

TRACFONE WIRELESS, INC. TERMS AND CONDITIONS OF SERVICE

Please read these Terms and Conditions of Service ("Terms") carefully. These Terms are a legally binding agreement between you and TracFone Wireless, Inc. ("TracFone"). The Terms contain important information about your legal rights and require that certain disputes be resolved through Arbitration instead of a court trial. By purchasing and/or activating a TracFone branded wireless phone ("TRACFONE") or a TracFone branded SIM card or CDMA network access code ("BYOP") and/or purchasing, redeeming and/or using any TracFone service ("Service"), "You" the customer, acknowledge and agree to these Terms. TracFone reserves the right to modify these Terms at any time in its sole discretion. Any modifications to these Terms are effective and will be binding upon you once posted on the TracFone website at tracfone.com. Always check our website for the most current Terms.

1. ACTIVATING YOUR TRACFONE SERVICE

You may activate your TRACFONE or BYOP by calling Customer Care at 1-800-867-7183 or by visiting tracfone.com and following the instructions that came with your Services Guide or activation kit. Any promotional or bonus minutes that are included with a new TRACFONE or are issued upon activation of your Service are not transferable or refundable. Promotional minutes and bonus minutes have no cash value. Any attempt to transfer promotional, bonus or other free minutes may result in the permanent deactivation of your Service without a refund.

When you activate Service, you will have the option of registering and providing your name, address, email address and alternative contact telephone number. If you elect not to register at the time of activation, you may not be able to obtain copies of your call detail records since we will be unable to authenticate You as the lawful owner of the account. In those situations, we require a valid Subpoena or Court order before records may be released.

Your TRACFONE can only be used with TracFone Service and cannot be activated with any other wireless carrier or service. Certain mobile phone features may not be available throughout the entire network or their functionality may be limited. Some TracFone features are available only on TRACFONES and will not be available with BYOP. All plan rates, features, functionality and other product specifications are subject to change without notice or obligation. All talk and standby times are quoted in Digital Mode and are approximate.

If you are activating your Service with BYOP, you must use a compatible phone that does not interfere with our Service and complies with all applicable laws, rules and regulations. Devices capable only of using data are strictly prohibited and Your use of any such device is grounds for immediate termination of Service without a refund. You are responsible for ensuring that your BYOP wireless phone is compatible with the Service and meets all Federal laws and standards. You are further responsible for the purchase and maintenance of any additional hardware, software and/or internet access required in order to use the Service. TracFone Service will only work with wireless devices that are compatible with our network. Not all services are available with all wireless devices or on all networks. We may remotely change your wireless phone's software, applications or programming without notice. This could affect your stored data, your phone's programming and how you are able to use your wireless phone.

The wireless telecommunications networks used to transmit calls for the Service are owned and operated by various licensed commercial mobile radio service providers ("Carriers"), not TracFone. When You activate your Service, you will be provided with a telephone number or you may, in some circumstances, port-in a number from another carrier. Please note that You have no ownership rights to any telephone number, IP address or any other identifier associated with your Service and You acknowledge and agree that we may change any such number, IP address or other identifier associated with your Service at any time without prior notice to You.

2. TERMINATION OF SERVICE

TracFone may terminate this Agreement at any time without notice if we cease to provide service in your area. Either party may terminate this Agreement (which will terminate Service) at any time and for any reason. Unused Service at the time of termination will not be refunded.

You agree not to use your Phone for any purpose in violation of these Terms or applicable law. WE CAN, WITHOUT NOTICE, LIMIT, SUSPEND, OR TERMINATE YOUR SERVICE FOR VIOLATING THESE TERMS OR FOR ANY OTHER GOOD CAUSE, including, but not limited to, if You: (a) engage in any deceptive or fraudulent conduct with respect to the Service; (b) allow anyone to extract, clone, reverse engineer or tamper with your TRACFONE, the software and/or hardware on your Phone or your SIM card; (c) threaten or commit violence against any of our employees, agents or customer service representatives; (d) use vulgar, offensive or inappropriate language or otherwise engage in harassment when interacting with our representatives; (e) interfere with our operations or Service; (f) engage in abusive messaging, emailing or calling; (g) modify a TRACFONE from its manufacturer's default specification; or (h) use the service in a way that adversely affects our network or the Service available to our other customers. We reserve the right to, without notice, limit, suspend or terminate your Service for any other operational or governmental reason. In addition to permanently terminating your Service, criminal offenses (i.e., threatening violence, etc.) will be reported to the appropriate legal authorities for prosecution.

