

**EXHIBIT 12**

FCC000000342

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# MEMORANDUM



**To:** Melissa Ingalls  
Marcie Gardner

**Date:** 10/24/00

**FROM:** Colleen Spidell

**Phone:** (310) 964-4950

**Subject:** Bischoff Case

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Melissa and Marcie

Enclosed are copies of USSB information concerning Jeffrey Bischoff. Also enclosed are USSB Terms and Conditions of Service (Customer Agreement) for May 1997 and November 1997. Unfortunately, because Mr. Bischoff seems to have disconnected his service in January 1997, the enclosed Agreements might not help. I am trying to locate an earlier agreement. I will keep you posted.

Colleen

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**Spidell, Colleen M**

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**From:** Cohen, David H  
**Sent:** Monday, October 16, 2000 9:17 AM  
**To:** Desmond, Danielle L; Spidell, Colleen M  
**Subject:** 14851 ussb



14851\_eorbsd.txt



14851\_eorben.txt



14851\_eorcc.txt



14851\_eorubd.txt



14851\_eorubn.txt

Colleen,  
Here is the data for this subscriber. As you will see, two of the tables had no data, so the files are empty.  
David

-----Original Message-----

**From:** Desmond, Danielle L  
**Sent:** Wednesday, October 11, 2000 2:38 PM  
**To:** Cohen, David H  
**Subject:** FW: Ad Hoc Request

fyi for 14851

-----Original Message-----

**From:** Spidell, Colleen M  
**Sent:** Wednesday, October 11, 2000 2:32 PM  
**To:** Desmond, Danielle L  
**Subject:** Ad Hoc Request

Danielle:

Attached is an ad hoc request concerning USSB Account Information. The subscriber, Jeffrey Bischoff, has filed a class action case against DIRECTV. The law firm of Kirkland & Ellis is representing DIRECTV. The attorneys are in desperate need of Mr. Bischoff's historical account information for USSB Account no. 6008272419908690. Because Mr. Bischoff canceled his DIRECTV subscription back in January 1997, there is an issue over the arbitration clause. We need to ascertain the dates of Mr. Bischoff's USSB service, among anything else historical that we can obtain.

thanks,  
Colleen Spidell, Legal Dept., ext. 4950 << File: adhocreq2.doc >>

14851\_eotca

SQL> /

CA_ACCT_NO	CA_AC	CA_LAST_NM	CA_FIRST_NM
C CA_S	CA_ADDR_1_TX	CA_ADDR_2_TX	
CA_CITY_NM	CA_COUNTY_NM	CA_ST	CA_Z
IPCOD	CA_CO	CA_ME	CA_PY
CA_D	CA_CA	CA_D	CA_N
CA_CA	CA_N	CA_CA	CA_N
CA_TAX_ID	CA_ST	CA_SC	CA_CYC_NO
CA_ACTVN_DT	CA_CA	CA_OUT	CA_MKT_CD
C	C	CA_CO	
CA_COLL_AGC	C	CA_ADDR_CHN	CA_OW
CA_USER	CA_TIMESTAM		

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6008272419908690	RES	BISCHOFF	JEFFREY
MR.	6138	MARYLAND DR	
LOS ANGELES		LOS ANGELES	CA 9004
84736	USA	CHECK	312 751 0439
INACT	00000	0 22-FEB-1995	06 037 T03000 RES
	Y	31-JUL-1998	USSB USB904DA 31-JUL-1998

SQL> spool off

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UN-1996	-104.85	1551000120
EB702DA	04-JUN-1996	
6008272419908690	22-MAY-1996	2 PCKAG 19-JUN-1996 19-S
EP-1996	104.85 ENT+Q	1 21-MA
R-1995 EB709DA	20-JUN-1996	
6008272419908690	22-AUG-1996	1 PCKAG 19-SEP-1996 19-D
EC-1996	104.85 ENT+Q	1 21-MA
R-1995 EB709DA	20-SEP-1996	
6008272419908690	22-SEP-1996	1 DLPKG 18-OCT-1996 19-D
EC-1996	-72.66 ENT+Q	1 21-MA
R-1995 EB708DA	19-OCT-1996	
6008272419908690	22-OCT-1996	1 PYMNT 28-OCT-1996 28-O
CT-1996	-104.85	3020012027
EB702DA	29-OCT-1996	
6008272419908690	22-OCT-1996	2 PYMNT 04-NOV-1996 04-N
OV-1996	-32.19 —	3090246160
EB702DA	05-NOV-1996	
6008272419908690	22-NOV-1996	1 RFUND 16-DEC-1996
	104.85	
EB708DA	17-DEC-1996	

21 rows selected.

SQL> spool off

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SQL> /

HBSD\_CA\_ACCT\_NO HBSD\_CYC\_PR HBSD\_STMT\_LINE\_NO HBSD\_S HBSD\_EFF\_DT HBSD  
\_END\_DT HBSD\_STMT\_DTL\_AM HBSD\_P HBSD\_TRM\_SEQ\_NO HBSD\_REF\_NO HBSD\_  
SUBP\_A HBSD\_USE HBSD\_TIMEST

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6008272419908690 22-JAN-1995 1 NPACK 22-FEB-1995 21-M  
AR-1995 0 FRPRE+ 1 22-FE  
B-1995 EB708DA 23-FEB-1995  
6008272419908690 22-JAN-1995 2 NPACK 22-FEB-1995 21-M  
AR-1995 0 FREE 1 22-FE  
B-1995 EB708DA 23-FEB-1995  
6008272419908690 22-FEB-1995 1 NPACK 21-MAR-1995 20-J  
UN-1995 104.85 ENT+Q 1 21-MA  
R-1995 EB708DA 22-MAR-1995  
6008272419908690 22-FEB-1995 2 PCKAG 21-MAR-1995 21-A  
PR-1995 0 FREE 1 22-FE  
B-1995 EB709DA 22-MAR-1995  
6008272419908690 22-MAR-1995 1 PYMNT 14-APR-1995 14-A  
PR-1995 -104.85 1040024057  
EB702DA 15-APR-1995  
6008272419908690 22-MAR-1995 2 PCKAG 21-APR-1995 21-M  
AY-1995 0 FREE 1 22-FE  
B-1995 EB709DA 22-APR-1995  
6008272419908690 21-MAY-1995 1 PCKAG 20-JUN-1995 20-S  
EP-1995 104.85 ENT+Q 1 21-MA  
R-1995 EB709DA 21-JUN-1995  
6008272419908690 22-JUN-1995 1 PYMNT 07-JUL-1995 07-J  
UL-1995 -104.85 1880001179  
EB702DA 08-JUL-1995  
6008272419908690 22-AUG-1995 1 PCKAG 20-SEP-1995 20-D  
EC-1995 104.85 ENT+Q 1 21-MA  
R-1995 EB709DA 21-SEP-1995  
6008272419908690 22-SEP-1995 1 PYMNT 18-OCT-1995 18-O  
CT-1995 -104.85 2910010162  
EB702DA 19-OCT-1995  
6008272419908690 22-NOV-1995 1 PCKAG 20-DEC-1995 19-M  
AR-1996 104.85 ENT+Q 1 21-MA  
R-1995 EB709DA 21-DEC-1995  
6008272419908690 22-DEC-1995 1 PYMNT 22-JAN-1996 22-J  
AN-1996 -104.85 0220048083  
EB702DA 23-JAN-1996  
6008272419908690 22-FEB-1996 1 PCKAG 19-MAR-1996 19-J  
UN-1996 104.85 ENT+Q 1 21-MA  
R-1995 EB709DA 20-MAR-1996  
6008272419908690 22-APR-1996 1 PYMNT 09-MAY-1996 09-M  
AY-1996 -104.85 1300001065  
EB702DA 10-MAY-1996  
6008272419908690 22-MAY-1996 1 PYMNT 03-JUN-1996 03-J

