



THIS IS YOUR CONTRACT – READ CAREFULLY

**SNET America, Inc. and The Woodbury
Telephone Company
Telephone Set Rental Contract Terms and
Conditions**

THIS CONTRACT APPLIES TO YOUR RENTAL OF THE TELEPHONE SET WE PROVIDE TO YOU UNLESS YOU RETURN THE TELEPHONE SET IMMEDIATELY. WE MAY MODIFY ANY TERM IN THIS CONTRACT, INCLUDING THE MONTHLY RENTAL FEE, AT ANY TIME BY GIVING YOU PRIOR WRITTEN NOTIFICATION OF THE CHANGE. YOU AGREE TO ANY CHANGE TO THIS CONTRACT IF YOU KEEP THE SET AFTER WE NOTIFY YOU OF THE CHANGE. NO AMENDMENT OR MODIFICATION BY YOU OF ANY TERM OR CONDITION SHALL BE EFFECTIVE AGAINST US UNLESS SIGNED BY OUR AUTHORIZED REPRESENTATIVE. IF YOU WANT TO TERMINATE THIS CONTRACT AT ANY TIME, CALL OUR SERVICE CENTER FOR INSTRUCTIONS ON HOW TO RETURN THE TELEPHONE SET. THIS CONTRACT CONTAINS A DISPUTE RESOLUTION CLAUSE. PLEASE SEE SECTION 12 BELOW.

1. Definitions.

- a. Telephone Set or Set** means any Set and/or other rental equipment supplied to you under this Contract.
- b. We, our or us** refers to either SNET America, Inc. ("SAI") or The Woodbury Telephone Company ("**Woodbury Telephone**"), whichever company is renting you the Set.

- c. **Telephone Company** means The Southern New England Telephone Company (“**SBC SNET**”) or Woodbury Telephone.
- d. **Basic Services** are local service and state toll purchased from the Telephone Company. The charges for Basic Services appear on your monthly Telephone Company bill as **Basic Charges**.
- e. **Non-Basic Services**, include without limitation, Sets, out of state long distance calls, inside wire maintenance, Internet service and voice mail. Non-Basic Services appear on your monthly Telephone Company bill as **Non-Basic Charges**.
- f. **Service Center(s)** are provided by the Telephone Company to answer your questions. You can call the SBC SNET Service Center at 800-453-7638. You can call the Woodbury Telephone Service Center at 203-263-2121. These Service Center numbers also appear on your Telephone Company bill.
- g. **Parties** refers to you and SAI or you and Woodbury Telephone depending on who provided the Set to you.

2. Monthly Rental or Purchase Option.

You rent this Set from us on a monthly basis. The monthly rental charge is shown on your monthly Telephone Company bill. Subject to certain limitations described below, you may keep this Set as long as you pay the monthly rental charges. Generally, you have the option to buy the Set. For more information on how to buy the Set, please call our Service Center. You may not transfer or assign the enclosed Set, which always remains our property.

Rental charges for this Set do not include the installation or provision of local exchange telephone service, long distance service, wiring, or any optional calling features such as Caller Identification (“Caller ID”), speed calling, or Totalphone®, or any taxes or other fees.

3. Changes to this Contract.

We reserve the right to change the terms of this Contract, including the monthly charges or other fees. The Telephone Company may change billing practices and late charges that apply to your rental. If there is a change, you will be notified in advance by a message on your telephone bill, or by some other written notice. If you do not terminate this Contract prior to the date of such change, you will be bound by the new terms until you terminate this Contract as outlined in Section 5.

4. Warranty, Maintenance and Repair.

Our warranties only extend to the person paying us to rent the Set. We warrant that the Set will, under normal use and service, be free from defects and faulty workmanship and will meet the manufacturer's specifications. If you experience a problem with the Set, please contact your Service Center to arrange for repair or a replacement. We will furnish repairs as long as replacement parts are available without extraordinary expense. If we cannot repair the phone, we will supply a replacement set, if one is available. If a replacement set is not available, you may terminate this Contract or you may rent a different model. Rental charges for a different model may vary.

We do not warrant and are not responsible for damages if:

- a. You modify or misuse the Set.
- b. You have problems with the Set that result from an accident or neglect, or installation, maintenance or repair by you or any person other than us.
- c. You violate the instructions provided by us.
- d. You remove, deface or alter the date of manufacture or serial number.
- e. You connect devices that, in our sole opinion, are incompatible with the equipment.
- f. You have problems with the Set that result from any other external cause not due to defects of material or workmanship on the part of the manufacturer of the Set or us.

WE DISCLAIM ANY OTHER WARRANTIES INCLUDING FITNESS FOR ANY PARTICULAR PURPOSE OR MERCHANTABILITY

5. Your Right to Terminate this Contract.

You may terminate this Contract at any time by calling your Service Center for instruction on how to return the Set to a designated location or, in some instances, by mail. You should keep any receipt that proves you returned the set to us. If you terminate your Set rental, you are still responsible for the payment of all rental charges until the date our records show you returned the Set. We will apply a credit to your Telephone Company bill for any prepaid charges back to the date we receive the Set. If you disconnect your phone service, and no longer want to keep the Set, you must also terminate this Contract as described above.

It may take up to two billing cycles for your termination to be reflected on your Telephone Company bill. If rental charges continue to appear on your Telephone Company bill for more than two billing cycles after you return the Set, please contact your Service Center immediately. Once receipt of the Set is verified, the appropriate credit will be applied to your account.

6. Our Right to Terminate this Rental Contract and Other Services.

We may terminate this Contract at any time by providing you written notice. This Contract and other Non-Basic Services may also be terminated if you are notified that your unpaid balance of Basic or Non-Basic Charges is more than 30 days overdue. If we terminate this Contract, you will be required to return or purchase the Set as set forth in Section 7.

