

UNIVERSAL TERMS OF SERVICE

Effective Date: May 1, 2019

These Veracity Networks Universal Terms and Conditions of Service (hereinafter referred to as the "Terms," "Service Terms" or "Agreement") apply to the use of any and all communications products, services, or applications provided by Veracity Networks, LLC, (herein after referred to as "Company" or "Veracity"), a Delaware limited liability company, with its principle offices at 357 South 670 West, Suite 300, Lindon, UT, 84042, to the person or entity identified in a valid and binding Service Agreement (the "Customer") and are an integral part of the agreement between Veracity and Customer. The Customer and Veracity are sometimes collectively referred to herein as the "Parties," or individually as a "Party."

FCC E911 ADVISORY: PURSUANT TO FCC REQUIREMENTS, VERACITY IS REQUIRED TO ADVISE ITS CUSTOMERS OF ANY LIMITATIONS THAT VERACITY E911 SERVICE MAY HAVE IN COMPARISON TO TRADITIONAL E911 SERVICE, WHICH ARE SET FORTH IN VERACITY'S 911/E911 DISCLOSURE NOTICE AND ACKNOWLEDGEMENT AND ALSO AVAILABLE AT HTTPS://VERACITYNETWORKS.COM/TERMS-CONDITIONS.

These Terms incorporate and include all additional terms, conditions and policies that are: (i) set forth in an addendum, schedule, exhibit or amendment to these Terms or a Service Agreement, (ii) set forth in an applicable Service Agreement, and (iii) set forth at https://veracitynetworks.com/terms-conditions. These Terms supersede and replace all terms and conditions set forth in any documents issued by Customer, including purchase orders and specifications.

BY ORDERING, PURCHASING OR USING THE SERVICES, CUSTOMER AGREES TO THESE TERMS. PLEASE READ THESE TERMS CAREFULLY AS THEY AFFECT THE LEGAL RIGHTS BETWEEN CUSTOMER AND VERACITY AND INCLUDE PROVISIONS RELATING TO, AMONG OTHER THINGS: (1) CHARGES ASSOCIATED WITH DEFAULT AND EARLY TERMINATION, (2) FRAUD, AND (3) LIMITATIONS OF LIABILITY.

Veracity reserves the right to modify, supplement, amend, revise or otherwise change any of these Terms at any time, but only on a prospective, not retroactive, basis. Veracity will provide Customer thirty (30) days advance notice through Customer's invoice or by e-mail to the most recent email address associated with Customer's account of any such changes to these Terms that would have a materially adverse effect on Customer. Changes will become effective on the next business day following the 30-day notice period and, unless Customer has objected to any changes by delivering written notice to Company, Customer agrees to be bound by any changes after such 30-day notice period.

1. **DEFINITIONS**

As used in these Terms, the following terms shall have the meanings set out respectively after each such term (the meanings to be equally applicable to both the singular and plural forms of the terms defined), unless the context specifically means otherwise:

- "<u>Affiliate</u>" means, with respect to either Company or Customer, any other entity, which controls, is controlled by, or is under common control with the Company or Customer. The term "control" means the possession, directly or indirectly, of the power to direct or cause direction of Company or Customer management and policies, whether through the ownership of voting securities, by contract, or otherwise.
- "<u>Applicable Laws</u>" means any and all applicable federal, state or local laws, rules or regulations including applicable restrictions concerning call recording, call monitoring, call interception and/or direct marketing or telemarketing.
- "<u>Applications</u>" means a software program designed to perform a specific function directly for the Customer in connection with its use of the Services.
- "Circuit" means an individual telecommunications facility included as part of Service.
- "<u>CNAM</u>" means the name accompanying the records of the telephone subscriber with the telephone subscriber's associated local exchange lines or billing information.
- "Customer Data" means any data, information or other materials of any nature whatsoever provided to Veracity by Customer in the course of implementing or using the Services.
- "Customer Location" means the physical premises or Customer facility where Services are delivered and in the case of no physical equipment the address where Services are being provided.
- "<u>Federal Communications Commission</u>" or "<u>FCC</u>" means the independent agency of the United States government, created by Congressional statute with the purpose of regulating interstate and international communication.
- "Monthly Recurring Charges" or "MRC" means charges or costs that are fixed in amount, not dependent on usage, and billed on a recurring basis in advance.
- "Non-recurring Charges" or "NRC" means variable amounts billed on a one-time basis for the installation, connection, change or initiation of Service.
- "Private Circuit" means a telecommunications circuit provided or managed by Company and used in connection with the Services.
- "Registration Data" means the information required to authorize and activate the Customer's legal use of Services.
- "Service" or "Services" means all products or services provided or made available by Veracity to Customer that are set forth in a Service Agreement.
- "Service Activation Date" means the date that Service is installed, activated and available for Customer's use at a Customer Location.
- "Service Order," "Service Agreement" or "SA" means a document, including any mutually accepted and executed written amendments or addendum thereto, which identifies the Service provided to a Customer, including the quantity and type of Service, pricing, Customer Location and Service Term.
- "Taxes and Fees" means any fees, taxes or other charges arising in any jurisdiction imposed on or incident to the provision, sale or use of Service, including value added, sales, use, gross receipts, excise, franchise, public utility or other taxes, fees, duties or surcharges (including universal service, 911 and other regulatory fees and surcharges), municipal telecom fees, multi-channel video fee, federal access line charges, and certain recovery fees, whether imposed on or by Company.

"<u>Usage Charges</u>" means any amounts for Services that are billed on a per-use basis; Usage Charges are billed in arrears.

2. TERM

- **2.1 Initial Term**. The initial service term is stated in the Service Agreement ("Initial Service Term") and shall commence on the Service Activation Date. If not stated in the Service Agreement, the Initial Service Term shall be three (3) years. Service Agreements which describe delivery of multiple Services may identify multiple Service Dates and Service Terms.
- **2.2 Renewal**. Except as set forth below, at the end of the Initial Service Term, the Service Agreements having a defined term automatically renew for successive terms of like duration ("Renewal Term") at Customer's then-existing pricing, unless Veracity or Customer provides written notice of termination at least forty-five (45) days prior to the end of the Initial Service Term or Renewal Term, as the case may be. In the event of such notice of termination, Customer will be billed for such terminated Service(s) up to and including the requested termination or disconnection date, but for no less than forty-five (45) days from the date of any termination or disconnection notice. The Initial Service Term and any Renewal Term may sometimes be collectively referred to in this Agreement as the "Service Term."
- **2.3 New Agreement.** All new, additional or supplemental Services for an existing Customer will be governed under a separate Service Agreement. Each Service Agreement stands alone and shall be enforced independent of other Service Agreements.
- **2.4 Month-to-Month Renewal**. If Customer timely provides notice of termination pursuant to Section 2.2, yet retains and continues to use the Services, the applicable Service Agreement will be converted automatically to a month-to-month agreement. Month-to-month agreements may not be entitled to prior term-plan pricing or discounts. Either Party may terminate month-to-month agreements on thirty (30) days prior written notice.
- **2.5 Promotional Credits.** Veracity offers several different pricing plans for its products and Services. Veracity may also offer promotional credits, which may be usage or one-time credits, and are subject to the terms and conditions of these Terms. Veracity has the right to chargeback promotional credits to Customers who violate the terms and conditions of these Terms.
- **2.6 Termination of Service.** Time is of the essence in these Terms. In order to terminate the Service, Customer must timely contact Veracity's Customer Care Department, via email at CustomerServiceGroup@veracitynetworks.com or by calling 1-801-379-3000.

