

TERMS AND CONDITIONS

Capitalized words not defined in these terms and conditions refer to terms described above. The term "You" and "Customer" applies to you as well as your business and "We" and "us" means Telephonica Unified Communications.

1.1 Service Term : You agree that Telephonica shall provide you the hosted Enterprise Telephone service (VoIP) accordance with the terms and conditions of this Agreement.

1.2 This Agreement is effective on the earlier of the date: (a) you accept our service offer and send us your permission in writing to start process of transferring your phone lines to us; (b) installation has commenced; or (c) you access or use the Services in section 1.1, unless otherwise determined by applicable laws. You understand and agree that you are bound by this Agreement, now and in the future.

1.3 Buy or Lease Equipment option: Customer can buy or lease Equipment from us. If Customer desires to lease the Equipment from us, We agree to lease the Equipment to Customer under the terms and conditions set forth in this Agreement.

1.4 Sales Tax: You will pay provincial sales tax, goods and service tax and/or harmonized sales tax and all other taxes applicable

1.5 All service payments are payable in advance on the first day of each month (or other payment period) during the Term of this Agreement .Your receipt of our invoice is not a condition of your obligation to pay services or other charges when due.

1.6 Unless otherwise indicated, the Service is monthly payment with (a "Fixed Term") of 60 months. The term of this Agreement ("Term") begins on the date that you purchase services (Section 1.2) and continues monthly for the duration of the Term. At the end of the term, the Term is automatically renewed for the following 60 months unless You provide US, prior to the end of the current Term, written notification of intention to terminate the service. You agree to pay for Services for the duration of the Term. Expiration of the Term does not alleviate your responsibility for paying all unpaid, accrued charges due here under.

1.7 Late charge and administration fees:

If any payment of Services or other sum payable under this Agreement is late; you will be subject to an interest rate of 2.0% per month on the unpaid balance (24% per annum) with a minimum charge being \$10 per month. You will also pay a returned cheque charge of \$45 for any dishonored cheque or pre-authorized payment. You agree to pay all other reasonable administrative fees charged by us to our Customer

If: (1) you fail to pay any service or other sum payable under this Agreement when due; (2) you fail to comply with any other term of this Agreement; (3) you default under any other agreement with us; (4) any representation made by you to us in connection with obtaining this Agreement is or becomes untrue (5) you make any assignment for the benefit of your creditors, you become insolvent, commit any act of bankruptcy, cease or threaten to cease to do business as a going concern or seek any arrangement or compromise with your creditors; (6) any proceeding in bankruptcy, receivership, liquidation, or insolvency is commenced against you or your property; or (7) we believe, acting reasonably and in good faith, that the prospect of payment to us under this Agreement is impaired; then, all Services and any other payments to the end of the Term shall immediately become due and payable on demand. You shall pay our costs of collection, re- possession of the equipment and of the enforcement of our rights, including legal costs on a solicitor-client basis. Our remedies shall be cumulative and not alternative.

1.8 Cancelling and Suspending the Services:

We'll be sorry to see you go, but if you need to, you may contact us in writing to cancel some or all of your Services with at least 30 days before the date on which you want the cancellation to be effective.

Upon cancellation, you must pay all amounts owing, including all Fees and applicable taxes for Services which have been provided up to your last date of service. In addition, to the extent permitted by applicable law, if you cancel your Service that is subject to a Fixed Term prior to its expiration date, or if we cancel for cause your Service that is subject to a Fixed Term, then you must pay the cancellation charge applicable to that Service set out in Schedule A ("Cancellation Charge"), plus applicable taxes. The Cancellation Charge is not a penalty; it is an estimate of damages we suffered as a result of your early cancellation of the Services.

To the extent permitted by applicable law, if you cancel your order prior to activation of any Service you may be charged a cancellation fee, plus applicable taxes, representing an estimate of damages we suffered as a result of your failure to activate the Service.

At any time we can, without notice and for cause, suspend or cancel the Services in whole or in part (including blocking numbers or area codes or disconnecting your access to Programming), or disable Our Equipment. Cause includes the situations listed below:

(a) you breach or fail to comply with any part of the Contract, including if: (i) you fail to pay in accordance with this Contract, you are late paying any deferred amounts under any payment arrangements with us, or you have previous past due amounts owing to us to in Section 1.4 to 1.7

(b) your use of the Services is not consistent with your ordinary usage patterns.

