

**SECTION 1 - TELECOMMUNICATIONS SERVICES AGREEMENT**



**THIS AGREEMENT IS MADE BETWEEN:**

Customer Name:	Verizon Select Services Inc.
Contact Name:	Account Manager Name:
Address:	Verizon Select Services Inc. 6665 N. MacArthur Blvd. Irving, TX 75039
Main Billing Tel. No:	Agreement No:

- 1. Services.** Customer hereby agrees to purchase from Verizon Select Services Inc. ("Verizon") the services identified in the attached Exhibit(s) to this Agreement, or any Addendum expressly made a part hereof, ("Services") pursuant to the terms and conditions of this Agreement. The Services will be provided to the Customer locations specified in the attached Exhibits and Addenda. Other Customer locations may be added to this Agreement only upon mutual written agreement of the parties. This Agreement and any Addendum hereto becomes binding when it has been signed by an authorized Verizon representative. Under no circumstances may the Customer resell the Services being provided under this Agreement.
- 2. Term.** Customer shall purchase the Services identified in each Exhibit and Addendum for the period of time stated in the Exhibit or Addendum applicable to such Service ("Service Period). Subject to Verizon's receipt of any necessary regulatory and other governmental approvals or completion of any work or installation of facilities needed to provide the Services, and unless otherwise stated in the applicable Exhibit or Addendum, the Service Period shall be scheduled to commence on the "In-Service" date which shall be identified on the first invoice to the Customer. At the end of the Service Period, the terms and conditions set forth herein shall continue in full force and effect until a new agreement is entered into or the Service(s) is terminated. Although the terms and conditions shall continue to apply, Verizon may charge its then-current month-to-month rates for the Service(s) as set forth on Verizon's standard rate schedule that is available upon request or on Verizon's website. Either party may thereafter cancel this Agreement without further liability by either party upon sixty (60) days prior written notice to the other party.
- 3. Charges.** Customer will pay the rates and charges and satisfy all other requirements set forth in the applicable Exhibit(s) and Addenda. Customer shall also pay all Federal End User Common Line Charges, Universal Service Fund fees, Primary Interexchange Carrier Charges, and all applicable taxes, fees or surcharges that may be required under applicable law, regulations, or tariffs in connection with the Services. Such taxes, fees and/or surcharges are subject to change without notice to Customer. Charges for ancillary services, including but not limited to, charges for installation, change orders, directory assistance and operator services used by Customer will be imposed at Verizon's current rates and such charges are also subject to change without notice to the Customer. The parties acknowledge that the rates and other terms of this Agreement are premised on Customer's commitments, unique network design requirements, and Customer's service mix, usage patterns and concentration, and other characteristics.
- 4. Billing.** Verizon will invoice Customer monthly. Payments will be due net thirty days from the invoice date unless a different due date appears on the invoice. Payments received after the due date may be subject to a late payment charge of 1.5% per month or the maximum rate permitted by law, whichever is lower, on all overdue amounts until Customer's account is current. Should Customer have a billing dispute, Customer must provide notice to Verizon in writing within thirty (30) days of the invoice date with an explanation of the disputed invoiced amount, and Customer shall pay the undisputed portion as due. If Verizon determines that a disputed charge was billed correctly, payment shall be due from Customer within five (5) days after Verizon advises Customer that the dispute is denied.
- 5. Termination and Minimum Commitment Charges.** The rates set forth in the Exhibits and any Addenda hereto are established in consideration of and may be contingent upon Customer's agreement to purchase a minimum amount/volume of Services during each year/month of the Service Period as set forth in the applicable Exhibit or Addendum. If Customer cancels or causes the termination of this Agreement or any Services provided hereunder prior to expiration of the Service Period, Customer shall be required to promptly pay to Verizon termination and/or Underutilization Charge as set forth in the applicable Exhibit or Addendum in addition to any amounts already owed. Customer shall provide a sixty (60) day prior written notice of any cancellation or termination by Customer.