3. DEFAULT & TERMINATION

- 3.1 Customer Default. If Customer either (a) fails to make any payment when due and such failure continues for five (5) business days after written notice from Company, or (b) fails to observe or perform any other material term of this Agreement and such failure continues for thirty (30) days after written notice from Company, then Company may elect to: (i) terminate these Service Terms and/or any Service Order, in whole or in part; (ii) immediately terminate or suspend Customer's Service, in whole or in part; or (iii) pursue all remedies Company may have at law or in equity.
- **3.2 Suspension of Services**. Notwithstanding any other provision of this Agreement, Company may suspend Customer's right to access or use any portion or all of the Service immediately and without liability to Customer in any of the following circumstances: (i) Customer's use of the Service violates any Applicable Laws or the AUP; (ii) Company is legally required to suspend

- or terminate Service; (iii) Customer's use of the Service poses a security risk to the Service or any third party or may subject Company or any third party to liability; or (iv) the occurrence or threat of any other event or circumstance for which Company reasonably believes that suspension of Service is necessary to protect the Company's (or other third-party's) network, systems or customers.
- 3.3 Veracity Default. If Company fails to observe or perform any material term of this Agreement, other than non-performance under or failure to comply with any Service Level Agreement, Customer may terminate any applicable Service Order only after Customer has delivered written notice of such failure to Company, such notice to contain reasonable detail describing any breach, and Company has failed to remedy such failure within thirty (30) days of its receipt of Customer's written notice. In the event such failure is not capable of cure within the 30-day period, the time for Company to cure will be extended to sixty (60) days from the date that Company received notice of such breach so long as Company is diligently attempting to remedy such breach during that period.
- **3.4 Early Termination Charges**. In the event Company terminates this Agreement, any Service Agreement or any Services pursuant to Sections 3.1 or 3.2, or Customer terminates this Agreement, any Service Agreement or any Services for convenience (i.e., for any reason other than pursuant to Section 3.3 or any applicable Service Level Agreement), Customer shall pay the amounts set forth below, in addition to any other amounts due and owing to Veracity:
 - **3.4.1** For termination prior to the Service Activation Date, early termination charges shall be the greater of (i) three hundred dollars (\$300.00), or (ii) an amount equal to the costs, fees charges or expenses incurred by Veracity in any way related to delivery, installation or activation of the Services.
 - 3.4.2 For termination after the Service Activation Date, early termination charges shall be an amount equal to seventy-five percent (75%) of the average monthly billing multiplied by the number of months remaining in the Service Term. If termination occurs more than three months after the Service Activation Date, then the average monthly billing will be calculated by averaging the most recent three months of billing. If termination occurs less than three months after the Service Activation Date, then the average monthly billing will be identified as the highest monthly billing that has occurred. For clarity, the early termination charge is calculated as follows: number of months remaining multiplied by average monthly billing with such product being multiplied by seventy-five percent (75%).
 - 3.4.3 In addition to the charges identified in Sections 3.4.1 and 3.4.2 above, the Customer shall (i) pay for Services actually received; (ii) repay Veracity for any and all credits, discounts, and/or waived installation costs; and (iii) reimburse Veracity for the reasonable costs it incurred in setting up Customer's Service (including Special Construction Costs, government or quasi-governmental charges and/or equipment installed and not returned in "as new" condition).
- **3.5 Effect of Termination Fees.** Expiration or termination of the Agreement or termination of any Services does not alleviate Customer of any responsibility for paying all unpaid, accrued charges due hereunder and Customer shall be responsible for the full MRC for the month in which termination occurs, the following month and any applicable Usage Charges.

- **3.6 Liquated Damages**. Customer understands and agrees that Veracity will incur substantial losses upon an early termination of Service, which may include: (i) upfront costs from third-party service providers and subcontractors; (ii) commitments to subscription-based services related to the provision of the Services; (iii) allocation of substantial labor force resources to mobilize for the provision of the Services; (iv) substantial lost opportunity costs; and (v) lost profits. Customer acknowledges and agrees that the precise losses incurred by Veracity as a result of an early termination are difficult to ascertain and that the early termination charges set forth in this Section 3 are fair and reasonable estimates of Company's anticipated and actual damages, and not a penalty.
- **3.7 Additional Termination Obligations**. Upon termination, expiration or cancellation of the Services, Customer shall discontinue use of any Services, including Company-provided numbers, log-ins, voicemail access numbers or any web portal sites assigned to Customer by Company.

4. TAXES AND FEES

Prices for Services do not include, and Customer is responsible for payment of, all Taxes and Fees. Veracity does not negotiate, waive or discount Taxes and Fees. Customer may present Company with an exemption certificate eliminating Customer's and Company's liability to pay certain Taxes and Fees. Company may charge a regulatory recovery fee to offset costs incurred by Company in complying with inquiries and obligations imposed by federal, state and municipal regulatory bodies/governments and related legal and billing expenses. The regulatory recovery fee may also include recovery of costs for legal, intellectual property, cybersecurity, compliance and other related expenses, including those related to number portability, customer privacy protection and anti-fraud protection. The regulatory recovery fee is not a tax or charge required or assessed by any government authority and may be recovered by Company through imposition of a surcharge on cost of the Service.

