

THIS DIRECTV HD RECEIVER SUBSIDY AGREEMENT, COMPRISED OF THE DIRECTV HD RECEIVER SUBSIDY TERMS AND CONDITIONS AND THE GENERAL TERMS AND CONDITIONS INCLUDED BELOW (TOGETHER, THIS “AGREEMENT”) DESCRIBES THE TERMS AND CONDITIONS OF YOUR RECEIPT OF AND PAYMENT FOR DIRECTV SERVICE AND THE PROVISION BY DIRECTV TO YOU OF AN EQUIPMENT SUBSIDY. PLEASE INDICATE YOUR ACCEPTANCE OF THESE TERMS BY SIGNING BELOW. YOU UNDERSTAND AND AGREE THAT YOU WILL RECEIVE THE EQUIPMENT SUBSIDY AS PART OF YOUR SUBSCRIPTION TO DIRECTV SERVICE, AND IF YOU DO NOT COMPLETE YOUR AGREEMENT PERIOD, EARLY CANCELLATION FEES MAY APPLY.

DIRECTV provides satellite entertainment programming and services (including associated DTV Receiving Equipment, if any provided by DIRECTV, “Service” or “Services”) to L&I Establishments located within the United States. As used in this Agreement, “DIRECTV,” “we,” “us,” or “our” means DIRECTV, LLC, and “you,” “your,” or “Customer” means the entity that owns the L&I Establishment receiving the Service and/or the entity that is responsible for the payment of fees and charges to DIRECTV directly or indirectly through one of DIRECTV’s authorized L&I sales agents (an “L&I Dealer”). The Services made available under this Agreement are only available to establishments qualifying as “Lodging & Institution Establishments” (a/k/a “L&I Establishments”), as determined by DIRECTV, which as of the date of this Agreement, solely includes hotels, motels, resorts, inns, hospitals, nursing homes, assisted living and long term care facilities, medical and dialysis clinics, college or university dormitories or eligible student housing, marinas, camp grounds, RV Parks, prisons and correctional facilities. The Services must be provided on a free-to-guest basis and may only be provided within the private rooms of the L&I Establishment and, if approved by DIRECTV, other non-public areas of the L&I Establishment. DIRECTV receiving hardware, an Access Card (as defined below), remote control and receiving antenna dish (referred to collectively as “DTV Receiving Equipment”) are required to view the Service. This DTV Receiving Equipment may be in addition to other hardware and software sold or leased to you by your L&I Dealer, to which this Agreement does not apply. A “Unit” means either an outlet connected to the DTV Receiving Equipment, a room available for rent with one or more outlets connected to the DTV Receiving Equipment, or another non-public area approved by DIRECTV, the application of which depends on the type of L&I Establishment (as further defined and subject to the L&I Establishment table below).

You may contact us 24 hours a day by calling our DIRECTV Business Service Center at 1-800-388-2505 or sending us an e-mail at commercialcustsat@directv.com or writing us (for notices and mail - DIRECTV, LLC, Business Service Center, P.O. Box 5392, Miami, FL 33152-5392 or for payments - DIRECTV, LLC, L&I Account Payments, P.O. Box 60036, Los Angeles, CA 90060-0036).

This Agreement does not supersede, is not superseded by, and is separate and apart from any agreement between Customer and any L&I Dealer. DIRECTV and L&I Dealers are independent entities and DIRECTV is not responsible for any acts or omissions of the L&I Dealer.

L&I DEALER BILLING: IF YOU HAVE MADE ARRANGEMENTS WITH L&I DEALER TO BILL AND COLLECT FOR SERVICE, YOU UNDERSTAND THAT L&I DEALER’S BILLING AUTHORITY IS SUBJECT TO THE APPROVAL OF DIRECTV, AND YOU FURTHER AGREE TO THE FOLLOWING ADDITIONAL BILLING TERMS AND CONDITIONS:

Please use the contact information provided on your bill from your L&I Dealer for any questions about your bill. DIRECTV will bill and collect from such L&I Dealer for the Service and you shall pay such L&I Dealer directly for the Service. If, however, DIRECTV informs you that the L&I Dealer is no longer authorized by DIRECTV to bill and collect for the Service, or the L&I Dealer has ceased or failed to pay DIRECTV when due, or the L&I Dealer is insolvent or unable to pay its debts in the ordinary course, then DIRECTV may commence billing and collection directly with you and you shall pay DIRECTV for Service in accordance with this Agreement. If any of the foregoing occur, you are obligated to DIRECTV for payment of the Service from and after the earlier of (i) the date you learn of the L&I Dealer’s cessation or failure of payment, (ii) the date DIRECTV notifies you that the L&I Dealer is no longer authorized to perform billing activities or (iii) L&I Dealer’s insolvency or inability to pay its debts in the ordinary course.

You are responsible for manually deleting any content recorded with the DIRECTV DVR Service that is not automatically deleted (see Section 6(b) of the General Terms and Conditions). To delete: (1) Turn on the TV, (2) Push the playlist button on the remote control, (3) Push the dash (-) to delete all, (4) An on-screen message will appear asking you if you want to delete all recordings, and (5) Press Yes.

CUSTOMER SIGNATURE: CUSTOMER AGREES TO THE TERMS AND CONDITIONS OF THIS AGREEMENT, INCLUDING THIS COVER PAGE AND EACH OF THE SCHEDULES ATTACHED HERETO. THIS AGREEMENT IS NOT BINDING ON DIRECTV UNTIL ACTIVATION.

