

GENERAL TERMS AND CONDITIONS FOR TELECOMMUNICATIONS SERVICES

Thank you for selecting BCN Telecom as your provider for telecommunications services. These terms and conditions contain or reference general provisions that apply to all BCN Telecom products and services. These terms and conditions for telecommunications services may be modified from time to time by BCN Telecom. Customer's use of a particular product or service is also governed by the Service Term Agreement, Letter of Authorization to provide service, and any related product or service-specific terms and conditions.

For any questions regarding the BCN Telecom terms and conditions of service, please contact BCN Telecom customer service at 1-888-866-7266 or via email at customerservice@bcntele.com.

Customers can also contact BCN Telecom customer service for any questions relating to service rates and charges established on their account.

Customer shall pay BCN Telecom the rates and charges for a particular product or service as established in the service activation process and set forth in the related service order forms and exhibits. BCN Telecom reserves the right to amend or modify such rates and charges upon notice to the customer.

Fixed monthly charges shall be billed one-month in advance and usage-based charges shall be billed in arrears. Partial month billing for fixed monthly charges shall be prorated based upon service activation date. Non-recurring charges shall be billed as incurred.

BCN Telecom shall invoice the customer and customer shall pay all applicable federal, state and local taxes, fees, charges and surcharges, based upon their provision and use of the telecommunications services provided by BCN Telecom. Please find additional disclosure regarding BCN Telecom's taxing policies under "Disclosures" at www.bcntele.com. If customer is entitled to a tax exemption, customer must provide BCN Telecom with written evidence of the exemption. BCN Telecom will give effect to the exemption only after BCN Telecom has approved and accepted the submitted exemption certificate.

BCN Telecom shall invoice the customer and customer shall pay all applicable charges related to federal and state universal service fund programs (FUSF and SUSF). If customer is entitled to an exemption from FUSF or SUSF programs, customer must provide BCN Telecom with written evidence of the exemptions. BCN Telecom will give effect to the exemption only after BCN Telecom has approved and accepted the submitted exemption certificate.

Customer agrees to pay all undisputed invoice charges by the due date stated on the invoice. Any past due account balance shall be subject to a late payment charge equal to one and one-half percent (1.5%) per month of the past due balance.

In the event of a good faith invoice dispute, customer must contact BCN Telecom customer service and report the disputed amount including a description and basis for their claim. BCN Telecom shall review and respond to an invoice dispute within thirty days of notice, unless additional information or extensive research is required. Provided the customer has notified BCN Telecom and submitted an invoice dispute, Customer shall have the right to withhold payment specifically relating to the disputed amount until the final dispute resolution is communicated by BCN Telecom. All undisputed invoice charges are due and payable under normal payment terms.

BCN Telecom's provision of services is subject to credit approval of the customer by BCN Telecom. Customer may be required to submit a detailed application for credit and shall provide BCN Telecom with authorization to verify information and obtain credit reports and ratings as needed. BCN Telecom may require a deposit or other form of security during the credit approval process. Additionally, if during the term of the service the customer's financial circumstances or payment history becomes reasonably unacceptable to BCN Telecom, BCN Telecom may require adequate assurance of future payments for continuation of service.

A customer's failure to timely pay an invoice may result in disconnection of service. A disconnection of service for non-payment may further result in the customer incurring a Broken Term Penalty obligation as defined in the BCN Telecom Service Term Agreement. In the event of reconnection due to service disconnect for non-payment, a service reconnection charge shall apply. Customer agrees to pay reasonable attorney fees and/or collections fees in the event the account requires collections processing.

BCN Telecom requires Customer to provide thirty (30) days advanced written notification for cancellation of any service. Customer shall be responsible for and agrees to pay all charges through the latter of the 30th day after BCN Telecom received the notification of disconnect or the end of the month in which the customer stops using the service. Customer must provide the information necessary for BCN Telecom to complete the requested service disconnect, including but not limited to the name of the carrier services are being transferred to (if applicable). If customer requests service to be reactivated, a service reconnection charge may apply. BCN Telecom's processing of a customer requested service disconnect shall not relieve the Customer of any resulting Broken Term Penalty obligation it may incur as defined in the BCN Telecom Service Term Agreement.

