

Brief Overviews of Packet Fusion's Maintenance Packages:

Packet Fusion, Inc. (PFI) is proud to offer **The City of Manhattan Beach** a high quality and focused Premium Maintenance Contract that will give your company the peace of mind that your system is fully supported and maintained.

Packet Fusion's Premium Maintenance Contract

Premium Maintenance Agreement Includes:
○ Primary Period of Maintenance: 24 x 7 x 365
○ Response Time for Major Malfunction: 1 hour by Telephone (U.S. wide) and 4 hours on-site for California locations and next business day parts replacement outside California.
○ Response Time for Minor Malfunction: 2 hours by Telephone (U.S. wide) and 12 hours on-site for California locations.
○ Repair Service and Emergency Support
○ All Software updates. Labor for 1 update is included.* (see below for details)
○ Personalized Web Portal for on-line account control, tracking and equipment inventory info
○ Remote System Maintenance and Diagnostics - VPN access required.
○ Remote Software Patch Activation – VPN access required.
○ Proactive Remote System Monitoring 24 x 7 x 365.
○ Warranty on all Equipment Provided in Schedule "A"

For more details about problem classifications, please refer to the Responsibility Classification, Appendix B, at the end of the maintenance agreement.

In addition to these services, the purchase of these contracts will entitle you to preferred rates on labor outside the scope of the contract including Traffic Studies, Scheduled Customer Care, additional Software Upgrades, System Audits (power & grounding), After-hour services, & MAC (Moves, Adds, & Changes)

Normal Business Hour Labor Rates **

- | | |
|--|------------------|
| ● Non Support Customers | \$175.00 an hour |
| ● Support Customer within California | \$125.00 an hour |
| ● Support Customers outside California | \$175.00 an hour |

* Remote labor for 1 voluntary upgrade per year is included in our annual support agreement. If the upgrade is required due to a service affecting situation, then there is no labor charged for the upgrade and does not count towards the 1 included voluntary upgrade. For each of these upgrade scenarios, if the upgrade requires on site assistance due to service affecting problems caused by the upgrade, there is no charge for onsite labor.

**Requirements for all Services:

- Any remote call that is non support related which lasts less than 15 minutes will not be billed. This is for phone or remote access.
- Minimum billed labor hours of 0.5 for remote service & 1 hour for on-site services plus trip charge of \$50.00
- After hour service rates will be based on 1.5x normal labor rates
- Travel Charges will be applied to locations 25 miles outside of PFI office areas
- All Materials will be charged separately

MAINTENANCE AGREEMENT

Packet Fusion, Inc., ("Company"), hereby enters into this Maintenance Agreement (this "Agreement") with: **The City of Manhattan Beach ("Customer")**, having its executive offices at:

- o **1400 Highland Avenue., Manhattan Beach, CA 99999**

Company and Customer intend that this Agreement shall apply to all Maintenance Orders placed by Customer with Company during the term hereof, and all Maintenance and Time and Material (T&M) Work performed by Company during the term hereof. **NOW, THEREFORE**, in consideration of sufficient good and valuable consideration received by each party, Company and Customer agree as follows:

EFFECTIVE DATE: FROM: May 19, 2015 CONTRACT TERM: 5 YEAR(S) and 90 days

CONTACT: PHONE: Email:

CHARGE: **\$17,043.06 per year** (Payable annually to: Packet Fusion, 1900 S. Norfolk Street, Suite 110, San Mateo, CA 94403). **Company acknowledges that payment for the first 15 months is included within the compensation paid by Customer to Company pursuant to the Purchase and Installation Agreement of substantially even date herewith.**

SYSTEM & CHARGE OVERVIEW (Schedule "A")

