

Verizon Business Service Agreement

Contract ID: 681653-00
Segment: Government & Education Account
Manager: Joshua Williams

Verizon Business Network Services Inc.
One Verizon Way
Basking Ridge, NJ 07920

CUSTOMER'S LEGAL NAME ("Customer"):
County of Monterey
1590 Moffett St., Salinas, CA 93905-3342

By: _____
Name: Anthony Recine
Title: Vice President
Date: _____

By: _____
Name: Mike Derr
Title: Contracts Purchasing Officer
Date: _____

Pricing and/or promotional benefits in this Agreement may not be available if it is signed and delivered to Verizon after **May 15, 2013**.

TERMS AND CONDITIONS

This Verizon Business Service Agreement ("Agreement") is made by and between "Verizon," which refers to Verizon Business Network Services Inc., on behalf of MCI Communications Services, Inc. d/b/a Verizon Business Services and any other Verizon affiliates identified in applicable service attachments or the Guide (individually and collectively), and the County of Monterey ("Customer"). The pricing in this Agreement is effective as stated in Section 2 below, except where a Service Attachment indicates otherwise for a particular service ("Effective Date").

Customer Consent to Use of Customer Proprietary Network Information ("CPNI"). Verizon acknowledges that it has a duty, and Customer has a right, under federal and/or state law to protect the confidentiality of Customer's CPNI. CPNI includes information relating to the quantity, technical configuration, type, destination, location, and amount of use of the telecommunications and interconnected voice over Internet Protocol services Customer purchases from Verizon, as well as related local and toll billing information, made available to Verizon solely by virtue of Customer's relationship with Verizon. With Customer consent, Verizon may share Customer CPNI and other Confidential Information among its affiliates, including Verizon Wireless, and with agents and partners, so that all may use this information to offer Customer the full range of products and services offered by Verizon and its affiliates, including local, long distance, wireless, and Internet services (see www.verizon.com for a description of Verizon companies and services). By signing this Agreement, Customer consents to Verizon using and disclosing Customer CPNI as described above. Customer may refuse CPNI consent by signing this Agreement and by notifying Verizon in writing at cpni-notices@verizonwireless.com and cpni-notices@verizonbusiness.com of Customer's decision to withhold Customer's consent. Customer's consent or refusal to consent will remain valid until Customer otherwise advises Verizon, and in either case, will not affect Verizon's provision of service to Customer.

ILECS and Verizon Wireless. The Terms and Conditions below do not apply to Services provided by Verizon incumbent local exchange carriers ("ILECs") or by Cellco Partnership and its affiliates d/b/a Verizon Wireless ("Verizon Wireless"), which are governed solely by the Service Attachments for such Services and, in the case of ILEC Services, applicable Tariffs (defined below). A Verizon Wireless Service Attachment becomes a part of this Agreement only once it is executed by Verizon Wireless and the Customer.

- 1. Services.** Verizon will provide the products and services ("Services") in the Services Attachments.
 - Network Access
 - Internet Dedicated Services
 - Customer Premises Equipment
- 2. Term and Survival.** The parties intend that the "Initial Term" shall begin on May 1, 2013 ("Effective Date") and run for thirty-six (36) continuous months, through April 30, 2016, with one additional two (2)-year renewal period, which may be mutually agreed upon. [If this Agreement is NOT fully executed on or before May 1, 2013, then the parties agree that the Effective Date shall be the date of contract execution (signature by both parties).] If renewed, then at the completion of such renewal period, the Agreement shall be automatically extended ("Extended Term") on a month-to-month basis until either party terminates it upon sixty (60) days' prior written notice. The terms of this Agreement will continue to apply during any service-specific commitments that extend beyond the Term. "Term" means the Initial Term, any renewal period, and Extended Term.