5. FRAUD

Customer is solely responsible for any and all activities that occur under Customer's account; Customer shall not transfer its log in credentials accessing the Services to any third party. Customer agrees to notify Company if it becomes aware of any prohibited, fraudulent or unauthorized use of the Services, Customer's account, Company Equipment or Customer Equipment. Company shall not be liable for any damages whatsoever resulting from any prohibited, fraudulent or unauthorized use of the Services, Customer's account, Company Equipment or Customer Equipment, and Customer shall bear the risk of loss and assume all liability arising from any such prohibited, unauthorized or fraudulent usage, except to the extent such usage arose solely and directly from Company's gross negligence or willful misconduct. Any such prohibited, unauthorized or fraudulent use shall be deemed a material breach of the Agreement by Customer. Customer is responsible for implementing generally accepted security measures to protect all points of access to the Services. Customer is responsible to secure all credentials used to access the Services, including credentials used by telephones or softphones and credentials used by end users or administrators, as well as the media access control (MAC) addresses of devices used by Customer. Customer is also solely responsible for terminating credentials and access for any end users no longer authorized by Customer to use the Services. Customer acknowledges that placing telephones (or similar devices) on a publicly accessible internet protocol address or a publicly accessible network may subject the Customer to a higher level of risk for fraudulent activity. Customer shall not be excused from paying for Services or any portion thereof on the basis that fraudulent calls, and any charges associated with such calls (e.g. long-distance charges), comprised a portion of the Services. In the event Company discovers fraudulent calls being made, Customer consents to Company taking actions it deems reasonably necessary (including blocking access to particular calling numbers or geographic areas), without notice to Customer, to prevent such calls from taking place. Customer acknowledges and agrees that Company: (a) is under no obligation to investigate the authenticity of calls charged to Customer's account, (b) is under no obligation to take action to prevent such calls from being made, and (c) is not liable for any fraudulent calls processed by Company and billed to Customer's account. Notwithstanding the foregoing, in the event Customer directs Company to remove basic fraud detection or prevention mechanisms implemented by the Company and designed to disrupt fraudulent calling, Customer will be required to complete and execute Company's then-current form of Fraud Acceptance Agreement.

6. SHORT DURATION CALLS/CNAM SERVICES

- **6.1 Call Length Standard**. For customers utilizing Veracity's underlying network for call termination and origination, whose total Short Duration Calls (defined as calls with a duration of 6 seconds or less) are more than ten percent (10%) of total calls during a monthly billing period, a Short Duration Call surcharge of \$.02 per call will be assessed for all Short Duration Calls above such 10% threshold. The calculation is based on and is applied against 1+ Long Distance and 8xx Toll Free Domestic calls. International and other call types are excluded from the calculation.
- **6.2 CNAM Service**. By default, Veracity provides a basic CNAM service for most of its inbound DID products. In some cases, the basic service does not meet a Customer's requirements. For these Customers, Veracity has the option to turn on a more precise version of CNAM; however, Veracity charges .01 per record lookup which is passed to the Customer.

7. BILLING; PAYMENT

- 7.1 Payment. Billing will commence on the Service Activation Date and will not be delayed due to Customer's readiness to accept or use the Service. In the event the Service includes a Private Circuit, billing for the Private Circuit will begin on the date the Private Circuit is delivered to any Customer Location. Customer shall pay Company for all MRC, NRC and Usage Charges, as well as applicable Taxes and Fees, as set forth on any applicable invoice or otherwise associated with the Services. Any applicable set-up charges, MRC, professional services fees, and Taxes and Fees are billed in advance. Early termination fees or charges, Usage Charges, equipment return fees and transfer charges, if any, are billed in arrears. Upon termination for any reason, all outstanding charges are due and payable in full by the invoice due date.
- 7.2 Pricing Changes. Veracity reserves the right to amend or modify pricing for any Services, or modify or adapt the Services, in response to certain changes to Applicable Laws or third-party costs beyond the reasonable control of Veracity to the extent such changes or costs significantly alter the feasibility or economics of providing or maintaining the Services. In such event, the Parties will use good faith efforts to negotiate appropriate changes to this Agreement. If the Parties cannot reach agreement within thirty (30) days after either Party's notice requesting renegotiation, Veracity may, on a prospective basis after such 30-day period, increase pricing or modify the Service; provided, however, that Veracity shall provide Customer written notice of any increased pricing and Customer may upon notice given to Veracity within sixty (60) days after delivery of the notice of the increased pricing terminate the affected Service without liability for an early termination fee or charge. If Customer does not terminate the affected

- Service within such 60-day period, Customer's termination right shall expire, and Customer shall be obligated to accept and pay for the Service until expiration or termination of the applicable Service Term.
- **7.3 Applicable Rates and Charges.** Except as expressly provided otherwise in the SA, the rates and charges for Services shall be effective during the Initial Term of Service and during any Renewal Term except that, for non-international Service rates and charges not specifically published in the SA, the Company may modify the applicable rates and charges with not less than twenty (20) days prior notice to the Customer. For international Service, the Company may modify the applicable rates and charges upon five (5) days' notice to Customer.
- 7.4 Time is of the Essence for Payment. Customer shall pay interest at the lesser rate of (a) 18% per annum or (b) the highest rate allowed by law for any amounts unpaid as of the due date. Acceptance of late or partial payments (even if marked "Paid in Full") shall not waive any of Veracity's rights to collect the full amount due. Veracity may assess an additional fee equal to the lesser of (a) fifty dollars (\$50) or (b) the highest amount allowed by law for any check returned for nonpayment.
- 7.5 Disputed Amounts. If Customer reasonably disputes any portion of a Veracity invoice, Customer must timely (a) pay all undisputed fees and charges, and (b) submit written notice (as provided below) of the disputed amount. All disputed claims (except those for Service Credits) must be submitted to Veracity in writing within sixty (60) days from the date of the invoice for those Services. Customer waives the right to dispute any charges not disputed within such 60-day period. The Parties will cooperate in good faith to resolve any such disputes. In the event that the dispute is resolved against Customer, Customer shall pay such disputed amounts plus interest at the rate referenced in Section 7.4 within ten (10) days of such determination
- **7.6** Late Fee. Veracity may charge a late fee equal to five percent (5%) of any amount not paid when due and not in dispute in accordance with the terms of this Section 7.
- 7.7 Deposit. Without waiving any right of termination or any other rights hereunder, Veracity may require Customer to tender a deposit of up to two (2) months of Customer's aggregate MRC, to guarantee payment hereunder if (a) at Veracity's sole discretion, the initial credit check warrants the request for deposit, (b) Customer fails to make a payment when due, (c) Customer files for bankruptcy, or (d) any Service Agreement exceeds established credit limits initially approved by Veracity.
- **7.8 Collection Costs.** Customer shall be responsible for, and shall pay, all costs and expenses, including but not limited to attorneys' fees, expenses, court costs, and service charges, incurred by Veracity in collecting payment for any amount due under the Agreement.
- **7.9 Treatment of Credit Balances**. If a Customer's account has been closed and is showing a credit balance, Veracity will either (1) transfer the credit balance to another Customer account (if applicable), or (2) mail the Customer a check for the balance in the Customer's account. If check is not cashed within ninety (90) days of its issuance, then a closed account maintenance fee of \$5.00 will be assessed on a monthly basis.
- **7.10 Forms of Payment**. Acceptable forms of payment are: auto-payments, company checks; cashier's and certified checks; money orders; personal checks (for non-business accounts); wire transfers and ACH credits; credit cards; except where other payment form restrictions are specifically noted in a separate SA. Checks must be drawn on U.S. banks and written in U.S. dollar values. Checks drawn on foreign banks and third-party checks are not accepted. Payment

by cash is not acceptable. Veracity will accept credit card payments in its sole discretion. If Customer pays Veracity by credit card, Customer's continued receipt of Services, after Customer's payment to Veracity appears on Customer's credit card statement, shall be construed as Customer's acknowledgement of the validity of such undisputed charges, and as Customer's waiver of all rights to reverse such charges.

