



## PHONE SERVICES AGREEMENT

Skywire Communications, ("Skywire") shall provide, and the named customer ("Customer") shall purchase from Skywire, the services selected ("Services") in the Agreement (comprised of the Analog Local Line Agreement "the Agreement" on the following terms and conditions:

**DEFINITIONS/SCOPE.** This Agreement provides rate stability for Local Lines and Domestic Long Distance voice services. The Agreement will be governed by the laws of the State of Utah, and the applicable rates in the Service agreement. Additional terms and conditions may be associated with specific Services. Skywire reserves the right to unilaterally amend all terms and conditions in response to regulatory changes beyond the control of Skywire that materially alter the feasibility or economics of the Services provided. Enhanced or information Services purchased under this Agreement may be provided by Skywire or a corporate affiliate at Skywire's sole discretion. Any costs associated with modifying or reprogramming Customer's equipment to make it compatible with Skywire-provided Service will be the responsibility of Customer.

1. **TERM.** Unless otherwise specified, the term of this Agreement shall commence the date of execution of the Agreement, or if earlier, on the Service activation date (the "Effective Date"). Service plans having a defined term automatically renew for successive equivalent terms at pricing then-existing at the time of renewal, unless Skywire or Customer provides written notice of termination at least 30 days prior to the end of the current term or prohibited by law. Customers who decline term plan renewal but retain Skywire Service will be converted automatically to a month-to-month agreement at the end of the current term. Month-to-month customers may not be entitled to prior term-plan pricing or discounts.

2. **CHARGES AND EXPENSES OF COLLECTION.** Skywire records shall document Customer's Service location(s), quantities, and monthly recurring local rates stabilized under this Agreement, as well as the applicable one-time charges for initial installation, discounts or credits, which are incorporated into this Agreement by reference. In addition to the monthly charge(s), the Customer will pay federal and state end user common line charges that would be applicable to comparable service obtained from the incumbent local exchange carrier; federal, state and local use, excise, sales and privilege taxes; applicable surcharges related to universal service programs, emergency telephone service (911/E911) and telecommunications relay service for the hearing impaired; pay phone surcharges; and other similar surcharges for required programs. Skywire shall not be responsible for wrong numbers made to Customer's toll-free number. All costs and expenses, including but not limited to costs, reasonable attorneys' fees, and service charges, incurred by Skywire in collecting payment will be an expense of and charge to Customer. Customer agrees to pay each bill in full by the payment due date. Late payment charges will be billed at 1.5% per month or the maximum lawful rate allowable under applicable state law, whichever is lower.

3. **DIRECTORY LISTING.** For Local Line Services, Customer's name, address, telephone number and any other information listed on the 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 Skywire in writing of any change in the information, including telephone number or address, at least 90 days prior to the local telephone directory issue date, which will be provided to Customer upon request. Skywire assumes no liability whatsoever for (1) any telephone numbers published or distributed by Customer prior to confirmation that the number is installed and terminating properly or that the Service is connected to the proper facilities, or (2) errors in the listing due to directory publishing errors or omissions. Customer releases Skywire from any damages for any error, including listing omissions, related to a directory listing.

4. **911.** Customer will provide accurate End User name and address information for the purpose of updating the E-911 Data Base. If the End User address provided on a Service Order does not convert to a valid Master Street Address Guide (also known to as the "MSAG") address for the End User locality, Skywire will notify Customer and stop all processing of the order until Customer provides an MSAG-compatible address. Customer assumes all responsibility for the accuracy of the End User data that Customer provides to Skywire for entry into the E-911 Data Base. Customer shall indemnify and hold Skywire harmless from any claims, damages, or suits related to the accuracy of data provided by Customer for inclusion in the E-911 Data Base. Customer will provide (and update as necessary) Skywire with accurate information related to E-911 Service, including, but not limited to: location of individual telephone stations and a description of Customer's facilities, equipment and software for the Services. Based upon the information supplied by Customer, Skywire will provide the Services and advise the appropriate agencies as required. Customer acknowledges and understands that access to emergency services through 911 and E911 calls is limited. Customer Acknowledges and understands that the Voice Service supports E911 (Where available) and that access to emergency service only if the service is operated from the service location of record and then only if subscriber has an active connection to the service, in accordance with the terms of the User Agreement. Subscriber acknowledges and understands that if there is a service outage (Ever related to extended Power outages) for any reason, such outage may prevent all voice service, including 911 dialing. Customer also acknowledges that it will take Skywire up to 30 days to get the correct address information to E911 database and that during that time the E911 database may have the wrong address information. Customer will indemnify and hold Skywire, its affiliates, directors, officers, employees and agents from and against all claims, demands, actions, causes of action, damages, liabilities, losses and expenses (including reasonable attorneys fees) incurred as a result of any act or omission, representation or statement by Customer, its affiliates, directors, officers, employees or agents related to E-911 Services.