In the event the customer disconnects service prior to completion of the underlying Service Term Agreement or a service disconnection occurs as a result of non-payment, BCN Telecom reserves the right to chargeback the customer for any and all waived installation or activation charges or promotional account credits.

In the event the customer enters into an agreement regarding a change in ownership which involves the transfer or disconnection of any BCN Telecom services, the customer must provide BCN Telecom with notice of such change in ownership. The customer may request a transfer or assignment of its existing BCN Telecom services to the new owner. BCN Telecom shall review the service transfer request and provide guidance and document requirements to complete the transfer of service to an account of record for the new owner. Unless expressly agreed to in writing by BCN Telecom, a change in ownership by the customer does not relieve the customer of any financial obligations or liabilities it may incur relating to its Service Term Agreement.

Access to International long distance calling shall be provided by BCN Telecom as requested by the customer. Customer can block International Long Distance calling on their account by contacting BCN Telecom customer service. Customer shall be billed the standard BCN Telecom International Long Distance service rates available at the time, unless customer-specific international long distance rates were agreed to in writing by BCN Telecom. Customer can contact BCN Telecom for International Long Distance service rates on their account for a specific international location.

Customer is solely responsible for all telecommunications service usage originating from the customer, fraudulent or otherwise. Claims of fraudulent usage originating from the customer shall not constitute a valid basis for dispute of an invoice. Customer agrees to pay any and all charges associated with fraudulent usage which is the result of inadequate or ineffective security measures which exist within the customer's premises or phone system.

BCN Telecom reserves the right to charge a short-duration-call (SDC) surcharge on any customer account which generates an excessive amount of short-duration calls. BCN Telecom shall provide advance notification to the customer in the event a SDC surcharge is enacted on the account.

BCN Telecom reserves the right to charge a High Cost Non-RBOC termination call surcharge on any customer account which generates an excessive amount of long distance calls terminating to high-cost NonRBOC territories. BCN Telecom shall provide advance notification to the customer in the event a High Cost Non-RBOC termination call surcharge is enacted on the account.

Products and services are provided "as is" and BCN Telecom disclaims all warranties expressed or implied and in particular disclaims all warranties of merchantability, fitness for a particular purpose, and warranties related to equipment material, services or software.

Limitation of Liability - Customer agrees to indemnify and hold harmless BCN Telecom from any indirect, incidental, consequential, punitive or special damages of any kind (including but not limited to business losses and lost profits) arising out of Customer's purchase and use of any BCN Telecom telecommunication services. BCN Telecom's entire liability for any claim, loss, damage or expense from any cause whatsoever, shall in no event exceed the amount actually paid to BCN Telecom by the Customer for the specific services in the month giving rise to the claim.

Force Majeure. BCN Telecom shall not be liable for any delay or failure in performance of any part of the telecommunications services provided to the customer to the extent such delay or failure is caused by events, including but not limited to, fire, flood, lighting, explosion, third-party cable cuts, accidents, local exchange carrier activities, act of terrorism, war, strike, embargo, governmental requirement, civil or military authority or Act of God, or any other causes beyond the reasonable control of BCN Telecom (each a "Force Majeure"). Any such delay or failure shall suspend BCN Telecom's performance of any part of the telecommunications services being provided to the customer until the Force Majeure ceases. Nothing herein shall relieve the customer from making payments owed to BCN Telecom for services rendered. BCN Telecom and the customer shall cooperate and exercise diligent efforts to mitigate the extent of the delay or failure resulting from a Force Majeure event and the adverse consequences thereof.

Customer should refer to BCN Telecom's policy statement regarding customer privacy and use of customer information as disclosed under "Privacy Policy" at www.bcntele.com.

For customers purchasing BCN Telecom VoIP services (Business SIP Trunks or Hosted PBX Services), please see additional terms and conditions contained in the VoIP services order form and service agreement.

