

TERMS & CONDITIONS DOCUMENT

Section 8 - Discontinuance and Restoration of Service

8.1 Cancellation of Service/ Termination Liability

A Customer must give 30 days prior notice to the Company of its intention to discontinue service.

In the event that Company is required to construct and/or acquire communication facilities in order to provide Service to Customer, Company will incur significant costs in provisioning Service to Customer, including costs associated with constructing and/or acquiring the communications facilities necessary for delivery of Service to Customer. In addition to any other rights and remedies Company may have when a Customer cancels, terminates or breaches an order prior to the effective date, Customer's termination charge shall be determined as follows:

The costs Company incurred to construct and/or acquire communication facilities, including, but not limited to, the Company's recurring and nonrecurring costs of labor, engineering, nonreusable materials, interest, transportation, storage, manufacturers' cancellation charges and any other costs incurred by the Company or its subcontractors prior to completion of installation, including those expenses incurred in preparation for start of installation.

Customer also shall pay Company two months of the monthly recurring charges for services that Customer has cancelled along with all non-recurring charges.

When an order for service is canceled on or after the effective date, Customer must give the Company notice of Customer's intention to cancel thirty (30) days prior to the cancellation date. In the event of cancellation, Customer shall be obligated to pay Company a termination charge equal to all non-recurring and recurring charges for the remaining term plus 75% of the average monthly billing service for the three months prior to the termination month (or such lesser period if fewer than three months of Service were utilized) for service times the number of remaining months in the term of the service plan. The service term plan cancellation charges are due and payable immediately upon cancellation of service.

For Customers that subscribe to a term commitment, Company will notify Customer, in writing, at least forty-five (45) days prior to the expiration of the initial term or any term extension, as applicable, regarding the pending expiration of the Customer's current term of Service and the automatic renewal of the Customer's term. If the Customer does not cancel Service by submitting notice of such cancellation to Company in writing before the end of the existing term, Company will automatically extend the Customer's term of Service for a similar term at the completion of Customer's existing term. Any termination shall not relieve the Customer of its obligation to pay any charge incurred under the service order and this document prior to termination.

TERMS & CONDITIONS DOCUMENT

Section 8 - Discontinuance and Restoration of Service (cont'd)

8.2 Cancellation by the Company for Cause

The Company may discontinue or suspend service under this document without incurring any liability and imposing liability on the Customer by completely or partially disabling all Services or by blocking traffic to or from certain countries, cities, NXX exchanges, or individual telephone stations, by blocking call origination for Company Services, or codes when the Company deems it necessary as follows:

8.2.1 Upon ten (10) days prior written notice,

- (A) for non-payment of any charges or deposits owing to the Company; or
- (B) for violation of any of the other terms or conditions for furnishing service under this document.

8.2.2 Upon thirty (30) days prior written notice or lesser notice that is reasonable under the circumstances,

- (A) for condemnation of all or any material portion of the facilities used by the Company to provide service to a Customer;
- (B) if all or any significant portion of the facilities or associated equipment used to provide the Service to Customer shall be taken for any public or quasi-public purpose by any lawful power or authority by the exercise of the right of condemnation or eminent domain; or
- (C) in the event a casualty renders all or any material portion of such facilities inoperable beyond feasible repair;

8.2.3 Immediately and without notice,

- (A) for tampering with the Company's property;
- (B) when the Customer has vacated its premises;
- (C) for use of Customer facilities that adversely and substantially affects the Company's service to other Customers;
- (D) for fraudulently obtaining or using of service;

Issued by:
Kelly Faul
Director, Regulatory Affairs

Effective: July 27, 2012

TERMS & CONDITIONS DOCUMENT

Section 8 - Discontinuance and Restoration of Service (cont'd)

8.2 Cancellation by the Company for Cause (cont'd)

8.2.3 Immediately and without notice, *(cont'd)*

- (E) for governmental prohibition or required alteration of the services to be provided;
- (F) for unlawful use of service or use of service for unlawful purposes; or
- (G) upon the Customer filing for bankruptcy or reorganization or failing to discharge an involuntary petition therefore within the time permitted by law.

Upon the Company's discontinuance of service to the Customer, the Company, in addition to all other remedies that may be available to the Company at law or in equity or under any other provision of this document, shall be liable for termination liability charge as calculated in Section 8.1 except for discontinuance resulting from the circumstances in Section 8.2(B).

