



LOCAL VOICE SERVICES SCHEDULE

This Local Voice Services Schedule is a part of and together with any Service Orders and Attachments is subject to the Dedicated Master Services agreement ("DMSA") between PNG Telecommunications, Inc. d/b/a Powernet ("Powernet") and Customer. Powernet reserves the right to change these terms and conditions from time to time. Posting of the updated Schedule will constitute notice to Customer of any such changes. Changes will be effective upon posting. Customer remains responsible for regularly reviewing these terms and conditions. Customer's continued use of the Services after the date of such changes constitutes Customer's acceptance of and agreement to such changes.

1. **Scope.** Powernet shall provide Local Voice ISDN/PRI ("ISDN/PRI") Services ("Services") to Customer as described in this Schedule and at the rates and terms set forth in this Schedule and Service Orders and Attachments.

2. **Term.** The initial term of this Service and any requested Local Access Service is specified in the Service Order. When Powernet makes Customer's Service available, Powernet will send Customer a notice confirming Customer's Service availability and the Service Order Term shall commence upon the sending of such notice by Powernet. Upon the expiration of any initial Service Order Term, the Service Order Term will automatically renew for succeeding terms of one (1) month under the terms and conditions of the Service Order and this Agreement at the then current rates for such Service until terminated by either party on thirty (30) days notice. This Schedule will continue to govern the parties' duties and rights with respect to any succeeding term or until all Service Orders are terminated as permitted by this Schedule or the DMSA.

3. **Description of Services.** Powernet's Local ISDN/PRI Services provide voice services connected through Powernet's network to the Public Switched Telephone Network ("PSTN") via Powernet's switched-Circuit network. The Service may consist of services provided directly by Powernet and also of services procured by Powernet from third party suppliers.

4. **Provisioning of Service.** Powernet will make commercially reasonable efforts to provision the ordered Services within industry standard provisioning intervals. Service activation will be complete and billing will begin on the date Powernet verifies that Customer receives local dial tone. In no event will the untimely installation or non-operation of Customer-provided facilities, services or equipment relieve Customer of its obligation to pay charges for the Services as provided in this Agreement.

5. **Local Number Portability.** Customer may elect to port an existing Telephone Number ("TN") to Powernet for use with the Service. Powernet will support all valid requests and will cooperate with Customer to port any TNs in accordance with Powernet's standard operating procedures. Customer is responsible for presenting to Powernet all necessary and accurate Calling Service Records ("CSRs") in a form acceptable to Powernet in its sole discretion. Customer hereby represents and warrants to Powernet that Customer has all necessary rights and authority necessary to port any TNs and Customer hereby agrees to indemnify, defend, and hold harmless Powernet, its Affiliates, and their officers, directors, employees and agents from and against any third party claim related to or arising out of any porting. Customer is liable for all charges for the Service Order Term, regardless of Powernet's ability to port Customer's existing TNs.

6. **Local Access Service.** The Local Access Service ("LAS") provides the physical connection between the Service Address and the Powernet Network.

6.1. **Powernet Provided LAS.** At the request of Customer and if included by Customer on the Service Order Form, Powernet shall provide LAS. The LAS will include any entrance cable or drop wire to that point where provision is made for termination of Powernet's outside distribution network facilities at a suitable location at a Customer designated Service Address and will be installed by Powernet or a third party to such point of termination. The LAS shall extend to and include the equipment maintained by Powernet at the termination point of the local loop at the applicable Service Address (i.e. Demarcation Point) but shall not include Customer Provided Equipment, extended wiring, inside wiring or other equipment not maintained by Powernet at a Service Address. All equipment owned by Powernet shall remain the sole property of Powernet, and Customer expressly disclaims any right, title or interest in or to any Powernet equipment or property, or that of any of Powernet's affiliates, contractors or agents. The LAS has only one point of termination per Service Address. Any additional terminations beyond such point of termination are the sole responsibility of Customer. Customer shall provide Powernet with Building Owner authorization for all building facilities, in a form reasonably acceptable to Powernet. Powernet only provides the Service to buildings that Powernet in its sole discretion has identified as business locations. Under no circumstances will LAS be provided to residential addresses, even if business is conducted at such residential location. Customer shall execute Powernet's standard form Letter of Agency ("LOA")/Carrier Facility Assignment ("CFA") authorizing Powernet to interact directly with the LAS provider(s) to obtain LAS. Customer shall pay all charges for LAS including, without limitation, monthly charges, usage charges, installation charges, nonrecurring charges and applicable termination/cancellation charges. In the event Customer fails to maintain any necessary LOA/CFA for a Service ordered hereunder, Powernet may terminate such Service with prior written notice to Customer and Customer must pay immediately to Powernet all monthly recurring charges associated with the terminated Service for the balance of the term specified in this Agreement or Service Order.

