1. GENERAL
1.1 Service Definition. With Customer Premises Equipment (CPE) and Related Services, Verizon will provide Customer (a) title or use of CPE and licence for Software (collectively, a System), and
(b) related Deployment, Maintenance and/or Warranty Services for Systems or for Customer-furnished equipment (CFE), subject to availability.

1.2 **Platforms.** Except where explicitly stated otherwise, the terms of this Service Terms apply to Optimized Service (denoted with a + and sometimes referred to as Rapid Delivery) and non-Optimized Service. The non-Optimized Services include Services previously provided under the names Voice and Data Equipment and Related Services, CPE and Related Services, and CPE (as sold by MCI Communications Service, Inc. d/b/a Verizon Business Services).

2 **AVAILABLE VERSIONS OF CPE AND RELATED SERVICES:** Verizon offers four versions of CPE and Related Services: Equipment Procurement, Deployment, Maintenance and Warranty Services.

2.1 **Equipment Procurement**

2.1.1 **Service Definition.** With Equipment Procurement, Verizon provides a System to Customer – either for purchase, monthly recurring plan (MRP) or Direct Third Party Arrangement.

2.1.2 **Purchase.** With purchase, Verizon provides Customer title to hardware and a license for its software.

2.1.3 **MRP.** With MRP, Verizon provides Customer use of hardware and a license for its software.

2.1.4 **Direct Third Party Arrangement.** With Direct Third Party Arrangement, Verizon provides Customer use of CPE and a license for Software with the understanding that Customer enters into a separate financing arrangement with a third party from which Verizon has agreed to accept payments on Customer’s behalf. Customer remains responsible to Verizon for payment and other obligations under these Service Terms if they are not fully satisfied by the third party.

2.2 **Deployment Services**

2.2.1 **Service Definition.** With Deployment Services, Verizon provides staging, installation, implementation, move/add/change, de-installation, and/or custom services ordered by Customer.

2.2.2 **Standard Service Features.** Verizon provides Deployment Services in a timely manner, during Business Hours, and will make reasonable efforts to meet Customer-requested dates."

2.2.3 **Optional Service Features.** Customer may order any of the Deployment Service features below independently of any other, except for Basic and Enhanced Staging, which are alternative forms of the same feature.

2.2.3.1 **Basic Staging.** With Basic Staging, Verizon will stage and then ship the System to the Customer Site(s). Verizon will unpack and verify CPE with package documentation, record serial numbers, load operating system and incremental operating system updates, apply Customer-provided asset tags, power-up test, repackage, and ship (as applicable).

2.2.3.2 **Enhanced Staging.** Enhanced Staging includes all of the features of Basic Staging plus Verizon will configure the System as requested by Customer.

2.2.3.3 **Installation.** With Installation, Verizon will install the System at the Customer Site(s), verify System power-up and operation of network interfaces.

2.2.3.4 **Implementation.** With Implementation, Verizon will install Service Equipment required for the relevant Verizon managed network services. Verizon also will perform on-Site tests to ensure management applications are properly applied and operational.
2.2.3.5 **Move, Add, Change (MAC)**

- **Move.** For moves, Verizon will de-install the Customer designated equipment from the current designated Customer Site and then install the same equipment in the new designated Customer Site within the same building as shown in the applicable Service Order. Customer will provide packaging to protect the equipment to be moved.
- **Add.** For adds, Verizon will install the System at the Customer Site.
- **Change.** For Customer-requested changes, Verizon will deliver the System components required to implement the requested change to the Customer Site.

2.2.3.6 **De-installation.** With De-installation Services, Verizon will power down and pack equipment in Customer-provided packaging. Premises cables will be left in place.

2.2.3.7 **Custom.** Custom Deployment Services are provided as described in a statement of work (SOW) agreed upon under these Service Terms.

2.2.3.8 **Customer-Furnished Equipment (CFE).** Verizon will provide Deployment Services for approved CFE, which is treated as a System for that purpose.

2.3 **Maintenance Services.** Verizon offers both Verizon-branded and Third Party Services.

2.3.1 **Verizon-branded Maintenance (Verizon Care).**

2.3.1.2 **Service Definition.** With Verizon Care, Verizon will repair or replace defective covered Systems.

2.3.1.3 **Standard Service Features.** Verizon offers three levels of Verizon Care, as indicated below.

<table>
<thead>
<tr>
<th>Verizon Care Level</th>
<th>Support</th>
<th>Response Time</th>
<th>Management</th>
</tr>
</thead>
<tbody>
<tr>
<td>Verizon Care</td>
<td>8 x 5</td>
<td>Next Business Day</td>
<td>No</td>
</tr>
<tr>
<td>Verizon Care Advanced</td>
<td>24 x 7</td>
<td>4 hours</td>
<td>No</td>
</tr>
<tr>
<td>Verizon Care Premium</td>
<td>24 x 7</td>
<td>4 hours</td>
<td>Yes</td>
</tr>
</tbody>
</table>

- Verizon will make all reasonable efforts to isolate System defects of which it has received notice.
- Verizon will repair or replace defective Systems or parts as needed.
- Where Systems or parts are replaced, Verizon will use new or like new replacements of like kind and functionality from a manufacturer of Verizon’s choice.
- Verizon will restore the System to its prior working condition, except that Verizon will restore software to the last configuration implemented by Verizon, or to a later configuration if provided to Verizon by Customer.
- Verizon will provide Verizon Care during the period of time that the manufacturer supports the affected System. After that, Verizon will use reasonable efforts to provide Verizon Care until Customer upgrades or replaces the affected System.

2.3.1.4 **Optional Service Features.**

- **Customer-Furnished Equipment.** For CFE, Verizon will provide Verizon Care for approved CFE, which is treated as a System for maintenance purposes.

2.3.1.5 **Optimized Service-Only Optional Features -- Maintenance Reporting (which is also known as Verizon Advanced Care Reporting).** With Maintenance Reporting, Verizon provides reports which track and inventory Customer Systems. Verizon will work remotely with
Customer to coordinate the configuration and deployment of collection software on the designated Customer provided server in accordance with the manufacturer’s requirements at time of deployment. Customer will provide remote VPN to support the data collection. If Customer does not want network information to be transmitted and used for reports, Customer may request Verizon to remotely disable collection features or uninstall collector software, at which time Verizon will no longer be able to provide this Service.

2.3.2 Third Party- Services

2.3.2.1 Service Definition. With Third Party Services, a vendor (as Verizon’s subcontractor) provides Customer the level of service indicated in the applicable third party service agreement (TPSA) and end user license agreement (EULA), subject to the general terms of Customer’s Agreement with Verizon.

2.3.2.2 Standard Service Features. The TPSA and EULA are generally available on the vendor’s website as it may be updated from time to time. When ordering Third Party Services, Customer acknowledges having read and accepted the applicable TPSA and EULA. If a third party provides notice to Verizon that Customer has breached the TPSA and/or EULA, Verizon will have the right to terminate the applicable Third Party Service. A partial list of current TPSAs is provided below, however, additional TPSA may be provided to Customer from Verizon from time to time as required by a Service Order or via the vendor’s website. Verizon provides no warranties, guarantees or assurances of quality for Third Party Services.

- Riverbed Services. www.riverbed.com/license
- MobileIron. MobileIron server software may only be installed in Customer owned, maintained and/or controlled servers housed on Customer’s premise, or in data center space controlled by a third party, located within the United States.
- AirWatch. www.air-watch.com/downloads/legal/20130815_AirWatch_EULA.pdf. Customer’s acceptance of a Service Order containing AirWatch software represents agreement to license such AirWatch software under the AirWatch EULA. Maintenance and Support is included as part of manufacturer’s subscription license plan or at an additional annual fee under a perpetual license model as shown in a Service Order. In the case of a perpetual license, annual Maintenance and Support commences upon delivery of the software.

2.4 Warranty Service. With Warranty Services, Verizon will replace defective covered peripheral or endpoint equipment (e.g., IP phones, modems) using new, like new, or refurbished parts or equipment of like kind and functionality. Verizon will remotely validate that the equipment is defective and ship replacement equipment for delivery on the next Business Day. Customer is responsible for installing the replacement equipment.

3. SUPPLEMENTAL TERMS

3.1 Delivery. Where Verizon has a legal presence, System delivery to Customer Sites will be Delivered Duty Paid (DDP). Otherwise, delivery will be Delivered At Place (DAP).

3.2 Title and Security Interest.
• **Purchases.** Where a System is purchased and delivered within the same jurisdiction where Verizon has established a legal presence Verizon keeps title until fully paid; then title passes to Customer. Customer shall not give anyone else other than a Customer Affiliate, a security interest in the System, or allow a lien to be placed on it, until Customer has paid Verizon in full. For other purchase transactions, title to the System passes to Customer when it is shipped to Customer, or at the time indicated on the Service Order if different. As between Verizon and Customer, Verizon retains all right, title and interest in and to all software provided by Verizon.

