

**SECTION 13 - EXHIBIT M - Network-Based IP – VPN SERVICE****Quote Number or CBS/CNE Tracking Number:**

- 1) **Description of Service.** Internet Protocol-Virtual Private Network (IP VPN) Service (Service) is a packet-based advanced data service that provides interLATA connectivity between Customer locations, using Multi-Protocol Label Switching (MPLS) technology and a shared Internet Protocol (IP) backbone. IP VPN Virtual Connections (i-VCs) provide logical entry into the Virtual Private Network (VPN). The Service includes (i) a local i-VC that provides connectivity from either the Verizon-provided Dedicated IP UNI Port with Access, Dedicated IP UNI Port Only, or Shared IP UNI Port Only access connection; and (ii) an interLATA i-VC that provides interLATA connectivity between Customer's locations. The Dedicated IP UNI Port with Access provides dedicated physical entry into the IP VPN and includes both the physical port and the access circuit to Customer's location. The Dedicated IP UNI Port Only access connection provides dedicated physical entry into the IP VPN and requires a customer provided private line for access to the service. The Shared IP UNI Port Only access connection supports Frame Relay and ATM shared access to the IP VPN. The bandwidth for the local and interLATA i-VCs must match the bandwidth for the Dedicated IP UNI Port with Access, Dedicated IP UNI Port Only, Frame Relay Port, or ATM PVC.
- 2) **Quality of Service (QoS) Options.** Verizon offers two levels of Quality of Service (QoS) for both the local and interLATA i-VCs: Basic and Premier.
  - a) **QoS: Basic.** Basic does not prioritize IP VPN traffic. Basic is the default for customers who do not otherwise select a quality of service. QoS basic is available at i-VC speeds from 56Kbps to 622Mbps.
  - b) **QoS: Premier.** Premier enables the Customer to prioritize traffic by type of traffic. QoS Premier is available at i-VC speeds from 256Kbps to 622Mbps. Multiple classes of service can be provided on a single i-VC as specified below:
    - (i) **Class 1** – Used for strict priority traffic types that use sustained flows of generally small packet types and require low packet delay and jitter.
    - (ii) **Class 2** – Allows for applications requiring both low packet delay and jitter.
    - (iii) **Class 3** – Allows for applications that can tolerate larger packet delay variation than Classes 1 and 2.
    - (iv) **Class 4** – Allows for applications that only require non-prioritized transport performance and are not delay-sensitive.

QoS Premier is not available in conjunction with Dedicated IP UNI Port with Access, or Dedicated IP UNI Port Only access connections for OSPF (Open Shortest Path First) and BGP (Border Gateway Protocol) routing protocol options at port speeds of 3 Mbps, 4.5 Mbps, 6 Mbps, 7.5 Mbps, 9 Mbps and 12 Mbps when MLPPP (Multi Link Point to Point Protocol) line framing is used.
- 3) **Other Service Options.** Customer also has the following Service Options under the Service
  - a) **Dedicated IP UNI Port with Access.** Provides dedicated physical entry into the IP VPN and includes both the physical port and the access circuit from the IP VPN to the customer location. IP UNI Port with Access connections require the purchase of both a local and interLATA i-VC.
  - b) **Dedicated IP UNI Port Only.** Provides dedicated physical entry into the IP VPN for a customer provided private line access circuit. Dedicated IP UNI Port Only access connections require the purchase of both a local and interLATA i-VC.
  - c) **Shared IP UNI Port Only.** Provides shared virtual entry into the IP VPN for customers accessing the IP VPN through the Verizon-provided Fast Packet network. Shared IP UNI Port Only access connections require the purchase of both a local and interLATA i-VC.
- 4) **Access Options.** To provide access to the Service, for each Customer location, Customer must either purchase intraLATA IP VPN service or the Dedicated IP UNI Port with Access, Dedicated IP UNI Port Only, or Shared IP UNI Port Only access. The intraLATA access to the Service must be compatible (as determined by Verizon in its reasonable discretion) with the interLATA IP VPN Service provided herein and Customer must use the same bandwidth options as selected herein. If the access to Service is provided by another carrier, such access shall be subject to additional rates and a separate agreement with the chosen access provider.
- 5) **Rate Elements.** The rate elements of the Service include the local and interLATA i-VCs, as well as each Service Option selected by Customer. The i-VC services shall be billed on a per i-VC basis and rates for such i-VCs shall depend upon the bandwidth chosen by Customer and Service Option noted above. Dedicated IP UNI Port with Access and Dedicated IP UNI Port Only services shall be billed on a per port basis and shall vary depending upon the bandwidth and access circuit type selected by Customer. Administrative Charges shall apply to a) Customer requests for delays in the due date for provisioning; b) Customer cancellation of an order which is already in progress; c) Customer requests for relocating an