Any provision of this Agreement which by its context is intended to apply after termination of the Agreement will survive termination, including, but not limited to, restrictions on the use of TracFone products and the provisions governing dispute resolution and requiring arbitration of disputes.**3. AIRTIME VOICE AND TEXT MESSAGING RATES**

Feature Phones: TracFone airtime is issued in unit increments. All calls are charged at a rate of one (1) unit per minute. With some older TRACFONE models, roaming calls (refer to the Roaming Section of these Terms) are charged at the rate of two (2) units per minute. There is no additional charge for nationwide long distance or for international long distance to countries designated at tracfone.com. The rate to send or receive a text message varies by TRACFONE model and is disclosed on your TRACFONE package. For most feature phones, the rate to send or open a text message is 0.3 units.

Smartphones: Smartphones have separate buckets of units for voice calls, text messaging and data usage and have the triple minute feature. For example, a 60 minute Pay As You Go TracFone card redeemed on a Smartphone will provide 180 minutes for voice, 180 text messages and 180 MB of data. Voice calls are charged at the rate of one (1) unit per minute. Text messages are charged at the rate of one (1) unit per text. Data is charged based on actual usage.

TRACFONE service does not allow international text messaging. Attempting to send international messages could result in Service deactivation.

TracFone does not generally participate in Premium SMS services or campaigns. Premium SMS refers to activities that usually involve sending a text message to a designated "short code" or buying or attempting to buy SMS services from anyone other than TracFone. Premium SMS campaigns include activities such as casting a vote, expressing your opinion, playing a game, subscribing to a service, or interactive television programs. You should not attempt to participate in Premium SMS campaigns, unless it is a TracFone authorized campaign. Any text message you send to a "short code" will in all likelihood not go through. Any charges you may incur as a result of any attempts to participate in Premium PSMS services or campaigns (not authorized by TracFone), whether you incur charges as deductions from your TRACFONE handset or from your credit card, are not refundable.

AIRTIME USAGE: Airtime minutes will be deducted for all time during which your Service is connected to, or using, the wireless system of any Carrier. Use of a wireless system typically begins when you press the "send", "call" or other button to initiate or answer a call and does not end until you press the "end" button or the call is otherwise terminated. Airtime minutes are deducted for all incoming and outgoing calls, including calls to toll free numbers, 411, 611, Customer Care, simultaneous calls (airtime minutes will be deducted for each call separately) and calls to access your voice mail. Airtime minutes are not

deducted for calls to 911. For outbound calls, you may be charged airtime for incomplete and/or busy-no answer calls. Airtime minutes are deducted in full unit increments; partial minutes are rounded up to the next minute. Airtime minutes will also be deducted for use of other services such as text messaging and accessing the TracFone Mobile Web ("WAP"). Airtime minutes are deducted for all text messages sent and incoming text messages which are opened. No credit is given for dropped calls.

4. ADDING AIRTIME

Your Service will only operate when you have airtime units and service days available. Add airtime to a TRACFONE by entering the PIN number from a TracFone Prepaid Wireless Airtime card ("Airtime Card") or retailer cash register receipt at the Redeem Airtime or Add Airtime menu. You can also add airtime to a TRACFONE and/or TracFone BYOP through the TracFone website at tracfone.com or by calling 1-800-867-7183.

AIRTIME ON DEMAND: Airtime On Demand is available on certain TRACFONE handsets. Airtime On Demand allows you to buy Airtime directly from your TRACFONE by registering your phone and credit card at tracfone.com. Airtime on Demand purchases are governed by these Terms.

AIRTIME CARDS: TracFone Airtime Cards are available in various denominations of minutes and service days. For each Airtime card you purchase and add to your TRACFONE or BYOP feature phone, you will receive the number of minutes and service days indicated on the card. For Smartphones, you will receive triple the number of minutes indicated on the card for voice, text messages and data (for example, with a 60 minute card, a Smartphone will receive 180 minutes of voice, 180 text messages and 180 MB of data). The service days will run from the day you add the Airtime card. Each additional card you add will further extend the "Service End Date" by the number of days specified without limitation. The "Service End Date" is the last day of your service period. Airtime minutes added to your TRACFONE or BYOP do not expire with active service and usage within a period of twelve (12) consecutive months.

