

1. **Service Description.** North Atlantic Networks' (NAN) Hosted VOIP Services are provided on a VOIP platform and Network as well as third party applications. Service level agreements ("SLAs"), service level objectives ("SLOs"), outage credits and related warranties, as set forth in this Schedule apply only to VOIP platform and network.
2. **Service Level Agreement.** NAN Hosted VOIP platform and network shall perform in accordance with the SLA for network availability as set forth in Section 3 below. The Outage Credit set forth below in Section 4 is Customer's sole and exclusive remedy for any failure, interruption or degradation of the NAN Hosted VOIP service.
 - a. **Network Availability.** Network availability is the average percent of total time that NAN hosted VOIP services are operative when measured in a one-month (720 hour) period. NAN's Hosted VOIP Services are considered inoperative when there has been a loss of signal or when two consecutive 15 second loop-back tests confirm the observation of a bit error rate equal to or worse than 1×10^{-6} . Network availability of NAN hosted VOIP services shall be 99.999%.
3. **Service Level Objectives.** Although Outage Credits are provided as set forth below, NAN objective is to provide NAN Hosted VOIP Services that meet the following SLO. Except as specifically set forth in this SLA, NAN shall have no liability for its failure to achieve this objective.
 - a. **Mean Time to Restore ("MTTR").** MTTR objective shall be the average time required to restore NAN Connect Service and resume availability when measured in a one-month (720 hour) period. The time is measured from the moment the Outage is reported until the latter of (i) restoration of the first fiber on a cable cut or (ii) equipment is repaired and NAN Hosted VOIP Services are available. NAN has an objective of repairing network equipment within an average of two (2) hours and restoring a fiber or cable cut within an average of four (4) hours. NAN's objective is to coordinate repair efforts on equipment or cable cuts with underlying carriers when NAN first becomes aware of the problem, or when notified by Customer and Customer has released all or part of the NAN Hosted Network Services for testing.
4. **Outage Credits.** Customer acknowledges the possibility of an unscheduled, continuous and/or interrupted period of time during which NAN Hosted VOIP Services do not conform to the SLA as set forth in Section 3 above ("Outage"). In the event of an Outage, Customer shall be entitled to a credit ("Outage Credit"), which shall be credited on Customer's next monthly invoice upon request.

When the Hosted VOIP Service does not conform to the SLA as set forth in Sections 2 and 3 above, the amount of the Credit for Hosted VOIP Services shall be as set forth in the Table below and is credited in a percentage of the MRC for the affected Hosted VOIP Service.

Outage Credits

<u>Length of Outage</u>	<u>Amount of Credit (in Days)</u>
1 hour – 1 Hour 59 Minutes	3
2 Hours – 3 hours 59 minutes	5
4 Hours – 7 Hours 59 minutes	10
24 hours or more	30

Service disruptions or outages will be accumulated over the course of a billing period and will be subject to the maximum credit as shown above of the applicable MRC for Hosted VOIP Services. The number of minutes of separate and discrete Service Disruptions or Outages will be cumulated to determine the percentage of credit. In no event shall NAN's total liability for all Service Disruptions/Outages on a particular Hosted VOIP Service exceed one hundred percent (100%) of the MRC for the affected service.

5. **Exceptions.** Customer shall not receive a Service Disruption/Outage Credit if the Service Disruption/Outage is: (i) caused by Customer or others authorized by Customer to use the Hosted VOIP Service under the Agreement; (ii) due to the failure of power, facilities, equipment, systems or connections not provided by NAN or its designees; (iii) the result of network maintenance activity, (iv) with any other software and/or services provided by the Customer, or any other source other than by NAN, which may be installed to integrate with the Service, including but not limited to broadband access, voice services (local, long distance, toll free, etc) or any IP Solution (Internet access, VoIP telephone systems and services, call distribution and recording services, or (v) due to a force majeure.
6. **Planned Network Maintenance Period ("PNMP").** NAN shall avoid performing network maintenance between 5:00am to 10:00pm Local Market Time, Monday through Friday, inclusive, that will have a disruptive impact on the continuity or performance level of Customer's Hosted VOIP Service. However, the preceding sentence does not apply to restoration of continuity to a severed or partially severed fiber optic cable, restoration of dysfunctional power and ancillary support equipment, or correction of any potential or other emergency conditions. NAN will use commercially reasonable efforts to notify Customer prior to emergency maintenance. NAN shall make every effort to provide Customers with electronic mail, telephone, facsimile, or written notice of all non-emergency, planned network maintenance three (3) business days prior to performing maintenance (non-emergency) that, in NAN's reasonable opinion, has a substantial likelihood of affecting the Customers traffic/service. If NAN's planned activity is canceled or delayed, NAN shall promptly notify Customer and shall comply with the provisions of this Section to reschedule any delayed activity. PNMP will not exceed 10 hours monthly.

7. **Emergency Maintenance Period ("EMP").** It may be necessary for NAN to issue an EMP. EMPs allow NAN to schedule mandated maintenance with a shorter Customer notification interval than PMPs. EMPs are issued when maintenance is required immediately, e.g., to prevent further or repeated interruptions on NAN's network.
8. **Warranty.** NAN warrants that Hosted Network Services shall conform to the SLA set forth in Sections 2 and 3 above. NAN shall use commercially reasonable efforts under the circumstances to remedy any delays, interruptions, omissions, mistakes, accidents or errors in the Hosted Network Service and restore such Hosted Network Service to comply with the terms hereof.

THE REMEDIES AS SET FORTH IN SECTION 4 SHALL BE THE SOLE AND EXCLUSIVE REMEDIES OF CUSTOMER IN THE EVENT OF ANY FAILURE, INTERRUPTION OR DEGRADATION OF SERVICE INCLUDING AN OUTAGE AND/OR FOR BREACH OF THIS WARRANTY.