**SECTION 13 - EXHIBIT M - Network-Based IP – VPN SERVICE**

i-VC; d) Customer requests for a change of routing protocol of an i-VC; and e) Customer requests for reconfiguring or moving a Dedicated IP UNI Port with Access or a Dedicated IP UNI Port Only access connection.

- 6) **Service Period.** The Service is available under Extended Service Plans (hereinafter “Service Period”) of one, two, three and five years. Customer must give notice to Verizon to terminate the service at least 30 days prior to the end of the Service Period. If Customer fails to cancel the Service as set forth herein, Verizon shall continue to provide the Service and the terms and conditions of the Agreement shall continue to apply; provided that Verizon may charge its standard commercial rates for the Service based upon the shortest available Service Period. Following the expiration of the Service Period, either Customer or Verizon may terminate the Agreement on thirty (30) days notice.

- 7) **Operational Service Level Agreements (SLAs).** Operational SLAs are available with either the “QoS: Basic” or “QoS: Premier” i-VC options. Interruptions of non-Verizon-provided access are excluded from i-VC Operational SLA calculations. The Operational SLAs are as follows:

a) **SLA for On-Time Provisioning:**

- (i) **On-Time Provisioning Measurement.** Verizon agrees to complete installation of the i-VC no later than the Firm Order Commitment (FOC) date issued by Verizon plus twenty-four (24) hours. Verizon will issue a FOC date upon completion of its review of available required facilities and components. Completion of all design and ordering related forms and documents (including but not limited to network design, configuration, and data gathering forms) must occur prior to providing the FOC date. This SLA shall not apply to disconnection orders.

- (ii) **On-Time Provisioning Service Response Credits (SRCs).** If Verizon fails to install an i-VC within twenty-four (24) hours after the FOC date because of Verizon’s sole fault, Verizon will provide an SRC equal to twenty percent (20%) of the associated Monthly Recurring Charge (MRC) for the month in which the due date is missed for the i-VC. SRCs shall not be available if Verizon determines after the FOC date is issued that sufficient facilities are not available to provision the order, where special construction of facilities is required, or when the FOC date is missed because the local access service is not available. SRCs will also not be available for missed FOC dates if the Customer provides inaccurate information on the order, revises the order or is not ready to accept the Service on the FOC date.

b) **SLA For Mean Time to Repair (MTTR).**

- (i) **MTTR Measurement.** Under the MTTR SLA Verizon will measure the average Time to Repair (TTR) for Customer-reported interruptions in the Services with respect to i-VCs provided herein (“Interruption”). Interruption means a condition that renders an i-VC unavailable for use by Customer due to a fault caused by Verizon in the IP VPN network. To be measured under this SLA, Customer must report any Interruption to a Verizon-designated entity for the opening of a trouble ticket. The TTR is measured from the date and time a trouble ticket is opened by Verizon and the date and time when such ticket is closed by Verizon. In measuring the TTR, any stop clock time associated with the trouble shall be subtracted from such measurement. For purposes of this measurement, stop clock time refers to a) periods when Customer testing is occurring; b) periods when Verizon is awaiting Customer authorization to commence work on an i-VC; c) periods following a repair of an i-VC when the ticket is held open by Customer to ensure the trouble is resolved; and d) any time period during which any of the occurrences listed in Section 10 (SLA Exclusions) existed. The SLA shall not apply to cases of trouble where no trouble was found or repeated cases of trouble for the same Interruption. The MTTR SLA shall be measured on a calendar month basis and shall be calculated by adding the TTR for all Interruptions and dividing that sum by the total number of trouble tickets opened for Interruptions for the Customer during that month.

