

XO™ Managed IP PBX

Effective March 21, 2008, this offering is being replaced with XO One iPBX Service and no longer will be available to new Customers

I. Service Description

Managed IP PBX Service ("Service") is a managed service offering that consists of: (i) the provision of PBX, telephone handset and other equipment ("Equipment") at Customer-specified locations; (ii) the maintenance of said Equipment at those locations; and (iii) the furnishing of integrated voice and data access, local, and long distance services. Service is provided, in part, via an Avaya IP Office® PBX that typically accommodates Customers with fifteen (15) to fifty (50) digital or IP telephone stations and allows access to XO's IP network ISDN PRI connectivity. Service features include the support of twelve (12) trunks and up to 32 voice-grade equivalents (with an analog line, digital trunk, or ISDN PRI) and 1.5 Mbps and up to 3 Mbps of data originating in IP format at Customer premises.

Service allows for the dynamic allocation of available bandwidth so that data transmission speeds can increase whenever voice services are not in use. The PBX furnished as part of Service provides traditional voice service calling features with each telephone number ordered. Customer may select either IP or Digital telephone handsets. In order for the Customer to qualify for IP telephone handsets for use in Service, Customer must qualify itself as IP-ready by responding appropriately to an "IP Questionnaire;" otherwise, Customer may subscribe to Service using Digital telephone handsets. Included in the Service is "End-user Client," a web-based interface that allows Customer to interface with the PBX to make unlimited, non-billable changes to Service, such as changing call forwarding options, setting up speed-dial, or managing a multi-party reservation-less conference call.

XO, together with Avaya, will evaluate, design, provision, maintain and manage Service based on a configuration proposed to, and accepted by, the Customer.

II. Agreement; Price Changes; Service Requirements and Restrictions

Agreement: These terms and conditions supplement those set forth in the Service Order Agreement ("SOA"), including its several attachments, as well as any applicable tariffs and the terms and conditions set forth at www.terms.xo.com, which are incorporated into and made part of the Agreement.

Pricing and Price Changes: Cancellation of Service by Customer before its availability will result in the imposition of cancellation charges, and any change to an accepted PBX configuration prior to installation will result in change charges. Any refusal by Customer to accept Service upon its availability will result in a "Not Ready for Service" or delay charge. XO may modify the prices for Service. If it does so, it will notify Customer in writing in advance of any price increase, but any price reduction will be effective without notification to Customer. If Customer elects not to be bound by a price increase for which notification has been given, Customer may notify XO in writing of its intent to terminate the Agreement within thirty (30) days of its receipt of notice of the planned price increase. XO will discontinue Service within sixty (60) days of its receipt of Customer's termination notice and will not impose any termination liabilities on Customer, except that Customer will be obligated to pay the increased price, prorated if applicable, during the termination notice period. If Customer continues to use Service after the thirty (30) day price increase notice period, such use will constitute Customer's acceptance of the price increase.

Service Requirements: To receive Managed IP PBX Service, Customer must execute, and XO must accept, a Service Order Agreement with an appended "Statement of Work" establishing the rights and obligations of Customer and XO (including its contractors) with regard to the provisioning of Service and Equipment. The Statement of Work shall include a "Service Configuration" and:

- (1) an "E911 Disclosure Addendum" indicating that any E911 calling capability associated with Service:
 - (a) may not be available during an electrical power outage affecting the Service location;
 - (b) will not be available if Customer's broadband connection service has been disrupted and not restored;
 - (c) will not be available if Service has been discontinued for any reason, including Customer non-payment;
 - (d) may not be available at locations other than the location for which a Service address has been furnished to the Company;
 - (e) may not be available or may be routed to emergency

personnel unable to respond, if Customer has disabled or damaged the Company-provided Interactive Access Device or removed it to a location other than one for which a Service address has been provided to the Company; or (f) may be delayed or unavailable due to network congestion or other problems affecting the network. Customer is encouraged to acquire and maintain alternative means of accessing E911 service and to inform its authorized users of emergency calling alternatives available to them;

- (2) a "Letter of Acceptance" that Customer must execute and return to XO following the completion of Equipment installation;
- (3) terms and conditions pertaining to Equipment; and
- (4) an "End User License and Warranty."