6.2. **Customer Provided Access ("CPA").** If Customer desires to order its own LAS to the POP through a third party, then Customer shall so indicate on the Service Order Form. Powernet may accept or reject such request, in Powernet's sole discretion. If Powernet does not approve the third-party provider, then Customer shall either: (i) request that such LAS be provided to the POP by another third-party provider acceptable to Powernet, or (ii) order LAS through Powernet. Unless otherwise agreed to by Powernet in writing, Customer shall have sole responsibility for installation, testing and operation of the LAS, and any services and equipment other than those specifically provided by Powernet under this Service Exhibit. Customer acknowledges that Powernet cannot disconnect or terminate LAS that are not ordered through Powernet by Customer for use with the Service. Therefore, Customer must first provide Powernet with a written Disconnect Firm Order Confirmation ("DFOC") notice(s) from the respective Local Access Provider(s). Powernet will process the Customer's disconnect Order for the Service beginning on the date in which Powernet receives the respective Local Access Provider(s) DFOC provided by the Customer. Powernet will complete the disconnect order within thirty (30) calendar days thereafter. Customer shall remain liable for all applicable rates, fees and charges for the Service sought to be disconnected hereunder, regardless of whether or not Service is usable by Customer until such time that Customer furnishes the require DFOC(S) (even if such time extends beyond the originally scheduled Service Term). In addition to the foregoing, Customer shall be subject to Early Termination Liability for any such termination as specified in the DMSA. If Customer fails to provide Powernet with the appropriate DFOC within thirty (30) calendar days from the receipt date of the disconnect Order submitted to Powernet or if Powernet disconnects Customer for non-payment or material breach of the Service Order, this Schedule or Agreement, Customer authorizes Powernet to notify the Local Access Provider(s) on behalf of the Customer to disconnect the Customer's CPA.

7. Letter of Authorization Required. Powernet will require a Letter of Authorization ("LOA")/Carrier Facility Assignment ("CFA") when Customer intends to connect to facilities that it does not own and acknowledges that it is responsible for maintaining a current LOA/CFA. In the event Customer fails to maintain any necessary LOA/CFA for a Service ordered hereunder, Powernet may terminate such Service with prior written notice to Customer and Customer must pay immediately to Powernet all monthly recurring charges associated with the terminated Service for the balance of the term specified in this Agreement or Service Order.

8. Charge and Rates.

8.1. Pricing. Customer may select from either of two plans, Unlimited Local Calling or Limited Local Calling. The Unlimited Local Calling plan allows for unlimited local calling without a cap on the number of minutes of usage for local calls. The Limited Local Calling plan includes a maximum of one hundred thousand (100,000) minutes of local usage. Both calling plans do not include intraLATA toll, intrastate or interstate calling, all of which incur separate usage charges. If a Customer on the Limited Calling plan exceeds its maximum local usage per month per circuit, Powernet may convert Customer's local usage to a measured rate call plan upon thirty (30) days notice. In the event Powernet notifies Customer of its intent to convert Customer's local usage to a measured-rate call plan pursuant to the terms herein, Customer may terminate the affected circuit(s) for the remaining term after providing Powernet with thirty (30) days notice and Customer shall pay Early Termination Liability pursuant to the DMSA.

8.2. Conditions. **All usage rates and charges are based on the following conditions and reservation of rights by Powernet.**

8.2.1. Domestic Long Distance Rates. The applicable continental U.S. long distance Dedicated interstate rate is determined based upon the originating state of an outbound call or based upon the terminating state of a toll-free inbound call. Domestic Dedicated intrastate rates are per state and are for state-wide termination within the same state. Domestic Dedicated rates set forth in the Service Order or Attachments are shown in terms of full minutes and are billed in six (6) second increments with an initial six (6) second increment **with four (4) digit rounding. Domestic switched rates set forth in the Service Order or Attachments are shown in terms of full minutes and are billed in six (6) second increments with an initial thirty (30) second increment with four (4) digit rounding.** All domestic rates and charges are subject to change upon fourteen (14) calendar days notice to Customer.

