

VIRTUALTONE/SKL TERMS OF SERVICE AGREEMENT

This VirtualTone Hosted IP-PBX Service Agreement (the "Agreement") is between SKL Services, Inc. d/b/a VirtualTone ("VTONE") and the Customer being any customer using goods and services provided by SKL Services, Inc. Service and facilities provided are based on the Terms and Conditions contained herein. Customer accepts said Terms and Conditions and agrees to be bound by them. Using services constitutes an agreement to the **VTONE Terms of Service Agreement** set out herein.

Definitions:

AUP: The Acceptable Use Policy published on VTONE's website www.virtualtone.net. VTONE reserves the right to change the AUP from time to time, effective upon posting of the revised AUP on the website or notice to Customer.

Authorizations: Any and all concessions, certifications, registrations, licenses, authorizations, permits or similar approvals and/or documentation as may be required by any applicable NRA or other governmental body or agency having jurisdiction in any country over the provision of the Services.

"Confirmed Port Date" means the date upon which the Customer's current voice provider has agreed to port the numbers to VTONE. The Confirmed Port Date is typically set between two (2) and four (4) business weeks after the port request was initiated. This confirmation is subject to approval by the Customer's current voice provider.

Customer: A third party placing a service order or otherwise desiring to purchase services from VTONE.

NRA: A national regulatory authority in the country in which the numbers will be used or any other competent authority determining rules, regulations and guidelines applicable to the Service offered by VTONE.

"911 Services" means functionality that allows end users to contact emergency services by dialing the digits 9-1-1.

"Enhanced 911 Services" means the ability to route an emergency call to the designated entity authorized to receive such calls, which in many cases is a Public Safety Answering Point ("PSAP), serving the Customer's Registered Address or user-provided address and to deliver the Subscriber's telephone number and Registered Address information automatically to the emergency operator answering the call.

"Basic 911 Service" means the ability to route an emergency call to the designated entity authorized to receive such calls serving the Customer's Registered Address. With basic 911, the emergency operator answering the phone will not have access to the caller's telephone number or address information unless the caller provides such information verbally during the emergency call.

"ANI" means Automatic Number Identification.

"DID/DOD" means a telephone number assigned by VTONE to Customer for use by a Subscriber with VTONE Hosted IP-PBX service.

"Directory Listings" means the listing of a Subscriber's telephone number in the ILEC directory for a Market.

"FOC" means Firm Order Commitment.

"International" means anywhere outside of the continental United States, including Alaska and Hawaii.

"Initial Term" means the initial term of service as specified and agreed to in the Customer Order Agreement between VTONE and Customer

"IP" means Internet Protocol.

"LCA" means a geographical local calling area (determined by the applicable ILEC) containing one or more Rate Centers.

"LNP" means local number portability.

"MRC" means monthly recurring charge(s).

"NADP" means the North American Dialing (or Numbering) Plan.

"NRC" means non-recurring charge(s).

Network Operations Center ("NOC") means Network Operations Center

"Operator and Directory Assistance" means live or automated operator assistance for the placement of Subscriber calls, listing services and/or related information.

"Port request" or "Porting" means moving a DID (Telephone number) from one carrier to another.

"PSTN" means the public switched telephone network.

"Rate Center" means a geographic area (determined by the applicable ILEC) within a LCA or Market that is associated with one or more specific NPA/NXX codes.

"Registered Address" means the address provided by customer in either written format on (i) appropriate VTONE order forms, (ii) entered into appropriate VTONE portals or (iii) other written or verbal communication to Customer's VTONE sales or post-sales support representative that represents the physical location from which VTONE's Hosted IP-PBX service and TNs associated with this service will be used.

"RBOC" Understanding the difference between RBOC and Non-RBOC. RBOC stands for Regional Bell Operating Carrier. You may be familiar with these companies they are Bell South, Pacific Bell, South Western Bell, Ameritech, Bell Atlantic, etc. Those and many other original Ma Bell companies comprise to form RBOC areas, which is about 80% of the continental U.S.A. Non-RBOC areas are small independent local telephone companies that formed when the original Ma Bell Company was broken up. Well these smaller companies such as GTE, CenturyTel, Cox Communications, and etc. charge long distance companies fees for calls our customer makes to their particular areas of service.

"RMA" means Return Merchandise Authorization. No equipment purchased from VTONE may be returned except in accordance with the terms of a Return Merchandise Authorization and the terms set out in paragraph 12 below.

"QOS" means Quality of Service.

"Service(s)" means the services to be provided by VTONE to Customer under a Customer Order Agreement, Invoice, or service order including such things as Origination, Termination, 411, Virtual Numbers, International Services, Private Label, Retail, SMB, Hosted PBX, conferencing and others which may include DID's, 800 Numbers and Port Services.

"Service Date" means the date of activation by VTONE.

"Service Activation Date" means the date of activation by VTONE.

"Service Description" means the description of the Services as detailed in an annex to the Agreement or in a Customer Order Agreement, Invoice, or Service Order.

"SIP" is the signaling protocol used between VoIP networks to establish, control and terminate voice calls.

"Subscriber" An end user (a private person or legal entity) using a service and a number based on the Service provided by VTONE to Customer.

"Technical Requirements" means the minimum requirements for equipment, software, and internet access with sufficient bandwidth to operate the VirtualTone services requested at the location at which they are to be installed.

"TN" means a telephone number assigned by VTONE to Customer (or that Customer ports to VTONE) and used by Customer in connection with VTONE Hosted IP-PBX for service.

"Toll Free Number" or "TFN" means a telephone number that supports NADP and is assigned by VTONE to Customer that Customer ports to VTONE for use with the VTONE Hosted IP-PBX service

"U.S. Domestic" means the continental United States (excluding Alaska and Hawaii).