• **MRP.** Title and security interest terms for MRP transactions are located in the “Title and Security for Systems Under MRP” section below.

• **Maintenance.** For Systems to which Customer holds title, upon replacement, Customer will hold title to the exchanged unit and Verizon will hold title to the replaced System or the part of a System that was replaced.

3.3 **Risk of Loss**

3.3.1 **Risk of Loss to a System.** Risk of loss or damage to a System passes to Customer when delivered to the Customer Site, or co-located in Verizon’s facilities, or Customer takes shipping responsibility (e.g. when Customer takes over shipping from point of import), whichever is earlier. Customer will give notice to Verizon if the System is lost or damaged as soon as Customer becomes aware of it.

3.3.2 **Risk of Loss to Customer Furnished Equipment.** Risk of loss or damage to CFE passes to Verizon when delivered to the Verizon-designated location, or Verizon takes shipping responsibility, whichever is earlier. After delivery to the Verizon-designated location, risk of loss or damage to CFE passes back to Customer when delivered to the Customer Site or Customer takes shipping responsibility, whichever is earlier.

3.4 **Cancellation and Early Termination of CPE Services.** Prior to Customer Acceptance, either Party may cancel a Service Order or a SOW for convenience, in whole or in part, upon written notice to the other Party. Except for MRP, after Customer Acceptance, either Party may terminate a Service Order for CPE Services for convenience, in whole or in part, upon 60 days prior written notice to the other Party. Except for MRP, if a CPE Service is terminated by Customer pursuant to this section, Verizon has no further responsibility under the Service Order and Customer will promptly pay Verizon an amount up to the full amount of the remaining payments that would have been due under the Service Order if not terminated and any expenses incurred by Verizon, which Customer acknowledges are liquidated damages reflecting a reasonable measure of actual damages and not a penalty. Where multiple SOWs are associated with these Service Terms, the termination of one or fewer than all of the SOWs will only affect the terminated SOWs, and any additional SOWs will remain in effect.

3.5 **Acceptance and Service Activation.** With respect to Deployment Services, the Service Activation Date for a System occurs upon Customer Acceptance. Customer will test the System and either accept or reject it within 5 Business Days after installation (the Test Period). Customer accepts the System by signing the Verizon-provided acceptance document or other mutually-agreed procedure (Customer Acceptance). Customer rejects the System by giving Verizon written notice of its specific material failure. Verizon will address within 10 days any issues documented by Customer during the Test Period. If during the Test Period, Customer does not reject the System, or begins using it for non-testing purposes, Customer will be deemed to have accepted the System after the ending of the Test Period.

3.6 **Accrual for Maintenance Services.** Maintenance Services start 30 days after Verizon accepts Customer’s Service Order. After the maintenance period stated in the Service Order ends, Verizon will continue to provide that Maintenance Service(s) at the then current rate available with Verizon, until Customer and Verizon agree to a new Service Order (with new period(s) and
rate(s)) or one of them terminates the Maintenance Service(s) under the terms of the Agreement.

3.7 **Maintenance Coverage.** Customer will confirm with Verizon that Verizon is able to provide Maintenance Service(s) before ordering if, i) Verizon did not install the equipment or software intended to be covered by maintenance, ii) the equipment or software is out of warranty or out of third party maintenance coverage, or iii) Verizon has not provided Maintenance on the equipment or software for more than 60 days. If Verizon did not install the CPE, Customer warrants that such CPE is in good working order and meets all applicable manufacturer specifications. If the CPE is found not to be in good working order and/or not in compliance with all applicable manufacturer specifications, Verizon will be under no obligation to provide Maintenance Service; provided however, Customer may, upon written notice, request Verizon to upgrade and/or repair such CPE at Verizon's then current rate.

3.8 **Additional Terms for Maintenance.** If (i) Verizon did not install the System intended to be covered by maintenance, ii) the System is out of warranty or out of third party maintenance coverage, or iii) Verizon has not provided Maintenance Service on the System for more than 60 days, then the System must be accepted by Verizon prior to being eligible for Maintenance Service. Customer warrants that such System is in good working order and meets all applicable manufacturer specifications. Verizon may recommend corrections or improvements to operating environments or configuration to be performed at Customer's cost and expense. Failure to comply with Verizon's recommended corrections or improvements may cause Verizon to reject the specific part or System and remove it from the Maintenance Service. If the System is found not to be in good working order and/or not in compliance with all applicable manufacturer specifications, Verizon will be under no obligation to provide Maintenance Service; provided however, Customer may, upon written notice, request Verizon to upgrade and/or repair such System at Verizon's then current time and material rate.

3.9 **Warranty**

3.9.1 **CPE Services.** Verizon warrants it will perform the CPE Services (excluding Third Party Services) under these Service Terms in a good and workmanlike manner. Customer's sole remedy for a breach of this warranty is for Verizon to re-perform the defective work.

3.9.2 **Systems.** Verizon is not the manufacturer or licensor of the System but will transfer or pass through to Customer the benefit of any and all manufacturer warranties on the same terms as offered by the manufacturers which are capable of being transferred or passed through. If the System is not under Maintenance Services and becomes defective within the manufacturer's warranty period, Customer may contact the manufacturer directly for their warranty policy.

3.9.3 **CPE Deployment Services Warranties.** Verizon warrants that any cables and connectors between the System and any other equipment on Customer's premises that are provided by Verizon will be in good working order for a period of 30 days after installation unless the failure of the cables and connectors is caused by Customer's misuse or abuse.

3.9.4 **THE WARRANTIES IN THESE SERVICE TERMS ARE IN LIEU OF ALL OTHER WARRANTIES FROM VERIZON TO THE EXTENT PERMITTED BY LAW. THESE WARRANTIES DO NOT COVER DAMAGE TO OR MALFUNCTION OF THE SYSTEM CAUSED IN WHOLE OR IN PART BY CUSTOMER OR THIRD PARTIES THROUGH OTHER THAN NORMAL USE OF THE SYSTEM OR CAUSED BY AN EVENT EXTERNAL TO THE SYSTEM.***

3.10 **Customer Obligations.** In order for Verizon to provide CPE and related Services quickly and effectively, Customer will do the following:

- Assist Verizon as necessary with local requirements for bringing the System into the countries where Customer Sites are located including acting as the importer of record and paying import duties, fees and taxes, if any, using Customer's Tax Registration Number (without
limitation). As importer of record, Customer may be subject to the obligations placed on ‘Producers’ under the Waste Electrical and Electronic Equipment Directive 2002/96/EC or similar local directives or regulations.

- Immediately notify Verizon of any anticipated delay.
- Provide System interconnection requirements, non-Verizon facilities and permits.
- Be responsible for (i) repairs or replacement necessitated by accident, casualty, neglect, misuse, intentional acts, harmful code (i.e., any virus or machine-readable instructions and data designed to intentionally disrupt the operation of the System or intentionally destroy or damage System or data) or any cause other than normal use of the System; (ii) damage caused by Customer, Customer facilities; and (iii) use of the System with any other device or system not supplied or approved by Verizon, or any use of any part of the System in a manner not recommended by a manufacturer.
- Designate an authorized point of contact.

With respect to Maintenance Services:
- Return replaced parts within 15 Business Days, at Verizon’s expense.
- Ensure System is not moved or modified by anyone other than a Verizon representative.
- Allow Verizon to inspect, test, repair, and replace System(s), including suspending normal operations of the System to do so. Verizon will use reasonable efforts to minimize the impact of its work on Customer’s network.
- Provide remote connectivity which Verizon can use to quickly and remotely diagnose all Systems under a Maintenance Service.
- Notify Verizon immediately in writing of any material modifications made to Customer’s network, and provide Verizon with information reasonably requests in order to perform Maintenance Service(s).
- Maintain back-up copies of the original software, current platform configurations, and operating system and make copies available to Verizon when requested to aid in troubleshooting and/or problem resolution.

3.11 Limitation of Liability. SUBJECT TO THE “EXCLUSIONS” SECTION OF THESE SERVICES TERMS, VERIZON’S, VERIZON’S AFFILIATES, AND ANY VERIZON ASSIGNEE’S total LIABILITY FOR ANY DAMAGE WHICH MAY ARISE HEREUNDER, FOR ANY CAUSE WHATSOEVER, AND REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT OR IN TORT, INCLUDING VERIZON’S, VERIZON’S AFFILIATES AND ANY VERIZON ASSIGNEE’S NEGLIGENCE, OR OTHERWISE, IS LIMITED TO THE LESSER OF I) THE PURCHASE PRICE OF THE SPECIFIC SERVICE ORDER GIVING RISE TO THE CLAIM; AND II) THE LIMITATION OF LIABILITY IN THE AGREEMENT.