Service Restrictions: Under no circumstance may Customer or its employees, agents, contractors or subcontractors move, modify or attempt to maintain the Equipment furnished as part of Service. Managed IP PBX Service may not be used in connection with call center or similar operations, auto-dialers, foreign exchange services, public telephone services, calls to Internet Service Providers, broadcast facsimile applications, or aggregated end-user traffic such as that undertaken by educational institutions, nor will it be deployed at any Customer collocation space. The Company reserves the right either to discontinue furnishing Service or to move the Customer to an alternative usage plan or product if Customer's usage, in XO's sole discretion, is deemed not to be that of a typical business user or if the service is being used by Customer for any prohibited application. Customer will remain responsible for any applicable early termination penalties if it chooses to terminate service as a result of XO's discontinuation of service or its modification of the Customer's usage plan or product.

III. Equipment

XO, including its contractors, will provide Customer with the Equipment needed to use XO IP Managed PBX Service. All rights, title and interest in said Equipment shall not vest in Customer or any third party. Customer will take all reasonable measures to protect the Equipment and will extend to it the same care as it would its own equipment. Customer shall be responsible for all loss, damage or destruction of the Equipment from the date of its delivery to Customer's premise until the date the Equipment is removed from Customer's premises. Upon termination of the Agreement, the Equipment will be in the same condition as when originally delivered, normal wear and tear excepted. If Equipment cannot be recovered by XO, or if Equipment is damaged beyond the ordinary wear and tear resulting from its use, Customer will be liable to XO for either the replacement value of the Equipment or its repair costs.

IV. Warranty and Software License

Customer shall be entitled to receive a warranty and software license ("End User License and Warranty") covering the Equipment from its manufacturer. Said License and Warranty will be attached to the Statement of Work and may be replaced by XO, in its sole discretion, with a later version that will be deemed to automatically supersede the one replaced.

V. Local Services

Applicable state tariffs, which may be modified by XO from time to time in accordance with law, will govern the provision of local service furnished as part of XO Managed IP PBX Service. All local service-related rates, charges and surcharges apply to the voice portion of Service, e.g., Local Directory Assistance, Local Operator Services and Directory Listings, with the exception of the Federal Subscriber Line Charge and Local Number Portability charges that XO reserves the right to impose in the future.

Service includes 12 PRI channels and unlimited local calling. Caller ID Name and Number is available at no additional charge.

Additional PRI channels or analog lines up to a total of 32 voice-grade equivalent channels may be purchased for an additional charge.

VI. Long Distance Services

Service includes up to thirty-thousand (30,000) minutes of inbound and outbound domestic long distance calling during a monthly billing period. If Customer's long distance usage at a single Customer location exceeds thirty-thousand (30,000) minutes during any monthly billing period, Customer shall be charged and required to pay an additional \$0.04 per minute for all minutes exceeding this limitation.

A single basic Toll-Free number will be available with Service at no additional charge. Charges for international long distance calling will be billed at the applicable standard service rates reflected at www.terms.xo.com. In addition:

- International Outbound calls to Canada, Mexico and other international destinations will be priced at the Dedicated LD rates located at www.terms.xo.com;
- Outbound calls to US Territories such as Puerto Rico and US Virgin Islands will be priced at \$0.06 per minute, or fraction thereof;
- Intrastate and Interstate Long Distance and International Operator Service charges and Long Distance Directory Assistance (411 or NPA 555-1212) charges will be priced at applicable tariff rates or the applicable rates set forth at www.terms.xo.com;
- Calling Card charges located at www.terms.xo.com apply; and
- Conferencing Calling charges located at www.terms.xo.com apply.

Federal Universal Service Fund (USF) Charge will apply as well as any applicable state and federal taxes.

VII. Data Services

Dedicated Internet access service is included with XO IP Managed PBX Service. Available bandwidth will vary based on voice usage at any given time but may be up to 1.54Mb (1 T-1) or up to 3.0 Mb (2 T1) if no voice conversations are taking place. In addition to Internet access via DIA, Internet access via Web Hosting & Dial-Up Internet Service is included with Service. The product-specific terms and conditions relating to these offerings are located at www.terms.xo.com.

