

## MASTER SERVICES AGREEMENT

- 1. PROVISION OF SERVICES. (a) This Master Services Agreement ("MSA"), including any addenda or amendments, is made by and between Customer and Cavalier. "Cavalier" means Cavalier Telephone, LLC (in VA), Cavalier Telephone Mid-Atlantic, LLC (in DE, DC, MD, NJ, PA), LDMI Telecommunications, Inc. (in IL, IN, MI, OH, WI), Network Telephone Corp. (in AL, FL, GA, KY, LA, MS, NC, SC, TN), or Talk America Inc. (in all other states). Customer must submit a service order form, work invoice, or other form of order for service, equipment or materials incorporating this MSA to Cavalier ("Service Order"). The Service Order will specify telecommunications services ordered from Cavalier, including but not limited to voice, data, and information services (together, "Services"), equipment or materials to be sold, licensed or leased to Customer (collectively, "Customer Premises Equipment or CPE"), delivery location (the "Premises"), prices, and term commitments for the Services. This MSA and the Service Order together are referred to as the "Agreement".
- **2. TERM**. This MSA shall be effective on the date the Service Order incorporating this MSA is executed by Customer and Cavalier. The term of the Service Order commences upon Acceptance of the Services (as defined below). At the end of the initial term for the Service Order, the term shall renew for successive one year renewal terms until terminated pursuant to this Agreement. Either party may prevent renewal of this Agreement by providing at least 30 days written notice to the other party prior to the end of the initial term or a renewal term.
- **3. DELIVERY OF SERVICES.** Cavalier will use commercially reasonable efforts to deliver Services by a requested date. "**Acceptance**" shall mean the earlier of the actual use of the Services by Customer, or 10 days after completion of testing of the Services. Upon reasonable notice by Cavalier to Customer, Customer shall provide Cavalier access to the Premises to deliver the Services. Cavalier retains title to all CPE not specifically sold to Customer. Cavalier reserves the right to interrupt the Services for maintenance or repair, and will use commercially reasonable efforts to coordinate with Customer to minimize any impact.
- **4. BILLING AND PAYMENT.** Billing for the Services commences upon Acceptance. Customer shall pay Cavalier all invoices within 30 days after the invoice date. Cavalier shall bill monthly in advance for the Services and each invoice shall include: (a) the fixed monthly recurring charges ("MRCs"), all non-recurring charges, including, but not limited to, installation or repair fees, ("NRCs") and any usage based charges from the prior period; (b) all current and future taxes, fees and surcharges, however designated, imposed on or based upon the provision, sale, or use of the Services; (c) interest calculated at 1.5% monthly (or the highest rate allowed by law) on amounts not paid within 30 days after invoice date; and (d) all other charges or fees set forth herein. Should Customer elect to dispute an invoice, it must do so by written notice to Cavalier within 90 days after the invoice date. Such notice of dispute may be sent to: (i) Cavalier, Attn: Billing Dispute Department, 2134 W. Laburnum Ave., Richmond, VA, 23227 or (ii) BillingDisputes@cavtel.com.
- 5. CUSTOMER OBLIGATIONS. Customer shall: (a) not use the Services or CPE of Cavalier in any unlawful way or for any unlawful purpose; (b) comply with the Acceptable Use Policy posted at www.cavtel.com; (c) ensure compatibility of its equipment with the Services and CPE provided by Cavalier and operate, maintain, and secure its own equipment and facilities; (d) provide and maintain safe and adequate electric power, equipment space, climate control, work conditions, access, and use of rights-of-way and facilities at the Premises; (e) reimburse Cavalier for the replacement cost of any CPE that is damaged or stolen due to the negligence of the Customer; (f) return all CPE within 30 days of termination of this Agreement or pay Cavalier for its replacement cost; (g) provide 60 days written notice to Cavalier prior to moving any Services from the Premises or changing its business name; (h) arrange to terminate services from other service providers that are being replaced by the Services; (i) not resale or market the Services in direct competition with Cavalier; and (j) defend, indemnify, and hold harmless Cavalier against any and all damages or costs caused by Customer's negligent or intentionally wrongful acts or omissions.
- **6. VOICE SERVICES.** (a) Cavalier measures calls in specified increments to two decimal points for each voice service and rounds up fractions to the next whole unit. (b) For each measured-rate call, Cavalier bills the Customer a minimum of \$0.01. (c) Any unlimited calling plan is strictly for typical business applications and Customer shall not use such services in connection with auto-dialers, internet dialing, fax blasting, telemarketing, call centers, party lines, or similar activities. (d) Unlimited calling is permitted up to a maximum of 5,000 minutes of toll calling per line within any one month service period. Average or forecasted usage beyond this threshold is presumed to be inconsistent with typical business voice applications and is prohibited. If Cavalier determines that the usage is in violation