8. CUSTOMER REPRESENTATIONS & WARRANTIES

Customer hereby represents and warrants to Veracity that the following statements are true, correct, complete and accurate on and as of the Service Activation Date:

- **8.1** Customer's primary residence or business address is in the United States.
- **8.2** Customer possess the legal right, capacity, and ability to enter into these Terms.
- **8.3** Customer will not use the Applications or Services in environments requiring fail-safe performance or in which the failure of the Applications or Services could lead directly to death, personal injury, or severe physical or environment damage.
- **8.4** The Registration Data, user name, contact information, Registered Location(s), and all other information provided in connection with Customer's Veracity Account are true and correct at all times.

9. SERVICE OUTAGES AND SERVICE LEVEL AGREEMENT

Customer will timely report any issues, trouble or problems affecting Service to Veracity using a Customer-initiated trouble ticket (a "Trouble Ticket"). Trouble Ticket procedures and additional information for Veracity support can be found by emailing: CustomerServiceGroup@veracitynetworks.com

Calls to and from Veracity customer service, sales or other representatives may be recorded and/or monitored for quality assurance and training purposes and by speaking with such representatives, Customer consents to such recording and/or monitoring. If Veracity does not meet a performance or other service level commitment set forth in an applicable Service Level Agreement, and upon Customer's timely request submitted in accordance with this Agreement or the applicable Service Level Agreement, a service credit will be issued to Customer as stated in the applicable Service Level Agreement. Customer's sole remedies for any non-performance, outages, failures to deliver or defects in Service are set forth in the applicable Service Level Agreement.

10. CUSTOMER LOCATIONS

Customer shall allow Veracity access to the Customer's Locations to the extent reasonably determined by Veracity for the installation, inspection, and scheduled or emergency maintenance relating to the Service. Veracity shall notify Customer at least two (2) business days in advance of any scheduled routine maintenance requiring access to the Customer premises or that may result in a material interruption of Service. Customer will be responsible for providing and maintaining, at its own expense, the level of power, heating and air conditioning necessary to maintain the proper environment for the network facilities on the Customer's premises. In the event Customer fails to do so, Customer shall reimburse Veracity for the actual and reasonable cost of repairing or replacing any equipment damaged or destroyed as a result of Customer's failure. Customer will provide a safe place to work and comply with all laws and regulations regarding the working conditions on the Customer's premises.

11. FACILITIES, SERVICES, EQUIPMENT or SYSTEMS OF OTHERS

- 11.1 Liability. Veracity shall not be liable for the unavailability, or deficient performance, of any facilities, services, applications, equipment, or systems used in connection with the provisions of Services under the control of Customer or any third party, even if Veracity has acted as the Customer's agent in procuring such facilities, services, applications, equipment or systems from third parties. Customer's rights with regard to the unavailability or deficient performance of such facilities, services, equipment or systems not provided by Veracity shall be strictly as established by the supplying entity. Any costs associated with modifying or reprogramming Customer's equipment to make it compatible with Veracity-provided Service will be presented to Customer prior to undertaking such modifications or reprogramming, and Customer shall be given the opportunity to accept or reject such costs. If Customer accepts the costs, following the successful completion of the modification(s) or reprogramming, the costs will be the responsibility of Customer.
- 11.2 Equipment. From time to time, Veracity may provide Customer certain software, hardware and documentation, including but not limited to customer premise equipment ("Equipment") (collectively "Products") as part of the Service Agreement. Veracity grants Customer a personal, limited, non-transferable, non-exclusive, license, without right to sublicense's, transfer, copy or create derivative works, to use the Products during the Service Term for the use with Service provided by Veracity. All Equipment shipments are F.O.B. shipping point. Veracity's liability for delivery shall cease, and title (if applicable) and all risk of loss or damage shall pass to Customer upon delivery. Customer will be provided an equipment warranty in accordance with the equipment manufacturers parameters. Veracity will replace the equipment only if the Equipment is deemed to be defective and covered under the warranty. Veracity will not cover or replace lost, stolen, self-inflicted damage, or modified Equipment.
- 11.3 Damaged or Modified Equipment. Customer shall not modify the Equipment or Product in any way without the express written permission of Veracity. Customer shall not use the Equipment or Product except with the Services provided. Customer is responsible for all lost, stolen, broken, or modified Equipment or Products and may be required to purchase a replacement to continue to use the Services.
- 11.4 Special Construction. Notwithstanding anything to the contrary in these Terms, if Veracity undertakes special construction and acquires telecommunication facilities from a third party in order to provide Service to Customer ("Special Construction"), and the costs are not included in the MRC or NRC for the affected Service(s), Veracity will advise Customer in writing of the estimated charges associated with Special Construction prior to undertaking the activity by Veracity. If Customer agrees to Special Construction based on the estimate and thereafter cancels Service prior to the Service Activation Date or if Customer terminates the Service associated with the Special Construction or acquisition of telecommunication facilities, Customer must reimburse Veracity for all unpaid charges and costs incurred by Veracity in connection with the Special Construction, including any ETL. This payment obligation is in addition to any other rights and remedies Veracity may have at law, in equity, or as provided by these Terms.

12. SERVICE INSPECTION, TESTING AND ADJUSTMENT

12.1 Inspection. Upon reasonable notice, Veracity may conduct inspections of Service to determine whether Customer is satisfying its obligations under the Agreement. No outage allowance credit will be given for any Service interruption occurring during an inspection.

12.2 Testing and Adjustment. Upon reasonable notice, Customer shall make Service available to Veracity for such testing and adjustment as the Company deems necessary to maintain the furnishing of Service at satisfactory levels.

