

600 WillowBrook Office Park  
 Fairport, NY 14450

This sets forth the terms of the Service Agreement ("Agreement") made this 3rd day of May, 2011, by and between PAETEC as defined in the PAETEC Standard Terms and Conditions of Service ("PAETEC"), and the City of Long Beach, a California Corporation ("Customer"). The term of this Agreement is for 36 months ("Term"). Customer agrees to a Minimum Monthly Fee of \$18,122.20. All services provided are subject to the terms and conditions below and on the attached Rate Schedule(s).

**CUSTOMER INFORMATION**

**Customer Name:** City of Long Beach  
**Service Address:** see attached service location summary  
**Billing Address:** 333 W Ocean Blvd, Floor 12, LONG BEACH, CA 90802-4681  
**Contact Name:** Norm Maeshima      **Contact Phone:** 562-499-1000      **Contact Fax:** \_\_\_\_\_

**SERVICES BEING PROVIDED BY PAETEC TO CUSTOMER**

Access Loop	Dynamic IP Services ***
Trunks	Switched 1+
Toll-Free (8xx)	Conference Calling

\*\*\* Customer has not elected to receive Router Configuration Services on its equipment. Please note, by not subscribing to this PAETEC service, Customer shall be solely responsible for managing the configuration on the equipment and neither PAETEC nor PAETEC Integrated Solutions Group, as applicable, shall be responsible for any management and/or configuration support on the equipment.

By signing this Agreement, the Customer hereby authorizes PAETEC to provide the Services listed herein and on any/all attachments. Each month Customer shall purchase at least the Minimum Monthly Fee amount set forth above, calculated prior to application of any taxes or surcharges.

This Agreement is subject to and controlled by PAETEC's federal and state tariffs as applicable, and/or by PAETEC's Standard Terms and Conditions of Service and the service specific terms and conditions as located at <http://www.paetec.com/about-us/notice>, as such tariffs and terms may be modified from time to time and all of which are hereby expressly incorporated by reference.

Customers ordering PAETEC's Dynamic IP service, also known as Voice over Internet Protocol service, hereinafter referred to as "VoIP" and/or its product name, "Dynamic IP Services," hereby make an affirmative acknowledgement that customer has received and understands the VoIP Notification, Important Customer Information Regarding Emergency Services - 911 Dialing, attached hereto and made a part of hereof.

Information regarding Customer's rights and options pertaining to Customer Proprietary Network Information ("CPNI") is available at <http://www.paetec.com/notice/cpni.html>.

The individual signing the Agreement on behalf of Customer is duly authorized to do so.

<p><u>Accepted By Customer</u></p> <p>Signature: _____                  Printed Name: <u>Patrick H. West</u>                  Title: <u>City Manager</u>                  Date: <u>6.30.11</u></p>	<p><u>Authorized by PAETEC</u></p> <p>Signature: _____                  Printed Name: <u>Jessie A. Meyer</u>                  Title: <u>Director of Sales</u>                  Date: <u>5/24/2011</u></p>
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**EXECUTED PURSUANT TO SECTION 301 OF THE CITY CHARTER**

This offer is voidable by PAETEC if not signed and returned to PAETEC by the 2nd day of July, 2011.

APPROVED AS TO FORM  
June 27, 2011  
 ROBERT E. SHANNON, City Attorney  
 By Gary J. Anderson  
 GARY J. ANDERSON  
 DEPUTY CITY ATTORNEY

**ADDITIONAL TERMS SCHEDULE**

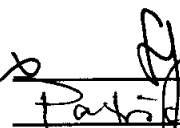
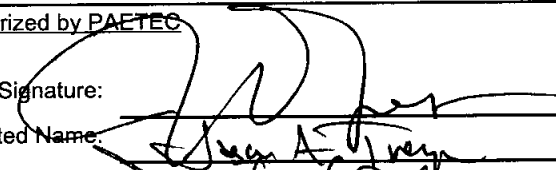
Quote # 528416

In addition to the terms and conditions contained in the Service Agreement ("Agreement") between PAETEC ("PAETEC") and City of Long Beach ("Customer") and all other schedules thereto, the following terms and conditions apply. These Additional Terms shall take precedence over any conflicting provision of the Agreement, including any conflicting provisions contained on the first page of the Agreement and/or any conflicting provisions contained in the Standard Terms and Conditions ("Standard Terms") or any other Agreement schedule, including those referenced on the PAETEC website.

1. **Removal of Evergreen.** The automatic renewal provision in the Agreement shall be revised to read as follows: "After expiration of the Term, the Agreement shall continue on a month to month basis with the Services priced at PAETEC'S then current monthly rates until canceled by either Party upon sixty (60) days written notice to the other Party."

2. **Pricing Expiration.** This offer is voidable by PAETEC if not signed and returned to PAETEC by the 2nd day of July, 2011.

The individual signing the Agreement on behalf of Customer is duly authorized to do so.

Accepted By Customer		Authorized by PAETEC		
Signature:		Assistant City Manager	Signature:	
Printed Name:	Patrick H. West		Printed Name:	Susan A. Green
Title:	City Manager		Title:	Director of Sales
Date:	6.30.11		Date:	5/24/2011

**EXECUTED PURSUANT TO SECTION 301 OF THE CITY CHARTER.**

APPROVED AS TO FORM  
June 27, 20 11  
 ROBERT E. SHANNON, City Attorney  
 By Mary J. Anderson  
 MARY J. ANDERSON  
 DEPUTY CITY ATTORNEY



SERVICE LOCATION SUMMARY

Service Location Listing - Monthly Recurring Charges

Primary Billing Account City of Long Beach, #4379935

Quote # 528416

PAETEC Representative Peay, Mark

Rep ID 10026

Location Name & Service Address	Access	Voice	Integrated Voice & Data	Data	Total
City of Long Beach 333 W Ocean Blvd, Floor 12, LONG BEACH, CA 90802-4681	\$1,500.00	\$732.40	\$6,813.70	\$15.00	\$9,061.10
City of Long Beach - ECOC 2990 Redondo Ave, LONG BEACH, CA 90806-2416	\$1,500.00	\$732.40	\$6,813.70	\$15.00	\$9,061.10
<b>Total</b>	<b>\$3,000.00</b>	<b>\$1,464.80</b>	<b>\$13,627.40</b>	<b>\$30.00</b>	<b>\$18,122.20</b>

The information set forth on this Service Location Listing sets forth the total Monthly Recurring Charge(s) ("MRC") for each Service Location covered under the Agreement. For the breakdown of MRC charges for each Service Location, along with site specific Usage Fees and Non-Recurring Fee(s) ("NRC"), please refer to the site specific Rate Schedule for each Service Location. By signing below, Customer acknowledges that it has received and reviewed the site specific Rate Schedule(s) to the Agreement, and agrees to the information set forth therein.

The individual signing the Agreement on behalf of Customer is duly authorized to do so.

<u>Accepted By Customer</u>		<u>Authorized by PAETEC</u>	
Signature:	<b>Assistant City Manager</b>	Signature:	
Printed Name: <u>Patrick H. West</u>		Printed Name: <u>Dawn A. Troy</u>	
Title: <u>City Manager</u>		Title: <u>Director of Sales</u>	
Date: <u>6.20.11</u>	<b>EXECUTED PURSUANT TO SECTION 301 OF THE CITY CHARTER.</b>	Date: <u>5/24/2011</u>	

APPROVED AS TO FORM

June 27, 20 11  
ROBERT E. SHANNON, City Attorney

By Dary J. Anderson  
DARY J. ANDERSON  
DEPUTY CITY ATTORNEY



## RATE SCHEDULE

Quote # 528416

Location: City of Long Beach, 333 W Ocean Blvd, Floor 12, LONG BEACH, CA 90802-4681

Product	Product Category	Monthly Recurring Charge (MRC)	Monthly Recurring Quantity	Monthly Recurring Total	Non Recurring Quantity	Non Recurring Total
LNP Charge	Voice	\$0.00	0	\$0.00	0	\$0.00
Intrastate Local Loop Monthly Charge	Access	\$0.00	2	\$0.00	1	\$0.00
Dedicated DS3 Charge	Access	\$1,500.00	1	\$1,500.00	1	\$0.00
Toll-Free Access *	Voice	\$0.30	1	\$0.30	0	\$0.00
PRI T1	Voice	\$300.00	2	\$600.00	0	\$0.00
Direct Trunk Overflow Charge *	Voice	\$34.95	1	\$34.95	1	\$0.00
Direct Trunk Overflow - Remote Access Charge *	Voice	\$3.25	1	\$3.25	0	\$0.00
Expanded Rate Centers Charge *	Voice	\$15.00	1	\$15.00	1	\$0.00
FSLC Charge *	Voice	\$7.79	10	\$77.90	0	\$0.00
National Access Charge - Multi-Line Business *	Voice	\$1.00	1	\$1.00	0	\$0.00
Emergency Contact Service Charge (E911)	Voice & Data	\$1.00	1	\$1.00	0	\$0.00
45 Mb High Speed Dynamic IP Port DS3 SIP Features Converged	Voice & Data	\$3,750.00	1	\$3,750.00	0	\$0.00
High Speed Dynamic IP Port Install	Voice & Data	\$0.00	0	\$0.00	0	\$0.00
20 DID Station Numbers *	Voice & Data	\$5.00	250	\$1,250.00	0	\$0.00
IP Direct Trunk Overflow Charge *	Voice & Data	\$34.95	1	\$34.95	0	\$0.00
Managed Dial Plan Charge *	Voice & Data	\$25.00	1	\$25.00	1	\$0.00
Router Ping Monitoring Charge	Data	\$15.00	1	\$15.00	1	\$0.00
FSLC Charge	Voice & Data	\$7.79	225	\$1,752.75	0	\$0.00
<b>TOTAL</b>				<b>\$9,061.10</b>		<b>\$0.00</b>