- (ii) **MTTR SRCs.** If the average MTTR for Interruptions for a calendar month exceeds four (4) hours, Verizon shall provide a credit of twenty percent (20%) of the MRC for any individual i-VC that is unavailable for use for more than four (4) consecutive hours during such calendar month.

c) **SLA For Network Availability.**

- (i) **Network Availability Measurement.** Network Availability refers to the percentage of time during a calendar month that the Service is available for use by Customer. The Verizon threshold for Network Availability is 99.90%. Network Availability is calculated based upon the total number of minutes in a calendar month that Customer was actually in service divided by the total number of minutes in the month (1,440 minutes multiplied by the number of days in month multiplied by the number of i-VCs, less the number of minutes that the i-VCs were interrupted during month, divided by the number of available minutes for the month, i.e. 1,440

**SECTION 13 - EXHIBIT M - Network-Based IP – VPN SERVICE**

minutes multiplied by the number of days in month multiplies by the number of i-VCs. Verizon will not round up the calculation to reach the 99.90% threshold. The Network Availability SLA is only available for outages reported by Customer by opening a trouble ticket with Verizon. An interruption for i-VCs shall be computed, and be subject to the same restrictions and exclusions, as set forth in Section 7 (b) pertaining to Interruptions for TTR.

- (ii) **Network Availability SRCs.** If the overall Network Availability measurement is less than the threshold of 99.90% for a calendar month, Verizon will provide a credit equal to twenty percent (20%) of the associated MRC for any individual i-VC that did not meet such threshold during such calendar month.
- 8) **Network Performance SLAs.** Network Performance SLAs apply only to i-VCs under the “QoS: Premier” i-VC option with bandwidth of 1.5 Mbps and above. The Network Performance SLAs are as follows:
  - a) **SLA For Data Delivery.**
    - (i) **Data Delivery Measurement.** “Data Delivery” is the average one-way measurement of test packets received per 1000 packets sent between designated city pairs. Data Delivery is calculated on a calendar month basis. Interruptions (as defined in Section 7.b.(i) above) shall be excluded from the measurement of Data Delivery. The Verizon threshold for Data Delivery is 99.97% in a calendar month.
    - (ii) **Data Delivery SRCs.** If the overall Data Delivery measurement for a calendar month is less than the threshold of 99.97%, then Verizon shall provide an SRC equal to twenty percent (20%) of the MRC for any individual i-VC that did not meet such threshold during such calendar month. The applicable i-VCs are those that form the designated city pair that failed the Data Delivery threshold.
  - b) **SLA For Delay.**
    - (i) **Delay Measurement.** Delay is the average time that it takes for test packets to travel round trip between designated city pairs and is calculated on a calendar month basis. Interruptions (as defined in Section 7.b.(i) above) shall be excluded from the measurement of Delay. The Verizon threshold for Delay is seventy (70) milliseconds.
    - (ii) **Delay SRCs.** If the overall Delay measurement for a calendar month exceeds the threshold of seventy (70) milliseconds, Verizon will provide an SRC equal to twenty percent (20%) of the MRC for any individual i-VCs that exceeded such threshold during such calendar month. The applicable i-VCs are those that form the designated city pair that exceeded the Delay threshold.
  - c) **SLA For Jitter.**
    - (i) **Jitter Measurement.** Jitter is the variation in the time that it takes for packets to travel between designated city pairs within the IP VPN network and is calculated on a calendar month basis. Interruptions (as defined in Section 7.b.(i) above) shall be excluded from the measurement of Jitter. The threshold for Jitter is five (5) milliseconds positive or negative variation. The applicable i-VCs are those that form the designated city pair that exceeded the Jitter threshold.
    - (ii) **Jitter SRC.** If the overall Jitter measurement exceeds a variation of five (5) milliseconds (positive or negative), Verizon will provide an SRC equal to twenty percent (20%) of the MRC for any individual i-VC that exceeds such threshold during such calendar month.
- 9) **Customer Validation For Network Performance SLAs.**
  - a) Customer must request SRCs for Network Performance SLAs and may submit in support of such request its own measurements made by industry-standard network performance measuring equipment. Such equipment shall be subject to prior approval by Verizon and be capable of the following:
    - (i) For the Data Delivery SLA, the equipment must be capable of determining the number of actual packets sent and successfully received between two (2) Customer locations.
    - (ii) For the Delay SLA, the equipment must be capable of measuring the transmission of a series of 128-byte time-stamped packets to a measurement system from one Customer location to another Customer location. The measurement systems must be time-synchronized by utilizing an appropriate network-based timing source, using Greenwich Mean Time (GMT).
    - (iii) For the Jitter SLA, the equipment must be capable of measuring the transmission of a series of at least fifty (50), 128-byte time stamped packets at a fixed interval between each packet from one Customer location to a measurement system at another Customer location. The measurement systems must be time-synchronized by utilizing an appropriate network based timing source, using Greenwich Mean Time (GMT).