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14851\_eothbsh

SQL> /

HBSH\_CA\_ACCT\_NO HBSH\_CYC\_PR HBSH\_CYC\_NO HBSH\_PREV\_BAL\_AM HBSH\_CURR\_BI  
LL\_AM HBSH\_CURR\_TAX\_AM HBSH\_FEE\_BAL\_AM HBSH\_PYMT\_AM HBSH\_ADJ\_AM HBSH\_R  
EFUND\_AM HBSH\_BILL\_C H HBSH\_ HBSH\_LKBX\_1\_AM HBSH\_LKBX\_2\_AM HBSH\_USE HB  
SH\_TIMEST

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6008272419908690 22-JAN-1995          22          0  
0 0 0 0 0  
0 22-FEB-1995 N CLOSE          0          0 EB738DA 23  
-FEB-1995  
6008272419908690 22-FEB-1995          22          0 1  
04.85 0 0 0 0  
0 22-MAR-1995 N CLOSE          12.45        10.75 EB738DA 23  
-MAR-1995  
6008272419908690 22-MAR-1995          22          0 104.85  
0 0 -104.85 0 0  
0 22-APR-1995 N CLOSE          0          0 EB738DA 23  
-APR-1995  
6008272419908690 22-APR-1995          22          0  
0 0 0 0 0  
0 21-MAY-1995 N CLOSE          0          0 EB738DA 23  
-MAY-1995  
6008272419908690 21-MAY-1995          22          0 1  
04.85 0 0 0 0  
0 22-JUN-1995 N CLOSE          12.45        10.75 EB738DA 23  
-JUN-1995  
6008272419908690 22-JUN-1995          22          0 104.85  
0 0 -104.85 0 0  
0 22-JUL-1995 N CLOSE          0          0 EB738DA 24  
-JUL-1995  
6008272419908690 22-JUL-1995          22          0  
0 0 0 0 0  
0 22-AUG-1995 N CLOSE          0          0 EB738DA 23  
-AUG-1995  
6008272419908690 22-AUG-1995          22          0 1  
04.85 0 0 0 0  
0 22-SEP-1995 N CLOSE          12.45        10.75 EB738DA 23  
-SEP-1995  
6008272419908690 22-SEP-1995          22          0 104.85  
0 0 -104.85 0 0  
0 21-OCT-1995 N CLOSE          0          0 EB738DA 23  
-OCT-1995  
6008272419908690 21-OCT-1995          22          0  
0 0 0 0 0  
0 22-NOV-1995 N CLOSE          0          0 EB738DA 23  
-NOV-1995  
6008272419908690 22-NOV-1995          22          0 1
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14851\_eothbsh

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0	22-DEC-1995	N	CLOSE	12.45	10.75	EB738DA 23
-DEC-1995	6008272419908690	22-DEC-1995		22	104.85	
0	0	0		0	-104.85	0
0	22-JAN-1996	N	CLOSE	0	0	EB738DA 23
-JAN-1996	6008272419908690	22-JAN-1996		22	0	
0	0	0		0	0	0
0	22-FEB-1996	N	CLOSE	0	0	EB738DA 23
-FEB-1996	6008272419908690	22-FEB-1996		22	0	1
04.85	0	0		0	0	0
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-MAR-1996	6008272419908690	22-MAR-1996		22	104.85	
0	0	0		0	0	0
0	22-APR-1996	N	CLOSE	0	-0	EB738DA 23
-APR-1996	6008272419908690	22-APR-1996		22	104.85	
0	0	0		0	-104.85	0
0	22-MAY-1996	N	CLOSE	0	0	EB738DA 23
-MAY-1996	6008272419908690	22-MAY-1996		22	0	1
04.85	0	0		0	-104.85	0
0	22-JUN-1996	N	CLOSE	12.25	10.58	EB738DA 24
-JUN-1996	6008272419908690	22-JUN-1996		22	0	
0	0	0		0	0	0
0	22-JUL-1996	N	CLOSE	0	0	EB738DA 23
-JUL-1996	6008272419908690	22-JUL-1996		22	0	
0	0	0		0	0	0
0	22-AUG-1996	N	CLOSE	0	0	EB738DA 23
-AUG-1996	6008272419908690	22-AUG-1996		22	0	1
04.85	0	0		0	0	0
0	22-SEP-1996	N	CLOSE	11.42	10.58	EB738DA 23
-SEP-1996	6008272419908690	22-SEP-1996		22	104.85	-
72.66	0	0		0	0	0
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-NOV-1996	6008272419908690	22-NOV-1996		22	-104.85	
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104.85	22-DEC-1996	N	CLOSE	0	0	EB738DA 23
-DEC-1996						

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14851_eothbsh
6008272419908690 22-DEC-1996      22
      0              0              0      0      0
      0 22-JAN-1997 N CLOSE      0      0      0 EB738DA 23
-JAN-1997
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24 rows selected.

SQL> spool off

## TERMS AND CONDITIONS OF SERVICE

**Thank You For Your Business.** The purpose of these terms and conditions ("Terms") is to make sure that you receive the maximum enjoyment from your U.S. Satellite Broadcasting ("USSB®") services while providing USSB with the necessary guidelines to effectively run our business.

The Terms that follow constitute an agreement ("Agreement") for the delivery of direct broadcast satellite service ("Services") between you and United States Satellite Broadcasting Company, Inc. "Services" include Subscription Services available on a monthly, quarterly, semi-annual or annual basis, as well as Pay-Per-View events, and any other Services you order from or through USSB. These Services may be provided by an affiliate of USSB. In this Agreement "you", "your", and "yours" mean the subscriber named on the front of this invoice. The word "we", "us", "our" and "ours" refer to USSB. Digital Satellite System ("DSS®") or "Equipment" means the equipment needed to receive the Services, including the dish antenna, the receiving unit ("Receiver") which is connected to your television, and the DSS Access Card ("Access Card").

Your acceptance of the Services constitutes acceptance of these terms. These terms replace all prior terms set forth on previous invoices. USSB reserves the right to change the Terms at any time. By continuing to receive the Services, you agree to accept any new Terms.

1. **Payment for Services.** You agree to pay us for all Services you receive, in U.S. dollars, including Pay-Per-View events, as well as any taxes or administrative fees set forth on your billing statements.
2. **Payment Terms.**
  - a. **Due Date.** Charges for the Services are billed in advance on a monthly, quarterly, semi-annual, or annual basis beginning from the date of activation. Payment is due when indicated on the billing statement. You must bring any billing errors or requests for credit to our attention within 30 days of the date of the invoice for which you are seeking a correction or credit. We reserve the right to establish maximum monthly limits for certain Services, such as Pay-Per-View events, and to deny you access to Pay-Per-View events if your account is more than 45 days overdue.
  - b. **Rate Changes.** The rates specified for the Services are current rates. We reserve the right to revise our Services (including changing the programming services offered) and subscription rates at any time at our sole discretion. Increases in subscription rates will be reflected in your next billing cycle.
  3. **Credit Balances on Active Accounts.** Credit balances on active accounts will be applied to future statements. Credit balances will be refunded within seven business days of our receipt of a written request.
  4. **Cancellation.** If you cancel your subscription prior to the expiration date, we will send a final billing statement to you. Your cancellation will be effective at the end of your current subscription month. If you are a quarterly, semi-annual, or annual subscriber you will receive a pro rata refund (calculated on a month-to-month basis, at the full monthly rate) for the unused portion of your program package, provided that you have received

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the program package for at least one month. A credit balance of \$1.00 or more will be refunded within seven business days of our receipt of a written request. Otherwise, such a balance will be refunded within six months. No refunds will be made if your credit balance is less than \$1.00.

