

Terms and Conditions of Services
Effective as of January 1, 2008 until replaced

These terms and conditions are part of your agreement with Zefcom, L.L.C. d/b/a Yadkin Valley Wireless for Yadkin Valley Wireless Services.

If you activated your Yadkin Valley Wireless Services before the effective date of these terms and conditions, these terms and conditions replace and supersede any previous terms and conditions. The terms and conditions included with your PCS Phone may not be the most current version. For the most current version of the terms and conditions, please visit our website at www.vadtel.net or call Customer Service at 3364635022.

Agreement. Your agreement ("Agreement") with Zefcom, L.L.C. d/b/a Yadkin Valley Wireless and any of its representatives doing business as Yadkin Valley Wireless providing Yadkin Valley Wireless Services ("Services") to you is made up of these Terms and Conditions of Service ("Terms") and the Service Plan we agree to provide you. Your "Service Plan" is described in our marketing materials and includes the rates and features we set for that Service Plan. We use the words "we," "us," "our" or "Yadkin Valley Wireless" to refer to Yadkin Valley Wireless and its independent representatives. Yadkin Valley Wireless Services are provided utilizing either the Sprint PCS Network or the Verizon Wireless Network ("Network"). You accept the Agreement and Terms when you do any of the following: (1) sign a contract with us on paper or electronically; (2) tell us orally or electronically that you accept; (3) activate Services or attempt to use our Services (including, without limitation, attempting to place a call on the Network or off the Network when roaming, including "911" or similar calls); (4) pay for the services; (5) open any package or start any program that says you are accepting the Agreement when doing so; and (6) use your service after making any change or addition after you have been informed that continued use of the new or modified service will mean you have given us your acceptance.

Provision of Service. Your purchase of equipment from us does not mean that we must provide Services to you. We may decide not to provide Services to you for any lawful reason. We may request that you provide us with any information we reasonably require to determine whether you qualify for Services. Services in some areas are managed and provided under contract by independent affiliates of either Verizon Wireless or Sprint PCS with access to the Network. Some Services may not be available or may operate differently in certain affiliate markets.

Credit Verification. If you are making payments on your Service Plan by credit card, you must have and maintain a valid credit card to receive and continue to receive Services. We will verify that your credit card is valid before agreeing to provide Services to you and we may verify that your credit card is valid at any time while we provide Services to you. Credit card verification may include a review of credit reports that we receive from commercially available credit bureaus. If at any time we determine, in our sole discretion, that payment for Services may not be made when due, we may suspend Services to your phone and require that you provide payment on your account or a guarantee of payment before we resume Services to your phone.

Changes to Agreement. We may change this Agreement at any time (but see Service Plan). Any changes to the Agreement are effective when we publish them on our website www.vadtel.net. We will give you thirty (30) days prior notice, either in your monthly bill or separately, of any material change to this Agreement. If you use our Services on or after the effective date of the changes or make any payment to us (for services not already rendered prior to the effective date of the changes) on or after the effective date of the changes, you accept the changes. If we change a material term of the Agreement and that change has a material adverse effect on you, you may terminate the Agreement without an early termination fee by calling 3364635022 within sixty (60) days after we send notice of the change. You understand and agree that taxes, Universal Service fees and other charges imposed by the government or based on government calculations may increase or decrease on a monthly basis, and that this paragraph does not apply to any increases in such taxes, Universal Service fees and other charges.

Service Plans. Yadkin Valley Wireless offers one (1) and two (2) year Service Plans.

Service Plan. A fixed Service Plan contractually binds you to obtain Services from Yadkin Valley Wireless. We may offer non-identical Service Plans to different individuals or entities. Services and coverage under some Service Plans may be more limited as compared to other Service Plans. Your Service Plan sets out the charges for Services and is your Service Plan until that Service Plan is changed, you switch to a different Service Plan, or your Services terminate. Your Service Plan may require that you make a deposit, prepayment, or a series of deposits or prepayments, or be subject to an account spending limit, before Services are activated or maintained. If you are on a Service Plan, your ability to change to another Service Plan may be limited and we may require you to pay a termination fee as set out in the Termination sections of the Agreement. Any change is effective at the start of your next full billing cycle unless otherwise specified by us at the time that you place your change order. If you change or add a different Service Plan or service feature and the change is effective prior to the start of your next full billing cycle, you will be billed a prorated amount for the period during the previous billing cycle that the new Service Plan or service feature was effective. We may require a service charge for implementing any change directed by you to your Service Plan or optional service features you select.