**SECTION 1 - TELECOMMUNICATIONS SERVICES AGREEMENT (Continued)**

- 6. Indemnification.** Verizon shall not be liable for, and Customer indemnifies and holds Verizon harmless from any and all losses, claims, demands, damages, expenses (including reasonable fees and disbursements of counsel), suits or other actions, arising out of the content of communications transmitted by Customer in its use of the Services, including but not limited to libel, slander, and invasion of privacy.
- 7. Limited Warranty.** VERIZON WILL USE COMMERCIALY REASONABLE EFFORTS TO PROVIDE THE SERVICES SUBSTANTIALLY IN ACCORDANCE WITH ANY SERVICE DESCRIPTIONS SET FORTH IN THIS AGREEMENT. IF THE SERVICES DO NOT FUNCTION SUBSTANTIALLY IN ACCORDANCE WITH SUCH SERVICE DESCRIPTIONS THROUGH NO FAULT OF CUSTOMER OR ITS AGENTS, OR DUE TO SCHEDULED MAINTENANCE, VERIZON'S SOLE OBLIGATION SHALL BE TO REPAIR AND RESTORE THE SERVICES AT VERIZON'S EXPENSE AND TO PROVIDE TO CUSTOMER ANY CREDITS FOR THE AFFECTED SERVICES IN ACCORDANCE WITH THE APPLICABLE EXHIBIT OR ADDENDUM. THE FOREGOING WARRANTY AND REMEDY IS VERIZON'S EXCLUSIVE WARRANTY AND CUSTOMER'S EXCLUSIVE REMEDY FOR BREACH OF WARRANTY, UNLESS OTHERWISE STATED IN AN APPLICABLE EXHIBIT HERETO. VERIZON HEREBY DISCLAIMS ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY OR OF FITNESS FOR A PARTICULAR PURPOSE.
- 8. Limitation of Liability.** NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, INDIRECT, OR SPECIAL DAMAGES, INCLUDING, BUT NOT LIMITED TO, LOSS OF BUSINESS, PROFITS, INFORMATION, OR OTHER COMMERCIAL OR ECONOMIC LOSS, WHETHER SUCH DAMAGES ARE BASED UPON BREACH OF CONTRACT, TORT, INCLUDING NEGLIGENCE, OR OTHERWISE, EVEN IF SUCH PARTY HAS BEEN NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES. EXCEPT FOR PAYMENT BY CUSTOMER OF AMOUNTS OWED TO VERIZON FOR SERVICES PROVIDED UNDER THIS AGREEMENT. VERIZON'S LIABILITY TO CUSTOMER FOR ANY OTHER DAMAGES DUE TO FAILURES IN THE SERVICES ARISING FROM ITS NEGLIGENCE OR BREACH OF THIS AGREEMENT SHALL BE LIMITED TO THE CHARGES FOR THE SERVICES AFFECTED BY THE FAILURE FOR THE PERIOD OF SUCH FAILURE. VERIZON MAY FROM TIME TO TIME PROVIDE ADVICE, MAKE RECOMMENDATIONS OR SUPPLY OTHER ANALYSIS RELATED TO THE SERVICES IN THIS AGREEMENT AND WHILE VERIZON SHALL USE REASONABLE EFFORTS IN THIS REGARD, CUSTOMER ACKNOWLEDGES AND AGREES THAT THIS LIMITATION OF LIABILITY SHALL APPLY TO THE PROVISION OF SUCH ADVICE, RECOMMENDATIONS AND ANALYSIS.
- 9. Termination of Services by Verizon.** Verizon may terminate, suspend, or limit use of any Services provided under this Agreement without liability and with notice as required by law to Customer, for the following reasons: a) The Service is being used in violation of any applicable federal, state, or local law, ordinance or regulation; b) The Services are being used in an unauthorized or fraudulent manner; c) The use of the Services adversely affects Verizon's equipment or its service to others; d) A court or other governmental authority having jurisdiction issues an order prohibiting Verizon from furnishing the Services to Customer; or e) Customer fails to pay undisputed charges for Services provided.
- 10. Default.** If Verizon fails to substantially perform its obligation to provide any Service in accordance with this Agreement, or if Customer fails to substantially perform its obligations hereunder in connection with any Service, and such failure is not cured within thirty (30) calendar days following receipt of a default notice in writing from the other party, then the non-defaulting party shall have the right to terminate the specific Service to which the default pertains. Upon termination of such Service, Customer shall be liable for any unpaid charges for the terminated Service incurred up to the time of the termination of such Service. If such termination is due to the default of Customer, then Customer shall be required to pay the applicable termination liability charges as set forth in the applicable Exhibits and/or Addenda. The Agreement shall not be terminated, and shall continue in effect, with respect to all other Services that are not the subject of such default. Termination of any Service or any Exhibit or Addendum, for any cause shall not release either party from any liability which at the time of termination had already accrued or which thereafter accrues for any act or omission occurring prior to the termination or from an obligation which is expressly stated in the Agreement to survive termination.