3. **Tariff and Guide.** Verizon's provision of Services to Customer will be governed by Verizon's international, interstate and state tariffs ("Tariff(s)"), its "Service Publication and Price Guide" ("Guide") at www.verizonbusiness.com/guide, and this Agreement. This Agreement incorporates by reference the terms of each Tariff and the Guide. Verizon may modify the Guide from time to time, and any modification will be binding upon Customer, as provided in the Guide. If a conflict arises, the order of precedence is: (i) Tariffs to the extent applicable (ii) this Agreement (excluding the Guide and Tariffs), and (iii) the Guide. Among the provisions of the Agreement, the order of precedence is: (i) Service Attachments, and (ii) these Terms and Conditions. If Verizon makes any changes to the Guide (other than to Governmental Charges) that affect Customer in a material and adverse manner, Customer may discontinue the affected Service without liability by providing Verizon with written notice of discontinuance within 60 days of the date the change is posted on the Website, unless within 60 days of receiving customer's discontinuance notice, Verizon agrees to remove the material adverse effect on Customer. If a Service is discontinued, Customer's AVC (defined below), will be reduced, as appropriate, to accommodate the discontinuance.
4. **Rates and Charges; Governmental Charges; Taxes.** Customer agrees to pay the rates and charges specified in this Agreement. "Standard" rates and charges means the Verizon Business Services III pricing plan ("VBS III"), where applicable. Except where expressly stated otherwise, all rates and charges are subject to change and 'fixed' rates may be decreased at any time. Verizon may give Customer notice of pricing changes by posting them on the Guide, by invoice message, or by other reasonable means. All charges are exclusive of applicable Taxes, and Verizon may add or adjust rates and charges in order to recover amounts it is required or permitted by governmental or quasi-governmental authorities to collect from or pay to others in support of statutory or regulatory programs ("Governmental Charges"). Customer will not be eligible to receive any other additional discounts, promotions and/or credits (Tariffed or otherwise). The rates and charges set forth in this Agreement do not include (without limitation) charges for all possible non-recurring charges, access service, local exchange service, charges imposed by a third party other than Verizon, on-site installation, Governmental Charges (defined above), network application fees, customer premises equipment or extended wiring to or at a Customer premises.
5. **Minimum Annual Volume Commitment.** Customer agrees to pay Verizon no less than \$84,000.00 (the "AVC") in Total Service Charges (defined below) in each twelve-month period during the Initial Term ("Contract Year"). "Total Service Charges" means all charges, after application of all discounts and credits, for the Services, excluding Taxes, Governmental Charges, equipment, Verizon ILEC, Verizon Wireless, Document Delivery Fax, non-recurring charges, goods and services acquired by Verizon as Customer's agent, international pass-through access (Type 3/PTT) and charges for international access provided by Verizon (Type 1), charges for security services provided by Cybertrust, Inc. or its affiliates set forth in the Guide as providers of Cybertrust security services, and other charges expressly excluded by this Agreement.
6. **Underutilization and Early Termination Charges.** If Customer's Total Service Charges do not reach the AVC in any Contract Year during the Initial Term, Customer shall pay an "Underutilization Charge" equal to 75% of the unmet AVC. If: (a) Customer terminates this Agreement before the end of the Term for reasons other than Cause; or (b) Verizon terminates this Agreement for Cause pursuant to the Section entitled "Termination; Disconnection Notice," then Customer will pay, within thirty (30) days after such termination: (i) an amount equal to 75% of the unsatisfied AVC remaining during the year of termination, and for each subsequent Contract Year remaining in the Term, plus a pro rata portion of any and all credits received by Customer.
7. **Payment.** Customer will pay all Verizon charges (except Disputed amounts) within 30 days of invoice date. Customer will pay a late payment charge equal to the lesser of: (a) 1.5% per month, (b) the amount indicated in a Service Attachment, or (c) the maximum amount allowed by applicable law. A "Disputed" amount is one for which Customer has given Verizon written notice, adequately supported by bona fide explanation and documentation. Any invoiced amount not Disputed within 6 months of the invoice date is deemed correct and binding on Customer. Customer is liable for all fees and expenses, including attorney's fees, reasonably incurred by Verizon in attempting to collect any charges owed under this Agreement.
8. **Termination; Disconnection Notice.**
 - A. Either party may terminate this Agreement for Cause (excluding Verizon ILEC or Verizon Wireless Services, which are governed by the applicable Service Attachments). "Cause" means (a) Customer's failure to pay any invoice (excluding Disputed amounts) within 10 days of receiving notice that payment is overdue, or (b) for all other matters, breach by a party of a material provision of this Agreement that the breaching party has not cured within 30 days of receiving notice from the non-breaching party. Verizon may interrupt Service without notice if necessary to prevent or protect against fraud or otherwise protect Verizon's personnel, facilities or services. Customer must provide prior written notice for the disconnection of Service, as specified in the Guide. Notwithstanding such notice, Customer remains liable for any applicable early termination charges in this Agreement.
 - B. **Appropriated Funding.** If (a) the Term of this Agreement is greater than one (1) year and (b) Customer is purchasing services hereunder solely with funds that are legislatively-appropriated on a single fiscal year basis and Customer is therefore required by applicable law to reserve the following right in all multi-year purchase contracts, then Customer reserves the right to cancel this Agreement, upon not less than thirty (30) days' written notice,

whenever such funds have failed appropriation or are otherwise made unavailable to Customer to support continuation or performance in any fiscal year succeeding the first.

- 9. Confidential Information.** Except as required by law or regulation, each party promises that during the Term and for three years after, it will use the other party's Confidential Information only for purposes of this Agreement, not disclose it to third parties except as provided below, and protect it from disclosure using the same degree of care it uses for its own Confidential Information (but no less than a reasonable degree of care). Such a party may disclose the other party's Confidential Information only to its employees, agents and subcontractors (including professional advisors and auditors), and to those of its Affiliates, who have a need to know for purposes of this Agreement, and who are bound to protect it from unauthorized use and disclosure under the terms of a written agreement at least as protective of Verizon as the related terms of this Agreement. In any case, a party is responsible for the treatment of Confidential Information by any third party to whom it discloses it under the preceding sentence. "Confidential Information" means information (in whatever form) (i) designated as confidential; (ii) relating to this Agreement or potential changes to it; (iii) relating to the party's business affairs, customers, products, developments, trade secrets, know-how or personnel; or (iv) received or discovered at any time that this Agreement is in effect, or otherwise in connection with this Agreement, by a party (including through an affiliate or other agent), which information should reasonably have been understood as Confidential Information of the Party (or one of its affiliates or subcontractors), either because of legends or other markings, the circumstances of disclosure or the nature of the information itself. Confidential Information does not include information that: (a) is in the possession of the receiving party free of any obligation of confidentiality at the time of its disclosure; (b) is or becomes publicly known other than by a breach of this provision; (c) is received without restriction from a non-party free to disclose it; or (d) is developed independently by the receiving party without reference to the Confidential Information. In addition, information, whether or not Confidential Information, may be disclosed by a receiving party as may be required or authorized by applicable law, rule, regulation, or lawful process provided that the receiving party, to the extent practicable and permitted by applicable law, rule, regulation, or lawful process, first notifies the disclosing party in order to permit the disclosing party to seek reasonable protective arrangements. Confidential Information (excluding CPNI that is also Confidential Information) remains the property of the disclosing Party and, upon request of the disclosing Party, must be returned or destroyed at the end of this Agreement or the applicable Contract. If there is a breach or threatened breach of this confidentiality provision, the disclosing Party will be entitled to specific performance and injunctive or other equitable relief as a non-exclusive remedy. This clause does not prevent a Party from announcing the existence of the terms of this Agreement or the applicable Contract internally (e.g., to its employees and Affiliates). Verizon shall not be deemed to have received, obtained, discovered, processed, stored, maintained, or been given access to Customer Confidential Information solely by virtue of the fact that (i) Customer receives, transmits, obtains or otherwise exchanges such information through its use of the Services (including without limitation any of Verizon's voice, data, and/or Internet services included in the Services) or (ii) Verizon's Services to Customer may involve the hosting, collocation, transport or other similar handling of such information. Customer is responsible for taking steps to protect the confidentiality and integrity of information, including without limitation Customer Confidential Information, that it receives, transmits, obtains or otherwise exchanges with third parties through its use of the Services, by using, for example, encryption or other security measures for its network transmissions.
- 10. Protection of Customer CPNI and Provision of Customer CPNI to Authorized Customer Representatives.**
- 10.1. Verizon will protect the confidentiality of Customer CPNI in accordance with applicable laws, rules and regulations. Verizon may access, use, and disclose Customer CPNI as permitted or required by applicable laws, rules, and regulations or this Agreement.
- 10.2. Provided that Customer is served by at least one dedicated Verizon representative under the Service Agreements (that can be reached by Customer by means other than calling through a call center) and as permitted or required by applicable law, Verizon may provide Customer CPNI (including, without restriction, call detail) to representatives authorized by Customer ("Authorized Customer Representatives" as defined below) in accordance with the following.
- 10.3. Verizon may provide Customer CPNI to Authorized Customer Representatives via any means authorized by Verizon that is not prohibited by applicable laws, rules, or regulations, including, without restriction: to the Customer's email address(es) of record (if any) or other email addresses furnished by Authorized Customer Representatives, to the Customer's telephone number(s) of record or other telephone numbers provided by Authorized Customer Representatives, to the Customer's postal (US Mail) address(es) of record or to other postal addresses furnished by Authorized Customer Representatives, or via Verizon's on-line customer portal or other on-line communication mechanism.
- 10.4. Authorized Customer Representatives include Customer employees, Customer agents, or Customer contractors, other than Verizon, who have existing relationships on behalf of Customer with Verizon customer service, account, or other Verizon representatives and all other persons authorized in written notice(s) (including email) from Customer to Verizon. Authorized Customer Representatives shall remain such until Customer notifies Verizon in writing that they are no longer Authorized Customer Representatives as