- e. **Service Outages.** If your reception of the Services is materially interrupted for 24 consecutive hours or more due to shutdown or malfunction of USSB's transmission facilities, USSB's sole liability will be to provide you with a pro-rata reduction of the charges for the affected Services in your next billing statement. We will not be liable for any other interruption of Services. You must notify us within 24 hours after any such shutdown or malfunction to be eligible for the reduction of charges.
- f. **Late Charges/Disconnection of Services/Reinstatement of Service.** If you do not make full payment within 45 days after the due date, we reserve the right to reduce or disconnect the Services and charge an administrative fee. If the Services are disconnected because you did not make your payment when due, we reserve the right to require you to pay all unpaid charges, a reconnect fee, a change of service fee and at least one month's advance charges before we reconnect the Services. Clearance of accounts sent for collection will take 7 to 10 working days. It is your responsibility to call USSB Customer Service to have services turned back on.
- g. **Returned Checks and Costs of Collection.** You agree to pay us handling and all other charges we incur for all checks written to us and returned by your bank. USSB will charge you a \$10 Returned Check Fee for all checks returned due to insufficient funds. To the extent permitted by law, you agree to pay all reasonable costs, including collection agency fees, court costs and attorney's fees we pay to collect any amounts you owe us.
- h. **Third Party Payment/Collection Prohibited.** USSB does not permit third parties to collect payment for USSB Services unless specifically authorized by USSB. You should not pay for the Services through any third party and, if you do, you remain liable for the charges due pursuant to this Agreement.
- i. **Liability for Unauthorized Use.** You are responsible for any and all Services received on your DSS system, whether or not the purchase is authorized by you. If your DSS system is stolen, you must notify us within five (5) days of such theft, or you will be responsible for charges for Services received on the stolen system.

**3. Subscriber's Additional Rights and Obligations.**

- a. **Services/Equipment.** You agree to use the Services only in your residence for your own private viewing entertainment within the United States and not for commercial purposes. You are responsible for obtaining the necessary Equipment to receive the Services. The purchase of DSS hardware and any hardware problems which you may have are and will remain completely separate from the purchase of Services from us.

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- b. **Access Cards.** Access Cards are the property of News Datacom, Inc., and any tampering or other unauthorized modification to the Access Card may result in, and subject you to, legal action. Periodically, it may be necessary to change your Access Card as a condition for continuation of Services.
- (i) **Reissuance of Access Cards.** In the event your Access Card is lost, stolen, defective or damaged, USSB will issue a new Access Card. Your account will be charged a security deposit of \$150.00. If you return the old Access Card to USSB, your account will be credited the amount of the security deposit, less a \$35 Card Replacement Fee. If the Access Card reveals unauthorized tampering or modification, USSB reserves the right to refuse to replace your Access Card and not refund the security deposit.
- (ii) **Transfer of Ownership.** In the event you sell or transfer your DSS receiver, the new DSS owner will be required to purchase a new Access Card. The new owner should contact USSB, and we will establish a new account and issue a new Access Card to the new owner. The new account will be charged a security deposit of \$150. If the new owner returns the old Access Card to USSB, the new account will be credited the amount of the security deposit, less a \$35 Card Replacement Fee.

- c. **Representations/Warranties/Penalties.** You acknowledge and agree that: (i) the address listed on this billing statement is the location of your residence; (ii) if you live in an apartment, condominium or other multiple family dwelling, the address identifies your residence; (iii) you will receive the Services solely for your private viewing entertainment; (iv) the Services will not be displayed in a public place or a commercial establishment or offered for resale in any way; (v) **SERVICES WILL NOT BE RECEIVED OUTSIDE THE UNITED STATES.** We reserve the right to verify the accuracy of the information which you provide to us at any time. Any violation of this provision, including providing us with inaccurate information, is grounds for termination of this Agreement, disconnection of the Services, and may lead to additional legal remedies against you. In addition, unauthorized reception of the Services is a violation of federal law (e.g., 47 U.S.C § 605) and may result in civil and/or criminal penalties.

d. **Programming Services.**

- (i) **Programming.** USSB reserves the right to change programming services and programming packages and prices. All orders for programming are subject to USSB's approval.
- (ii) **Free Month of Entertainment Plus.** To be eligible for One Free Month of USSB Entertainment Plus, a customer must be a first time residential DSS purchaser and have not received the Free Month previously. The Free Month is intended for the customer's primary DSS unit and is available only upon a first-time account set-up with USSB. USSB may substitute a free month of a different

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programming package for USSB Entertainment Plus or discontinue the free month offer entirely.

(iii) **Multiple Receiver Discount.** Additional Receivers are required to be directly and continuously connected to the same land-based telephone line as the primary Receiver in order to receive a discount on secondary Receivers.

e. **Mobile Units.** Mobile units, (cabins, trailers, etc.) are not eligible for a multiple Receiver discount unless continuously connected to the same land-based telephone line as the primary receiver.

f. **Renewals/Changes in Services.**

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(i) **Subscription Renewals.** We will continue to provide Services to you until you request your Services to be stopped or we cancel your Services as provided in this Agreement. Unless otherwise stated, all subscriptions will automatically renew.

⑧



(ii) **Credit Cards.** If you pay for your subscription with a credit card, we will continue to charge that credit card until you notify us (a) to cancel your subscription, (b) to charge your subscription to a different credit card, or (c) to bill you directly. You agree to provide us with the new expiration date when your credit card is renewed. If you do not, we will continue to charge your Services to the credit card you previously authorized. If your credit card issuer rejects a charge to your credit card because your card is expired or terminated, we will bill you directly for your subscription on a monthly basis.

(iii) **Changes In Your Level of Services.** You may change the Services to which you subscribe from month to month. These Services may be upgraded at any time subject to our right to deny or limit Services to you as provided in this Agreement. To downgrade your Services, you must receive programming for a minimum of one (1) month and any requested downgrade of Services will take effect at the start of the next subscription month.

(iv) **Inactivating Your Account.** You may temporarily inactivate your Services after you have been a paying subscriber for at least one month. Your inactivation will become effective at the start of your next subscription month. Upon inactivation, you are still responsible for any outstanding balance on your account.

g. **Change of Address.** If your address or telephone number change, you agree to provide us with new information promptly.

h. **Transfer of Ownership / Account.** If you sell or transfer your DSS system: (i) It is your responsibility to inform USSB of the transfer of ownership and pay any outstanding balances for programming before your account can be closed; (ii) You will remain responsible for all new charges incurred using your Access Card unless you have informed USSB that you have sold your DSS system and your Access Card has been returned to USSB.

- i. **Telephone Connection.** USSB recommends that the DSS Receiver(s) be directly and continuously connected to a land-based telephone line. Information regarding the programming services that you have ordered is transmitted via the telephone line. During the short information transmission period, you may not have the ability to use this telephone line. Your DSS Receiver and all secondary Receivers are required to be directly and continuously connected to the same land-based telephone line in order to receive discounts on all secondary Receivers. If the DSS Receiver (s) is not so connected, or if the Receiver(s) is connected to a phone line other than that which you have identified, or if the telephone line is not performing in accordance with USSB's requirements, USSB may, at its discretion, inactivate your Services, or charge full price for Services on all secondary Receivers. If Services are inactivated, you are still responsible for payment of all outstanding balances for Services received through the date of inactivation. Use of the remote control for ordering Pay-Per-View events will require a continuous telephone connection.

4. **USSB's Additional Rights and Obligations.**

- a. **Change In Programs or Services.** We reserve the right to rearrange, black out, terminate, discontinue or otherwise change the Services at any time without notice.
- b. **Content of Programming Material.** We make no representations whatsoever concerning the content of the Services or accuracy of any programming information you receive through the Services. No refunds will be given based on the content of the programming or events.
- c. **Pay-Per-View Events.** To use your remote control to order Pay-Per-View events, and obtain any special discounts which may apply associated with ordering through your remote control, you must meet certain criteria. Your DSS system must be continuously connected to the same land-based telephone line indicated on your account, and a call back from USSB to the receiver must be successful. Your DSS System test will take place within the first 30 days of the date you set-up your account. If you have questions on using your remote control to order Pay-Per-View events, please call our Customer Service Center. If your account is 45 days or more past due, Pay-Per-View privileges will be revoked until your account is brought current. USSB reserves the right to black out programming as well as Pay-Per-View events in a given geographical location at any given time. Customer circumvention of such blackouts may result in legal action. USSB is not responsible for the content of Pay-Per-View events. Commercial establishments cannot lawfully obtain Pay-Per-View events under a residential account. Some Pay-Per-View events may be available to commercial accounts, but under separate terms and conditions. Commercial theft of service is subject to civil and criminal penalties.
- d. **Denial of Services.** We reserve the right to deny you access to any or all of the Services if you use the Equipment in violation of this Agreement, or if you fail to comply with your obligations under this Agreement.
- e. **Reporting of Information.** Subject to applicable law, you agree to allow us to share your payment history and certain other limited information with

others and to provide your name and address to third parties for marketing and other purposes.