3.12 Hazardous Substances. Customer certifies that it is not aware of the presence of any asbestos or other hazardous substance (as defined by any applicable hazardous waste or environmental law or regulation) at any Customer Site. If Verizon representatives encounter any such substance, Verizon may immediately suspend performance of Services and Customer agrees to take all necessary steps to remediate such hazardous substance, at its own expense. If Customer does not adequately remediate the hazardous substance, Verizon may terminate for Cause.

3.13 Export, Import and Sanctions Compliance

3.13.1 Compliance Obligations. Consistent with its obligation to comply with applicable law, including restrictions on the export, import, and use of certain hardware, software, and technical data provided under these Service Terms, in particular Customer commits not to:
- export, re-export, transfer or retransfer the System and/or CPE Services without first complying fully with all applicable export laws and obtaining any and all required export, import and/or sanctions licenses.
- conduct business with any company, individual, organization or country that is subject to trade sanctions, embargoes, or other restrictions under applicable laws, or for any end-use
prohibited under applicable law without complying fully with all applicable law and obtaining any and all required export, import and/or sanctions licenses.


3.14 CPE Manufacturer End of Support. In the event the manufacturer of the CPE covered by these Service Terms discontinues a piece of CPE, and/or the associated support of such CPE, Verizon will only be obligated to provide CPE Services on the affected CPE for the period of time that the manufacturer continues to support such CPE. At the end of such period Verizon will cease to support such CPE, but will use reasonable efforts to provide CPE Services on the affected CPE until Customer upgrades or replaces such CPE.

3.15 MRP-Specific Terms

3.15.1 System Use. Customer may use a System only on a Customer Site or co-located in Verizon’s facilities. The System must be dedicated to use for Customer’s benefit and only for Verizon Services in accordance with Verizon’s reasonable instructions from time to time. All moves, modifications, or relocations of a System must be performed by Verizon. Systems may not be moved across international borders. To obtain MRP for Equipment Procurement, Customer also must purchase Verizon Deployment with Enhanced Staging and Implementation, and Maintenance Service or Verizon Warranty Service as applicable.

3.15.2 Term. The duration of the financing commitment for each System is specified in the Service Order as a Service Commitment (Financing Commitment) and begins on Customer Acceptance.

3.15.3 Title and Security for Systems under MRP. With MRP, Customer does not have title to the System or any of its sub-element. Customer waives and releases any right, title and interest that it may have in a System, other than its right to use the System.

3.15.4 Event of Loss. Customer will promptly notify Verizon in writing if any item of the System becomes unfit or unavailable for use (e.g. lost, stolen, damaged, or destroyed) (an Event of Loss). Customer may choose to repair or restore the System to the condition it had prior to the Event of Loss, or replace the damaged System with Like Equipment, each at Customer’s cost and expense. Otherwise, Customer will pay Verizon within 60 days after such Event of Loss the System Casualty Value as of the date of the Event of Loss, and title to the damaged System will pass to Customer upon such payment. Like Equipment is equipment which (a) has been manufactured by the same manufacturer as the System; (b) is of the same type and model as the System (or the manufacturer’s equivalent type and model), with all engineering changes incorporated as specified by the manufacturer; (c) has an equal or greater market value as the System Element replaced by Like Equipment; and (d) meets all requirements for the System as set forth in the Service Order or these Service Terms. System Casualty Value is an amount equal to (i) the present value of all remaining MRC for the System, or affected element, from the date of the Event of Loss through the end of the Financing Commitment, plus (ii) for MRP, the purchase price as of the date of the Event of Loss for such System, or affected element, as provided by Verizon promptly after its receipt of a notice of Event of Loss.

3.15.5 Condition of the System. Customer will ensure that the System is covered by Verizon Care for the duration of the Financing Commitment or its renewal.

3.15.6 No Customer Assignment; Lien. Customer will not: (a) assign, transfer or otherwise dispose of any System or its individual elements, or any right or obligation relating to the System or CPE Services under these Service Terms, (b) provide a right of use of any of the System and CPE Services to any other person, (c) permit the System and CPE Services to be under the dominion and control of any other person, or any maintenance provider acting on behalf of Customer
other than Verizon, or (d) create, incur, or permit to exist any security interest, lien or encumbrance with respect to any System.

3.15.7 **Insurance.** For Systems under MRP, Customer will obtain and maintain for the duration of the Agreement, including the full Financing Commitment and any extension of it, at its own expense, (a) commercial general liability insurance in an amount not less than $2,000,000 per occurrence, with a separate $4,000,000 annual general aggregate and products-completed operations aggregate, including coverage for, but not limited to, premises-operations, products/completed operations, and the tort liability of Verizon assumed by Customer in the Agreement; and (b) all risk property insurance against loss or damage to the System as a result of fire, explosion, theft, vandalism, natural catastrophe and such other risks of loss as are normally maintained under an all-risk property insurance policy, for the full replacement cost value of the System, without a coinsurance provision, in such form and with such insurers having an A.M. Best rating of at least A- VII or an equivalent rating from a recognized rating agency or, as is otherwise reasonably satisfactory to Verizon. Each insurance policy will waive the subrogation rights of the insurance company against Verizon and name Customer as insured and Verizon and its successors and assigns as additional insureds and loss payees as their interests may appear on a primary and non-contributory basis and provide that it may not be cancelled or materially altered to the detriment of Verizon without at least 30 days’ prior written notice thereof being given to Verizon 14 days for Contracts under Swiss law) in the event of non-payment of premium). Customer will provide Verizon with a certificate of insurance evidencing the coverage required by these MRP terms. Where applicable, if at any time Customer fails to provide the necessary insurance and Customer does not provide insurance from another insurance company, the required insurance may be provided on behalf of Customer at Customer’s sole cost and expense, i.e., forced place insurance.

3.15.8 **Early Termination.** Notwithstanding any other provision in these Service Terms, if Customer terminates MRP early for any reason (including without limitation a Force Majeure Event) except for Cause, or if Verizon terminates for Cause, Customer will: (i) pay to Verizon an amount equal to the aggregate of all remaining monthly recurring charges as set forth in the Service Order from the date of termination through the end of the Financing Commitment; and (ii) return the System as provided below. Customer acknowledges that this amount is liquidated damages reflecting a reasonable measure of actual damages and not a penalty. Customer agrees that as between Verizon and Customer Verizon has the right to determine which portion of Customer’s MRP charges represents Services and which represent the System.

3.15.9 **Return of Equipment.** Upon any termination of MRP, Customer will return the complete System at its expense, to Verizon or Verizon’s designee so that it is received: (i) no later than 15 Business Days after the termination is effective; and (ii) at the location as provided in writing by Verizon and in the condition provided below. If Customer fails to return the System within the above time period, then that failure constitutes Cause.

3.15.10 **Condition of Returned Equipment.** When a System is returned to Verizon or its designee, Verizon will cause the System to be inspected and certified acceptable for the manufacturer’s maintenance service. If any of the System is not in good repair, condition and working order, excluding ordinary wear and tear, Customer will pay Verizon the reasonable out-of-pocket expenses incurred in bringing the System up to that status, but not in excess of the System Casualty Value.

3.15.11 **End of MRP Financing Commitment.** At the end of the Financing Commitment, the MRP Services will continue until terminated by either Party, with or without Cause, effective 90 days after written notice of termination is given to the other Party.

3.15.12 **Property Taxes.** In addition to any Taxes or Governmental Charges, Customer will pay Verizon the amount of any personal property taxes incurred on the System. Such personal property taxes will be included in the charges shown in the Service Order, provided however,
that changes to such taxes (e.g. for tax rate increases) may require that a new Service Order be issued.

3.15.13 **No Warranties or Representations.** To the extent permitted by law, under MRP, Verizon or its assignee makes no warranty or representation, express or implied, including but not limited to fitness for a particular purpose, merchantability, quality, design, condition, capacity, suitability or performance of the System, the material and workmanship thereof or as to intellectual property rights, it being agreed that all such risks as between Verizon and Customer are to be borne by Customer alone and at Customer’s expense. For the avoidance of doubt, Verizon will transfer or pass through to Customer the benefit of any and all manufacturer or licensor and/or owner(s) warranties for the System on the same terms as offered by such manufacturers, licensors and/or owner(s) which are capable of being transferred or passed through. To the extent deemed applicable and to the extent permitted by applicable law, Customer waives any and all rights or remedies conferred upon a lessee under section 2a-508 through 2a-522 of the United States uniform commercial code or similar provisions under another commercial code or statute with respect to a default by a lessor as such sections may be applied to MRP.