Usage Bundles							
Bundle	Minute Quantity	Toll			Inbound 8xx		
		In State	Regional	Out of State	In State	Regional	Out of State
Flat Rate LMS *****	500,000						
Integrated LD Bundle ****	150,000	X	X	X	X	X	X



## Usage Rates

Usage Type	Dedicated Rate	Switched Rate	Initial Increment	Additional Increment	Call Rounding
Regional Long Distance Charges	0.015 <sup>1</sup>	0.035 <sup>1</sup>	6 sec	6 sec	4 digit ††
In State Long Distance Charges	0.015 <sup>1</sup>	0.035 <sup>1</sup>	6 sec	6 sec	4 digit ††
Out of State Long Distance Charges	0.015 <sup>1</sup>	0.035 <sup>1</sup>	6 sec	6 sec	4 digit ††
International Long Distance Charges*	Standard International <sup>1</sup>	Standard International <sup>1</sup>	30 sec	6 sec	4 digit ††
Caribbean Long Distance Charges*	Standard International <sup>1</sup>	Standard International <sup>1</sup>	30 sec	6 sec	4 digit ††
Canadian Long Distance Charges*	Standard International <sup>1</sup>	Standard International <sup>1</sup>	30 sec	6 sec	4 digit ††
Regional 8XX Charges	0.020 <sup>1</sup>	0.035 <sup>1</sup>	30 sec	6 sec	4 digit ††
In State 8XX Charges	0.020 <sup>1</sup>	0.035 <sup>1</sup>	30 sec	6 sec	4 digit ††
Out of State 8XX Charges*	0.020 <sup>1</sup>	0.035 <sup>1</sup>	30 sec	6 sec	4 digit ††
International 8XX Charges - US to International*	Platinum <sup>1</sup>	Platinum <sup>1</sup>	30 sec	6 sec	4 digit ††
Canadian 8XX Charges*	0.030 <sup>1</sup>	0.029 <sup>1</sup>	30 sec	6 sec	4 digit ††
Conference Calling	0.050 <sup>3</sup>				
Long Distance Directory Assistance Charges*	1.99 <sup>2</sup>	1.99 <sup>2</sup>			
Local Measured Service Zone 1 Charges	0.010 <sup>1</sup>				
Local Measured Service Zone 2 Charges	0.010 <sup>1</sup>				
Local Measured Service Zone 3 Charges	0.010 <sup>1</sup>				

Rates listed within the Usage Rates section are applicable for all locations, unless otherwise noted on the individual Service Location listing in the Usage Rates sub-section.

**Notes:** 1 - Per Minute 2 - Per Call 3 - Per Minute per Participant

PAETEC Conferencing is billed in full minute increments.

\* Rates are subject to change on 30 days notice via bill message on customer's invoice.

\*\* Additional charges apply for all local, long distance and 8XX features, network access charge, router maintenance, CPE maintenance and directory listings. For the current features pricing, go to <http://www.paetec.com/about-us/notice>.

\*\*\* Amounts listed are reasonable approximations based on initial proposal. Actual amounts shall depend on final lease amount set forth in the Customer's Lease Agreement.

†† Each call is billed to four decimal places and total amount for all calls rounds up or down to the nearest whole cent.

\*\*\*\* The monthly recurring charges for Customer's loop access circuit(s) includes 1+ and 8xx, IntraLATA, IntraState and InterState long distance usage capped at a cumulative total over all circuit(s) of 150,000 minutes per month. The Dedicated per minute rates set forth in the "Usage Rates" section in this Rate Schedule shall apply to any usage in excess of the cap during a given month.

\*\*\*\*\* The monthly recurring charges for Customer's loop access circuit(s) includes LMS usage capped at a cumulative total over all circuit(s) of 500,000 minutes per month. The Local per minute rates set forth in the "Usage Rates" section in this Rate Schedule shall apply to any usage in excess of the cap during a given month.

Product	Product Category	Monthly Recurring Charge (MRC)	Monthly Recurring Quantity	Monthly Recurring Total	Non Recurring Quantity	Non Recurring Total
Dedicated DS3 Charge	Access	\$1,500.00	1	\$1,500.00	1	\$0.00
Intrastate Local Loop Monthly Charge	Access	\$0.00	2	\$0.00	1	\$0.00
PRI T1	Voice	\$300.00	2	\$600.00	0	\$0.00
Direct Trunk Overflow Charge *	Voice	\$34.95	1	\$34.95	1	\$0.00
Direct Trunk Overflow - Remote Access Charge *	Voice	\$3.25	1	\$3.25	0	\$0.00
Expanded Rate Centers Charge *	Voice	\$15.00	1	\$15.00	1	\$0.00
FSLC Charge *	Voice	\$7.79	10	\$77.90	0	\$0.00
National Access Charge - Multi-Line Business *	Voice	\$1.00	1	\$1.00	0	\$0.00
Toll-Free Access *	Voice	\$0.30	1	\$0.30	0	\$0.00
Emergency Contact Service Charge (E911)	Voice & Data	\$1.00	1	\$1.00	0	\$0.00
45 Mb High Speed Dynamic IP Port DS3 SIP Features Converged	Voice & Data	\$3,750.00	1	\$3,750.00	0	\$0.00
High Speed Dynamic IP Port Install	Voice & Data	\$0.00	0	\$0.00	0	\$0.00
Compression	Voice & Data	\$0.00	45	\$0.00	0	\$0.00
20 DID Station Numbers *	Voice & Data	\$5.00	250	\$1,250.00	0	\$0.00
IP Direct Trunk Overflow Charge *	Voice & Data	\$34.95	1	\$34.95	0	\$0.00
Managed Dial Plan Charge *	Voice & Data	\$25.00	1	\$25.00	1	\$0.00
Router Ping Monitoring Charge	Data	\$15.00	1	\$15.00	1	\$0.00
FSLC Charge	Voice & Data	\$7.79	225	\$1,752.75	0	\$0.00
LNP Charge	Voice	\$0.00	0	\$0.00	0	\$0.00
		<b>TOTAL</b>		<b>\$9,061.10</b>		<b>\$0.00</b>

**Usage Rates**

Usage Type	Dedicated Rate	Switched Rate	Initial Increment	Additional Increment	Call Rounding
Regional Long Distance Charges	0.015 <sup>†</sup>		6 sec	6 sec	2 digit †
In State Long Distance Charges	0.015 <sup>†</sup>		6 sec	6 sec	2 digit †
Out of State Long Distance Charges	0.015 <sup>†</sup>		6 sec	6 sec	2 digit †
Caribbean Long Distance Charges*	Standard International <sup>†</sup>		30 sec	6 sec	2 digit †
Canadian Long Distance Charges*	Standard International <sup>†</sup>		30 sec	6 sec	2 digit †

† Each call is billed to two decimal places and rounds the billed amount for each call up to the nearest whole cent.

†† Each call is billed to four decimal places and total amount for all calls rounds up or down to the nearest whole cent.

# **VoIP NOTIFICATION**

## **IMPORTANT CUSTOMER INFORMATION REGARDING EMERGENCY SERVICES - 911 DIALING**

**Introduction:** You have, or are about to, purchase or subscribe to PAETEC's Dynamic IP service. This service, also known as Voice over Internet Protocol service, is referred to as "VoIP" and/or its product name, "Dynamic IP" and is collectively hereinafter referred to as the "VoIP Service."

### **Description of 911-Type Dialing Capabilities**

PAETEC does offer E911 dialing service within PAETEC VoIP-serviceable areas in the U.S. When you dial 911, your call is routed from the PAETEC network to the Public Safety Answering Point ("PSAP") or local emergency service personnel designated for the address that you listed at the time of activation.