AIRTIME VALUE PLANS: Available TracFone Value Plans are described on TracFone's website at tracfone.com. You may enroll in a Value Plan by registering your TRACFONE and credit card at tracfone.com. All TracFone Value Plans are governed by these Terms and the applicable Value Plan's Terms and Conditions which are also available at tracfone.com. TracFone may modify its Value Plan offerings at any time. In the event of any modification that increases the charges associated with your Value Plan, you will receive 30 days notice prior to being charged the new rate. Value Plans may not be combined with any other discount or promotion.

DOUBLE AND TRIPLE MINUTES FOR LIFE: Some TRACFONES and Airtime Cards include a Double or Triple Minutes for Life feature. All smartphones (including TRACFONE branded products and BYOP phones) include the Triple Minutes for Life feature. Any minutes included with a Double or Triple Minute Airtime Card will not double or triple. The Double or Triple Minutes feature applies to the life of a single TRACFONE or BYOP. The Double or Triple minutes feature is not transferable even if Your phone is damaged, lost or stolen. Only purchased minutes that are redeemed after the redemption of a Double or Triple Minute card will double or triple. Promotional, bonus and other non-purchased airtime minutes will not double or triple. You may not add a Double or Triple Minute card to a TRACFONE that already has a Double or Triple minute feature or card. Doing so will not result in any additional doubling or tripling of purchased airtime. Double and Triple Minute Cards and phones that include the Double or Triple Minute feature will not double or triple the value of Data Cards. A Smartphone with a Double or Triple Minute feature will double or triple the amount of voice, text and data associated with each card (for example, a 60 minute card redeemed on a Smartphone with the triple minute feature will receive 180 voice minutes, 180 text messages and 180 MB of data).

SAFELINK CUSTOMERS PLEASE NOTE: If you are a SafeLink Customer on Plan Option 1 or 2, TracFone Airtime minutes added to your SAFELINK phone do not expire with active service and Usage (as defined in the SafeLink Terms and Conditions) during a consecutive sixty (60) day period. **If you are a SafeLink customer enrolled in plan option 3, all of your unused minutes expire at the end of each month upon your receipt of your free 250 monthly minutes unless you have purchased and**

added a TracFone airtime card to your phone. You may carry over unused airtime minutes on the SafeLink 250 Minute Plan for up to 3 consecutive months. By purchasing and adding a TracFone airtime card before the 25th of the month, your unused airtime minutes (including your free monthly allotment and any additional TracFone Airtime cards) will carry over for 3 consecutive months from the date of your last TracFone Airtime Card redemption. If you purchase and redeem a TracFone Airtime Card on or after the 26th day of any month, your airtime balance will be reset and not be carried over to the next month. The minutes you purchased will be carried over together with your next three allotments of free monthly minutes. Adding more than one Airtime Card at the same time will NOT extend your airtime carry over for more than the 3 consecutive months. The 3 month carry over is effective from the date of redemption of the last airtime card redeemed to your phone.

TracFone airtime has no cash value and is non-refundable. TracFone Airtime Cards, airtime rate plans, and card denominations are subject to change without prior notice. **5. SERVICE END DATE**

If you do not purchase and add airtime prior to the Service End Date, your TRACFONE Service will be deactivated on the Service End Date and you will lose your TRACFONE phone number even if you have minutes remaining. To prevent this from occurring, please keep your TRACFONE Service active by purchasing and adding one or more airtime cards before the Service End Date. Notwithstanding the Service End Date, TracFone reserves the right to discontinue service and deactivate any TRACFONE or BYOP for which there is no voice, text or Data Services usage for a period of twelve (12) consecutive months. If your Service is deactivated, your Service can be reactivated by purchasing and adding an Airtime Card. Once reactivated, Your TRACFONE or BYOP may be assigned a new phone number. Airtime which remained unused at the time of deactivation will still be available if Service is reactivated within 60 days from the deactivation date otherwise; any unused airtime will be lost.

6. TRACFONE DATA SERVICES

With certain TRACFONE phone models, you can download ring tones, graphics, access information services such as news, weather and sports ("Information Services") and utilize multi-media services ("MMS") (ringtones, graphics, Information Services and MMS are collectively referred to as "Data Services") through TracFone Mobile Web ("WAP"). Data Services are additional Services offered by TracFone, and there is an additional charge or debit of units or data for use of such Services.