3.15.14 **Cancellation.** A Customer cancelling any Service Order or a SOW for convenience before it has been accepted is subject to cancellation charges, based on the stage the CPE Services or System has reached toward such acceptance, which may include charges: (i) for all System elements and CPE Services provided up to the date of cancellation; (ii) for all expenses incurred up to the date of cancellation, including but not limited to the costs of cancelling purchase orders, shipping charges for the return of System elements, if permitted by Verizon, removal of System elements and other contractual obligations made by Verizon to meet its obligations under the Contract, and (iii) a minimum restocking fee of 35% of the price of the System, as shown on the applicable quote, Service Order or SOW, for any System elements returned, provided such return is permitted by the provider of the System element, and as authorized by Verizon. Customer acknowledges that this amount is liquidated damages reflecting a reasonable measure of actual damages and not a penalty.

4. **COUNTRY SPECIFIC PROVISIONS FOR SYSTEMS AND CPE SERVICES**

4.1 **Greece.** For CPE Services and Systems provided in Greece, Verizon bears the after sales responsibilities according to the provisions of article 5 of LAW 2251/2004, as in force.

4.2 **Italy.** For CPE Services and Systems provided in Italy, in accordance with articles 1341 and 1342 of the Italian Civil Code, Customer acknowledges it has carefully read the entire text of these Service Terms and hereby specifically approves the provisions contained in the following Clauses of these Service Terms: Charges; “Customer Obligations”; “Risk of Loss”; “Delivery”; “Import of Equipment”; “Cancellation and Early Termination”; “Warranty”; “Limitation of Liability”; “Insurance”; “Hazardous Substances”; “Third Party Services”; “Export, Import and Sanctions Compliance”.

4.3 **Turkey**

- **Notice of Termination and Default.** Termination, suspension or cancellation of a Service Order provided in Turkey by Customer is valid only upon at least 30 days prior written notice to Verizon with the requested termination date falling on the last day of the following calendar month. Notice of default by either Verizon or Customer in Turkey under these Service Terms will be served on the non-defaulting Party either: (i) through a notary; or (ii) by registered mail with an acknowledgement of receipt of such notice.

- **Paper Invoices.** Invoices for CPE Services and Systems for Turkey will be sent to Customer in hard copy paper form.

- **No Retention of Title; Bank Guarantee.** No provision in these Service Terms granting to Verizon a post-transfer retention of title in a System applies where the System is to be delivered in Turkey. Where a System is delivered in Turkey, title passes to the Customer
upon physical transfer, provided that Customer has first issued an irrevocable bank guarantee issued by a bank lawfully established in Turkey in an amount no less than the value of the relevant System component(s).

4.4 **China Encryption.** This clause only applies to CPE containing encryption features which will be delivered and used by Customer in the People's Republic of China and where use of that CPE is regulated by the Office of State Commercial Cryptography Administration (OSCCA). Customer will obtain and maintain all necessary permits, licenses and other authorizations (“Permits”) necessary for the use of the CPE at all relevant times. Verizon does not warrant or make any representations that such Permits for the use of the CPE will be granted by the OSCCA.

4.5 **Poland - Notification Requirements for Encryption.** When Customer serves as the importer of record for Verizon-provided System in Poland, Customer is responsible for obtaining all import-related authorizations or permits, including but not limited to, submitting any required “Notification of the Intended Import,” or “Intra-EU Transfer of Dual-Use Items Used for Telecommunications,” or for “Information Security with the Polish Internal Security Agency” (the “Agencja Bezpieczeństwa Wewnętrznego”).

4.6 **India - Restriction on Selling Encryption Services.** Customer will not employ bulk encryption equipment in connection with Verizon Facilities in India. Customer is permitted to use encryption up to 40 bit key length in RSA algorithm. If Customer requires encryption higher than this limit, then Customer must obtain approval from the relevant telecom authority and deposit the encryption key, split in two parts with that telecom authority.

4.7 **IPT Covenants for Asia Pacific (AP) Countries**

- **Toll Bypass.** The Parties will not use the System and the underlying network service upon which IP Telephony (IPT) is provided to bypass international/long distance charges in contravention of applicable law or regulation, specifically inclusive of telecommunications law and regulations in any country where any part of the underlying network service or the System is used.

- **PSTN Interaction.** The underlying network service and the System may permit egress/ingress to/from the local PSTN for international IPT sessions only in the so-called PSTN Countries: Australia, the European Union member countries, Switzerland, Japan, Korea, Singapore and the United States. In all other countries (the Excluded Countries), the international communications capabilities of the System and underlying network service will be used only for on-net-to-on-net sessions among a pre-defined set of end-users located at Customer and Customer Affiliate premise locations or connected via secure connection to a pre-defined PC/laptop (Closed User Groups). Customer and Customer’s Affiliates will prevent use by the general public, and the System and underlying network service cannot be used to provide any part of a ‘for-hire’ telecommunications service.

- **Third Party Solutions.** If Customer desires to connect a Verizon IPT solution with a third party’s IPT solution not under Verizon management or control, Customer will ensure that the third party IPT functionality complies with all the terms of these Service Terms.

- **India OSP Requirement.** If any users in India of the System or underlying network service are in call centers or network operation centers, engaged in business process outsourcing, tele-marketing, tele-education, tele-medicine, tele-trading, or provision of e-commerce services, Customer will obtain Other Service Provider (OSP) registration from the Indian Department of Telecommunication covering those activities and associated infrastructure prior to using the CPE or the underlying network service.

- **Indemnity for Service.** Customer will comply and cause each of its Affiliates and any direct or indirect users of the System or the underlying network service to comply with the terms this IPT Covenants for Asia Pacific (AP) Countries section and Customer will indemnify, defend and hold Verizon and its Affiliates harmless for breach of any of the IPT Covenants for Asia Pacific (AP) Countries section conditions by it or any of its Affiliates or any direct or indirect user of the
System or underlying network service.

- **Information.** Customer will cooperate with Verizon to provide any relevant information regarding Customer’s IPT solution to any national regulatory authority upon their request, and Customer will provide compliance certifications in form and substance acceptable to Verizon upon request.

4.8 **Payment Terms for Certain Verizon Legal Entities.** Unless otherwise agreed by Verizon, Customer will pay all invoices for CPE and CPE Services placed on the following Verizon entities in the currency of the jurisdiction in which that entity is located.

- Verizon Communications Technology (Beijing) Co. Ltd.
- Verizon Communications Philippines, Inc.
- Verizon Communications Malaysia, Sdn. Bhd.
- Verizon Communications India Private Limited
- Verizon (Thailand) Limited
- Verizon Pakistan (Private) Limited

Payments for CPE and CPE related Services to the entities above will be made only by telegraphic transfer to the bank accounts specified in the relevant invoice.

4.9 **Service Orders with Verizon Communications Technology (Beijing) Pte Ltd.** The following terms apply to Service Orders with Verizon Communications Technology (Beijing) Pte Ltd.

- **FAPIAO.** Verizon will use commercially reasonable efforts to issue a tax invoice (fapiao) with its commercial invoices, and has no further obligation to Customer, with regards to the fapiao once Verizon has sent the fapiao to Customer. Charges are payable upon issuance of the commercial invoice whether or not Verizon is able to issue the fapiao. Customer is deemed to have received the fapiao and the commercial invoice on its respective delivery date. Customer will cooperate with Verizon to address any errors or omissions which Verizon reasonably believes affect a previously issued invoice and/or fapiao, and Customer will return that original invoice or fapiao within 5 Business Days of Verizon’s written request.

- **Credits and Consolidated Invoicing.** If Customer is entitled to a credit, it will be applied against the next month’s invoiced charges and, if fapiaos have previously been issued, in the next month’s fapiao. Unless otherwise agreed by Verizon, all CPE and CPE Services charges subject to local Renminbi billing will be consolidated into a single monthly invoice against the Customer billing account nominated by Verizon and advised to Customer.

4.10 **Tax Information Form.** To facilitate billing (and any applicable tax exemption) for Service Orders with Customers in China, South Korea, Pakistan, Philippines, Taiwan and Thailand, Customer will submit a Tax Invoice Form (as provided by Verizon) to Verizon as part of its signed Contract package.

4.11 **Service Orders with Verizon Pakistan (Private) Limited.** For Service Orders with Verizon Pakistan (Private) Limited, consistent with Pakistan tax regulations, if Customer is issued a credit note from Verizon, Customer will promptly issue a debit note to Verizon within 14 days from the date of credit note, in a format acceptable to the Pakistan tax authorities. Failure to comply with this clause will void the credit note and Customer will be liable for the original invoiced amount.