### **Power Failure, Disruptions or Suspension of Your Account**

You acknowledge and understand that 911 dialing may not function in the event of a power failure or disruption. Should there be an interruption in the power supply, the VoIP Service and 911-type dialing **MAY NOT** function until power is restored. A power failure or disruption may require you to reset or reconfigure equipment prior to utilizing the VoIP Service or 911 dialing. You also understand that service outages or suspension or termination of service by PAETEC may prevent ALL Service including 911-type dialing. You acknowledge and understand that service outages due to suspension of your account as a result of billing issues may prevent ALL Service, including 911-type dialing. You acknowledge and understand that if there is a service outage for ANY reason, such outage may prevent ALL Service, including 911 dialing. Such outages may occur for a variety of reasons, including, but not limited to those reasons described elsewhere in this Notification.

### **Limitation of Liability and Indemnification**

You acknowledge and understand that PAETEC's liability is limited for any VoIP Service outage and/or inability to dial 911 from your line or to access emergency service personnel, as set forth in this Notification and PAETEC's Standard Terms and Conditions of service and/or any applicable service specific terms and conditions. You agree to defend, indemnify, and hold harmless PAETEC, its officers, directors, employees, affiliates and agents from any and all claims, losses, damages, fines, penalties, costs and expenses (including, without limitation, reasonable attorneys fees) by, or on behalf of, Customer or any third party or user of Customer's service relating to the absence, failure or outage of the VoIP Service, including 911-type dialing and/or inability of Customer or any third person or party or user of Customer's service to be able to dial 911 or to access emergency service personnel.

### **Failure to Designate the Correct Physical Address When Activating 911-type Dialing**

Failure to provide the current and correct physical address and location by following the instructions from the designated PAETEC representative will result in any 911 communication you may make being routed to the incorrect local emergency service provider. This must be the actual physical street address where you are located, not a post office box, mail drop or similar address.

### **Telephone Number Identification**

At this time in the technical development of PAETEC 911-type dialing, it is possible for the Public Safety Answering Point ("PSAP") and the local emergency personnel to identify your phone number when you dial 911, provided the customer provides the correct information in the initial Service set-up stage. PAETEC's system is configured in most instances to send the automatic number identification ("ANI"); however, the PSAP itself must be able to receive the information and pass it along properly. PSAPs are not yet always technically capable of doing so. You acknowledge and understand that PSAP and emergency personnel may or may not be able to identify your phone number in order to call you back if the call is unable to be completed, is dropped or disconnected, or if you are unable to speak to tell them your phone number and/or if the VoIP Service is not operational for any reason, including without limitation those listed elsewhere in this Notification.



APPLICATION FOR CREDIT

PAETEC Representative: Peay, Mark
Representative Phone: 310-733-2225

Customer Name: City of Long Beach
Federal Tax ID or SS Number:
Billing Address: 333 W Ocean Blvd
City: LONG BEACH
State: CA Zip: 90802-4681
Tax Exempt Status:
EMR: \$18,122.20
Years In Operation:
Number Of Employees:
Business Structure:
Nature Of Business:

Company Name:
Address:
City: State: Zip:

Contact Name: Norm Maeshima
Contact Phone: 562-499-1000
Contact Fax:
Contact Email:
Principal/Partner/Officer Full Name:
AP Contact Name:
AP Contact Phone:
AP Contact Fax:
AP Contact Email:
Title:

Bank Name:
Address:
City:
State:
Zip:
Bank Contact Name:
Bank Contact Phone:
Bank Contact Fax:
Account Number:

Table with 5 columns: Vendor, Account Number, Phone, Fax, Contact. Contains 3 rows of vendor information and fields for Address, Current Local Telco, and Current LD Carrier.

Authorization section with text: 'I hereby represent that I am authorized to submit this application on behalf of the Customer named above...' and signature fields for Signature, Printed Name (NORMAN MAESHIMA), Title (Telecommunications Officer), and Date (6/30/2011).

Accepted By Customer
Signature: [Signature]
Printed Name: NORMAN MAESHIMA
Title: Telecommunications Officer
Date: 6/30/2011
APPROVED AS TO FORM
June 27, 2011
ROBERT E. SHANNON, City Atorney
Gary J. Anderson
GARY J. ANDERSON
DEPUTY CITY ATTORNEY



**PAETEC LETTER OF AUTHORIZATION**

I am the Customer of Record or the Authorized Representative responsible for payment for each of the telephone numbers listed herein. I appoint PAETEC Communications, Inc., on behalf of itself and its affiliates\* ("PAETEC") to act as my agent for the purpose of collecting account information (including service records and equipment listings) and implementing the change(s) authorized on this document and to investigate my credit history to the full extent permitted by applicable law. I understand that I may only select one local exchange carrier and one primary interexchange carrier for any one telephone number for the services selected below. Further, I understand that my current local exchange provider may charge a per-line fee for changing long distance carriers. Other charges for switching local exchange carriers may apply.

When accompanied by a signed service agreement, I authorize PAETEC to act as my agent for the purposes of coordinating, ordering, and/or converting of the specific telecommunications service(s) that my existing telecommunications carrier(s) provide to me. I hereby authorize the change of my telecommunications carrier(s) from that/those which I am currently using to PAETEC for each of the service types that I have designated below and in my service agreement. This includes without limitation the removal, addition, rearrangement or conversion of those telecommunications services to PAETEC. I acknowledge that I must not cancel service with my current provider until the port process to PAETEC is complete. To the extent I have any duplication of service with my current provider, I understand that I am responsible for canceling such service with my current provider upon completion of service activation with PAETEC.

**INSTRUCTIONS: LIST ALL APPLICABLE BILLING TELEPHONE NUMBERS ("BTNs and all associated telephone numbers") IN TABLE 2 BELOW OR LIST THE MAIN BILLING TELEPHONE NUMBER BELOW AND ATTACH A DOCUMENT IDENTIFYING ALL ASSOCIATED TELEPHONE NUMBERS SUBJECT TO THIS LOA; THEN MARK EITHER TABLE 1 or COMPLETE THE REMAINDER OF THE BLOCKS IN TABLE 2.**

I hereby select PAETEC as my primary provider of:

**(1) ALL of the services selected in Table 1 below for all the BTNs listed in Table 2 below:**

**Table 1**

Local Service	Toll Service	In-State Long Distance	Domestic Long Distance	International
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Or

**(2) on a per line basis, only the selected services for the following BTNs:**

**Table 2**

BTN (Billed Telephone Number) (use additional sheets for more BTNs)	Local Service	IntraLata Toll Service	In-State Long Distance	Domestic Long Distance	International
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

THIS AGREEMENT WILL REMAIN IN EFFECT UNTIL REVOKED IN WRITING BY THE CUSTOMER.

<b>Authorized Customer Signature:</b> <u><i>[Signature]</i></u>	<b>Date:</b> <u>6/30/2011</u>
<b>Customer Name:</b> <u>City of Long Beach</u>	<b>Telephone Number:</b> <u>562-570-6378</u>
<b>Customer Address:</b> <u>333 W Ocean Blvd</u>	<b>Federal Tax ID Number:</b> _____
<b>City, State, Zip:</b> <u>LONG BEACH, CA 90802-4681</u>	<b>D.B.A (if applicable):</b> _____

\* US LEC CORP. d/b/a PAETEC Business Services; US LEC COMMUNICATIONS INC. d/b/a PAETEC Business Services; US LEC OF ALABAMA LLC d/b/a PAETEC Business Services; US LEC OF FLORIDA LLC d/b/a PAETEC Business Services; US LEC OF GEORGIA LLC d/b/a PAETEC Business Services; US LEC OF MARYLAND LLC d/b/a PAETEC Business Services; US LEC OF NORTH CAROLINA INC. d/b/a PAETEC Business Services; US LEC OF PENNSYLVANIA INC. d/b/a PAETEC Business Services; US LEC OF SOUTH CAROLINA INC. d/b/a PAETEC Business Services; US LEC OF TENNESSEE INC. d/b/a PAETEC Business Services; US LEC OF VIRGINIA L.L.C. d/b/a PAETEC Business Services; PAETEC Communications of Virginia, Inc., McLeodUSA Telecommunications Services, Inc. d/b/a PAETEC Business Services and McLeodUSA Information Services, Inc.

APPROVED AS SERVICE COUNCIL  
June 29, 20 11  
 ROBERT E. SHANNON, City Attorney  
 By *[Signature]*  
 GARY J. ANDERSON  
 DEPUTY CITY ATTORNEY



800 RESPORG AUTHORIZATION

PAETEC Resporg ID: PKC01

Customer must provide the following information exactly as it appears on the Customer's most recent bill copy.

Customer Name: City of Long Beach
Bill To Address: 333 W Ocean Blvd
City: LONG BEACH State: CA Zip: 90802-4681
Current Resporg:
Change RESPORG TO: PAETEC Communications, Inc.
New 8XX:

Contact Name: Norm Maeshima Sales Agent Name: Peay, Mark
Contact Phone: 562-499-1000 Sales ID: 10026
Contact Fax: Phone Number: 310-733-2225
Contact E-mail: Account Manager:

Table with columns: Toll Free Number, Ring To Number Or DNIS Info, Switched or Dedicated, COCOT Blocking, Canada, Alaska, US Virgin Islands, Blocking, Directory Assistance. Includes a signature block for Robert E. Shannon and Cary J. Anderson.

