

Table of Contents

I.	Your Use of the Website	3
II.	PEC Content; Intellectual Property Rights	3
III.	E-mail and Electronic Text Communications, Generally	4
IV.	Optional Paperless Billing	4
٧.	Optional Midpoint E-mail Notifications	4
VI.	Optional Text Messaging	4
VII.	Online Bill Payment	5
VIII.	Links to and from Other Websites	5
IX.	User Content; Digital Millennium Copyright Act Notices	5
Χ.	Indemnity	7
XI.	Disclaimer of Warranty and Limitations on Liability	7
XII.	General Terms	7
XIII.	How to Contact Us	8

TERMS OF USE

These Terms of Use ("Terms") govern your use of the website and associated services and functionality (the "Website") of Pedernales Electric Cooperative, Inc. ("PEC"), including e-mail and other electronic communications with PEC. Please also see our <u>Privacy Statement</u> with respect to any information that we may receive online from you.

By accessing and using the Website (including by signing up for Online Bill Payment, News Feed or any other Website services), or by clicking "I Accept" when signing up for a user account at the Website ("Website Account"), you acknowledge that you have read, understood, and agree to be bound by these Terms. If you do not accept these Terms, you are not authorized to use the Website.

We may modify these Terms at any time, and we will post on the home page of the Website notification of any such modification for at least fourteen (14) days prior to the effective date of the modified Terms. Your use of the Website after the effective date of any modified Terms shall be subject to and governed by such modified Terms. Please note that we may discontinue some or all of the features and functionality associated with the Website at any time in our sole discretion.

I. Your Use of the Website

You hereby represent and warrant that any information you have provided to PEC through the Website is true and accurate to the best of your knowledge; and that you have read and accept the terms of our Privacy Statement.

The Website is for personal use only. The following activities are expressly prohibited: (i) collecting a user's username or e-mail address from the Website by electronic or other means without the user's consent; (ii) sending unsolicited e-mail or other communications using any information obtained in connection with the Website, (iii) any use of the Website which, in our sole judgment, jeopardizes the reliability, speed, or operation of the Website or any related computer systems, and (iv) any use of the Website for an illegal or improper purpose.

II. PEC Content; Intellectual Property Rights

Unless otherwise noted, all text, images, graphics, photographs, video clips, designs, icons, sounds, information, data, and other materials displayed, used, or incorporated by PEC on the Website ("PEC Content") are copyrights, trademarks, service marks, trade secrets, or other intellectual property or proprietary content owned or licensed by PEC. We authorize you to use the PEC Content for your own informational and educational purposes, provided that you do not remove copyright, trademark and other proprietary notices contained in the PEC Content. You may not modify the PEC Content, or reproduce, distribute, or otherwise use it for any public or commercial purpose without our prior written permission. Without limiting the foregoing, any use of the PEC Content on any other website without our prior written permission is prohibited. Nothing in these Terms shall be construed as granting any permission (except as set forth in this paragraph), right, or license in or to any of the PEC Content. PEC reserves all of its intellectual property rights in the PEC Content.

PEC's trademarks, logos, and service marks (collectively, "*Trademarks*") displayed on the Website are owned or licensed by PEC. Nothing contained on the Website or in these Terms should be construed as granting any license or right to use any of the Trademarks.

III. E-mail and Electronic Text Communications, Generally

If you select any optional services from PEC that include any e-mail or electronic text notifications or other communications, it is your responsibility to provide PEC with a valid e-mail address and/or a valid number assigned to your mobile phone or other device ("Mobile Device"), and you understand and agree that PEC will use such e-mail address and/or Mobile Device number for delivery of electronic notifications and other communications. It is also your responsibility to update such e-mail address and/or Mobile Device number, to ensure proper delivery of electronic communications to you. Failure to do so promptly could result in the interruption of such communications and could adversely affect your PEC utility account ("Utility Account") and PEC's ability to provide services to you. Your e-mail address and/or Mobile Device number can be changed on the "Your PEC Account" page of the Website, or by using any of the methods set forth in the "Contact Us" section below.