- f. **Limitation of Warranties/Liabilities.** USSB is not responsible for any problems or defects with the Equipment you use to receive the Services. You agree to hold the seller and/or manufacturer of the Equipment solely responsible with respect to any such problems or defects. USSB is not responsible for the content of the Services or the accuracy of any information you receive through the Services. We also disclaim any responsibility or liability whatsoever for the Services. **WITHOUT LIMITING THE FOREGOING, WE EXPRESSLY DISCLAIM ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, AND ANY OTHER EXPRESS OR IMPLIED WARRANTIES OF WHATEVER KIND (STATUTORY, WRITTEN, ORAL OR OTHERWISE) WITH REGARD TO YOUR EQUIPMENT, THE PROGRAMMING AND/OR THE SERVICES.**

**IN THE EVENT OF A BREACH OR TERMINATION BY US OF THIS AGREEMENT FOR ANY REASON, OUR SOLE LIABILITY, AND YOUR SOLE REMEDY, SHALL BE A REFUND TO YOU OF ANY AMOUNTS PAID BY YOU TO US FOR SERVICES NOT RECEIVED. IN NO EVENT SHALL WE HAVE ANY LIABILITY TO YOU FOR ANY INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGES, NOR SHALL WE HAVE ANY LIABILITY TO YOU FOR ANY OTHER DAMAGES IN EXCESS OF THE REFUND DESCRIBED IN THE PRECEDING SENTENCE.**

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- g. **Minimum Level of Service.** As a condition of its provision of certain programming services to you including, without limitation, Pay-Per-View and a la carte programming, USSB may require that you purchase and maintain a minimum level of programming.

**5. Interpretation and Enforcement of This Agreement.**

- a. **Severability.** If any provision of this agreement is held by a court or regulatory authority of competent jurisdiction to be illegal, in conflict with any law or regulation, or unenforceable, as the case may be, that provision may be deleted or modified, without affecting the validity of the other provisions of this Agreement.
- b. **Governing Law.** This Agreement will be governed by and construed in accordance with the laws of Minnesota, subject to applicable federal, state or local law. Notwithstanding the foregoing, the United States Arbitration Act, 9 U.S.C.A. §§ 1-16, shall govern the interpretation and enforcement of the arbitration clause contained in Section 5.d hereof.
- c. **Notices.** We will be deemed to have given you notice when such notice is deposited in the U.S. mail addressed to your last known address. Your notice to us is deemed given when received by us at the address identified below. Do not write to us on the bill.
- d. **Arbitration of disputes.** Upon the request of any party to this Agreement, any dispute, claim or controversy of any kind arising under this Agreement or relating to this Agreement or the Services provided by USSB

shall be resolved by arbitration in accordance with the procedures of the commercial arbitration rules of the American Arbitration Association. The arbitrator or arbitrators shall have no authority to award punitive damages or any other damages not measured by the prevailing party's actual damages, and may not, in any event, make any ruling, finding or award that does not conform to the Terms of this Agreement.

#### **PROBLEMS ABOUT A BILL OR THE SERVICES**

If you have a question or problem relating to a bill or the Services, please write to us on a separate piece of paper - **NOT ON THE BILL**; our bills are electronically processed and any message written on them will be delayed in reaching us. Send all correspondence to: U.S. Satellite Broadcasting, Customer Service Manager, 9750 Walnut Street, Dallas, Texas 75243. Always include your account number on any correspondence with USSB. You also may call us at 1-800-204-USSB.

**THE ABOVE TERMS ARE SUBJECT TO ANY AND ALL APPLICABLE FEDERAL, STATE AND LOCAL GOVERNMENTAL REQUIREMENTS AND ARE LIMITED AS NECESSARY TO CONFORM THERETO. THE ABOVE TERMS ARE SUBJECT TO CHANGE AT ANY TIME.**

## TERMS AND CONDITIONS OF SERVICE

**Thank You For Your Business.** The purpose of these terms and conditions ("Terms") is to make sure that you receive the maximum enjoyment from your USSB S. Satellite Broadcasting ("USSB") services while providing USSB with the necessary guidelines to effectively run our business.

The terms that follow constitute an agreement ("Agreement") for the ~~provision~~ delivery of direct broadcast satellite service ("Services") between you and U.S. Satellite Broadcasting Company, Inc. ("USSB"). "Services" include ~~subscription~~ Subscription Services available on a monthly, quarterly, semi-annual or annual basis (~~"Subscription Services"~~) as well as Pay-Per-View events. In this Agreement "you" and any other Services you order from or through USSB. These Services may be provided by an affiliate of USSB. In this Agreement "you", "your", and "yours" mean the subscriber named on the front side of this invoice. The words "we", "us", "our" and "ours" refer to USSB. Direct Broadcast Satellite System ("DSS") or "Equipment" means the equipment needed to receive the Services, including the dish antenna, the receiving unit ("Receiver") which is connected to your television, and the DSS Access Card ("Access Card").

Your acceptance of the Services constitutes acceptance of these terms. These terms replace all prior terms set forth on previous invoices. USSB reserves the right to change the Terms at any time. By continuing to receive the Services, you agree to accept any new Terms.

1. **Payment for Services.** You agree to pay us for all Services you receive, in U.S. dollars, including Pay-Per-View events, which you receive, as well as any taxes or administrative fees set forth on your billing statements.
2. **Payment Terms.**

~~a. Payment Due Upon Receipt~~

~~a. Due Date.~~ Charges for the ~~Subscription Services~~ are billed in advance on a monthly, quarterly, semi-annual, or annual basis beginning from the date of activation. Payment is due ~~upon receipt of the~~ when indicated on the billing statement. You must bring any billing errors or requests for credit to our attention within 30 days of the date of the invoice for which you are seeking a correction or credit. We reserve the right to establish maximum monthly limits for certain Services, such as Pay-Per-View ~~Service~~ events, and to deny you access to Pay-Per-View events if your account is more than ~~fifteen (15) days overdue~~ 45 days overdue.

b. **Rate Changes.** The rates specified for the Services are current rates. We reserve the right to revise our Services (including changing the programming services offered) and subscription rates at any time ~~in~~ at our sole discretion. Increases in subscription rates will be reflected in ~~the next applicable~~ your next billing cycle.

~~c. Refunds.~~ We will provide a refund for the unused portion of your subscription if you have been a paying subscriber for at least one month. Cancellation will not become effective until the end of the monthly billing period in which notice of cancellation is given. ~~If you are a quarterly, semi-annual or annual subscriber you will receive a pro-~~

~~c. Credit Balances on Active Accounts.~~ Credit balances on active accounts will be applied to future statements. Credit balances will be refunded within seven business days of our receipt of a written request.

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**d. Cancellation.** If you cancel your subscription prior to the expiration date, we will send a final billing statement to you. Your cancellation will be effective at the end of your current subscription month. If you are a quarterly, semi-annual, or annual subscriber you will receive a pro rata refund (calculated on a month-to-month basis, at the full monthly rate) for the unused portion of your program package, provided that you have received the program package for at least one month. A credit balance of \$1.00 or more will be refunded within seven business days of our receipt of a written request. Otherwise, such a balance will be refunded within six months. No refunds will be made if your credit balance is less than \$1.00. ~~in addition,~~

**e. Service Outages.** If your reception of the Services is materially interrupted for 24 consecutive hours or more due to a shutdown or malfunction of USSB's transmission facilities, USSB's sole liability will be to provide you with a pro-rata reduction of the charges for the affected Services in your next billing statement. We will not be liable for any other interruption of Services. You must notify us within 24 hours after any such shutdown or malfunction to be eligible for the reduction of charges.