"VirtualTone Guarantee" or "Guaranteed" as used in promotional or advertising materials means the guarantee referenced in paragraph 25 herein. No other warranty or guarantee is made or expressed herein and Customer expressly disclaims any other implied warranty or guarantee.

"VoIP" means voice over Internet Protocol.

Terms of Agreement

1. Services Provided. Provided that Customer is not in default of its obligations stated herein, VTONE shall provide Customer with the Service ordered in the VTONE Service Order Form (also known as Customer Order Agreement or COA), which Service Order Form is incorporated herein by reference, for the Service Term, the Service Term being defined in Section 9. Activation and Implementation of the Service and/or the VirtualTone Phone System is handled pursuant to the terms of the Implementation Service Statement of Work which is available at www.virtualtone.net. This document set outs the various responsibilities of all parties during the Implementation of the Service, but should there be any conflict in that document and this document, this document's terms will prevail.

2. Equipment. Customer is solely responsible to obtain, use and operate any equipment not provided by VTONE that may be used in association with the Service. The physical configuration of the Customer's onsite network is the customer's responsibility. It is the Customer's responsibility to contact, schedule, and pay its own technician or agent for any onsite equipment or installation needs. If the Customer does not have an onsite technician VTONE can recommend one from its list of VirtualTone third-party Agents. VTONE, through itself and its vendors, also offers purchase and lease options for certain equipment that may be used in association with the Service. Such equipment is not included in the price of the Service, and terms for its usage will be agreed prior to its provision.

If Customer has purchased or leased Equipment from VTONE or its third party vendors: Customer must install Equipment in accordance with instructions provided by VTONE (or its third party vendor). VTONE Equipment must be used solely for the purpose of Service utilization. Usage by Customer of such equipment for any other purposes is grounds for immediate removal of such equipment.

3. Technical Requirements. Customer must meet the Technical Requirements to receive the services. Customer may have to purchase equipment (e.g., IP phones, routers, switches, wiring, cable drops, etc.) and services from other providers (e.g., internet with sufficient bandwidth, latency, jitter) to satisfy all of the Technical Requirements. Customer is solely responsible for obtaining and maintaining any equipment and services from other providers needed to satisfy the Technical Requirements. Previously used equipment may require reprogramming. We can only confirm that equipment purchased from VirtualTone meets the Technical Requirements and a list of available equipment may be provided upon request to VTONE. If Customer uses third-party equipment, VTONE may be unable to deliver some or all of the Services Customer has requested or paid for to Customer. However, Customer's

failure to meet the Technical Requirements will not excuse Customer from making a full and timely payment of Monthly Recurring Charges (MRC), Non-recurring Charges (NRC), taxes, surcharges, or other fees due and owing to VTONE. Customer may from time to time need to update or purchase new equipment to meet new or amended Technical Requirements.

4. Service Availability. The Service is available throughout the Service Term, except in the case of scheduled maintenance of the VTONE network and/or its underlying carrier's network. VTONE will use commercially reasonable efforts to provide prior notification via electronic mail ("email") to Customer regarding any scheduled maintenance of Service. VTONE may interrupt its provision of Service for unscheduled emergency maintenance without notice to Customer or Customer's customers. Provision of the Service may also be interrupted by acts of other parties, including but not limited to utility providers and VTONE's underlying carriers. In no event shall VTONE be responsible for consequential damages resulting from any disruption in the Service.

5. VTONE Service's Proprietary Rights. As between the parties, VTONE shall retain all right, title and interest to the Services including all copyrights, trademarks, patents and all other intellectual property rights thereto, including without limitation with respect to all technology and telephone numbers used in connection with or provided as part of the Services.

Subscriber may not, nor allow any third party to, copy, distribute, sell, disclose, lend, transfer, convey, modify, decompile, disassemble or reverse engineer the Services for any purpose whatsoever. Subscriber may not allow any third party to access the Services for any purpose whatsoever.

The copyright notices and other proprietary legends shall not be removed from the Services and no right to use any trademark is granted under this Agreement.

Subscriber may not grant any sublicense, lease or assign any other right in the Services to any third party. All rights not expressly granted under this Agreement are retained by VTONE.

6. Porting Numbers. VTONE will require a completed and signed *Letter of Authorization* ("LOA") for any numbers or toll free numbers the customer wishes to port. Applicable LOAs are attached hereto. In addition, VTONE will require a recent, applicable copy of the Customer's current phone bill which contains the Customer's *Billing Telephone Number* ("BTN") as well as a record of any numbers that need to be ported. Necessary LOA(s) and Bill Copy(s) must be received by VTONE before VTONE initiates the port request.

7. Subscriber Registration. Subscriber agrees to provide true, accurate, current and complete data to VTONE upon signing up for the Services and at subsequent times as requested by VTONE.

If Subscriber provides data that is, or that VTONE suspects to be, false, inaccurate, not current or incomplete, VTONE has the right to suspend or terminate Services and refuse any and all current or future use of all Services, or any portion thereof.

Subscriber registration data will not be provided to third parties, unless required by law, or in the event Subscriber grants VTONE the right to provide that information. Customer approves and agrees to the Privacy Policy available at www.virtualtone.net.

Subscriber shall maintain and promptly update the registration data as applicable. Subscriber shall not give account information to third parties and shall at all times be responsible and liable for any transactions or activities that occur on Subscriber's account. Subscriber shall immediately notify VTONE if any unauthorized use of Subscriber's account has occurred or of any other breach of security. Subscriber agrees that the VTONE's Services are for personal use and agrees to enter forwarding telephone numbers that are controlled by or under the common control of that Subscriber. If VTONE finds forwarding telephone information that VTONE suspects to be, false, inaccurate,

not current or otherwise not under the control of Subscriber, VTONE has the right to suspend or terminate Services and refuse any and all current or future use of all Services, or any portion thereof.

