom we honor a claim under this Agreement has rights to recover damages from another, those rights are transferred to us. That Insured Subscriber must do everything necessary to secure our rights and must do nothing after a Loss to impair them; but you may waive your rights against another party in writing:

1. Prior to a covered Loss.
2. After a covered Loss, only if, at time of Loss, that party is one of the following:
  - a. someone covered under this Agreement;
  - b. a business firm;
    - i. owned or controlled by the Insured Subscriber; or
    - ii. that owns or controls the Insured Subscriber; or
    - iii. the Insured Subscriber's tenant.

This will not restrict the Insured Subscriber's coverage.

F. Promotional Offers – Upon notice, you may be automatically enrolled under certain promotional offerings, whereby you must opt out in order to stop receiving these offerings after the termination of the respective promotional offering period.

### **G. Concealment, Misrepresentation or Fraud**

This coverage is void in any case of fraud, intentional concealment or misrepresentation of a material fact, at any time, concerning:

1. This coverage;
2. The Covered Property;
3. Your interest in the Covered Property; or
4. A claim under this Agreement.

### **H. Arbitration**

The coverage provided to you by this Agreement is in connection with and related to services provided to you by ACLJ. In order to facilitate prompt resolution of any disputes which may arise, any and all claims, disputes or controversies of any nature whatsoever, regardless of when the circumstances surrounding the dispute or controversy occurred, and regardless of whether in contract, tort, or otherwise (including statutory, common law, fraud, fraudulent inducement, other intentional tort, property and equitable claims) arising out of, relating to, or in connection or conjunction with: (1) the Agreement, or the policy under which it is issued; (2) any activities, transactions, services or interactions of any kind involving you and us, or between you and any of our employees, agents, representatives or associated businesses in any way involving any activities, transactions, services or interactions involving or related in any way to the Agreement; or (3) the validity, scope or enforceability of this arbitration provision or the Agreement (the “Claim”) shall be resolved, on an individual basis, by final and binding arbitration. All arbitration shall be administered by the American Arbitration Association (the “AAA”) in accordance with its Wireless Industry Rules and Procedures (the “Arbitration Rules”) in effect at the time the Claim is filed. The Arbitration Rules, as well as forms and information on arbitration in general may be obtained by calling our authorized representative, at 1-877-547-3533, or by visiting AAA’s Web site at [www.adr.org](http://www.adr.org). Any arbitration which you attend will take place at a location within the federal judicial district that includes your billing address at the time the Claim is filed. The Arbitration Rules provide that for claims under \$10,000, we will advance the administrative fee payable to AAA and your portion of the arbitrator’s fees may be waived in the case of economic hardship. The arbitrator shall apply relevant, substantive law and applicable statutes of limitation and shall provide written reasoned findings of fact and conclusions of law. This arbitration agreement is made pursuant to a transaction involving interstate commerce and shall be governed by the Federal Arbitration Act, 9 U.S.C. Sections 1, et seq. If any portion of this arbitration provision is deemed invalid or unenforceable; it shall not invalidate the remaining portions of the arbitration provision. The arbitrator’s decision and award will be final and binding, and judgment on the award rendered by the arbitrator may be entered in any court with jurisdiction over this matter.

YOU AND WE UNDERSTAND AND AGREE THAT BECAUSE OF THIS ARBITRATION CLAUSE NEITHER YOU NOR WE WILL HAVE THE RIGHT TO GO TO COURT EXCEPT AS PROVIDED BELOW OR TO HAVE A JURY TRIAL. IN ACCORDANCE WITH THE ARBITRATION RULES, HOWEVER, YOU MAY, AT YOUR ELECTION, PURSUE AN ACTION AVAILABLE IN SMALL CLAIMS COURT IN LIEU OF ARBITRATING THE DISPUTE.

If you are a resident of Arkansas, Kentucky, Louisiana, Massachusetts, Mississippi, Montana, South Carolina, or Virginia; or if the above arbitration provisions are determined to be invalid or unenforceable with respect to you, the following applies: any award rendered in accordance with the arbitration provisions herein shall constitute a non-binding award on you, provided that within forty-five (45) days of the arbitrator's award you file a legal proceeding in the appropriate federal, state or local court, based on the same issue and facts as raised by you in the arbitration proceeding. Under no circumstances shall an issue be raised in a federal, state or local court until such time as both you and we first address our disagreement in an arbitration proceeding and obtain an arbitration award pursuant to the arbitration provision set forth above.