Use of Services and Equipment; Availability. You must be at least 18 years old to subscribe to our Services. We may require you to provide proof of your age and identity. Services and equipment may not be used for any unlawful, fraudulent or abusive purpose. By requesting Services, you agree that you will not use Services and equipment in any unlawful, fraudulent or abusive manner. You may not resell or lease Services or equipment to anyone. Services are available within the operating range of the Network as depicted in our coverage maps. Coverage and quality of Services may be affected by conditions beyond our control, including atmospheric, geographic, or topographic conditions. We do not guarantee that there will be no interruptions or delays in Services. Your Yadkin Valley Wireless phone will not accept the services of any wireless provider other than Yadkin Valley Wireless (but see Roaming).

Number. We assign a phone number ("Number") to the phone or other equipment used by you on the Network. We may change the Number by giving you prior notice. You do not own the Number. You may not: (1) modify the Number we program into any phone or other equipment; (2) transfer or duplicate the Number to any phone or other equipment other than that authorized by us; or (3) transfer the Number to any other individual or entity without our permission.

Phone Activation Fee. You may be required to pay a non-refundable phone activation fee when you activate a new handset, have us switch a Number to a different phone, or we activate a different phone on your existing account. Details on any applicable phone activation fee are set out in your Service Plan or can be obtained by calling Yadkin Valley Wireless Customer Service at 3364635022.

Charges. You must pay, by each invoice date, all charges for Services provided to the Number for each phone or other equipment that our records show you activated no matter who actually uses or has possession of the phone or other equipment at the time Services are provided. These charges include, but are not limited to, recurring monthly service charges, applicable local and long-distance toll charges, usage charges, and connection fees, and roaming charges, directory assistance, and call completion charges, optional features you select at an extra cost, and taxes and other regulatory related charges. Charges for a completed call from your Number that is dialed manually begin when you press the TALK (or similar key) and end when the call is terminated by either party. You are invoiced for these completed calls from your Number from the time shortly before the phone starts ringing until the call is terminated by either party. Charges for most Services are incurred in one-minute increments, with partial minutes of use rounded up to the next highest minute. Certain Service Plans do not include itemized message transmission detail, even for measured service. Most Services are billed to your account at a flat rate on a recurring monthly basis and you do not receive itemized message transmission detail on them.

Billing. Billing cycles are approximately 30 days in length. Billing cycles and dates may change from time to time. Except as otherwise provided in your Service Plan, monthly recurring charges (MRCs) are billed one billing cycle in advance.

Airtime is billed for your total usage in excess of your monthly Service Plan allotment and/or for calls outside the Verizon Wireless and/or Sprint PCS Network(s). Excess charges for Services are usually billed to your account as soon as possible after the charges accrue.

Payment. If you have authorized payment for Services or equipment by credit card or by debiting a bank account, no additional notice or consent is required before we invoice your credit card or debit your bank account, for all amounts (including any late charges, taxes or other regulatory related charges) due to us or billed by us on behalf of a third party. You must promptly notify us of any change in your address, the credit card used for payment, or the bank account used for bank debits. If we take action to receive payment beyond billing you for charges for Services or equipment, you must pay our costs and expenses of collection, including attorneys' fees and expenses, the fees of any collection agency and court costs.

Disputed Charges. You must raise any dispute that you have about any charges billed to your credit card or bank debit account within 15 days of the date of the credit card or bank debit account statement or you have accepted the charges. You may notify us of any dispute by calling Yadkin Valley Wireless Customer Service 3364635022. Calls to our sales or general business offices are not notice of a dispute. You do not have to pay any properly disputed amounts while we investigate them; however, you must pay amounts not in dispute by the due date.