VTONE respects the privacy of its subscribers. Please refer to the VTONE Privacy Policy, available at www.virtualtone.net, for more details. This policy, which may be updated from time to time by VTONE in its discretion, is incorporated into these terms and conditions by this reference.

Customer agrees and acknowledges that Customer shall be liable for all charges, of any kind or nature, associated with any call dialed from the Customer premises or through the use of Customer's VTONE account access and/or Calling Card codes, regardless of whether such use (1) is authorized by Customer management; (2) is initiated by Customer employees or third parties; or (3) constitutes or involves fraudulent activity of any nature. Customer agrees that VTONE assumes no liability of any kind with respect to providing Customer access to any other telephone number through the Service, whether local, long distance, or International. Customer shall indemnify, defend and hold harmless VTONE against any and all claims made by any third party for charges or other liability for calls made from Customer premises or locations where Customer uses VTONE. Customer acknowledges that failure to make proper payment to third party vendors of International and Long Distance Calling services could result in suspension or interruption of long distance and/or local services, including those provided by VTONE. VTONE assumes no liability of any kind with respect to such potential service suspensions or interruptions.

8. Service Activation Date for VirtualTone Hosted PBX. If Customer is porting numbers, VTONE will work with the Customer to establish an initial activation date upon which their Hosted IP-PBX Service will be activated. This date will be based on the Customer's requested date as well as the *Confirmed Port Date* VTONE receives from its underlying provider if Customer is porting any numbers. VTONE will receive a *Confirmed Port Date* from its underlying provider within one (1) to three (3) weeks of the port request. The *Confirmed Port Date* is the date upon which the Customer's current voice provider has agreed to port the numbers to VTONE. The *Confirmed Port Date* is typically set between two (2) and four (4) business weeks after the port request was initiated. This interval is a product of the accuracy of the information provided to VTONE by the Customer as well as the processing speed of the Customer's current voice provider. Due to this, VTONE makes no guarantees about when a Customer's number will be ported, but will do its best to work with the Customer to meet reasonable deadlines. Upon receiving a *Confirmed Port Date*, VTONE will communicate this date to the Customer by phone or by email. Customer may change this date by contacting VTONE up to seventy two (72) hours prior to the port date. Additional fees will be applied to setup cost.

9. Activation Appointment. VTONE will attempt to arrange an *Activation Appointment* with the Customer whereby a VTONE VoIP Activation Specialist will contact the Customer to walk them through connecting their equipment, guide them through any applicable features of the equipment and service, and make test calls. Such test calls will consist of outbound and inbound calls within the VTONE core VoIP network between the Customer site and the VTONE *Network Operations Center* ("NOC") as well as any other outbound and inbound calls of the Customer's choosing.

10. Service Commencement. The Service Activation Date shall be after the date that Service is deemed ready for activation by VTONE,. VTONE will not authorize Service for activation until: (i) delivery of applicable VTONE Equipment necessary for the activation of the Service to customer premises, (ii) the completion of an Activation Appointment per section 9. VTONE has sole discretion in determining the Service Activation Date as defined above regardless of whether Customer has completed all necessary steps to activate Service.

11. Service Term. The Initial Term of Service for the VTONE Service provided to Customer shall be at least one (1) year and up to three (3) years from the Service Activation Date depending on the Service Term selected on said Service/Customer Order Agreement. After such Initial Term, Service shall automatically renew for a Renewal Term identical to the Initial Term, unless terminated by VTONE or by Customer pursuant to Section 19 and/or 20 of this Agreement. The Initial Term plus the continuation of Service as provided in this Section are referred to collectively as the "Service Term." (The Agreement Term is coterminous with the Service Term.)

12. Maintenance, Support, and Repair for Equipment Purchased from VTONE. If Customer has purchased Equipment from VTONE, then Customer shall allow VTONE reasonable access to the Equipment as required to

provide Service ordered by Customer. All Equipment purchased from VTONE is subject to the terms and conditions set forth in the Manufacturer's or Publisher's warranty, end-user license, or agreement applicable to such Equipment, with no warranty of any kind from VTONE. Customer shall reimburse VTONE, on a time and materials basis as documented in an invoice, for the entire cost to configure, repair and/or replace any of the Equipment in the event that equipment requires replacement. If replacement equipment is requested, VTONE will ship preconfigured replacements to arrive at Customer site. Customer shall return any faulty Equipment to VTONE in accordance with the terms of a Return Merchandise Authorization (RMA) or pay for such equipment. Customer will not receive compensation for downtime associated with equipment replacement or repair. Upon inspection of the returned equipment, VTONE will determine if the reason for replacement was covered by an applicable manufacturer's warranty in which case replacement equipment from the manufacturer will be provided, subject to the terms of those warranties.

In addition the following rules apply to merchandise returns:

- All returns are subject to any fees listed in the penalties and charges section in the RMA. Returns are accepted at the sole discretion of VTONE, and based on the condition of the product when it is received by VTONE, may be refused and sent back to the customer at the customer's cost.
- Penalties will be assessed for missing parts, accessories, and boxes. Penalties are final; customers are not allowed to send missing parts to VTONE after initial RMA product is received.
- Returns for credit within 30 days are subject to a 20% restock fee and additional fees dependent on the condition of the product when VTONE receives it.
- Returns for credit after 30 days automatically incur the 30% restock fee, along with an additional 10% for every additional 30 days.
- Products with stickers or labels applied automatically incur the 30% restock fee, along with an additional 10% for every additional 30 days.
- No returns accepted beyond 120 days from date of purchase.
- No returns on items received as replacements for defective products.
- No returns on software or licenses will be accepted.
- No returns on special ordered products will be accepted.
- VTONE does not offer product exchanges.
- Fees for services that VTONE provides are non-refundable. Examples of services include, but are not limited to: system setup, provisioning, consignment, custom packing slips or labels.
- Credits for returns are by default applied to the customer's VTONE account. Customer may request that credits be applied to their credit card.