IV. Optional Paperless Billing

If you select the optional Paperless Billing service, you understand that PEC will stop mailing paper account and billing statements concerning your Utility Account to your physical, postal address, and will instead send e-mail notifications that your monthly account and billing statement is available to download from the Website. Late notices may be sent by e-mail, postal mail, or both. Disconnection notices will always be sent by postal mail, although an e-mail may also be sent.

In addition to these Terms, optional Paperless Billing services are governed by the <u>E-Records Disclosure</u>, which includes information concerning the methods by which you can withdraw your consent to electronic delivery of notifications and other communications related to your Utility Account. PEC is not responsible for any technical or other difficulties or errors that may arise in connection with the service, or that may prevent notifications from being sent or received.

V. Optional Midpoint E-mail Notifications

By selecting the optional Midpoint E-mail Notification service, you request that PEC send you an e-mail communication at or near the midpoint of each (monthly) billing cycle that informs you of your household's energy usage since the end of the previous cycle. The e-mail notification may include suggestions for reducing your energy usage and energy bill. You can opt-out of the Midpoint E-mail Notification service on the "Your PEC Account" page of the Website, or by using any of the methods set forth in the "Contact Us" section below.

The optional Midpoint E-mail Notification service is offered as a courtesy only. PEC is not responsible for any technical or other difficulties or errors that may arise in connection with the service, or that may prevent notifications from being sent or received.

VI. Optional Text Messaging

If you select optional Text Messaging services, you request that PEC send text message alerts to your Mobile Device concerning your Utility Account, including for example notifications when your billing statement is available for download from the Website (if you have signed up for Paperless Billing). By enrolling in the optional text messaging services, you are providing your express consent for PEC to send text messages to your Mobile Device concerning your Utility Account. In addition, you also consent to receive occasional text messages sent to your Mobile Device concerning other products or services offered by PEC. You can opt-out of the Text Messaging service on the "Your PEC Account" page of the Website, or by using any of the methods set forth in the "Contact Us" section below.

Although the optional Text Messaging services are currently offered free of charge by PEC, you understand that you are responsible for meeting all Mobile Device system requirements and for all associated costs and expenses, including, without limitation, all fees you may incur for data transfers and as a result of receiving text messages from PEC on your Mobile Device.

The optional Text Messaging service is offered as a courtesy only. PEC is not responsible for any technical or other difficulties or errors that may arise in connection with the service, or that may prevent messages from being sent or received.

VII. Online Bill Payment

PEC provides several different payment options that are available through the "Your PEC Account" page of the Website. You are responsible for reviewing all of the disclosures associated with each payment option, and for activating and deactivating any automatic payment plans in accordance with the disclosures and instructions associated with such payment plan.

VIII. Links to and from Other Websites

Some portions of the Website may include links to third-party websites ("External Websites"). Such links are provided solely as a convenience to you and not as an endorsement by us of the content on or any other aspect of such External Websites. The content of such External Websites is developed and provided by others. You should contact the website administrator or webmaster for those External Websites if you have any concerns regarding any content located on such External Websites. In addition, you should review the applicable terms and conditions and the privacy policy, if any, associated with any External Websites you may visit, because these Terms and our Privacy Policy do not apply to any External Websites, even if you were directed to an External Website via a link on this Website.

IX. User Content; Digital Millennium Copyright Act Notices

The Website may now or in the future permit the submission of content at the direction of users of the Website ("User Content") and the hosting, sharing, and/or publishing of such User Content. Although PEC does not undertake to review all User Content prior to submission and posting, PEC may review any User Content for compliance with these Terms, applicable law, or for any other legitimate purpose.