- as described herein, Cavalier may take immediate action to enforce the restrictions, including, but not limited to, service suspension or moving such Services to a standard usage based service plan.
- **7. UNAUTHORIZED USE OF SERVICES**. Customer shall bear the entire responsibility for, and risk of loss arising from, unauthorized, abusive, or fraudulent use of the Services. Cavalier reserves the right, but is not required, to take any and all action it deems appropriate (including blocking access to the Services) to prevent any fraud or abuse in connection with the Services.
- 8. TERMINATION. (a) Customer or Cavalier may terminate the Services and this Agreement without any liability if: (i) any material rate, term, or condition for such Services or underlying facilities is substantially changed by a court, regulatory agency with competent jurisdiction, or third party provider; or (ii) the other party materially breaches this Agreement and the breaching party fails to cure an actual material breach within 30 days (or such longer time as may be required to cure any breach) after written notice. (b) Cavalier may terminate this Agreement or suspend Services without any liability if: (i) after 10 days (or longer notice if required by law) written notice from Cavalier, Customer does not pay all amounts due for any Services; (ii) Customer is involved in suspected or actual fraud, misrepresentation, or other violation of law; (iii) Customer becomes insolvent or bankrupt; or (iv) as otherwise set forth herein. If Cavalier terminates this Agreement under this section, then Cavalier will deem any or all Service Orders terminated by Customer and all remaining MRCs for the initial term or a renewal term and NRCs otherwise due herein shall become immediately due and payable. Cavalier has sole discretion over restoring the Services.
- 9. ADDITIONAL CHARGES AND FEES. (a) If Customer cancels a Service Order before installation, then Customer shall pay Cavalier any cancellation charges incurred by Cavalier from other service providers plus three times the MRC for the cancelled Service Order ("Cancellation Charge"). (b) Upon 30 days advance written notice to Cavalier, Customer may terminate any Service before its initial term or renewal term has expired ("Termination for Convenience") and shall pay Cavalier all amounts then due; cancellation charges incurred by Cavalier from other service providers; all unpaid or waived NRCs; all discounts or installation credits received by Customer; and Termination Damages defined as (i) one hundred percent (100%) of the accumulative MRC remaining for the unexpired portion of the 1st through 12th month period of the initial or a renewal term; plus (ii) fifty percent (50%) of the accumulative MRC remaining for the unexpired portion of the 13th through 36th month period of the initial term; plus (iii) twenty-five percent (25%) of the accumulative MRC remaining for the unexpired portion of the period of the 37<sup>th</sup> through 60<sup>th</sup> month period of the initial term (collectively, "Early Termination Liability"). Early Termination Liability applies to any Termination for Convenience, unless Customer signs a new Service Order within 30 days of the Termination of Convenience notice with a higher MRC for similar Services and a new initial term of at least 36 months. Customer shall not dispute the validity of any Cancellation Charge or Early Termination Liability, including any assertion that such damages are penalties or are not reasonably related to actual damages.
- 10. LIMITATION OF LIABILITY. (a) IN NO EVENT SHALL EITHER PARTY (OR ITS AFFILIATES, EMPLOYEES, OFFICERS, DIRECTORS OR AGENTS) BE LIABLE TO THE OTHER PARTY FOR ANY INDIRECT, SPECIAL, INCIDENTAL, CONSEQUENTIAL OR EXEMPLARY DAMAGES, INCLUDING, WITHOUT LIMITATION, DAMAGES FOR LOSS OF REVENUE, LOSS OF PROFITS, OR LOSS OF CUSTOMERS, CLIENTS OR GOODWILL ARISING IN ANY MANNER FROM THE AGREEMENT AND/OR THE PERFORMANCE OR NONPERFORMANCE HEREUNDER. (b) Cavalier's sole responsibility and entire liability and Customer's entire remedy for any interruption of Services shall be the issuance of outage credits (if any) consistent with Cavalier's applicable tariff and/or any service level agreement provided by Cavalier for the Services. In no event shall the outage credits exceed the total MRC for an affected Service during any single month nor shall Cavalier's accumulative liability for all claims arising out of this Agreement exceed the total amount paid by Customer to Cavalier in the six month period preceding a claim. (c) Cavalier shall not be liable under this Agreement for: (i) any breach or failure of performance under this Agreement that is caused by circumstances beyond its reasonable control, including but not limited to failure or disruption of any Services or failure or disruption of 911, E911, or medical alert service; (ii) any failure or interruption in Services caused by an act or omission of another person or provider furnishing any portion of the Services; (iii) any costs other than repair or replacement of the CPE in the event of failure; (iv) charges from Customer's other service providers of any kind, including those related to the timely installation of the Services or any