Legal Name of Customer: _____ Name of Person Signing: _____
Operating Name: _____ Print Title: _____
Date: _____ Phone: _____ Signature: _____

[THIS AGREEMENT INCLUDES ONE OR MORE SCHEDULES TO WHICH YOU ARE BOUND BY SIGNING ABOVE]

L&I DEALER SIGNATURE: BY SIGNING, L&I DEALER CERTIFIES THAT (A) IT HAS EXPLAINED THIS AGREEMENT TO THE CUSTOMER, INCLUDING THE PAYMENT OF THE SUBSIDY AMOUNT (AS DEFINED HEREIN), BILLING AND COLLECTION OBLIGATIONS AND EACH OF THE SCHEDULES HERETO; (B) THE INFORMATION PROVIDED HEREIN IS, TO THE BEST OF THE UNDERSIGNED’S KNOWLEDGE, COMPLETE AND ACCURATE; AND (C) THE UNDERSIGNED HAS VERIFIED THE ACCURACY OF THE INFORMATION BY PERSONALLY VISITING THE L&I ESTABLISHMENT. L&I DEALER FURTHER CERTIFIES THAT IF THE CUSTOMER IS ENTITLED TO A SUBSIDY AMOUNT, DIRECTV WILL PAY SUCH SUBSIDY AMOUNT TO L&I DEALER AND L&I DEALER WILL ACCURATELY TAKE INTO ACCOUNT SUCH AMOUNTS IN BILLING STATEMENTS SUBMITTED BY L&I DEALER TO THE CUSTOMER.

Legal Name of L&I Dealer: _____ Name of Person Signing: _____
Operating Name: _____ Print Title: _____
Date: _____ Phone: _____ Signature: _____

L&I ESTABLISHMENT AND L&I DEALER INFORMATION

DIRECTV Account Number:		Bill to <input type="checkbox"/> Physical Address <input type="checkbox"/> Mailing Address <input type="checkbox"/> L&I Dealer Billing Authorized	
Full Legal Name of Customer:			Unit Count:
Property Name:			
Brand Affiliation (if any):			
Physical Address:			
Contact at Property:		Property Phone Number:	
Mailing Address (if different):			
Contact at Mailing Address:		Mailing Address Phone Number:	
Dealer Name:		Dealer Corp ID:	Dealer Number:
Legal Structure of Customer: <input type="checkbox"/> Corporation <input type="checkbox"/> LLC <input type="checkbox"/> Partnership <input type="checkbox"/> Sole Proprietor <input type="checkbox"/> Government <input type="checkbox"/> Other: _____			
If Customer is corporation, limited liability company or limited partnership, state of organization: _____			
If Customer is general partnership, state in which principal place of business is located: _____			
If Customer is sole proprietorship, state of principal residence: _____			
Federal Tax ID:			Tax Exempt: <input type="checkbox"/> Yes <input type="checkbox"/> No

L&I ESTABLISHMENT TYPE

Check One	Type	Example	Total Unit Determination
<input type="checkbox"/>	Hotel	Hotel, Motel, Resort and Inn	Total number of outlets connected to the DTV Receiving Equipment (if the maximum number of available rooms for rent is less than the number of outlets, maximum number of available rooms can be used, plus any other non-public areas approved by DIRECTV)
<input type="checkbox"/>	Long Term Health Care	Nursing Home, Assisted Living, Long Term Care Facility	Total number of outlets connected to the DTV Receiving Equipment (if the maximum number of available rooms for rent is less than the number of outlets, maximum number of available rooms can be used, plus any other non-public areas approved by DIRECTV)
<input type="checkbox"/>	Short Term Health Care	Hospital, Medical Clinics, Dialysis Clinics	Total number of outlets connected to the DTV Receiving Equipment
<input type="checkbox"/>	Dormitory	College, University, Convent or other dormitory housing setting	Total number of outlets connected to the DTV Receiving Equipment
<input type="checkbox"/>	Recreation	Marinas, Camp Grounds, RV Parks	Total number of outlets connected to the DTV Receiving Equipment
<input type="checkbox"/>	Prison	Prisons and Correctional Facilities	Total number of outlets connected to the DTV Receiving Equipment

PROGRAMMING SELECTION

Select the Services Customer wishes to order by checking the appropriate boxes below. Enter the Service price, if it is not already listed, for each selection using the Lodging and Institutions Rate Card. Use the per Unit price corresponding to the number of Units.

