

IMPORTANT ANNOUNCEMENT

Local Access Communications is pleased that you have chosen us to be your long distance service provider. This notice contains the rates, terms and conditions that are currently in effect for use of long distance services. Your use of any of the long distance services offered by Local Access after **September 1, 2002**, will constitute your consent to these rates, terms and conditions.

TERMS AND CONDITIONS FOR USE OF LONG DISTANCE SERVICES

I. The Service

- a. The Company provides the means by which Customer may transmit voice, data and other communications of his/her own choosing to intrastate, interstate and international points of termination, depending upon which combination of services the Customer has chosen to obtain from the Company (the "Service") subject to the terms and conditions set by the Company.
- b. The Company provides Service on a 7 days per week, 24 hours per day basis to all destinations in the United States (including Alaska and Hawaii), and to those international destinations listed in the international rate sheets maintained at the Company's office and on its website (see below).
- c. The Company has customer service representatives available Monday – Friday 9:00AM to 6:00PM to assist all customers with questions or problems regarding interstate or international toll services. A Company representative can be reached during these hours by dialing (360) 330-5535.

II. Charges, Bills and Payment for Service

- a. Service is provided and billed on a monthly basis, and will continue to be provided and billed until canceled by the Customer or terminated by the Company.
- b. The Price List containing rates and charges for the Company's Services can be inspected during regular business hours at the Company's offices located at 1417 Kresky Ave., Centralia, WA or on its website at www.localaccess.com/phone.
- c. The Company bills for the Service on a usage basis in 6-second periods and rounds up any fractional period after the first minute. International calls are billed in 6-second periods after the first initial full minute.
- d. The Company will pass through to its customers all applicable federal, state and local taxes or surcharges (including sales, use excise, gross earnings, and gross income taxes), as well as surcharges to recover the Company's contributions to applicable federal or state funds (including funds for universal service, telecommunications relay service, local number portability, and telephone number administration).
- e. Payment for all bills rendered by the Company for the Service is due within fifteen (15) days after the bill is mailed by the Company to the Customer. If payment is not received by the Company within sixty (60) days after rendition of a bill, a late charge of 1% will be applied to all amounts past due.
- f. The Company may require a Customer to make a deposit prior to or at any time after provision of Service, not to exceed estimated charges for two (2) months. Upon termination of service, the deposit will be credited to the Customer's account and any credit balance will be refunded after all amounts due the Company have been paid.
- g. The Company may modify its rates, terms or conditions at any time upon providing ten (10) days advance notice. The Company may elect to provide such notice by any reasonable commercial method. Customer agrees he/she is bound by such change unless Customer cancels the service prior to the effective date of the change. Such charges shall be included in the Price List.

III. Obligations of Customer

- a. The Customer is responsible for the timely payment of all billed charges for services or facilities provided by the Company to the Customer, for payment of the Company's reasonable attorney's fees, whether or not court action is filed, and court costs if the Company is forced to retain an attorney to collect any of its billed charges from the Customer.
- b. The Customer will not use the Company's Service in a manner that interferes unreasonably with the use of the services by one or more other customers.
- c. The Customer will not use the Company's Service in an abusive, illegal or fraudulent manner, nor alter or tamper with the Company's connections or facilities.
- d. The Customer will indemnify the Company against any and all liability, including reasonable counsel fees, arising from any claims against the Customer for libel, slander, or infringement of copyright or trademark in connection with any material transmitted by the Customer using the Company's Service.

IV. Billing Disputes

If the Customer believes that a bill contains an error, the Customer must contact the Company within thirty (30) days of the date of the bill which contains the disputed charge. Refunds or credits will not be issued for any charge that is more than thirty-one (31) days old (this limitation does not apply to disputes of intrastate service charges). The Customer 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 bill, issue a credit, issue a refund, or notify you that all or a portion of the disputed amount is still owed. You will be required to pay any amount still owed within fifteen (15) days after notice from the Company. If the Customer fails to pay this amount within the time required, the Customer's account will be deemed past due and unpaid. In such event, the Company may terminate the Customer's service immediately without any liability whatsoever, at the Company's option. In addition, any payments the Customer withheld pending resolution of the dispute may be subject to a late payment fee of one percent (1%) per month for the period during which any charges remain unpaid.