**f. Late Charges/Disconnection of Services/Reinstatement of Service.** If you do not make full payment within 45 days after the date of this invoice date, we reserve the right to reduce or disconnect the Services and charge an administrative fee. If the Services are disconnected because you did not make your payment when due, we reserve the right to require ~~that~~ you pay all past due unpaid charges, a reconnect fee, a change of service fee and at least one month's advance charges before we reconnect the Services. Clearance of accounts sent for collection will take 7 to 10 working days. It is your responsibility to call USSB Customer Service to have services turned back on.

**g. Returned Checks and Costs of Collection.** You agree to pay us handling and all other charges we incur for all checks written to us and returned ~~unpaid~~ by your bank. USSB will charge you a \$10 Returned Check Fee for all checks returned due to insufficient funds. To the extent permitted by law, you agree to pay all reasonable costs, including collection agency fees, court costs and attorneys' fees we pay to collect any amounts you owe us.

**h. Third Party Payment/Collection Prohibited.** USSB does not permit third parties to collect payment for USSB Services unless specifically authorized by USSB. You should not pay for the Services through any third party and, if you do, you remain liable for the charges due pursuant to this Agreement.

~~**i. Liability for Unauthorized Use.** You must notify us within five (5) days of the theft of your DSS equipment or you may be liable for charges based on the ongoing receipt of Services, even in the receipt if not authorized by you.~~

~~**3. Additional Subscriber**~~

~~**i. Liability for Unauthorized Use.** You are responsible for any and all Services received on your DSS system, whether or not the purchase is authorized by you. If your DSS system is stolen, you must notify us within~~

five (5) days of such theft, or you will be responsible for charges for Services received on the stolen system.

**3. Subscriber's Additional Rights and Obligations.**

- a. **Services/Equipment.** You agree to use the Services only in your residence for your own private viewing entertainment within the United States and not for commercial purposes. You are responsible for obtaining the necessary Equipment to receive the Services. The purchase of DSS hardware and any hardware problems which you may have are and will remain completely separate from the purchase of Services from us.
- b. **Access Cards.** Access Cards are the property of News Datacom, Inc., and any tampering or other unauthorized modification to the Access Card may result in, and subject you to, legal action. Periodically, it may be necessary to change your Access Card as a condition for continuation of Services.
- (i) **Reissuance of Access Cards.** In the event your Access Card is lost, stolen, defective or damaged, USSB will issue a new Access Card. Your account will be charged a security deposit of \$150.00. If you return the old Access Card to USSB, your account will be credited the amount of the security deposit, less a \$35 Card Replacement Fee. If the Access Card reveals unauthorized tampering or modification, USSB reserves the right to refuse to replace your Access Card and not refund the security deposit.
- (ii) **Transfer of Ownership.** In the event you sell or transfer your DSS receiver, the new DSS owner will be required to purchase a new Access Card. The new owner should contact USSB, and we will establish a new account and issue a new Access Card to the new owner. The new account will be charged a security deposit of \$150. If the new owner returns the old Access Card to USSB, the new account will be credited the amount of the security deposit, less a \$35 Card Replacement Fee.

~~b. Representations/Warranties~~

- c. **Representations/Warranties/Penalties.** You acknowledge and agree that: (i) the address listed on this ~~invoice~~ billing statement is the location of your residence; (ii) if you live in an apartment, condominium or other multiple family dwelling, the address identifies your residence; (iii) you will receive the Services ~~solely for in your residence only~~ your private viewing entertainment; (iv) the Services will not be displayed in a public place or a commercial establishment or offered for resale in any way; and ~~(v) the Services will not be received outside of the United States.~~ (v) SERVICES WILL NOT BE RECEIVED OUTSIDE THE UNITED STATES. We reserve the right to verify the accuracy of the information which you provide to us at any time. Any violation of this provision, including providing us with inaccurate information, is grounds for termination of this Agreement, disconnection of the Services, and may lead to additional legal remedies against you. In addition, unauthorized reception of the Services is a violation

of federal law (e.g., 47 U.S.C. § 605) and may result in civil and/or criminal penalties.

~~e. Renewals/Changes in Services.~~  
d. Programming Services.

(i) Programming. USSB reserves the right to change programming services and programming packages and prices. All orders for programming are subject to USSB's approval.

(ii) Free Month of Entertainment Plus. To be eligible for One Free Month of USSB Entertainment Plus, a customer must be a first time residential DSS purchaser and have not received the Free Month previously. The Free Month is intended for the customer's primary DSS unit and is available only upon a first-time account set-up with USSB. USSB may substitute a free month of a different programming package for USSB Entertainment Plus or discontinue the free month offer entirely.

(iii) Multiple Receiver Discount. Additional Receivers are required to be directly and continuously connected to the same land-based telephone line as the primary Receiver in order to receive a discount on secondary Receivers.

~~e. Mobile Units.~~ Mobile units (cabins, trailers, etc.) are not eligible for a multiple Receiver discount unless continuously connected to the same land-based telephone line as the primary receiver.

f. Renewals/Changes in Services.

(i) Subscription Renewals. We will continue to provide Services to you (including Subscription Services provided on a quarterly, semi-annual or annual basis) until you request your Services to be stopped or we cancel your Services as otherwise provided in this Agreement provided in this Agreement. Unless otherwise stated, all subscriptions will automatically renew.

(ii) Credit Cards. If you pay for your subscription with a credit card, we will continue to charge that credit card until you notify us (a) to cancel your subscription, (b) to charge your subscription to a different credit card, or (c) to bill you directly. You agree to provide us with the new expiration date when your credit card is renewed. If you do not, we will continue to charge your Services to the credit card you previously authorized. If your credit card issuer rejects a charge to your credit card because your card is expired or terminated, we will bill you directly for your subscription on a monthly basis.

(iii) Changes In Your Level of Services. You may change the Services to which you subscribe from month to month. These Services may be upgraded at any time subject to our right to deny or limit Services to you as otherwise provided in this Agreement. ~~To~~ downgrade your Services, you must receive programming for a minimum of one (1) month from the date of its activation. ~~(Subscription~~

Month") and any requested downgrade of Subscription Services will take effect the start of the Subscription Month following notice of change of such Services, and any requested downgrade of Services will take effect at the start of the next subscription month.

~~iii. Closing Your Account. You may cancel your Subscription~~  
~~(iv) Inactivating Your Account. You may temporarily inactivate your~~ Services after you have been a paying subscriber for at least one month. Your cancellation will not become effective until the end of the Subscription Month in which it is initiated. ~~Upon cancellation~~ inactivation will become effective at the start of your next subscription month. Upon inactivation, you are still responsible for any outstanding balance on your account. ~~If you rent Equipment, you authorize the rental agent to notify USSB upon your return of the Equipment to the rental agency, but it remains your responsibility to notify us when you cancel Services.~~

~~g. Change of Address. If your address or telephone number change, you agree to provide us with the new information promptly.~~ new information promptly.