13. LIMITATION OF LIABILITY

NEITHER COMPANY NOR ITS AFFILIATES, VENDORS, SUPPLIERS, DISTRIBUTORS, CHANNEL AND OTHER MARKETING PARTNERS OR OTHER REPRESENTATIVES, SHALL BE LIABLE FOR ANY INDIRECT, INCIDENTAL, SPECIAL, PUNITIVE OR CONSEQUENTIAL DAMAGES, REPLACEMENT COSTS, OR ANY LOSS OF REVENUE OR PROFITS, CONTENT, DATA, OR DATA USE, EVEN IF COMPANY HAS BEEN INFORMED IN ADVANCE OF SUCH DAMAGES OR SUCH DAMAGES COULD HAVE REASONABLY BEEN FORESEEN BY COMPANY. COMPANY'S AGGREGATE LIABILITY FOR ALL DAMAGES ARISING OUT OF OR RELATED TO THIS AGREEMENT, WHETHER IN CONTRACT, TORT, OR OTHERWISE, SHALL IN NO EVENT EXCEED THE TOTAL AMOUNTS ACTUALLY PAID OR PAYABLE TO COMPANY UNDER THIS AGREEMENT IN THE TWELVE (12) MONTH PERIOD IMMEDIATELY PRECEDING THE EVENT GIVING RISE TO A CLAIM SUBJECT TO THIS SECTION 16. THE PARTIES ACKNOWLEDGE AND ACCEPT THE REASONABLENESS OF THE DISCLAIMERS AND LIMITATIONS OF LIABILITY SET FORTH IN THIS SECTION 13.

14. WARRANTY DISCLAIMER

VERCITY MAKES NO EXPRESS OR IMPLIED WARRANTY REGARDING THE SERVICE OR DEVICE OR THE INSTALLATION OF SAME AND DISCLAIMS ANY IMPLIED WARRANTY, INCLUDING ANY WARRANTIES OF MERCHANTABILITY AND/OR FITNESS FOR A PARTICULAR PURPOSE. VERACITY DOES NOT WARRANT THAT THE SERVICE OR DEVICE WILL FUNCTION WITHOUT FAILURE, DELAY, INTERRUPTION, ERROR, DEGRADATION OF VOICE QUALITY OR LOSS OF CONTENT, DATA OR INFORMATION. VERACITY DOES NOT AUTHORIZE ANYONE, INCLUDING BUT NOT LIMITED TO ITS EMPLOYEES, AGENTS OR REPRESENTATIVES, TO MAKE A WARRANTY OF ANY KIND ON ITS BEHALF AND YOU SHOULD NOT RELY ON ANY SUCH STATEMENT. CUSTOMER AGREES THAT IT ACCEPTS THE SERVICE AND DEVICE "AS IS" AND THAT CUSTOMER IS NOT ENTITLED TO REPLACEMENT OR REFUND IN THE EVENT OF ANY DEFECT. CUSTOMER ACKNOWLEDGES THAT THE SERVICES ARE NOT ENABLED TO FUNCTION AS OUTDIALING SYSTEMS INCLUDING HOME OR OFFICE SECURITY SYSTEMS, TTY EQUIPMENT, MEDICAL MONITORING EQUIPMENT OR SATELLITE TELEVISION SYSTEMS. COMPANY WILL NOT BE LIABLE FOR INTERRUPTION OR DISRUPTION OF SUCH SYSTEMS BY THE SERVICES. CUSTOMER FURTHER ACKNOWLEDGES THAT, EXCEPT AS EXPRESSLY OTHERWISE AGREED, THE SERVICES ARE NOT DESIGNED, INTENDED OR RECOMMENDED AS A MEANS BY WHICH TO STORE OR TRANSMIT "PROTECTED HEALTH INFORMATION" ("PHI') AS DEFINED UNDER THE HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT OF 1996 AND RELATED OR SIMILAR LAWS (COLLECTIVELY, "HIPAA"). COMPANY MAKES NO REPRESENTATION OR WARRANTY THAT THE SERVICES OR THEIR USE WILL COMPLY WITH HIPAA OR WILL RENDER ANY PARTY COMPLIANT WITH HIPAA AND IS RELEASED FROM ANY LIABILITY FOR ITS ACTS OR OMISSIONS RELATING TO HIPAA.

15. FORCE MAJEURE

In the event Veracity's performance of any obligation under these Terms is prevented, restricted or interfered with by causes outside the control of Veracity, including without limitation, failure or malfunction of Customer-supplied equipment, acts of God, explosions, vandalism, cable cut, storms, fires, floods or other similar catastrophes, power failure, national emergencies, insurrections, riots, wars, strike, lockouts, boycotts, terrorism, work stoppages or other labor difficulties, or any law, order, regulation or other actions of any governmental authority, agency, instrumentality, or of any civil or military authority, then Veracity shall be excused from such performance on a day-to-day basis to the extent of such restriction or interference. The occurrence of such an event will not constitute grounds for termination of this Agreement by either Party hereunder, provided, however the Party that is the subject of such force majeure event shall use reasonable commercial efforts to mitigate or cure such force majeure event. Veracity shall use reasonable efforts under the circumstances to avoid or remove such causes of nonperformance with reasonable dispatch.

16. SECURITY

- 16.1 Passwords. Customer will be asked to create a password in order to gain access to Customer's account information on-line or when contacting a Veracity customer care representative by phone. Customer agrees to keep all passwords and account information confidential and Customer is solely responsible for any liability or damages resulting from Customer's failure to maintain that confidentiality, and for all activities that occur under Customer's password. Customer must immediately notify Veracity if Customer suspects any breach of security such as loss, or unauthorized disclosure or use of Customer's password and account.
- 16.2 Electronic Recording. Customer acknowledges and understands that there are federal and state statutes governing the electronic recording of telephone conversations and Veracity will not be liable for any illegal or non-compliant use of the Service by Customer. Because Customer circumstances vary widely, Customers should carefully review their own circumstances when deciding whether to use the recording features of the Service and it is the Customer's responsibility to determine if the electronic recordings are compliant with Applicable Laws. Veracity is not responsible for any misinterpretation, lack of understanding or lack of knowledge regarding the use of electronic recordings or the use of its products by Customer whether legal or illegal.
- **16.3 Customer Use**. If permitted access to Veracity's systems in order to maintain Service, Customer must comply with the following:
 - **16.3.1** Access Veracity's systems and data only to the extent necessary to administer and manage the Customer's Service. Any access beyond that necessary to administer and manage the Customer's Service may subject Customer to civil or criminal penalties.
 - **16.3.2** Not disclose or use data acquired as a result of accessing Veracity's systems, except as necessary to assure the proper operation on the Service. Customers must take all reasonable steps necessary to prevent the revelation of data to those not having a need to know the data.
 - **16.3.3** Not disclose, provide or otherwise make available, in whole or in part, Veracity's confidential documentation or related materials except to those having a need to know in connection with the furnishing and use of Services. All such documentation shall

- remain the property of the Veracity's and may not be copied, reproduced or otherwise disseminated without the prior written consent of the Veracity's.
- 16.3.4 Take all reasonable precautions to maintain the confidentiality of Veracity's documentation or other information acquired in the course of subscribing to and using Service. Such precautions shall include the protection of Personal Identification Numbers (PINs) and passwords selected by, and known only to, the Customer and its authorized users, Veracity's telephone and dial up access number(s) assigned to Customer by Veracity's, and any other aspect of access and sign-on methodology. Customer must follow normal logoff procedures prior to leaving a terminal unattended and, as necessary, report any known or suspected attempt by others to gain unauthorized access to Service.