4.12 **Germany, Switzerland and Poland.** Notwithstanding any terms to the contrary, for CPE Services and Systems provided in Germany, Switzerland and Poland, certain terms in the following sections are revised as follows:

- **Section 3.15.4(i)** the present value of all remaining MRC for the System, or affected element, from the date of the Event of Loss through the end of the Financing Commitment discounted at an annual rate of 3%.
- **Section 3.15.8(i)** pay to Verizon an amount equal to the aggregate of all remaining monthly recurring charges as set forth in the Service Order from the date of termination through the end of the Financing Commitment discounted at an annual rate of 3%.
4.13 **Germany.** Notwithstanding any terms to the contrary, for CPE Services and Systems provided under German law, certain terms in the following sections are revised as follows:

- **Clause 3.4** The following sentence shall be included into the clause regarding liquidated damages: "Customer shall be entitled to prove that the actual damage occurred to Verizon may be lower."

- **Clause 3.9** shall be replaced by:

3.9 **Warranty.**

3.9.1 **CPE Services.** Verizon warrants it will perform the CPE Services (excluding Third Party Services) under these Service Terms in a good and workmanlike manner. Customer’s remedy for a breach of this warranty is for Verizon to re-perform the defective work. This clause does not exclude or limit Verizon’s liability for damages.

3.9.2 **Systems.** Verizon is not the manufacturer or licensor of the System but will transfer or pass through to Customer the benefit of any and all manufacturer warranties on the same terms as offered by the manufacturers which are capable of being transferred or passed through. If the System is not under Maintenance Services and becomes defective within the manufacturer’s warranty period, Customer may contact the manufacturer directly for their warranty policy.

3.9.2.1 Notwithstanding Clause 3.9.2, Verizon warrants that the System(s) will be free from defects for twelve (12) months from delivery (the “Warranty Period”). Should the System(s) become defective within this period, the Customer shall initially only be entitled to subsequent performance. For such subsequent performance Verizon will, subject to Verizon receiving notification of the defect within the Warranty Period, will (i) comply with the replacement obligations set out in the third party supplier’s warranty supplied with the System(s), or (ii) otherwise repair or replace the System(s) within a reasonable time period.

3.9.2.2 Other warranty claims may only be asserted if subsequent performance has failed. Any damage claims of the Customer shall be subject to the provisions of the clause 9.4 below.

3.9.3 **CPE Deployment Services Warranties.** Verizon warrants that any cables and connectors between the System and any other equipment on Customer’s premises that are provided by Verizon will be in good working order unless the failure of the cables and connectors is caused by Customer’s misuse or abuse. Warranty shall be as under Clause 3.9.2 above.

3.9.4 **Exclusions.**

- **Verizon does not give a warranty for**

  - 3.9.4.1 merely immaterial deviations from the agreed condition of the System(s) or natural wear and tear;
  - 3.9.4.2 damage caused by environmental operating conditions, inappropriate use, modifications or repair by any unauthorized third parties or the Customer or for reasons beyond Verizon’s reasonable control;
  - 3.9.4.3 fitness for any particular purpose;
  - 3.9.4.4 any instruction given by the Customer and performed by Verizon;

3.9.5 The Customer shall examine the System(s) without undue delay upon delivery with respect to the amount, condition and quality. Obvious defects must be reported to Verizon within 10 Business Days; claims for warranties for such defects shall be excluded thereafter.

- **Clause 3.11** shall be replaced and read as follows:

3.11.1 **Liability - Inclusions.** Nothing in these service terms operates to exclude or limit any of the following and these amounts will not be counted in assessing whether the aggregate liability
limitation in the clause entitled “Liability - Limitations” has been reached: (a) any liability relating
to bodily injury (including death) caused by a Party’s negligence; (b) any liability resulting from a
party’s fraud or fraudulent misrepresentation; (c) any liability that cannot be limited under
applicable law, including but not limited to mandatory local law; (d) damages, including in respect
of loss of or damage to real property or tangible personal property, resulting from gross
negligence or intentional tortious conduct of a Party; and (e) any liability of Customer in respect
of non-payment, including any claim for interest.

3.11.2 Liability - Limitations. Subject to the “EXCLUSIONS” and the “INCLUSIONS” Section of these
Service Terms, Verizon’s liability for any and all Events in an Annual Period is limited to typically
foreseeable damages.

3.11.3 The typically foreseeable damages shall be considered as the lesser of I) THE PURCHASE
PRICE OF THE SPECIFIC SERVICE ORDER GIVING RISE TO THE CLAIM; AND II) THE
LIMITATION OF LIABILITY IN THE AGREEMENT.
• Clause 3.15.13 shall not be applicable.
• Clause 3.15.18 The following sentence shall be included into the clause regarding liquidated
damages: “Customer shall be entitled to prove that the actual damage occurred to Verizon
may be lower.”

5. FINANCIAL TERMS

5.1 Charges. Customer will pay the charges including but not limited to import duties, freight, and
shipping and delivery (which may be identified as “landed costs”), for the System and CPE
Services as set forth in the applicable quote and reflected in a Service Order. Verizon will not
change a Customer’s quote based on any non-currency-related change (e.g., the underlying
vendor’s price) for 90 days from issuance. For CPE which is procured by Verizon in a currency
other than the currency of the quote, quotes may be adjusted to reflect currency changes after 14
days from the date of issuance up to the time of Customer Service Order acceptance. Customer
will also pay the charges at the following URL:
www.verizonenterprise.com/external/service_guide/reg/applicable_charges_toc.htm

5.1.1 Direct Third Party Arrangement/Financing Option. Customer may obtain a System and/or
CPE Service from Verizon through a direct financing arrangement with a third party financing
company approved by Verizon pursuant to the terms of a Schedule and/or other relevant terms
provided by such third party. Notwithstanding any terms provided by such third party, Customer
will remain responsible for performance of all of its obligations under these terms including
payments directly to Verizon if the third party financing company defaults.

5.2 Additional Charges

5.2.1 Training Costs. If Customer needs Verizon to follow Customer Site safety or security
requirements that require training, Customer agrees to pay Verizon for that training time at
Verizon’s then current labor rate.

5.2.2 Overtime. If Customer requests that CPE Deployment Services be performed during Overtime
or Weekend and Holiday Hours, Customer will pay Verizon its applicable labor rate, as reflected
in the Service Order or as otherwise advised to Customer.

5.2.3 Out of Scope Work. If Customer requests Verizon perform services at locations outside of the
specified service area or outside the scope of the defined CPE Deployment Services or
maintenance or warranty Services, Customer will pay Verizon its then current prevailing labor
rate for travel, and/or time and material labor rate.

5.2.4 Re-initiation fees. Adding Maintenance Service for Systems who have not had Maintenance
Service for a period of 60 days or more may be subject to inspection and/or re-initiation fees, to
ensure that the System is in good working condition.
5.2.5 **Delays.** Delays impacting CPE Services which result from Customer's action or inaction, including wait time in excess of 30 minutes at the Customer Site, may result in an additional charge, rescheduling fees and/or storage fees where Verizon stores Systems.

5.3 **Maintenance of Unsupported Systems.** If Verizon agrees to continue providing Customer with Maintenance Service(s) after the manufacturer stops supporting a System, Customer agrees to pay reasonable additional charges which Verizon determines are appropriate to provide that service (e.g., for manufacturer imposed charges or additional level of effort). Verizon will provide Customer with a Service Order which will include the charges.

5.4 **Unreturned Replaced Parts.** If Customer doesn't return a replaced part within 15 calendar days, it will pay Verizon's current list price for the part.

5.5 **Troubleshooting Dispatch Charges.** If Customer does not provide remote connectivity into a System and Verizon must dispatch an engineer to Customer Site to troubleshoot an outage, Customer may incur a time and material charge at Verizon’s then current rate.

5.6 **Customer Network.** If Customer modifies its network and such modifications causes Verizon a material increase in the performance of CPE Services, Verizon may increase the fees upon prior written notice to Customer.

5.7 **Moves, Modifications or Changes.** Moves, modifications, or changes of a System performed by Verizon are subject to an additional charge as provided in a Service Order or as otherwise advised to Customer. After a move, modification or change, the MRC for the System may change as a result of tax or other considerations and the new MRC will be shown on the Service Order.

6. **DEFINITIONS.** The following definitions apply to CPE in addition to those identified in the Master Terms and the administrative charge definitions at the following URL: www.verizonenterprise.com/external/service_guide/reg/definitions_toc_2017DEC01.htm.