PACKAGE	UNIT PRICE	PACKAGE	UNIT PRICE	PACKAGE	UNIT PRICE						
<input type="checkbox"/> ULTIMATE	\$11.64	<input type="checkbox"/> HBO Package	\$2.75	<input type="checkbox"/> Encore [†]	\$ _____						
<input type="checkbox"/> ENTERTAINMENT	\$6.64	<input type="checkbox"/> HBO/Cinemax Package	\$2.75	<input type="checkbox"/> Other:	\$ _____						
<input type="checkbox"/> Local Channels*	\$0.50	<input type="checkbox"/> SHOWTIME Package	\$2.50	<input type="checkbox"/> Other:	\$ _____						
<input type="checkbox"/> HD Access	\$0.35	<input type="checkbox"/> Starz Super Pack	\$1.75	<input type="checkbox"/> Other:	\$ _____						
Charges must be based on 100% of the Units at all times. Pricing does not include taxes. Customer is responsible for taxes. Refer to your Service bill for taxes due. In certain areas, Service may be unavailable or additional restrictions may apply. Blackout restrictions and other conditions apply to sports programming. Programming and pricing may change. *Customers with Local Channels on account prior to 2/7/13 may maintain flat rate Local Channel Fee which as of 2/7/13 is \$59.99. For monthly total calculation to the right, either include per unit Local Channel rate or flat rate depending on Customer. [†] See Rate Card for price and Qualifying Premium Service (defined below) classification. **DRE CUSTOMERS: If you use Residential Experience Equipment, you must pay the following: Receiver Software Fee: DIRECTV will charge a \$0.25 software fee for all active receivers. Indicate the number of HD or HD DVR receivers to the right. DVR Property Service Fee: DIRECTV will charge a monthly DVR Property Service Fee. The DVR Property Service Fee is due at all times as long as DVR functionality is active.					Unit Price Subtotal:	\$ _____					
										Number of Units (include approved non-public areas):	
										Unit Price Total:	\$ _____
										<input type="checkbox"/> Local Channels (\$59.99)*	\$ _____
										<input type="checkbox"/> Receiver Software Fee** Number of Receivers _____	\$ _____
										<input type="checkbox"/> DVR Property Service Fee**	\$50.00
										Property Fees Total:	\$ _____
					GRAND TOTAL:	\$ _____					

DIRECTV HD RECEIVER SUBSIDY TERMS AND CONDITIONS – “Effective Date” is June 12, 2014, until replaced

These DIRECTV Receiver Subsidy Terms and Conditions set forth the additional terms and conditions of your receipt from DIRECTV of the Subsidy Amount (as defined below) in connection with your purchase or lease, through an L&I Dealer and/or a Lodging & Institutions equipment distributor (an “**L&I Distributor**”) (the party that provides Equipment shall be referred to herein as the “**Equipment Provider**”), of DTV Receiving Equipment consisting of certain hardware and/or software, including qualifying COM1000, COM2000 and DIRECTV Residential Experience distribution systems required for a centralized distribution system (the “**Distribution Equipment**”) that can provide the Service to your L&I Establishment.

YOU UNDERSTAND AND AGREE THAT YOU WILL RECEIVE THE SUBSIDY AMOUNT AS PART OF YOUR SUBSCRIPTION TO THE SERVICE, AND IF YOU DO NOT COMPLETE YOUR AGREEMENT PERIOD (DEFINED BELOW), THE APPLICABLE SUBSIDY AMOUNT MUST BE RETURNED TO DIRECTV IN ACCORDANCE WITH THE TERMS OF THIS AGREEMENT. YOU ALSO UNDERSTAND THAT YOU ARE ONLY ELIGIBLE TO RECEIVE THE SUBSIDY AMOUNT IF YOU APPLY IT TO DISTRIBUTION EQUIPMENT PURCHASED OR LEASED AFTER THE DATE OF THIS AGREEMENT. YOU WILL STILL BE CONSIDERED THE RECIPIENT EVEN THE EQUIPMENT SUBSIDY WILL BE PROVIDED TO THE EQUIPMENT PROVIDER.

EQUIPMENT SUBSIDY; PROGRAMMING REQUIREMENT AND DISCOUNT: If you wish to receive the Subsidy Amount, you must purchase or lease the Distribution Equipment, subscribe to the Required Primary Channels for the Agreement Period (as defined below) and initial the requested Subsidy Amount in the table below related to the number of Units in your L&I Establishment. DIRECTV Service will be provided at the rates set forth on the Commercial Lodging & Institutions Rate Card in effect from time to time (the “**Rate Card**”), which means all prices contained in these terms and conditions are subject to change. **IN OTHER WORDS, THE ACTUAL PER UNIT RATE FOR THE CHANNELS WILL INCREASE IF THE RATE ON THE RATE CARD INCREASES.**

Initial One	Per Unit Subsidy Amount	Number of Units	“Subsidy Amount”	L&I Package	“Required Primary Channels”	Per Unit Rate
	\$75	_____	\$_____	DRE Bundle	Ultimate or Entertainment HD Access* Locals Any Qualifying Premium Services**	See Rate Card*
	\$54	_____	\$_____	HD Bundle	Ultimate or Entertainment HD Access* Locals Any Qualifying Premium Services**	See Rate Card*
	\$18	_____	\$_____	HD Base	Ultimate or Entertainment HD Access* Locals	See Rate Card*

YOU ARE ONLY ELIGIBLE TO RECEIVE A SUBSIDY AMOUNT IF YOUR L&I ESTABLISHMENT IS AT LEAST 20 UNITS.

*Please review the Rate Card for pricing and requirements. Final price does not include applicable sales tax. Applicable taxes will be added monthly to your account. To access DIRECTV HD programming, the per Unit HD Access fee and HD equipment are required. DRE customers will be charged a receiver software fee and a DVR property service fee.

**Qualifying Premium Services (QPS) are: (1) HBO Package, (2) HBO/Cinemax Package, (3) Showtime Package, (4) Starz Super Pack or (5) Encore (see Rate Card for Qualifying Premium Service classification).