I. No one may bring legal action, including arbitration, against us under this Agreement unless:

1. there has been full compliance with all terms of this Agreement; and
2. the action is brought within two (2) years or any longer period as stated in the policy or any endorsement thereto after you first have knowledge of the Loss or other events that are the basis of the action.

J. The coverage territory is worldwide but the cost of replacement or repair will be valued in U.S. currency at the time of replacement or repair.

K. You may not assign your rights under this Agreement without our written consent.

L. If you have a Loss to Covered Property that is part of a pair or set, we will only cover for a reasonable and fair proportion of the total value of the pair or set. We will not cover based on a Loss to the entire pair or set.

M. We may make available to you other limited benefits or services related to your Covered Property where available. These may include: Property location or recovery services; data management or recovery services; equipment service and maintenance; reduced cost upgrade or purchase benefits or other services provided through ACLJ or other authorized service facilities.

N. We agree that any terms of this Agreement not in conformity with applicable law are conformed to comply with such law. If any portion of this Agreement is deemed invalid or unenforceable, it shall not invalidate the remaining portion of this Agreement.

O. This Agreement contains all the agreements between you and us concerning the wireless protection coverage afforded.

P. We retain the right to revise this Agreement at any time and adjust the coverage terms including the premium and the deductible. In the event of any material change in the coverage terms premium or the deductible, you will be provided advance written notice of such changes. You may cancel coverage at any time without penalty, but if you continue to pay premiums after a change in premiums, coverage terms or the deductible, you will be bound by those changes.

## **IX. DEFINITIONS.**

A. “Authorized Service Facility” means: The location or locations that serve as a replacement or repair facility for the program and supply replacements for or undertake repairs of Covered Property. Selection of the Authorized Service Facility will be at the sole discretion of us or our authorized representative.

B. “Computer Virus” means: Any unauthorized intrusive codes or programming that are entered by any means into covered data processing equipment, media, software, programs, systems or records and interrupt the operations of Covered Property.

C. “Wireless Protection Coverage Agreement”, or “Agreement”, means: This Wireless Protection Coverage Agreement between ACLJ and insured subscriber.

D. “Covered Accessories” as used in this Agreement means: if part of the covered “Loss”; one standard battery, one standard charger, one SIM Card (if applicable) and may include one of the following at your option (if part of the covered loss): one carrying case, one automobile cigarette lighter adapter, or one standard wired ear bud (not wireless or other specialty earpieces such as Bluetooth). Covered Accessories do not include memory cards or any other accessories not specifically listed as covered.

E. “Covered Property” as used in this Certificate means: one wireless telephone owned by you and actively registered on ACLJ’s network and for which airtime has been logged. Eligibility for enrollment after Initial Activation may be subject to limitation. Covered property is limited to one telephone and applicable Covered Accessories per replacement. The International Manufacturer’s Equipment Identification (IMEI) or Electronic Serial Number (ESN) of the wireless telephone associated with your account in the records of the Service Provider at the time your coverage initially becomes effective and for which air time has been logged indicates the wireless telephone to be considered Covered Property unless you have logged airtime on a different wireless telephone in which case the Covered Property is the wireless telephone 1) for which airtime usage has been logged for at least seven days prior to the time of Loss; or 2) for which you have provided a Proof of Purchase to ACLJ.

F. “Date of Loss” is the date on which a Loss to the Covered Property occurs.

G. “Date of Replacement” is the date on which replacement or repaired equipment is shipped to you, or the date on which you pick up the replacement or repaired equipment at an Authorized Service Facility, as a result of a covered Loss.

H. “Initial Activation” means: the time of initial activation by ACLJ for the Covered Property.

I. “Insured Subscriber” or “Insured Subscribers” means: The customers of ACLJ who have been enrolled and accepted for coverage under this Agreement; and for whom we or our authorized representative have on file a complete description of the Covered Property; and who have before the Date of Loss in question, paid all premiums payable with respect to the Covered Property.

J. “Loss” and “Losses” means: Accidental loss, theft, or physical damage, including Mechanical or Electrical Failure occurring outside the term of the manufacturer’s warranty.