**SECTION 1 - TELECOMMUNICATIONS SERVICES AGREEMENT (Continued)**

- 11. Alternative Dispute Resolution (ADR).** Except for any actions seeking injunctive relief and claims relating to indemnity or infringement disputes, the parties agree that any other claim, controversy, or dispute arising out of or relating to this Agreement ("Arbitrable Claims") shall be subject to the following ADR procedure as the sole remedy with respect to any such Arbitrable Claim. Any such Arbitrable Claim shall be first subject to a sixty (60) day negotiation period between the parties in which each party shall disclose to the other party all such documents, facts, statements and any other information which are reasonably requested by the other party and are relevant to the dispute in question. Should such negotiations fail to resolve the dispute within sixty (60) calendar days, either party may refer the dispute to binding arbitration of a single arbitrator in accordance with the Commercial Arbitration Rules of the American Arbitration Association. The decision of the arbitrator shall be based only upon this Agreement, applicable law, and the information disclosed by the parties during the negotiation period. The decision of the arbitrator shall be reduced to writing, shall be final and binding except for fraud, misconduct, or errors of law, and judgment upon the decision rendered may be entered in any court having jurisdiction thereof. In all arbitrations, the arbitrator must give effect to applicable statutes of limitation, and shall not be afforded any authority to award relief in excess of what this Agreement provides or to order consolidation or class arbitrations. The parties agree that any such claims arising under this Agreement must be pursued on an individual basis in accordance with the procedure noted above. Even if applicable law permits class actions or class arbitrations, the ADR procedure agreed to herein applies and the parties waive any rights to pursue any claim arising under this Agreement on a class basis. No action, regardless of form, arising out of this Agreement or the transactions contemplated hereby, may be brought by either party more than two (2) years after the cause of the action arose. The arbitration shall be held at such mutually convenient location as the arbitrator shall designate, which shall be within the State where the Services that are the subject of such arbitration were provided to Customer. If the Service that is the subject of the arbitration is provided in more than one state, then the arbitrator shall designate a mutually convenient location for such arbitration. Each party will bear its own costs of arbitration but shall split equally the fees of the arbitration and the arbitrator.
- 12. Delayed Performance or Failure to Perform.** Neither party shall be liable for any delay or failure in performance under this Agreement arising out of acts or events beyond its reasonable control, including but not limited to acts of God, war, terrorist acts, fire, flood, severe weather, cut cable, explosion, riot, embargo, acts of the Government or third parties, labor disputes or strikes, or unavailability of necessary facilities or equipment.
- 13. Customer-Provided Facilities or Equipment.** Customer shall ensure that the facilities or equipment provided by Customer are properly interconnected with the Services, facilities and equipment provided by Verizon. Verizon shall not be liable for any damages or losses caused by the failure of equipment, inside wire or other facilities provided by the Customer or a third party and if such facilities cause damage to Verizon, its customers, and/or its providers, Customer shall be liable therefor. Customer is also solely responsible for the selection, implementation and maintenance of security features for protection against unauthorized or fraudulent use of Services and Verizon shall have no liability therefor.
- 14. Miscellaneous:**
- a) This Agreement, including Exhibits and any Addenda made a part hereof, constitutes the entire agreement of the parties pertaining to the subject matter herein and supersedes all prior agreements, negotiations, and representations, whether written or oral, concerning such subject matter. No representations or warranties express or implied, have been made or relied upon in the making of this Agreement other than those specifically contained in this Agreement. Unless specified otherwise, this Agreement may be modified or amended only if done in writing and signed by both Parties.
  - b) Either party's failure to enforce any of the provisions of this Agreement or to exercise any right or option is not a waiver of any such provision, right, or option, and shall not affect the validity of this Agreement. Any waiver must be written and signed by the Parties. If any provision of this Agreement or the provision of any Service under the terms hereof is held to be illegal, invalid, or otherwise prohibited under applicable law or regulation in any State or jurisdiction, then this Agreement shall be construed as if not containing such provision or not requiring the provision of such invalid, illegal, or prohibited Service in such State or jurisdiction.
  - c) Upon reasonable prior written notice, either party may assign or transfer this Agreement to any company that is the successor to substantially all of its assets or to a corporate affiliate of such party, subject to reasonable verification of financial ability to perform all payment obligations hereunder. All other attempted assignments shall be void without the prior written consent of the other party.