PROGRAMMING AND SUBSIDY AGREEMENT. You agree to subscribe to the Required Primary Channels and pay the appropriate programming fees for a period of not less than 5 years (sixty (60) consecutive months) from the date of activation (the “**Agreement Period**”). After you have fulfilled your Agreement Period, you are not obligated to continue your subscription to the Service for any specific duration. If you fail to maintain your subscription to the Required Primary Channels, and pay the appropriate programming fees for the Required Primary Channels for the entire Agreement Period, you agree that you will pay an early cancellation fee equal to the full Subsidy Amount provided to you. For example, if you selected the DRE HD Bundle for an L&I Establishment with 100 Units and DIRECTV paid you a Subsidy Amount of \$7,500, and you cease payment at any time before the end of the Agreement Period, you will refund to DIRECTV \$7,500. Payment is due within thirty (30) days of receipt of a notice of failure to complete the Agreement Period. If you fail to make payment, DIRECTV may, at its option: (a) pursue legal remedies against Customer for and receive the total amount due; and/or (b) access the L&I Establishment and remove the DTV Receiving Equipment pursuant to the security interest granted below. Customer agrees that it will pay all expenses (e.g. attorneys’ fees) incurred in connection with the enforcement of any remedies.

PAYMENT OF SUBSIDY AMOUNT. Following activation of the Required Primary Channels, if you are entitled to a Subsidy Amount, DIRECTV will pay such Subsidy Amount directly to your Equipment Provider. Please initial below to indicate that you understand and agree that payment of the Subsidy Amount will be made to your Equipment Provider, and that DIRECTV will look to you for payment of the Subsidy Amount if you fail to fulfill the Agreement Period as set forth above.

Initial Here: _____

EQUIPMENT INSTALLATION AND MAINTENANCE. You shall arrange with an L&I Dealer for the timely delivery and installation of the DTV Receiving Equipment to your L&I Establishment. As between DIRECTV and Customer, Customer shall be solely responsible for any and all costs associated with the installation and maintenance of the DTV Receiving Equipment. Customer agrees that DIRECTV is not responsible to provide the installation, maintenance or service on the DTV Receiving Equipment and any claims about installation, maintenance, service or breach of warranty will not eliminate your obligation to complete the Agreement Period. Customer, at its own expense, shall provide and maintain for each item of DTV Receiving Equipment, insurance against loss, theft and damage in an insured amount equal to the full replacement value of such item of DTV Receiving Equipment.

WARRANTY LIMITATIONS AND SPARES. YOU UNDERSTAND THAT ALL WARRANTY CLAIMS FOR THE DTV RECEIVING EQUIPMENT MUST BE HANDLED BETWEEN YOU AND THE EQUIPMENT PROVIDER. DIRECTV MAKES NO WARRANTY, EITHER EXPRESSED OR IMPLIED, REGARDING THE DTV RECEIVING EQUIPMENT. ALL SUCH WARRANTIES INCLUDING, WITHOUT LIMITATION, THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, ARE EXPRESSLY EXCLUDED. DIRECTV IS NOT RESPONSIBLE FOR ANY SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES RELATING TO THE EQUIPMENT OR SUBSIDY AMOUNT. Please contact your Equipment Provider for specific warranty details.

PROTECTION AND OWNERSHIP OF EQUIPMENT AND GRANT OF SECURITY INTEREST. You shall have no right to sell, give away, transfer, remove or relocate the DTV Receiving Equipment at any time during the Agreement Period without DIRECTV's prior written consent. You agree DIRECTV's rights and interests are irrevocable and coupled with an interest, such that the rights and obligations hereunder shall constitute covenants and restrictions running with the land, binding and inuring to the benefit of all future owners of the L&I Establishment or of any interest in the L&I Establishment but, notwithstanding any method of affixation or any applicable law relating to fixtures, no portion of the DTV Receiving Equipment will be deemed a fixture of the L&I Establishment during the Agreement Period. By signing this Agreement, you grant DIRECTV a security interest in all DTV Receiving Equipment and all proceeds of them in any form, to secure payment and performance of all of your obligations under this Agreement. By signing this Agreement, you also agree to provide, and you authorize DIRECTV to prepare and file, such additional documentation as DIRECTV deems reasonably necessary to establish or perfect this security interest, including without limitation financing statements. Both parties intend that this Agreement shall inure to the benefit of their respective assigns, transferees, successors-in-interest, secured parties and collateral assignees, and that it shall continue in full force and effect after any sale of L&I Establishment and be binding on all subsequent owners. Customer shall provide DIRECTV with written notice of any proposed sale, transfer or conveyance of the L&I Establishment at least thirty (30) days prior to the scheduled closing. To the extent a Guaranty Addendum is attached to this Agreement, Customer's payment and performance of the Obligations shall be absolutely, unconditionally, irrevocably, and jointly and severally guaranteed by the persons or entities identified as guarantors therein. You agree to pay DIRECTV a reasonable UCC filing and processing fee, not to exceed \$50.00, which amount may be billed by DIRECTV.

1. OUR SERVICE. These are the terms on which we will provide you Service:

(a) **Program Choices and DTV Receiving Equipment and Programming Changes.** You must subscribe to a base package in order to receive additional Services such as premium movie services or sports subscriptions. All programming selections have their own rates, terms and conditions. Information about programming is at www.directv.com. Many factors affect the availability, cost and quality of programming and may influence the decision to raise prices and the amount of any increase. These include, among others, programming and other costs, consumer demand, market and shareholder expectations, and changing business conditions. Accordingly, we have the unrestricted right to change, rearrange, add or delete our programming packages, the selections in those packages, our prices, and any other Service, at any time. We will endeavor to notify you of any change within our reasonable control and its effective date.