MFG: ShoreTel

1	ShoreGear 30
5	ShoreGear 50V - 50 IP phones, 2 Analog exts, 4 LS trunks, 50 mailboxes, 22 hrs of storage.
5	ShoreGear 90 (Included Additional switches for N+1 local and global redundancy)
1	ShoreGear 90V - 90 IP phones, 4 Analog exts, 8 LS trunks, 90 mailboxes, 56 hrs of storage.
4	ShoreGear 24A (Analog Stations, OPX, Paging & Fax)
3	ShoreGear T1k (PRI's)
12	19" relay rack shelf for 1/2 U ShoreGear Units
16	ShorePhone IP655 - 12-line, backlit ,touch screen, color display (Conference Rooms)
16	Remote Microphone Pod IP655 - QTY 2 (Extended Mics for IP 655 Phones)
19	ShorePhone BB 24 - Silver/Black (Will swap out for new model next year for free)
2	IP930D DECT Phone Starter Kit - (Includes Base, Handset & Charger) (DECT Phone)
4	ShorePhone IP420 - 2 line phone - Black (requires 14.x) (Courtesy Phones)
350	ShorePhone IP485G - 8 line phone Gig Color LCD - Black
335	Extension & Mailbox License (Voicemail & Unified Messaging)
62	Extension-only License (Analog Stations, OPX, Paging, Fax, Conf. Phones & Spare Analog Phones)
179	Mailbox-only License
1	Distributed Voice Services License (Distributed Unified Communications and Vmail for City Yard and Public Safety)
8	Additional Site License
335	Personal Communicator
22	Professional Communicator ("Spares" Softphone Users)
1	Operator Communicator
2	SMART PRO UPS 1500VA COMPACT 2U RM 120V 8 OUTLET
1	TRIPP LITE EXT 48V BTRY PK FOR SLCT 2U RK/TWR UPS SYS CUST PAY FRT
1	XL BATTERY PACK FOR SMART PRO 1500-3000VA 2U RACKMOUNT UPS
7	SMART PRO UPS 750VA RM 2U 120V 5-15P LINE-INT 6OUT XL USB DB9 SLOT
1	PowerEdge R410 - Single Intel Xeon E5502 / Single 160 GB HD / Single PS
1	PowerEdge R410 - Single Intel Xeon E5502 / Single 160 GB HD / Single PS
2	MDF Material (24 Port Patch Panel, IP Power Strip, 16 GB USB, Serial Cable)
7	MDF Material (24 Port Patch Panel with pre-terminated amphenol)
1	ECC Base 10 Package for release 7 and above - Includes server based software for contact center. Includes 10 Agent licenses (inbound voice / callbacks), 30 IVR Port,1 Supervisor, 2 group/agent feed licenses

10	Enterprise Contact Center Inbound Voice License for release 7 and above - Add-on 1 agent and 1 IVR Port (concurrent)
4	Enterprise Contact Center Supervisor License for release 7 and above - One concurrent supervisor license. Includes capability to access Agent manager, Director, Reports, GCCS and Wallboard Editor.
1	ShoreTel Call Recorder - Base package (5 simultaneous sessions) - Automated recording of external calls. Features rich, flexible recording profiles & web-based player for accessing recordings.
1	PowerEdge R420 - Dual Intel Xeon E5502 / Dual 100 GB HD / Dual PS
1	SA-100 appliance required to host Conferencing and Instant Messaging. Requires ShoreTel 12 or later. 50 audio / 30 web / 500 IM
1	10 Concurrent Web Conferencing Ports. Requires ShoreTel 12.3 or later
1	Multi-Tech 4-Port V.34 Fax Server
	PHONES INCLUDED ONLY FOR THE FIRST (1 st) 15 MONTHS

Equipment Excluded in Standard Maintenance Coverage: Unless listed above and approved by Packet Fusion, Inc. management. Headsets, Surge Protectors, Battery Backups, Batteries, UPS's, Old Wire, Old Cable, Jacks, Cordless Phones

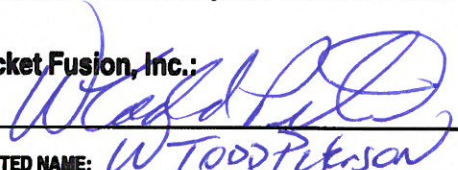
THIS AGREEMENT CONSISTS SOLELY OF THIS PAGE, THE DESCRIPTION OF THE SERVICES INCLUDED IN THE PREMIUM MAINTENANCE PACKAGE ON PAGE 1, TERMS AND CONDITIONS STATED ON PAGE 2, 3, AND 4, SCHEDULE A, AND APPENDIX B AND SUPERSEDES ANY AND ALL PRIOR AGREEMENTS, UNDERSTANDINGS, REPRESENTATIONS AND WARRANTIES, ORAL OR WRITTEN, BETWEEN THE PARTIES. NOT WITHSTANDING THE PRECEDING SENTENCE, THIS AGREEMENT DOES NOT SUPERSEDE THE PURCHASE AND INSTALLATION AGREEMENT OF SUBSTANTIALLY EVEN DATE HERewith. THIS AGREEMENT SHALL BE GOVERNED BY THE LAWS OF THE STATE OF CALIFORNIA. NO MODIFICATIONS MAY BE MADE EXCEPT IN WRITING EXPRESSLY REFERENCING THIS AGREEMENT AND SIGNED BY DULY AUTHORIZED REPRESENTATIVES OF COMPANY AND CUSTOMER.