Termination. Service Plan. If you are on a Service Plan: (1) your ability to terminate Services before the end of the term is limited; (2) your ability to change to another Service Plan before the end of the term may be limited and may result in a termination and/or activation fee; (3) you may be required to pay a termination fee as liquidated damages and not as a penalty; (4) we may not terminate Services without cause before the end of the term; and (5) if we terminate Services for cause before the end of the term you may be required to pay a termination fee as liquidated damages and not as a penalty. No termination fee is charged if you terminate your Service Plan within 14 days of activation of your Yadkin Valley Wireless phone. You will only be billed the activation fee and the pro-rated portion of the monthly service fee. During the term of this Agreement we must give each other notice to terminate Services. At the end of your term, your Agreement automatically changes into a "Month to Month" Service Plan. At and after the expiration of the original term, you may terminate Services at any time by giving us notice and we may, subject to this Agreement, terminate Services at any time, with or without notice. If either party terminates the Agreement after the original term has expired, you agree to pay that month's recurring charges and all other charges due and owing on your account. You also agree that you will not receive a credit or refund for any unused minutes for that month's billing cycle. No termination fee is assessed if you terminate your Month to Month Service Plan with us.

Termination. General. Regardless of whether you have a One Year or Two Year Service Plan, we may, without notice, terminate or suspend Services to you without liability at any time: (1) if you breach any provision of this Agreement (including if you fail to pay any charges for Services); (2) if you fail to pay any charges due us for equipment or otherwise; (3) if you incur charges in excess of a billing limit (even if we have not yet billed the charges); (4) if you harass or threaten our employees or agents; (5) if you provide false information to us; (6) if you interfere with our operations; or (7) if we believe the action protects our customer's interests or our network. If you promptly cure the breach, we may, but are not obligated to, reactivate Services to you. You must pay all charges for: (1) Services provided before termination of a Number; and (2) equipment, regardless of who terminates Services.

Deposits. If we require a deposit for you to establish or keep Services, we will hold the deposit as partial guarantee of payment for Services. We may change the deposit at any time to reflect revised estimated monthly charges based upon your usage. A deposit may not be used to pay any bill (unless it is used to pay a final bill) or delay payment. The deposit amount, the length of time we hold the deposit and changes to the deposit amount are determined based on your credit and payment history. The rate of interest on the deposit is subject to change. We may mix deposits with our other funds. If Services are terminated for any reason, we may, without notice to you, apply your deposit toward payment of outstanding charges and any excess will be returned to you at your last known address, within 75 days after termination of Services. If the U.S. Postal Service cannot deliver the money to you and returns it to us, we will hold it for you for one year from the date of return and we may charge a monthly servicing fee against the deposit balance. Any money held during this one year period will not accrue interest for your benefit. You forfeit any portion of the money left after the one year period.

Taxes and Other Regulatory Related Charges. We bill you for taxes, regulatory related obligations and other charges levied by federal, state or local authorities, or foreign government on Services, or mandated to be paid in proportion to receipts from telecommunications services provided, or on sales of equipment (except for taxes based on our net income), if we pay these taxes or other regulatory related charges, Taxes, regulatory related charges and charges not directly paid by us are not billed to you, but payment to the taxing or levying authority of any applicable taxes, regulatory related charges and charges due from you are your responsibility. If you claim any tax exemption, you must provide us with a valid tax-exempt document. Any tax exemption applies only from the date we received a valid tax-exempt document.

Roaming. Calls made outside of the Network are "roaming" calls. Your phone is specifically designed and engineered to work on the Network and on other providers' systems only when roaming agreements are in place between either Verizon Wireless or Sprint PCS and the other providers. Certain features are not available when roaming. When roaming, you are subject to the limitation of liability provisions and other applicable rules imposed by the roaming service provider on its own subscribers or on roamers. Included minutes apply to calls placed and received on the Network. Roaming rates apply to calls placed and received outside the Network. Long distance charges for calls received while roaming are calculated from your home area code to the location where you received the call. Due to delayed reporting between carriers, usage may be billed in a subsequent month and will be charged as if used in the month billed. If during any two consecutive months your minutes of use on other carrier networks exceeds 50% of the minutes included in your service plan, we may, at our option, terminate your service, deny your continued use of other carriers' coverage or change your plan to one imposing additional usage charges for roaming. We will provide notice that we intend to take any of these actions and, upon receipt of such notice, you may terminate this Agreement.