(b) **Access Card.** You have received conditional access cards (referred to collectively, as the "Access Card") and a License Agreement governing your use of the Access Card while you are receiving our Service. Tampering with or other unauthorized modification of the Access Card is strictly prohibited and may result in criminal or civil action. Tampering with or inserting any device into your DTV Receiving Equipment other than an authorized unmodified Access Card is prohibited. DIRECTV reserves the right to cancel or replace the Access Card. Upon request, the card must be returned to DIRECTV. If you do not return the Access Card to DIRECTV when you cancel your Service, you may be charged a fee. Requesting Access Cards on behalf of other persons or for purposes other than lawful viewing of DIRECTV Service is prohibited. Access Cards are the exclusive property of DIRECTV.

(c) **Viewing Limitations and Blackouts.** You may not resell, rebroadcast, transmit or perform the programming, charge admission for its viewing or transmit or distribute running accounts of the Services. You shall not charge your Units (nor the guests, residents, or other occupants of Units) for the viewing of, or listening to, any Service(s) but shall distribute all of the Services free of charge and as a convenience of occupancy. All Units located at the L&I Establishment shall receive all of the Services. Notwithstanding the provisions of Section 8, we or any programming provider may prosecute violations of the foregoing against you and other responsible parties in any court of competent jurisdiction, under the rules and regulations of the Federal Communications Commission and other applicable laws. Certain programming, including sports events, may be blacked out in your local reception area or otherwise unavailable to L&I Establishments in your local reception area due to legal, contractual or other restrictions. Blackout restrictions are decided by the sports leagues and the other entities that own the local broadcast rights. You may visit www.directv.com for more blackout information. If you circumvent or attempt to circumvent any of these blackouts, you may be subject to legal action.

(d) **Your Viewing Restrictions, Inspection.** It is your responsibility to impose any viewing restrictions on employees or guests, as you think appropriate. We are not responsible to you or anyone else based on the content of our programming. Please visit www.directv.com for information on parental controls, locks and limits on your account. DIRECTV, or its authorized agent, shall have the right to inspect your DTV Receiving Equipment at any time during your normal business hours. If we reasonably determine that you are in breach of any of these rules for use, or of your obligations under this Agreement, we may immediately deactivate any or all Services provided to you. If Services to you are so deactivated, in addition to the indemnification obligations described below, you are still responsible for payment of all outstanding balances. You agree that all Services will be exhibited in entirety, in original form and as provided by us, without any modifications, additions (including the addition of a crawl line) or deletions to any of the Services.

(e) **Names and Marks.** You may not use any of our Marks without our prior written consent. "Marks" means any trademarks, symbols, logos, etc., whether owned by DIRECTV or a third party(s), that are used in connection with or are otherwise associated with the Services. DIRECTV may include the L&I Establishment's name and address and other commercially available information in customer lists and in marketing materials.

2. PAYMENT. In return for receiving our Service, you promise to pay as follows:

(a) **Programming, Taxes and Fees.** You will pay in advance, at our rates in effect at the time for all Service and DTV Receiving Equipment ordered by you or anyone who uses your DTV Receiving Equipment, with or without your permission, until the Service is canceled or your account is properly transferred. If the Service is part of an offer through which you receive credits offsetting all or part of the Service price or DTV Receiving Equipment, such credits are also paid in advance. If you cancel the Service, you are no longer entitled to receive the credits and we reserve the right to recoup pre-paid credits. The outstanding balance is due in full each month. You may use a credit or debit card to establish recurring payments, authorize a monthly ACH payment, or pay by mail. See Section 4(c) and (d) regarding payment upon cancellation. We may, in our discretion, accept partial payments, which will be applied to the oldest outstanding statement. No "payment in full" notation or other restrictive endorsement written on your payments will restrict our ability to collect all amounts owing to us. We may reduce your Service to a minimum service level, at our rates in effect at the time, or deactivate your Service if you do not pay your statements on time, after any applicable grace period. You will pay all state and local taxes or other governmental fees and charges, if any, which are assessed. To control the basic charges which apply to all customers, we may charge fees that arise in specific circumstances only to those customers responsible for them.

(b) **Billing Statements.** Subject to any third party billing relationship, if you receive your bill from DIRECTV, we will send you a statement for each billing cycle (usually once every 30 days) unless you have a zero or nominal balance due, or a nominal credit balance, on your account at the end of a billing cycle. If you receive your bill from an L&I Dealer, please speak with them regarding payments and timing of payments. Statements from DIRECTV will show: (1) payments, credits, purchases and any other charges to your account, (2) the amount you owe and (3) the payment due date. If you think a statement is incorrect or if you need more information about it, contact us immediately. We will try to resolve any complaints as promptly as we can, but you must contact us within 60 days of receiving the statement in question. Undisputed amounts must be paid by the due date to avoid a late fee and reduction or deactivation of Service.

(c) **Consents Regarding Credit; Collection Costs.** In order to establish an account with us, you authorize us to inquire into your corporate or personal creditworthiness, as applicable (subject to Section 5), by checking with credit reporting agencies. If you are delinquent in any payment to us, you also authorize us to report any late payment or nonpayment to credit reporting agencies. Due to the subjective nature of creditworthiness, we reserve the right to require prepayment for any Service via cashier's check, money order or credit card, notwithstanding your credit rating, past history or practice. To the extent permitted by law, you will pay us any collection costs and fees we reasonably incur.

