

ESSENTIAL TERMS AND CONDITIONS

Contract No. 1389ICB New Renewal Amendment

- Effective Date: May 22, 2009
- Expiration Date: May 21, 2010
- Renewal Options: If Customer indicates to Verizon in writing that it desires to negotiate a new contract or tariffed service arrangement to continue or replace the Services provided, the Agreement shall automatically be extended for a period not to exceed 60 days from the end of the Service Period to allow the parties to finalize a new agreement or to transition to a tariffed service arrangement. Notice must be provided by Customer at least 30 days prior to the end of the Service Period. Notice can be made by facsimile or electronic mail.
- Duration of Contract: Twelve (12) months (customer has option to extend for another 12 months)
- Description of Service: Provides caller identification per channel on outgoing calls made using Flexgrow service.
- Number of Units: Six (6) channels
- Monthly Recurring Charge: \$1.50 per channel
- Non-Recurring Charge: Not applicable to in-service units.
- Termination Liability: Twenty-five per cent (25%) of monthly rate times months remaining in Service Period.
- Location: Kirkland

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480-80-142

7(b) (iii)

Demonstrate, at a minimum, that the contract charges cover the company's cost of providing the service. Costs will be determined under a long-run incremental cost analysis, including as part of the incremental cost, the price charged by the offering company to other telecommunications companies for any essential function used to provide the service, or any other commission-approved cost method.

The attached confidential cost documentation demonstrates the contract charges cover the company's cost of providing the service.

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7 (b) (iv)

Summarize the basis of the charge(s) proposed in the contract and explain the derivation of the proposed charge(s) including all cost computations involved.

The underlying costs of the individual component elements are identified in the confidential cost documentation filed with this contract. See Exhibit A to the contract document for the detailed list of services and rates subscribed to under the agreement.

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7 (v) Indicate the basis for using a contract rather than a filed tariff for the specific service involved.

The services are offered on a contract basis because the service is not available under tariff.

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(2) Duration of contract. All contracts shall be for a stated time period.

The contract term is twelve (12) months, with a customer option for a twelve month extension..