Unlimited Voice Services. Unlimited voice services are provided solely for live dialog between two individuals. Unlimited voice services may not be used for conference calling, call forwarding, monitoring services, data transmissions, transmission of broadcasts, transmission of recorded material, or other connections which do not consist of uninterrupted live dialog between two individuals. If we find that you are using an unlimited voice service offering for other than live dialog between two individuals, we may, at our option, terminate your service or change your plan to one with no unlimited usage components. We will provide you with notice that we intend to take any of the above actions, and you may terminate the Agreement.

Unlimited Data Services. Prohibited Uses. We reserve the right to limit or suspend any heavy, continuous data usage that adversely impacts our network performance or hinders access to our network. Examples of prohibited uses include the following: (i) server devices or host computer applications, including, but not limited to, continuous Web camera posts or broadcasts, automatic data feeds, automated machine-to-machine connections or peer-to-peer (P2P) file-sharing; (ii) as a substitute or backup for private lines or dedicated data connections; (iii) "auto-responders," "cancel-bots," or similar automated or manual routines which generate excessive amounts of net traffic, or which disrupt net user groups or email use by others; (iv) "spam" or unsolicited commercial or bulk email (or activities that have the effect of facilitating unsolicited commercial email or unsolicited bulk email); (v) any activity that adversely affects the ability of other people or systems to use either our Service or other parties' Internet-based resources, including "denial of service" (DoS) attacks against another network host or individual user; (vi) accessing, or attempting to access without authority, the accounts of others, or to penetrate, or attempt to penetrate, security measures of our or another entity's network or systems; or (vii) software or other devices that maintain continuous active Internet connections when a computer's connection would otherwise be idle or any "keep alive" functions.

Interruption of Service. We may give credit for a continuous interruption of Services for more than 24 hours on a case-by-case basis. Interruptions caused by your negligent or willful actions, or by failure of equipment or service not provided by

us, or by causes beyond our reasonable control, do not qualify for credit. We may provide you with an airtime credit of one minute for a call that is disconnected because of transmission limitations caused by atmospheric, geographic or topographic conditions and that you redial within one minute of disconnection. You must notify us within 24 hours of the disconnection to obtain credit.

Phones and Other Equipment. Phones and other equipment may be purchased and returned as provided in the purchase documents. We are not the manufacturer of the phones or other equipment and the only warranties on the phones or other equipment are limited warranties extended by the manufacturers.

Lost or Stolen Equipment. If your phone or other equipment is lost or stolen, you must notify us by calling Yadkin Valley Wireless Customer Service at 3364635022. You are responsible for all charges for Services provided to the Number for the lost or stolen equipment before you notify us of the loss or theft. We will deactivate Services to the Number upon notification to us of any loss or theft. You may be required to provide evidence of the loss or theft (e.g., a police report or affidavit). If the equipment is later found, we may require that you exchange it for another phone or other equipment before we reactivate Services (if we elect to reactivate Services), as well as require you to pay a reactivation fee. We will deactivate Services to any Number without prior notice to you if we suspect any unlawful or fraudulent use of the Number. You agree to reasonably cooperate with us in investigating suspected unlawful or fraudulent use.

Caller ID. If you do not want people you call to receive the Number assigned by your phone, you must call Yadkin Valley Wireless Customer Service at 3364635022 for information about automatic Caller ID blocking. The Number assigned to your phone can be blocked on a per-call basis by dialing *67 + Destination Number + TALK. Caller ID delivery resumes on the next call you make. Caller ID display on incoming calls to your Number is dependent on receiving the information from the calling party.

Pay-Per-Call Service. We will not complete calls from your Number to 900, 976 and similar numbers for pay-per-call services.

International Calling. You may be limited in the international destinations that you can call with your Yadkin Valley Wireless Service. Calls to international destinations are not included in your Service Plan and will be billed separately on a monthly basis. You should call Yadkin Valley Wireless Customer Service at 3364635022 for information about international destinations that cannot be called from your Yadkin Valley Wireless phone.