In order to purchase, download or access TracFone Data Services, You must have active service and sufficient available airtime or data (for Smartphones). Each time you access the WAP, usage will be deducted ("Access Charges").

Access Charges begin when your TRACFONE or BYOP device makes a data connection. This should occur shortly after you open your browser, send or receive a multi-media message (e.g., a picture), initiate a content download or if WAP access is initiated for any other purpose. Access Charges end when the data connection terminates. This should occur shortly after you close your browser, successfully receive or send a multi-media message (e.g., a picture), after a successful content download or after any other closure of a WAP session. The WAP access duration and the related Access Charges are NOT determined from the exact moment you press a button on your device to open or close the browser.

In addition to the Access Charges, there may be additional charges for any content you select to download ("Content Charge"). The Content Charges vary depending on the type of content you purchase and download. You will be advised of the Content Charges prior to finalizing your purchase.

The Data Services you purchase and download may only be used or viewed on the device for which they were purchased and cannot be transferred to any other device, including a new or replacement device. Data Services are non-refundable and non-transferable.

Purchasing Data Services with Airtime Minutes on Feature Phones: The charges for Data Services purchases are determined by the last airtime card redeemed and the appropriate dollar-to-minute conversion factor. The charges for Data Services in U.S. Dollars and/or minutes and the dollar-to-minute conversion factor(s) are subject to change at any time without prior notice. The current Dollar-To-Minute

Conversion Factors for Data Services may be accessed on the TracFone website. Click on "Airtime" and from the drop down menu select "Apps & More" and then "Cost." The chart details the number of minutes you will be charged for each dollar you spend for the Data Services you purchase.

Charges for MMS (e.g., picture messaging) on Feature Phones. You will be charged 1.0 unit to send or receive a multi-media message (the "MMS Charge") and a WAP Access Charge (described below) based upon the time it takes to send or receive the multi-media message.

Additional Access Charges for Data Services and MMS on Feature Phones. In addition to Content and MMS Charges, there is always an additional Access Charge of 0.5 units per minute associated with downloading content, accessing/viewing Information Services or utilizing MMS. Total Access Charges will vary depending on the size of the content and the actual time it takes to download the content, access/view the Information Service or utilize MMS.

Data Plans for TracFone Smartphones. TracFone Smartphone users may purchase TracFone Data Cards which will provide a specified amount of data access without minute deductions. Data Cards provide a set amount of data access identified on the face of the card, denominated in megabytes or gigabytes. Data Cards do not double or triple, even if redeemed on a phone activated as a double or triple minutes phone. Data Cards can be added to your phone at any time, as long as the Service is active. Data Cards do not include minutes or service days which must be purchased separately through airtime cards. Unused data will expire upon your Service End Date. Data Cards are available online and at retail locations.

Modifications, Interruptions, or Discontinuation of Data Service. TracFone does not guarantee the availability of Data Services at any time and reserves the right to modify, suspend, interrupt, discontinue or permanently cancel Data Services, or portions thereof, without notice. Data Services are not available in all areas. TracFone is not responsible and will not be liable for any modifications, interruptions or discontinuation of the Data Services or for any failure in receipt of the purchased Data Services. If the Data Services, for which you subscribe, are modified, interrupted, discontinued or canceled, TracFone will NOT provide refunds for any used or unused subscription time. If you cancel, or attempt to cancel a Data Service download, a subscription purchase or a multi-media message in progress, or if this process is otherwise interrupted through no action on your part, you may nevertheless be charged in accordance with these Terms.

Non-Rated Content. TracFone content is NOT rated and you are solely responsible for the use of such material, which may be offensive or objectionable to you or to others. You agree not to hold TracFone liable for any offensive or objectionable content.

7. INTERNATIONAL CALLS

You may place international long distance ("ILD") calls to landlines (and some cellular phones in certain countries) at no additional charge. See tracfone.com for available countries and details which are subject to change without prior notice. In order to place an ILD call, you will need to dial the ILD access number 1-800-706-3839 and follow the instructions. From Alaska, Hawaii and the U.S. Virgin Islands, you will need to dial 305-938-5673 as the ILD access number. Airtime deductions for ILD calls begin the moment the ILD access number is dialed. Airtime deductions will apply for dropped or misdialled calls and busy destination numbers. When placing ILD calls, you may experience connection failures more frequently than with domestic calls. TracFone will not credit airtime minutes deducted for unsuccessful calls. Although ILD calling is available to some countries, You will not be able to make or receive calls on your TRACFONE when you are located outside of the United States, Puerto Rico or the U.S. Virgin Islands.

