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14. Liability and Indemnification

14.1 Indemnification

14.1.1 To the extent not prohibited by Applicable Law, both the Telephone Company and the TC shall indemnify and hold harmless each other from and against loss, cost, claim, liability, damage, and expense (including reasonable attorney's fees) to third parties for:

(a) damage to tangible personal property or for personal injury proximately caused by the negligence or willful misconduct of the Indemnifying Party, its employees, agents or contractors; and

(b) claims for libel, slander, infringement of copyright, or other wrongs, arising from the material transmitted over the Indemnified Party's facilities arising from the Indemnifying Party's own communications or the communications of such Indemnifying Party's customers; and

(c) claims for infringement of patents arising from combining the Indemnified Party's services or facilities with, or the using of the Indemnified Party's services or facilities in connection with, facilities of the Indemnifying Party.

14.1.2 The Indemnified Party will notify the Indemnifying Party promptly in writing of any claims, lawsuits, or demands by third parties for which the Indemnified Party alleges that the Indemnifying Party is responsible under this Section 14.1, and, if requested by the Indemnifying Party, will tender the defense of such claim, lawsuit or demand. In the event the Indemnifying Party does not promptly assume or diligently pursue the defense of the tendered action, then the Indemnified Party may proceed to defend or settle said action and the Indemnifying Party shall hold harmless the Indemnified Party from any loss, cost, liability, damage and expense. In the event the Party otherwise entitled to indemnification from the other elects to decline such indemnification, then the Party making such an election, may, at its own expense, assume defense and settlement of the claim, lawsuit or demand. The Parties will cooperate in every reasonable manner with the defense or settlement of any claim, demand, or lawsuit.

14.2 Limitation of Liability

With respect to actions or omissions arising under or relating to this Tariff:

14.2.1 Neither the Telephone Company nor the TC, nor their respective parents, subsidiaries, affiliates, agents, servants or employees, shall be liable to the other Party for any cost, expense, claim, liability, damage, expense or other loss in the absence of gross negligence or willful misconduct.

14.2.2 In no event shall either Party have any liability whatsoever to the other Party for any indirect, special, consequential, incidental or punitive damages, including, but not limited to loss of anticipated profits or revenue or other economic loss in connection with or arising from anything said, omitted or done hereunder, even if the other Party has been advised of the possibility of such damages.

NETWORK ELEMENTS

14. Liability and Indemnification (Cont'd)
14.2 Limitation of Liability (Cont'd)

14.2.3 Each Party's liability to the other Party for any loss relating to or arising out of any negligent act or omission in its performance of a tariffed service shall be limited to the amount that is or would have been charged to the other Party by such negligent or breaching Party for the specific service(s) or function(s) not performed or improperly performed, and only for the period of time such service or function was not perfomed or improperly performed.

14.2.4 Force Majeure

(a) Neither Party shall be liable for any delay or failure in performance of any obligation under this Tariff (other than an obligation to make money payments) from any cause beyond its reasonable control and without its fault or negligence including, without limitation, acts of nature, acts of civil or military authority, government regulations, embargoes, epidemics, terrorists acts, riots, insurrections, fires, explosions, earthquakes, nuclear accidents, floods, work stoppages, strikes, equipment failure, power blackouts, volcanic action, other major environmental disturbances, unusually severe weather conditions, inability to secure products or services of other persons or transportation facilities, or acts or omissions of transportation carriers (each, a "Force Majeure Event"). If any Force Majeure Event occurs, the Party delayed or unable to perform shall give prompt notice to the other Party and shall take all reasonable steps to mitigate the effects of such Force Majeure Event. During the pendency of the Force Majeure Event, the duties of the Parties under this Tariff affected by the Force Majeure Event shall be abated and, upon cessation of such Force Majeure Event, shall resume as promptly as reasonably practicable, without liability thereafter.

(b) Notwithstanding paragraph (a) of this Section 14.2.4, no delay or other failure to perform shall be excused pursuant to this Section by the acts or omissions of a Party's subcontractors, material men, suppliers or other third persons providing products or services to such Party unless such acts or omissions are themselves the product of a Force Majeure Event, or unless such delay or failure and the consequences thereof are beyond the reasonable control and without the fault or negligence of the Party claiming excusable delay or other failure to perform.

14.2.5 Neither Party shall be liable for any act or omission of any other entity furnishing to the other Party facilities, equipment, or services used in conjunction with the services provided under this Section. Nor shall either Party be liable to the other Party for any damages or losses due to unauthorized use of the services provided under this Tariff, or for the failure or negligence of the other Party or its customers, or due to the failure of equipment, facilities, or services provided by the other Party or its customers.