17. ASSIGNMENT

Customer may not sell, transfer, or assign its obligations hereunder without the prior written consent of Veracity. Any such assignment without the Veracity's prior written consent shall be void. Customer may, however, assign its rights hereunder to a successor that purchases substantially all of its assets, provided that Customer provides to Veracity such successor's written agreement to be bound by all terms and conditions of these Terms and any SA's and such successor is not a direct competitor of Veracity.

18. INDEMNIFICATION

To the maximum extent permitted by applicable law, Customer shall indemnify, defend and hold harmless, individually and collectively, Veracity and its Affiliates from any damage to persons or property caused by Customer and any third-party claims, demands, actions, damages, fines, judgments, expenses and costs (including attorneys' fees) arising out of or related to Customer's use of Services, or by reason of any breach or nonperformance covenant or obligation of Customer herein, or the violation of any Applicable Laws by Customer, including any claims for libel, slander, infringement of contractual rights, intellectual property rights (including patent, trademark, copyright, and trade secret rights), rights of privacy, and rights of publicity and personality. Customer's obligation to assume, protect, defend, indemnify and save Veracity harmless shall extend to Veracity Affiliates and shall continue for so long as Veracity or any such Affiliates may be subjected to claims or suits calling for such obligations provided. Customer may not enter into a settlement that imposes any obligation on Veracity or requires any admission by Veracity without the express written consent of Veracity.

19. COMPLETE AGREEMENT; INTERPRETATION

19.1 Complete Agreement. These Terms, incorporating all the applicable documents referenced herein, represents the entire agreement between the Parties with respect to Service, and supersedes all other prior agreements between the Parties, whether written or oral. No statement, representation or warranty made by any agent or representative of Veracity regarding the Services, facilities or equipment to be provided hereunder or the rates therefor shall be binding upon Veracity unless expressly included herein. In the event of any conflict between these Terms and the terms and conditions of the SA and/or AA, or SLA, the order of precedence is as follows: (1) these Terms, (2) the SA, (3) AA, and (4) the SLA. If any part of a provision of these Terms is invalid or unenforceable said part shall be ineffective to the extent of such invalidity only, without in any way affecting the remaining parts of said provisions of these Terms. In addition to any provisions that by their nature would survive, shall survive

- termination, cancellation or expiration of these Terms. No failure by either party to enforce any right(s) hereunder shall constitute a waiver of such right(s).
- 19.2 Interpretation. The captions or headings in these Terms are strictly for convenience and shall not be considered in interpreting these Terms or as amplifying or limiting any of its content. Words in these Terms, which import the singular connotation, shall be interpreted as plural, and words that import the plural connotation shall be interpreted as singular, as the identity of the Parties or objects referred to may require. The words "include," "includes," and "including," shall be deemed to be followed by the phrase "without limitation." The words "hereof," "herein" and "hereunder" and words of similar import when used in these Terms shall refer to these Terms as a whole and not to any particular provision to these Terms.

20. COPYRIGHT, TRADEMARKS AND LOGOS

Without the prior written consent of Veracity or Customer, neither party will use the Trademarks, Logos or Service Marks without the express written consent of Veracity or Customer.

20.1 Copyright Infringement. Materials may be made available via the Service by third parties not within Veracity's control. Veracity is under no obligation to, and do not, review content transmitted, sent, or received using the Applications or Services for purposes of determining copyright infringement. None of the Materials may be copied, reproduced, distributed, republished, downloaded, displayed, posted, or transmitted in any form or by any means, including, but not limited to, electronic, mechanical, photocopying, recording, or otherwise, without the prior written permission of Veracity or affiliated copyright owner. Veracity, does however, grant Customers permission to display, copy, distribute, and download the materials for personal, non-commercial, and informational use only, provided that Customer may not, without the permission of Veracity or its affiliated copyright owner (1) copy, publish, or post any materials on any computer network or broadcast or publications media, (2) modify the materials, or (3) remove or alter any copyright and other proprietary notices contained in the Materials.

Pursuant to Title 17, Section 512 of the United States Code, all claims of copyright infringement for any material you believe to reside on Veracity's Applications or Services should be provided in writing to Veracity's Legal Department at https://veracitynetworks.com.

20.2 Trademarks & Service Marks. Trademarks, service marks, and registered trademarks may not be copied, imitated, or used, in whole or in part, without the prior written permission of Veracity. All page headers, Veracity, as well as Veracitynetworks.com, custom graphics, buttons, icons, and scripts are either trademarks, service marks, and/or trade dress of Veracity, and may not be copied, imitated, or used, in whole or in part, without the prior written permission of Veracity. Veracity trademarks, service marks, and trade dress may not be used in any manner that is likely to cause confusion among customers or in any manner that disparages or discredits Veracity. All other trademarks, service marks, registered trademarks, product and service names, and company names or logos are the property of their respective owners, who may or may not be affiliated with, connected to, or sponsored by Veracity.

21. GOVERNING LAW

This Agreement shall be governed by and construed in accordance with the laws of the State of Utah without reference to its principles of conflict of laws. Customer and Veracity both hereby irrevocably agree that any suit brought by either Party arising out of or relating to these Terms shall be brought in the State of Utah, Salt Lake County, Salt Lake City, and Customer and Veracity both

hereby submit to the personal jurisdiction of such court. The Parties both hereby irrevocably waive, to the fullest extent permitted by applicable law, any objection which either Party may raise now, or hereafter have, to the laying of the venue of any such suit, action or proceeding brought in such a court has been brought in an inconvenient forum. In the event an action is brought or an attorney is retained by either Party to enforce the terms of these Terms or to collect any monies due hereunder, the prevailing Party will be entitled to recover, in addition to any other remedy, reimbursement for reasonable attorney's fees, court costs, reasonable costs of investigation and other related expenses incurred in connection therewith.

