

# Ptera Inc.

## Service Terms and Conditions Agreement

### Last Revised and Effective July 1, 2020

This Service Terms and Conditions Agreement (this “*Service Agreement*”), consisting of these terms and conditions, the Confirmation of Sale (“*COS*”) and specific documents referenced herein, is entered into as of the date set forth on the *COS* by and between Ptera Inc. (“Ptera,” “*we*,” “*our*,” “*us*,” or “*its*”) and the individual or entity named on the *COS* to which this Agreement is attached (“*Customer*,” “*you*,” or “*your*”) and sets forth the terms and conditions under which Ptera will make available the Service (as defined below) Customer has elected to receive (the “*Service*”). This Service Agreement governs both residential and business Customers for Ptera’s (i) Residential Internet Access Service (“*Internet Access Service*” or “*IAS*”), and (ii) Business Internet Access Service (“*Professional Internet Access Service*” or “*Pro IAS*”) for high-volume business/government Customers. “*Affiliate*” means an entity that controls, is controlled by or is under common control with Ptera.

By using the Service, all Customers agree to be bound by the terms of this Service Agreement and the following documents incorporated by reference herein, including without limitation Ptera’s Privacy Policy, Open Internet Policy, and Additional Terms (terms and conditions that will govern a new service offering) as each may be amended from time to time. If there is a conflict between this Service Agreement and any Additional Terms, the Additional Terms shall govern.

**PLEASE READ THIS AGREEMENT CAREFULLY TO ENSURE THAT YOU UNDERSTAND EACH PROVISION. THIS AGREEMENT REQUIRES THE USE OF ARBITRATION ON AN INDIVIDUAL BASIS TO RESOLVE DISPUTES, RATHER THAN JURY TRIALS OR CLASS ACTION LAWSUITS, AND ALSO LIMITS THE REMEDIES AVAILABLE TO CUSTOMERS IN THE EVENT OF A DISPUTE. IF YOU DO NOT AGREE TO THESE TERMS AND CONDITIONS, DO NOT USE THE SERVICE.**

Ptera regularly updates and amends this Service Agreement, the Privacy Policy, Open Internet Policy and other documents incorporated by reference in this Service Agreement. Ptera will communicate any such updates or amendments to Customer in accordance with Section 18.7. Customer may obtain, at no charge, a copy of the current Service Agreement or any documents incorporated by reference herein by visiting the Ptera Website and then accessing Ptera’s customer service platform through the Ptera Website or by contacting Ptera.

### 1. GENERAL OVERVIEW

This Service Agreement governs the following components in Ptera’s Service. Customer may customize Customer’s residential or business Service based on Customer’s needs:

(a) Residential Internet Access Service – high-speed Internet broadband service for residential Customers using bandwidth that is shared with other users on the Ptera network; can be accessed via various devices and internal networks; bandwidth plans ranging from 1Mbps to 1Gbps.

(b) Business Internet Access Service – high-speed Internet broadband service for business Customers using bandwidth that is shared with other users on the Ptera network; can be accessed via various devices and internal networks; bandwidth plans ranging from 1Mbps to 1Gbps.

## 2. TERM OF SERVICE

(a) Standard Internet Access Service Term. The initial term of the Internet Access Service is one (1) year from the date of installation (“*IAS Term*”). At the expiration of the IAS Term unless Customer signs a new COS, this Service Agreement will automatically renew on a monthly basis starting on the date of the month that the IAS was installed (“*IAS Renewal Term*”). In order for Customer to terminate the contract, Customer shall follow the termination procedures described in Section 17.

(b) Pro IAS Term. The initial service term for the Pro IAS is one (1) year from the date of installation (“*Pro IAS Term*”). At the expiration of the Pro IAS Term, unless Customer signs a new COS, this Service Agreement will automatically renew on a monthly basis starting on the date of the month that the IAS was installed (“*Pro IAS Renewal Term*”). In order for Customer to terminate the contract, Customer shall follow the termination procedures described in Section 17.

## 3. EQUIPMENT AND REQUIREMENTS FOR PROVISION OF THE SERVICE

(1) Customer Equipment. To use the Service, Customer must have a personal computer(s) or other device(s) and other equipment necessary to connect to the Service meeting Ptera’s most recent “Minimum Customer Equipment Specifications,” which are defined on the Ptera Website and may be modified from time to time by Ptera. The Minimum Customer Equipment Specifications may vary depending on whether you have the IAS or Pro IAS and may change over time. Ptera may make reasonable efforts to support previously acceptable configurations; however, you understand, acknowledge and agree that Ptera is not obligated to continue to provide such support. Although Ptera is under no obligation to do so, Ptera may, and Customer authorizes Ptera to, perform any updates and/or changes to Customer’s equipment, on-site or remotely, from time to time as Ptera deems necessary, in Ptera’s sole discretion. Customer will direct any questions concerning third-party hardware or software to the manufacturer. Ptera has no responsibility for the operation or support, maintenance or repair of any equipment, software or services that Customer elects to use in connection with the Service, nor is Ptera responsible for any damage that Ptera Equipment or Service may or will cause to Customer’s own equipment. **As set forth below and in the Open Internet Policy, Customer is not permitted to connect any harmful equipment to the Ptera Equipment (as defined below). Customer understands that failure to comply with this restriction may cause damage to Ptera’s network and subject Customer to liability for damages and/or other liability. Customer agrees to not service, alter, modify or tamper with the Ptera Equipment or the Service, or to permit, encourage or solicit any other person to do the same, unless such person has been authorized to do so by Ptera.**

(2) Ptera Equipment. Customer acknowledges that at the time of installation of the Service, the equipment listed on the COS was installed (the "*Ptera Equipment*"). Customer further acknowledges that the Ptera Equipment may, at Ptera's sole discretion, be refurbished or otherwise used equipment. Customer agrees that the Ptera Equipment was installed at a location and in a manner authorized by Customer. The Ptera Equipment is and shall remain the property of Ptera, and Customer shall acquire no interest therein by virtue of the payments provided for herein or the attachment of any portion of the Ptera Equipment to the Customer's premises or otherwise. Customer and Ptera expressly understand, acknowledge and agree that the Ptera Equipment is not and shall not be considered a fixture to Customer's premises.

(3) Access to Customer's Premises. Customer hereby grants Ptera and its Affiliates, and their respective employees, contractors and agents the right to enter Customer's property and premises with reasonable advance notice of any such planned access for the purpose of operating or maintaining the Ptera Equipment or Ptera's network, retrieving Ptera Equipment or fulfilling its obligations or exercising its rights under this Agreement.

(4) Replacement and Upgrade of Ptera Equipment

(a) Customer will be solely liable for, and Ptera shall have no obligation to repair, replace or otherwise upgrade, any Ptera Equipment that has been, as determined by Ptera in its sole discretion, damaged or otherwise requires repair, replacement or upgrade as a result of damage or disruption caused by misuse or neglect or otherwise caused by Customer, including without limitation, damage or disruption caused by Customer's failure to comply with Section 3.1 herein.

(b) Ptera warrants the installed Ptera equipment for a period of three years after installation. After the warranty period, Ptera shall have no obligation to repair, replace or otherwise upgrade, any Ptera Equipment. The Customer will be solely responsible for the costs of new equipment.

(c) Customer understands and agrees that Ptera's ability to provide an appropriate quality of Service to Customer and the other customers on Ptera's network may from time to time require upgrades or replacement of the Ptera Equipment, and Customer will be obligated to pay the then-applicable "Equipment Upgrade Fee" as established by Ptera from time to time, at such time as Ptera determines, in its sole discretion, that the Ptera Equipment needs to be upgraded or replaced for Customer's current service plan. Customer understands, acknowledges and agrees that upgrades in equipment may be necessary when the Customer upgrades his/her service plan.