described below. Customer agrees, and will cause Authorized Customer Representatives, to abide by reasonable authentication and password procedures developed by Verizon in connection with disclosure of Customer CPNI to Authorized Customer Representatives.

- 10.5. Customer's notices of authorization or deauthorization must be sent to your service or account manager, and must contain the following information:
- The name, title, postal address, email address, and telephone number of the person authorized or deauthorized
 - That the person is being authorized, or is no longer authorized, (as applicable) to access CPNI
 - The full corporate name of the Customer whose CPNI (and whose affiliates' CPNI) the person can access (or can no longer access, if applicable)
- 10.6. During the Service Agreements, Customer will at all times have designated, below, in an attachment containing the same data elements listed below, or in a separate writing sent to the service manager or account manager, up to three representatives ("CPNI Authorizers") with the power to authorize Customer representatives to access CPNI under this Agreement. Additions or removals of CPNI Authorizers will be effective within a reasonable period after Verizon has received a signed writing of the change, including the affected person(s)' name, title, postal address, email address and telephone number.

Name	
Title	
Tel. No.	
Postal Address	
Email Address	

Name	
Title	
Tel. No.	
Postal Address	
Email Address	

Name	
Title	
Tel. No.	
Postal Address	
Email Address	

11. **DISCLAIMER OF WARRANTIES. EXCEPT AS SPECIFICALLY SET FORTH IN THIS AGREEMENT, VERIZON MAKES NO WARRANTIES, EXPRESS OR IMPLIED, AS TO ANY VERIZON SERVICES, SOFTWARE OR DOCUMENTATION. VERIZON SPECIFICALLY DISCLAIMS ANY AND ALL IMPLIED WARRANTIES, INCLUDING WITHOUT LIMITATION ANY IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE, NONINFRINGEMENT OF THIRD PARTY RIGHTS, OR ANY WARRANTIES ARISING FROM A COURSE OF DEALING, USAGE OR TRADE PRACTICE.**
12. **Disclaimer of Certain Damages/Limitation of Liability.**

12.1. **Disclaimer of Certain Damages.** No party to this Agreement is liable to any other for any indirect, consequential, exemplary, special, incidental or punitive damages, or for loss of use or lost business, revenue, profits, savings, or goodwill, arising in connection with this Agreement, the Services, related products, or documentation, even if the party has been advised, knew or should have known of the possibility of such damages. Nonetheless, each party is liable to the other for consequential damages resulting from its breach of confidentiality obligations under this Agreement.