13. Charges for Service. The monthly recurring charge(s) ("MRC") and any non-recurring charge(s) ("NRC") for Service is stated in said Service/Customer Order Agreement. Service charges are exclusive of applicable taxes and surcharges, including the Federal Universal Service Fund surcharge that VTONE passes on to its Customers if it is charged to VTONE. At its sole discretion, VTONE may require a security deposit to continue the provisioning of Service. VTONE shall not increase pricing during the Initial Term of a Customer Order, but thereafter VTONE may increase pricing upon at least thirty (30) days' written notice. All rates and charges are subject to change immediately in the event there are mandated surcharges imposed by federal, state or governmental agency or underlying carriers. Notwithstanding the foregoing, in the event of any Regulatory Activity, VTONE reserves the right, at any time with as much advance written notice as reasonably possible and without liability, to: (i) pass through to Customer all, or a portion of, any changes or surcharges directly or indirectly related to such Regulatory Activity; (ii) modify the Service, rates (including any rate guarantees), promotions, terms and/or conditions of this Agreement in order to conform to such action; or (iii) if such Regulatory Activity materially and adversely impairs the provision of Service under the Agreement, as reasonably determined by VTONE, to terminate the Agreement.

14. Billing and Payment. If the credit card in our systems is not valid then Customer's account is subject to suspension/termination or the services will have limited access, including but not limited to Voice, Web/Email, Bandwidth, Data, and Access to equipment. VTONE reserves the right to charge the credit card on file for any or all fees, deposits and services incurred by the Customer. VTONE shall bill Customer for Service rendered monthly unless otherwise agreed in writing. Invoices shall include all applicable taxes, service charges, fees and surcharges. VTONE shall commence billing for the MRC and NRC and usage (the Service) on the Service Commencement

Date, as defined in Section 8. Payments are due within five (5) days of the invoice issuance date, regardless of the date of Customer's receipt of said invoice. If payment is not received by VTONE with five (5) days after the invoice issuance date, a \$15.00 administrative late fee, per late payment, will be assessed. In addition, fifteen (15) days after the invoice issuance date, all outstanding balances will accrue interest at a rate of one and one-half percent (1.5%) per month including accrual for any part of a month, or at the highest rate allowed by applicable law in light of the above-referenced late fee. Payments will be applied first to any unpaid finance charges and then to purchase in order of purchase date. All collection costs, including collection agency fees and/or reasonable attorneys' fees and costs, incurred in collection of any unpaid past due amount may be recovered by VTONE. Customer agrees to venue for any such collection action in Wharton County, Texas. . In the event of non-payment within five (5) days of the invoice issuance date, VTONE may give any Customer notification, by email, that Customer has committed a material breach of the Agreement and terminate the Service and this Agreement in accordance with paragraphs 17 and 19. Said notification may be provided immediately upon failure of credit card or other payment methods. Customer must pay all outstanding charges, within said notice period, to avoid suspension or termination of Service. In its sole discretion, VTONE may (i) require a security deposit to continue the provisioning of Service(s) if Customer's approved level of credit is deemed insufficient; (ii) demand immediate payment by wire or other means and discontinue Service(s) should Provider determine Customer's usage exceeds their approved level of credit (iii) immediately block Customer's Service(s) if a Customer's pre-paid balance is depleted or is at a level that cannot cover Customer's estimated traffic during the time required for the Customer to replenish their prepaid balance, or if Customer refuses to make any requested payments. If Service is terminated due to non-payment, then Termination fees shall apply.

15. Trial Period. VTONE may from time to time provide a Customer with a limited thirty (30) day Trial Period, which designation will be in writing on the Service Order which will indicate the date of the end of the Trial Period. During this Trial Period only, the Customer has the right to cancel any Service without paying any Termination Fees or further Monthly Recurring Charges (MRC) after the close of the Trial Period, though you may still be responsible for all Non-Recurring Charges (NRC), taxes, and surcharges for actual usage. You must cancel during the Trial Period by an email sent to support@virtualtone.net listing "Trial Period Cancellation" in the subject line. Cancellation is effective on the date of receipt of notice.

16. Resumption of Service. If Customer requests that Service be restored after a suspension or termination, VTONE has the sole and absolute discretion to restore such Service and may condition restoration upon satisfaction of such conditions as VTONE determines is necessary for its protection, including requiring Customer to execute a new agreement, pay all past due statements in full, pass VTONE's credit approval, pay any collection costs, including attorney's fees, and/or make advance payments. A Service Resinstatement/Resumption Fee is payable prior to restoring or resuming service.

17. Additional charges (if applicable). In addition to the standard charges listed above, the following charges, if applicable, will apply:

Technical Service: Technical service for any equipment/service not provided by VTONE will incur extra hourly charges for a VTONE's technician to service Customer's problem. If there is a problem at one of Customer's serviced locations regarding network problems and or QOS problems and a VTONE technician troubleshoot the problem to find out it has nothing to do with VTONE Customer's account will be billed for the time incurred. Requested alterations made to the service by the customer after the service activation date described in Section 8 are subject to an hourly rate charge to Customer's account. If such services are requested a sales order will be sent for approval to Customer.

Training Services: Training will be provided online at no cost, on or before the service activation date. If you require any additional training after the initial online training session, there will be an hourly charge applied to Customer's account for such training, if a VTONE technician is required.