Set up at cutover [ ] The Signature needed is the authorized contact on the current carriers account

APPOINTMENT OF AGENT Accepted By Customer

The undersigned customer ("Customer") hereby appoints PAETEC ("PAETEC") to act as its authorized agent for all matters pertaining to the 8XX services listed herein.

Signature: [Signature]
Printed Name:
Title:
Date: 6/30/2011



APPROVED AS TO FORM  
 June 29, 20 11  
 ROBERT E. SHANNON, City Attorney  
 By Gary J. Anderson  
 GARY J. ANDERSON  
 DEPUTY CITY ATTORNEY

**ADDENDUM  
 TO SERVICE AGREEMENT**

THIS ADDENDUM ("Addendum") effective as of the latter of Customer or PAETEC's signature dates below, contains modifications and/or additions to the Service Agreement dated May 3, 2011, in addition to any and all related addenda or amendments (collectively, the "Agreement"), between PAETEC, as defined in the PAETEC Standard Terms and Conditions, ("PAETEC") and City of Long Beach ("Customer"). Capitalized terms used but not defined herein shall have the meanings set forth in the Agreement.

TERMS OF ADDENDUM

In consideration of the mutual covenants contained in the Agreement and herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree herein. The following provisions shall apply:

1. The PAETEC Standard Terms and Conditions attached hereto as Exhibit A are hereby added as a schedule to the Agreement, and shall apply to Customer during the Term of the Agreement, notwithstanding the PAETEC Standard Terms and Conditions on the PAETEC website.
2. The Service Level Agreement ("SLA") attached hereto as Exhibit B is hereby added as a schedule to the Agreement and shall apply to Customer during the Term of the Agreement, notwithstanding the Service Level Agreement on the PAETEC website.
3. **Removal of Evergreen.** The automatic renewal provision in the Agreement shall be revised to read as follows: "After expiration of the Term, the Agreement shall continue on a month to month basis with the Services priced at PAETEC'S then current monthly rates until canceled by either Party upon sixty (60) days written notice to the other Party."
4. **Additional Services.** Additional Services shall be coterminous with the Term of the Agreement.
5. **Termination for Convenience.** Notwithstanding any other provision set forth in the Agreement, Customer may terminate the Agreement upon thirty (30) days prior written notice to PAETEC. In the event Customer elects to exercise this early termination right pursuant to these Additional Terms, Customer shall pay to PAETEC all sums then due and unpaid. Customer shall not otherwise be liable for termination liability under Section 7(ii) of the Standard Terms.
6. **Governing Law.** The last sentence of Section 22 of the Standard Terms (Governing Law) is revised to read as follows: "Each party consents to personal jurisdiction in the state and federal courts of the State of California."
7. Other than the additions set forth above, the terms and conditions of the Agreement shall remain unchanged and in full force and effect. In the event of any conflict between the terms and conditions of this Addendum and the terms and conditions of the Agreement, this Addendum shall prevail.

IN WITNESS WHEREOF, this Addendum is hereby duly executed by an authorized representative of each Party hereto as of the date first above written.

<b>CITY OF LONG BEACH</b>	<b>PAETEC</b>
AUTHORIZED REP. (PRINTED NAME): Patrick H. West	AUTHORIZED REP. (PRINTED NAME): Shawn Spencer
SIGNATURE: <i>[Signature]</i> Assistant City Manager	SIGNATURE: <i>[Signature]</i>
TITLE: City Manager	TITLE: VP/GM
DATE: 6-30-11	DATE: 6/13/2011
EXECUTED PURSUANT TO SECTION 301 OF THE CITY CHARTER.	



## EXHIBIT A - PAETEC STANDARD TERMS AND CONDITIONS OF SERVICE

**1. SCOPE.** These terms and conditions apply to the provision of all telecommunications and related services ("Services") by PAETEC<sup>1</sup> ("PAETEC") to Customer under the service agreement ("Agreement") to which this schedule is a part. The Services will be offered in each area to the Customer by PAETEC or by an entity (the "Authorized Entity") which is a subsidiary or affiliate of PAETEC authorized to provide the Services in the applicable jurisdiction. The terms and conditions of this Agreement are, and shall be, applicable to the Services provided to the Customer by each Authorized Entity.

### **2. TERM.**

**a)** The Agreement shall be effective on the latter of Customer or PAETEC's signature dates on the Service Agreement ("Effective Date"). The term of the Agreement and the Minimum Monthly Fee shall commence upon Acceptance of the Service (as hereinafter defined) at all of the Service Locations covered by this Agreement, or the Effective Date, whichever is later, and shall continue in full force and effect for the time period indicated on the first page of the Agreement ("Term"), unless earlier terminated in accordance with its terms. During the time prior to commencement of the Term, Customer shall be responsible for paying any monthly recurring charges for circuits and/or facilities Accepted at the Service Location(s) which will carry either data, voice or both and associated actual usage of the Services, plus applicable taxes and surcharges, *provided that* in the event Customer cancels the Agreement at any time during this period prior to commencement of the Term, except as permitted by Section 6 of the Standard Terms, Customer shall be responsible for the early termination charges as set forth in Section 7b of the Standard Terms. "**Acceptance**" as used herein shall mean the earlier of: (i) actual use of the Services; (ii) the date the Service is installed and is running in test mode in accordance with the requirements of this Agreement, with no trouble tickets established by Customer, or (iii) seven (7) days after delivery of the circuits, facilities and/or Service to Customer's premise. After expiration of the Term, except where prohibited by state law, the Agreement, exclusive of any previously applicable Equipment for Services ("EFS") arrangement shall renew automatically for successive renewal terms, each for a period of time equal to the original Term or such lesser amount as permitted by state law, unless either Party serves the other Party with written notice of such Party's intent not to renew the Agreement at least thirty (30) days prior to expiration of

the then current Term. If a party provides written notice of its intent not to renew, the Services shall continue under the terms and conditions of the Agreement, including application of the Minimum Monthly Fee, after expiration of the Term on a month to month basis with the Services priced at PAETEC's then current monthly rates exclusive of any Term and Volume discounts, promotions or EFS arrangements, until each respective service is canceled by either Party upon thirty (30) days written notice to the other Party. PAETEC'S provision of Services is contingent upon Customer's compliance with PAETEC'S credit requirements, which requirements may be revised during the Term hereof in PAETEC'S sole and reasonable discretion.

**b) ADDITIONAL SERVICES.** Additional Services may be added from time to time by Customer, which Additional Services will be co-terminus with the Term of the Agreement *provided that* (i) a minimum in-service period of one (1) year ("Minimum In-Service Period") shall apply for each Additional Service; (ii) the parties amend this Agreement to add the rate schedule applicable to such Additional Service; and (iii) the Minimum Monthly Fee shall be adjusted accordingly. In the event that the Term of the Agreement expires prior to expiration of the Minimum In-Service Period for any Additional Services, the Agreement shall continue in full force and effect with respect to such Additional Service only until expiration of the Minimum In-Service Period. In the event that Additional Services are terminated prior to the expiration of the applicable Minimum In-Service Period, Customer shall be responsible for payment to PAETEC of an amount equal to the monthly recurring charges for such terminated Additional Service, multiplied by the number of months remaining in the applicable Minimum In-Service Period.

### **3. RATES AND CHARGES.**

**a)** The rates and charges for the Services shall be those set forth in the rate schedule to the Agreement (the "Rate Schedule") or other appropriate schedule thereto, in addition to PAETEC's tariffs, as applicable and as amended from time to time. All rates and charges set forth in any preliminary quote are subject to final approval and acceptance by PAETEC. The rates and charges in the Rate Schedule apply only to the Services provided at the service address listed on the Rate Schedule of the Agreement. Each additional Customer location added after the Effective Date of the Agreement shall require its own rate schedule. Calls made using any



service offered by PAETEC are rounded up to the next cent at the termination of the call. For any PAETEC service used by Customer for which a rate is not specified in the Agreement, PAETEC's standard business rate shall apply.

b) Notwithstanding the foregoing, Customer guarantees to PAETEC payment of a Minimum Monthly Fee in the amount set forth on the first page of the Agreement ("Minimum Monthly Fee"). For each month Customer agrees to pay the greater of (i) the total amount otherwise due for the month for all Services and any Equipment provided under the Agreement, or (ii) the Minimum Monthly Fee. Compliance with the Minimum Monthly Fee shall be based on Customer's Service charges prior to application of any taxes or surcharges.

c) If ten percent (10%) or more of Customer's completed calls are equal to or less than 6 seconds in length ("Short Duration Calls") during any calendar month, PAETEC reserves the right to charge and Customer shall be responsible for payment of a surcharge of \$0.01 per Short Duration Call, which surcharge shall be in addition to the rates and charges for the Services and all other applicable surcharges and taxes. If more than forty percent (40%) of Customer's total call attempts are uncompleted during any given month, per trunk group and DS0 circuit, PAETEC reserves the right to disconnect the affected circuit or to charge Customer \$10 per DS0 per month per trunk group. If applicable, the same metrics will be applied on a session (or DS0 equivalent) basis for SIP based termination Services.