Customer Proprietary Network Information (CPNI). Federal law protects your privacy rights as a customer of Yadkin Valley Wireless. Customer Proprietary Network Information (CPNI) is information we possess solely due to the customer-carrier relationship that is necessary for us to serve your telecommunications needs. CPNI is defined by the Federal Communications Commission as information that relates to the quantity, technical configuration, type, destination and amount of use of a telecommunications service subscribed to by any customer of a telecommunications carrier and that is made available to the carrier by the customer solely by virtue of the carrier-customer relationship; and information contained in the bills pertaining to telephone exchange or toll service received by a customer of a carrier. CPNI does not include information that is in the public domain or available from other sources (i.e., census data, subscriber list information, published directory information).

Unless you specifically authorize its use, we may not use CPNI to market our services that are unrelated to the services to which you currently subscribe. We will not share CPNI with any other company, including our affiliate companies, unless you are also a customer of our affiliate, or unless you have provided authorization.

CPNI can be used by us for certain purposes without your permission. We may use CPNI to offer you new or enhanced services that are related to the category of services to which you currently subscribe. We may also use CPNI to respond to your inquiry regarding services you use or related services we offer. We may also use CPNI in repair and maintenance services, billing and collection, to protect company property, and to prevent fraud.

We take measures to discover and protect against attempts to gain unauthorized access to your CPNI. In so doing, we authenticate a customer prior to disclosing CPNI based on customer initiated telephone contact, online account access, or an in-store visit. We value our relationship with our customers and are committed to respecting and protecting your privacy.

Limitation of Liability. Except as otherwise provided in this section, our sole liability to you for any loss or damage arising out of providing or failing to provide Services (including mistakes, omissions, interruptions, delays, errors or defects) will not exceed: (1) in cases related to a specific piece of equipment, the prorated MRCs for Services to the piece of equipment during the affected period; or (2) in cases not related to a specific piece of equipment, the prorated MRCs for the Services to you during the affected period. We are not liable for any damage arising out of or in connection with:

- a) Any act or omission of any telecommunications service or other service provider other than us;
- b) Any directory listing;
- c) Any dropped calls;
- d) Any interruption of Services, including interruptions caused by equipment or facilities failure or shortages, transmission limitation or system capacity limitations;
- e) traffic or other accidents, or any health-related claims allegedly arising from the use of Services, phone, equipment or accessories used in connection with the Services;
- f) Any late or failed message delivery;
- g) Any interruption or failure of 911 or E911 emergency services or identification of the Number, address, name or location associated with any person accessing or attempting to access emergency services from your phone;
- h) The installation or repair of any products or equipment by parties who are not our authorized employees or agents;
- i) events due to factors beyond our control, including acts of God (including, without limitation, weather-related phenomena, fire or earthquake), war, riot, strike or orders of governmental authority;
- j) Any use of your phone or other equipment not authorized by you;
- k) Any act or omission of any third party or independent contractor that offers products or services in conjunction with or through the Services; or
- l) Your negligent or intentional act or omission.

NO CONSEQUENTIAL OR OTHER DAMAGES. UNDER NO CIRCUMSTANCES ARE WE LIABLE FOR ANY INCIDENTAL, CONSEQUENTIAL, PUNITIVE OR SPECIAL DAMAGES OF ANY NATURE WHATSOEVER ARISING OUT OF OR IN CONNECTION WITH PROVIDING OR FAILING TO PROVIDE SERVICES, PHONES OR OTHER EQUIPMENT USED IN CONNECTION WITH THE SERVICES INCLUDING, WITHOUT LIMITATION, LOST PROFITS, LOSS OF BUSINESS, OR COST OF REPLACEMENT PRODUCTS AND SERVICES. THIS SECTION SURVIVES TERMINATION OF THIS AGREEMENT.

Indemnification. You promise to indemnify and defend us, our partners, directors, officers, employees and agents from and against any claim, action, damage, liability and expense arising out of or in connection with: (1) your acts or omissions that occur in connection with your use of the Services or equipment used in connection with the Services; or (2) any communications you make or receive using the Services. This indemnification extends to and includes any attorneys' fees and costs incurred by us arising from any actions or claims to which this indemnification applies, or from contesting the applicability of this provision. This section survives termination of this Agreement.