(d) Customer understands, acknowledges and agrees that prior to Ptera servicing any Customer equipment or Ptera Equipment under contract with Customer, it is the Customer's responsibility to: (i) back-up the data, software, information or other files stored on Customer's computer or other device including without limitation disk drives, peripherals, MP3 players, DVD players, camcorders, digital cameras and/or on any other electronic storage devices; and (ii) remove all videotapes, compact disks, floppy disks, laser disks, cassettes, DVDs, film or other means from Customer's equipment. Customer agrees that whether or not Customer requests back-up services from Ptera and/or its Operational Service Provider(s), neither Ptera nor its Operational Service Provider(s) shall be liable under any circumstances for any loss, disclosure, alteration or corruption of any data, software, information, files, videotapes, compact disks, floppy disks, laser disks, cassettes, DVDs, film or other means.

(5) Customer understands that the Service may not be compatible with, nor does it support, VoIP applications and Customer assumes all risk associated with the same. Ptera does not recommend Customer rely on wireless Internet of VoIP for emergency contacts (such as 911 calls) and Ptera cannot guarantee, and hereby expressly renounces, the reliability of such wireless Internet services.

#### **4. CUSTOMER'S REPRESENTATIONS, RESPONSIBILITIES AND WARRANTIES**

(1) If Customer is an individual, Customer represents and warrants that he or she is at least the age of majority in his/her state of residence and has legal authority to execute this Agreement. If Customer is a business or commercial entity, the individual executing this Agreement represents and warrants he or she has legal authority to execute this Service Agreement on behalf of Customer.

(2) Customer agrees that the Service is personal to Customer and agrees not to assign, transfer, resell or sublicense Customer's rights under this Agreement unless specifically permitted by the terms of this Agreement. For residential Customers, Customer agrees that the Service and the Ptera Equipment shall be used only by Customer and by members of Customer's immediate household living with Customer at the same address, and Customer will not redistribute or share the Service with any others or transmit the Service over a wireless or other network that is not secured. For business Customers, Customer agrees that the Service and the Ptera Equipment shall be used only by Customer and by authorized members of Customer's business located at the same address, and Customer will not redistribute or share the Service with any others or transmit the Service over a wireless or other network that is not secured. Customer acknowledges that Customer is executing this Service Agreement on behalf of all persons who use the Service by means of the Ptera Equipment. Customer agrees that Customer is solely responsible and liable for any and all breaches of the terms and conditions of this Agreement and any other documents incorporated by reference in this Service Agreement, whether such breach results from Customer's use of the Service or by another using Customer's equipment or the Ptera Equipment.

(3) Customer represents and warrants that Customer will not use the Service in a manner that (i) infringes or violates the intellectual property rights or proprietary rights, rights of publicity or privacy, or other rights of any third party; (ii) violates any local, state or federal statute, ordinance or regulation; (iii) is harmful, fraudulent, deceptive, threatening, abusive, harassing, tortious, defamatory, vulgar, obscene, libelous, or otherwise objectionable; (iv) accesses, discloses, uses, or disposes of any personally identifiable information ("*Personal Information*") as defined by the Federal Trade Commission without proper authorization or impersonates any person or entity, including without limitation, any employee or representative of Ptera or its Affiliates; or (v) transmits any virus, trojan horse, worm, time bomb, or other harmful computer code, file, or program. Ptera reserves the right to suspend Customer's access to the Service at any time upon receipt of claims or allegations from third parties or authorities or if Ptera is concerned that Customer may have breached this Service Agreement. Customer (and not Ptera or its Affiliates and/or Operational Service Providers) remains solely responsible for Customer's use of the Service and any material transmitted through the Service, and Customer warrants that Customer possess all rights necessary to transmit such material.

(4) Customer represents and warrants that the Personal Information Customer provided and will provide to Ptera during the term of this Service Agreement, including without limitation, Customer's legal name, email address for communications with Ptera (such email address, as the same may be modified from time to time by Customer upon notice to Ptera, the "*Account Email Address*"), Service address, billing address, telephone number(s), and payment data (including without limitation information provided when authorizing Automated Clearing House payments or other recurring payments) and Non-Personal Information, such as but not limited to the number of devices on which the Service is being accessed (all such information, collectively, the Customer Information (as defined below) for the purpose of this Service Agreement is accurate, complete and current. (In the Privacy Policy, Non-Personal Information may also be classified as Personal Information if it is directly associated with or reasonably linked to Customer's account, computer or device.) Customer agrees to promptly notify Ptera, in accordance with the terms of this Service Agreement, upon the occurrence of any change in the status of Customer's account (including, without limitation, the creation or removal of an Authorized User (as defined below)) or if there is any change in the Customer Information. Customer's failure to provide and maintain accurate Customer Information with Ptera constitutes a breach of this Service Agreement.

(5) Customer agrees that Customer is responsible for anyone using the Ptera Equipment, Customer's computer system, network, password, name or Customer name in connection with the Service (with or without Customer's knowledge or consent) and for ensuring that anyone who uses the Service through the Ptera Equipment, Customer's equipment or access to the Service, does so in accordance with the terms and conditions of this Service Agreement. Customer agrees to take all reasonable measures necessary to ensure that the Service is not used by another person without Customer's consent. Customer understands, acknowledges and agrees that the Customer is responsible for all use of the Service and Customer's account whether Customer or someone else uses Customer's account (with or without Customer's permission).

(6) Customer is responsible for procuring and installing patches, any and all anti-virus and firewall software/hardware and operating system patches, updates or supplements that may be necessary for (i) the protection and maximum functionality of Customer's computer and related equipment and the Ptera Equipment and (ii) the protection of Ptera's network and other customers. For purposes of clarification, Ptera and its Affiliates hereby disclaim any and all responsibility and liability for any damages that may arise from Customer's failure to procure or install the aforementioned security or other software and/or hardware and Customer agrees that Ptera and its Affiliates shall have no liability for Customer's failure to do the same.

(7) Customer represents that there are no legal, contractual or similar restrictions on the installation of the Ptera Equipment in the location(s) and in the manner authorized by Customer. Customer is responsible for ensuring compliance with all regulations, applicable building codes, zoning ordinances, homeowners' association rules, covenants, conditions or other restrictions related to the installation of the Ptera Equipment and Service, for paying any fees or other charges and obtaining any permits or authorizations necessary for the installation of the Ptera Equipment and/or provision of the Service (collectively, "*Legal Requirements*"). Customer is

solely responsible for any fines or similar charges for violation of any applicable Legal Requirements.

(8) Customer is responsible for backing up the data on Customer's computer(s) and network(s) and Ptera shall have no liability whatsoever for any loss of data.

(9) Customer agrees to comply with the following terms and conditions for the use of Service:

(a) Service is provided for use in conformance with this Service Agreement. Ptera reserves the right to investigate suspected violations of the Service Agreement. When Ptera becomes aware of possible violations, Ptera may initiate investigation(s) which may include gathering information from Customer or Customers involved and the complaining party, if any, and examination of anything installed by Customer on Ptera's servers not provided by Ptera (collectively, "*Customer Material*"). Customer Material collectively includes without limitation to, any software, computer programs, applications, data, photographs, video and/or audio content, text, files, and other information, including emails, address book and web storage content.

(b) During an investigation, Ptera may suspend the account or accounts involved and/or remove Customer's Material involved from its servers. If Ptera believes a violation of this Service Agreement has occurred, it may take responsive action at its sole discretion. Such action may include without limitation temporary or permanent removal of Customer's Material from Ptera's servers, warnings to Customer(s) responsible, and the suspension or termination of the account or accounts responsible. Ptera, in its sole discretion, will determine what action will be taken in response to a violation on a case-by-case basis. Violations of this Service Agreement could also subject the Customer to criminal and/or civil liability.