**4. TAXES AND SURCHARGES.** In addition to the rates and charges for the Service(s), Customer shall be responsible for payment of all local, state and federal taxes, fees and surcharges, however designated, imposed on or based upon the provision, sale, or use of the Services, excluding taxes based on PAETEC'S net income. Customer shall be responsible for the payment of all surcharges in effect from time to time, including but not limited to USF, and payphone surcharges, as required or permitted by applicable law, regulation or tariff ("Price List") and/or as specified on the PAETEC website at <http://www.paetec.com/notice/legalnotice.html>. To the extent a sale is claimed to be subject to a tax exemption, and Customer provides PAETEC with a proper tax exemption certificate as authorized or required by statute or regulation of the jurisdiction providing said tax exemption, PAETEC agrees to exempt Customer from the collection of taxes to the extent warranted by such certificate(s). Failure to timely provide said certificate will result in no exemption being available to Customer for any period prior to the date that the Customer presents a valid certificate.

**5. BILLING AND PAYMENT.** Billing for a Service shall commence upon Acceptance (as previously defined). All bills are due and payable upon receipt. If Customer's bill is not paid by the date which is thirty (30) days after the invoice date listed on the bill (the "Due Date"), Customer also shall pay PAETEC a monthly late charge

amount equal to 1.5% of the unpaid balance due (or such lesser amount as is the maximum amount permitted under applicable law). Customer must provide PAETEC with written notice of any disputed charge(s) within ninety (90) days after the invoice date listed on the bill or shall be deemed to have waived its rights to dispute the charges. If the dispute is filed on or before the Due Date for the respective invoice, Customer shall pay the invoiced amount minus the disputed amount by the Due Date. Customer shall have no right to withhold amounts not disputed by the Due Date, *provided that* payment of an invoice shall not be deemed a waiver of Customer's rights to later dispute an invoice within the time period established in this Section. The dispute notice shall set forth in writing in reasonable detail the information concerning the disputed charges and reasons for the dispute. PAETEC and Customer shall attempt in good faith to promptly resolve any objection to the invoiced amount.

#### **6. TERMINATION.**

a) A party may terminate the Agreement on thirty (30) days' written notice if the other party materially breaches the Agreement and such breaching party fails to cure the breach within such notice period, *provided that* the cure period for breach of any of Customer's payment obligations shall only be ten (10) days, or as provided by law.

b) A party may terminate the Agreement upon written notice to the other party if (i) the other party dissolves or becomes insolvent; (ii) the other party makes an assignment for the benefit of creditors; (iii) the other party suspends the transaction of its usual business or consents to the appointment of a trustee or receiver; or (iv) a receiver of the other party is appointed.

c) If Customer (or any Customer affiliate) is in default of the terms of any other agreement between PAETEC (or any PAETEC affiliate) and Customer (or any Customer affiliate), including but not limited to any payment obligation to PAETEC or its affiliates, then PAETEC, at its sole option, may consider such default as a default under this Agreement and provide notice of default in accordance with the terms of this Agreement. Customer further understands and agrees that any breach by Customer of its obligations under this Agreement shall also be deemed a breach by Customer of its obligations under any other agreements it (or any Customer affiliate) has entered into with PAETEC and/or its affiliates and understands and agrees that any such breach shall authorize PAETEC and/or any of its affiliates to immediately suspend performance under, and or terminate, said agreements with Customer (or Customer's affiliates) for default.

d) In addition to PAETEC's remedies under Section 5 and Section 6(a) hereof, PAETEC shall have the right on fifteen (15) days prior notice to immediately and without further notice suspend Services to Customer in the event of nonpayment by the Due Date of any charges not disputed in accordance with the provisions of Section 5.

**7. TERMINATION LIABILITY.**

a) If the Agreement is terminated anytime during the Term, Customer shall pay to PAETEC, immediately upon demand, (i) all sums then due and unpaid plus (ii) an amount equal to the Minimum Monthly Fee times the number of months left in the Term. No termination liability will apply in the event that the Agreement is terminated by Customer pursuant to Section 2 at the end of a Term or 6 above as the result of a PAETEC breach, however, in such event Customer shall be responsible for payment of all charges incurred prior to the termination date.

b) In the event Customer terminates the Agreement at any time during the period prior to commencement of the Term, except as permitted by Section 6 above, Customer shall pay to PAETEC, immediately upon demand, (i) all sums then due and unpaid for the Services plus (ii) an amount equal to six (6) times the Minimum Monthly Fee.

**8. LIMITATIONS OF SERVICE.** Notwithstanding any other provision contained herein, this Agreement shall apply only to non-carrier services provided directly to Customer for use only by Customer. For the avoidance of doubt, Customer may not purchase services under this retail service agreement and resell services to end users. Resellers may only secure services from PAETEC under a wholesale service agreement. This Agreement also does not constitute a joint undertaking for Customer's furnishing of any service to its own customers. Services provided to Customer under this Agreement may be connected to other facilities between certain locations and thereby constitute a portion of end-to-end service furnished by Customer to its customers.

**9. COMPLIANCE WITH LAWS.** Each party shall comply with all applicable laws, regulations, court decisions or administrative rulings regarding the provision or use of the Services. Without limiting the foregoing, all customers that utilize the Services for the purpose of making telephone solicitations must comply with the national do-not-call requirements, including the rules as set forth in 47 C.F.R. Section 64.1200 and 16 C.F.R. Part 310. Failure to do so shall constitute a material breach of the Agreement.

**10. UNAUTHORIZED USE OF SERVICES.**

a) Except as provided in subsection (b) below, Customer, and not PAETEC, shall bear the risk of loss arising from any unauthorized or fraudulent usage of Services provided under the Agreement to Customer. PAETEC reserves the right, but is not required, to take any and all action it deems appropriate (including blocking access to particular calling numbers or geographic areas) to prevent or terminate any fraud or abuse in connection with the Services, or any use thereof, provided, however, that any such action shall be consistent with applicable federal and state laws, rules, and regulations. In addition, as a condition of receiving the telecommunication services contemplated hereunder, Customer shall at all times order adequate trunking for Customer's call volume. In the event Customer's call trunking is inadequate to

accommodate the call volume it is receiving at any given time then PAETEC may, at its sole option, restrict or block calls to the applicable circuits.

b) Notwithstanding the foregoing, Customer shall not be liable for unauthorized or fraudulent usage to the extent that (i) Customer has previously notified PAETEC of the problem; (ii) the problem was within PAETEC'S reasonable ability to correct or prevent, and (iii) PAETEC negligently or willfully fails to correct or prevent such unauthorized or fraudulent usage.

**11. WARRANTY.** THE QUALITY OF SERVICE PROVIDED HEREUNDER SHALL BE CONSISTENT WITH COMMON CARRIER INDUSTRY STANDARDS, GOVERNMENT REGULATIONS AND SOUND BUSINESS PRACTICES. PAETEC MAKES NO OTHER WARRANTIES ABOUT THE SERVICE PROVIDED HEREUNDER, EXPRESSED OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. PAETEC DOES NOT AUTHORIZE ANYONE TO MAKE A WARRANTY ON PAETEC'S BEHALF AND THE CUSTOMER MAY NOT RELY ON ANY STATEMENT OF WARRANTY AS A WARRANTY OF PAETEC. THIS SECTION SURVIVES TERMINATION OF THE AGREEMENT.