You are responsible to pay for the Services (including Our Equipment) even while suspended. If the reason for suspension has not been resolved within 14 days from the suspension date, we may cancel the Service and recover any of Our Equipment. If you wish to resume your subscription to any Service, you shall pay any amounts owing and the applicable installation and/or (re)activation fee set out in Schedule A, plus applicable taxes.

1.9 Lease Equipment : If customer accepts to lease Equipment with our services instead of buying Equipment, upon cancellation your Service that is subject to a Fixed Term prior to its expiration date, or if we cancel for cause your Service that is subject to a Fixed Term, then you must pay the cancellation charge set out in Schedule A ("Cancellation Charge"), plus applicable taxes. The Cancellation Charge is not a penalty; it is an estimated damage on installed Equipment before the end of its term or useful life as a result of your early cancellation of the Services.

Customer has the possibility to buy Equipment from us for the fair market value of the Equipment, determined by Telephonica and Manufacturer's Suggested Retail Price (MSRP).

1.10 Return of Equipment. Upon termination of this Agreement, you are responsible at your cost and expense, shall promptly deliver the Equipment to Telephonica at Telephonica's address set in your bill. You shall be liable to us for the fair market value of the Equipment, determined by Telephonica and Manufacturer's Suggested Retail Price (MSRP), unless you shall return the Equipment to us within five (5) business days after termination of this Agreement, in good working order, reasonable wear and tear excepted. You shall be responsible for any damage to the Equipment in shipping the Equipment back to us. In the event the Telephonica provides shipping instructions to customer, customer shall comply with such shipping instructions.

1.11 SCHEDULE A: FEES

In addition to the Fees set out in your service details, to the extent permitted by applicable law, you may be subject to some of the following account or service Fees or charges. All Fees and charges are subject to change in accordance with the Agreement. All Fees and charges are subject to applicable taxes and are per occurrence unless we specify otherwise. Additional Fees not set out below may apply depending on the Service ordered and your Service Address. We will notify you of any such additional Fees prior to being charged. Fees may be lower in certain locations, cases or where required by law.

Account Fees	Amount
Late Payment Charge	2%/month or 24%/year
NSF / Returned Payment / Pre-Authorized Payment Denial	45\$
Phone service Fees	Amount
Early Cancellation Charge for Services	50% of monthly rate before credits X no. of months remaining in the Fixed Term
Lease Equipment Fees	Amount
Early Cancellation Charge for Leased Equipment before 36 months	50% of Manufacturer's Suggested Retail Price (MSRP)
Early Cancellation Charge for Leased Equipment after 36 months	25% of Manufacturer's Suggested Retail Price (MSRP)

IMPORTANT 9-1-1 INFORMATION

We want to make sure that you are aware of important differences in the way 9-1-1 service operates with a VoIP phone when compared with traditional telephone service. Here's what you need to keep in mind:

Differences between traditional 9-1-1 service and VoIP phone 9-1-1.

With traditional phone services, your 9-1-1 call is sent directly to the nearest emergency response center. With VoIP phone service, your 9-1-1 call is forwarded to a third-party service provider that will automatically or manually route your call to the emergency response center.

Remember to verify your location.

Because you can move your VoIP phone between locations and because, for technical reasons, the emergency operator may not have your name, location or contact information available, you must immediately inform the emergency operator of your location and contact particulars any time you call 9-1-1. Do not risk sending police or ambulance services to the wrong location.

Be prepared during any service interruption.

VoIP phone service depends not only on your continued subscription (and payment) for the service, but also on Internet connectivity and power to function. In the event of power, network, or Internet outages (including congestion), or if your service is disconnected or suspended due to non-payment, you may experience a failure, disruption or delay in your 9-1-1 service. We recommend that you keep an alternative phone service (such as a cellular telephone) handy to increase the reliability of your access to emergency services during any service interruption.

Do not disconnect.

Until you are told to do so by an emergency dispatcher, do not disconnect your 9-1-1 call. If you are inadvertently disconnected, call back immediately.

Keep your service address up to date.