~~h. Transfer of Ownership / Account. If you sell or transfer your DSS system: (i) It is your responsibility to inform USSB of the transfer of ownership and pay any outstanding balances for programming before your account can be closed; (ii) You will remain responsible for all new charges incurred using your Access Card unless you have informed USSB that you have sold your DSS system and your Access Card has been returned to USSB.~~

~~e. Telephone Connection May Be Required. The Receiver of most USSB subscribers will be directly and continuously connected to a telephone line. As a condition of receiving certain Services (such as Impulse Pay-Per-View) you will be required to have such telephone connection. Information regarding certain Services that you have ordered will be transmitted to us from the receiver unit through the telephone line. During such short information transmission periods (on average not more than one minute), you may not be able to otherwise use this telephone line. If the inability to use your telephone for even short periods of time is of concern to you, please contact us at 1-800-304-USSB to discuss alternatives. Also, you will be required to have a telephone connection for all Receivers to qualify for a \$1.00 monthly administrative fee (instead of the ordinary monthly subscription charge) for each additional Receiver located in your residence.~~

~~l. Telephone Connection. USSB recommends that the DSS Receiver(s) be directly and continuously connected to a land-based telephone line. Information regarding the programming services that you have ordered is transmitted via the telephone line. During the short information transmission period, you may not have the ability to use this telephone line. Your DSS Receiver and all secondary Receivers are required to be directly and continuously connected to the same land-based telephone line in order to receive discounts on all secondary Receivers. If the DSS Receiver(s) is not so connected, or if the Receiver(s) is connected to a phone line other than that which you have identified, or if the telephone line is not performing in accordance with USSB's requirements, USSB may, at its discretion, inactivate your Services, or charge full price for Services on all secondary Receivers. If Services are inactivated, you are still responsible for payment of all outstanding balances for Services received through the date of~~

inactivation. Use of the remote control for ordering Pay-Per-View events will require a continuous telephone connection.

4. **USSB's Additional Rights and Obligations.**

- a. **Change In Programs or Services.** We reserve the right to rearrange, black-out, terminate, discontinue or otherwise change the Services at any time without notice.
- b. **Content of Programming Material.** We make no representations whatsoever concerning the content of the Services or the accuracy of any programming information you receive through the Services. No refunds will be given based on the content of the programming or events.
- c. **Pay-Per-View Events.** To use your remote control to order Pay-Per-View events, and obtain any special discounts which may apply associated with ordering through your remote control, you must meet certain criteria. Your DSS system must be continuously connected to the same land-based telephone line indicated on your account, and a call back from USSB to the receiver must be successful. Your DSS System test will take place within the first 30 days of the date you set up your account. If you have questions on using your remote control to order Pay-Per-View events, please call our Customer Service Center. If your account is 45 days or more past due, Pay-Per-View privileges will be revoked until your account is brought current. USSB reserves the right to black out programming as well as Pay-Per-View events in a given geographical location at any given time. Customer circumvention of such blackouts may result in legal action. USSB is not responsible for the content of Pay-Per-View events. Commercial establishments cannot lawfully obtain Pay-Per-View events under a residential account. Some Pay-Per-View events may be available to commercial accounts, but under separate terms and conditions. Commercial theft of service is subject to civil and criminal penalties.
- d. **Denial of Services.** We reserve the right to deny you access to any or all of the Services if you use the Equipment in violation of this Agreement, or if you otherwise fail to comply with your obligations under this Agreement.
- e. **Reporting of Information.** Subject to applicable law, you agree to allow us to share your payment history and certain other limited information with others and to provide your name and address to third parties for marketing and other purposes.
- ~~c. **Limitation of Warranties/Liability.** We disclaim any responsibility or liability~~
- f. **Limitation of Warranties/Liabilities.** USSB is not responsible for any problems or defects with the Equipment you use to receive the Services. You agree to hold the seller and/or manufacturer of the Equipment solely responsible with respect to any such problems or defects. USSB is not responsible for the content of the Services or the accuracy of any information you receive through the Services. We also disclaim any responsibility or liability whatsoever for the Services. WITHOUT LIMITING THE FOREGOING, WE EXPRESSLY DISCLAIM ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, AND ANY OTHER EXPRESS OR IMPLIED WARRANTIES OF WHATEVER KIND (STATUTORY, WRITTEN, ORAL OR

OTHERWISE), WITH REGARD TO YOUR EQUIPMENT, THE PROGRAMMING AND/OR THE SERVICES.

~~EXCEPT AS PROVIDED OTHERWISE IN THIS AGREEMENT, IN THE EVENT OF A BREACH OR TERMINATION BY US OF THIS AGREEMENT FOR ANY REASON, OUR SOLE LIABILITY, AND YOUR SOLE REMEDY, SHALL BE A REFUND TO YOU OF ANY AMOUNTS PAID BY YOU TO US FOR SERVICES NOT RECEIVED. IN NO EVENT SHALL WE HAVE ANY LIABILITY TO YOU FOR ANY INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGES, NOR SHALL WE HAVE ANY LIABILITY TO YOU FOR ANY OTHER DAMAGES IN EXCESS OF THE REFUND DESCRIBED IN THE PRECEDING SENTENCE.~~

~~g. Minimum Level of Service. As a condition of its provision of certain programming services to you including, without limitation, Pay-Per-View and a la carte programming, USSB may require that you purchase and maintain a minimum level of programming.~~

5. Interpretation and Enforcement of This Agreement.

a. **Severability.** If any provision of this agreement is held by a court or regulatory authority of competent jurisdiction to be illegal, in conflict with any law or regulation, or unenforceable, as the case may be, that provision may be deleted or modified, without affecting the validity of the other provisions of this Agreement.

~~b. **Governing Law.** This Agreement will be governed by and construed in accordance with the laws of Minnesota, subject to applicable federal, state or local law that is inconsistent therewith. Notwithstanding the foregoing, the United States Arbitration Act, 9 U.S.C.A. §§ 1-16, shall govern the interpretation and enforcement of the arbitration clause contained in Section 5.d hereof.~~

~~c. **Notices.** We will be deemed to have given you notice when such notice is deposited in the U.-S. mail addressed to your last known address or is hand-delivered to you or your place of residence. Your notice to us is deemed given when received by us at the address identified below. Do not write to us on the bill.~~

d. **Arbitration of disputes.** Upon the request of any party to this Agreement, any dispute, claim or controversy of any kind arising under this Agreement or relating to this Agreement or the Services provided by USSB shall be resolved by arbitration in accordance with the procedures of the commercial arbitration rules of the American Arbitration Association. The arbitrator or arbitrators shall have no authority to award punitive damages or any other damages not measured by the prevailing party's actual damages, and may not, in any event, make any ruling, finding or award that does not conform to the Terms of this Agreement.

**PROBLEMS ABOUT A BILL OR THE SERVICES**

If you have a question or problem relating to a bill or the Services, please write to us on a separate piece of paper - NOT ON THE BILL; our bills are electronically processed and any message written on them will be delayed in reaching us. Send all correspondence to: ~~USSB, P. O. Box 44388, Rio Rancho, New Mexico~~, S. Satellite Broadcasting Customer Service Manager, 9750 ~~8747~~ Walnut Street, Dallas, Texas 75243. Always include your account number on any correspondence with USSB. You also may call us at 1-800-204-USSB.

**THE ABOVE TERMS ARE SUBJECT TO ANY AND ALL APPLICABLE FEDERAL, STATE AND LOCAL GOVERNMENTAL REQUIREMENTS AND ~~SHALL BE~~ LIMITED AS NECESSARY TO CONFORM THERETO. THE ABOVE TERMS ~~SHALL BE~~ ARE SUBJECT TO CHANGE AT ANY TIME BY US AT ANY TIME.**

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FOR PUBLIC INSPECTION

## TERMS AND CONDITIONS OF SERVICE

**Thank You For Your Business.** The purpose of these terms and conditions ("Terms") is to make sure that you receive the maximum enjoyment from your U.S. Satellite Broadcasting services while providing USSB with the necessary guidelines to effectively manage our business.

The Terms that follow constitute an agreement ("Agreement") for the provision of programming service ("Services") between you and United States Satellite Broadcasting Company, Inc. ("USSB"). "Services" include Subscription Services available on a monthly, quarterly, semi-annual or annual basis, as well as Pay-Per-View events, and any other Services you order from or through USSB. These Services may be provided by an affiliate of USSB. In this Agreement "you", "your", and "yours" mean the subscriber named on the front of this invoice. The words "we", "us", "our" and "ours" refer to USSB. Digital Satellite System ("DSS") or "Equipment" means the equipment needed to receive the Services, including the dish antenna, the receiving unit ("Receiver") which is connected to your television, and the DSS Access Card ("Access Card").