7. Set Purchase Price.

If you tell us you want to buy the Set, or if you fail to return the Set after you terminate this Contract or disconnect your telephone service, we will establish a purchase price for the Set. A charge for the purchase price will appear on your next or final bill. The purchase price we establish will not exceed the original retail purchase price of the Set plus any applicable tax.

8. Bill Payment, Late Payment Charges and Other Fees.

Any payment made to the Telephone Company will first be applied to Basic Charges listed on your telephone bill. The balance will be applied to Non-Basic Charges, including your Set rental charges.

Failure to pay Non-Basic Charges, including Set rental charges, will result in termination of all Non-Basic Services and further collection action. In the event that your telephone service is disconnected, either at your direction or due to your failure to pay Basic Charges, you will remain liable for the monthly rental fees for the Set until you terminate this Contract as outlined in Section 5.

The current amount of the possible late payment charges, interest or other fees is stated on your monthly telephone bill. These charges may change as set forth in Section 3. To avoid these charges, you must ensure that we receive full payment of the total amount due on your bill no later than the date shown on your bill. You will also be charged a fee for any check returned to us by your bank. In addition to these fees, we reserve the right to terminate this Contract and the Telephone Company reserves the right to terminate Basic and Non-Basic Services if you pay late or if your bank returns your check to us.

9. Disputed Bills.

If you think your bill is incorrect, call the Service Center. If the service representative cannot resolve your concerns, ask to speak with a manager. If you are still not satisfied, you may ask for a review of the disputed amount. You must ask for the review within 60 days from the date of the bill containing the disputed amount or seven days after receiving a termination notice.

The undisputed portion of your bill and subsequent bills must be paid on time, or your Set rental and other Non-Basic Services may be terminated as described in Section 8. If after the review, the Telephone Company or we believe that you owe us the disputed charges, you will promptly pay the charges plus any other applicable fees.

10. Our Liability.

Our liability to you or any third party is limited. This limitation applies to any claim for injury or damage against us that relates to any problem with the Set or anything that we did or failed to do relating to the Set or this Contract. Our liability is limited to an amount that is no more than what we charged you for the Set for the period covered by your claim. We are not liable for any incidental, indirect, special or consequential damages, including lost revenue or profit of any kind whatsoever, regardless of their cause or foreseeability. We are not liable for interruptions, delays, errors, or defects in transmission when you use the Set.

We are not liable for service provided to you by the Telephone Company or any other common carrier. We are not liable to you for any problem that is due to any cause beyond our control. Such causes include, without limitation, acts of God, third parties, nature, or a lawful authority, national emergencies, or labor difficulties. We are not liable for any injury caused by you, your agents, or by facilities or equipment provided by you.

11. Your Liability.

If the enclosed Set is lost, damaged, or stolen, please notify the Service Center. You will continue to be liable for monthly rental charges until you reimburse us for the cost of replacement or repair of the Set. Charges for replacement or repair of the Set will not exceed the original retail price plus any applicable tax.

12. Dispute Resolution.

Any dispute between the Parties will be resolved exclusively and finally by arbitration administered by and under the rules of the National Arbitration Forum (NAF). If the NAF ceases to exist, the Parties will agree on another arbitration forum. The arbitration will be conducted by a single arbitrator and will be limited solely to the dispute between us. The arbitration may not be consolidated with any other dispute or arbitration or conducted on a class-wide or class action basis. The arbitration will be held at any reasonable location near your residence or by telephone at your option. If you win the arbitration, we will reimburse any fees that you paid to the NAF for the arbitration. We will not pay any other costs or fees that you incur. You are not responsible to pay any of the fees we incur.

If either Party tries to bring a dispute in a forum other than the NAF, the arbitrator may award the other party its reasonable costs and expenses, including attorney's fees, incurred in staying or dismissing the dispute. You understand that, in the absence of the provisions in this Section 12, you could have sued us in a court and you could have consolidated your dispute with other disputes on a class-wide or class-action basis. By keeping the Set and accepting this Contract, you have expressly and knowingly waived those rights and agreed to resolve any disputes through binding arbitration. The judgment of the arbitrator may be entered in any court having jurisdiction. Information concerning such arbitration may be obtained at the NAF website www.arb-forum.com, calling 800-474-2371 or writing P.O. Box 50191, Minneapolis, MN, 55405.

13. Other.

If any part of this contract is deemed invalid by the arbitrator, the remainder of the contract will be considered valid. In such a case, we will treat the contract as if the invalid portion was never included in the contract.

14. REMINDER – THIS IS A CONTRACT. WE MAY REQUIRE YOU, AT OUR OPTION, TO SIGN THIS CONTRACT, IF YOU PICK YOUR EQUIPMENT UP FROM ONE OF OUR LOCATIONS. HOWEVER, YOUR SIGNATURE IS NOT REQUIRED FOR THIS CONTRACT TO BE BINDING. EVEN IF YOU DO NOT SIGN THIS CONTRACT YOU ARE BOUND BY THE TERMS AND CONDITIONS IF YOU KEEP THE SET. IF YOU DO NOT ACCEPT AND AGREE TO ALL THE TERMS AND CONDITIONS OF THIS CONTRACT, YOU MUST RETURN THIS SET IMMEDIATELY. SEE INSTRUCTIONS ON THE FIRST PAGE ON HOW TO RETURN YOUR SET. THIS CONTRACT CONTAINS A DISPUTE RESOLUTION CLAUSE. PLEASE SEE SECTION 12.

_____ Date

_____ Signature

_____ Print Name

_____ Current Phone Number