5. **30-DAY SERVICE GUARANTEE FOR VOICE AND SPECIFIED DATA SERVICES.** Local and Long Distance voice services, Dial-Up Internet Service, Digital Subscriber Line ("DSL") Service, and Dedicated Internet Service (up to DS-1 level) are subject to a 30-Day Guarantee. Any customer may terminate the Services covered by our 30-Day Guarantee for any reason, if Customer submits a written request to terminate Services within 30 days of the Effective Date. In this case, Customer agrees: to pay Skywire for Services actually received; to repay to Skywire the pro-rated portion of any credits, discounts or waived installation costs for custom equipment or special installations received; and to reimburse Skywire for the costs of any equipment installed and not returned in "good as new" condition. In return, Skywire will, at its expense, restore service with Customer's previous service provider.

6. **DEFAULT & TERMINATION.** After the initial Guarantee period, either Customer or Skywire may terminate this Agreement during a term only for cause (incurred material breach) after giving 30 days prior written notice with no further obligations. Prior to any party having ability to terminate for Cause, a party shall be required to give written notice to the breaching party of any alleged breach giving Cause and allow 30 days for the breaching party to cure such breach. For purposes of this Agreement, "Cause" shall mean any incurred material breach of the terms of this Agreement. If Skywire terminates this Agreement WITH CAUSE or Customer terminates this Agreement WITHOUT cause, and moves service to another provider, Customer shall pay applicable early termination charges. For termination prior to installation of Service and after execution of this Agreement, early termination charges shall be those reasonable expenses incurred by Skywire through the date of termination. If after activation of Service, Customer shall be obligated to pay an early termination charge of 50% of the last three months' average billing multiplied by the number of months remaining in the term of the Agreement; to pay Skywire for Services actually received; to repay Skywire for any credits, discounts, or waived installation costs received in anticipation of a long-term Agreement; and to reimburse Skywire for the reasonable costs it incurred in setting up Customer's Service (including the costs of any equipment installed and not returned in "as new" condition). Customer agrees that Skywire damages for early termination would be difficult to determine, and the termination charge(s) constitutes a reasonable estimate of appropriate liquidated damages and that such is not intended as a penalty. Month-to-month Service Agreements may be terminated on 30 days' written notice to Skywire. In the event customer cancels services in writing (Skywire's Cancellation Form) charges for services will stop billing at the end of the billing period in the month services were canceled. In all cases where this Agreement is terminated, and Customer is using telephone numbers originally assigned by Skywire, Customer understands and agrees that those telephone numbers will not be released to another service provider until all undisputed charges owing to Skywire are paid.

7. **DOWNTURN IN BUSINESS CLAUSE.** If Customer requires fewer lines during the term of this Agreement and does not move services to another provider, or moves outside the providing area of Skywire Communications, the customer will be obligated to pay through the end of the current billing cycle for any canceled numbers, plus a \$30 per-line cancellation fee. Cancellation requests must be in writing via email to [service@skywireusa.com](mailto:service@skywireusa.com), specifying numbers to be canceled and the date on which the lines are to be canceled and accepted and confirmed by Skywire. No billing will cease or charges terminated until such time as the cancellation form has been accepted and acknowledged by Skywire. Billing Cycle is from the 26th to the 25th of each month.



8. SERVICE SUSPENSION/MAINTENANCE. Skywire may from time to time suspend Service for routine maintenance or rearrangement for a short period of time. Whenever possible, Skywire will give Customer advance notification. In no event shall Skywire be liable for special or consequential damages or for lost profits of any kind.