- 12.2. Limitation of Liability.** Without limiting the provisions of the Disclaimer of Certain Damages sub-section above, the total liability of either Customer or Verizon in connection with this Agreement and the Services is limited to the lesser of (i) direct damages proven by the claiming part(ies) or (ii) the aggregate amounts paid by Customer to Verizon under this Agreement for the six months prior to accrual of the latest cause of action for which the limitation of liability under this sub-section is being calculated (excluding amounts for equipment and the Services of Verizon ILECs, Cybertrust, and Verizon Wireless). Verizon's liability with respect to individual Services may also be limited pursuant to other terms and conditions of this Agreement.
- 12.3. Exclusions.** The Limitation of Liability sub-section above does not limit (A) any party's liability: (i) in tort for damages proximately caused by its willful or intentional misconduct, or by its gross negligence, or (ii) where mandatory local law does not allow the limitation, (B) Customer payment obligations under this Agreement, (C) Verizon obligations to provide credits and waivers under this Agreement or (D) any party's indemnification obligations under this Agreement. The liability restrictions in this section apply whether liability is asserted in contract, warranty, tort or otherwise (including negligence, strict liability, misrepresentation, and breach of statutory duty). The liability restrictions in this section, and the disclaimer of warranties in the preceding section, apply equally to Verizon's suppliers and contractors as they do to Verizon.
- 13. Assignment.** Either party may assign this Agreement or any of its rights hereunder to an affiliate or successor upon notice to the other party. A Customer affiliate or successor must meet Verizon's creditworthiness standards for the assignment to become effective. All other assignments are void.
- 14. Service Marks, Trademarks and Name.** Neither Verizon nor Customer may: (a) use any service mark or trademark of the other party; or (b) refer to the other party in connection with any advertising, promotion, press release or publication unless it obtains the other party's prior written approval.
- 15. Compliance with Law; Governing Law; Dispute Resolution.** Each party represents and warrants that it will comply with all federal, state, and local laws applicable to the provision or performance of the Services under this Agreement. This Agreement is governed by the laws of the State of New York without regard to its choice of law principles. Non-U.S. Services are subject to applicable local laws and regulations in any countries where those Services originate or terminate, including applicable locally filed Tariffs. Any claim or dispute ("Dispute") arising out of or relating to this Agreement (other than claims relating to indemnification and equitable relief) must be resolved by binding arbitration of a single arbitrator under the rules of the American Arbitration Association at a mutually agreed upon location. The arbitrator must base his or her decision upon this Agreement and applicable law, and has no authority to order consolidation or class arbitration, or award punitive damages or any other relief beyond what the Agreement provides. The arbitrator must apply applicable statutes of limitation, subject to limitation of actions terms set forth in this Agreement. The parties agree that all Disputes must be pursued on an individual basis in accordance with the procedure noted above, and waive any rights to pursue any Dispute on a class basis, even if applicable law permits class actions or class arbitrations.
- 16. Notices.** All communications hereunder, including disconnection notices, must be made to Customer at the address below and to Verizon at notice@verizon.com, following the procedures in the Guide.

To Customer	With a copy to:
County of Monterey 1590 Moffett St. Salinas, CA 93905-3342	

- 17. Acceptable Use.** Use of Verizon's Internet Services and related equipment and facilities must comply with the then-current version of the Verizon Acceptable Use Policy ("Policy") (see www.verizonbusiness.com/terms). Verizon reserves the right to suspend or terminate Internet Services effective upon notice for a violation of the Policy. Customer will indemnify and hold harmless Verizon from any losses, damages, costs or expenses resulting from any third-party claim or allegation that if true, would constitute a violation of the Policy. Each party will promptly notify the other of any such claim.
- 18. Service Migration.** Verizon is in the process of decommissioning certain services that Customer may be purchasing from Verizon, including, without limitation, one or more of the following services (the "Affected Services"):
- Frame Relay
 - ATM
 - Flexible T1
 - VoIP IP Flexible T1
 - IP VPN

Verizon will discontinue the commercial availability of the Affected Services at future dates, subject to applicable law. Verizon will provide Customer with written notice of such date for each Affected Service that is being purchased by Customer. In recognition of this pending service decommissioning, Customer agrees that, within six (6) months of the date that this Agreement is fully executed, it will: (i) place orders to fully and completely migrate from the Affected

Services to replacement Verizon services; or (ii) discontinue use of the Affected Services. If Customer chooses option (i) above, then Verizon will continue to provide Customer with the Affected Services until the date that Customer's migration is complete. If Customer does not choose either option (i) or option (ii) above within such six (6) month period, then Verizon reserves the right to discontinue the Affected Services as set forth above.

19. Entire Agreement. This Agreement (including Service Attachments and Exhibits referenced herein, and other documents incorporated by reference) constitutes the entire agreement between the parties with respect to the subject matter of this Agreement and supersedes all other prior or contemporaneous representations, understandings or agreements. Except as otherwise expressly stated herein, no amendment to this Agreement is valid until signed by Customer and accepted by Verizon.

20. Additional Attachments: This Agreement incorporates the following Attachment(s):

Services Attachment
Promotions Attachment

Services Attachment

Verizon Pricing For Internet Dedicated Ethernet (IDE)

Internet Dedicated Ethernet (IDE)				
Bandwidth	IDE Port: List Rate	IDE Port: Promotional Rate	Access Rate	Total Port and Access
40 Mbps	\$5,300.00	\$954.00	\$1,833.00	\$2,787.00
50 Mbps	\$5,890.00	\$1,060.20	\$3,608.00	\$4,668.20
100 Mbps	\$10,800.00	\$1,944.00	\$3,662.00	\$5,606.00
200 Mbps	\$19,150.00	\$2,872.50	\$7,037.00	\$9,909.50
300 Mbps	\$27,600.00	\$4,968.00	\$7,145.00	\$12,113.00
400 Mbps	\$35,300.00	\$6,354.00	\$8,330.00	\$14,684.00
500 Mbps	\$42,250.00	\$6,337.50	\$8,438.00	\$14,775.50
1 GigE	\$55,000.00	\$8,250.00	\$16,588.00	\$24,838.00

The above rates are subject to the conditions on the Promotions Attachment below: Customer will receive a credit equal to 15% of the Total Contract Volume Commitment, defined as the Annual Volume Commitment multiplied by the number of years in the initial Term of the Agreement (the "Checkbook Credit").

[Customer will receive 1/36th of the total credit on a monthly basis, with the first credit in the third month following the Effective Date of the Agreement. The amount received in the third month also will include the credit amounts for months one and two. Thereafter, Customer will receive equal portions of the credit for months 4 through 36 of the initial Term of the Agreement.]