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Delivered Duty Paid (DDP)</td>
<td>As defined in “Incoterms 2010” published by the International Chamber of Commerce</td>
</tr>
<tr>
<td>Delivered at Place (DAP)</td>
<td>As defined in “Incoterms 2010” published by the International Chamber of Commerce</td>
</tr>
<tr>
<td>Business Hours</td>
<td>Means the hours of 8:00 a.m. and 5:00 p.m. local time, during a Business Day</td>
</tr>
<tr>
<td>Overtime</td>
<td>Means work extending beyond Business Hours</td>
</tr>
<tr>
<td>Weekend and Holiday Hours</td>
<td>Means hours of work other than Business Hours and Overtime</td>
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</tbody>
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**Customer Premises Equipment (CPE)**

**Online Service Document**

I. **SERVICE DESCRIPTION**

1. MCI Communications Services, Inc. d/b/a Verizon Business Services (MCI Legacy Company) provides seven types of customer premises equipment (“CPE”) service under the terms set forth in this Customer Premises Equipment document (“CPE Terms”), the Non-Telecommunications Service Guide, and any applicable Customer-signed agreement (the “Signed Agreement”): (i) purchase (i.e., MCI Legacy Company sale); (ii) purchase, installation and maintenance subject to third-party lease; (iii) monthly rental; (iv) term rental; (v) installation service; (vi) maintenance service; and (vii) maintenance takeover service. Customer agrees to Purchase, Purchase, Installation and Maintenance
Subject to Third-Party Lease, Rental Service (monthly or term), Installation Service and/or Maintenance Service (as applicable) with respect to each item of CPE ordered from MCI Legacy Company (“Equipment”), or in the case of Maintenance Takeover Service, with respect to each item of CPE supplied by Customer under an Order (defined below) accepted by MCI Legacy Company. Due to system constraints, certain CPE services are available only when ordered together. These terms and conditions herein apply only to products and services provided by Company and not other Verizon entities.

2. The following types of CPE service are available:

2.1 Purchase. “Purchase” means that MCI Legacy Company will sell title to Customer to CPE offered through the process known as its “CPE catalog” in the U.S. Mainland only. CPE Maintenance Service is not included with CPE Purchase but may be purchased in conjunction with a CPE Purchase.

2.2 Purchase, Installation and Maintenance Subject to Third-Party Lease. “Purchase, Installation and Maintenance Subject to Third-Party Lease” means that MCI Legacy Company will both sell CPE for Purchase, and provide Installation Service and Maintenance Service on that CPE, based on the understanding that Customer has entered into a leasing arrangement with a third-party acceptable to MCI Legacy Company under which Customer will transfer title to the Lessor but will retain the right to possess, use, install and maintain the CPE.

2.3 Rental Service (Monthly). “Rental Service (Monthly)” means Customer will rent and MCI Legacy Company will provide Customer with the use of CPE ordered through its CPE catalog for use in the U.S. Mainland for the period determined by the Section below titled “Service Term (Short).” CPE Rental Service Monthly includes Maintenance Service. Customers ordering Rental Service (Monthly) also must order Installation Service.

2.4 Rental Service (Term). “Rental Service (Term)” means Customer will rent and MCI Legacy Company will provide Customer with the use of CPE ordered through its CPE catalog for use in the U.S. Mainland only for the period determined by the Section below titled “Service Term (Long).” CPE Rental Service (Term) includes Maintenance Service. Customers ordering Rental Service (Term) also must order Installation Service.

2.5 Installation Service. Installation Service means that MCI Legacy Company will (a) mount the Equipment on suitable Customer-provided receptacles, (b) connect the Equipment to the appropriate interface with the related MCI Legacy Company service, if applicable (e.g., the local exchange carrier’s service demarcation point), to a suitable Customer-provided interface with Customer’s network, and to a suitable Customer-provided source of electric power (if applicable), and (c) verify that the Equipment is operating with the related MCI Legacy Company service. Standard Installation Service includes making connections to power sources and other interfaces only to the extent that such connections can be made with standard-length cables. Standard Installation Service is performed only during standard MCI Legacy Company work hours. Installation Service is not available for Maintenance Takeover Service.

2.6 Maintenance Service. “Maintenance Service” means MCI Legacy Company will do the following (in the U.S. Mainland only) in a good and workmanlike manner:

2.6.1 Use commercially reasonable efforts to isolate any problems with the Equipment and to restore service within the Equipment Mean Time To
Repair following receipt of Customer’s notification that the Equipment is inoperative.

2.6.2 Investigate trouble reports initiated by Customer and repair or replace, at MCI Legacy Company’s sole discretion, any of the Equipment which fails to meet the manufacturer’s published operating specifications for the Equipment.

2.6.3 Replace Equipment it determines needs to be replaced with equipment of like kind and functionality from a manufacturer of MCI Legacy Company’s choice at the time of replacement (“Exchange Unit”). Before replacing Equipment, MCI Legacy Company will attempt to contact Customer to schedule it. The replaced unit will be returned to MCI Legacy Company inventory at MCI Legacy Company’s expense. For Equipment to which Customer holds title, upon replacement, Customer will obtain title to the Exchange Unit and MCI Legacy Company will obtain title to the replaced Equipment.

2.7 Maintenance Takeover Service. “Maintenance Takeover Service” means MCI Legacy Company will provide Maintenance Service for CPE supplied by Customer (rather than ordered from MCI Legacy Company) and identified in an Order accepted by MCI Legacy Company (“Customer-supplied CPE”). MCI Legacy Company approval of Customer-supplied CPE is required before ordering. For purposes of Maintenance Takeover Service, Customer-supplied CPE will be treated as Equipment.

3. Mean Time To Repair. Equipment Mean Time To Repair (“MTTR”) is defined as the average time elapsed from the time a CPE Trouble Ticket is created because MCI Legacy Company detects or is notified of a failure of Equipment or other degradation in performance of the Equipment covered by these CPE Terms (“Failure”) until such time as the Equipment’s performance is restored to standard functionality by replacing (either temporarily or permanently) or repairing the failed Equipment.

3.1 MTTR Objectives. For Failures occurring at locations which are within a 60 mile radius of a MCI Legacy Company authorized service center in the U.S. Mainland, the MTTR objective is to restore Equipment to standard functionality within four hours after notice, 24 hours per day, seven days per week. For failures at all other locations in the U.S. Mainland, the MTTR objective is to restore Equipment to standard functionality within 24 hours after notice, 24 hours per day, seven days per week. Any time during which MCI Legacy Company does not have immediate access to the Equipment will not be counted in calculating MTTR.

4. Orders. Customer may order CPE service orally, by an unsigned writing, or by a signed writing, as specified below, each, an “Order”. For purposes of this section, writings include email and other electronic forms.

4.1 Signed orders. Customers may order CPE services through a signed writing. MCI Legacy Company may accept electronic writings and electronic signatures at its discretion.

4.2 Unsigned orders. Customers may order CPE services orally or through unsigned writings if the Order is confirmed. An Order is deemed confirmed if (a) MCI Legacy Company sends to Customer written documentation of each specific item of Equipment ordered, its current price, and the Customer location, and (b) Customer does not promptly notify MCI Legacy Company that the documentation is not correct. Customer is bound by MCI Legacy Company documentation of an
Order that has been confirmed the same as it would be to an Order the Customer has signed.

II. DEFINITIONS: The Online Definitions apply.

III. FEATURES AND OTHER OPTIONS: None.

IV. RATES AND CHARGES:

1. Purchase and Purchase, Installation and Maintenance Subject to Third-Party Lease. For Purchases and the Purchase element of Purchase, Installation and Maintenance Subject to Third-Party Lease, and Installation Service, Customer will be charged the Purchase rate stated on an Order, provided that rate is current—i.e., was first quoted within 45 days of the Order’s submission (a “Current Rate”). If the rate stated on an Order is not a Current Rate, a new Order with a Current Rate quote may be required.

2. Rental Service (Monthly and Term) and Maintenance (including Maintenance Takeover) Service. For Rental Service (Monthly), Rental Service (Term), Maintenance Service, and Maintenance Takeover Service, Customer will be charged the rate stated on an Order (provided it is a Current Rate), except that after the expiration of any Service Term commitment selected by Customer with respect to a particular unit of Equipment, MCI Legacy Company may change the rates for Rental Service and Maintenance Service and will provide 30 days notice of any increase. Such notice may be provided under the standard notice provision of the relevant Signed Agreement, by invoice notice, or by posting the changes to the relevant parts of this Guide if applicable. If the rate stated on an Order is not a Current Rate, a new Order with a Current Rate quote may be required.

3. Paper Invoice Charge applies.

4. Convenience Payment Charge applies.

V. TERMS AND CONDITIONS: The Online Master Terms - Terms and Conditions of Service apply, as supplemented by the following (which take precedence to the extent of any conflict with the general terms).