**12. LIMITATIONS 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. THIS DOES NOT LIMIT CUSTOMER'S RESPONSIBILITY FOR THE PAYMENT OF ANY AND ALL PROPERLY DUE CHARGES. THIS SECTION SHALL SURVIVE FAILURE OF AN EXCLUSIVE OR LIMITED REMEDY AND TERMINATION OF THE AGREEMENT.

b) PAETEC'S ENTIRE LIABILITY AND CUSTOMER'S EXCLUSIVE REMEDIES WITH RESPECT TO ANY SERVICE PROVIDED TO CUSTOMER (INCLUDING WITHOUT LIMITATION WITH RESPECT TO THE INSTALLATION, DELAY, PROVISION, TERMINATION, MAINTENANCE, REPAIR, INTERRUPTION, OR RESTORATION OF ANY SUCH SERVICE) OR BREACH OF THE AGREEMENT, WHETHER IN AN ACTION FOR OR ARISING OUT OF BREACH OF CONTRACT, TORT, INCLUDING NEGLIGENCE, INDEMNITY OR

STRICT LIABILITY, SHALL BE AS FOLLOWS: (I) FOR A SERVICE QUALITY CLAIM (INCLUDING INTERRUPTION IN SERVICE), THE OUTAGE CREDIT UNDER THE SERVICE LEVEL AGREEMENT; (II) FOR TANGIBLE PROPERTY DAMAGE OR PERSONAL INJURY CAUSED BY PAETEC'S NEGLIGENT ACTS OR OMISSIONS, OR FOR ANY DAMAGES ARISING FROM THE WILLFUL MISCONDUCT OF PAETEC, THE AMOUNT OF PROVEN DIRECT DAMAGES; AND (III) FOR ALL OTHER CLAIMS NOT COVERED BY THE FOREGOING SUBSECTIONS, THE AMOUNT OF PROVEN DIRECT DAMAGES NOT TO EXCEED AN AMOUNT EQUAL TO THE CHARGE APPLICABLE UNDER THE AGREEMENT FOR THE PERIOD DURING WHICH SERVICES WERE AFFECTED. IN NO EVENT SHALL PAETEC'S AND ITS AFFILIATES' CUMULATIVE LIABILITY FOR ALL CLAIMS (EXCLUDING (II) ABOVE) ARISING OUT OF THIS AGREEMENT EXCEED THE TOTAL AMOUNT OF ALL FEES PAID BY CUSTOMER TO PAETEC HEREUNDER. THIS SECTION SURVIVES TERMINATION OF THE AGREEMENT.

c) PAETEC also shall not be liable for any damages arising out of or relating to: interoperability, interaction, access or interconnection problems with applications, equipment, services, content or networks not provided by PAETEC; Service interruptions or lost or altered messages or transmissions (except to the extent credit allowances are specified in the applicable Service Level Agreement); or unauthorized access to or theft, alteration, loss or destruction of Customer's, Users' or third parties' applications, content, data, programs, information, network or systems.

**13. FORCE MAJEURE.** Except with respect to Customer's payment obligations for Services rendered prior to the commencement of a Force Majeure event, notwithstanding any other provision of the Agreement, neither Party shall be liable to the other Party for any delay or failure in performance of the Agreement to the extent such delay or failure is caused by fire, flood, explosion, accident, war, strike, embargo, governmental requirement, civil or military authority, Act of God, inability to secure materials or labor or any other causes beyond its reasonable control. Any such delay or failure shall suspend the Agreement until the Force Majeure ceases.

**14. RELATIONSHIP OF PARTIES.** Neither the Agreement nor the provision of Service hereunder shall be deemed to create any joint venture, partnership or agency between PAETEC and Customer. The Parties are independent contractors and shall not be deemed to have any other relationship. Neither Party shall have, or hold itself out as having, the power or authority to bind or create liability for the other by its intentional or negligent act.

**15. PAETEC FACILITIES.** Equipment furnished by PAETEC shall remain its property and shall be returned to PAETEC on expiration or termination of the

Agreement or as earlier requested by PAETEC, in good condition, reasonable wear and tear excepted. Customer shall reimburse PAETEC for any loss of, or damage to, PAETEC'S facilities or equipment on the Customer's premises, except loss or damage caused by PAETEC'S own employees, agents or contractors.

**16. NOTICES.** All notices and communications under the Agreement shall be in writing and shall be given by personal delivery, by registered or certified mail, return receipt requested, by regular U.S. mail, or by facsimile transmission, addressed to the respective Party as set forth in the first page of the Agreement or to such other address as may be designated in writing by such Party. Notice shall be deemed given upon mailing or sending.

**17. ENTIRE AGREEMENT.** The Agreement, including these Standard Terms and Conditions, PAETEC's Acceptable Use Policy ("AUP"), Service Level Agreement ("SLA") and all other schedules referenced in the Agreement or at <http://www.paetec.com/notice/legalnotice.html> and which are applicable to the Services purchased by the Customer, PAETEC's applicable tariffs, all of which are expressly incorporated by reference, and any attached schedules signed by both parties, represents the entire agreement of the Parties with respect to the subject matter hereof and supersedes all other agreements, written or oral, between the Parties relating to the Service. The tariffs, the Standard Terms and Conditions, AUP, SLA and other applicable schedules referenced in the Agreement or at <http://www.paetec.com/notice/legalnotice.html> may be modified from time to time. Any other modification to this Agreement shall be in writing and signed by authorized representatives of both Parties. In case of any conflict between the provisions of these Standard Terms and any schedule (including any Addendum), the provisions of the schedule or Addendum shall take precedence unless otherwise indicated in writing by Customer and PAETEC. A digitized (electronic) copy of the executed Agreement shall be deemed the same as an original copy. The Agreement may be executed in any number of counterparts, including facsimile counterparts or electronic PDFs, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Any hand written notation on this form or on any portion of the Agreement by Customer is rejected in its entirety unless expressly agreed to in writing by a PAETEC Vice President of Sales. The information exchanged between Customer and PAETEC concerning Services, Networks and equipment configuration, as well as information about Customer, constitutes proprietary information. Both Parties agree to keep any such information confidential unless either is obligated by law to disclose information contained herein. Provisions in the Agreement that by their sense and context are intended to survive completion of performance, termination or cancellation of the Agreement, shall survive.

**18. REGULATORY CHANGE.** PAETEC may amend any contract term or pricing in response to a regulatory change that materially changes the technical feasibility or economics of providing service. PAETEC will notify Customer in writing when exercising this right, after which Customer will have thirty (30) days from the date of the notice to terminate the adversely affected Services for cause by notifying PAETEC in writing. If Customer does not respond in writing to PAETEC within thirty (30) days, Customer waives its right to terminate. For avoidance of doubt, Customer's remedy pursuant to this section shall not apply for rates otherwise subject to change as designated on Customer's Rate Schedule(s).

**19. WAIVER.** No term or provision herein shall be waived, and no breach or default excused, unless such waiver or consent is in writing and signed by the Party to which it is attributed. No consent by a Party to, or waiver of, a breach or default by the other, whether expressed or implied, shall constitute a consent to or waiver of any subsequent breach or default.

**20. PARTIAL INVALIDITY.** If any provision of the Agreement shall be held to be invalid or unenforceable, such invalidity or unenforceability shall not invalidate or render the Agreement unenforceable, but rather the Agreement shall be construed as if not containing the invalid or unenforceable provision. However, if such provision is an essential element of the Agreement, the Parties shall promptly attempt to negotiate a substitute therefor.

**21. ASSIGNMENT.** Customer may not assign the Agreement without the written consent of PAETEC, which consent shall not unreasonably be withheld or delayed; *provided* that no such consent shall be required for any assignment by a party to an entity that either controls or is controlled by or is under common control with that party; or to an entity which succeeds to all or substantially all of such party's assets whether by merger, sale or otherwise; or to any institutional lender to whom this Agreement is assigned as collateral security for any indebtedness of the assignor or any affiliate of the assignor. In the event of any assignment by Customer as permitted hereunder, the assignee must comply with PAETEC'S credit and security requirements.

**22. GOVERNING LAW.** The Agreement shall be interpreted, construed and enforced in accordance with the laws of the State of California, without regard to its conflict of laws principles. Each party consents to personal jurisdiction in the state and federal courts of the State of California.

**23. SPECIAL CONSTRUCTION.** Provision of Services is subject to PAETEC's approval of the suitability of Customer's premises for the Services. In addition, Customer shall be responsible for all costs associated with any special construction and/or wiring that may be requested and/or required as part of PAETEC's provision of Service, and all costs arising from any Customer requested change in location of all or

part of the Services prior to the completion of construction or installation.

**24. TELEPHONE NUMBERS.** In no event shall PAETEC be liable for (i) any telephone numbers published or distributed by Customer prior to Acceptance of Service (as hereinabove defined) at all of the Service Locations covered under the Agreement; or (ii) for any directory publishing error.

[end of schedule]

<sup>1</sup>PAETEC is defined for purposes of this Agreement to include PAETEC Communications, Inc., PAETEC Communications of Virginia, Inc., PAETEC Software Corp., McLeodUSA Telecommunications Services, Inc. d/b/a PAETEC Business Services; McLeodUSA Information Services, Inc; US LEC COMMUNICATIONS INC. d/b/a PAETEC Business Services; US LEC OF ALABAMA LLC d/b/a PAETEC Business Services; US LEC OF FLORIDA LLC d/b/a PAETEC Business Services; US LEC OF GEORGIA LLC d/b/a PAETEC Business Services; US LEC OF MARYLAND LLC d/b/a PAETEC Business Services; US LEC OF NORTH CAROLINA INC. d/b/a PAETEC Business Services; US LEC OF PENNSYLVANIA LLC d/b/a PAETEC Business Services; US LEC OF SOUTH CAROLINA LLC d/b/a PAETEC Business Services; US LEC OF TENNESSEE INC. d/b/a PAETEC Business Services; and US LEC OF VIRGINIA L.L.C. d/b/a PAETEC Business Services.