3. CUSTOMER INFORMATION

(a) **Representations and Warranties.** The person ordering Service represents and warrants that (s)he is authorized to agree to the terms of this Agreement, and that all rights, approvals and consents necessary to enter into this Agreement have been obtained. You have had the opportunity to consult with an attorney or any other person/entity of your choosing for legal/professional advice prior to agreeing to this Agreement. Further, you have read and understand the contents, terms, conditions and effects of this entire Agreement. You represent, warrant, acknowledge and agree that (i) there is no agreement or understanding with any third party that conflicts or interferes with this Agreement; (ii) you grant DIRECTV the right to deliver satellite entertainment programming and services and to use all equipment on-site in order to provide the Services; (iii) the Services shall only be displayed or exhibited in Units at L&I Establishments at which persons will view the Services on a free-to-guest basis; and (iv) unless otherwise authorized by DIRECTV, you shall not display or exhibit, and shall not permit others to display or exhibit, in any manner whatsoever, any of the Services received in areas accessible to the public and/or common areas (such as bar, restaurant, diner, stadium, casino, club, cafe, theater). If your business or establishment does not meet the qualification for L&I Establishment but you still wish to receive the Service, you may qualify for other types of commercial establishment services subject to a separate commercial agreement.

(b) **Contact Information.** In connection with entering into this Agreement and during the term, you agree to provide organization documents, government issued identification or other documentation requested by DIRECTV to confirm your full legal name and your state of organization or principal place of business or residence. You also agree to provide true, accurate, current and complete contact information about your L&I Establishment, and maintain and promptly

update your contact information to keep it true, accurate and complete. If you provide a cellular telephone number, you acknowledge and consent that we may call you on your cellular phone for business purposes, including collections calls. You also grant permission for us to send non-marketing service or account related text messages to your cellular phone. Your carrier's message and data rates may apply but, you may opt out of the text messages at any time.

4. TERM, CHANGES IN CONTRACT TERMS AND CANCELLATION.

(a) **Change in Terms.** We reserve the right to change the terms and conditions on which we offer Service. If we make any such changes, we will send you a copy of your new L&I Service Agreement with its effective date. If you do not accept any such changed terms or conditions, subject to Sections 4(c) and (d), you have the right to cancel your Service. If you elect not to cancel your Service after receiving a new L&I Service Agreement, your continued receipt of Service constitutes acceptance of the changed terms and conditions. If you notify us that you do not accept such terms and conditions, then we may cancel Service.

(b) **Term.** The term of this Agreement shall run concurrently with any commitment you agreed to in consideration for DTV Receiving Equipment or promotional Service offers, whether set forth in the Agreement or agreed to by you separately before or after the date of this Agreement. Following the end of any such commitment, the Term shall continue indefinitely and Service will continue until canceled as provided herein. If you did not agree to a definitive term commitment in consideration for DTV Receiving Equipment or a promotional Service offer, the term of this Agreement is indefinite and Service will continue until cancelled as provided herein. In either case, unless you notify us that you wish to cancel it, we will automatically renew Service that you subscribe to on a periodic basis, including any monthly or annual subscriptions and seasonal sports subscriptions, as long as we continue to carry the Service. The term of this Agreement is distinct from any term of an agreement between you and an L&I Dealer, and the termination of one shall not directly affect the other.

(c) **Cancellation.** You may cancel Service by notifying us in writing (including by email or facsimile). In addition to cancelling in writing, DIRECTV may accept cancellation requests over the phone; however, DIRECTV is not required hereunder to do so. If your account remains active and you have only notified DIRECTV of cancellation over the phone you remain responsible for all fees accrued until you provide notice in writing. Your notice becomes effective when received by us in writing. You will still be responsible for payment of all fees accrued through that effective date. In addition to any deactivation or change of service fees, if you cancel Service or change your Service package, you may be subject to an early cancellation fee if you agreed to a fixed term with DIRECTV in connection with the receipt of any promotional Service offer or the receipt of any DTV Receiving Equipment, and fail to maintain the required Service for the required period of time. We will not credit seasonal sports subscriptions after the season starts. We may cancel Service at any time if you fail to pay amounts owing to us when due, subject to any grace periods, breach any other provision of this Agreement, or act abusively toward our staff. In such case, you will still be responsible for payment of all fees as described in Section 4(c). We may also cancel Service if you do not to accept any changed terms. Any agreement with an L&I Dealer is separate and apart from this Agreement; cancellation of your Service does not affect any rights or obligations between you and an L&I Dealer.

(d) **Credit Balances.** Subject to any third party billing relationship, if you receive your bill from DIRECTV, when your account is closed, we will review your account and refund any excess monetary payments. Unused portions of retention or similar credits will not be refunded. If your credit balance is less than \$1.00 we will not issue you a refund unless you make a written request for the refund. If you do not make such a written request for the refund within one year of the close of your account, you forfeit any credit balance remaining on your account and your account balance will be reset to zero. You understand that you will incur fees and charges as a result of your receipt and use of Service and/or DTV Receiving Equipment, and may incur early cancellation fees and/or equipment non-return fees. By giving us your credit or debit card account information at any time, you authorize us to apply this method of payment, in accordance with applicable law, to satisfy any and all amounts due upon cancellation. You further acknowledge that you are required to maintain current credit or debit card information with us and agree to notify us whenever there is a change in such information.