1. Customer’s Responsibilities. Customer must:

   - use the Equipment in conjunction with communications services or management services provided by MCI Legacy Company;
   - provide MCI Legacy Company with access to the Equipment during business hours;
   - report detected Equipment failures and provide information requested by MCI Legacy Company, its contractors, or MCI Legacy Company’s designated point of contact, that is necessary or useful for MCI Legacy Company to perform its obligations hereunder;
   - provide MCI Legacy Company and its contractors with access to Customer facilities, overhead and under floor cable ducts, installation sites and equipment as may be necessary or useful for MCI Legacy Company to perform its obligations hereunder, including but not limited to the Equipment;
   - endorse Customer’s name upon any Uniform Commercial Code filings reasonably necessary to protect the interests of MCI Legacy Company, its contractors or assignees, if any, in the Equipment. Consistent with this obligation, Customer hereby authorizes MCI Legacy Company or its assignee to endorse Customer’s name upon any such Uniform Commercial Code filings;
obtain, as may be necessary, all permits, licenses, variances and other authorizations required by state and local jurisdictions for installation and operation of the Equipment;

provide adequate building, space, circuitry, and power in accordance with the standards established by MCI Legacy Company for proper installation and operation of the Equipment. Such standards are more fully described in the Order;

provide back-up power to the Equipment in the event of a power failure, interruption or outage, if Customer desires such back-up power;

ensure that all of Customer’s electronic files are adequately duplicated and documented at all times. MCI Legacy Company and its contractors are not responsible or liable for Customer’s failure to adequately duplicate or document files or for data or files lost during the course of performance of Maintenance Service;

provide a well-lighted and safe working area that complies with all local safety standards and regulations for MCI Legacy Company employees and contractors;

provide MCI Legacy Company employees and contractors with proper security clearances as required. If security passes are required for the MCI Legacy Company employee or contractor or the equipment brought with such person, Customer must be available to provide all required badges, passes, etc. at the time the MCI Legacy Company employee or contractor arrives at the site;

ensure that any failed unit of equipment is free of any encumbrances at the time of the exchange, and remove all external attachments or objects from the unit of equipment to be replaced before the time of exchange. Customer gives up all rights to any such items not removed;

execute a Letter of Authorization sufficient to provide MCI Legacy Company with control of acquisition and management of Customer’s access facility;

not enter into any contract obligation or any other act or omission (either before or after agreeing to these CPE Terms) inconsistent with its obligations under these CPE Terms;

maintain appropriate customer-specific configuration of any software (including appropriate upgrades or back-ups) related to Equipment; and

provide the following physical and electrical environment specifications for the Equipment. These specifications reflect a normal industrial office environment within the U.S. Mainland, and are consistent with the requirements of the various Equipment manufacturers.

i. Operating Temperature. +40 to +100 degrees Fahrenheit; Rate of change of temperature not to exceed 15 degrees Fahrenheit per hour

ii. Operating Relative Humidity. 20% to 55% Relative Humidity - non-condensing

iii. Air Quality. Environment must be safe for equipment and technicians and must comply with applicable standards, ordinances and laws (including without limitation CPE manufacturer specifications, building codes and OSHA requirements).

iv. Electricity. Phase Nominal Voltage Minimum-Maximum:
v. Frequency. Normal Commercial Power

vi. AC Inrush Current. Fuses and Circuit Breakers—capable of handling instantaneous inrush current 10 times the rated input steady state current.

vii. Electrical Outlets. There must be dual or quad standard NEMA L5-15R 3-prong electrical outlets located within 6 feet of the MCI Legacy Company equipment racks for the exclusive use of the MCI Legacy Company–provided Equipment and MCI Legacy Company service technicians. Each receptacle must provide power that meets the specifications under the subsection titled “Electricity” above and must be powered on a 24-hours-a-day, 7-days-a-week basis.

viii. Floor Space. There must be sufficient floor space to accommodate the MCI Legacy Company racks and/or cabinets that contain the Equipment, with unrestricted access of 3 feet or more around all units to accommodate the MCI Legacy Company service technicians and their test equipment.

ix. Recommendation. Electrical isolation should be provided for sensitive electronic Equipment by using motor generators or UPS equipment in areas where heavy industrial equipment is used and/or there are frequent electrical storms.

2. Equipment. Except where explicitly stated otherwise, equipment may not be new but will be in good working order and will meet the specifications in the Order. MCI Legacy Company may suspend normal operations of the Equipment to inspect, test and/or repair it. MCI Legacy Company will use reasonable efforts to perform such inspection, testing and repair without undue delay or undue impact to Customer’s business.

3. Maintenance Service. MCI Legacy Company has the exclusive right to maintain the Equipment and may use third parties to do so. Customer acknowledges that it is Customer’s responsibility to replace CPE (or to support the CPE) when it is no longer supported by the CPE manufacturer (“Unsupported CPE”). Maintenance Service and Maintenance Takeover Service for Unsupported CPE is limited to the level of service MCI Legacy Company can provide using commercially reasonable efforts. Maintenance Service and Maintenance Takeover Service does not include or apply to the following:

3.1 electrical work external to the Equipment or the MCI Legacy Company Network, or otherwise considered “in-house wiring”;

3.2 repair or replacement of failed Equipment caused by factors outside of Equipment or the MCI Legacy Company Network, such as fire, accident, misuse, vandalism, water, lightning, or failure of its installation site to conform to MCI Legacy Company’s specifications;

3.3 use of the Equipment for other than the intended purpose;

3.4 repair of damage caused by the maintenance or repairs performed by a person other than a MCI Legacy Company employee or person authorized by MCI Legacy Company;

3.5 supplies, accessories, painting, or refurbishing of the Equipment;
3.6 relocation, alteration, additions, or removal of Equipment, parts, or features not furnished by MCI Legacy Company or use of Equipment with other equipment that fails to conform to MCI Legacy Company’s specifications;

3.7 cables and connectors between the Equipment and any other equipment on Customer’s premises after the expiration of the limited cable and connector warranty set forth in the Section of the CPE Terms below titled “Limitation of Liability and Limited Warranty”; and,

3.8 power or back-up power to or from the Equipment,

3.9 configuration of software associated with the Equipment; and

3.10 network monitoring.

4. Service Availability Limitations. Systems and other constraints limit the availability of particular products and services under certain conditions. For example, Installation Service, Maintenance Service, and Maintenance Takeover Service is not generally available for IP phones (except that installation is available for IP phones ordered from MCI Legacy Company at the same time as the related VoIP service with which they will be used). Accordingly, any requirement under the CPE Terms and a Signed Agreement for Customer to order maintenance (and installation) service from MCI Legacy Company does not apply to IP phones when that service is not available.

5. Invoices. Invoices may be issued by MCI Legacy Company monthly or annually, as applicable. Monthly invoices will reflect one-twelfth (1/12) of the annual rate for service, where applicable. Customer may not withhold payment of any amount invoiced under the CPE Terms based on abatement, reduction, set-off, defense, counterclaim or recoupment in connection with any past, present or future claim Customer may allege against MCI Legacy Company for charges not specifically covered in the CPE Terms or against the manufacturer of any Equipment or any other third party.

6. Insurance. (This Section Applies to Rental Service (Monthly and Term) Only)

6.1 Customer shall maintain insurance, the kinds and in the amounts specified, with insurers of recognized responsibility, licensed to do business in the State(s) where Customer’s obligations will be performed, and having at least: an A.M. Best’s rating of A8, a Standard & Poor’s (“S&P’s”) rating of AA, or a Moody’s rating of Aa2. In accordance with the above, Customer shall maintain Commercial General Liability, Property and Casualty or other insurance coverage for damage to the Equipment during such time as Customer bears the risk of loss for such Equipment. The limits of such insurance must be no less than the replacement cost of the Equipment. A combination of primary and excess/umbrella liability policies will be acceptable as a means to meet the limits specifically required hereunder. THE REQUIRED MINIMUM LIMITS OF INSURANCE COVERAGE SET FORTH ABOVE DO NOT IN ANY WAY RESTRICT OR DIMINISH CUSTOMER’S LIABILITY UNDER THE MCI Legacy Company CUSTOMER AGREEMENT.

6.2 Customer will submit to MCI Legacy Company a standard “Acord” insurance certificate (or comparable form acceptable to MCI Legacy Company) signed by an authorized representative of such insurance MCI Legacy Company (ies), certifying that the insurance coverage(s) required hereunder are in effect for the purposes of the CPE Terms. That insurance certificate must certify that no material alteration, modification or termination of such coverage(s) will be
6.3 All policies must name MCI Legacy Company, its subsidiaries and affiliates, as additional insureds as respects Customer’s liability under the CPE Terms.

6.4 Customer shall permit any authorized representative of MCI Legacy Company to examine Customer’s original insurance policies, upon request. If Customer at any time neglects or refuses to provide the insurance required under the CPE Terms, or if such insurance is cancelled or non-renewed, MCI Legacy Company has the right to terminate the CPE Terms, or to pay the costs of securing substitute coverages and bill to Customer for those costs.