Your acceptance of the Services constitutes acceptance of these Terms. These Terms replace all prior Terms set forth on previous invoices and/or agreements. USSB reserves the right to change the Terms at any time. You will be informed if USSB changes the Terms. By continuing to receive the Services and/or by paying your next bill after the effective date of a change, you agree to accept any new Terms.

1. **Payment for Services.** You agree to pay us for all Services you receive, in U.S. dollars, including Pay-Per-View events, as well as any taxes or administrative fees set forth on your billing statements.
2. **Payment Terms.**
  - a. **Due Date.** Charges for the Services are billed in advance on a monthly, quarterly, semi-annual, or annual basis beginning from the date of activation. Payment is due when indicated on the billing statement. You must bring any billing errors or requests for credit to our attention within 30 days of the date of the invoice for which you are seeking a correction or credit. We reserve the right to establish maximum monthly limits for certain Services, such as Pay-Per-View events, and to deny you Services if your account is more than 45 days overdue.
  - b. **Rate Changes.** The rates specified for the Services are current rates. We reserve the right to revise our Services (including changing the programming services offered) and subscription rates at any time at our sole discretion. Revisions in subscription rates will be reflected in your billing invoice.
  - c. **Credit Balances on Active Accounts.** Credit balances on active accounts will be applied to future statements unless we receive a request for a refund of a credit balance. Credit balances will be refunded within seven business days of our receipt of such request.
  - d. **Cancellation.** If you cancel your subscription prior to the expiration date, we will send a final billing statement to you. Your cancellation will be effective at the end of the subscription month in which your

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cancellation is received by USSB. If you are a quarterly, semi-annual, or annual subscriber you will receive a pro rata refund for the unused portion of your program package, commencing the first monthly billing period after the subscription month in which your cancellation request is received, provided that you have received the program package for at least one month. When canceling your subscription, you forfeit any discount associated with a long-term package. USSB will calculate your refund by multiplying the number of months of programming you received by USSB's non-discounted full monthly rate. This amount will then be subtracted from the amount you prepaid. Credit balances of less than \$1.00 will be refunded upon request.

- e. **Service Outages.** If your reception of all or substantially all of the Services is interrupted for 24 consecutive hours or more due to shutdown or malfunction of USSB's transmission facilities, USSB's sole liability will be to provide you with a pro rata reduction of the charges for the affected Services in your next billing statement. We will not be liable for any other interruption of Services. You must notify us within 24 hours after any such shutdown or malfunction to be eligible for the reduction of charges.
- f. **Late Charges/Disconnection of Services/Reinstatement of Service.** If you do not make full payment within 45 days after the due date, we reserve the right to reduce or disconnect the Services and charge an administrative fee. If the Services are disconnected because you did not make your payment when due, we reserve the right to require you to pay all unpaid charges, a reconnect fee, a change of service fee and at least one month's advance charges before we reconnect the Services. Clearance of accounts sent for collection will take 7 to 10 working days. It is your responsibility to call USSB Customer Service to have Services turned back on.
- g. **Returned Checks and Costs of Collection.** You agree to pay us handling and all other charges we incur for all checks written to us and returned by your bank. USSB will charge you a \$10 Returned Check Fee for all checks returned due to insufficient funds. To the extent permitted by law, you agree to pay all reasonable costs, including collection agency fees, court costs and attorneys' fees we pay to collect any amounts you owe us.
- h. **Third Party Payment/Collection Prohibited.** USSB does not permit third parties to collect payment for USSB Services unless specifically authorized by USSB. You should not pay for the Services through any third party and, if you do, you remain liable for the charges due pursuant to this Agreement.
- i. **Liability for Unauthorized Use.** You are responsible for any and all Services received on your DSS system, whether or not the purchase is authorized by you. If your DSS system is stolen, you must notify us within five (5) days of such theft, or you will be responsible for charges for Services received on the stolen system.

3. **Subscriber's Additional Rights and Obligations.**

- a. **Services/Equipment.** You agree to use the Services only in your residence for your own private viewing within the United States and not for commercial purposes. You are responsible for obtaining the necessary Equipment to receive the Services. The purchase of DSS hardware and any hardware problems which you may have are and will remain completely separate from the purchase of Services from us.
- b. **Access Cards.** Access Cards are the property of News Datacom, Inc., and any tampering or other unauthorized modification to the Access Card may result in, and subject you to, legal action. Periodically, it may be necessary to change your Access Card as a condition for continuation of Services. In addition, transfer of DSS hardware to a new owner requires issuance of a new Access Card to the new owner. See Section 3(j) below.
- c. **Reissuance of Access Cards.** In the event your Access Card is lost, stolen, defective or damaged, USSB will issue a new Access Card. Your account will be charged a security deposit of \$150.00. If you return the old Access Card to USSB, your account will be credited the amount of the security deposit, less a \$35 Card Replacement Fee. If the Access Card reveals unauthorized tampering or modification, USSB reserves the right to refuse to replace your Access Card and not refund the security deposit.
- d. **Representations/Warranties/Penalties.** You acknowledge and agree that: (i) the address listed on this billing statement is the location of your residence; (ii) if you live in an apartment, condominium or other multiple family dwelling, the address identifies your residence; (iii) you will receive the Services solely for your private viewing; (iv) the Services will not be displayed in a public place or a commercial establishment or offered for resale in any way; and (v) **SERVICES WILL NOT BE RECEIVED OUTSIDE THE UNITED STATES.** We reserve the right to verify the accuracy of the information which you provide to us at any time. Any violation of this provision, including providing us with inaccurate information, is grounds for termination of this Agreement, disconnection of the Services, and may lead to additional legal remedies against you. In addition, unauthorized reception of the Services is a violation of federal law (e.g., 47 U.S.C § 605) and may result in civil and/or criminal penalties.
- e. **Programming Services.**
  - (i) **Programming.** USSB reserves the right to change programming services and programming packages and prices.
  - (ii) **One Free Month Offer.** To be eligible for the One Free Month offer of USSB's top programming package, or USSB's current retail promotional offer, a customer must be a first time residential DSS purchaser and have not received the One Free Month previously. The One Free Month is intended for the customer's primary DSS unit and is available only upon a first-time account set-up with USSB. USSB may substitute a free month of a different programming package or

discontinue the One Free Month offer entirely. Pay-Per-View Events are not included in the One Free Month offer.

- (iii) **Multiple Receiver Discount.** Additional Receivers are required to be directly and continuously connected to the same land-based telephone line as the primary Receiver in order to receive a discount on secondary Receivers. In so doing, you are eligible to receive the programming on your second Receiver for a nominal monthly service fee.
- f. **Mobile Units.** Mobile units, (cabins, trailers, etc.) are not eligible for a multiple Receiver discount unless continuously connected to the same land-based telephone line as the primary Receiver.
- g. **Renewals/Changes in Services.**
  - (i) **Subscription Renewals.** We will continue to provide Services to you (including Services provided for a monthly, quarterly, semi-annual or annual term) for the same term as your previous Services, until you request your Services to be stopped, or request a change in the term for which your Services have been previously provided, or we cancel your Services as provided in this Agreement. With the exception of some promotional offers, unless otherwise stated, all subscriptions will automatically renew.
  - (ii) **Credit Cards.** If you pay for your subscription with a credit card, we will continue to charge that credit card until you notify us (a) to cancel your subscription, (b) to charge your subscription to a different credit card, or (c) to bill you directly. You agree to provide us with the new expiration date when your credit card is renewed. If you do not, we will continue to charge your Services to the credit card you previously authorized. If your credit card issuer rejects a charge to your credit card because your card is expired or terminated, we will bill you directly for your subscription.
  - (iii) **Changes In Your Level of Services.** You may change the Services to which you subscribe. These Services may be upgraded at any time subject to our right to deny or limit Services to you as provided in this Agreement. To downgrade your Services, you must receive programming for a minimum of one (1) month and any requested downgrade of Services will take effect at the start of the next subscription month. Any refunds to be provided to quarterly, semi-annual or annual subscribers who request downgrades will be calculated in the same manner as described in paragraph 2.d above.
  - (iv) **Inactivating Your Account.** You may temporarily shut off your Services after you have been a paying subscriber for at least one month. Your inactivation will become effective at the start of your next subscription month. Upon inactivation, you are still responsible for any outstanding balance on your account.