(10) Customer agrees to comply with the following terms for the use of Customer Materials:

(a) Lawful content in the public domain (e.g., images, video, audio, text, data, and programs) may be downloaded or uploaded using the Service. Customer may re-distribute content in the public domain. Customer assumes all risks regarding the determination of whether content is in the public domain.

(b) Customer is prohibited from storing, distributing, or transmitting any unlawful content through the Service. Examples of unlawful content include without limitation direct threats of physical harm, child pornography and copyrighted, trademarked and other proprietary material used without proper authorization. Customer may not post, upload or otherwise distribute copyrighted content without the consent of the copyright holder. The storage, distribution, or transmission of unlawful content could subject Customer to criminal as well as civil liability, in addition to the actions outlined in Section 4.3(v) above. Customer understands, acknowledges and agrees that Ptera may remove any content at any time that is alleged to infringe on a third party's copyrights upon receiving a notice of infringement under the Digital Millennium Copyright Act.

(c) Customer may not store or distribute certain other types of material on Ptera's servers. Examples of prohibited material include without limitation software, applications and programs containing viruses, Trojans and other tools or technology that would compromise the security of Ptera or others.

(d) Customer represents that when Customer transmits, uploads, posts, or submits any Customer Material using the Service, Customer has the legal right to do so and that Customer's

use of such Customer Material does not violate any copyright or trademark laws or any other third party rights.

(e) Customer agrees that if Customer's Service is terminated for any reason, Ptera has the right to immediately delete all Customer Material, stored in or for Customer's account, including without limitation personal websites and email, without further notice to Customer.

## **5. THE SERVICE AND PRIVACY**

(1) Ptera's Privacy Policy governs Ptera's collection, use, disclosure, management and security related to Customer's Personal Information and Non-Personal Information (collectively, "*Customer Information*"). Customer agrees that Customer has access to the current-in-effect Privacy Policy located at [www.ptera.com/documents/](http://www.ptera.com/documents/) at the time Customer executed this Service Agreement. Subject to the notice provisions in Section 18.7 herein, Ptera may update or amend the Privacy Policy at any time without Customer's prior consent. Ptera will, however, provide notice of any such changes or amendments as stated in Ptera's Privacy Policy. Customer understands, acknowledges and agrees that Customer's continued use of the Service after notice of any changes or amendments have been provided will indicate Customer's acceptance of such changes, except where further steps are required by applicable law. All such updates or amendments shall be deemed to be incorporated by reference into this Service Agreement.

(2) Ptera has no obligation to monitor content transmitted by use of, or other information related in any way to the provision or receipt of, the Service. However, Customer agrees that Ptera has the right to monitor the Service and any and all information or Customer Material transmitted through the Service or by use of the Ptera Equipment and information available to Ptera regarding Customer's computer and other equipment in accordance with this Agreement. Ptera has the right at all times and without notice to remove, restrict access to or make unavailable any information or content residing on Ptera's or its Affiliates' or Operational Service Providers' servers. Ptera has the right to monitor, review, retain or disclose any content or other information in Ptera's possession about or related to Customer (including, without limitation, Customer Information), Customer's use of the Service, or otherwise, as necessary to satisfy any applicable law, or otherwise as Ptera deems necessary or appropriate in Ptera's sole discretion.

(3) Customer authorizes Ptera to seek and acquire credit and related Customer information from reporting agencies furnishing such information for the purpose of ascertaining Customer's credit and payment history. Ptera will use the information acquired about Customer's credit history from others and to utilize such information in its decision regarding its provision of the Service to Customer.

(4) Ptera may require that Customer use a username and password combination or other reasonable procedures to confirm Customer's identity when requesting or otherwise accessing account information, making changes to the Service or performing other functions related to the Service through Ptera's authorized Customer service channels. Business Customers may also choose to designate an authorized employee or management personnel of Customer (an "*Authorized User*"), who will be permitted to access Customer's account information and make certain changes to Customer's account. Customer will be solely liable for any and all action or inaction by any Authorized User.

## **6. PASSWORDS**

- (1) Residential accounts are for individual and personal use only. Business accounts are for authorized personnel only.
- (2) Residential Customers shall not share passwords or accounts with others. Business Customers shall only provide passwords to authorized personnel.
- (3) Ptera shall provide or obtain passwords to protect Customer's account and Services. In the event that the security of a Customer's account or Service is compromised, Ptera shall provide Customer with a new password.
- (4) Ptera may monitor the security of Customer's passwords at any time. A Customer with an insecure password may be directed to change the password to one which complies with the above rules. Customers who repeatedly choose insecure passwords may be assigned a password by Ptera; continued failure to maintain password security may be grounds for account termination.

## **7. SYSTEM SECURITY**

- (1) Customer is solely responsible for maintaining the security of Customer's computer(s)/device(s) and data and protection of Customer's User ID, password and Personal Information and other data. Ptera strongly recommends the use and appropriate updating of commercial anti-virus, anti-spyware, firewall software, and encryption of data, to the extent feasible.
- (2) Customer is prohibited from utilizing the Service to compromise the security or tamper with Ptera's system resources or accounts on any of Ptera's computers, routers, switches, servers, radios, modems, or any other equipment at Ptera or at any other site. Use or distribution of tools designed for compromising security is prohibited. Examples of the tools include without limitation password guessing programs, cracking tools, and network probing tools. Any attempt to access any of Ptera's corporate assets is strictly prohibited.
- (3) Ptera reserves the right to release the login names of Customers involved in violating system security to system administrators at other sites, in order to assist them in resolving security incidents. Ptera will also fully cooperate with law enforcement authorities in investigating suspected lawbreakers, subject to Ptera's Privacy Policy and applicable law.

## **8. ACCEPTABLE USAGE AND PROHIBITED INTERNET SERVICE ACTIVITIES**

- (1) "*Acceptable Usage of Internet Service*" is hereby defined as the normal activities associated with the use of the Internet, including without limitation, usage of Ptera's systems and network facilities for accessing the World Wide Web, Internet Relay Chat, USENET Newsgroups, Email, and other Internet features. Depending on the account type, this may include file storage on Ptera's servers for Customer's own personal web page and file access area (FTP), etc.
- (2) "*Prohibited Internet Service Activities*" specifically prohibited by Ptera include without limitation to the following:



- (a) Background and/or server-type applications – Including without limitation IRC bots, HTTP servers, MUDs, and any other process which were initiated by the Customer that continues execution on the system upon Customer logout.
- (b) Long-term storage of data – Long-term storage of data is referred to as the storage of files which are not used regularly in an account for an extended period of time. This specifically includes without limitation programs such as shareware programs which the Customer may download to their account for purposes of transferring to their home computer(s)/device(s). Such programs should be removed at such time as they are successfully transferred to the Customer's personal system.
- (c) Flooding or abuse of other users – Flooding is a fairly common occurrence on the Internet, and one which is dealt with strictly by Ptera. Flooding takes place in numerous ways, including without limitation, ICMP flooding, mail bombing (sending large amounts of email repeatedly to a person for purposes of harassment), phishing, mass mailings to multiple addresses via bulk email not in compliance with the CAN-SPAM Act, MSG/CTCP flooding on IRC, as well as other, less common methods. "*Bulk Email*" is defined as the same or similar email messages sent to more than twenty-five (25) recipients.
- (d) Attempts to compromise system and/or network security – Programs such as packet sniffers, password crack programs, and similar utilities found to be running from Customer's account are prohibited. This also includes attempts to hack into non-Ptera systems.
- (e) Sharing of accounts – Sharing Customer's Internet Service with another party for purposes of avoiding payment for a second Service is strictly prohibited. Customer may connect multiple computers/devices within a single location to Customer's modem, router, and/or radio to access the Internet Service, but only through a single Ptera-issued IP address.
- (f) PPP/SLIP emulation software – Since PPP/SLIP may be a product offered by Ptera, Customers desiring such access are required to sign up for that service rather than attempting to emulate it by software. Any such software will be removed from Customer's account by Ptera immediately when found.
- (g) Bulk broadcast data – This includes flood ping, broadcast ping, multicast, or IGMP use outside of the private network.
- (h) Port scanning
- (i) Conducting business through a residential account – The residential Customer Internet accounts provided by Ptera are designed for the home/casual Customer and may not provide the level of service, capacity or speed required for conducting business. Therefore, conducting business with a residential account is not advisable. Please contact Ptera's sales department to upgrade to a business account.
- (j) Excessive use of system resources – This includes without limitation the continued use of programs or commands which take a large amount of system resources, be that processor time, memory, network bandwidth, and/or drive space on the host system. Customer may not resell Service. See Section 19.
- (k) Email abuse – Email abuse typically comes in one of three forms, the transfer of a message to unsolicited individuals not in compliance with the CAN-SPAM Act, the sending of harassing and/or threatening messages to other users, and the forging of email addresses so as to make the email appear to be from another user.

- (l) USENET news abuse – Similar to email abuse, includes forging of addresses, harassment/threats, the posting of the same message to multiple newsgroups (spamming), as well as the posting of information in groups where it is not relevant and unwanted.
- (m) Pyramid/money-making schemes – Such activities as the transfer of information or solicitation of persons via the Internet in an attempt to extort money or other valuables or the use of pyramid/chain letters are all prohibited.
- (n) Pirated software – Pirated software is defined as the illegal exchange of software for purpose of avoiding the purchase of said software by the individuals involved. This includes most commercial applications such as Adobe Photoshop, Microsoft Office, etc. Such activities are prohibited by Federal law and are thus not allowed in any form on Ptera's Service. Such prohibition also includes the unauthorized copying of copyrighted material including without limitation digitization and distribution of photographs from magazines, books, movies or other copyrighted sources and copyrighted software. The exportation of software or technical information in violation of U.S. export control laws is strictly prohibited.
- (o) High-traffic websites – Residential internet service is intended to provide access to individuals only. As most individuals primarily download content, rather than upload it, the performance for everybody on the systems is optimal. However, some individuals occasionally choose to host content on their account that could degrade performance for other users. Due to such circumstances, Ptera may have to implement certain limitations on the amount of web hosting traffic an individual Customer's residential account can receive.

## **9. PENALTIES FOR VIOLATIONS OF SERVICE AGREEMENT**

- (1) All Prohibited Internet Service Activities as defined in Sections 4(i), 4(j) and 8 herein are subject to immediate termination of Customer's account and any and all criminal and civil penalties available under the law. The penalties imposed on Customer for such violations will vary based on the level of the offense. Typically Customer will receive a warning on the first offense. However, if the offense is severe enough, Ptera reserves the right to disable the Service and terminate the account immediately. Accounts which have been terminated for abuse will not be re-opened. It is vital for Ptera to provide a quality service for all Customers, and Ptera will not tolerate Customers who through their actions hinder Ptera in that endeavor. It is also important for Ptera to have a non-intrusive presence to the rest of the Internet, and thus prohibit activities that adversely affect Customers on other service providers and their associated networks. To this end, Ptera reserves the right to modify and/or disable Service, and terminate the Customer's account at any such time the Customer violates this Service Agreement.
- (2) Ptera will not reimburse Customer when Service has been suspended or disabled due to violations of this Service Agreement.
- (3) All accounts sixty (60) days or more past due will be turned over to collections and Service discontinued permanently. If Service is disconnected for non-payment, Ptera is not obligated to reconnect Customer's Service. However, if Customer desires re-connection, and Ptera agrees to do so, Customer agrees to pay a "Re-installment Fee" plus any amount past due.

## **10. SOFTWARE LICENSES AND THIRD PARTY SERVICES**

(1) Ptera may provide Customer software for use in connection with the Service which is owned by Ptera or its third party licensors, third party suppliers, and Operational Service Providers (“Software”). Software may be subject to an additional fee. Ptera reserves the right periodically to update, upgrade, or change the Software remotely or otherwise and to make related changes to the settings and Software on Customer’s computer(s)/device(s) or Equipment, and Customer agrees to permit such changes and access to Customer’s computer(s)/device(s) and Equipment. Customer may use the Software only in connection with the Service and for no other purpose.

(2) Certain Software may be accompanied by an end user license agreement (“EULA”) from Ptera or a third party. Ptera’s use of the Software is governed by the terms of that EULA and by this Agreement, where applicable. Customer may not install or use any Software that is accompanied by or includes a EULA unless Customer first agrees to the terms of the EULA.

(3) For Software not accompanied by a EULA, Customer is hereby granted a revocable, non-exclusive, non-transferable license by Ptera or its applicable third party licensor(s) or Operational Service Provider to use the Software (and any corrections, updates and upgrades thereto). Customer may not make any copies of the Software. Customer agrees that the Software is confidential information of Ptera or its third party licensors/Operational Service Providers and that Customer will not disclose or use the Software except as expressly permitted herein. The Software contains copyrighted material, trade secrets, patents, and proprietary information owned by Ptera or its third party licensors/Operational Service Providers. Customer may not de-compile, reverse engineer, disassemble, attempt to discover any source code or underlying ideas or algorithms of the Software, otherwise reduce the Software to a human readable form, modify, rent, lease, loan, use for time-sharing or service bureau purposes, reproduce, sublicense or distribute copies of the Software, or otherwise transfer the Software to any third party. Customer may not remove or alter any trademark, trade name, copyright or other proprietary notices, legends, symbols, or labels appearing on or in copies of the Software. Customer is not granted any title or rights of ownership in the Software. Customer acknowledges that this license is not a sale of intellectual property and that Ptera or its third party licensors/Operational Service Providers continue to own all right, title and interest, including without limitation to all copyright, patent, trademark, trade secret, and moral rights, to the Software and related documentation, as well as any corrections, updates and upgrades to it. The Software may be used in the United States only, and any export of the Software is strictly prohibited.

## **11. CUSTOMER’S PAYMENT OBLIGATIONS**

Failure to fulfill any payment obligations in a timely manner as provided herein will be considered to be a violation of this Service Agreement.

Initial Payment for Internet Access Service. At the time of installation of the regular Internet Access Service, Customer is required to pay the “Activation Fee,” “First Month Payment,” “Equipment Rental Fee,” and any Additional Service Fees, as set forth in the COS. The First Month Payment is the prorated portion of the “Monthly Service Fee” for the remainder of the calendar month in which the customer is installed plus the applicable Installation Charges, as set forth in the COS. Together, the Activation Fee, First Month Payment, and the first month’s

payment of the Equipment Rental Fee and any Additional Service Fees and Installation Charges constitute the "Initial Payment." Customer agrees that the Initial Payment is to be paid in consideration of Ptera's making the Internet Access Service available on the terms and conditions set forth in this Service Agreement, that Ptera has earned the Initial Payment in full and that the Initial Payment is refundable only if the Internet Access Service is not working to customer's satisfaction within thirty (30) days of the Installation Date.