Network Access Services

NETWORK ACCESS

1. **Rates and Charges.** Customer will pay the monthly recurring charges ("MRC") and one-time charges related to Verizon Business Services III ("VBS III") network access services as follows:
 - 1.1. **Network Services Local Access Services.** Analog Local Access, DS0 (Hubless) Access, T-1 (DS1) Digital Access, DS3 Local Access and SONET Access (collectively known as "Time Division Multiplexor ("TDM") - based access services") are provided pursuant to the Guide provisions relating to Network Services Local Access Services, VBS III. SONET Access is provided on a private carriage basis.
 - 1.2. **Ethernet Services.** Converged Ethernet Access and Ethernet Private Line National ("EPL") Access (collectively known as "Ethernet Access services") are provided pursuant to the Guide provisions relating to Ethernet Services, VBS III. Ethernet Access Services are provided on a private carriage basis.
2. **Discounts.**
 - 2.1. Customer will receive the following discount percentage off the MRC listed in the Guide for the following types of VBS III TDM-based Network Services Local Access Services.

Service Type	Discount off MRC
Access DS0	20.00%
Access DS1	20.00%
Access DS3	20.00%

3. **Terms and Conditions.** Customer commits to pay the applicable circuit MRC for any Network Services Local Access Service circuit of DS3 or larger for a minimum of 12 months from the circuit's original activation date (except

if a longer commitment applies), which Customer must pay even if the circuit is terminated sooner (unless terminated by Customer for Cause).

Internet Services

INTERNET DEDICATED SERVICES

1. Rates and Charges.

1.1. Monthly Recurring Charges and Non-Recurring Charges.

1.1.1. Customer will pay the monthly recurring charges ("MRC"), which are fixed for the Term of this Agreement, and the non-recurring charges ("NRC"), for Internet Dedicated Services in the contiguous U.S. (includes Internet Dedicated NxT1 Service, Internet Dedicated T1 Service, Internet Dedicated T3 Service, Internet Dedicated OC3 Service, Internet Dedicated OC12 Service, Internet Dedicated OC48 Service, Internet Dedicated OC192 Service, Internet Dedicated GigE Port Only Service, Internet Dedicated Ethernet Service and Internet Dedicated Fast Ethernet Port Only Service), in Alaska (includes Internet Dedicated NxT1 Service, Internet Dedicated T1 Service, Internet Dedicated T3 Service, Internet Dedicated OC3 Service, Internet Dedicated OC12 Service and Internet Dedicated OC48 Service) ("Internet Dedicated Service") and attendant options listed, as applicable, in the Guide for Verizon Business Services III. Additional charges are also set forth in the Guide for Verizon Business Services III.

1.1.2. Installation may be scheduled between the hours of 8AM and 7PM ET Monday through Friday (excluding holidays). If Customer requires installation outside of these hours, Verizon will charge an additional \$500 fee.

2. Discounts. Customer will receive the following discounts off the MRC set forth in the Guide for VBS III, except as otherwise specified:

Service Type	Discount off MRC
Internet Dedicated T1	52.00%
Internet Dedicated NxT1 MLFR	52.00%
Internet Dedicated T3	52.00%
Internet Dedicated OC3	52.00%
Internet Dedicated OC12	52.00%
Internet Dedicated OC48	52.00%
Internet Dedicated GigE Port Only	52.00%
Internet Dedicated Ethernet	52.00%
Internet Dedicated Fast Ethernet	52.00%

3. Terms and Conditions.

3.1. **Access.** Access to a router at a Verizon Network hub near Customer's site may be interrupted for (i) scheduled maintenance (usually scheduled during off-hours at a Verizon hub, such as Tuesdays and Thursdays between 3:00 AM and 6:00 AM local time), (ii) emergency maintenance, or (iii) as otherwise set forth in the Agreement.

3.2. **Verizon Internet Dedicated GigE Port Only Services.** Verizon's Internet Dedicated GigE Port Only Service, and 10GigE Port Only Service are intra-building connectivity products, and thus the Customer's demarcation point must reside within the same building as a GigE-qualified Verizon-owned network hub. To ensure proper installation, Verizon will order all telco lines within the telco facility where the Verizon hub is located.

3.3. **Customer Obligations – Service Not To Be Resold.** While Customer can resell Internet connectivity, Customer cannot resell the Internet Dedicated Service in its entirety to another person or entity without the express prior written consent of Verizon. If Customer resells Internet connectivity to end users, Customer is responsible for: (i) providing the first point of contact for end user support inquiries; (ii) providing software fulfillment to end users; (iii) running its own primary and secondary domain name service DNS for end users; (iv) registering end users' domain names; (v) using BGP routing to the Verizon Network, if requested by Verizon; (vi) collecting route additions and changes, and providing them to Verizon; and (vii) registering with the appropriate agency all IP addresses provided by Verizon to Customer that are allocated to end users.

3.4. **Burstable Downgrade.** Customer may downgrade to a lower Burstable Service level if Customer's Measured Use Level is at or below such Burstable Service level for at least two consecutive months and

Customer thereafter requests the downgrade in writing.

- 3.5. **Burstable Select Upgrades/Downgrades.** Customer may change (upgrade or downgrade) its Burstable Select Service Level once within a given calendar month, by requesting the same in writing. The new Service Level and applicable charges will take effect on the first day after the end of the billing cycle during which the written request is received.
- 3.6. **Term.** The "Service Activation Date" for an Internet Dedicated Service ordered hereunder will be the date the Internet Dedicated Service is available to route IP packets at Customer's site. The term of any Internet Dedicated Service ordered hereunder shall commence upon the Service Activation Date and will automatically renew, expire and terminate according to the terms of the Agreement.

