



EQUIPMENT AGREEMENT

This Agreement concerns equipment provided to you by Palo Cooperative Telephone Association (the "Company") in connection with your subscription to voice, video and data communications services provided by the Company. This Agreement is in addition to and does not replace the applicable terms and conditions of service, any service agreement or any applicable tariff. The Company reserves the right to suspend or discontinue service generally, or to disconnect your service or Equipment, at any time in its sole and absolute discretion. This Agreement supersedes any prior agreements between you and the Company and any and all prior or contemporaneous statements, understandings, writings, commitments or representations concerning its subject matter.

- 1. Equipment.** For purposes of this Agreement "Equipment" includes all equipment provided to you by the Company at any time for reception of communications services, including without limitation modems, routers, set-top boxes and ancillary remote controls, wiring, decoders, outlets, terminals, etc. installed in or on your premises. Equipment is provided to you for the term of service and solely for your use in connection with lawfully receiving and using service. All Equipment provided and installed by the Company shall remain the sole and exclusive property of the Company, unless otherwise specified in writing by the Company or as provided by applicable law. This Agreement governs the use of Equipment and service by you, members of your household, guests and employees.
- 2. Access to Premises.** The Company may enter into, upon and over your premises periodically during the term of this Agreement to install, connect, inspect, maintain, repair, alter, disconnect and remove its outlets and Equipment. To the extent the same is consistent with your ownership of the premises, you grant the Company a temporary and permanent easement to construct, install, maintain, and/or replace transmission facilities and to install, connect, inspect, maintain, repair, alter, disconnect and remove all other Equipment necessary or convenient in connection with the provision of communications services. In the event you are not the owner of the premises upon which service installation is requested, you warrant to the Company that you have obtained the consent of the owner of the premises for the Company to make installation and maintenance contemplated by this Agreement.
- 3. Safekeeping of Equipment.** You are responsible for the safekeeping of all Equipment placed in or on your premises. The Company has no responsibility for replacing Equipment destroyed or damaged by your misuse, abuse or neglect. In the event that Equipment is destroyed, damaged (ordinary wear and tear excepted), lost or stolen while in your possession, you shall be liable for the full cost of repair or replacement of the Equipment. The law prohibits willful damage, alteration or destruction of Equipment or facilities installed in or located on your premises or otherwise provided to you by the Company. You may be subject to both civil and criminal penalties for such conduct.
- 4. Return of Equipment.** If you cancel service or if service is terminated by the Company, then you must return the Equipment to the Company during regular business hours, Monday through Friday (except holidays), within ten (10) days of the cancellation or termination of service. **Do not return equipment by mail or delivery service.** The Equipment must be returned to the Company in the same condition that you received it, except for normal wear and tear. All Equipment must be returned to the Company's business office or an alternative location designated by the Company at the time of termination or cancellation. If you are unable to travel to the Company's business office or other designated location to return the Equipment, you may request pick-up. Provision of pick-up service is solely at the Company's option and the Company's refusal or failure to provide pick-up service will not excuse your obligation to return Equipment. If the Company agrees to provide pick-up service, pick-up will occur during the business week and only during regular business hours. There may be a fee for pick-up, which you will be informed of when you request pick-up service and which will be payable at time of pick-up.
- 5. Failure to Return Equipment.** If after ten (10) days from cancellation or termination of service, the Equipment has not been returned to the Company, then you will be assessed a late charge of five dollars (\$5.00) per day. If after twenty (20) days from cancellation or termination of service, the Equipment has not been returned to the Company, you may be charged for the full cost of the Equipment. If the Company is required to initiate legal action to recover the replacement cost of Equipment or, at its option, to recover the Equipment itself, then you will be liable for collection costs and/or for any reasonable attorneys' fees, expenses and court costs incurred by the Company in bringing legal action.
- 6. Disclaimer of Warranties; Limitation of Liability.** The Company is not the manufacturer of, nor a dealer in, any Equipment. If any Equipment is defective when installed or provided, the Company will either repair or replace the defective Equipment. Replacement of defective Equipment constitutes the Company's entire liability to you and your sole remedy under this Agreement, whether such claim or remedy is sought in contract or tort (including negligence, strict liability or otherwise). **THE FOREGOING WARRANTIES ARE EXCLUSIVE AND ARE IN THE PLACE OF ALL OTHER WARRANTIES, WHETHER WRITTEN OR IMPLIED, IN FACT OR IN LAW. THE COMPANY DISCLAIMS ANY AND ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.** In no event shall the Company, its employees, affiliates or agents have any liability for: (a) any special, indirect, exemplary, incidental or consequential damages resulting from the Company's provision or failure to provide any Equipment or services to you, or from any fault, failure, deficiency or defect in service, labor, materials, work or Equipment furnished to you by the Company any other party, (b) any claims or damages arising from any content which you receive by using the Equipment or service, or (c) any delay or failure to by the Company to perform its obligations, if such delay or failure arises in connection with any acts of nature, fires, earthquakes, floods, strikes or other labor disputes, unusually severe weather, acts of any governmental body or any other cause beyond the Company's reasonable control.
- 7. Indemnification.** You agree to indemnify and hold the Company and its employees and agents harmless from all claims, demands and causes of action of every nature or kind, caused by, arising from or developing out of or as a result of any act or failure to act by the Company in connection with the installation, connection, maintenance, operation, failure and removal of any Equipment or any customer premises equipment owned by you ("CPE"), except as caused solely by the gross negligence or willful misconduct of the Company. You expressly assume all risks associated with installation, connection, maintenance, operation, failure and removal of Equipment and CPE, and the Company shall not be responsible or liable for any damage to, or loss or destruction of, any television, personal or laptop computer, VCR, audio receiver, remote control or other CPE.
- 8. No Waiver of Rights.** The Company's failure to exercise or enforce any right under or provision of this Agreement shall not constitute a waiver of such right or provision.

READ CAREFULLY: BY SIGNING BELOW, YOU AGREE TO COMPLY WITH ALL OF THE APPLICABLE TERMS, CONDITIONS AND PROVISIONS CONTAINED IN THIS AGREEMENT AND ANY APPLICABLE TERMS AND CONDITIONS OF SERVICE OR SERVICE AGREEMENT. IF YOU DO NOT ACCEPT THESE TERMS, PLEASE NOTIFY US PRIOR TO INSTALLATION AND WE WILL CANCEL YOUR SERVICE.

Service Address:

Subscriber Signature

Signed: _____

Dated: _____