- 8.2.4** California Public Utilities Commission's Decision No. 91188, in Case No. 4930, requires that each communications utility, operating under the jurisdiction of the Commission, include the provisions of the Section set forth in Appendix "B" of that decision as a part of the rules in the Utility's documents. Accordingly, Appendix "B" of Decision No. 91188, Case No. 4930, is quoted herein:

Issued by:
Kelly Faul
Director, Regulatory Affairs

Effective: July 27, 2012

TERMS & CONDITIONS DOCUMENT

Section 8 - Discontinuance and Restoration of Service (cont'd)

8.2 Cancellation by the Company for Cause (cont'd)

8.2.4 (cont'd)

1. Any communications utility operating under the jurisdiction of this Commission shall refuse service to a new applicant and shall disconnect existing service to a Customer upon receipt from any authorized official of a law enforcement agency of a writing, signed by a magistrate, as defined by Penal Code Sections 807 and 808, finding that probable cause exists to believe that the use made or to be made of the service is prohibited by law, or that the service is being or is to be used as an instrumentality, directly or indirectly, to violate or to assist in the violation of the law. Included in the magistrate's writing shall be a finding that there is probable cause to believe not only that the subject telephone facilities have been or are to be used in the commission or facilitation of illegal acts, but that the character of such acts is such that, absent immediate and summary action in the premises, significant dangers to public health, safety, or welfare will result.
2. Any person aggrieved by any action taken or threatened to be taken pursuant to this Section shall have the right to file a complaint with the Commission and may include therein a request for interim relief. The Commission shall schedule a public hearing on the complaint to be held within 20 calendar days of the filing of the complaint. The remedy provided by this Section shall be exclusive. No other action at law or in equity shall accrue against any communications utility because of, or as a result of, any matter or thing done or threatened to be done pursuant to the provisions of this Section.
3. If communications facilities have been physically disconnected by law enforcement officials at the premises where located, without central office disconnection, and if there is not presented to the communications utility the written finding of a magistrate, as specified in paragraph 1 of this Section, then upon written request of the subscriber the communications utility shall promptly restore such service.

TERMS & CONDITIONS DOCUMENT

Section 8 - Discontinuance and Restoration of Service (cont'd)

8.2 Cancellation by the Company for Cause (cont'd)

8.2.4 (cont'd)

4. Any concerned law enforcement agency shall have the right to Commission notice of any hearing held by the Commission pursuant to paragraph 2 of this Section, and shall have the right to participate therein, including the right to present evidence and argument and to present and cross-examine witnesses. Such law enforcement agency shall be entitled to receive copies of all notices and orders issued in such proceeding and shall have both:
 - (1) the burden of proving that the use made or to be made of the service is prohibited by law, or that the service is being or is to be used as an instrumentality, directly or indirectly, to violate or to assist in the violation of the law, and that the character of such acts is such that, absent immediate and summary action in the premises, significant dangers to public health, safety, or welfare will result and
 - (2) the burden of persuading the Commission that the service should be refused or should not be restored.
5. The utility, immediately upon refusal or disconnection of service in accordance with paragraph 1 of this Section shall notify the applicant or subscriber in writing that such refusal or disconnection has been made pursuant to a request by a law enforcement agency, naming the agency, and shall include with said notice a copy of this Section together with a statement that the applicant or subscriber may request information and assistance from the Commission at its San Francisco or Los Angeles office concerning any provision of this Section.

TERMS & CONDITIONS DOCUMENT

Section 8 - Discontinuance and Restoration of Service (cont'd)

8.2 Cancellation by the Company for Cause (cont'd)

8.2.4 (cont'd)

6. At the expiration of fifteen days after refusal or disconnection of service pursuant to paragraph 1 of this Section the utility, upon written request of the applicant or subscriber, shall provide or restore such service unless the law enforcement agency concerned shall have notified the utility in writing of its objection to such provision or restoration of service, in which event service may be provided or restored only in a complaint proceeding pursuant to paragraph 2 of this Section. At the time of giving any such notice of objection, the law enforcement agency shall mail or deliver a copy thereof to the applicant or subscriber.

Nothing in this paragraph shall be construed to preclude the granting of interim relief in a proceeding initiated pursuant to paragraph 2 of this Section.

7. Each contract for communications service, by operation of law, shall be deemed to contain the provisions of this Section. Such provisions shall be deemed to be a part of any application for communications service. Applicants for service shall be deemed to have consented to the provisions of this Section as a consideration for the furnishing of such service.
8. The term 'person', as used herein, includes a subscriber to communications service, an applicant for such service, a corporation, a company, a co-partnership, an association, a political subdivision, a public officer, a governmental agency, and an individual.

TERMS & CONDITIONS DOCUMENT

Section 8 - Discontinuance and Restoration of Service (cont'd)

8.2 Cancellation by the Company for Cause (cont'd)

8.2.4 (cont'd)

9. The term 'communications utility', as used herein, includes a 'telephone corporation' and a 'telegraph corporation', as defined in Division 1 of the California Public Utilities Code."

8.3 Restoration of Service

Except as otherwise provided in this Section, the Company will restore service to the Customer under the terms and conditions for applying for or requesting service from the Company under this document, including but not limited to the requirement that the Customer pay all amounts due prior to restoration of service, as well as installation costs, advance payment, and a deposit, if required by the Company.

The use and restoration of service in emergencies shall be in accordance with Part 64, Subpart D of the Federal Communications Commission's rules and Regulations and the Regulations of the Commission which specify the priority system for such activities.