(1) After the Initial Payment, Customer agrees to pay the applicable "Monthly Service Fee," "Monthly Equipment Assurance Fee" if any, and any other recurring monthly fee(s) (collectively the "*Monthly Fees*") on or before the first day of Customer's "Monthly Billing Cycle." The billing cycle will begin on the 1st of the month and prorated accordingly. Notwithstanding the foregoing, Ptera may modify Customer's Monthly Billing Cycle upon at least fifteen (15) calendar days' advance notice to Customer.

(2) Customer understands, acknowledges and agrees that the Monthly Service Fee is subject to change from time to time, subject to advance notice by Ptera. Customer further understands, acknowledges and agrees that the Activation Fee/Basic Installation Fee is area dependent and may be limited to standard installation and hardware.

(3) Customer bears the sole responsibility to timely pay Monthly Fees when due. Bills will be sent via email to the Customer's Account Email Address. Customer may also choose to receive the monthly bill via postal mail for a \$5.00 U.S. monthly fee. It is Customer's sole responsibility to have a valid Account Email Address on file with Ptera. Online billing is available if set up in advance with Customer and Ptera. Customers may pay their bill with cash, check, credit card or debit card (Master Card, Discover or Visa), or ACH (Automated Clearing House; direct withdrawal from checking or savings account) only. In certain circumstances (such as a sub-par credit rating, or poor payment history) Ptera may require a deposit or other guaranteed form of payment (such as payment card or bank account debit authorization) from Customer. Customer understands, acknowledges and agrees that Ptera or its Operational Service Provider(s) can run a credit check on Customer prior to any installation.

(4) If Customer owes money on any account, Ptera may deduct the amounts owed from any existing credit Customer has or any security deposit provided or, if applicable, charge them to the bank or payment card account Customer has authorized Ptera to use.

(5) Additionally, Customer will automatically be charged a fifty-dollar (\$50.00 US) fee for any check or ACH payment returned for non-payment or insufficient funds, "*ACH Non-Payment Fee*."

(6) Ptera shall not be obligated to provide the Service during Monthly Billing Cycles for which Customer has not paid the applicable Monthly Fees in advance. If at any time Customer's account has past due amounts or upon Customer's violation of this Agreement (including any documents incorporated by reference herein), Ptera may, in Ptera's sole and absolute discretion, suspend provision of the Service to Customer and/or terminate this Agreement. Amounts are past due if not paid before the first calendar day of Customer's Monthly Billing Cycle. Customer understands, acknowledges and agrees that Ptera is not required to provide notice before suspending or disabling the Service and/or terminating the Customer's account or this Agreement, and Ptera will not be liable to Customer or any Authorized User for any such suspension, disabling or termination or any damages that may result therefrom. In order to

restore service after a disconnection, Customer agrees to pay the applicable fees to reestablish service.

(7) For the Ptera Service generally, Customer also agrees to pay all applicable federal, state, and local taxes and fees, including without limitation those imposed after the date of execution of the COS.

## **12. SERVICE LEVEL AGREEMENT AND REFUNDS**

(1) Service Level Agreement. In the event Customer experiences a Service outage for more than twenty four (24) consecutive hours and is unable to transmit and receive information through Ptera's network to other portions of the Internet and Customer notifies Ptera immediately of such event and Ptera determines that such inability was caused by Ptera's failure to provide said services for reasons within Ptera's reasonable control and not as a result of any actions or inactions of Customer or any third parties (including failure of third party equipment), and such inability is not a result of scheduled maintenance of Ptera's equipment or services, Ptera will, upon Customer's request, credit Customer's account the connectivity charges for the length of the outage. Customer credit may not exceed the Monthly Service Fee in any single calendar month.

(2) Refunds. If Service cannot be supplied by Ptera for any reason, a full refund will be given for any prepaid service fees and equipment returned in new resalable condition. Service may be cancelled without penalty within thirty (30) days of service installation for quality of service issues. A full refund will be given for equipment returned in new resalable condition and for any remaining portion of prepaid monthly service charges pro-rated daily. All other payments are non-refundable.

## **13. DISCLAIMER OF WARRANTIES**

(1) CUSTOMER EXPRESSLY AGREES THAT CUSTOMER USES THE SERVICE AND THE PTERA EQUIPMENT AT CUSTOMER'S SOLE RISK. THE SERVICE AND PTERA EQUIPMENT ARE PROVIDED ON AN "AS-IS" AND "AS AVAILABLE" BASIS AND EXCEPT TO THE LIMITED EXTENT SPECIFICALLY SET FORTH IN SECTION 3 HEREIN, IF APPLICABLE, WITHOUT WARRANTIES OF ANY KIND, WHETHER EXPRESSED OR IMPLIED, INCLUDING WITHOUT LIMITATION ANY WARRANTY OF TITLE, NON-INFRINGEMENT, FITNESS FOR A PARTICULAR PURPOSE, OR MERCHANTABILITY. NEITHER PTERA NOR ITS AFFILIATES, AGENTS, OPERATIONAL SERVICE PROVIDERS, THIRD PARTY SUPPLIERS OR SOFTWARE LICENSORS WARRANTS: (I) TO UNINTERRUPTED, TIMELY OR SECURE USE OF SERVICE; (II) THAT THE SERVICE WILL MEET CUSTOMER'S REQUIREMENTS; (III) THAT THE SERVICE WILL BE ERROR-FREE OR FREE OF ANY VIRUSES, WORMS, SPAM, POP-UP ADVERTISING, SPYWARE, ADWARE OR OTHER HARMFUL COMPONENTS, EVEN IF COUNTERMEASURES HAVE BEEN DEPLOYED; OR (IV) THAT ANY PERSONAL INFORMATION, NON PERSONAL INFORMATION, DATA, FILES, OR CUSTOMER MATERIAL CUSTOMER SENDS OR RECEIVES VIA THE SERVICE WILL BE TRANSMITTED IN UNCORRUPTED FORM, WITHIN A REASONABLE TIME, OR FREE FROM UNAUTHORIZED ACCESS BY OTHERS OR THAT OTHER USERS WILL BE UNABLE TO GAIN ACCESS TO CUSTOMER'S COMPUTER OR

DEVICE. THIS INCLUDES WITHOUT LIMITATION INCIDENTS OF FILE SHARING, PRINT SHARING OR USE OF OTHER MEANS THAT ENABLE INTERNET USERS TO GAIN ACCESS TO CUSTOMER'S COMPUTER, DEVICE, OR NETWORK OR PTERA EQUIPMENT, OR TO MONITOR CUSTOMER'S ACTIVITY AND CONDUCT WHILE USING THE SERVICE. NO ADVICE OR INFORMATION, WHETHER ORAL OR WRITTEN, OBTAINED BY CUSTOMER FROM PTERA SHALL CREATE ANY WARRANTY NOT EXPRESSLY MADE HEREIN. SOME STATES DO NOT ALLOW LIMITATIONS ON THE SCOPE OF A LIMITATION OF WARRANTY OR HOW LONG AN IMPLIED WARRANTY LASTS, SO THE ABOVE LIMITATIONS MAY NOT APPLY TO CUSTOMER.

(2) In addition, Ptera may, in its sole discretion, make available to Customer security software, such as anti-virus software, firewall software, "pop-up" advertising blocking software, parental control software, anti-spyware or anti-adware software for Customer's use on Customer's network, computer Systems and devices in conjunction with the Service. Any such security software provided by Ptera to Customer is intended to provide only a minimal level of protection to Customer's network, computer Systems and devices. CUSTOMER UNDERSTANDS, ACKNOWLEDGES AND AGREES THAT PTERA AND ITS AFFILIATES, AGENTS, OPERATIONAL SERVICE PROVIDERS, THIRD-PARTY SUPPLIERS AND LICENSORS OF ANY SUCH SECURITY SOFTWARE, DO NOT GUARANTEE ITS ACCURACY, EFFICACY OR PERFORMANCE. CUSTOMER UNDERSTANDS AND AGREES THAT PTERA AND ITS AFFILIATES, AGENTS, THIRD PARTY SUPPLIERS AND LICENSORS ARE NOT RESPONSIBLE FOR ANY DAMAGE TO CUSTOMER'S NETWORK, COMPUTER SYSTEMS AND DEVICES (OR THE INFORMATION STORED THEREIN) THAT MAY RESULT FROM USE OF THE SECURITY SOFTWARE OR FROM ITS NON-PERFORMANCE.