IN WITNESS WHEREOF, Customer and Company have caused their duly authorized representatives to sign this Maintenance Agreement as of the dates indicated beneath their signatures below.

The City of Manhattan Beach:

BY: _____
 PRINTED NAME: _____
 TITLE: _____
 DATE: _____

Packet Fusion, Inc.:

BY: 
 PRINTED NAME: W Todd Peterson
 TITLE: President
 ACCEPTANCE DATE: 4-8-15

APPROVED AS TO FORM:

By 
 City Attorney

TERMS & CONDITIONS

- I. **Maintenance Services:** Customer designates Company as its sole and exclusive service agent for Maintenance Services, as defined in this Section ("Maintenance Services") for the equipment listed on page one or in Schedule "A", including any improved features and models of such equipment (the "Equipment"). In accordance with the terms and conditions of this Agreement, Company shall provide to Customer, during the term of this Agreement, Maintenance Services summarized as follows:
- (a) Remedial maintenance services upon request by Customer in order to restore malfunctioning operating component parts of the Equipment to proper working order.
 - (b) Priority response to Customer requests for remedial maintenance and/or service work over other types of Company service arrangements.
 - (c) Consultation on Equipment requirements.
- II. **Remedial Maintenance Objectives:**
- Premium Maintenance: Company's remedial maintenance objectives are:**
- (a) With respect to response times for all Equipment Malfunctions (defined in Appendix B, "Responsibility Classifications"), Company will use its best efforts to respond to "Customer" request for service within one (1) hour from "Company" receipt of Customer's telephone request for service, such response time to be calculated only during the hours of coverage selected by Customer as defined below
 - (b) With respect to on-site response times for Major Malfunctions of Equipment (classified as a Priority 1 or 2 failure as defined in Appendix B, "Responsibility Classifications"), Company's policy is to respond if needed on-site* to Customer's request for service within four (4) hours from receipt of Customer's telephone request for service. Note, any on-site labor performed for major malfunctions is covered in this agreement and provided free of charge to the "customer".
 - (c) Any service performed at Customer's request outside the hours of coverage specified above will be billed to Customer at the prevailing overtime hourly rate with a minimum two (2) hour service charge plus trip charge.
 - (d) Hours of coverage to be provided shall be Twenty-Four (24) hours a day, 7 days a week and 365 days a year.
 - (e) This maintenance agreement will entitle "Customer" to a preferred rate of \$ 125.00/hr on labor outside the scope of this contract including Traffic Studies, Scheduled Customer Care, Software Upgrades, Systems Audits (power & grounding), After-hour services, & MAC (Moves, Adds, & Changes).
- Proactive Monitoring – 24/7/365**
- (a) Proactive monitoring will be provided by Packet Fusion, inc. on a 24 hour a day, 7 day a week, 365 days a year basis.
 - (b) All alarms from the ShoreTel will be sent to our Network Operations Center (NOC) and treated in the following manner
 - a. PFI will attempt to fix the problem remotely and then notify the customer of the outcome.
 - b. If the problem is not fixed remotely, the customer will be notified and an engineer will be dispatched to site to solve the problem.
- III. **Term:** The term of this Agreement commences as of the date set forth on the first page hereof and covers the period stipulated on the first page hereof. This Agreement shall not be effective and shall not bind Company to provide any maintenance services to Customer until accepted by the signature of a duly authorized representative of Company.
- IV. **Charges and Taxes:**
- (a) Payment for Maintenance Services shall be due annually, commencing 15 months after the first day of the contract term.
 - (b) Payment for work performed on a time and materials basis ("T&M Work") hereunder shall be paid upon completion.
 - (c) Any sum not paid when due shall bear interest at one and a half percent (1.5%) per month, from the date due to the date of actual payment.
 - (d) All quoted prices exclude all applicable state and local taxes. All taxes are the responsibility of the Customer. Packet Fusion will invoice Customer for sales taxes and Customer agrees either to pay to Packet Fusion amounts covering such taxes (as determined by tax authorities) or to provide evidence necessary to sustain an exemption therefrom.
 - (e) Changes in station line quantities, port counts, equipment specifications, attachments or features may result in an adjustment of the specified Base Yearly Charge. Such adjustments will occur at the time of the change and will require notification sent from Packet Fusion to Customer.
- IV. **Conditions**
- (a) **Company's Responsibility:** Company's responsibility with respect to the Maintenance Services shall be limited to either (i) Customer's side of interconnect devices connecting the Equipment to the telephone system operated by the local telephone utility, or (ii) if no such interconnect devices exist, Customer's side of the point of connection between the Equipment and said local telephone system.