V. Limitation of the Company's Liability

- a. Except for the gross negligence or intentional misconduct of the Company, the liability of the Company, if any, for damages resulting in whole or in part from mistakes, omissions, interruptions, delays, errors or other defects in the Service, whether or not caused by the Company, shall not exceed its billed charges for the defective call or calls.
- b. Neither the Company nor its directors, officers, employees or agents will be liable for punitive, indirect, incidental, special or consequential damages.
- c. The Company shall not be liable for any interruption, failure or degradation of Service due in whole or part to causes beyond its control, including, but not limited to: (1) acts of nature, fires, flood or other catastrophes; (2) any law, order, regulation, directive, action or request of any instrumentality of the United States Government, or of any foreign, state or local government; (3) any national emergency, insurrection, riot, war, strike or labor difficulty; (4) any act or omission by another carrier or other entity affecting the facilities or equipment over which the Service is provided; (5) any negligence by the Customer or defects or failures of the Customer's equipment; and (6) any negligent acts or omissions of third parties.

VI. Refusal, Termination or Suspension of Service

- a. The Company may refuse service to a Customer that fails or declines to make a deposit requested by the Company, and may terminate service eight (8) business days after written notice of termination is mailed to a Customer that fails or declines to increase a deposit in response to the Company's request.
- b. The Company may terminate service eight (8) days after a written notice of termination is mailed to a Customer that has failed to pay a bill for more than sixty (60) days after it was rendered, or that has failed to pay disputed charges determined to be owed to the Company via the Company's billing dispute resolution procedures (see above) for more than fifteen (15) days after the end of the dispute resolution proceeding.
- c. The Company reserves the right to establish a credit limit for Customers or classes of Customers, and to suspend Service to a Customer when the Customer reaches the applicable limit.
- d. The Company may suspend or terminate service to a Customer immediately if the Company reasonably believes that the Customer or entities using the Customer's account or facilities are using the Company's services in a manner that: (1) interferes with the use of the Services by one or more other customers; (2) is abusive, illegal or fraudulent; (3) damages the Company's facilities or equipment; (4) is in violation or breach of any of the terms or conditions of this Service Agreement or the Price List; or (5) places excessive capacity demands upon the Company's facilities or Service, or (6) if the applicant or subscriber has an overdue, unpaid prior obligation to the same company for the same class of service at the same or different location or for other reasons as specified in the Company's Price List.

VII. Other Terms and Conditions

Other terms and conditions related to the Company's provision of the Service to the Customer are set out in the Company's Price List available on the Company's website or at the Company's office. Use of the Service constitutes Customer's agreement to be bound by, and to use the Service in accordance with, those terms and conditions.

VIII. Rates

The Rates for the Company's service plans are as follows:

- a. Calls within Washington State (Intrastate):
 1. Real Savings Plan: \$0.12 each minute (10% off \$25.00 or more, 25% off \$50.00 or more)
 2. Flat Rate Plan: \$0.10 each minute with \$6.95 monthly charge
 3. Block of Time Plan \$10 for 100 minutes \$0.10 per minute if usage exceeds 100 minutes
- b. Calls within Contiguous 48 states (Interstate):
 1. Real Savings Plan: \$0.10 each minute (10% off \$25.00 or more, 25% off \$50.00 or more)
 2. Flat Rate Plan: \$0.07 each minute with \$6.95 monthly charge
 3. Block of Time Plan \$10 for 100 minutes \$0.10 per minute if usage exceeds 100 minutes
- c. International rates:

These rates vary by the destination country. The rates are available on the Company's website at www.localaccess.com/phone or by calling the Company's business offices at (360) 330-5535, or by writing to the Company at P.O. Box 683, Centralia WA 98532

**IMPORTANT CUSTOMER NOTICE:
YOUR USE OF THE SERVICE (PLACEMENT OF TOLL CALL)
CONSTITUTES YOUR ACCEPTANCE
OF THESE RATES, TERMS AND CONDITIONS**