You shall be solely responsible for User Content you submit and the consequences of our posting or publishing such User Content. In connection with any User Content you submit, you affirm, represent, and warrant that: (i) you own or have the necessary licenses, rights, consents, and permissions to use and authorize use of all patent, trademark, trade secret, copyright or other proprietary rights in and to any and all User Content; and (ii) you have the written consent, release, and/or permission of each and every identifiable individual person in the User Content to use the name or likeness of each and every such identifiable individual person. By submitting the User Content, you grant PEC a perpetual, worldwide, non-exclusive, royalty-free, and assignable license to use, reproduce, distribute, prepare derivative works of, modify, display, publish, and perform all or any portion of the User Content in connection with the Website and PEC's business. PEC may maintain copies of any User Content for purposes of backup, security, or maintenance, or as required by law.

You agree that you will not: (i) submit User Content that is copyrighted, protected by trade secret or otherwise subject to third party proprietary rights, including privacy and publicity rights,

unless you are the owner of such rights or have permission from their rightful owner to post the material and to grant PEC the license rights granted herein; (ii) publish falsehoods or misrepresentations that could damage PEC or any third party; (iii) submit material that is unlawful, obscene, defamatory, libelous, threatening, pornographic, harassing, hateful, racially or ethnically offensive, or that encourages conduct that would be considered a criminal offense, give rise to civil liability, violate any law, or is otherwise inappropriate; (iv) post advertisements or solicitations of business; (v) post User Content files that are unreasonably large or that otherwise could interfere with the normal operation and functioning of the Website; or (vi) impersonate another person.

PEC does not endorse any User Content or any opinion, recommendation, or advice expressed therein, and we expressly disclaim any and all liability in connection with any User Content. We may remove any and all User Content from the Website in our sole discretion and without prior notice. We do not permit copyright infringing activities and infringement of intellectual property rights on this Website, and we will remove User Content if notified that such User Content infringes on another's intellectual property rights. We will terminate your access to the Website if we believe you are a repeat copyright infringer as determined under our internal policies and procedures.

If you are a copyright owner and believe that any User Content or any PEC Content infringes upon your copyrights, you or your agent may submit a notification pursuant to the Digital Millennium Copyright Act ("DMCA") by providing our Copyright Agent with the following information in writing (see 17 U.S.C § 512(c)(3) for further details):

- (i) A physical or electronic signature of a person authorized to act on behalf of the owner of an exclusive right that is allegedly infringed;
- (ii) Identification of the copyrighted work claimed to have been infringed, or, if multiple copyrighted works on the Website are covered by a single notification, a representative list of such works:
- (iii) Identification of the material that is claimed to be infringing or to be the subject of infringing activity and that is to be removed or access to which is to be disabled and information reasonably sufficient to permit PEC to locate the material:
- (iv) Information reasonably sufficient to permit PEC to contact you, such as an address, telephone number, and, if available, an e-mail address;
- (v) A statement that you have a good faith belief that use of the material in the manner complained of is not authorized by the copyright owner, its agent, or the law; and
- (vi) A statement that the information in the notification is accurate, and under penalty of perjury, that you are authorized to act on behalf of the owner of an exclusive right that is allegedly infringed.

Our designated Copyright Agent to receive notifications of claimed infringement and other notices relating to User Content and/or violation of these Terms is:

Legal Services c/o Pedernales Electric Cooperative, Inc. P.O. Box 1 Johnson City, Texas 78636 Fax: (830) 868-6000

E-mail: copyright@peci.com

X. Indemnity

You agree to indemnify, defend, and hold harmless PEC and its respective past and present directors, officers, employees, agents, and representatives (collectively, the "Indemnified Parties") from and against any and all claims, actions or demands, including, without limitation, reasonable legal and accounting fees, as a result of or in connection with (i) any actual or alleged use or misuse of the Website or User Content by you or by any other person using your Website Account; (ii) any communication or content uploaded or provided to the Website by you or by any other person using your Website Account; or (iii) any breach or threatened breach by you of these Terms. PEC shall provide notice to you of any such claim, suit, or proceeding and shall assist you, at your expense, in defending any such claim, suit or proceeding. PEC reserve the right to assume the exclusive defense and control of any matter which is subject to indemnification under this section; in such case, you agree to cooperate with all reasonable requests for assistance in connection with PEC's defense of such matter.