8.2.2. International Long Distance Rates. Extended Domestic and International rates set forth in the Service Order, with the exception of rates for Mexico, are shown in terms of a rate per minute and are billed in six (6) second increments with four (4) digit rounding, with an initial thirty (30) second increment. Calls for Mexico are billed in full minute (60 second) increments. Extended Domestic and International rates and charges, including for Mexico and Canada, are subject to change upon one (1) calendar days notice. Service availability is subject to the availability of facilities to and in the particular countries.

8.2.3. Short Duration Calls. Powernet reserves the right to charge all short duration calls (i.e. calls equal to or under six (6) seconds in length) a minimum of one and one-half cents (\$0.015) per answered call if Powernet determines that Customer has excessive quantities (i.e. more than 10% of Customer's total calls) of such short duration.

8.2.4. Uncompleted Calls. Powernet shall assess a surcharge when Toll Free, and Domestic and International Long Distance non-completed calls exceed 10% of the overall Toll Free, Domestic and International usage in a billing month.

9. Limitation of Liability.

9.1. 911 Calling. POWERNET WILL SEND ONLY THE CUSTOMER'S BILLING TELEPHONE NUMBER ("BTN") TO THE E911 NETWORK FOR TRANSFER TO THE APPROPRIATE PUBLIC SAFETY ANSWERING POINT ("PSAP"). THEREFORE, ONLY THE PHYSICAL ADDRESS LISTED FOR THE BTN WILL BE DISPLAYED AT THE PSAP. POWERNET WILL NOT SEND THE STATION AUTOMATIC NUMBER IDENTIFICATION ("ANI") OF THE TELEPHONE SET MAKING THE 911 OR E911 CALL UNLESS SPECIAL ARRANGEMENTS ARE MADE. IF THE CUSTOMER WISHES TO IDENTIFY THE INDIVIDUAL STATION FROM WHICH A 911 OR E911 CALL ORIGINATES, THE CUSTOMER MUST MAKE SPECIAL ARRANGEMENTS AND WILL INCUR ADDITIONAL CHARGES. IN THE CIRCUMSTANCE WHERE THE CUSTOMER OPTS NOT TO PROVIDE END USER LOCATION INFORMATION FOR INDIVIDUAL STATIONS, NEITHER POWERNET NOR ITS AFFILIATES HAS ANY LIABILITY WHATSOEVER FOR THE PROVISION OF END USER INFORMATION TO THE 911 OR E911 SYSTEM. POWERNET IS NOT LIABLE FOR ANY CLAIM FOR DAMAGES WHATSOEVER, INCLUDING ANY CLAIM FOR INJURIES, DEATH OR LOSS TO PERSONS OR PROPERTY INCURRED BY ANY PERSON AS A RESULT OF ANY ACT OR OMISSION OF POWERNET EITHER IN CONNECTION WITH DEVELOPING, ADOPTING, IMPLEMENTING, MAINTAINING OR OPERATING ANY EMERGENCY 911 OR E911 SYSTEM OR IN THE IDENTIFICATION OF OR THE PROVISION TO ANY EMERGENCY 911 OR E911 SYSTEM OF THE TELEPHONE NUMBER, ADDRESS, NAME, LOCATION OR OTHER INFORMATION OF ANY PERSON ACCESSING OR ATTEMPTING TO ACCESS AN EMERGENCY 911 OR E911 OR SIMILAR SYSTEM.

9.2. Disconnection of Service. SHOULD CUSTOMER'S SERVICE BE TERMINATED FOR NONPAYMENT OR ANY REASON WHATSOEVER, CUSTOMER WILL LOSE THEIR 911 SERVICE. POWERNET SHALL NOT BE LIABLE FOR CLAIM FOR INJURIES, DEATH OR LOSS TO PERSONS OR PROPERTY INCURRED BY ANY PERSON AS A RESULT OF ANY PERSON ATTEMPTING TO ACCESS 911 AFTER DISCONNECTION.