Disconnect Charges: For any request to disconnect or port out a VTONE assigned TN, a non-recurring charge of \$55 per TN (telephone number) will be charged. Pricing is subject to change without notice.

LNP Charges: For cancelled LNP request more than 48 hours before FOC, a non-recurring charge of \$15 per TN will be charged. For cancelled LNP requests within 48 hours of FOC, a non-recurring charge of \$200 per TN will be charged. For any request to reinstate, within 24 hours, a newly ported phone number to the original carrier, a non-recurring charge of \$450 per number will be assessed. Pricing is subject to change without notice.

Payphone Surcharges: In the event the customer receives any inbound calls originating from a Payphone, these calls will be subject to a charge per call. The charges are based on regulated FCC Payphone Compensation rules. These regulatory charges (approximately \$0.99 per call) will be passed through directly to the customer. Pricing is subject to change without notice.

"Snapback" charges: For any request to reinstate, within 24 hours, a newly ported phone number to the original carrier, a non-recurring charge of \$450 per number will be assessed. Pricing is subject to change without notice.

Third party Phone Installation Charges: Third Party Phones may work but are the customers' responsibility to provision these phones. VTONE will upload any customer provided VoIP firmware necessary for the service, if available to VTONE. If a VTONE technician provisions/troubleshoots a third party phone, an hourly rate charge will be applied to your account.

Local , Inbound and Long Distance - Local calls are subject to the address given for service (as indication in the Customer Order Agreement, LOA and Porting Documents). Long Distance rates are subject to change. Rates are viewable from you Customer Billing Portal.

800 Domestic Rates: Domestic 800 inbound calls are billed at the quoted flat, per-minute rate or rate schedule. 800 service is only available to 800/Toll-free DID's provided by or ported to VTONE's network.

800 Offshore Rates: 800 Inbound calls are rated at the flat per minute rate or rate schedule provided in the customer's with the exception of calls originating from the following locations:

1. Alaska
2. Canada
3. CNMI
4. Guam
5. Hawaii
6. Puerto Rico
7. USVI

The per-minute rates for these locations are subject to change within 30 days.

International Rates: International per minute rates are subject to change each (30 days). Current international rates can be viewed in your customer portal. Customer may request that VTONE permit Customer access to International Calling service by removing the "blocking" that VTONE typically applies to this service. Customer agrees and acknowledges that Customer shall be liable for all charges associated with International Calling service dialed from the customer premises or through the use of Customer's VTONE account access and/or Calling Card codes, regardless of whether such use (1) is authorized by Customer management; (2) is initiated by Customer employees or third parties; or (3) constitutes or involves fraudulent activity of any nature. Customer agrees that VTONE assumes no liability of any kind with respect to its providing access to International Calling service via connections from Customer premises and locations where Customer uses VTONE. Customer shall indemnify, defend and hold harmless VTONE against any and all claims made by the third party provider of International Calling service. Customer acknowledges that, pursuant to government regulation, failure to make proper payment to third party vendors of International Calling services could result in suspension or interruption of long

distance and/or local services provided by VTONE. VTONE assumes no liability of any kind with respect to such potential service suspensions or interruptions.

Directory Assistance and Operator-Assisted Dialing: VTONE's Hosted IP-PBX service may provide Directory Assistance (i.e. 411) and traditional Operator Assisted Dialing. Specific per call or per minute of use rates may apply.

RBOC/Wireless Thresholds for Flat Rate Charges: All flat-rate per-minute rates (Interstate LD, Intrastate LD, 800 Domestic) assume at least 65% of calls terminate (or originate for 800 domestic inbound) on either an RBOC or Wireless PSTN providers. If this threshold is not met, VTONE reserves the right to charge up to an additional \$.06 per minute on the number of minutes needed to meet this threshold.

Service Reinstatement/Resumption Fee: \$350.00 plus any charges imposed by underlying carrier(s)

Missed Appointment Fee: \$350.00

Rejected Credit Card/Unpaid Check: \$40.00 (or legal limit)

Cancellation of Service prior to installation: \$350.00

Upgrade Charge: Dependent on specific upgrades

Downgrade Charge: Dependent on specific downgrade and contract term

Inside Wiring: It will be the customer's responsibility to provide any needed internal wiring or extensions (and required conduit, facilities, power, etc) for the CPE and phones required to use the service.

18. Billing Increments. Billing increments are set forth below.

- (Seconds) US Domestic 60
- (Seconds) Toll Free Inbound 60
- (Seconds) International (excluding Mexico) 60
- (Seconds) Mexico 60

19. Termination by VTONE for Cause. VTONE may terminate this Agreement and the Service provided hereunder by providing twenty-four (24) hours notification to Customer, by email, of the event of a material breach, specifically including any failure to pay in accordance with Paragraph 14. Customer shall have twenty-four (24) hours to cure the breach by payment, or otherwise, in order to avoid Termination. Such notice from VTONE shall be in the form of an email to the Customer. In the event of an uncured material breach by VTONE, the Agreement and Service shall be terminated without liability to the Customer. In the event of an uncured material breach by Customer, such as early termination of this Agreement, the following termination fees shall apply, (a) the total MRC for the remainder of the Service Term, (b) one hundred percent (100%) of the past due balance at the time of termination, and (c) any non-recurring charges originally waived by VTONE (d) any cost incurred according to Section 12, 13, or 17, or any amount incurred to recover monies owed to VTONE. To maintain or improve the Services, to prevent fraud, or for any other reason determined by VTONE, its sole discretion, VTONE may restrict, suspend, terminate or modify Subscriber's service with or without notice.