(3) EXCEPT AS SPECIFICALLY SET FORTH IN THE COS, CUSTOMER UNDERSTANDS AND AGREES THAT NEITHER PTERA NOR ITS AFFILIATES, AGENTS, OPERATIONAL SERVICE PROVIDERS, THIRD PARTY SUPPLIERS, OR LICENSORS GUARANTEE THAT ANY PARTICULAR AMOUNT OF BANDWIDTH ON PTERA'S NETWORK OR THAT ANY SPEED OR THROUGHPUT OF CUSTOMER'S CONNECTION TO PTERA 'S NETWORK WILL BE AVAILABLE TO CUSTOMER. Customer understands, acknowledges and agrees that the availability and speed of the Service provided at Customer's premises may vary depending upon a number of factors, including Customer's network, computer Systems and devices, associated equipment and other devices accessing the Service, the terrain and location of Customer's premises, foliage between Ptera Equipment and other components of Ptera 's network, Internet traffic, and other factors such as system capacity limitations, governmental actions, events beyond Ptera 's control and system failures, modifications, upgrades and repairs.

(4) Customer understands, acknowledges and agrees that Ptera is NOT responsible for: obstructions that might be erected or grow between Customer's antenna and Ptera's network antenna causing a degradation or loss of service; equipment upgrades necessary over time to address changes in foliage or other reasons; debris or ice on antenna; re-aiming the antenna; reconfiguration of network settings due to, but not limited to, tampering or re-installation of operating systems; physical or electronic damage to Customer's or third party's person or equipment, including without limitation to damage caused by lightning or by the equipment itself;

damage caused by hackers or viruses; or loss of data, whether such data resides on Ptera servers or not.

(5) Customer understands, acknowledges and agrees that Ptera may in the future offer other Customers on Ptera's network Service with specific minimum service standards (including, without limitation, minimum standards for speed, bandwidth, latency or availability) (such minimum service standards that may be offered in the future "*Future Enhanced Service*"). Customer further understands, acknowledges and agrees that Ptera shall be under no obligation to provide any Future Enhanced Service to Customer unless and until Ptera and Customer have executed a new agreement with respect to such Future Enhanced Service, which agreement may include, without limitation, such increased or modified Monthly Fees and additional terms and conditions as Ptera and Customer may agree.

(6) Customer understands, acknowledges and agrees that Ptera may use various tools and techniques in order to efficiently and reasonably manage the safety of its networks and to ensure compliance with Ptera's Open Internet Policy and Section 8 above (such tools and techniques, "*Network Management Tools*"). These may include detecting malicious traffic patterns and preventing the distribution of viruses or other malicious code or any such other Network Management Tools as Ptera may from time to time determine appropriate.

(7) Customer understands, acknowledges and agrees that, in order to provide redundancy or increased efficiency or otherwise to enhance Ptera's network, Ptera may install additional equipment at Customer's premises, and any such equipment not set forth in the COS shall be deemed to be Ptera Equipment for the purposes of this Agreement. Customer further understands, acknowledges and agrees that Ptera may use the Ptera Equipment to provide Service to others in a manner that secures and separates Customer's traffic and local area network from Service provided to others.

(8) Customer understands, acknowledges and agrees that Ptera does not warrant that Service descriptions, information, graphic depictions, fees, product and or other components of the Service are accurate, reliable, updated, current, complete or error-free. Despite Ptera's efforts, it is possible that a price for the Service (or a component of the Service) offered on Ptera's website, or the Service description may be inaccurate in some part. In the event Ptera determines that a Service contains an inaccurate price or description, Ptera reserves the right to take any action Ptera deems reasonable and necessary, in Ptera's sole discretion, to rectify the error, including without limitation, canceling Customer's order, unless prohibited by law. Ptera may make improvements or changes to any of Ptera's information, or Services described on Ptera's websites at any time without notice. Customer agrees to notify Ptera immediately if Customer becomes aware of any pricing or descriptive errors or inconsistencies with any Services Customer orders and to comply with any corrective action that Ptera may take.

(9) THIS SERVICE AGREEMENT GIVES CUSTOMER SPECIFIC LEGAL RIGHTS, AND CUSTOMER MAY HAVE OTHER RIGHTS WHICH VARY FROM STATE TO STATE.

#### **14. LIMITATION OF LIABILITY**

(1) STATUTE OF LIMITATIONS: CUSTOMER MUST BRING ANY CLAIM OR LAWSUIT WITHIN ONE (1) YEAR THE CLAIM OR SUIT ARISES.

(2) TO THE FULLEST EXTENT ALLOWED BY APPLICABLE LAW, IN NO EVENT SHALL PTERA OR ITS AFFILIATES, AGENTS, REPRESENTATIVES, OPERATIONAL SERVICE PROVIDERS, THIRD PARTY LICENSORS OR SUPPLIERS, OR EACH OF THEIR RESPECTIVE OFFICERS, DIRECTORS, EMPLOYEES, SHAREHOLDERS, REPRESENTATIVES, AGENTS, OR CONTRACTORS AND ANY OF THEIR SUCCESSORS AND ASSIGNS BE LIABLE WITH RESPECT TO THE SERVICE OR THE SUBJECT MATTER OF THIS SERVICE AGREEMENT UNDER ANY CONTRACT, NEGLIGENCE, TORT, STRICT LIABILITY OR OTHER LEGAL OR EQUITABLE THEORY. SOME STATES DO NOT ALLOW THE EXCLUSION OR LIMITATION OF INCIDENTAL OR CONSEQUENTIAL DAMAGES, SO THE LIMITATIONS AND EXCLUSIONS HEREIN MAY NOT APPLY TO CUSTOMERS RESIDING IN SUCH STATE. IF ANY PART OF THIS LIMITATION ON LIABILITY IS FOUND TO BE INVALID OR UNENFORCEABLE FOR ANY REASON, CUSTOMER UNDERSTANDS, ACKNOWLEDGES AND AGREES THAT THE AGGREGATE LIABILITY OF PTERA UNDER SUCH CIRCUMSTANCES FOR LIABILITIES THAT OTHERWISE WOULD HAVE BEEN LIMITED SHALL NOT EXCEED ONE HUNDRED DOLLARS (\$100.00 US).