5. **GOVERNMENTAL ENTITIES.** The parties recognize that DIRECTV is a provider of a commercial service and, even if Customer is a government entity, that the provision of the Service does not deem DIRECTV a "government contractor" or subject DIRECTV to federal, state or local procurement regulations applicable to government contractors. Notwithstanding anything herein, if you are a government entity, to the extent applicable law prohibits (a) credit inquiries or reporting of government entities to credit bureaus, Section 2(c) shall not apply, (b) the payment of cost of collection, Section 2(c) shall not apply, (c) indemnification of commercial vendors, indemnification under Section 7(d) shall not apply and (d) the resolution of disputes through arbitration, Section 8 shall not apply. Section 2(a) shall be subject to a government entities' tax exempt status.

6. SOFTWARE LICENSE AND DVR SERVICE.

(a) **Software.** Some DTV Receiving Equipment incorporates software which is owned by DIRECTV or its third party licensors (the "software"). Before using the DTV Receiving Equipment, read the terms and conditions for use of the software located in the user manual and at www.directv.com. If you do not agree to these terms you may not use the DTV Receiving Equipment and may not activate the Service and should immediately return the DTV Receiving Equipment to DIRECTV.

(b) **DVR Service.** DIRECTV DVR Service is only available to DRE customers with DVR-enabled DTV Receiving Equipment. The DIRECTV DVR Service is not authorized for use in any other environment, and may be used only for private non-commercial viewing purposes. The DIRECTV DVR Service gives your guests or occupants the ability to see and record televised programs ("Third Party Content") while in a Unit. You understand that Third Party Content is the copyrighted material of the third party that supplies it, is protected by copyright and other applicable laws, and may not be reproduced, published, broadcast, rewritten or redistributed without the written permission of the third party that supplied it, except to the extent allowed under the "fair use" provisions of the U.S. copyright laws or comparable provisions of foreign laws. You agree that DIRECTV will have no liability to you, or anyone else who uses your DIRECTV DVR Service, with regard to any Third Party Content. If content recorded using the DIRECTV DVR Service is not automatically deleted when a guest or occupant vacates a Unit, you agree to manually delete such content prior to occupancy by another guest or occupant. You agree to indemnify, defend and hold harmless DIRECTV from and against any and all claims, damages, liabilities and expenses arising from any failure to manually delete recorded content. DIRECTV may, from time to time change, add or remove features of the DIRECTV DVR Service, or change the service fee.

7. LIMITS ON OUR RESPONSIBILITY

(a) **Service Interruptions and Warranty Disclaimer.** Service may be interrupted from time to time for a variety of reasons. We are not responsible for any interruptions of Service due to acts of God, power failure or any other cause beyond our reasonable control. For an interruption of a significant length of time that is within our reasonable control, upon your request we will provide what we determine to be a fair and equitable adjustment to your account to make up for a Service interruption. THIS IS YOUR SOLE REMEDY AND OUR SOLE DUTY. You agree that this Agreement does not provide for, and the Service does not include, any warranty services or other services that we might provide separately, including, without limitation, any fee based or other programs. WE MAKE NO WARRANTY REGARDING ANY SERVICE OR DTV RECEIVING EQUIPMENT, WHICH IS PROVIDED AS IS. ALL SUCH WARRANTIES, INCLUDING, THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, ARE EXPRESSLY EXCLUDED. YOU BEAR THE ENTIRE RISK AS TO THE QUALITY AND PERFORMANCE OF DTV RECEIVING EQUIPMENT AND ARE RESPONSIBLE FOR THE ENTIRE COST OF REPAIR.

(b) **Limitations of Liability.** WE ARE NOT RESPONSIBLE FOR ANY INDIRECT, CONSEQUENTIAL, SPECIAL, PUNITIVE, INCIDENTAL DAMAGES OR LOSSES RELATING TO THE DTV RECEIVING EQUIPMENT OR ANY SERVICE, WHETHER BASED ON NEGLIGENCE OR OTHERWISE. WE SHALL NOT

BE LIABLE FOR COSTS OF PROCUREMENT OF SUBSTITUTE GOODS OR SERVICES, NOR FOR ANY LOSS OF PROFITS, LOSS OF BUSINESS, LOSS OF USE, OR INTERRUPTION OF BUSINESS.

(c) **Exhibition and Music Rights.** WE SHALL HAVE NO LIABILITY TO ANY PERSON OR ENTITY DUE TO OR BASED ON THE CONTENT OR YOUR EXHIBITION OF ANY OF THE SERVICES PROVIDED BY US INCLUDING, BUT NOT LIMITED TO, LIABILITY FOR THE PAYMENT OF ANY REQUIRED MUSIC LICENSE FEES. IF YOU WISH TO PLAY MUSIC (OTHER THAN MUSIC SERVICES PROVIDED BY DIRECTV AS PART OF A PACKAGED MUSIC CHANNEL SERVICE AND DISPLAYED IN ACCORDANCE WITH OUR RULES OF USE), INCLUDING MUSIC INCLUDED WITHIN TELEVISION PROGRAMMING OR ADVERTISING, IN YOUR L&I ESTABLISHMENT YOU ARE RESPONSIBLE FOR ALL REQUIRED MUSIC LICENSE FEES.

(d) **Indemnification.** YOU AGREE TO INDEMNIFY, DEFEND AND HOLD DIRECTV, ITS OFFICERS, EMPLOYEES, AGENTS AND REPRESENTATIVES HARMLESS FROM AND AGAINST ANY AND ALL CLAIMS, DAMAGES, LIABILITIES, EXPENSES (INCLUDING REASONABLE ATTORNEYS' FEES AND COSTS OF LITIGATION), LOSSES, JUDGMENTS AND ASSESSMENTS OF ANY KIND DIRECTLY OR INDIRECTLY RESULTING FROM YOUR BREACH OF ANY OF OBLIGATIONS HEREUNDER.