Customer Premises Equipment

CUSTOMER PREMISES EQUIPMENT

1. **General.** The provisions of the Guide relating to Customer Premises Equipment or "CPE" (the "CPE Terms") will apply to any Customer order to Verizon for one or more of the following CPE services, in the U.S. Mainland only, during the term of the Agreement of which this service attachment is a part : (i) purchase; (ii) purchase, installation and maintenance subject to third-party lease; (iii) monthly rental, (iv) term rental, (v) installation service, (vi) maintenance service, and (vii) maintenance takeover service. Orders need not be signed but Verizon will send Customer a written confirmation (including email) before processing the order. The terms and conditions herein apply only to products and services provided by MCI Communications Services, Inc. d/b/a Verizon Business Services and not those provided by other Verizon entities. Certain current Guide terms regarding CPE are described in part below (without limitation).
2. **Pricing and Payment.** Customer will pay the rate stated on Verizon's documentation of an order for installation; purchase; and the purchase and installation elements of purchase, installation and maintenance subject to third-party lease; provided that the rate is current – i.e., was first quoted within 30 days of the order's submission. For other CPE Services, Customer also will pay the rate stated on Verizon's order documentation, subject to the following. After expiration of any service term commitment by Customer for a particular unit of Equipment, Verizon may change the rates and will provide 30 days notice of any increase. Any charges for such CPE do not contribute to the AVC or any other minimum purchase requirement.
3. **Title and Risk of Loss.** Title to each item of equipment under purchase or purchase, installation and maintenance subject to third-party lease, passes to Customer upon Verizon's receipt of full payment for that item of equipment. Customer bears the risk of loss or damage to rental CPE after installation and while such equipment is located at an installation site and shall pay Verizon the reasonable and customary costs of repair or replacement if loss or damage occurs.
4. **Verizon Data Maintenance – Network.** Verizon has the exclusive right to maintain CPE where Customer has ordered maintenance from Verizon under this Agreement. Customer acknowledges that it is Customer's responsibility to replace (or support) CPE when it is no longer supported by the CPE manufacturer ("Unsupported CPE"). Maintenance service for Unsupported CPE is limited to the level of service Verizon can provide using commercially reasonable efforts.
5. **Customer Responsibilities.** Customer hereby authorizes Verizon or its assignee to endorse Customer's name upon any uniform Commercial Code filings reasonably necessary to protect the interests of Verizon, its contractors or assignees, if any, in the CPE. Verizon and its contractors are not responsible or liable for Customer's failure to provide backup power, or to adequately duplicate or document files or for data or files lost during the course of performance of maintenance services. Customer will provide a physical and electrical environment for the CPE that meets Verizon specifications and provide Verizon access to the CPE as reasonably necessary or useful for Verizon to perform its obligations. Customer shall not move or remove any item of CPE maintained under the CPE Terms without Verizon's prior written consent. For rental CPE, Customer shall provide insurance meeting Verizon's requirements. Customer shall not do anything inconsistent with Verizon's or its assignee's interest in the CPE.
6. **Warranties.** Verizon warrants that any cables and connectors between the CPE and any other equipment on Customer's premises that are provided by Verizon will be in good working order for a period of thirty (30) days after installation unless the failure of such cables and connectors is caused by Customer's misuse or abuse. Verizon warrants that maintenance service will be performed in a good and workmanlike manner. Customer's sole remedy for a breach of that warranty is for Verizon to reperform the defective work. Except as specifically set forth in the CPE Terms, all CPE provided by Verizon is provided "as is" without warranties of any kind. Notwithstanding the foregoing, the end user warranties and sublicenses, if any of the equipment manufacturer pass through Verizon and inure to the benefit of Customer.

7. Term, Termination and Early Termination Charge.

7.1. If either party materially or repeatedly defaults in the performance of any of its obligations under the aspects of this Agreement that apply to CPE and does not substantially cure that default within 10 days of being given notice of it, then the other party may terminate the aspects of this Agreement that apply to CPE (without affecting the remainder of the Agreement), as of a date specified in its notice of termination.

7.2. Upon termination, Verizon has the right to exercise one or more of the following remedies, in addition to any other remedies Verizon may exercise, in law or equity: (1) recover from Customer all amounts due and unpaid, and (2) repossess any CPE for which title has not passed to Customer. Customer must return or dispose of rented CPE in accordance with Verizon's requirements within 5 business days after the expiration or termination of the CPE Terms (as a whole or with respect to a particular item of Equipment), or the actual termination of service under the CPE Terms if Customer and Verizon have agreed to it occurring before the 30 day notice period has expired, whichever is sooner. Customer is liable for any loss or damage to CPE resulting from theft, disappearance, fire or any other cause. For each item of CPE not returned, for any reason, within the 5) day period, Customer will be deemed to have purchased such CPE and shall pay Verizon the replacement cost, plus any additional costs incurred by Verizon in replacing the CPE.

7.3. If Customer terminates a unit of CPE service before the end of a service term commitment, Customer will pay, without limitation (a) an amount equal to the monthly recurring charges for the terminated unit of service for each month remaining in the service term commitment, and (ii) any credits received by Customer with respect to that unit.

8. Export and Legal Compliance. Customer acknowledges that certain equipment, software and technical data which may be provided under this Agreement may be subject to export and re-export controls under the U.S. Export Administration Regulations and/or similar regulations of the U.S. or any other country. Customer shall not export or re-export any such equipment, software, technical data or any direct product thereof in violation of any such laws. Customer shall comply with all laws and regulations, including but not limited to import and custom laws and regulations.

Promotions Attachment

RVP CHECKBOOK - MONTHLY OPTION V2.0 (3-5 YEAR TERM)

Subject to the Conditions below, a Customer signing a new Verizon Business service agreement ("Agreement") for eligible services will receive a credit equal to 15% of the Total Contract Volume Commitment, defined as the Annual Volume Commitment multiplied by the number of years in the initial Term of the Agreement (the "Checkbook Credit").