K. “Mechanical or Electrical Failure” means: Failure of “Covered Property” to operate due to a faulty part or workmanship when operated according to the manufacturer’s instructions.

L. “Non-Covered Accessories” as used in this Agreement means: All accessories not included in the definition of Covered Accessories.

M. “Pollutants” means: Any solid, liquid, gaseous, or thermal irritant or contaminant including smoke, vapor, soot, fumes, acid, alkalis, chemicals, artificially produced electric fields, magnetic field, electromagnetic field, sound waves, microwaves, and all artificially produced ionizing or non- ionizing radiation and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

N. “Service Provider” means: ACLJ Wireless (whereby the wireless services, products and coverage are provided by Exit Mobile).

## **X. STATE CHANGES.**

Terms and conditions vary for this Agreement based upon where the Insured Subscribers reside, as set forth in the following select jurisdictions:

Alabama: Section VIII.G. Arbitration does not apply.

Alaska: A loss may be caused by a chain of causes. If a Covered Cause of Loss is the dominant cause of such a loss, we will not deny coverage on the

basis that a secondary cause in that chain is not a Covered Cause of Loss.

Illinois: You shall have fifteen (15) days after enrollment to determine if you wish to reject coverage provided that no claim is made during the fifteen (15) day period. Making any claim

during this period of time constitutes acceptance of the coverage by you. If you notify us at the address provided below that you wish to reject coverage within this period and no claim has been made, we will rescind coverage and refund 100% of the premium paid for the term of coverage.

Iowa: Section VIII.G. Arbitration does not apply.

Kansas: Section VIII.G. Arbitration does not apply.

Missouri: Section VIII.G. Arbitration does not apply.

Nebraska: Section VIII.G. Arbitration does not apply.

New York: Section VIII.G. Arbitration does not apply.

Nevada: The following is added to Section VIII.O.: Except as otherwise provided by law, we will provide you such notice at least sixty (60) days prior to such changes. Such changes will only be made on any six month anniversary date of the Policy.

Oklahoma: Section VIII.G. Arbitration is amended to include the following additional language. If an arbitration decision is not issued within three months of the demand for arbitration, the Insured Subscriber, provided they are not the cause of the delay, may elect to proceed in court.

Oregon: NOTE "B" below does not apply.

South Dakota: Section VIII.G. Arbitration does not apply.

United States Virgin Islands: In Section VII.A.2.a., "Ten (10) days" is amended to "Fifteen (15) days." The following replaces Section VII.A.6: Any such notice will be provided by certified mail. Section VIII.G. Arbitration does not apply.

Washington: We will not pay for Loss caused directly or indirectly by any of the above excluded causes of Loss, and such Loss is excluded regardless of any other cause or event that contributes concurrently to the Loss if the excluded event initiates the sequence of events that result in a Loss.

Any notice of cancellation will include the actual reason for cancellation and any notice of non-renewal will be provided to the Insured Subscribers impacted by any such non-renewal at least forty-five (45) days before the expiration of the Policy.

West Virginia: The phrase "thirty (30) days" in Section VIII.A. above is deleted and replaced with the phrase "fifteen (15) days". Section VIII.G. Arbitration is deleted in its entirety.

NOTE:

A. THIS CERTIFICATE MAY PROVIDE A DUPLICATION OF COVERAGE ALREADY PROVIDED BY YOUR PERSONAL AUTO INSURANCE POLICY, HOMEOWNER'S INSURANCE POLICY, PERSONAL LIABILITY INSURANCE POLICY, OR OTHER SOURCE OF COVERAGE.

B. ANY PERSON WHO KNOWINGLY AND WITH INTENT TO INJURE, DEFRAUD, OR DECEIVE ANY INSURER FILES A STATEMENT OF CLAIM OR AN APPLICATION CONTAINING ANY FALSE, INCOMPLETE, OR MISLEADING INFORMATION IS GUILTY OF INSURANCE FRAUD. IN FLORIDA, SUCH CONDUCT IS A FELONY OF THE THIRD DEGREE.

Any questions regarding the coverage provided under this Agreement should be directed to our authorized representative as follows:

Wireless Customer Care Center  
4380 Boulder Highway  
Las Vegas, NV 89121  
1-877-547-3533

November 12, 2009