YOU ACKNOWLEDGE AND AGREE THAT THE INDEMNIFICATION OBLIGATION SET FORTH IN THE PRECEDING PARAGRAPH SHALL APPLY REGARDLESS OF WHETHER PEC OR ANY OTHER INDEMNIFIED PARTY IS NEGLIGENT IN WHOLE OR IN PART.

XI. Disclaimer of Warranty and Limitations on Liability

PEC DOES NOT WARRANT THAT THE WEBSITE WILL OPERATE ERROR-FREE OR THAT THE WEBSITE, ITS SERVER, OR THE CONTENT ARE FREE OF COMPUTER VIRUSES OR SIMILAR CONTAMINATION OR DESTRUCTIVE FEATURES.

THE WEBSITE IS PROVIDED ON AN "AS IS" AND "AS AVAILABLE" BASIS. TO THE FULLEST EXTENT PERMISSIBLE BY LAW, PEC DISCLAIMS ALL EXPRESS AND IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, THE WARRANTY OF TITLE, MERCHANTABILITY, NON-INFRINGEMENT OF THIRD PARTIES' RIGHTS, AND FITNESS FOR PARTICULAR PURPOSE.

OTHER THAN AS REQUIRED UNDER APPLICABLE CONSUMER PROTECTION LAW, IN NO EVENT SHALL PEC BE LIABLE FOR ANY DAMAGES WHATSOEVER (INCLUDING, WITHOUT LIMITATION, INCIDENTAL AND CONSEQUENTIAL DAMAGES, LOST PROFITS, OR DAMAGES RESULTING FROM LOST DATA OR BUSINESS INTERRUPTION)
RESULTING FROM THE USE OR INABILITY TO USE THE WEBSITE, WHETHER BASED ON WARRANTY, CONTRACT, TORT (INCLUDING NEGLIGENCE), OR ANY OTHER LEGAL THEORY, EVEN IF PEC HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

Some states do not allow exclusion of implied warranties or limitation of liability for incidental or consequential damages, so the above limitations or exclusions may not apply to you. IN SUCH STATES, PEC'S LIABILITY SHALL BE LIMITED TO THE GREATEST EXTENT PERMITTED BY LAW.

XII. General Terms

These Terms, and any rights and licenses granted hereunder, may not be transferred or assigned by you, but may be assigned by PEC to any successor-in-interest of one or more or PEC's business units.

The Website is primarily controlled, operated, and administered by PEC from Johnson City, Texas, and these Terms shall be governed by United States federal law and the laws of the state of Texas without regard to Texas rules regarding conflicts of laws. The exclusive venue and jurisdiction for any and all disputes arising out of or relating to these Terms shall be the

state courts located in Blanco County, Texas or the U.S. District Court for the Western District of Texas. You waive all objections to venue and personal jurisdiction with respect to such disputes in those courts.

If any provision of these Terms is found to be invalid by any court having competent jurisdiction, the invalidity of such provision shall not affect the validity of the remaining provisions of the Terms, which shall remain in full force and effect. Failure to act on or enforce any provision of the Terms shall not be construed as a waiver of that provision or any other provision in these Terms. No waiver shall be effective against us unless made in writing, and no such waiver shall be construed as a waiver in any other or subsequent instance.

XIII. How to Contact Us

PEC can be reached in the following ways:

<u>Via Mail</u>

Pedernales Electric Cooperative, Inc. P.O. Box 1 Johnson City, Texas 78636

Via E-mail

contactus@peci.com

Via Telephone

(888) 554-4732

Via Fax

(830) 868-4767

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