

IMPORTANT CUSTOMER NOTICE
YOUR PLACEMENT OF AN INTERSTATE OR INTERNATIONAL
TOLL CALL OVER VALLEY LONG DISTANCE'S NETWORK
CONSTITUTES YOUR ACCEPTANCE OF THESE TERMS AND CONDITIONS

VALLEY LONG DISTANCE
TERMS AND CONDITIONS FOR USE AND ENJOYMENT
OF INTERSTATE AND INTERNATIONAL TOLL SERVICES

I. Services that We provide to Our Customers:

Company is a common carrier and provides access to facilities, services and equipment over which Company's Customers may transmit voice, data and other communications of their own choosing to interstate and international destinations.

Company provides services on a 7 days per week, 24 hours per day basis to all destinations in the United States (including Alaska and Hawaii), and to those international destinations listed in the international rate sheets maintained at the Company's office and on its website (see below).

Company has customer service representatives available 8 A.M. to 5 P.M. Monday through Friday to assist its Customers with any questions or problems regarding its interstate or international toll services. A Company representative can be reached during these hours by dialing 437-2615.

II. Charges, Bills and Payment for Services:

Services shall be provided and billed on a monthly basis, and will continue to be provided and billed until canceled by the Customer or terminated by the Company.

The rates and charges for the Company's interstate and international toll services can be inspected during regular business hours at the Company's office located at: 102 Main Street South, Herreid, South Dakota.

The rates and charges for the Company's interstate and international toll services can also be inspected on its website at: www.valleytel.net.

The Company bills for its interstate toll services on a usage basis depending upon toll plan, (e.g., one-minute, 30-second, 6-second) increments and rounds up any fractional period. The company bills for its international toll services on a usage basis in one-minute increments.

The Company will pass through to its Customers all applicable federal, state and local taxes, and the Company may also assess surcharges to recover the Company's contributions to applicable federal or state funds.

The Company may require a Customer to make a reasonable deposit prior to or at any time after provision of service.

III. Obligations of Customers:

The Customer is responsible for the timely payment of all billed charges for services or facilities provided by the Company to the Customer, and for the payment of the Company's reasonable attorney's fees and court costs if the Company is forced to retain an attorney to collect any of its billed charges from the Customer.

The Customer will not use the Company's services in an abusive, illegal or fraudulent manner, nor alter or tamper with the Company's connections or facilities.

The Customer will indemnify the Company against any and all liability, including reasonable attorneys' fees, arising from any claims against the Customer for libel, slander, or infringement of copyright or trademark in connection with any material transmitted by the Customer over the Company's facilities, services or equipment.

IV. Resolution of Billing Disputes:

If the procedures of this section are followed, the Customer may withhold from payment the disputed portion of any bill pending resolution of the dispute.

Within 20 days of the bill date of a disputed bill, the Company must receive from the Customer an itemized statement in writing that identifies the disputed charges and reasonably explains the basis of the dispute. Failure to comply with this requirement shall mean the bill is deemed to be correct and all amounts are due and owing the Company.

The Company shall review the Customer's statement, and shall issue a written initial determination within 20 days after its receipt of the Customer's statement to set forth the Company's proposed resolution of the dispute.

If the Customer is not satisfied with the Company's proposed resolution, the Customer must advise the Company in writing within 15 days after the Customer's receipt of the Company's initial determination of the specific reasons for the dissatisfaction, and provide any additional information that Customer deems pertinent or relevant to the dispute.

Within 20 days after the Company's receipt of additional information, the Company shall make its final determination and resolution based upon all documentation or information available to the Company.

If the Customer continues to withhold any disputed amount determined to be owed to the Company, the Customer's account shall be deemed to be past due, and subject to termination.

V. Limitation of the Company's Liability:

The liability of the Company for damages resulting in whole or in part from mistakes, omissions, interruptions, delays, errors or other defects in the interstate or international toll services provided shall not exceed its billed charges for the defective call or calls.

Neither the Company nor its officers, agents or employees will be liable for indirect, incidental, special or consequential damages.

The Company shall not be liable for any interruption, failure or degradation of services due in whole or part to causes beyond its control, including, but not limited to: (1) acts of God, fires, flood or other catastrophes; (2) any law, order, regulation, directive, action or request of any instrumentality of the United States Government, or of any foreign, state or local government; (3) any national emergency, insurrection, riot, war, strike or labor difficulty; (d) any act or omission by any unrelated carrier or other entity affecting the facilities or equipment over which the Company's services are provided; (5) any negligence by the Customer or defects or failures of the Customer's equipment; and (6) any negligent acts or omissions of third parties.

VI. Refusal, Termination or Suspension of Services:

The Company may refuse service to a Customer that fails or declines to make a deposit requested by the Company, and may terminate service 10 business days after written notice of termination is mailed to a Customer that fails or declines to increase a deposit in response to the Company's request.

The Company may terminate service 30 days after a written notice of termination is mailed to a Customer that has failed to pay a bill for more than 50 days after it was rendered, or that has failed to pay disputed charges determined to be owed to the Company via the Company's billing dispute resolution procedures (see above) for more than 10 days after the end of the dispute resolution proceeding.

The Company reserves the right to establish a credit limit for Customers or classes of Customers, and to suspend service to a Customer when the Customer reaches the applicable limit.

The Company may suspend or terminate service to a Customer immediately if the Company reasonably believes that the Customer or entities using the Customer's account or facilities are using the Company's services in a manner that: (a) interferes with the use of the services by one or more other Customers; (b) is abusive, illegal or fraudulent; (c) damages the Company's facilities or equipment; or (d) places excessive capacity demands upon the Company's facilities or services.

VII. Changes in Rates

Company continues to reserve the right to change its rates and conditions of service at any time in the future. Notification of such changes will be posted on Company's website at www.valleytel.net after July 31, 2001. Your continued use of Valley Long Distance's long distance services will constitute your agreement to the rates and conditions of service found at Company's website.