The PAETEC entity that is providing regulated services to Customer under the Agreement is the entity that is certificated to provide local exchange and intrastate interexchange services in the state in which local exchange service is being supplied. All services provided to Customer by that entity are provided subject to that particular entity's federal and state tariffs. To the extent that multiple operating subsidiaries are certificated in a particular state, the entity providing service is the entity that submitted an order to secure the local access loop that is required to provide such service.





## EXHIBIT B - SERVICE LEVEL AGREEMENT

This Service Level Agreement ("SLA") sets forth the provisions and commitments relating to service quality between PAETEC Communications, Inc. ("PAETEC"), and Customer. This SLA is hereby added as a schedule to the Service Agreement ("Agreement") between Customer and PAETEC.

**1. General Standard.** PAETEC will use reasonable efforts under the circumstances to maintain its overall network quality. The quality of service provided hereunder shall be consistent with other common carrier industry standards, government regulations and sound business practices.

**2. Interruptions in Service.** Subject to the provisions of Section 6 hereof, interruptions in service will be credited to Customer as set forth below for the part of the service that the interruption affects. In the event that Customer subscribes to data services from PAETEC, PAETEC may offer additional service level standards with respect to such services. In such event, a service schedule shall be added to this SLA. The provisions of this SLA shall apply to the interpretation of the service schedule.

**3. Credit for Interruptions.** An interruption period begins when Customer reports a service, facility, or circuit to be interrupted through the opening of a trouble ticket and makes it available for testing and repair. An interruption period ends when the service, facility, or circuit is operative. If Customer reports a service, facility, or circuit to be inoperative but declines to make it available for testing and repair, it is considered to be impaired, but not interrupted.

a) For calculating credit allowances, every month is considered to have 30 days. A credit allowance is applied on a pro rata basis against the monthly recurring charges for the affected service and is dependent upon the length of the interruption. Only those facilities on the interrupted portion of the circuit will receive a credit. No credit will be given on the usage sensitive portion of the service and no credit shall apply for interruptions with respect to the advantage service products.

b) A credit allowance will be given for interruptions of 30 minutes or more, upon written request of the Customer no later than ten (10) business days after the occurrence of the outage to either Customer's PAETEC Account Manager (if applicable) or to the PAETEC Customer support center in Fairport, New York. Credit allowances will be calculated as follows:

c) if the interruption continues for less than 24 hours:

i) 1/30th of the monthly recurring charge if it is the first interruption in the same billing period.

ii) 2/30ths of the monthly recurring charge if there was a previous interruption of at least 24 hours in the same billing period.

d) If the interruption continues for more than 24 hours, 1/30 of the monthly recurring charge for the first 24 hours and 2/30ths of such rate for each additional 24 hours (or fraction thereof); however, if service is interrupted for over 24 hours, more than once in the same billing period, the 2/30ths allowance applies to the first 24 hours of the second and subsequent interruptions.

e) Two or more interruptions of thirty minutes or more during any one 24-hour period shall be considered as one interruption.

**4. Maximum Credit.** In no event may the credits provided for hereunder (either individually or on a cumulative basis) in any billing period exceed the total monthly recurring charges for that period for the service and facilities furnished by PAETEC. PAETEC shall issue only one credit for the same incident in the same month, regardless of how many of the parameters in Section 2 above were affected. The credits set forth in this SLA shall be PAETEC's sole liability and Customer's sole remedy in the event of any interruption and under no circumstances shall an interruption be deemed a breach of the Agreement.

**5. "Interruption" Defined.** For the purpose of applying this provision, the word "interruption" (whether capitalized or not) shall mean a complete loss of service resulting in the inability to complete calls due to equipment malfunction or human errors for a continuous period of more than thirty (30) minutes. "Interruption" does not include and no allowance shall be given for service

difficulties such as slow dial tone, circuits busy, latency or other network and/or switching capacity shortages. No allowance shall be made for interruptions due to electric power failure where, by the provisions of this Agreement, Customer is responsible for providing electric power. Additional parameters (such as network availability, latency, packet loss and jitter) for coverage under the SLA in the event that Customer is purchasing data services are set forth in Schedules A and B (as applicable) to this SLA.

**6. Limitations on Credit Allowances.** No credit allowance will be made for:

- a)** Interruptions arising from the acts or omissions of, or non-compliance with the provisions of the Agreement or any schedule thereto (including without limitation this SLA, the Service Product Specific Standard Terms and Conditions or Acceptable Use Policy) by, Customer or any authorized user, or any interruptions due to any party other than PAETEC or for events happening on any other party's network, including but not limited to Data service providers or other common carriers connected to, or providing service connected to, the service of PAETEC or to PAETEC's facilities;
- b)** Interruptions due to the failure or malfunction of non-PAETEC equipment, including service connected to Customer provided electric power;
- c)** Interruptions of service during any period in which PAETEC is not given full and free access to its facilities and equipment for the purpose of investigating and correcting interruptions;
- d)** Interruptions of service during any scheduled maintenance period or when Customer has released service to PAETEC for maintenance purposes or for implementation of a Customer order for a change in service arrangements;
- e)** Interruptions of service due to force majeure events beyond the reasonable control of PAETEC.

**Schedule A to Service Level Agreement  
Data Services Parameters**

1. **Scope.** This schedule to the Service Level Agreement (“SLA”) between Customer and PAETEC provides Customers subscribing to the PAETEC Data Service with certain rights and remedies regarding the performance of the PAETEC Data Network. The “PAETEC Data Network” is defined as the PAETEC owned and operated Data Protocol (IP) routing infrastructure consisting of Network to Network interfaces and selected PAETEC points of presence (“POPs”) and the connections between them in the United States. The PAETEC Network does not include (i) Customer premise equipment; (ii) any local loop or access facilities connecting Customer’s premises to the PAETEC POP; (iii) connections between PAETEC’s network and other Data service providers, or (iv) other Data service provider networks. The terms of this schedule to the SLA will take effect the first full calendar month after Customer’s first use of the PAETEC Data Services.

2. **SLA Parameters**

**A. Network Availability Guarantee and Remedy**

(i) The PAETEC Data Network shall be available to Customer free of Network Outages for 100% of the time. A “Network Outage” is an instance in which Customer is unable to transmit and receive IP packets due to a PAETEC Network outage for more than thirty (30) consecutive minutes.

(ii) Customer shall be eligible for a credit for Network Outages occurring during any calendar month that are reported by Customer to PAETEC (per the procedures set forth in the SLA) and confirmed by PAETEC’s measurements of the PAETEC Network. For calculating credit allowances, every month is considered to have 30 days. A credit allowance is applied on a pro rata basis against the base IP monthly recurring charges (“MRCs”) for the affected service and is dependent upon the length of the Network Outage measured from the time that PAETEC receives notice from Customer of actual circuit unavailability (established by a Trouble Ticket) until restoration of the affected circuit by PAETEC. Only those facilities on the interrupted portion of the circuit will receive a credit.

**B. Latency Guarantee and Remedy**

(i) The PAETEC Data Network Average Round-Trip Latency shall be fifty (50) milliseconds or less. “Average Round-Trip Latency,” with respect to a given month, means the average time required for round-trip packet transfers between POPs on the PAETEC Network during such month, as measured by PAETEC.

(ii) If Average Round-Trip Latency on the PAETEC Data Network for a calendar month exceeds 50 milliseconds, then upon Customer’s request (in accordance with the procedure set forth in the SLA), PAETEC will issue a credit to Customer equal to one day’s worth of the base IP MRC paid by Customer for such month. In order to qualify for the credit, Customer is responsible for reporting any suspected latency problems to PAETEC within twenty-four hours from the time Customer became aware of the problem through the opening of a Trouble Ticket.

(iii) In addition, with respect to the World Reach Data services, PAETEC guarantees average (in a calendar month) roundtrip latency between the Extended Reach Domestic POP and the World Reach International POP as set forth in the graph below:

Description	Average Roundtrip Latency (milliseconds)
Trans-Atlantic (London/Amsterdam – New York)	≤ 95 ms
Intra- United Kingdom	≤ 25 ms
European Network	≤ 45 ms
Pacific (Tokyo – Sacramento, CA)	≤ 150 ms
Sydney – US West (Sacramento, CA)	≤ 270 ms
Sydney – Asia (Tokyo)	≤ 200 ms
Asia – US West (Sacramento, CA)	≤ 210 ms
South America (Buenos Aires, Sao Paolo, Miami)	≤ 170 ms
Intra-Asia**	≤ 140 ms

Intra-India (Tier 1 POPs)	≤ 70 ms
Intra-India (Tier 2 POPs)	≤ 150 ms
Hong-Kong – India (Tier 1 POPs)	≤ 140 ms
London – India (Tier 1 POPs)	≤ 190 ms
New York – South Africa	≤ 295 ms
London-South Africa	≤ 230 ms
Intra South Africa	≤ 80 ms

\*\*Intra-Asia means Hong Kong, Kuala Lumpur, Manila, Taipei, Tokyo, Seoul and Singapore, and excludes Australia.