TERMS AND CONDITIONS OF PHONE EQUIPMENT RENTAL

BCN Telecom shall provide customer with Hosted PBX phone rental equipment for use with BCN Telecom Hosted PBX Services (the "Rental Equipment") under the terms and conditions set forth or referenced below. In order to qualify for rental services under BCN Telecom's terms and conditions, customer must also purchase an accompanying BCN Telecom Hosted PBX service which is sold separately and not included in the Rental Equipment contract.

Rental Equipment shall be delivered to the location identified by the customer on the Rental Equipment order form. The cost of delivery of Rental Equipment shall be paid for by BCN Telecom. Customer is responsible for the cost of loss or return of the Rental Equipment should customer give BCN Telecom an incorrect shipping address.

Upon disconnect of the Hosted PBX services, customer is responsible for the return, at the expense of the customer, of the Rental Equipment to BCN Telecom within 30 calendar days of service disconnect. All Rental Equipment will be returned in the same condition as it was when originally provided to the customer, normal usage wear and tear excepted. If the Rental Equipment is not returned to BCN Telecom within 30 calendar days of service disconnect, customer will be responsible for purchasing the Rental Equipment at the replacement value of the Rental Equipment established by BCN Telecom at such time.

Customer is responsible for the costs of all damages to Rental Equipment, excluding normal usage wear and tear. Rental Equipment repair requests must be submitted by the customer to BCN Telecom for completion. In the event of damage beyond repair or loss of the Rental Equipment, customer will promptly notify BCN Telecom and pay an amount equal to the replacement value of the Rental Equipment established at such time.

The Rental Equipment is the personal property of BCN Telecom, its designee or a third party provider. Customer has no right or interest to the Rental Equipment other than as provided herein and will hold the Rental Equipment subject and subordinate to the rights of BCN Telecom. BCN Telecom reserves the right to file a financing statement to create a security interest in its leased equipment. Customer will at its own expense (i) keep the Rental Equipment free and clear of any claims and encumbrances of any kind; and (ii) make no alterations or affix any additions or attachments except as provided by BCN Telecom. Customer will not remove, alter or destroy any labels or serial numbers and will allow BCN Telecom or its designee the opportunity to inspect the Rental Equipment at any time.

Following delivery, customer will bear the entire risk of loss, theft, casualty, destruction or damage to the Rental Equipment from any cause whatsoever (collectively, the "Rental Loss") until returned to BCN Telecom. Customer will indemnify, defend and hold harmless BCN Telecom for any Rental Loss. Customer agrees to advise BCN Telecom within five business days of any Rental Loss. In no event will a Rental Loss relieve the customer of the obligation to pay BCN Telecom any amounts due under the Phone Equipment Rental Agreement or the Service Term Agreement.

All Rental Equipment is subject to certain terms and conditions for maintenance and warranty provided by the equipment manufacturer. The customer shall assist BCN Telecom in completing Rental Equipment maintenance and warranty related events.

The charges for the Rental Equipment are set forth in the Phone Equipment Rental Form and are incorporated by reference herein. BCN Telecom may cease providing services and demand the return of the Rental Equipment if payment is not made when due.

The Rental Term for each Rental Equipment device ordered by the customer will mean the twenty-four (24) consecutive months or thirty-six (36) consecutive months period of time for which the Rental Equipment will be provided by BCN Telecom for customer use as specified in the Phone Equipment Rental Form. All orders for Rental Equipment are subject to availability. The Rental Term will start on the earlier of (i) the date the installation of the Rental Equipment and activation of the BCN Telecom Hosted PBX services or (ii) thirty days following the delivery date of the Rental Equipment to the customer designated location.

Following completion of the Rental Term, BCN Telecom will continue to provide and customer will continue to pay for the Rental Equipment on a month-to-month basis at the rates specified on the Equipment Rental Form (each month constituting a "Rental Renewal Term"). During a Rental Renewal Term, BCN Telecom may discontinue or modify any or all rates and charges for Rental Equipment upon 30 days notice to the customer. During a Rental Renewal Term, customer must provide BCN Telecom with 30 days advance written notice to terminate the Rental Equipment arrangement.