(3) CUSTOMER FURTHER UNDERSTANDS, ACKNOWLEDGES AND AGREES THAT PTERA WILL HAVE NO LIABILITY FOR THE FOLLOWING:

- (a) FOR ANY AMOUNT IN THE IN EXCESS OF ONE HUNDRED DOLLARS (\$100.00 US);
- (b) FOR ANY THIRD-PARTY FEES OR CHARGES, INCLUDING WITHOUT LIMITATION, BANKING FEES, OVERDRAFT FEES, MOBILE PHONE OR OTHER WIRE LINE CHARGES, TECHNICIAN CHARGES, OR OTHER SIMILAR CHARGES;
- (c) FOR ANY INDIRECT, INCIDENTAL, PUNITIVE, SPECIAL, EXEMPLARY, OR CONSEQUENTIAL DAMAGES OF ANY KIND WHATSOEVER;
- (d) FOR DATA LOSS OR COST OF PROCUREMENT OF SUBSTITUTE GOODS OR SERVICES;
- (e) FOR ANY DAMAGES OR LOSS DUE TO CUSTOMER'S FAILURE TO BACK UP ANY EQUIPMENT AS REQUIRED IN SECTION 3.4(C) HEREIN;
- (f) ANY LACK OR BREACH OF SECURITY CUSTOMER OR ANY OTHER PARTY MAY EXPERIENCE OR BE EXPOSED TO WHILE USING THE SERVICE;
- (g) FOR ANY MATTER BEYOND PTERA'S REASONABLE CONTROL;
- (h) FOR ANY INTERFERENCE OR INCOMPATIBILITY WITH OR DISRUPTION OF ANY NON-VOICE SYSTEMS, WHETHER CAUSED BY THE TELEPHONY SERVICE, INTERNET SERVICE, EQUIPMENT, OR OTHERWISE; OR
- (i) CUSTOMER'S USE OF THE SERVICE FOR OR IN CONNECTION WITH ANY HIGH-RISK OR UNLAWFUL USES, OR ANY USE THAT VIOLATES THIS SERVICE AGREEMENT.

(4) Customer understands, acknowledges and agrees that Ptera may block traffic to or from any source, including, without limitation, the deletion of any electronic mail, as it deems necessary to secure its network or eliminate spam. Customer agrees that Ptera shall be entitled to damages if Customer transmits or is otherwise connected with the transmission of spam. Customer agrees that Ptera is entitled to actual damages; however, if actual damages cannot be reasonably calculated, Customer agrees to pay Ptera liquidated damages of five dollars for each piece of spam in violation of the CAN-SPAM Act transmitted from or otherwise connected



with Customer's account. Customer will be charged at Ptera's hourly rate of \$125.00, and in the minimum be charged for at least one (1) hour, for Ptera's response to complaints from, and clean-up for, unsolicited commercial mailing, unauthorized bulk mailings and/or server violations.

(5) Customer understands, acknowledges and agrees that when using the Service to access the Internet or any other online network or service, there are certain risks that may enable other Internet users to gain access to or use of Customer's computer(s) or other equipment.

Customers are responsible for putting in place and should put in place all appropriate security measures when using the Service. Customers are responsible for any misuse of the Service that occurs through Customer's account, whether by a member of Customer's household or an authorized or unauthorized third party.

(6) This Section 14, Limitation of Liability, will survive termination or expiration of this Service Agreement, whether terminated by the Customer or the Ptera, for any reason.

## **15. AGREEMENT TO ARBITRATE**

(1) CUSTOMER AND PTERA AGREE TO ARBITRATE ALL DISPUTES AND CLAIMS BETWEEN CUSTOMER AND PTERA THAT THEY ARE NOT ABLE TO RESOLVE THROUGH GOOD FAITH DISCUSSION. The agreement between Customer and Ptera to arbitrate all disputes and claims between them is intended to be broadly interpreted. It includes without limitation: claims arising out of or relating to any aspect of the relationship between Customer and Ptera, whether based in contract, tort, statute, fraud, misrepresentation or any other legal theory, claims that arose before this or any prior Agreement (including without limitation, claims relating to advertising), claims that are currently the subject of purported class action litigation in which Customer is not a member of a certified class and claims that may arise after the termination of this Agreement. For the purposes of this Section 15, references to Customer include Customer's subsidiaries, affiliates, agents, employees, predecessors in interest, successors, and assigns, as well as all Authorized Users or unauthorized users or beneficiaries of the Service. **CUSTOMER AGREES THAT, BY ENTERING INTO THIS AGREEMENT, CUSTOMER AND PTERA ARE EACH WAIVING THE RIGHT TO A TRIAL BY JURY OR TO PARTICIPATE IN A CLASS ACTION WITH RESPECT TO THIS AGREEMENT.** This Agreement evidences a transaction in interstate commerce, and thus the Federal Arbitration Act governs the interpretation and enforcement of this provision. This arbitration provision shall survive termination of this Agreement.

(2) A party who intends to seek arbitration must first send to the other, by certified mail, a written notice ("*Arbitration Notice*"). An Arbitration Notice to Ptera must be addressed to Ptera at the address set forth in this Service Agreement for notices. An Arbitration Notice to Customer must be addressed to Customer at Customer's then-current billing address. The Arbitration Notice must (i) describe the nature and basis of the claim or dispute and (ii) set forth the specific relief sought. If Customer and Ptera do not reach an agreement to resolve the claim within 60 calendar days after the Arbitration Notice is received, Customer or Ptera may commence an arbitration proceeding. During the arbitration, the amount of any settlement offer made by Ptera or Customer shall not be disclosed to the arbitrator until after the arbitrator determines the amount, if any, to which Customer or Ptera is entitled.

(3) The arbitration shall be governed by the Commercial Arbitration Rules and the Supplementary Procedures for Consumer Related Disputes (collectively, “AAA Rules”) of the American Arbitration Association (the “AAA”), as modified by this Agreement, and shall be administered by the AAA. The AAA Rules are available online at [www.adr.org](http://www.adr.org), by calling the AAA at 1-800-778-7879 or written request to the Ptera. The arbitrator shall be bound by the terms of this Agreement. All issues are for the arbitrator to decide, except that issues relating to the scope and enforceability of the arbitration provision are reserved to the decision of a court of competent jurisdiction. Unless Customer and Ptera agree otherwise, any arbitration hearings shall take place in Spokane County, Washington. The right to a hearing shall be determined by the AAA Rules. Regardless of the manner in which the arbitration is conducted, the arbitrator shall issue a reasoned written decision sufficient to explain the essential findings and conclusions on which the award is based. The party initiating arbitration proceedings shall bear all the arbitration-related costs and expenses of both parties including, without limitation, legal fees and expenses.

(4) The arbitrator may award declaratory or injunctive relief only in favor of the individual party seeking relief and only to the extent necessary to provide relief warranted by that party’s individual claim. CUSTOMER AND PTERA AGREE THAT EACH MAY BRING CLAIMS AGAINST THE OTHER ONLY IN ITS INDIVIDUAL CAPACITY AND NOT AS A PLAINTIFF OR CLASS MEMBER IN ANY PURPORTED CLASS OR REPRESENTATIVE PROCEEDING. Further, unless both Customer and Ptera agree otherwise, the arbitrator may not consolidate more than one person’s claims, and may not otherwise preside over any form of a representative or class proceeding.

(5) Notwithstanding any provision in this Agreement to the contrary, Customer and Ptera agree that if Ptera makes any future change to this arbitration provision (other than a change to the address to which an Arbitration Notice is to be sent), Customer may reject any such change by sending Ptera written notice within thirty (30) days of the change. By rejecting any future change, Customer agrees that Customer will arbitrate any dispute between Customer and Ptera in accordance with the language of this provision.

## **16. INDEMNIFICATION**

Customer agrees to indemnify, defend and hold harmless Ptera, its Affiliates, Operational Service Providers, agents, third party licensors and suppliers and their respective members, officers, directors, shareholders, employees, agents, representatives and contractors, and each of their successors and assigns (collectively, the “*Ptera Indemnitees*”) from and against all losses, expenses, damages and costs, (including reasonable attorneys’ fees) and other claims brought against any Ptera Indemnatee(s) related to Customer’s use of the Service or any violation of this Service Agreement and all other documents incorporated herein by reference) including without limitation, claims that Customer’s use of the Service infringed on the patent, copyright, trademark or other intellectual property right of any third party, Customer’s violation of any law or the rights of another and claims resulting from Customer’s negligence. Customer agrees to pay any attorneys’ fees incurred by Ptera and/or any other Ptera Indemnatee in connection with the defense of any such third-party claims. Ptera reserves the right to assume

the defense and control of any matter subject to indemnification by Customer, in which event Customer will cooperate with Ptera in asserting any available defenses.