**C. Packet Delivery Guarantee and Remedy**

(i) The PAETEC Data Network Average Packet Delivery shall be 99.9% or greater. “Average Packet Delivery,” with respect to a given month, means the average percentage of IP packets transmitted on the PAETEC Network during such month that are successfully delivered, as measured by PAETEC.

(ii) If Average Packet Delivery falls below 99.9% during a calendar month, then upon Customer’s request (in accordance with the procedure set forth in the SLA), PAETEC will issue a credit to Customer equal to one day's worth of the base IP access fee paid by Customer for such month. In order to qualify for the credit, Customer is responsible for reporting any suspected packet delivery problems to PAETEC within twenty-four hours from the time Customer became aware of the problem through the opening of a Trouble Ticket.

**D. Jitter Guarantee and Remedy *(Not applicable to World Reach and/or Extended Reach Data customers)***

(i) The PAETEC Data Network Average Jitter Performance measurement shall be two (2) millisecond or less. “Jitter Performance,” with respect to a given month, is the average delay variation in the end-to-end delay between received packets of an IP or packet stream on the PAETEC Network during such month, as measured by PAETEC.

(ii) If Average Jitter Performance on the PAETEC Data Network for a calendar month exceeds two (2) millisecond, then upon Customer’s request (in accordance with the procedure set forth in the SLA), PAETEC will issue a credit to Customer equal to one day's worth of the base IP MRC paid by Customer for such month. In order to qualify for the credit, Customer is responsible for reporting any suspected jitter problems to PAETEC within twenty-four hours from the time Customer became aware of the problem through the opening of a Trouble Ticket.



**Schedule B to Service Level Agreement  
Virtual Private Network Service Parameters**

1. **Scope.** This schedule to the Service Level Agreement (“SLA”) between Customer and PAETEC provides Customers subscribing to the PAETEC Virtual Private Network (“VPN”) Service with certain rights and remedies regarding the performance of the PAETEC VPN Network. The “PAETEC VPN Network” means the PAETEC owned and operated Data Protocol (IP) routing infrastructure consisting of selected PAETEC points of presence (“POPs”) and the connections between them in the United States. The PAETEC Network does not include (i) Customer premise equipment; (ii) any local loop or access facilities connecting Customer’s premises to the PAETEC POP; (iii) connections between PAETEC’s network and other Data service providers, or (iv) other Data service provider networks. The terms of this schedule to the SLA will take effect the first full calendar month after Customer’s first use of the PAETEC Data Services.

2. **SLA Parameters**

**A. Network Availability Guarantee and Remedy**

(i) The PAETEC Virtual Private Network shall be available to Customer free of Network Outages for 100% of the time. A “Network Outage” is an instance in which Customer is unable to transmit and receive IP packets due to a PAETEC Network outage for more than thirty (30) consecutive minutes.

(ii) Customer shall be eligible for a credit for Network Outages occurring during any calendar month that are reported by Customer to PAETEC (per the procedures set forth in the SLA) and confirmed by PAETEC’s measurements of the PAETEC Network. For calculating credit allowances, every month is considered to have 30 days. A credit allowance is applied on a pro rata basis against the base IP monthly recurring charges (“MRCs”) for the affected service and is dependent upon the length of the Network Outage measured from the time that PAETEC receives notice from Customer of actual circuit unavailability (established by a Trouble Ticket) until restoration of the affected circuit by PAETEC. Only those facilities on the interrupted portion of the circuit will receive a credit.

**B. Latency Guarantee and Remedy**

(i) The PAETEC Data Network Average Round-Trip Latency shall be fifty (50) milliseconds or less for round-trip packet transfers between POPs on the PAETEC Network during such month, as measured by PAETEC. The PAETEC Data Extended Reach Network Average Round-Trip Latency shall be fifty (50) milliseconds or less for round-trip packet transfers between POPs on the PAETEC Extended Reach Network during such month, as measured by PAETEC “Average Round-Trip Latency,” with respect to a given month, means the average time required for round-trip packet transfers between POPs on the PAETEC Network or the PAETEC Extended Reach Network during such month, as measured by PAETEC. Average Round-Trip latency between the PAETEC On-Net Data Network and the PAETEC Extended-Reach Data Network shall not exceed 100 milliseconds.

(ii) If Average Round-Trip Latency within the PAETEC On-Net Data Network or the PAETEC Extended Reach Network for a calendar month exceeds fifty (50) milliseconds, then upon Customer’s request (in accordance with the procedure set forth in the SLA), PAETEC will issue a credit to Customer equal to one day's worth of the base IP MRC paid by Customer for such month. In order to qualify for the credit, Customer is responsible for reporting any suspected latency problems to PAETEC within twenty-four hours from the time Customer became aware of the problem through the opening of a Trouble Ticket.

(iii) In addition, with respect to the World Reach Data services, PAETEC guarantees an average (in a calendar month) roundtrip latency between certain end points on the PAETEC Data Network and select international end points and between two international end points as set forth in the graph below:

Description	Average Roundtrip Latency (milliseconds)
Trans-Atlantic (London/Amsterdam – New York)	≤ 95 ms
Intra- United Kingdom	≤ 25 ms
European Network	≤ 45 ms
Pacific (Tokyo – Sacramento, CA)	≤ 150 ms
Sydney – US West (Sacramento, CA)	≤ 270 ms

Sydney – Asia (Tokyo)	≤ 200 ms
Asia – US West (Sacramento, CA)	≤ 210 ms
South America (Buenos Aires, Sao Paolo, Miami)	≤ 170 ms
Intra-Asia**	≤ 140 ms
Intra-India (Tier 1 POPs)	≤ 70 ms
Intra-India (Tier 2 POPs)	≤ 150 ms
Hong-Kong – India (Tier 1 PoPs)	≤ 140 ms
London – India (Tier 1 PoPs)	≤ 190 ms
New York – South Africa	≤ 295 ms
London-South Africa	≤ 230 ms
Intra South Africa	≤ 80 ms

\*\*Intra-Asia means Hong Kong, Kuala Lumpur, Manila, Taipei, Tokyo, Seoul and Singapore, and excludes Australia.

**C. Packet Delivery Guarantee and Remedy**

(i) The PAETEC Virtual Private Network Average Packet Delivery shall be 99.9% or greater. “Average Packet Delivery,” with respect to a given month, means the average percentage of IP packets transmitted on the PAETEC Network during such month that are successfully delivered, as measured by PAETEC.

(ii) If Average Packet Delivery falls below 99.9% during a calendar month, then upon Customer’s request (in accordance with the procedure set forth in the SLA), PAETEC will issue a credit to Customer equal to one day’s worth of the base IP access fee paid by Customer for such month. In order to qualify for the credit, Customer is responsible for reporting any suspected packet delivery problems to PAETEC within twenty-four hours from the time Customer became aware of the problem through the opening of a Trouble Ticket.

**D. Jitter Guarantee and Remedy (Not applicable to World Reach and/or Extended Reach Data customers)**

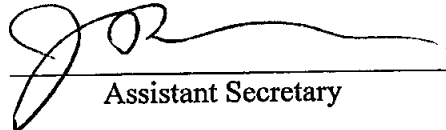
(i) The PAETEC Data Network Average Jitter Performance measurement shall be two (2) millisecond or less. “Jitter Performance,” with respect to a given month, is the average delay variation in the end-to-end delay between received packets of an IP or packet stream on the PAETEC Network during such month, as measured by PAETEC.

(ii) If Average Jitter Performance on the PAETEC Data Network for a calendar month exceeds two (2) millisecond, then upon Customer’s request (in accordance with the procedure set forth in the SLA), PAETEC will issue a credit to Customer equal to one day’s worth of the base IP MRC paid by Customer for such month. In order to qualify for the credit, Customer is responsible for reporting any suspected jitter problems to PAETEC within twenty-four hours from the time Customer became aware of the problem through the opening of a Trouble Ticket.

CERTIFICATE OF AUTHORITY

I, John B. Messenger, am Assistant Secretary of PaeTec Capital Corp., a corporation organized under the laws of the state of Delaware. I hereby certify that Jason Trewyn is the duly appointed Regional Sales Director of that Corporation, and in that capacity has the authority to execute the foregoing document and to bind the Corporation thereto.

IN WITNESS WHEREOF, I have hereunto set my name as Assistant Secretary and affixed the seal of said Corporation, this 25<sup>th</sup> day of May, 2011.

  
Assistant Secretary