- h. **Change of Address.** If your address or telephone number changes, you agree to provide us with new information promptly, so that we can continue to provide you Services.
- i. **Transfer of Ownership / Account.** If you sell or transfer your DSS system: (i) It is your responsibility to inform USSB of the transfer of ownership and pay any outstanding balances for programming before your account can be closed; and (ii) You will remain responsible for all new charges incurred using your Access Card unless you have informed USSB that you have sold your DSS system *and* your Access Card has been returned to USSB.
- j. **Responsibilities of New Owner.** If you purchased a used DSS system, you are required to contact USSB, and we will establish a new account and issue a new Access Card to you. Your account will be charged a security deposit of \$150. If you return the old Access Card to USSB, your account will be credited the amount of the security deposit, less a \$35 Card Replacement Fee.
- k. **Telephone Connection.** USSB recommends that the DSS Receiver(s) be directly and continuously connected to a land-based telephone line. Information regarding the programming Services that you have ordered is transmitted via the telephone line. During the short information transmission period, you may not have the ability to use this telephone line. USSB is able to provide you programming on all secondary Receivers for a nominal monthly service fee so long as your DSS Receiver and all secondary Receivers are continuously connected to the same land-based telephone line as your primary Receiver. If the DSS Receiver(s) is not so connected, or if the Receiver(s) is connected to a phone line other than that which you have identified, or if the telephone line is not performing in accordance with USSB's requirements, USSB may, at its discretion, inactivate your Services, or charge full price for Services on all secondary Receivers. If Services are inactivated, you are still responsible for payment of all outstanding balances for Services received through the date of inactivation. Use of the remote control for ordering Pay-Per-View events will require a continuous telephone connection.

4. **USSB's Additional Rights and Obligations.**

- a. **USSB Approval.** All orders for Services are subject to USSB's approval.
- b. **Change In Programs or Services.** We reserve the right to rearrange, black out, terminate, discontinue, cancel, revise, add, delete, substitute or otherwise change the programming and/or the Services at any time without notice, and to make appropriate price adjustments, if any, in our sole discretion.
- c. **Content of Programming Material.** We make no representations whatsoever concerning the content of the Services or accuracy of any programming information you receive through the Services. No refunds will be given based on the content of the programming or events.
- d. **Pay-Per-View Events.** To use your remote control to order Pay-Per-View events, and obtain any special discounts which may apply associated

with ordering through your remote control, you must meet certain criteria. Your DSS system must be continuously connected to the same land-based telephone line indicated on your account, and a call back from USSB to the Receiver must be successful. Your DSS System test will take place within the first 30 days of the date you set up your account. If you have questions on using your remote control to order Pay-Per-View events, please call our Customer Service Center. If your account is 45 days or more past due, Pay-Per-View privileges will be revoked until your account is brought current. USSB reserves the right to black out programming as well as Pay-Per-View events in a given geographical location at any given time. Customer circumvention of such blackouts may result in legal action. USSB is not responsible for the content of Pay-Per-View events. Commercial establishments cannot lawfully obtain Pay-Per-View events under a residential account. Some Pay-Per-View events may be available to commercial accounts, but under separate authorization from USSB. Commercial theft of service is subject to civil and criminal penalties.

- e. **Denial of Services.** We reserve the right to deny you access to any or all of the Services if you use the Equipment in violation of this Agreement, or if you fail to comply with your obligations under this Agreement.
- f. **Reporting of Information.** Subject to applicable law, you agree to allow us to share your payment history and certain other limited information with others and to provide your name and address to third parties for marketing and other purposes.
- g. **Limitation of Warranties/Liabilities.** USSB is not responsible for any problems or defects with the Equipment you use to receive the Services. You agree to hold the seller and/or manufacturer of the Equipment solely responsible with respect to any such problems or defects. USSB is not responsible for the content of the Services or the accuracy of any information you receive through the Services. We also disclaim any responsibility or liability whatsoever for the Services. **WITHOUT LIMITING THE FOREGOING, WE EXPRESSLY DISCLAIM ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, AND ANY OTHER EXPRESS OR IMPLIED WARRANTIES OF WHATEVER KIND (STATUTORY, WRITTEN, ORAL OR OTHERWISE) WITH REGARD TO YOUR EQUIPMENT, THE PROGRAMMING AND/OR THE SERVICES.**

**IN THE EVENT OF A BREACH OR TERMINATION BY US OF THIS AGREEMENT FOR ANY REASON, OUR SOLE LIABILITY, AND YOUR SOLE REMEDY, SHALL BE A REFUND TO YOU OF ANY AMOUNTS PAID BY YOU TO US FOR SERVICES NOT RECEIVED. IN NO EVENT SHALL WE HAVE ANY LIABILITY TO YOU FOR ANY INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGES, NOR SHALL WE HAVE ANY LIABILITY TO YOU FOR ANY OTHER DAMAGES IN EXCESS OF THE REFUND DESCRIBED IN THE PRECEDING SENTENCE.**

- h. **Minimum Level of Service.** As a condition of its provision of certain programming services to you including, without limitation, Pay-Per-View and a la carte programming, USSB may require that you purchase and maintain a minimum level of programming.

**5. Interpretation and Enforcement of This Agreement.**

- a. **Severability.** If any provision of this agreement is held by a court or regulatory authority of competent jurisdiction to be illegal, in conflict with any law or regulation, or unenforceable, as the case may be, that provision may be deleted or modified, without affecting the validity of the other provisions of this Agreement.
- b. **Governing Law.** This Agreement will be governed by and construed in accordance with the laws of Minnesota, subject to applicable federal, state or local law. Notwithstanding the foregoing, the United States Arbitration Act, 9 U.S.C.A. §§ 1-16, shall govern the interpretation and enforcement of the arbitration clause contained in Section 5.d hereof.
- c. **Notices.** We will be deemed to have given you notice when such notice is deposited in the U.S. mail addressed to your last known address. Your notice to us is deemed given when received by us at the address identified below. Do not write to us on the bill.
- d. **Arbitration of Disputes.** Upon the request of any party to this Agreement, any dispute, claim or controversy of any kind arising under this Agreement or relating to this Agreement or the Services provided by USSB shall be resolved by arbitration in accordance with the procedures of the commercial arbitration rules of the American Arbitration Association. The arbitrator or arbitrators shall have no authority to award punitive damages or any other damages not measured by the prevailing party's actual damages, and may not, in any event, make any ruling, finding or award that does not conform to the Terms of this Agreement.

**TO RECEIVE ADDITIONAL PROGRAMMING**

You can call 1-800-204-USSB to get the latest USSB programming information.

**QUESTIONS ABOUT YOUR BILL**

If you have a question relating to your bill or the Services, please write to us on a separate piece of paper - **NOT ON THE BILL**; our bills are electronically processed and any message written on them will be delayed in reaching us. Send all correspondence to: U.S. Satellite Broadcasting, Customer Service Manager, USSB, P.O. Box 1954, Voorhees, NJ 08043-9054. Always include your account number on any correspondence with USSB. You also may call us at 1-800-204-USSB.

**THE ABOVE TERMS ARE SUBJECT TO ANY AND ALL APPLICABLE FEDERAL, STATE AND LOCAL GOVERNMENTAL REQUIREMENTS AND ARE LIMITED AS NECESSARY TO CONFORM THERETO. THE ABOVE TERMS ARE SUBJECT TO CHANGE AT ANY TIME.**