9.3. Customer Acknowledgment. CUSTOMER'S SIGNATURE BELOW WILL BE CUSTOMER'S ACKNOWLEDGMENT THAT POWERNET HAS ADVISED CUSTOMER OF THESE LIMITATIONS AND THAT CUSTOMER ACCEPTS THE SERVICES WITH THESE LIMITATIONS. CUSTOMER SHALL DEFEND, INDEMNIFY, AND HOLD HARMLESS POWERNET ITS OFFICERS, DIRECTORS, EMPLOYEES, AFFILIATES AND AGENTS AND ANY OTHER SERVICE PROVIDER WHO FURNISHES SERVICES TO CUSTOMER IN CONNECTION WITH THE SERVICE, FROM ANY AND ALL CLAIMS, LOSSES, DAMAGES, FINES, PENALTIES, COSTS AND EXPENSES (INCLUDING, WITHOUT LIMITATION, ATTORNEYS FEES) BY, OR ON BEHALF OF, CUSTOMER OR ANY THIRD PARTY RELATING TO THE ABSENCE, FAILURE OR OUTAGE OF THE SERVICE, INCLUDING 911 OR E911 DIALING OR ACCESS EMERGENCY SERVICE PERSONNEL.

9.4. Directory Listing. POWERNET IS NOT LIABLE FOR DIRECT, INDIRECT, CONSEQUENTIAL, SPECIAL, ACTUAL, INCIDENTAL, PUNITIVE OR ANY OTHER DAMAGES, OR FOR ANY LOST PROFITS OF ANY KIND OR NATURE WHATSOEVER, AS A RESULT OF ANY ACT, OMISSION OR FAILURE TO LIST CUSTOMER IN CONNECTION WITH LISTING CUSTOMER'S INFORMATION IN ANY PUBLISHED DIRECTORY. POWERNET IS NOT LIABLE FOR ERRORS OR OMISSIONS IN CUSTOMER'S INFORMATION LISTED IN ANY PUBLISHED DIRECTORY, AND CUSTOMER IS SOLELY RESPONSIBLE FOR ENSURING THE ACCURACY OF SUCH INFORMATION.

10. Indemnification. Customer will defend, indemnify and hold harmless Powernet and its respective officers, directors, employees, contractors and agents against and from any loss, debt, liability, damage, obligation, claim, demand, judgment or settlement including without limitation, attorneys' fees and all reasonable costs and expenses of litigation arising out of, resulting from, or based upon, any complaint, claim, action, proceeding or suit to the extent that such claim is from or in any way connected with any claims from Customer's use of the Services as a result of any unauthorized or illegal provision or use of the Services.

11. Customer Warranties.

11.1. All Traffic Originates in Local Calling Area. Customer represents and warrants that all voice traffic transmitted pursuant to this Agreement shall originate from either the Customer's service address or the local calling area from which Customer is purchasing a Foreign Exchange ("FX") product, and all traffic not destined for the Customer's PIC'd IXC or dedicated special access facility shall terminate in the same local calling area as

Customer's service address. Powernet reserves the right to conduct a site survey of Customer's premises or an audit of Customer's books and records upon reasonable notice or take other reasonable measures to satisfy itself that Customer is using the Service in compliance with this requirement. In the event that Customer is found to be using the Service in violation of this requirement, Powernet may immediately discontinue Service without notice. Customer shall indemnify Powernet for any liability, losses, penalties or payments (including without limitation access charges and reasonable attorneys' fees) incurred due to Customer's misuse of the Service.

11.2. No Mass Call Events. Customer represents and warrants that Customer shall not use the Services pursuant to this Agreement:

- 11.2.1. To provide any mass call events or voice content related services including, without limitation, chat lines or party lines.
- 11.2.2. In conjunction with the use of mass communications equipment of any kind including but not limited to computers.
- 11.2.3. In conjunction with a call center, or use of the Service for call back, call sell, telemarketing or debit card services.

11.3. Breach of Customer Warranties. Any breach of any of Customer's warranties pursuant to section 10 of this Schedule will constitute a material breach of this Schedule and the DMSA and Powernet may terminate this Agreement upon seven (7) business days' written notice except for a breach of section 10.1 which termination and required notice are defined within that section. If Customer breaches any of its warranties, Customer will be solely liable for and will indemnify, defend and hold Powernet harmless from all claims, demands, costs, damages, losses, liabilities and expenses of any nature arising from such breach, including indirect, special, incidental, consequential, punitive or reliance damages and any costs including attorneys' fees associated with enforcing any of these provisions.