TRACFONE International Neighbors is a service that enables callers in Mexico to set up a local number to ring on a TRACFONE in the US. See the TracFone website or call 1-800-867-7183 for further details.

8. EMERGENCY CALLS

If you are in an area where your TRACFONE is searching for a wireless signal or there is no wireless signal or wireless service, it is highly probable that a call to 911 will not go through. Do not rely solely on your TRACFONE in an emergency situation. In an emergency, locate the nearest landline phone and call for help.

9. UNAUTHORIZED USAGE; TAMPERING

The TRACFONE handset is sold exclusively for use by you, the end consumer, with the TRACFONE Service available solely in the United States, Puerto Rico and the U.S. Virgin Islands. Any other use of your TRACFONE handset, including without limitation, any resale, unlocking and/or reflashing of the handset is unauthorized and constitutes a violation of your agreement with TracFone. You agree not to unlock, reflash, tamper with or alter your TRACFONE or its software, enter unauthorized PIN numbers, engage in any other unauthorized or illegal use of your TRACFONE or the Service, or assist others in such acts, or to sell and/or export TRACFONE handsets outside of the United States. These acts violate TRACFONE's rights and state and federal laws. Improper, illegal or unauthorized use of your TRACFONE is a violation of this agreement and may result in immediate discontinuation of Service and legal action. TRACFONE will prosecute violators to the full extent of the law. You agree that any violation of this agreement through your improper, illegal or unauthorized use or sale of your TRACFONE shall entitle TracFone to recover liquidated damages from you in an amount not less than \$5,000 per TRACFONE handset purchased, sold, acquired or used in violation of this agreement.

Some TRACFONE handsets have SIM cards. If your TRACFONE has a SIM card, then you agree to safeguard your SIM card and not to allow any unauthorized person to use your SIM card. You agree not to, and not to allow any other person to, directly or indirectly extract, alter, bypass, copy, deactivate, remove, reverse-engineer or otherwise circumvent, clone or reproduce the encoded information stored on, or the encryption mechanisms of, your SIM card or TRACFONE Phone via any software and/or hardware methods. The Carriers, TracFone, or its service providers, may, from time to time, remotely update or change the encoded information on your SIM card. You may not use Your Service when you are located anywhere outside of the United States, Puerto Rico or the U.S. Virgin Islands, including offshore or in international waters. Any such usage is considered unauthorized for which your Service will be immediately suspended. In the event of suspension for this or any other unauthorized usage, you will not be entitled to receive any refunds for your handset or unused airtime.

10. COVERAGE MAPS

You will find coverage maps on our website, tracfone.com. These maps are for general informational purposes only. However, TracFone does not guarantee coverage, service availability or the rate charged for any particular call. Even within a coverage area, factors such as terrain, weather, structures, foliage, signal strength, traffic volumes, service outages, network changes, technical limitations, and your equipment may interfere with actual service, quality and availability. Thus, it is possible your phone will roam even in the area depicted as your home calling area. Actual coverage and service areas may vary from the maps and may change without notice.

11. ROAMING

"Roaming" occurs when a subscriber of one wireless service provider uses the facilities of another wireless service provider. Roaming usually occurs when you make and receive calls outside of your network coverage area. When your TRACFONE is roaming, an indicator light on your handset may display the word "Roam" or "RM" on the screen while the phone is not in use. For most TRACFONE models, roaming calls are charged one (1) unit of airtime per minute, the same as all other calls. For some older TRACFONE models, roaming calls may be charged at the rate of two (2) units of airtime per minute. Even if you are using your TRACFONE in your network coverage area, roaming can occur if there is a high volume of callers in the area, if your Carrier's signal is too weak or for other reasons. Instead of having a call blocked or dropped, your device might use another's Carrier's tower or network to enable your call to go through. Thus, roaming is based on the Carrier tower receiving and transmitting the call; not your physical location at the time the call is made. If you have one of the older TracFone models that deduct 2 units per minute of use when roaming, you should check the roaming indicator on your

TRACFONE to determine actual areas where the roaming rate applies. When the TRACFONE roaming indicator is displayed, the roaming rate will apply to calls made or received in that area at that time. Availability, quality of coverage and Services while roaming are not guaranteed. TRACFONE Smartphones and BYOP phones do not roam.