interruptions during transfer from the other service providers; (v) any telephone numbers published or distributed by Customer prior or Acceptance of the Services; or (vi) any directory publishing error. (d) This section shall survive failure of an exclusive or limited remedy and termination of this Agreement.

- 11. DISCLAIMERS. THE QUALITY OF WORK PEFORMED HEREUNDER SHALL BE CONSISTENT WITH COMMON CARRIER INDUSTRY STANDARDS, GOVERNMENT REGULATIONS AND SOUND BUSINESS PRACTICES. CAVALIER MAKES NO OTHER WARRANTIES, EXPRESS OR IMPLIED, EITHER IN FACT OR BY OPERATION OF LAW, STATUTORY OR OTHERWISE, INCLUDING BUT NOT LIMITED TO WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.
- 12. CONFIDENTIALITY. Customer and Cavalier agree not to disclose to a third party any non-public information regarding either party's business that has been provided to the receiving party and designated confidential or proprietary ("Confidential Information"). Each party shall treat all Confidential Information with reasonable care and protect such Confidential Information as if such information was its own Confidential Information. This section does not apply to information already known to the receiving party, already in the public domain, rightfully obtained from a third party, or required by law to be disclosed as part of any court proceedings. The obligations in this section shall survive termination of this Agreement.
- 13. SOFTWARE. Cavalier grants Customer a non-exclusive, non-transferable license to use computer software needed to deliver and use the Services and CPE ("Licensed Software"). Customer has no claim to ownership in any Licensed Software. Customer agrees not to copy, reverse engineer, decompile, disassemble, sell, lease, or license the Licensed Software, and not to create, write or develop any derivative works or other software based on Licensed Software.
- **14. TARIFF APPLICATION.** Services may now be, or may later become, subject to Cavalier's tariffs filed with the Federal Communications Commission or another agency.

- **15. NOTICE.** Notice to Customer may be directed to a contact listed in Cavalier's account information for Customer, whether delivered in person, sent by facsimile, sent by courier, sent by electronic mail, or sent by U.S. Postal Service. Customer shall immediately notify Cavalier of any changes to Customer's contact information. Notice to Cavalier must be directed to either (a) Cavalier, Attn: Legal Department, 2134 W. Laburnum Ave., Richmond, VA, 23227 or (b) ContractNotices@cavtel.com. Notice shall be effective when sent.
- 16. GENERAL PROVISIONS. (a) This Agreement may only be amended in writing signed by duly authorized officers of both parties. (b) Service Orders and any authorized amendments may be executed in counterparts which together shall constitute a single agreement. (c) No specific waiver or failure to enforce any provision of this Agreement shall be deemed to constitute any permanent or general waiver. (d) If any term in this Agreement is held invalid or unenforceable in any respect, then the remainder of the Agreement shall not be affected and each term or condition of the Agreement shall be valid and enforceable to the fullest extent permissible by law. (e) This Agreement creates no partnership, joint venture, or agency relationship between the parties and results in no joint telecommunications service offerings. (f) Customer shall not assign or transfer any of its rights or obligations under this Agreement without Cavalier's prior written consent. (g) This Agreement shall inure to the benefit of and be binding against each party's heirs, successors or assigns. (h) If Cavalier seeks to enforce any term or condition of or related to this Agreement, then Cavalier shall be entitled to payment of (in addition to other remedies) its reasonable attorneys, collection agency, investigative, arbitration and/or court, costs and fees. (i) This Agreement shall be interpreted, construed and enforced in accordance with the laws of the Commonwealth of Virginia without regard to its conflict of laws principles. (j) Descriptive headings used herein shall not affect the construction or interpretation of the Agreement. (k) Cavalier may verify and use Customer's credit information as needed. (1) Customer certifies that any information provided to Cavalier is true and accurate to the best of its knowledge. (m) This Agreement shall remain in full force and effect if Customer moves to an area not served by Cavalier or if Customer decreases or ceases any or all of its business operations, regardless of whether notice is provided.