Telephonica will attempt to provide the emergency operator with your service address, so please ensure that your information on file with us is always accurate and updated. If you do not do this (for example, if you are unable to speak during a 9-1-1 call), the emergency operator may assume that you are calling from the last registered address.

Inform other users.

You must notify members of your business and other potential users of your VoIP phone service of the nature and limitations of 9-1-1 emergency calls.

Limitations of Liability.

Telephonica terms of service limit and disclaim liability related to VoIP 9-1-1 service, so please read these carefully.

For a complete description of our VoIP 9-1-1 service, please see Telephonica terms of service at [www.telephonica.ca /E911](http://www.telephonica.ca/E911) terms.

Description: VoIP services allow you to make or receive telephone calls over the Internet to or from the public switched telephone network. The nature of VoIP telephone calls, while appearing similar to traditional telephone calling services, create unique limitations and circumstances, and you acknowledge

and agree that differences exist between traditional telephone service and VoIP telephone services, including the lack of traditional 9-1-1 emergency services.

9-1-1 service: Because of the unique nature of VoIP telephone calls, emergency calls to 9-1-1 through your VoIP service will be handled differently than traditional phone service. The following provisions describe the differences and limitations of 9-1-1 emergency calls, and you hereby acknowledge and understand the differences between traditional 9-1-1 service and VoIP calls with respect to 9-1-1 calls placed to emergency services from your account as described below.

Placing 9-1-1 calls: When you make a 9-1-1 emergency call, the VoIP service will attempt to automatically route your 9-1-1 call through a third-party service provider to the Public Safety Answering Point ("PSAP") corresponding to your address of record on your account. However, due to the limitations of the VoIP telephone services, your 9-1-1 call may be routed to a different location than that which would be used for traditional 9-1-1 dialing. For example, your call may be forwarded to a third-party specialized call center that handles emergency calls. This call center is different from the PSAP that would answer a traditional 9-1-1 call which has automatically generated your address information, and consequently, you may be required to provide your name, address, and telephone number to the call center.

How your information is provided: The VoIP service will attempt to automatically provide the PSAP dispatcher or emergency service operator with the name, address and telephone number associated with your account. However, for technical reasons, the dispatcher receiving the call may not be able to capture or retain your name, phone number or physical location. Therefore, when making a 9-1-1 emergency call, you must immediately inform the dispatcher of your location (or the location of the emergency, if different). If you are unable to speak, the dispatcher may not be able to locate you if your location information is not up to date.

Correctness of information: You are responsible for providing, maintaining, and updating correct contact information (including name, business address and telephone number) with your account. If you do not correctly identify the actual location where you are located, or if your account information has recently changed or has otherwise not been updated, 9-1-1 calls may be misdirected to an incorrect emergency response site.

Disconnections: You must not disconnect the 9-1-1 emergency call until told to do so by the dispatcher, as the dispatcher may not have your number or contact information. If you are inadvertently disconnected, you must call back immediately.

Connection time: For technical reasons, including network congestion, it is possible that a 9-1-1 emergency call will produce a busy signal or will take longer to connect when compared with traditional 9-1-1 calls.

9-1-1 calls may not function: For technical reasons, the functionality of 9-1-1 VoIP emergency calls may cease or be curtailed in various circumstances, including but not limited to:

Failure of service or your service access device—if your system access equipment fails or is not configured correctly, or if your VoIP service is not functioning correctly for any reason, including power outages, VoIP service outage, suspension or disconnection of your service due to billing issues, network or Internet congestion, or network or Internet outage in the event of a power, network or Internet outage; you may need to reset or reconfigure the system access equipment before being able to use the VoIP service, including for 9-1-1 emergency calls; and changing locations—if you move your system access equipment to a location other than that described in your account information or otherwise on record with Telephonica.

Alternate services: If you are not comfortable with the limitations of 9-1-1 emergency calls, Telephonica recommends that you terminate the 9-1-1 services or consider an alternate means for accessing traditional 9-1-1 emergency services.

Inform other users: You are responsible for notifying, and you agree to notify, any user or potential users of your VoIP services of the nature and limitations of 9-1-1 emergency calls on the VoIP services as described herein.

Liability: Customers are advised to review this section with respect to Telephonica limitations of liability (as appropriate to each company).