**SECTION 1 - TELECOMMUNICATIONS SERVICES AGREEMENT (Continued)****14. Miscellaneous:**

- d) Each signatory to this Agreement represents and warrants that he or she has authority to bind the entity on whose behalf he or she is executing this Agreement.
- e) Notices under this Agreement shall be sent by first-class U.S. mail, postage prepaid, to Verizon Enterprise Sales Contracts Repository, Attn: Manager, National Contracts Repository, MC HQW02L25, 700 Hidden Ridge Dr., Irving, TX 75038, and to Customer at the address specified above. Notices shall be deemed effective five business days after such mailing.
- f) Each Party shall comply with the provisions of all applicable federal, state, and local laws, ordinances, regulations and codes in its performance under this Agreement. The Services shall be subject to such orders, rulings, and tariffs now or hereafter issued or filed with the Federal Communications Commission (FCC) and/or the applicable state regulatory commission if and to the extent required by law. In the event of a conflict between the terms of any such tariffs and this Agreement, the terms of such tariffs shall apply to the extent required under applicable law. If, during the term of this Agreement, tariffs covering the Services are withdrawn pursuant to statutory changes or orders from the FCC or other governmental or judicial authority, this Agreement shall continue in full force and effect and the rates, terms and conditions set forth herein shall fully control.
- g) Neither party will disclose the terms of this Agreement to any other person without the prior written consent of the other party, except as may be necessary to comply with applicable laws or regulations.
- h) In the event of any claim or dispute, the laws of the jurisdiction in which Verizon provides to Customer the particular Service that is the subject of such claim or dispute shall apply. If Service provided is multi-jurisdictional, then the laws of the State of New York will apply.
- i) Verizon's provision of Service is subject to authorization to operate in the jurisdiction(s) where the Services are provided. The obligation of Verizon to provide Service is dependent upon its ability to procure, construct, and maintain facilities that are required to meet Customer's order for service. Verizon will make all commercially reasonable efforts to secure the necessary facilities, providing such Service will not adversely affect Verizon's services.
- j) Additional quantities of Services provided under any existing Exhibit to this Agreement may be ordered without the need for signed amendment or addendum, subject to written agreement of the parties upon a mutually acceptable process to be followed for the ordering of such additional quantities of Services.

**SECTION 1 - TELECOMMUNICATIONS SERVICES AGREEMENT (Continued)**

**15. Attachments.** Customer subscribes to the Service(s) by checking and initialing the applicable Exhibit(s) below. The selected Services are described, including the rates and charges, in the following Exhibits attached hereto and made a part hereof.

Check Applicable Exhibit (s)	Customer's Initials
<input type="checkbox"/> Exhibit A – Long Distance Voice Service	_____
<input type="checkbox"/> Exhibit B – VIN Enhanced Toll Free Service	_____
<input type="checkbox"/> Exhibit C – Domestic Private Line Services	_____
<input type="checkbox"/> Exhibit D – National FastPacket Service	_____
<input type="checkbox"/> Exhibit D-1 – National FastPacket Service with Network Performance SLAs	_____
<input type="checkbox"/> Exhibit E – Low Speed ATM Service	_____
<input type="checkbox"/> Exhibit F – High Speed ATM Service	_____
<input type="checkbox"/> Exhibit G – [not currently offered]	_____
<input type="checkbox"/> Exhibit H – [not currently offered]	_____
<input type="checkbox"/> Exhibit I – Advanced Optical Solutions (AOS) Service	_____
<input type="checkbox"/> Exhibit K – Verizon Optical Networking (VON) Service	_____
<input type="checkbox"/> Exhibit L – Audio Conferencing Service	_____
<input type="checkbox"/> Exhibit M – IP-VPN Service	_____
<input type="checkbox"/> Exhibit N – National Transparent LAN Service	_____
<input type="checkbox"/> Exhibit __ - _____	_____

AGREED AND ACCEPTED:

(Customer)

By \_\_\_\_\_

Name

Title

Date

VERIZON SELECT SERVICES INC.

By \_\_\_\_\_

Name

Title

Date