

increased charges by any carrier that affect COMPANY's costs in providing the Centrex Services to CUSTOMER.

3.3 Payment of all applicable sales and/or federal, state and local, sales, use and excise taxes or government mandated charges associated with the Centrex Services are the responsibility of the CUSTOMER.

4. **TERM OF AGREEMENT**

4.1 Subject to any required approvals of the state public utilities commission, this Agreement is effective on September 1, 2005 and will expire on August 31, 2007 with the option to renew for two (2) additional years on a yearly basis, at the agreement of both parties. The total term of the contract will not exceed four (4) years.

5. **TERMINATION LIABILITY**

5.1 Except as otherwise provided in this Agreement, the CUSTOMER may terminate this Agreement prior to the end of the term provided the CUSTOMER pays COMPANY a termination charge within thirty (30) days equal to the monthly recurring charge for the Centrex Services times the number of months remaining on the original or renewal term.

5.2 CUSTOMER may terminate this Agreement without termination liability for a material breach by COMPANY, provided that COMPANY has failed to cure said breach within ninety (90) days after receiving written notice of the breach from CUSTOMER.

6. **DEFAULT**

CUSTOMER shall be in default ("Default") of this Agreement in the event: (a) CUSTOMER fails to timely pay any undisputed amount due hereunder; (b) CUSTOMER fails to timely pay any disputed amount due hereunder, upon resolution of the dispute in COMPANY's favor; (c) CUSTOMER becomes insolvent, makes an assignment for the benefit of creditors, files or has filed against it a petition of bankruptcy, and such proceeding is not dismissed within forty-five (45) calendar days; (d) CUSTOMER utilizes the Centrex Services for any unlawful purpose or any purpose other than that for which the Centrex Services were intended. In the event of a Default, CUSTOMER shall reimburse COMPANY for all costs (including reasonable attorneys' fees) associated with collecting and delinquent or outstanding payments. In the event of a Default, COMPANY may, subject to applicable state public utilities commission or FCC requirements, terminate this Agreement or cancel or suspend any Centrex Services provided hereunder. COMPANY may cancel or suspend any Centrex Services used in a manner which adversely affects COMPANY's facilities or service to others. CUSTOMER shall in any event be liable for all charges accrued as of the termination, cancellation or suspension date.

7. **LIMITATION OF LIABILITY**