12. LIMITATIONS OF SERVICE AND USE OF EQUIPMENT

Service is subject to transmission limitations caused by certain equipment and compatibility issues, atmospheric, topographical and other conditions. Further, Service may be temporarily refused, limited, interrupted or curtailed due to system capacity limitations, technology migration or limitations imposed by the Carrier, or because of equipment modifications, upgrades, repairs or relocations or other similar activities necessary or proper for the operation or improvement of the Carrier's radio telephone system. TracFone reserves the right to substitute or replace any TracFone equipment (including handsets) with other TracFone equipment of comparable quality. TracFone cannot and does not guarantee that your communications will be private or secure. Although it is illegal for unauthorized people to intercept your communications, such interceptions can occur. Some functions and features referenced in the Manufacturer's manual for a particular TRACFONE may not be available on your device. TracFone does not warrant or guarantee availability of the network or of any Services at any specific time or geographic location or that the Services will be provided without interruption. Neither TracFone, nor any Carrier, shall have any liability for Service failures, outages or limitations of Service. Because of the risk of being struck by lightning, you should not use your phone outside during a lightning storm. You should also unplug your phone's power cord and charger to avoid electrical shock and/or fire during a lightning storm.

13. LIMITED WARRANTY

A new or reconditioned TRACFONE is covered by a one year limited warranty, set forth below, administered by TracFone. TracFone accessories have a 90-day limited warranty against defects in materials and workmanship under normal use by the purchaser.

How to obtain Warranty Service. To obtain warranty service from TracFone on a new or reconditioned phone or TracFone accessories, please contact Technical Support at 1-800-867-7183. If your problem cannot be resolved over the phone, our TracFone technicians will provide you with a Ticket Number, which you will use to send your phone and/or accessories to the designated TracFone Service Center for repair or replacement, at TracFone's discretion.

Terms of Limited Warranty. TracFone warrants to you, the Customer, that your TRACFONE ("Product") is free from defects in material and workmanship that result in Product failure during normal usage, according to the following terms and conditions:

- (1) The limited warranty for the Product extends for one (1) year beginning on the date of the purchase of the Product.
- (2) The limited warranty extends only to the original purchaser ("Consumer") of the Product and is not assignable or transferable to any subsequent purchaser or end-user.
- (3) The limited warranty extends only to Consumers who purchase the Product in its original packaging from an authorized dealer.
- (4) During the limited warranty period, TracFone will replace or repair, at TracFone's sole option, any defective Products or parts (except as excluded below), or any Products or parts that will not properly operate for their intended use (except as excluded below) with new or refurbished replacement Products or parts if such replacement or repair is needed because of Product malfunction or failure during normal usage. TracFone may, at its sole discretion, replace the Product with a refurbished phone of the same model if available, or if not available, of a comparable model. The limited warranty does not cover loss of personal information, passwords, contacts, music, ringtones, pictures, videos, applications or other content, memory cards, software, defects in appearance, cosmetic, decorative or structural items, including framing, and any non-operative parts. TracFone's limit of liability under this limited warranty is the actual cash value of the Product at the time the Consumer returns the Product to TracFone for repair, determined by the price paid by the Consumer for the Product less a reasonable amount for usage and

depreciation. TracFone shall not be liable for any other losses or damages. These remedies are the Consumer's exclusive remedies for breach of this limited warranty.

(5) Upon request from TracFone, the Consumer must prove the date of the original purchase of the Product by a dated bill of sale or dated itemized receipt.

(6) The Consumer shall have no coverage or benefits under this limited warranty if any of the following conditions are applicable:

a) The Product has been subjected to abnormal use or conditions, improper storage, exposure to moisture or dampness, unauthorized modifications, connections or repairs, misuse, neglect, abuse, accident, alteration, improper installation, or other acts which are not the fault of TracFone, including damage caused by shipping.

b) The Product has been damaged from external causes such as collision with an object, or from fire, flooding, sand, dirt, windstorm, lightning, earthquake or damage from exposure to weather conditions, an Act of God, or battery leakage, theft, blown fuse, or improper use of any electrical source, damage caused by computer or internet viruses, bugs, worms, Trojan Horses, cancelbots or damage caused by the connection to other products not recommended for interconnection by TracFone.

c) TracFone was not advised in writing by the Consumer of the alleged defect or malfunction of the Product within fourteen (14) days after the expiration of the applicable limited warranty period.

d) The Product serial number plate or the enhancement data code has been removed, defaced or altered.

e) The defect or damage was caused by viruses or other software problems introduced into the Product.