 - (b) **Unauthorized Work:** Any Maintenance, service work, or moves, adds, and changes, or other work performed on the Equipment by others during the term of this Agreement without Company's written consent, shall entitle Company to increase the charges for the Maintenance Services hereunder to adjust for any increased costs resulting therefrom. In addition, if as a result, further repairs are required by Packet Fusion to restore the equipment to good and maintainable operating conditions, such repairs will be made at Packet Fusion' T&M rates.
 - (c) **Time & Materials Work:** At Customer's request, and pursuant to a written work order, Company shall perform services and provide materials, subject to their availability, with respect to the Equipment, which service and materials otherwise exceed the scope of work performed under this Agreement. Customer agrees to pay additional charges for such services and materials, on a time and materials basis, at agreed to rate, with payment due upon completion.
 - (d) **Access:** Customer shall ensure that Packet Fusion' personnel have reasonable and immediate access to the equipment upon the arrival by Packet Fusion' personnel at Customer's site. Packet Fusion will provide Customer with designated points of contact and make all arrangements for its maintenance personnel to receive such notification. Customer shall make available to Packet Fusion, at no charge, the use of any Customer owned/controlled equipment, attachments, or features which are not covered under this Agreement, but which are necessary for the proper maintenance of equipment covered by this Agreement.
 - (e) **Toll Fraud.** Packet Fusion will adhere to the manufacture's specifications to secure the system to prevent toll fraud. In no way is Packet Fusion liable for any toll fraud that may occur.
 - (f) **Healthy and Safety Compliance:** Company and the Customer will adhere to all applicable health and safety laws, rules and regulations including the Occupational Safety and Health Administration's ("OSHA") Rules and Regulations. The Customer shall be responsible for the removal of any hazardous material (e.g. asbestos) or correction of any hazardous condition that affects Company's performance under this Agreement. Company shall have the right to suspend all work until such hazards are removed or corrected. Company shall not be liable for delays caused by such suspensions of work.
 - (g) **Equipment:** Equipment covered by this Agreement shall be in good and maintainable operating condition as of the commencement of this Agreement. Equipment (other than equipment newly purchased from Packet Fusion), is subject to inspection by Packet Fusion in order to determine that such equipment is in good and maintainable operating condition. Work determined to be necessary to bring such equipment into good and maintainable condition must be completed prior to commencement of services under this Agreement. Packet Fusion shall perform any such necessary work at prevailing Packet Fusion' rates.
 - (h) **Documentation and Record Access:** All documentation and records relating to the equipment, cable plant and software shall be made available to Packet Fusion for inspection prior to the commencement of services under this Agreement. Work determined to be necessary to bring such records into good and usable condition must be completed prior to the commencement of services under this Agreement. Packet Fusion shall perform any such necessary work at the prevailing Packet Fusion' time and material rates.
 - (i) **Additional Work:** When Customer requests services outside the scope of this Agreement, Packet Fusion will utilize its commercially reasonable best efforts to provide such services in a timely manner at Packet Fusion' T&M rates.
 - (j) **Premature Termination and Default:** Customer's Default. Upon and during a Customer Default as defined in this subsection, Company in its sole discretion may suspend Maintenance Services and other services it provides under this Agreement, and/or bill for Maintenance Services at then-applicable time and materials rates, and/or suspend all credit and perform on a cash-only basis, and/or pursue any other legal or equitable remedies available. A "Customer Default" includes: (1.) Customer's failure to meet any

payment obligation under this Agreement or any other agreement between Company and Customer, which failure continues for ten (10) days after date of written notice of such failure, or (2.) Customer's failure to perform any other material condition or material obligation under this Agreement or any other agreement between Company and Customer, which failure continues for thirty (30) days after date of written notice specifying the nature of such failure. If Company terminates this Agreement under this subsection IV(j)(2.), Customer shall be liable for any and all outstanding charges.

(k) **Customer Cancellation:** Customer may cancel this Agreement with thirty (30) days written notice to Packet Fusion providing that Packet Fusion is judged to be non-compliant with any substantive term of this Agreement and providing that Packet Fusion is given a thirty (30) day period in which to correct any such non-compliance.