## **17. TERMINATION OF THE SERVICE**

(1) IF CUSTOMER CANCELS THE SERVICE OR ANY ASPECT THEREOF FOR ANY REASON, PTERA SHALL NOT BE REQUIRED TO REFUND CUSTOMER ANY PORTION OF THE MONTHLY FEES PAID BY CUSTOMER FOR THE MONTH IN WHICH CANCELLATION OCCURS, UNLESS REQUIRED OTHERWISE BY STATE LAW.

(2) For Ptera's regular Internet Access Service, Customer may terminate the Service no less than thirty (30) days prior to the end of the IAS Term. Customer Termination notices must be sent by Customer via email, fax, or U.S. mail to Ptera's current address as set forth in Section 18.8 b. of this Service Agreement. Ptera may take reasonable steps to verify Customer's identity and authority before effecting such termination. Upon termination, Customer agrees to pay any account balance and to return any Ptera Equipment within thirty (30) days of expiration of the IAS Term or pay the current Equipment Purchase Price. Any "Early Termination Fee" is set forth in the COS. Termination provisions for the Pro IAS are set forth in the Customer's COS.

(3) The Service and all Service features are subject to availability on an ongoing basis. Customer understands that Ptera may cease to offer the Service or any Service feature at any time, for any reason or no reason, and without notice to Customer. Without limiting the generality of the foregoing, Ptera may suspend, disconnect or terminate the Service at any time without prior notice if Ptera believes in its sole discretion that Customer has (i) failed to pay Customer's bill when due, (ii) threatened or harassed any Ptera employee, agent or contractor, or (iii) violated any other provision of this Service Agreement. In its reasonable discretion, Ptera may terminate the Service on thirty (30) days' notice to Customer.

(4) If the Service to Customer is disconnected for any reason or Service is suspended in accordance with this Agreement, Ptera may charge Customer (i) for Service during the period of disconnection or suspension in accordance with applicable federal and state law and (ii) reasonable disconnection and reconnection fees.

(5) Ptera will also close the Customer's account after three (3) unpaid billing cycles.

(6) In the event that Customer's account is suspended, disabled or terminated, no refund, including of fees paid by Customer to Ptera, shall be granted. Moreover, Ptera shall not be responsible for the return of data stored on Ptera's servers, including web and email servers. Customer agrees that Ptera has no obligation to visit Customer's home upon termination to reconfigure Customer's computer(s) or for any other reason.

(7) Sections 2 through 18 herein shall survive any termination or expiration of this Agreement.

## **18. GENERAL PROVISIONS**

(1) This Service Agreement (including all documents incorporated herein by reference) constitutes the entire agreement with respect to the Service. This Service Agreement supersedes and nullifies all prior understandings, promises and undertakings made orally or in writing by or on behalf of the parties with respect to the subject matter of this Agreement. Use of the Ptera IAS constitutes acceptance of this agreement.

(2) The Parties agree that any Affiliates, Operational Service Providers, agents, third party suppliers and licensors of Ptera are intended beneficiaries of this Service Agreement. Except as set forth in the previous sentence, this Agreement is not intended to give and does not give any rights or remedies to any person other than Customer and Ptera.

(3) No agency, partnership, joint venture, or employment relationship is created as a result of the Service Agreement and neither party has any authority of any kind to bind the other in any respect.

(4) Ptera shall not be liable for any failure to perform its obligations hereunder where such failure results from any cause beyond Ptera's reasonable control, including, without limitation, mechanical, electronic or communications failure or degradation (including "line-noise" interference).

(5) This Service Agreement and all matters arising out of or related to this Agreement shall be governed by the laws of the State of Washington without regard to conflicts of law provisions. Subject to the agreement between Customer and Ptera with respect to arbitration of any disputes, Customer agrees that the federal and state courts of Washington alone shall have jurisdiction over all disputes arising under this Service Agreement and Customer consents to the personal jurisdiction of those courts.

(6) Ptera's failure to exercise or enforce any right or provision of this Service Agreement shall not constitute a waiver of such right or provision. If any term, covenant, condition or provision of this Service Agreement shall, to any extent, be held invalid, illegal or unenforceable, the remainder of this Service Agreement shall not be affected and each remaining term, covenant, condition and provision shall be valid and enforceable to the fullest extent permitted by law or construed as nearly as possible to reflect the original intentions of the parties.

(7) Ptera may change, amend, alter, or modify this Service Agreement at any time. Ptera may notify Customer of any change either by posting that change on the Ptera Website ([www.ptera.com](http://www.ptera.com)), by sending Customer an email, or by U.S. first-class mail. If Customer continues to use the Service after such notice has been made, Customer agrees that such continued use shall be deemed to be Customer's acceptance of those changes. The current version of this Service Agreement, as the same may be modified by Ptera from time to time, shall supersede any prior version of this Service Agreement that may have been provided to Customer at any time.

(8) Except as specifically set forth in this Service Agreement, any notices under this Agreement shall be effective as follows:

(a) *If to Customer:* notice shall be made by (A) email to Customer's Account Email Address; (B) by first-class mail to Customer at Customer's billing address then on file with Ptera; or (C) when posted to the Announcements page of the Ptera Website. If by email, such notice shall be deemed effective when transmitted by Ptera. If by first-class mail, such notice shall be deemed effective upon the earlier of (1) three (3) business days after dispatch or (2) at such time as actually received by Customer.

(b) *If to Ptera:* notice shall be made exclusively by first-class mail to Ptera at 24001 E Mission Ave #50 or POB 135, Liberty Lake, WA 99019 or such other address as Ptera may from time to time publish to Customer, and such notice shall be deemed effective upon receipt.

(9) Customer may not assign this Agreement, or Customer's rights or obligations under this Service Agreement, without Ptera's prior written consent, and any purported assignment by Customer without such consent shall be void. Ptera may transfer or assign any portion or all of this Service Agreement at any time without notice to Customer, and Customer waives any notice that may be required by law.

(10) This Service Agreement covers any accounts not having a COS.

(11) The customer agrees to the terms of this Service Agreement when they use the Ptera Internet Access Service.

## **19. Excessive Use Policy (EUP) (Effective July 1 2020)**

To improve the overall performance of our network connections, we have implemented an excessive use policy across all Ptera Service plans. What this means is that any customer that uses over 750 GB in a calendar month will pay overage charges starting in July of 2022. Overage charges will be \$25 per 250 GB of usage past 750 GB. There will be no maximum to the number of overages that can be accrued. 750 GB equals roughly 4 times what our average customer uses in a month, and we expect this policy to affect only the top 1-2% of our users. To provide some perspective, an HD video stream will use about 1 GB of data per hour. To consume 750 GB, a customer would need to stream HD video for approximately 20 hours per day, every day, for the entire month. We have found that in the absence of any sort of usage policy, we have some customers that regularly use more than 750 GB per month. This excessive use policy for network traffic management is directed specifically at the excessive use that happens on our network, since those customers increase everyone's costs and cause slowdowns for others. Starting in July 2020 billing cycle, all customers will have an unlimited plan available at a monthly charge of \$25. Adding this plan to your services will mean that no overage charges will be accrued, and all usage on the customer plan will be exempt from overage charges. Customers whose usage surpasses the 750 GB limit will not have their connection speed decreased, nor will their service be suspended. Customers on Custom plans will not be immediately affected by this usage policy.