During the Rental Term, if the Rental Equipment device malfunctions, fails to work properly or becomes inoperable as a result of normal use, including expected wear and tear, the customer shall promptly notify BCN Telecom. BCN Telecom, with the customer's assistance, shall attempt to trouble-shoot and resolve the performance issue and return the device to a working state. If the Rental Equipment device cannot be restored to a working state, customer shall return the Rental Equipment device, at customer's expense, to BCN Telecom. BCN Telecom shall deliver to the customer a Rental Equipment replacement device of a similar type. Subject to availability, BCN Telecom shall deliver the Rental Equipment replacement device within two business days following the request for replacement. Expedited Rental Equipment replacement device services may be available for an additional charge.

Customer will provide and maintain, at customer's own expense, at all times during the period of time following delivery of the Rental Equipment and until such Rental Equipment is returned to BCN Telecom the following insurance: (a) "All-Risk" property insurance covering the Rental Equipment for full replacement value, naming BCN Telecom or a BCN Telecom designee as a loss payee; and (b) commercial general liability insurance naming BCN Telecom as an additional insured. Upon request, customer shall provide BCN Telecom insurance certificates evidencing such insurance requirements described in sections (a) and (b), above.

TERMS AND CONDITIONS OF PHONE EQUIPMENT PURCHASE

BCN Telecom shall provide and customer shall purchase phone equipment for use with BCN Telecom Hosted PBX services (the "Purchased Equipment") under the terms and conditions as set forth or referenced below. Customer must also purchase an accompanying BCN Telecom Hosted PBX service which is sold separately and not included in the Purchased Equipment.

Purchased Equipment will be delivered to the customer location that customer identifies on the Phone Equipment Purchase order form. Delivery of Purchased Equipment will be paid for by the customer unless otherwise agreed to by BCN Telecom. Customer is responsible for loss or return of the Purchased Equipment should customer give BCN Telecom an incorrect shipping address.

The Purchased Equipment shall be the personal property of the customer. Customer is solely responsible for the costs of all damages and related repair to the Purchased Equipment. Customer is responsible for all costs of insuring the Purchased Equipment, as determined necessary.

Following delivery, customer will bear the entire risk of loss, theft, casualty, destruction or damage to the Purchased Equipment from any cause whatsoever (collectively, the "Purchased Equipment Loss"). Customer will indemnify, defend and hold harmless BCN Telecom for any Purchased Equipment Loss. In no event will a Purchased Equipment Loss relieve the customer of its obligations to pay BCN Telecom any amounts due under the Service Term Agreement relating to the customer's BCN Telecom Hosted PBX Services.

The charges for the Purchased Equipment are set forth in the Phone Equipment Purchase Form and are incorporated by reference herein. Upon delivery of the Purchased Equipment, BCN Telecom shall invoice the customer for the total cost of the purchased equipment. The BCN Telecom invoice containing the Purchased Equipment is due for payment upon receipt by the customer.

In the event the customer fails to make full and timely payment on the Purchased Equipment, BCN Telecom shall have the right to (i) request an immediate return, at the expense of the customer, of all Purchased Equipment; (ii) charge the customer an equipment restocking fee; (iii) charge the customer an equipment refurbishing fee; (iv) block or disconnect any related telecommunication services provided by BCN Telecom to the customer; and/or (v) seek all other damages and remedies made available under law. In no way does BCN Telecom's attempt to enforce these rights relieve the customer from its obligations under the Phone Equipment Purchase agreement or any Service Term Agreement established on its account with BCN Telecom.

All Purchased Equipment products manufactured by third parties are subject to certain terms and conditions for maintenance and warranty provided by the equipment manufacturer. The customer shall be responsible for activating any maintenance or warranty directly with the third party manufacturer. The customer shall be responsible for completing all maintenance and warranty related events directly with the third party manufacturer.