(7) TracFone does not warrant uninterrupted or error-free operation of the Product or Service.

(8) TRACFONE EXPRESSLY DISCLAIMS ANY IMPLIED WARRANTY OF MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE OR USE. THE FOREGOING LIMITED WARRANTY IS THE CONSUMER'S SOLE AND EXCLUSIVE REMEDY AND IS IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED. TRACFONE SHALL NOT BE LIABLE FOR SPECIAL, INCIDENTAL, PUNITIVE OR CONSEQUENTIAL DAMAGES, INCLUDING BUT NOT LIMITED TO LOSS OF ANTICIPATED BENEFITS OR PROFITS, LOSS OF SAVINGS OR REVENUE, LOSS OF DATA, PUNITIVE DAMAGES, LOSS OF USE OF THE PRODUCT OR ANY ASSOCIATED EQUIPMENT, COST OF CAPITAL, COST OF ANY SUBSTITUTE EQUIPMENT OR FACILITIES, DOWNTIME, THE CLAIMS OF ANY THIRD PARTIES, INCLUDING CUSTOMERS, AND INJURY TO PROPERTY, RESULTING FROM THE PURCHASE OR USE OF THE PRODUCT OR ARISING FROM BREACH OF THE WARRANTY, BREACH OF CONTRACT, NEGLIGENCE, STRICT TORT, OR ANY OTHER LEGAL OR EQUITABLE THEORY, EVEN IF TRACFONE KNEW OF THE LIKELIHOOD OF SUCH DAMAGES. TRACFONE SHALL NOT BE LIABLE FOR DELAY IN RENDERING SERVICE UNDER THE LIMITED WARRANTY, LOSS OF USE DURING THE PERIOD THAT THE PRODUCT IS RETURNED FOR REPLACEMENT OR WARRANTY SERVICE OR FOR THE LOSS OR UNAUTHORIZED USE OF CUSTOMER PASSWORDS, PERSONAL INFORMATION, CONTACTS, PICTURES, VIDEOS, APPLICATIONS, MUSIC, RINGTONES OR OTHER CONTENT.

(9) Some states do not allow the exclusion or limitation of incidental and consequential damages, so certain of the above limitations or exclusions may not apply to you (the Consumer). This limited warranty gives the Consumer specific legal rights and the Consumer may also have other rights which vary from state to state.

(10) TracFone neither assumes nor authorizes any authorized service center or any other person or entity to assume for it any other obligation or liability beyond that which is expressly provided for in this limited warranty including the provider or seller of any extended warranty or service agreement.

(11) This is the entire warranty between TracFone and the Consumer, and supersedes all prior and contemporaneous agreements or understandings, oral or written, relating to the Product, and no representation, promise or condition not contained herein shall modify these terms.

14. DISCLAIMER OF WARRANTIES

EXCEPT FOR THE LIMITED WARRANTY SET FORTH IN THESE TERMS AND CONDITIONS, AND TO THE EXTENT PERMITTED BY LAW, TRACFONE SERVICES AND DEVICES ARE PROVIDED ON AN "AS IS" AND "WITH ALL FAULTS" BASIS AND WITHOUT WARRANTIES OF ANY KIND. WE MAKE NO REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY IMPLIED

WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE CONCERNING YOUR SERVICE OR YOUR DEVICE.

15. LIMITATION OF LIABILITY

TracFone will not be liable to you for any indirect, special, incidental, consequential, exemplary or punitive damages of any kind, including lost profits (regardless of whether it has been notified such loss may occur) by reason of any act or omission in its provision of equipment and Services. TracFone will not be liable for any act or omission of any other company furnishing a part of our Services or any equipment or for any damages that result from any Service or equipment provided by or manufactured by third parties.

16. INDEMNIFICATION

You agree to indemnify and hold harmless TracFone from any and all liabilities, penalties, claims, causes of action, and demands brought by third parties (including the costs, expenses, and attorneys' fees on account thereof) resulting from your use of a TRACFONE and/or TracFone Services including with a BYOP device, whether based in contract or tort (including strict liability) and regardless of the form of action.