Upon any termination in accordance with the foregoing, VTONE may immediately deactivate or delete Subscriber's account and all related information and files in Subscriber's account reassign any telephone numbers associated with the account, and/or bar any further access to such files, information, or the Services. VTONE shall not be liable to

Customer or any third party for any reason for terminating this Agreement or access to Services or for modifying this Agreement and/or the Services.

VTONE reserves the right to terminate or revoke any and all free Services at any time and for any reason. At any time, VTONE may choose, in its sole discretion, to charge a fee for the use of any of its free Services.

20. Termination by Customer for Cause. Except as set out in the "Trial Period" Section above, during the Initial Term, Customer may terminate this Agreement and the Service provided hereunder by providing thirty (30) days notification to VTONE, by email, of a claim of a material breach of this Agreement ("Notice of Material Breach"), providing details on the basis of the claim, including the date and nature of the alleged breach. VTONE shall have thirty (30) days to cure the breach by payment, or otherwise, in order to avoid Termination. Such notice from Customer must be in the form of an email sent to support@virtualtone.net, with "Notice of Material Breach" in the subject line of the email and Customer's contact information in the body of the email. At the conclusion of the Initial Term, Customer may terminate the Service or this Agreement for any reason by following the Cancellation Policy below.

21. Cancellation Policy. Either party may terminate this Agreement at the end of the Initial Term by providing the other party with thirty (30) Days notice of cancellation using the cancellation form referenced below ("Notice of Cancellation"). Failure to provide this Notice of Cancellation will result in an automatic renewal for the Renewal Term referenced in paragraph 11 above. Disconnects are scheduled 30 days from the date a cancellation request form is received. Accounts are billed during the 30 day window and charges may accrue for long distance usage, toll free usage, or technical support requests placed before the account termination date. Numbers and/or service is not released until all outstanding balances are paid in full. Please submit payment before the termination date to avoid finance fees or delays. Account credits or refunds will not be issued as a result of termination of service. Number registration fees and setup fees are nonrefundable. Cancellations are only accepted in writing or email, by the primary contact person for an account ("Notice of Cancellation"). Cancellation of an account does not absolve Client of any outstanding financial obligations. If you have not reached the end of your contract, the remainder of the contract is due prior to account close. All accounts must be paid in full before the cancellation will be considered complete. Transferring your account to another provider or nonuse of your account does not constitute cancelling your account with VTONE. You MUST notify VTONE in writing to formally cancel your account and avoid further charges.

To download a cancellation form, please go to <http://www.virtualtone.net/billing/cancellation.htm>.

Fax the completed cancellation request form to (281) 756-9802 or scan and email to billing@virtualtone.net.

Please complete all required fields including phone numbers, website address, customer ID, password, and provide contact information such as your personal phone or email address where you may be reached.

Cancellation requests may be snail mailed to:

**SKL Services, Inc. d/b/a VirtualTone
Attn: Billing Department
P.O. Box 966
Alvin, TX 77511**

22. Limitation of Liability. EXCEPT AS PROVIDED HEREIN, IN NO EVENT WILL VTONE OR CUSTOMER BE LIABLE FOR ANY CONSEQUENTIAL, INCIDENTAL, PUNITIVE OR CONSEQUENTIAL DAMAGES (INCLUDING, WITHOUT LIMITATION, LOST PROFITS) ARISING OUT OF OR IN RELATION TO THE DEDICATED INTERNET ACCESS SERVICE, CPE, AND/OR ANY PRODUCTS OR SERVICE PROVIDED BY THIRD PARTIES UNDER THIS AGREEMENT. VTONE'S MAXIMUM LIABILITY UNDER THIS AGREEMENT IS LIMITED TO SERVICE CREDITS NOT TO EXCEED THE FEES PAID TO VTONE BY CUSTOMER FOR THE SERVICE PROVIDED IN THE THREE MONTHS IMMEDIATELY PRIOR TO THE DATE OF THE EVENT GIVING RISE TO THE CLAIM. CUSTOMER DISCLAIMS ANY WARRANTIES OF

ANY KIND AND VTONE PROVIDES NO WARRANTIES OR GUARANTEES OF ANY KIND, EXCEPT AS SET OUT HEREIN.

23. Indemnity. CUSTOMER SHALL INDEMNIFY AND HOLD HARMLESS VTONE ITS EMPLOYEES, ITS AGENTS AND ITS CONTRACTORS FROM AND AGAINST ANY LOSS, COST, CLAIM, LIABILITY, DAMAGE, OR EXPENSE (INCLUDING REASONABLE ATTORNEYS' FEES, COSTS, AND/OR COLLECTION FEES) TO OR BY ANY THIRD PARTY, RELATING TO OR ARISING FROM (A) THE USE OF THE SERVICE PROVIDED TO CUSTOMER, WHETHER OR NOT CUSTOMER HAS KNOWLEDGE OF OR HAS AUTHORIZED ACCESS FOR SUCH USE, (B) ANY DAMAGE TO OR DESTRUCTION OF CPE (PHONES OR OTHER EQUIPMENT), AND (C) ANY MATERIAL BREACH OF THIS AGREEMENT BY CUSTOMER; AND REGARDLESS OF WHETHER SUCH CLAIM OR LIABILITY RESULTS FROM OR ARISES OUT OF THE NEGLIGENCE, GROSS NEGLIGENCE, STRICT LIABILITY, OR STATUTORY LIABILITY OF VTONE, ITS EMPLOYEES, ITS AGENTS OR ITS CONTRACTORS.