Customer will receive 1/36th of the total credit on a monthly basis, with the first credit in the third month following the Effective Date of the Agreement. The amount received in the third month also will include the credit amounts for months one and two. Thereafter, Customer will receive equal portions of the credit for months 4 through 36 of the initial Term of the Agreement.

Conditions

1. This promotion must be included in the signed Agreement, under which Customer subscribes to one or more of the services specified in the Guide description of this promotion, which is submitted by May 31, 2013.
2. The maximum cumulative credit that Customer may receive under this promotion is \$250,000.
3. The Checkbook Credit may not be applied against taxes, charges for unauthorized calls, prior outstanding balances owed to Verizon, termination or underutilization charges associated with term plans or program commitments, or disputed charges.
4. The benefits of this promotion may not be used in conjunction with the following promotions: Checkbook 2004, Regional Checkbook 2004, Checkbook 2006 Monthly Option, Regional Checkbook 2006 Monthly Option, Checkbook Single Credit Option, RVP Checkbook, RVP Checkbook – Monthly Option, Contract Renewal, and Fund Promotion - CPE, Professional & Security Services -v2.0
5. If Customer terminates the Agreement prior to the time the next Checkbook Credit is to be applied, Customer will not be eligible for that month's Checkbook Credit and any unused credit amount at the time of termination is forfeited.
6. The Checkbook Credit may only be applied against invoices for services provided under the Agreement by MCI Communications Services, Inc. d/b/a Verizon Business Services; MCImetro Access Transmission Services, LLC. d/b/a Verizon Access Transmission Services; MCImetro Access Transmission Services of Virginia, Inc. d/b/a Verizon Access Transmission Services of Virginia; or MCImetro Access Transmission Services of Massachusetts, Inc. d/b/a Verizon Access Transmission Services of Massachusetts.
7. Additional conditions may be set out in the Guide.

INTERNET DEDICATED ETHERNET PORT PROMOTION

Subject to the Conditions below, Customers ordering Verizon's Internet Dedicated Service Price Protected Option ("PPO"), Diverse T1, NxT1 MLFR or Diverse NxT1 circuits under this promotion ("Promotional Circuit") will receive the following promotional MRC from one of the pricing tables shown below (which also includes the MRC for a local T1 access loop or multiple loops for the Diverse and Diverse NxT1 services in addition to the Internet Dedicated circuit) and waiver of related standard installation charges as shown below for each Promotional Circuit and associated local T1 access loop, as applicable, for the remaining Term of the Agreement, based on the length of the Term Customer committed to in the Agreement:

Eligible Service Types and Speeds			Standard Port Installation Charge Waived
Internet Dedicated Ethernet	Fast Ethernet Port Only	GigE Port Only Service	Port MRC and Internet Dedicated Ethernet Burstable Select

IDE Burstable Select (1000M)	Service Burstable Select	Tiered GigE	Burstable Select GigE	Overage Discount	
				Agreement Term	
				2 Year	3+ Years
				69%	72%
				69%	72%
				69%	72%
	10 Mbps Port			79%	82%
				79%	82%
				79%	82%
				79%	82%
		75 Mbps Port		79%	82%
100 Mbps Port		100 Mbps Port	100 Mbps Port	79%	82%
200 Mbps Port		200 Mbps Port	200 Mbps Port	82%	85%
300 Mbps Port		300 Mbps Port	300 Mbps Port	82%	85%
		350 Mbps Port*		82%	85%
400 Mbps Port		400 Mbps Port		82%	85%
500 Mbps Port		500 Mbps Port	500 Mbps Port	82%	85%
		600 Mbps Port		82%	85%
		700 Mbps Port		82%	85%
750 Mbps Port*			750 Mbps Port*	82%	85%
		800 Mbps Port*		82%	85%
		1000 Mbps Port		82%	85%

Conditions

1. New and renewing Customers must sign a Verizon master services agreement (“Agreement”) with a minimum two-year term commitment (“Term”).
2. The following are eligible for this promotion:
 - New Promotional Circuits installed after this promotion is included in the Agreement
 - Existing Promotional Circuits being renewed under a new or extended Agreement term
 - Upgrades to a Promotional Circuit type installed after this promotion is included in the Agreement
3. This promotion is applicable only for Promotional Circuit ports located within the 48 contiguous states.
 - Ports in Alaska, Hawaii, Puerto Rico, and any foreign countries are not eligible
4. Promotion must be included in the Customer’s agreement, signed and submitted by July 31, 2013.
5. Customer commits to paying for the Promotional Circuit for the lesser of a minimum of 2 years from the circuit’s original Service Activation Date or the length of time remaining on Customer’s Term commitment (“Commitment Period”). If Customer terminates a Promotional Circuit before the end of the Commitment Period, Customer will pay an early termination charge of: (a) 75 percent of the applicable monthly recurring charges multiplied by the number of months remaining in the Commitment Period for such Promotional Circuit, if any; plus (b) all fees or early termination fees imposed by the access line provider, if any; plus (c) a pro rata portion of any and all credits received by Customer. However, early termination charges will not apply if Customer terminates a Promotional Circuit as part of an upgrade to the Promotional Circuit or an upgrade to any other Verizon service and Customer commits to paying for such upgraded Promotional Circuit or Verizon service for the remainder of the Commitment Period and in no event will Customer’s total termination liability exceed the full contract value of the terminated Promotional Circuit.
6. Local access is required, but is not included.