DISCLAIMER OF WARRANTIES. WE MAKE NO EXPRESS REPRESENTATIONS OR WARRANTIES ABOUT OUR SERVICES AND DISCLAIM ANY IMPLIED WARRANTIES INCLUDING, BUT NOT LIMITED TO, WARRANTIES OF TITLE OR IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE OR NON-INFRINGEMENT. WE DO NOT AUTHORIZE ANYONE TO MAKE A WARRANTY OF ANY KIND ON OUR BEHALF AND YOU MAY NOT RELY ON ANY STATEMENT OF WARRANTY AS A WARRANTY BY Yadkin Valley Wireless. WE ARE NOT THE MANUFACTURER OF THE EQUIPMENT OR THE OPERATORS OF THE NETWORK AND EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN WRITING BY Yadkin Valley Wireless. THE ONLY WARRANTY APPLICABLE TO THE EQUIPMENT USED IN CONNECTION WITH THE SERVICES IS THAT PROVIDED BY THE EQUIPMENT MANUFACTURERS. THIS SECTION SURVIVES TERMINATION OF THIS AGREEMENT.

Notices. You may get our current address for written notice by calling Yadkin Valley Wireless Customer Service at 3364635022. Written notice to you is sent to your last known address in our invoicing records. Written notice is deemed delivered 3 days after deposit in the U.S. mail, postage prepaid, and properly addressed. Unless required by this Agreement or Applicable Law: (1) you may notify us by calling Yadkin Valley Wireless Customer Service; and (2) we may notify you by leaving a message for you on your Yadkin Valley Wireless phone, answering machine or with your answering service. Notice addresses may be changed by giving notice as provided in this section.

Choice of Law; Jurisdiction. This Agreement is governed by and construed under the laws of the state of Texas without regard to its choice of law principles. You agree to submit yourself to the personal jurisdiction of the courts of the State of Texas.

General. If either of us does not enforce any right or remedy available under this Agreement, that failure is not a waiver of the right or remedy for any other breach or failure by the other party. Our waiver of any requirement in any one instance is not a general waiver of that requirement and does not amend this Agreement. If any part of this Agreement is held invalid or unenforceable, that part is interpreted consistent with applicable Texas State laws as nearly as possible to reflect the original intentions of the parties and the rest of this Agreement remains in full force and effect. Section headings are for descriptive purposes only and are not intended to be used to interpret this Agreement. You may not assign this Agreement to any other person or entity without our prior written approval. This Agreement (including any referenced documents and attachments) makes up the entire agreement between you and us and replaces all prior written or spoken agreements, representations, promises or understandings between you and us. The provisions of this Agreement that are contemplated to be enforceable after the termination of this Agreement survive termination of this Agreement.

Early Termination. Service Plan. You may terminate your Agreement before the term expires by calling us at 3364635022 from any phone and paying an **EARLY TERMINATION FEE OF \$175.00 or less (depending on when you terminate) per handset as liquidated damages, and not as a penalty.** We may terminate the Agreement if you are in default and charge you the Early Termination Fee as liquidated damages, not as a penalty. The Early Termination Fee is payable in addition to any other outstanding charges for services or equipment on your Yadkin Valley Wireless account. We will not charge you the Early Termination Fee if you deactivate service within 14 days after you activated your Yadkin Valley Wireless phone.

Yadkin Valley Wireless does not manufacture the wireless devices or equipment used by customers for its services. Yadkin Valley Wireless disclaims any harm that may result from the use or misuse of any wireless device or equipment provided by Yadkin Valley Wireless for use of its Services. Verizon Wireless and Sprint PCS provide access to their Networks for Yadkin Valley Wireless subscribers but are not responsible for quality, billing, customer service, warranty, maintenance, or other aspects of subscriber service. Verizon Wireless is a registered trademark of Verizon Wireless Communications Company L.P. Sprint PCS is a registered trademark of Sprint PCS.