VIII. Service Level Guarantees

Network Availability: The standard DIA Service Level Agreements ("SLAs") set forth at www.terms.xo.com apply to Service. The XO IP Network, as defined in this section, is guaranteed to be available and capable of forwarding IP packets one hundred percent (100%) of the time, as averaged over a calendar month. The XO IP Network includes Customer's access port (the port on the XO aggregation router upon which the customer's circuit terminates) and the XO IP backbone network. The XO IP backbone network includes XO owned and controlled routers and circuits (including any transit connections). The one hundred percent (100%) XO Network Availability guarantee does not apply to local access (e.g., the local loop), Customer-owned or leased equipment (net protocol converter or router) or Customer's Local Area Network (LAN), scheduled maintenance events, network events on redundant network elements, customer caused outages or disruptions, interconnections to or from and connectivity within other Internet Service Provider (ISP) networks, or *force majeure* events (as defined in the applicable service agreement).

If the Network Availability guarantee is not met during a calendar month, the Customer will receive a credit in the amount of 1/30th of the monthly recurring charge (MRC) for that month for each full hour of outage in excess of the one hundred percent (100%) guarantee following the opening by Customer of a trouble ticket pertaining to the outage.

Latency Guarantee: The XO® IP backbone network (as defined in the previous section) is guaranteed to have an average round trip packet transit time within the XO IP backbone network over a calendar month of 65ms or less, which is measured as the average of 15-minute samples across the XO IP backbone network taken throughout the month. This Latency Guarantee does not apply to local access (e.g., the

local loop), Customer-owned or leased equipment (net protocol converter or router) or Customer's LAN, scheduled maintenance events, customer caused outages or disruptions, interconnections to or from and connectivity within other ISP networks, or *force majeure* events (as defined in the relevant service agreement).

If the Latency Guarantee is not met during a calendar month, the Customer will receive a credit in the amount of 1/30th of the monthly recurring charge (MRC) for that month for each full 1ms above the 65ms average maximum guarantee following the opening by Customer of a trouble ticket pertaining to the deficiency.

Packet Loss Guarantee: Maximum average packet loss of one percent (1 %) during any calendar month. If the Packet Loss guarantee is not met during a calendar month, the Customer will receive a credit of one-thirtieth (1/30th) of the monthly recurring charge (MRC) for the month the packet loss exceeded one percent (1%) for each affected XOPTIONS® FLEX service following the opening by Customer of a trouble ticket pertaining to the deficiency.

Network Jitter Guarantee: The Network is guaranteed to have a monthly average network jitter delay of no greater than one (1) millisecond during any calendar month. If the Network Jitter is not met during any calendar month and failure is reported to XO by Customer, Customer will receive a credit equal to the pro-rate one-day amount of the MRC for Service for the month during the month in which the Jitter Guarantee was not met.

Voice: For voice service outages due exclusively to the fault or failure of XO, Customer, after an outage has been reported and the fault or failure is shown, will receive credit based on the monthly recurring charge (MRC) as follows:

1 hour to 4 hours	¼ day credit
4 hours to 8 hours	¾ day credit
8 hours to 24 hours	1 day credit
Over 24 hours	1 day for each 8 hour period over 24 hours

Credit will not be given for outages due to local access (e.g. the local loop), Customer-owned or leased equipment (net protocol converter or router) or Customer's Local Area Network (LAN), scheduled maintenance events, network events on redundant network elements, customer caused outages or disruptions, interconnections to or from and connectivity within other Internet Service Provider (ISP) networks, or *force majeure* events (as defined in the applicable service agreement).

Credit Limits and Reporting Procedure: Total credits awarded for Service during any calendar month for failure to meet any one or more of the Guarantees shall not exceed the MRC for the affected Service. To be eligible to receive a credit, Customer must report any failure(s) by telephoning Customer Care at 800.421.3872 and comply fully with any information requests made by XO.

VIII Service Performance Standards

XO will perform administrative management of the service on behalf of the customer. XO will perform basic management service such as name changes and voicemail passcode resets at no additional charge to the customer during the hours of 8 am and 5 pm Monday through Friday. Any advanced management changes such as bulk loading 1000 account codes as a new service or changes made during nights, weekends and holidays will be charged at time and material charges.

03/21/08