7. Orders may be expedited, but standard expedite fees will apply.
8. Unless explicitly stated otherwise, promotional rates/discounts are in lieu of all other discounts.
9. This promotion cannot be combined with any of the following promotions:
 - Internet Dedicated Ethernet 10M to 100M Port Promotion
 - Internet Dedicated Ethernet 10M to 100M Port Promotion – v2.0
 - Internet Dedicated High Speed Ethernet and OCN Port Promotion
 - Internet Dedicated High Speed Ethernet and OCN Port Promotion v2.0
 - Internet Dedicated Ethernet IP Port Only Promotion
 - Internet Dedicated Ethernet Low Bandwidth IP Port Only Promotion
 - Internet Dedicated Ethernet Low Bandwidth IP Port Only Promotion (VBS III)
10. Existing Customer with any existing Ethernet Promotions, who are not renewing their contract are not eligible for this promotion

GENERAL INSTALLATION WAIVER PROMOTION - V5.0

Subject to the Conditions below, Verizon will waive the standard non-recurring installation or start-up charges for eligible services in the table below (or in the case of Local Service-CLEC, the non recurring charges of the types listed in the table below) and for related local loop access service (if any) provided under a Customer's master service agreement ("Agreement") by MCI Communications Services, Inc. d/b/a Verizon Business Services; MCImetro Access Transmission Services, LLC d/b/a Verizon Access Transmission Services; MCImetro Access Transmission Services of Virginia, Inc. d/b/a Verizon Access Transmission Services of Virginia; or MCImetro Access Transmission Services of Massachusetts, Inc. d/b/a Verizon Access Transmission Services of Massachusetts, as applicable.

Eligible Services	Exclusions To Eligible Services (without limitation)
Network Services Local Access Services - DS0, DS1 and DS3 only	<ul style="list-style-type: none"> • OCn and Higher • International Network Access Local Access • Cross Border Leased Line Service • NRCs for special construction and network diversity
Ethernet Access – Types 1, 2, 3 & Standard	<ul style="list-style-type: none"> • Ethernet Access Type 4 • Type 1 Ethernet Access with circuit facilities assignment • Type 3 Ethernet Access with circuit facilities assignment
Enterprise Mobility as a Service – service activation charge only	<ul style="list-style-type: none"> • Destination Management Service • Network Access Identifier ("NAI") Service
Ethernet Private Line - National, Metro and Access only	<ul style="list-style-type: none"> • Ethernet Private Line (International)
Ethernet Virtual Private Line (EVPL) – CPA - based - National & Metro only	<ul style="list-style-type: none"> • Ethernet Virtual Private Line (International)
Global Private Line Services – Global Data Link, International Private Line (IPL Half Circuit, IPL OSS and IPL Full Circuit)	
Internet Dedicated - T1, NxT1 and T3 only	<ul style="list-style-type: none"> • Internet Dedicated OC3 and Higher • Internet Dedicated Ethernet • Internet Dedicated Fast Ethernet • Internet Dedicated GigE • Cross Connection Charges
Long Distance (Domestic and International) – Inbound and Outbound Access	<ul style="list-style-type: none"> • Features (Packages and Ala Carte) • TF/DA Listing • ITFS Service Fees • UIFN Registration

<p>Local Service - CLEC - (Facilities based and UNE-P) Includes:</p> <ul style="list-style-type: none"> • Account Setup • Account Charges (including moves, changes, additions and billing record changes) • Line Connection Charges (Local Line, Local Trunk-Basic, Local Trunk DID, Local Trunk 2 way Direct) • Direct Inward Dialing (DID)/2 way Direct Installation for blocks of DID/2 way direct numbers • Non-recurring charges for Local ISDN-PRI T1 installation and optional features • Selective Call Screening non-recurring charge • Non-recurring charges for Optional Features • Additional Telephone Number Listing (set up charge) • Alternative Call Listing (set up charge) • Restoral charges (customer and company charges on the rate calculator) • Toll Restrictions (set up charge) • Call Assistance Install (set up charge) • Voicemail - NUMS (National Unified Message Service) 	<ul style="list-style-type: none"> • Disaster Recovery • Expedite fees • Non-Listing/Non- Published Service • Telecommunications Service Priority • Usage charges • Monthly Recurring Charges • Surcharges • Charges imposed by third parties • Includes access, egress, jack, or wiring charges • All Governmental Charges
<p>Private IP (Domestic and International)</p>	<ul style="list-style-type: none"> • Private IP Satellite Access • Private IP - Dynamic Bandwidth Maintenance feature • Private IP - Geographic Gateway and Router Diversity features) • Cross Connection Charges
<p>Private IP Layer 2</p>	
<p>Secure Gateway - Universal Port only</p>	<ul style="list-style-type: none"> • Secure Gateway Hardware Client • Secure Gateway Management Only • Secure Gateway Out Of Band Modem • Secure Gateway Firewall (Custom)
<p>U.S. Private Line Virtual Private LAN Service (VPLS)</p>	

Conditions:

1. The promotion must be included in Customer's Agreement, signed and submitted by May 31, 2013.
2. Only new circuits (or equivalent service units) and existing circuits (or equivalent service units) that are upgraded to an eligible port type/speed are eligible for this promotion.
3. Customer commits to paying for the new circuit (or equivalent service unit) of the eligible service to which the benefits of this promotion apply (each a "Promotional Circuit") and the associated local access loop, for a minimum of one year. Customers who terminate any Promotional Circuit or the associated local access loop before one year will be billed and required to pay all charges otherwise waived under this promotion.
4. Orders may be expedited, but applicable expedite fees must be paid.
5. Subject to the restrictions below for Ethernet Access, Customer will receive this promotional waiver benefit on any eligible service provided under this promotion during the Term of the Agreement. For Ethernet Access, Customer will receive this promotional waiver benefit for the charges specified as waived in the pricing sections of the Guide terms for Ethernet Access. Other charges, including without limitation other non-recurring charges, install or labor charges, project and professional services charges usage charges, monthly recurring charges, expedite charges, change charges, surcharges, any charges imposed by third parties (including access, egress, jack, or wiring charges), taxes or tax-like surcharges, or other Governmental Charges will not be waived.