**SECTION 13 - EXHIBIT M - Network-Based IP – VPN SERVICE**

- (iv) All equipment must be capable of measuring from edge to edge (CPE to CPE) and to make the measurement every five (5) minutes per hour for four (4) hours total per day for a total of 240 measurements per day. In order to be considered, such measurements must include at least seven consecutive days' worth of measurements for four (4) hours per day .
    - b) Verizon will validate the Customer-submitted measurements in accordance with its own procedures and Verizon may, in its discretion, use either Customer-provided data or its own measurement data to evaluate and assess whether SRCs are warranted.
    - c) To the extent necessary to measure Verizon's performance under the SLAs set forth herein, Customer consents to Verizon obtaining on Customer's behalf its trouble history with local carriers that provide the portion of the network covered by the SLAs.
- 10) **SLA Exclusions.** SLAs do not apply to the extent that any of the following reasons prevented Verizon from meeting such SLAs:
  - a) The acts of Customer or other party authorized by Customer to use the Service, including but not limited to Customer's negligence, Customer's refusal to grant Verizon reasonable access to its premises for testing/repair, Customer's refusal to release the Service for testing and/or repair, Customer's maintenance activities or its rearrangement of the Service or where Customer has exceeded the purchased i-VC bandwidth;
  - b) Service trouble caused by Customer's CPE or facilities on its side of the demarcation point or any power, equipment, service or systems not provided by Verizon;
  - c) Services that have been in service for less than a month (except for the SLA for On-Time Provisioning);
  - d) Any reason stated in Section 12 of the Telecommunications Services Agreement ("Delayed Performance or Failure to Perform");
  - e) Scheduled maintenance and downtimes;
  - f) Unavailability of network monitoring or management equipment or reporting;
  - g) When Customer has performed its own measurements that do not comply with the procedures outlined in this Exhibit; or
  - h) Any other reason outside the control of Verizon.
- 11) **Limitation on SRCs.** The combined total of any SRCs applied to a Customer's IP VPN Service contracted herein or in other Verizon agreements may not exceed the following:
  - a) For any calendar month, the total SRCs applied to an affected i-VC may not exceed twenty percent (20%) of the MRC billed to the Customer for such i-VC for that month, even if Customer is eligible for SRCs for an affected i-VC under more than one SLA.
  - b) For any calendar year, the total SRCs shall not exceed ten percent (10%) of the total annual revenue of the prior calendar year billed to the Customer for qualifying i-VCs, or \$250,000 per Customer per IP VPN Service, whichever is less. For any calendar year in which the Customer had less than twelve (12) full months of revenue for qualifying i-VCs in the prior calendar year, the SRCs may not exceed \$20,000 per Customer per IP VPN Service.
  - c) To receive an SRC, Customer must request such SRC in writing within thirty (30) calendar days of the end of the SRC monitoring period. The request must include a list of all impacted i-VC identification numbers and the type of SRC requested for each i-VC.
- 12) **Cancellation and Termination Liabilities.**
  - a) Termination Liability applies to all components of the Service, including i-VCs, Dedicated IP UNI Ports with Access and Dedicated and Shared IP UNI Port Only access connections ("Service Components") when Customer disconnects the Service or any of such Service Components prior to the expiration of the Service Period. Termination Liability also applies when Verizon discontinues Service on account of Customer's default under this Agreement.
  - b) If the Service (or any Service Component) is terminated, the termination liability charge shall be i) one-hundred percent (100%) of the applicable MRCs for the Service or Service Component for the unexpired portion of the first twelve months of the Service Period, ii) fifty percent (50%) of such applicable MRCs for each month remaining in the Service Period following the first twelve months; and iii) applicable Administrative Charges;