22. LEGAL RELATIONSHIPS; NO COMMITMENTS

Nothing in these Terms shall be deemed to create any relationship between the Parties other than that of independent parties contracting with each other solely for the purpose of carrying out the provisions of these Terms. This Agreement does not render either Party the employee, agent or legal representative of the other Party and does not create a partnership or joint venture between the Parties. Neither Party shall have any authority into any agreement on behalf of or bind the other Party in any manner whatsoever without the prior written consent of the Party. Customer agrees and acknowledges that Company has made no commitments or promises orally or in writing with respect to delivery of any future features or functions. In relation to any future features or functions, all presentations, RFP responses, and/or product roadmap documents, information or discussions, either prior to or following the date herein, are informational only, and are not the basis for, nor part of this this Agreement or any Service Agreement. Company has no obligation to provide any future releases or upgrades or any features, enhancements or functions, unless specifically agreed to by both Parties. Customer acknowledges that its purchasing decisions are not based upon any future features or functions.

23. CONFIDENTIALITY

- 23.1 Confidential Information. "Confidential Information" means all nonpublic information relating to a Party or its Affiliates that (i) if provided in writing, is marked or labeled as confidential or proprietary, or (ii) if provided verbally, is designated as confidential at the time of disclosure, or (iii) even if not so marked, labeled or identified, given the nature of the information or the circumstances surrounding its disclosure, reasonably should be considered as confidential. Confidential Information includes, without limitation, all nonpublic information relating to (i) a Party's or its Affiliates' technology, customers, employees, business plans, agreements, finances and other business affairs, (ii) the Company network or service delivery platform, and (iii) the terms of any Service Agreement. Confidential Information does not include any information that (i) has become publicly available without breach of this Agreement, (ii) was known to the Party receiving Confidential Information under this Agreement (the "Receiving Party") at the time of its receipt from the Party disclosing the Confidential Information (the "Disclosing Party") or its Affiliates as shown by documentation reasonably acceptable to Disclosing Party, (iii) is received from a third party who did not acquire or disclose such information by a wrongful or tortious act, or (iv) was independently developed by the Receiving Party without use of any Confidential Information as shown by documentation reasonably acceptable to Disclosing Party.
- **23.2** Non-Use; Non-Disclosure. Each Party hereby agrees to hold Confidential Information in strict confidence and shall, in any case, protect such Confidential Information with no less diligence than that with which it protects its own confidential or proprietary information of a

similar nature. The Receiving Party agrees not to use any Confidential Information of the Disclosing Party for any purpose unrelated to the Services. Each Party may disclose the Confidential Information of the other Party on a "need to know basis" and then only to its and its Affiliates' directors, officers, advisors, employees and other legal, business or financial partners or representatives; provided that all such persons are subject to written confidentiality agreements which contain provisions which are no less restrictive than the provisions of this Section 23. In addition, Company may disclose this Agreement under a comparable non-disclosure agreement in response to a third-party due diligence request supporting a financing or non-ordinary course of business corporate transaction.

- **23.3** Compelled Disclosure. If the Receiving Party is legally compelled by any means (including deposition, interrogatory, request for documents, subpoena, civil or regulatory investigative demand or similar process) to disclose Confidential Information of the Disclosing Party, subject to applicable laws, the Receiving Party must provide the Disclosing Party with prompt written notice of such legal requirement in order to allow the Disclosing Party to seek a protective order or other appropriate remedy or waive compliance with this Section 23.
- **23.4 Return or Destruction**. Upon the termination or expiration of this Agreement, or at any time upon the request of the Disclosing Party, the Receiving Party shall, at the Disclosing Party's option, return or destroy (and certify as to such destruction) all Confidential Information of the Disclosing Party in its control or possession, other than copies which the Receiving Party may be required to maintain under applicable law or regulation.

24. Emergency 911 Services

By using the Service or Company Equipment, Customer acknowledges the limitations of E911/911 services as described in the E911/911 Notice and Disclosure Agreement, as well as those set forth in this Section 24. Customer is advised to thoroughly read and understand the E911/911 Notice and Disclosure Agreement and the options available. Customer acknowledges that it has received the E911/911 Notice and Disclosure Agreement and has read, understands and agrees to the terms and conditions of the E911/911 Notice and Disclosure Agreement, and assumes the risks associated with the Company E911/911 service limitations.

25. DIRECTORY LISTING

Customer's name, address, telephone number and any other information listed on the Service Agreement are certified as correct by the Customer, and it is understood and agreed that Customer's white page directory listing will appear using that information. It is Customer's sole responsibility to inform Veracity in writing of any change in the information at least ninety (90) days prior to the local telephone directory issue date, which will be provided to Customer upon request. Customer releases Veracity from any and all damages related to or arising out of telephone number publication or distribution and/or related to any error, including listing omissions or errors, pertaining to a directory listing.

26. NEW 800 / LOCAL

Customer acknowledges, prior to service activation, requested new 800/local numbers does not constitute transfer of these numbers to the Customer. Customer further understands Customer shall not own, nor have any proprietary interest in, any in-bound, toll free/local number and, further, that a reservation of an in-bound, toll free/local number shall not constitute, nor be construed, as a guarantee that the Customer will be assigned a requested in-bound, toll free/local number. Customer shall not be entitled to rely upon, use or otherwise advertise or publicize an in-bound, toll free/local

number until the Customer's credit is approved, in writing, by a representative authorized by Veracity to approve such credit and the Customer completes a test call(s) to the satisfaction of Veracity. After successful activation of services new 800/local numbers transfer to Customer.

27. LONG DISTANCE

- **27.1 Interstate**. This is the form of long-distance that is defined by the originating call terminating in an adjoining State, for which long-distance carriers are usually chosen by telephone customers. Per-minute toll charges apply to these calls. The FCC regulates long distance toll service between states.
- **27.2 Intrastate**. Calls originating and terminating outside your local calling area but still in the same State. These calls typically have a different rate than interstate.
- **27.3 International**. International telephone calls are those made between different countries. These telephone calls are processed by international gateway exchanges (switches).
- **27.4 International Routes**. Customer is aware and acknowledges that Veracity has no control over the international routes of its underlying providers. Therefore, Veracity cannot assure or guarantee calls/voice quality for all international traffic. Customer agrees that all calls completed will be considered valid and billable, regardless of call quality.
- 27.5 Blocking of International Calls. It is the Customer's responsibility to inform Veracity of their wishes to block International calls, Customer's must ensure that such request is in writing, in the body of the SA for the services for which International blocking is to be applied. Any such blocking request that is not in writing will not be valid. For the purpose of call blocking, "International" refers only to those calls using a 011 prefix. Thus, for example, phone calls from the United States to Canada are not International calls and cannot be blocked. It is Customer's responsibility to understand the limits on any call blocking functionality.