24. No Warranties and Customer Assumption of Risk. VTONE MAKES SERVICE COMMITMENTS UNDER THE APPLICABLE SERVICE LEVEL AGREEMENT ("SLA"), SAID SLA IS INCORPORATED HEREIN BY REFERENCE. HOWEVER, VTONE MAKES NO WARRANTIES, EXPRESS OR IMPLIED, FOR THE VTONE SERVICE (INCLUDING VTONE CPE) PROVIDED UNDER THIS AGREEMENT AND SPECIFICALLY DISCLAIMS ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. VTONE DOES NOT WARRANT THAT THE SERVICE WILL BE UNINTERRUPTED OR ERROR-FREE, OR THAT THE SERVICE WILL MEET CUSTOMER'S REQUIREMENTS OR THAT THE SERVICE WILL PREVENT UNAUTHORIZED ACCESS BY THIRD PARTIES. VTONE EXERCISES NO CONTROL OVER, AND HEREBY DISCLAIMS ANY RESPONSIBILITY FOR, THE ACCURACY AND QUALITY OF ANY INFORMATION TRANSMITTED WITH THE USE OF THE SERVICE. CUSTOMER HEREBY EXPRESSLY ASSUMES THE RISK OF ITS OR ITS CUSTOMERS' USE OF ANY INFORMATION TRANSMITTED VIA THE SERVICE. IT IS THE CUSTOMERS RESPONSIBILITY TO BACKUP ALL DATA AND CONFIGURATION ON THEIR IP PBX HOSTED SWITCH. VTONE WILL PROVIDE A BACKUP WEB INTERFACE TO HANDLE THIS FEATURE.

25. VirtualTone Guarantee. VTONE provides a limited guarantee to existing Customers that the Service can be expanded or reduced for any Customer from a single phone to a call center, which guarantee is conditioned on proper bandwidth capability. If Customer requests expansion of the Service which VTONE cannot accommodate, Customer is entitled to terminate this Agreement with thirty (30) days notice of this breach in accordance with Paragraph 19.

26. Emergency Services Dialing. Customer will have access to either basic 911 or Enhanced 911 (E911) (if available in your area) as their default emergency calling service for all Hosted IP-PBX seats which provide a full two-way (inbound and outbound) dialing capability and are intended to be used with a VoIP phone as the end user device.

With E911 service, when a caller from the Customer's Registered Address dials the digits 9-1-1, the VTONE telephone number and subscriber's registered address is automatically sent to the local emergency center serving your location. The emergency operators will have access to this information regardless of whether the caller is able to verbally provide such information to the emergency call-taker. Accordingly, with E911 service, the emergency call-taker will have the caller's call-back telephone number and registered address information just by virtue of the caller placing the call using the digits 9-1-1. In limited circumstances, Customers equipped with E911 may have their calls routed to the national call center. Please see the description below for an explanation of when this would occur and how this service operates.

With basic 911 service, when a caller from the Customer's Registered Address dials the digits 9-1-1, the call is sent to the local emergency center serving your location. But operators answering

the call will not have automatic access to the caller's call-back telephone number or the Registered Address because the emergency center will not be equipped to receive, capture or retain Customer's assigned VTONE telephone number and Registered Address. Accordingly, callers must be prepared to provide both call-back and address information. If the call is dropped or disconnected, or if the caller is unable to speak, the emergency operator answering the call will not be able to call the caller back or dispatch help to the caller's address. As additional local emergency centers become capable of E911 functionalities, VTONE will automatically upgrade customers from basic 911 to E911 service. We will not notify Customer of the upgrade. In limited circumstances, Customers equipped with basic 911 may have their calls routed to the national call center. Please see the description below for an explanation of when this would occur and how this service operates.

National Call Center service Certain VTONE customers do not have access to either basic 911 or E911. If Customer does not have access to either E911 or basic 911, emergency calls placed using the digits 9-1-1 will be sent to a national emergency call center. A trained agent at the emergency call center will ask for caller's name, telephone number, and location and then transfer the caller to the appropriate local emergency center or otherwise determine the best way to provide emergency services to the caller. Like Basic 911, the trained operators answering calls in the national call center will not have automatic access to the caller's telephone number or Registered Address information because the national call center is not equipped to receive, capture or retain Customer's VTONE telephone number and Registered Address, so the caller must be prepared to provide this information. **Customer's 911 calls may also be sent to VTONE's national emergency call center if there is a problem validating the Registered Address provided by Customer during provisioning, if Customer is located in an area that is not covered by the land line 911 network, or if Customer has basic 911 or E911 service but these call fails to complete and are routed to the national emergency call center for failover purposes.**

DISCLAIMER OF LIABILITY RELATED TO 911 SERVICES:

CUSTOMER ACKNOWLEDGES AND AGREES THAT VTONE'S SERVICE IS INTERNET BASED AND THAT 911 SERVICES ARE DIFFERENT THAT THAT OF TRADITIONAL WIRELINE SERVICE. FOR BASIC 911 OR E911 TO BE ACCURATELY ROUTED TO THE APPROPRIATE EMERGENCY RESPONDER, THE CUSTOMER MUST PROVIDE THE TN ASSOCIATED WITH THE HOSTED IP-PBX FOR THE REGISTERED ADDRESS, IN THE `USERPART' OF THE `FROM URI' CONTAINED IN THE SIP `FROM' HEADER. CUSTOMER MUST NOT IN ANY WAY MANIPULATE THIS INFORMATION. CUSTOMER ACKNOWLEDGES THAT THE VIRTUALTONE HOSTED IP-PBX SERVICE MAY NOT SUPPORT BASIC 911 OR E911 DIALING IN THE SAME MANNER AS TRADITIONAL WIRELINE PHONE SERVICE. CUSTOMER AGREES TO INFORM OF THE POTENTIAL COMPLICATIONS ARISING FROM BASIC 911 OR E911 DIALING. SPECIFICALLY, CUSTOMER ACKNOWLEDGES AND AGREES TO INFORM ALL EMPLOYEES, GUESTS, AND OTHER THIRD PERSONS WHO MAY USE THE SERVICE THAT BASIC 911 AND E911 SERVICES WILL NOT FUNCTION IN THE CASE OF A SERVICE FAILURE FOR ANY OF THE FOLLOWING REASONS: (A) POWER FAILURES, (B) SUSPENDED OR TERMINATED BROADBAND SERVICE, (C) SUSPENSION OF SERVICES DUE TO BILLING ISSUES, AND/OR (D) ANY OTHER SERVICE OUTAGES NOT DESCRIBED HEREIN. CUSTOMER FURTHER ACKNOWLEDGES THAT FAILURE TO PROVIDE A CORRECT PHYSICAL ADDRESS IN THE REQUISITE FORMAT MAY CAUSE ALL BASIC 911 OR E911 CALLS TO BE ROUTED TO THE INCORRECT LOCAL EMERGENCY SERVICE PROVIDER. FURTHERMORE, CUSTOMER RECOGNIZES THAT USE OF THE SERVICE FROM A LOCATION OTHER THAN THE LOCATION TO WHICH THE SERVICE WAS ORDERED, I.E., THE "REGISTERED ADDRESS," MAY RESULT IN BASIC 911 OR E911 CALLS BEING ROUTED TO THE INCORRECT LOCAL EMERGENCY SERVICE PROVIDER. CUSTOMER ACKNOWLEDGES AND AGREES THAT VTONE, ITS UNDERLYING CARRIER, OR ANY OTHER THIRD

PARTIES INVOLVED IN THE ROUTING, HANDLING, DELIVERY, OR ANSWERING OF EMERGENCY SERVICES OR IN RESPONDING TO EMERGENCY CALLS, NOR THEIR OFFICERS OR EMPLOYEES, MAY BE HELD LIABLE FOR ANY CLAIM, DAMAGE, LOSS, FINE, PENALTY OR COST (INCLUDING, WITHOUT LIMITATION, ATTORNEYS FEES) AND CUSTOMER HEREBY WAIVES ANY AND ALL SUCH CLAIMS OR CAUSES OF ACTION, ARISING FROM OR RELATING TO THE PROVISION OF ALL TYPES OF EMERGENCY SERVICES TO CUSTOMER. CUSTOMER FURTHER AGREES AND ACKNOWLEDGES THAT IT IS INDEMNIFYING AND HOLDING HARMLESS VTONE FROM ANY CLAIM OR ACTION ARISING OUT OF ANY 911 CALL PLACED BY ANY PERSON INCLUDING WITHOUT LIMITATION CLAIMS ARISING OUT OF THE NEGLIGENCE, GROSS NEGLIGENCE, STRICT LIABILITY, OR STATUTORY LIABILITY OF VTONE, ITS EMPLOYEES, ITS AGENTS OR ITS CONTRACTORS, AND REGARDLESS OF WHETHER SUCH CLAIMS ARE BASED ON BREACH OF CONTRACT, BREACH OF WARRANT, PRODUCT LIABILITY, TORT OR ANY OTHER THEORIES OF LIABILITY.

27. Acceptable Use Policy. All use of Service must comply with VTONE's Acceptable Use Policy ("AUP"), which is posted at www.virtualtone.net and is incorporated herein by reference. By accepting VTONE Service, Customer agrees to comply with this AUP and any subsequent modifications thereto. VTONE reserves the right to modify this AUP from time to time, effective upon posting the AUP as modified at the URL shown above. Violation of the AUP shall be considered a material breach of this Agreement pursuant to Section 16.

28. Miscellaneous.

Entire Agreement/Consolidation Clause. Customer acknowledges and understands that Customer is to receive the Service detailed in this Agreement and the Customer is not relying on any affirmation of fact, promise or description from any person or entity, nor any other oral or written representation other than what is contained in this Agreement. Handwritten alterations or additions to this agreement made by Customer will not be considered part of this Agreement.

Amendments. This Agreement may only be modified, or any rights under it waived, by a separate written document executed by both parties.

Export Compliance. Customer agrees to comply with all U.S. import or export laws, and to pay and be responsible for declaration, classification, and brokerage of any customs obligations related to the provision of equipment or services to Customer by VTONE.

Choice of Law and Venue. This Agreement shall be governed by, construed under, and enforced in accordance with, the laws of the State of Texas without reference to its choice of law principles. For any action or suit to enforce any right or remedy of this Agreement, (except for actions to enter or collect on judgments) the parties consent to exclusive jurisdiction and venue in the courts for Wharton County, Texas and the prevailing party shall be entitled to recover its costs, including reasonable attorney's fees. In the event of a conflict between this Agreement and any applicable tariff, the tariff shall prevail.

Class Action Waiver. Customer agrees that any dispute resolution or lawsuit related to the Services hereunder will be conducted only on an individual basis and not as a member of a Class Action.

Time Limitation. You agree that regardless of any statute or law to the contrary, any claim must be filed within the earlier of one (1) year after such claim arose or the termination of Service with VTONE or be barred forever.

Enforceability. This Agreement shall be binding on the parties hereto and their respective personal and legal representatives, successors, and permitted assigns. If any provision of this Agreement is held to be invalid or unenforceable, the validity and enforceability of the remaining provisions of this Agreement shall not be affected thereby.

Agreement headings are provided for reference purposes only.

29. Acceptance. By signing below and or using the services, I acknowledge that I have authority to enter into this Agreement on behalf of the Customer and that I have read and fully understand all of the terms and conditions set forth in this Agreement, and that Customer agrees to the terms and conditions of this Agreement. Your signature on the Customer Order binds you and your company to the terms and conditions.