8. **RESOLVING DISPUTES.** Any legal or equitable claim relating to this Agreement or your Service (referred to as a "Claim") will be resolved as follows:

(a) **Resolution.** We will first try to resolve any Claim informally. Accordingly, neither of us may start a formal proceeding (except for Claims described in Section 8(b) below) for at least 60 days after one of us notifies the other of a Claim in writing. You will send your notice to the address on the first page of this Agreement, and we will send our notice to your billing address. Except as provided in Section 8(b), if we cannot resolve a Claim informally, any Claim either of us asserts will be resolved only by binding arbitration. The arbitration will be conducted under the Commercial Arbitration Rules of the American Arbitration Association that in effect as of the Effective Date of this Agreement, and the parties agree to apply the Expedited Procedures set forth in those Commercial Arbitration Rules (Commercial Arbitration Rules with Expedited Procedures referred to herein as "AAA Rules"). The arbitration will also be conducted under the rules set forth in this Agreement. If there is a conflict between AAA Rules and the rules set forth in this Agreement, the rules set forth in this Agreement will govern. ARBITRATION MEANS THAT YOU WAIVE YOUR RIGHT TO A JURY TRIAL. Unless the Claim exceeds \$25,000, exclusive of interest and arbitration costs, the dispute shall be resolved by submission of documents and there will be no hearing. For arbitrations in which a hearing is held, the arbitration hearing will be held in the city of your commercial establishment unless you and we both agree to another location or telephonic arbitration. To start an arbitration, you or we must do the following things: (1) Write a Demand for Arbitration (The demand must include a description of the Claim and the amount of damages sought to be recovered), (2) Send three copies of the Demand for Arbitration, plus the appropriate filing fee, to: American Arbitration Association, Attn: Case Filing Services (1101 Laurel Oak Road, Suite 100, Voorhees, NJ 08043 - 1- 877-495-4185) and (3) Send one copy of the demand for arbitration to the other party.

(b) **Special Rules.** In the arbitration proceeding, the arbitrator has no authority to make errors of law, and any award may be challenged if the arbitrator does so. Otherwise, the arbitrator's decision is final and binding on all parties and may be enforced in any federal or state court that has jurisdiction. Neither you nor we shall be entitled to join or consolidate claims in arbitration by or against other individuals or entities, or arbitrate any claim as a representative member of a class or in a private attorney general capacity. The arbitrator shall award attorneys' fees and costs to the party that the arbitrator determines prevailed at the arbitration. A court may sever any portion of Section 8 that it finds to be unenforceable, except for the prohibition on class or representative arbitration. Notwithstanding this Section 8: (i) any Claim based on Section 1(c) above, (ii) any dispute involving a violation of the Communications Act of 1934, 47 U.S.C. § 605, the Digital Millennium Copyright Act, 17 U.S.C. § 1201, the Electronic Communications Privacy Act, 18 U.S.C. §§ 2510-2521 or any other statement or law governing theft of service, may be decided only by a court of competent jurisdiction; and (iii) an action may be asserted in small claims court in lieu of arbitration.

9. MISCELLANEOUS.

(a) **Notice.** Notices to you will be deemed given when personally delivered, addressed to you at your last known address and deposited in the U.S. Mail (which may include inclusion in your billing statement), or sent via Internet to the e-mail address you provided us or sent via satellite to your DTV Receiving Equipment or delivered when a voice message is left at the telephone number on your account. Unless otherwise required herein, notices to us will be deemed given when we receive them at the address on the first page.

(b) **Applicable Law.** The interpretation and enforcement of this Agreement and any disputes with DIRECTV shall be governed by the rules and regulations of the Federal Communications Commission, other applicable federal laws, and the laws of the state and local area where Service is provided to you. This Agreement is subject to modification if required by such laws. Notwithstanding the foregoing, Section 8 shall be governed by the Federal Arbitration Act.

(c) **Assignment.** We may assign your account or this Agreement and all rights and/or obligations hereunder to any third party without notice for any purpose, including, without limitation, collection of unpaid amounts, or in the event of an acquisition, corporate reorganization, merger or sale of substantially all assets to another entity. You hereby consent to such assignment. You must continue making all required payments to us in accordance with your billing statement, unless notified otherwise. You may not assign or transfer your Service, DTV Receiving Equipment, this Agreement or any or your rights and obligations under this Agreement without our prior written consent, not be unreasonable withheld. If, as part of the sale of your L&I establishment, you wish to transfer any of the foregoing, contact DIRECTV no later than thirty (30) days prior to the proposed effective date of the transfer, so that DIRECTV can review your account and determine whether DIRECTV will approve the transfer, such approval not to be unreasonably withheld.

(d) **Other.** This Agreement and any lease, activation, programming, or other service commitment agreement that you entered into with DIRECTV in connection with obtaining Service constitute our entire agreement. No salesperson or other representative is authorized to change it. If any provision is declared by a competent authority to be invalid, that provision will be deleted or modified to the extent necessary, and the rest of the Agreement will remain enforceable. The terms of this Agreement that expressly or by their nature survive termination shall continue thereafter until fully performed. No occupant of any Unit shall be deemed to have any privity of contract or direct contractual or other relationship with DIRECTV by virtue of this Agreement or delivering of the Services.