17. DISPUTE RESOLUTION

You agree that you will first contact us with any dispute and provide a written description of the nature of the dispute, all relevant documents and other information concerning the dispute and your proposed resolution before taking any formal action. If we are unable to reach a resolution of your dispute within 60 days of your notice to us, you agree that instead of filing a lawsuit or small claims action in a court of law, you will submit the dispute to binding arbitration as set forth in this provision. You may forward your dispute to: TracFone Wireless, Inc., Attn: Dispute Resolution Department, 9700 NW 112 Avenue, Miami, FL 33178.

BINDING ARBITRATION

PLEASE READ THIS SECTION CAREFULLY AS IT AFFECTS RIGHTS THAT YOU MAY OTHERWISE HAVE. IT PROVIDES FOR RESOLUTION OF ALL DISPUTES AND CLAIMS (INCLUDING ONES THAT ALREADY ARE THE SUBJECT OF LITIGATION) EXCEPT FOR CLAIMS CONCERNING THE UNAUTHORIZED SALE, EXPORT, ALTERATION AND/OR TAMPERING OF YOUR TRACFONE, ITS SOFTWARE, THE SERVICE AND/OR PIN NUMBERS, THROUGH ARBITRATION INSTEAD OF SUING IN COURT IN THE EVENT THE PARTIES ARE UNABLE TO RESOLVE A DISPUTE OR CLAIM. ARBITRATION IS BINDING AND SUBJECT TO ONLY A VERY LIMITED REVIEW BY A COURT. THIS ARBITRATION CLAUSE SHALL SURVIVE TERMINATION OF TRACFONE' AGREEMENT WITH YOU. This provision is intended to encompass all disputes or claims arising out of your relationship with TracFone, arising out of or relating to the Service or any equipment used in connection with the Service (whether based in contract, tort, statute, fraud, misrepresentation or any other legal theory). Nothing contained in this arbitration provision shall preclude TracFone from bringing claims concerning the unauthorized sale, export, alteration, and/or tampering of your TRACFONE, its software, the Service and/or PIN numbers in state or federal court. References to you and TracFone include our respective subsidiaries, affiliates, predecessors in interest, successors, and assigns. All claims will be resolved by binding arbitration where permitted by law. You must first present any claim or dispute to TracFone by contacting our Executive Resolution Department (as indicated above) to allow an opportunity to resolve the dispute prior to initiating arbitration. The arbitration of any dispute or claim shall be conducted in accordance with the American Arbitration Association ("AAA") under the Commercial Dispute Resolution Procedures and the Supplementary Procedures for Consumer Related Disputes (collectively "AAA Rules"), as modified by this agreement. The AAA Rules are available online at www.adr.org or by calling the AAA a 1-800-778-7879. You and TracFone agree that use of the Service evidences a transaction in interstate commerce and this arbitration provision will be interpreted and enforced in accordance with the Federal Arbitration Act and federal arbitration law. You and TracFone agree that any arbitration will be conducted on an individual basis and not on a consolidated, class wide or representative basis. Further, you agree that the arbitrator may not consolidate proceedings or more than one person's claims, and may

not otherwise preside over any form of a representative or class proceeding. If the preclusion of consolidated, class wide or representative proceedings is found to be unenforceable, then this entire arbitration clause shall be null and void. All fees and expenses of arbitration will be divided between you and TracFone in accordance with the WIA Rules, except that TracFone will reimburse you for the amount of the filing fee in the event you prevail in the arbitration. Each party will bear the expenses of its own counsel, experts, witnesses, and preparation and presentation of evidence. If for any reason this arbitration provision is deemed inapplicable or invalid, or to the extent this arbitration provision allows for litigation of disputes in court, you waive to the fullest extent permitted by law, (i) the right to a trial by jury and (ii) any claims for punitive or exemplary damages. Unless TracFone and you agree otherwise, the location of any arbitration shall be in the state where You reside or in Miami, Florida. Either or both parties may participate in the proceedings by telephone. TracFone and You agree that no arbitrator has the authority to award punitive damages or any other damages not measured by the prevailing party's actual damages. Neither You nor TracFone shall disclose the existence, contents, or results of any arbitration except to the extent required by law. Judgment on the award rendered may be entered by any court having jurisdiction thereof.

18. GOVERNING LAW

This Agreement shall be construed under the laws of the state in which you, the customer, reside, without regard to the state's choice of law rules, except for the arbitration provision contained in these Terms, which will be governed by the Federal Arbitration Act.

19. PRIVACY POLICY

To view the TracFone Privacy Policy, refer to the TracFone website found at tracfone.com.

Updated: November 2013