**SECTION 13 - EXHIBIT M - Network-Based IP – VPN SERVICE**

- c) Customer acknowledges that Verizon's actual damages arising from Customer's termination of the Service are impossible to ascertain and that the Termination Liability is a reasonable estimate of same and shall constitute liquidated damages, and not penalties.
- d) Early termination charges will not be assessed under the following circumstances: Customer upgrades a Service Component to a higher speed or upgrades an i-VC from "QoS: Basic" to "QoS: Premier", provided that each of the following conditions are met:
- (i) The aggregate amount of all MRCs included under the Agreement for the upgraded Service Components is equal to or greater than the aggregate amount of the MRCs remaining for the existing Service Components; and
  - (ii) Both the existing and the upgraded Service Components are provided solely by Verizon; and
  - (iii) The order to terminate existing Service Components and the order for the upgraded Service Components are received by Verizon at the same time and are on the same order.

**13) Billing Commencement.** The date the Service is made available to Customer by Verizon will be the date on which nonrecurring charges and monthly recurring charges will commence. It is the responsibility of Customer to secure all necessary and appropriate facilities and equipment (including any access facilities that may be required) prior to Service commencement. Failure to secure all facilities and equipment (including any access facilities that may be required) shall not delay the commencement of billing for Service nor relieve Customer of its obligation to pay for the Service hereunder.

**14) Percent Interstate Traffic.** Customer represents that traffic transmitted between the locations on this network is: (select one)

- Interstate (10% or more of the traffic is Interstate in nature)
- Intrastate (less than 10% of the traffic is Interstate in nature)

**15) Rates and Charges.** Customer agrees to purchase the Services listed on the following chart(s) at the term(s), prices, and quantities set forth thereon.

Note: In the chart(s) which are a part of and/or attached to this Exhibit M, the below-listed Service Options shall be abbreviated in the column headings as follows:

- InterLATA "QoS: Basic" shall be abbreviated as "Basic LD i-VC"
- Local "QoS: Basic" shall be abbreviated as "Basic Local i-VC"
- InterLATA "QoS: Premier" shall be abbreviated as "Premier LD i-VC"
- Local "QoS: Premier" shall be abbreviated as "Premier Local i-VC"
- Dedicated IP UNI Port with Access shall be abbreviated as "Dedicated Port w/Access"
- Dedicated IP UNI Port Only shall be abbreviated as "Dedicated Port Only"

In the event that additional locations need to be listed, please complete and attach to this Exhibit M, the document entitled "Exhibit M – Additional Chart".

**Administrative Change Charge:** There will be an Administrative Change Charge of \$100.00 per order.