9. LIMITATION OF LIABILITY. Skywire's ENTIRE LIABILITY AND CUSTOMER'S EXCLUSIVE REMEDY AGAINST Skywire FOR THE FAILURE OF ANY SERVICES PROVIDED UNDER THIS AGREEMENT, OR THE PERFORMANCE OR NON-PERFORMANCE OF ANY OBLIGATION UNDER THIS AGREEMENT, SHALL BE LIMITED TO A REFUND OF THE AMOUNTS PAID TO Skywire DURING THE PERIOD OF TIME (IN EXCESS OF 4 HOURS) THAT THE SERVICES CONTRACTED BY CUSTOMER FROM Skywire WERE INTERRUPTED OR NOT PROVIDED AS REQUIRED. IN NO EVENT SHALL Skywire BE LIABLE FOR SPECIAL OR CONSEQUENTIAL DAMAGES, OR FOR LOST PROFITS OF ANY KIND, WHETHER OR NOT Skywire HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. VERACIY MAKES NO WARRANTIES REGARDING ANY PRODUCTS OR SERVICES PROVIDED OR INSTALLED ON CUSTOMERS BEHALF, BUT Skywire SHALL, WHEN POSSIBLE, ASSIGN TO CUSTOMER THE BENEFITS OF ANY WARRANTIES, OR SIMILAR PROTECTIONS PROVIDED TO Skywire BY ITS VENDORS OR SUPPLIERS. REMEDIES UNDER THIS AGREEMENT ARE EXCLUSIVE AND LIMITED TO THOSE EXPRESSLY DESCRIBED HEREIN.

10. NO WARRANTIES. THERE ARE NO WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. CALLING CARDS. Customer shall remain responsible for payment of calling card usage, irrespective of any actual or alleged unauthorized or fraudulent use. Skywire shall use reasonable efforts to obtain a credit from its carrier for all fraudulent or unauthorized usage. Skywire reserves the right to terminate Services for a user who uses the card for unauthorized purposes or otherwise misuses the Service, or where in the carrier's judgment there is sufficient risk of fraudulent use.

12. FORCE MAJEURE. If performance by Skywire of any obligation under this Agreement is prevented, restricted or interfered with by causes including without limitation failure or malfunction of Customer-supplied equipment, acts of God, explosions, vandalism, cable cut, storms, fires, floods or other 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 Skywire shall be excused from such performance on a day-to-day basis to the extent of such restriction or interference. Skywire shall use reasonable efforts under the circumstances to avoid or remove such causes of nonperformance with reasonable dispatch.

13. ADDITIONAL PROVISIONS. This Agreement will not be assignable by Customer without the prior express written consent of Skywire. The Agreement, including any Addenda, and any product-specific terms and conditions, constitutes the entire understanding between Customer and Skywire with respect to Service provided herein and supersedes any prior agreements or understandings. If any part of a provision of this Agreement 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 this Agreement. In addition to any provisions that by their nature would survive, above sections shall survive termination, cancellation or expiration of this Agreement.

14. Skywire Acceptable Use Policy. Customer hereby acknowledges that Customer has read, and is familiar with, Skywire's Acceptable Use Policy ("AUP") listed below. Customer hereby acknowledges that any violation of the AUP by Customer shall entitle Skywire to terminate or suspend the Services provided hereunder to customer.

One Year Contract: \_\_\_\_\_

Two year Contract: \_\_\_\_\_

The undersigned hereby agrees to the terms and conditions of this Agreement. I acknowledge that the Agreement for services is subject to acceptance by Skywire Communications, Inc. (hereafter "Skywire"). I hereby authorize Skywire to verify all listed information for credit purposes. I appoint Skywire to act as agent in order to effect changes, and authorize it to handle on my behalf all arrangements including ordering my services, obtained an inventory of all numbers billed to designated BTNs, and obtaining carrier information for all locations. I agree to pay any additional charges due or to become due by to customer LD, local, and/or Internet provider for service provided to the date of transfer of the services to Skywire. I agree to pay the bill upon receipt and to reimburse Skywire upon termination of the Agreement for and Custom charges incurred for equipment or special installations all accounts are due and payable at the St George, Utah offices of Skywire.

Customer Signature \_\_\_\_\_

Date: \_\_\_\_\_