28. NOTICES

Except as otherwise provided in this Agreement:

- **28.1** <u>To Customer</u>: In the event Company is required or desires to provide Customer with notice under this Agreement, it will provide electronic notice to the e-mail address on file. In the event Customer changes its e-mail address for notice purposes, Customer shall advise Company immediately in writing. Customer hereby agrees to electronic delivery of all required notifications, including invoices, unless otherwise expressly provided herein.
- **28.2** <u>To Company</u>: Any notice required or given under this Agreement to Company will be in writing and delivered to Company as follows:

Veracity Networks, LLC Attn: VP Customer Care 357 West 670 South, Suite 300 Lindon, UT 84042

And to:

Veracity Networks, LLC Attn: Legal Department 357 West 670 South, Suite 300 Lindon, UT 84042 Such address and contact information may be changed by either Party by prior written notice to the other Party in accordance with this paragraph. A notice will be deemed to be duly given (i) on the date of delivery if personally delivered by hand or by a nationally recognized overnight express courier, or (ii) upon the third day after such notice is deposited in the United States mail, if mailed by registered or certified mail, postage prepaid, return receipt requested. For clarity, e-mail or fax notices are informational only and shall not constitute formal notice.

29. Facsimile and Electronic Transmission; Counterparts.

Service Agreements and other documents that may be executed in connection with the Services (collectively "Service Documentation"), may be executed and delivered by facsimile or electronic transmission, and upon receipt, such transmission shall be deemed the delivery of an original. Service Documentation may be executed in several counterparts, each of which when executed shall be deemed to be an original, and such counterparts shall each constitute one and the same instrument.

30. Electronic Communications; Electronic Signatures and Records.

By ordering, purchasing or using the Services, Customer agrees agree that Company may provide to Customer by use of electronic communications any required notices, agreements and other information concerning Company, including changes to these Terms. In addition, by clicking "I Agree" or "I Accept" (or similar) anywhere on a Company website or webpage Customer agrees and acknowledges to conduct business electronically and be bound by the applicable agreement, document or transaction.

31. Basis of Bargain; Failure of Essential Purpose.

Customer acknowledges and agrees that Company has established its prices and entered into this Agreement in reliance upon the limitations and exclusions of liability and the warranty disclaimers set forth in this Agreement, and that they are an essential basis of the bargain between the parties and are material terms of this Agreement. The Parties agree that the limitations and exclusions of liability and warranty disclaimers specified in this Agreement will survive and apply even if found to have failed their essential purpose, and Customer hereby waives its right to contest the enforceability of any provision of this Agreement by reason of such failure.

32. Dispute Resolution; Binding Arbitration.

Management Resolution. In the event either Party has a dispute or claim against the other Party (except with respect to invoice disputes), the disputing Party shall provide written notice to the other Party in accordance with the provisions of Section 28, above. The Parties agree to escalate disputes to their respective management, who will use commercially reasonable efforts to resolve the dispute by consulting with each other in good faith to reach an equitable resolution satisfactory to both parties within thirty (30) days of the receipt of notice. Neither Party shall pursue or commence proceedings regarding the dispute in any court, administrative arbitral or other adjudicative body prior to engaging in such consultations and negotiations. In the event the dispute is not resolved, and the claim falls within the dollar limit allowed by applicable state law along with any other jurisdictional requirements, either Party may seek to have that dispute resolved in small claims court in any state in which Services are provided to the Customer by Company.

- 32.2 <u>Binding Arbitration</u>. If negotiations fail to resolve the dispute within thirty (30) calendar days, and/or small claims court is not a valid option due to the size or nature of the claim, all disputed claims (except for claims relating to intellectual property rights, indemnity, or confidentiality obligations, fraudulent or unauthorized use, theft, or piracy of service, or matters relating to injunctions or other equitable relief) must be resolved by binding arbitration before a single arbitrator in accordance with the rules of the American Arbitration Association ("AAA") then in effect. This agreement to arbitrate is intended to be given the broadest possible meaning under Applicable Laws. The initiation of an arbitration dispute shall not otherwise prevent Company or Customer from terminating Services in accordance with the Terms.
- 32.3 Notice. A Party who intends to seek arbitration must first send to the other Party a written notice of dispute, which must describe the nature and basis of the dispute and set forth the specific relief sought. If an agreement to resolve the dispute is not reached, an arbitration proceeding may be commenced by downloading or copying a form from the AAA website (http://www.adr.org). The amount of any settlement offer made by Customer or Company shall not be disclosed to the arbitrator until after the arbitrator determines the amount, if any, to which Customer or Company is entitled.
- **32.4 <u>Location.</u>** All hearings conducted as part of the arbitration shall take place at a location, convenient to Customer, based upon Customer's billing address. If Customer claim is for \$10,000 or less, Customer or Company may request that the arbitration be conducted solely on the basis of documents submitted to the arbitrator or through a telephonic hearing. If either party objects, then the arbitrator shall proceed to an in-person hearing as established by the AAA Rules. If Customer claim is in excess of \$10,000, the right to a hearing will be determined by the AAA rules.
- 32.5 <u>Costs.</u> Each Party will be responsible for its own costs incurred in the arbitration, including arbitration filing fees and attorneys' or expert witness fees. The arbitrator's costs and expenses shall be shared equally between the Parties. If a Party elects to appeal an award, the prevailing Party in the appeal shall be entitled to recover all reasonable attorneys' fees incurred in that appeal.
- 32.6 Waiver of Jury Trial. Customer and Company agree that, by entering into this agreement, Customer and Company are waiving the right to a trial by jury. Customer and Company agree that the arbitrator may award relief only in favor of the individual Party seeking relief and only to the extent necessary to provide relief warranted by that Party's individual claim. The arbitrator may not award special, indirect, punitive, incidental or consequential damages. CUSTOMER AND COMPANY AGREE THAT CUSTOMER MAY BRING CLAIMS AGAINST COMPANY ONLY IN CUSTOMER'S INDIVIDUAL CAPACITY AND NOT AS A PLAINTIFF OR CLASS MEMBER IN ANY PURPORTED CLASS OR REPRESENTATIVE PROCEEDING AND THAT CUSTOMER EXPRESSLY WAIVES ITS RIGHT TO BRING A CLASS ACTION SUIT. Customer and Company agree that the arbitrator may not consolidate more than one person's or entity's claims and may not otherwise preside over any form of a representative or class proceeding.

END OF SERVICE TERMS