6.5 Customer’s insurance will be considered primary and not excess or contributing with any other applicable insurance.

7. Moves. Customer shall not move or remove from the street address at which it is located, any item of Equipment maintained under the CPE Terms without MCI Legacy Company’s prior written consent.

8. Title and Risk of Loss. Title to Rental Service (Monthly and Term) Equipment remains with MCI Legacy Company or its assignee. Title to each item of Purchase, and Purchase, Installation and Maintenance Subject to Third-Party Lease, Equipment passes to Customer upon MCI Legacy Company’s receipt of full payment for such item of Equipment. Customer bears the risk of loss or damage to both Rental Service (Monthly and Term) and Purchase (including Purchase, Installation and Maintenance Subject to Third-Party Lease) Equipment after installation and while such Equipment is located at an installation site and in the case of Rental Service (Monthly and Term) Equipment, shall pay MCI Legacy Company the reasonable and customary costs of repair or replacement of such Equipment if loss or damage occurs. Customer shall provide notice of loss or damage to the Equipment as soon as Customer receives notice of such loss or damage. Customer shall not do anything inconsistent with MCI Legacy Company’s or its assignee’s interest in the Equipment.

9. Order Changes. If the Equipment needs to be changed to meet the requirements for interfacing with the MCI Legacy Company communications service, Customer equipment, or systems, Customer agrees that it will (i) authorize MCI Legacy Company to make such required Equipment changes, (ii) authorize the MCI Legacy Company to amend the Order to reflect such changes, and (iii) pay to MCI Legacy Company any charges that may be incurred.

10. Limitation of Liability and Limited Warranty.

10.1 Neither party will be deemed to be negligent, at fault or liable in any respect for any delay or failure in performance, including the interruption of service, resulting from acts of God, war, accidents, labor disputes, strikes, power interruptions or outages or any other cause beyond the reasonable control of the party delayed; provided, however, that such acts or events do not relieve Customer of its obligation to make payments for invoiced amounts. In no event will MCI Legacy Company be obliged to provide credits for service interruptions to MCI Legacy Company communication services provided to Customer as a result of any act or failure to act under the CPE Terms.

10.2 MCI Legacy Company warrants that Maintenance Service and Maintenance Takeover Service will be performed in a good and workmanlike manner.
CUSTOMER’S SOLE REMEDY FOR A BREACH OF THIS WARRANTY IS FOR MCI LEGACY COMPANY TO REPERFORM THE DEFECTIVE WORK. MCI Legacy Company warrants that any cables and connectors between the Equipment and any other equipment on Customer’s premises that are provided by MCI Legacy Company will be in good working order for a period of thirty (30) days after installation, excluding any failure of such cables and connectors caused by Customer’s misuse or abuse.

10.3 EXCEPT AS SPECIFICALLY SET FORTH IN THESE CPE TERMS, ALL EQUIPMENT PROVIDED BY MCI LEGACY COMPANY IS PROVIDED “AS IS” WITHOUT WARRANTIES OF ANY KIND. NOTWITHSTANDING THE FOREGOING, THESE CPE TERMS DO NOT LIMIT OR DIMINISH THE WARRANTIES AND SUBLICENSES, IF ANY, OF THE EQUIPMENT MANUFACTURER THAT PASS THROUGH MCI LEGACY COMPANY AND INURE TO THE BENEFIT OF CUSTOMER.

10.4 The parties expressly acknowledge that the limitations of liability, disclaimers and indemnification obligations set forth above reflect a conscious allocation of risk between the parties and that the price of MCI Legacy Company’s services would be higher if MCI Legacy Company accepted greater obligations or risks.

11. Service Term.

11.1 Service Term (Short). This provision applies to the following CPE services under these CPE Terms: Purchase; Purchase, Installation and Maintenance Subject to Third-Party Lease; Rental Service (Monthly); Installation Service; Maintenance Service; and Maintenance Takeover Service.

11.1.1 For Purchase and Installation (including those aspects of Purchase, Installation and Maintenance of Third-Party Leased Equipment), the Service Term (Short) ends when the Purchase or Installation has been completed.

11.1.2 For Maintenance Service (including that aspect of Purchase, Installation, and Maintenance of Third-Party Leased Equipment) and Maintenance Takeover Service, the Service Term (Short) for any particular unit of Equipment automatically renews each month until terminated by either party under the following subsection, or until the end of the Term of the Signed Agreement, whichever occurs first.

11.1.3 Either party may terminate the Service Term (Short) for a particular unit of Equipment, with or without cause, effective 30 days after written notice of termination is given to the other party. Customer and MCI Legacy Company may agree to terminate the provision of service under the CPE Terms sooner but Customer is responsible for all CPE service charges until the 30-day notice period has expired.

11.2 Service Term (Long). This provision applies to Rental Service (Term).

11.2.1 The Service Term (Long) for any particular unit of Equipment begins on the date that MCI Legacy Company starts billing for it and continues for the duration of the Service Term commitment selected by the Customer for that Equipment, and thereafter automatically renews each month, until terminated by either party under the following subsection, or until the end of the Term of the Signed Agreement, whichever occurs first.
11.2.2 After the expiration of the Service Term commitment selected by the Customer for a particular item of Equipment, either party may terminate the Service Term (Long) for that Equipment, with or without cause, effective 30 days after written notice of termination is given to the other party. Customer and MCI Legacy Company may agree to terminate the provision of service under the CPE Terms sooner but Customer is responsible for all CPE service charges until the 30-day notice period has expired.

11.3 Termination.

11.3.1 In the event of termination under this Section, MCI Legacy Company shall complete any Installation Service, Maintenance Service, or Maintenance Takeover Service underway, and Customer shall pay for MCI Legacy Company’s provision of such service, through the date of completion pursuant to the Section hereof entitled “Invoices”.

11.3.2 If either party materially or repeatedly defaults in the performance of any of its duties or obligations under the CPE Terms or the general terms of the MCI Legacy Company Customer Agreement, (an “Event of Default”) and does not substantially cure such Event of Default within ten (10) days after being given written notice specifying the default, then the party not in default may, by giving written notice thereof to the defaulting party, terminate the CPE Terms with respect to any or all units of Equipment, as of a date specified in such notice of termination.

11.3.3 Upon termination, MCI Legacy Company has the right to exercise one or more of the following remedies, in addition to any other remedies MCI Legacy Company may exercise, in law or equity. MCI Legacy Company may:

recover from Customer all amounts due and unpaid, and,

repossess any Equipment for which title has not passed to Customer.

11.3.4 Upon termination prior to the end of a Service Term (Long) commitment selected by a Customer with respect to a particular unit of Equipment, Customer will pay (i) an amount equal to the monthly recurring charges for the terminated service for each month remaining in the Service Term (Long) commitment selected by the Customer with respect to that Equipment, and (ii) any and all credits received by Customer with respect to that Equipment, in full, without setoff or deduction. The parties acknowledge that these payments are not a penalty but reasonably reflect Customer’s agreement to take or pay for the services and MCI Legacy Company’s reliance on that commitment in purchasing and pricing the Equipment, among other factors. These payments are in addition to any other remedies available to MCI Legacy Company.

11.3.5 Customer, at its sole expense, is responsible for removing all Customer-owned Equipment from MCI Legacy Company’s terminal and depot locations as soon as reasonably practical after termination of the CPE Terms (with respect to the particular item(s) of Equipment for which service is terminated).
11.3.6 Customer shall return all terminated Rental Service (Monthly and Term) Equipment to MCI Legacy Company in good condition and repair, reasonable and proper depreciation excepted (or otherwise dispose of the Equipment as MCI Legacy Company directs), to the following address, at Customer’s expense, within five business days after the expiration or termination of the CPE Terms (with respect to the particular item(s) of Equipment for which service is terminated), or the actual termination of service under the CPE Terms if Customer and MCI Legacy Company have agreed to it occurring before the 30-day notice period has expired, whichever is sooner.

PICS TELECOM INTERNATIONAL
1920 Lyell Avenue
Rochester, NY 14606
Phone: (800) 521-7427
ATTN: VzB FIELD RETURNS
(if applicable include the Decom ER or disconnect order)

Customer is liable for any loss or damage to the Equipment resulting from theft, disappearance, fire or any other cause. For each item of such Equipment not returned, for any reason, within the five (5) day period, Customer will be deemed to have purchased such Equipment and shall pay MCI Legacy Company the replacement cost, plus any additional costs incurred by MCI Legacy Company in replacing the Equipment.

12. Independent Contractor Status. MCI Legacy Company’s relationship to Customer in the performance of the CPE Terms is that of an independent contractor. Nothing contained in the CPE Terms may be deemed or construed as creating a partnership, joint venture or fiduciary relationship between MCI Legacy Company and Customer.