V. Services Excluded: Maintenance does not include any labor or material costs for or necessitated by any of the following:

- (a) Labor and material costs of moves, additions, changes, and removals of or to the Equipment; specification or engineering changes; electrical work external to any item of Equipment; software program changes; or any operating supplies or accessories (ribbons, paper batteries of any type, magnetic tapes or similar materials).
- (b) Negligent, willful acts of Customer or any third party.
- (c) Accident, casualty (including without limitation fire and lightning, flood, earthquake, acts of God, war, riot, natural disaster damage), neglect, misuse, or any other than normal use in the manner described in the Equipment specifications and/or specified by Company.
- (d) An act or event occurring external to the Equipment which directly or indirectly causes a failure or malfunction in the Equipment, including without limitation, failures or malfunctions of trunk lines or toll lines, cables, or other equipment connecting the Equipment to the telecommunications system of the operating telephone utility, abnormal environmental conditions (e.g. water inundation), or power fluctuations or failures which adversely affect the Equipment.
- (e) Repair, maintenance, or increase in normal service time resulting from Customer's failure to provide a suitable Equipment environment as required in the Equipment specifications, or any other failure of Customer to fully perform its responsibilities under this Agreement.
- (f) Any other acts or events that may adversely affect the Equipment's performance, occasioned by acts of Customer or any third party, or Customer's or a third party's use of the Equipment in combination with any other apparatus, device, or other system not supplied or approved as to such combined use by Company.
- (g) Equipment replacement or the time and expense incurred to procure parts, modules, subassemblies, boards, components, software, and related material, when Company determines that, due to the Equipment's age or obsolescence, repair or replacement parts are not readily available, or the Equipment is beyond repair.
- (h) Continued Operator and Station User training assistance.
- (i) Charges for consulting services related to Customer's system.
- (j) Any other service not required to keep the equipment in good operating condition for normal use.

VI. Limitation of Liability

- (a) **IN NO EVENT SHALL COMPANY OR ITS SUBCONTRACTOR BE LIABLE FOR ANY SPECIAL, INDIRECT, INCIDENTAL, OR CONSEQUENTIAL DAMAGES, INCLUDING WITHOUT LIMITATION ANY LOSS OF BUSINESS, REVENUES, GOODWILL, SAVINGS, OR USE (WHETHER OR NOT SUCH DAMAGES WERE FORESEEN AT THE TIME THIS AGREEMENT WAS MADE) ARISING IN CONNECTION WITH THIS AGREEMENT, THE EQUIPMENT, AND/OR THE INTENDED USE THEREOF. THIS LIMITATION APPLIES TO CLAIMS FOUNDED ON BREACH OF CONTRACT, BREACH OF WARRANTY, PRODUCTS LIABILITY, TORT (INCLUDING NEGLIGENCE), OR ANY OTHER THEORY OF LIABILITY.**
- (b) Company's liability for direct damages under this Agreement, other than property damage or bodily injury, is limited to one (1) years' charges for Maintenance Services hereunder.
- (c) Company indemnifies and holds harmless Customer for any claims, actions, expenses, losses, damages, or liabilities for any property damage or bodily injury (including death) arising in connection with this Agreement or the Maintenance Services provided under this Agreement, except to the extent that any such property damage or bodily injury results from the negligence or willful misconduct of Customer, its officers, employees, or agents including subcontractors.
- (d) Company shall not be liable for any loss, cost, expense, or damages resulting from unauthorized calls made using the Equipment, or other fraudulent activities from Equipment.
- (e) **COMPANY MAKES NO REPRESENTATIONS OR WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, WITH RESPECT TO THE EQUIPMENT, OR ITS CONDITION, PERFORMANCE, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR ANY OTHER MATTER.**
- (f) Customer indemnifies and holds harmless Company for any claims, actions, expenses, losses, damages, or liabilities arising from allegations that the Equipment was used for illegal monitoring of calls or other illegal activities

VII. General

- (a) **Force Majeure:** Company shall not be liable or otherwise responsible for any nonperformance or delay in performance of any of Company's obligations under this Agreement during any period in which performance is prevented or hindered by any cause beyond Company's reasonable control, including without limitation, lightning strike and any other acts of God, fire, flood and other weather conditions, war, embargo, refusal of any manufacturer to provide the necessary parts and/or technical support, unavailability of or delays in transportation, strikes, labor disturbances, explosions, riots, laws, rules, regulations, and orders of any governmental authority.
- (b) **Cost of Collection:** Customer shall be liable for any expenses incurred by Company in collecting any amount due under this Agreement and any Maintenance Orders, or in enforcing any obligation under this Agreement or any Maintenance Orders, including without limitation collection agency costs, reasonable attorney's fees, and court costs.
- (c) **Assignment and Subcontracting:** This Agreement, including any Maintenance Order entered into hereunder, is not assignable by Customer without Company's prior written consent, which consent shall not be unreasonably withheld. Company may assign this Agreement and Maintenance Orders entered hereunder, in whole or in part, to an affiliate, subsidiary, joint venturer, or third party into which Company is merged or which acquires substantially all of Company's assets or control of Company; and Company may freely subcontract any or all of the work hereunder, provided that Company shall retain responsibility for the work subcontracted.
- (d) **Company Employees:** Customer agrees that neither it nor any of its affiliates will employ or offer to employ, solicit, contract with, or otherwise agree with any of Company's employees or representatives (including entities primarily owned by such employees or representatives) for the performance of maintenance, service work, or adds, moves, or changes on any equipment provided, installed, or serviced hereunder, or any other services, during the course of this Agreement and within one (1) year of its termination.
- (e) Packet Fusion' failure at any time to require strict performance by Customer of any of the provisions of this Agreement shall not waive or diminish Packet Fusion' right hereafter to demand strict compliance therewith, or with any other provision of this Agreement.
- (f) Customer represents that it has authority to enter into this Agreement and that service performed by Packet Fusion hereunder will not cause Packet Fusion to become liable to any person, firm, or corporation by reason of such performance; and in the event of allegation or assertion of such liability, Customer will indemnify and save Packet Fusion harmless from any such claim or any expense arising therefrom.
- (g) Either party may assign this Agreement with the other party's written consent, which shall not be unreasonably withheld. The assigning party agrees to indemnify the other party for loss or damage arising out of or in connection with the assignment of this Agreement. Notwithstanding the above, Packet Fusion retains the right to assign this Agreement to any other Packet Fusion' entity.
- (h) Any controversy, dispute or claim arising out of, or relating to, the interpretation of this Agreement shall be first subject to a thirty (30) day negotiation period between the parties in which each party shall disclose to the other all documents, facts, statements and any other relevant information which may have any bearing on this dispute. Should such negotiations fail to resolve the dispute, either party may refer the dispute to arbitration in accordance with the Commercial Arbitration rules of the American Arbitration Association. The decision of the Arbitrator shall be based, exclusively, upon only this Agreement the information disclosed by the parties during the negotiation period, and the law of the state in which the equipment is located. The Arbitrator's decision shall be final and binding, and judgment upon the award rendered may be entered in any court having jurisdiction thereof.
- (i) This Agreement, governed by the law of the state in which the equipment is located, constitutes the entire Agreement between the parties and supersedes all prior oral and written proposals and communications. This Agreement takes precedence over the language of any implementing Customer purchase order or similar document. No change or counter-offer to this Agreement is effective unless in writing and signed by both parties.
- (j) Any provision of this Agreement that may be judged to be in violation of local, state or federal statutes shall not cause the entire Agreement to become null and void.
- (k) No action, regardless of form, arising out of this Agreement or the transactions contemplated hereby, may be brought by either party more than two (2) years after the causes of the action arises.

VIII. Billable Items NOT covered by Maintenance

- (a) Remote VOIP Phones: All Hardware is covered. Anytime spent troubleshooting the customer's WAN/ LAN / VPN will be billed on a time and materials basis.
- (b) Desktop Applications: Unified Messaging, Faxing, SoftPhone, Personal Call Manager & TAPI applications: Company will warrant that the software provided works with the applications provided. Any troubleshooting on a customer's PC, Laptop, Notebook, LAN/WAN after implementation will be billed at a time and materials basis.

Appendix B

RESPONSIBILITY CLASSIFICATIONS:

Major Malfunction

- System Down
- System degradation and / or outage 25% or more.
- System ceased calls processing
- Loss of total console capability
- Loss of incoming or outgoing calls capability (25% or more)
- Loss of Voice Mail Voice Messaging Capabilities

Minor Malfunction

- Less than 25% system outage
- Intermittent trouble on lines or trunks
- Static on phones or trunks
- Data corruption, which renders peripheral equipment inoperative.
- All other problems not covered by Major Alarms