



PARTICIPATION AGREEMENT

Routing Code: 5V

Verizon Business Network Services, Inc., on behalf of the Verizon company identified in the attached Service Exhibit ("Verizon") 22001 Loudoun County Parkway Ashburn, VA 20147

("Customer"):

By: _____
Name: _____
Title: _____
Date: _____

By: _____
Name: _____
Title: _____
Date: _____

This Participation Agreement for Verizon Services, together with any exhibits, attachments, and other documents made a part hereof ("Agreement" or "PA"), is made by and between the above-named Customer and Verizon Business Network Services Inc., on behalf of Verizon New Jersey Inc. ("Verizon"). This Agreement is binding upon execution by both parties. Verizon will provide to Customer the Services set forth herein.

WHEREAS Verizon and the New Jersey State Library have entered into a Services Agreement for Transparent LAN Services ("Master Agreement"); and

WHEREAS, under said Master Agreement, Eligible Organizations who enter into a PA with Verizon may purchase from Verizon Transparent LAN Services at the rates set forth in the attached Service Exhibit for the purpose of accessing the JerseyConnect Network; and

WHEREAS the Customer is an Eligible Organization and desires to purchase such Services from Verizon and Verizon is willing to provide such Services on the terms and conditions set forth in this PA;

NOW THEREFORE, Verizon and Customer agree as follows:

General Terms and Conditions

- 1. Services. Customer hereby requests and agrees to purchase from the Verizon company identified in the attached Service Exhibit ("Verizon") the services identified in the attached Exhibit to this Agreement ("Services") pursuant to the terms and conditions of this Agreement.
2. Customer Consent to Use of Customer Proprietary Network Information (CPNI). Verizon acknowledges that it has a duty, and Customer has a right, under federal and/or state law to protect the confidentiality of Customer's CPNI.



3. Customer Responsibilities.

3.1 With respect to each Customer-designated location, Customer is responsible for taking all steps necessary to interconnect the Service at such location, including the payment of associated interconnection costs and those associated with Customer personnel, the securing of rights-of-way, and the furnishing of electrical power, heating, ventilating and cooling. The selection of AC or DC power must be mutually agreed to by Customer and Verizon.

3.2 Customer also undertakes (without limitation) to, obtain, install and maintain all equipment, materials and supplies necessary to interconnect terminal equipment or communications system of the Customer, or any third party acting as its agent ("Customer Equipment"), to the Service, as well as fulfillment of the following: (a) secure all licenses, permits, and other arrangements necessary for interconnection; (b) make necessary arrangements in order that Verizon will have access to such locations at reasonable times for installing, testing, repairing or removing the Service; (c) protect the privacy of any communications carried over Verizon's or its affiliate's facilities; (d) ensure that Customer Equipment is properly interfaced with the Service and that emit signals that: (i) are of the proper mode, bandwidth, power, data speed and signal level for the intended use of the Customer; (ii) are fully compliant with the generally accepted minimum protective standards of the telecommunications industry as endorsed by the FCC; and (iii) do not damage Verizon or its affiliates' facilities, injure their personnel or degrade service to other Verizon customers or that of its affiliates.

3.3 If Customer (or its agent, contractor, or user) fails to maintain and operate Customer Equipment properly, with resulting imminent harm to Verizon's network, Verizon personnel or other Verizon services, Verizon may, upon written notice, require the use of protective interface equipment at Customer's expense. If this action fails to produce satisfactory quality and safety results, Verizon may, immediately upon written notice, suspend the Service without liability. During any such period of suspension, any credit allowance for Service interruptions set forth herein does not apply. Customer shall also reimburse Verizon for damages to Verizon facilities caused by the negligence or willful act of Customer, resulting from Customer's improper use of the Customer Equipment or the Service.

3.4 The Services may be connected with the services or facilities of other carriers. Verizon may, when authorized by Customer and agreed to by Verizon, act as Customer's agent for ordering facilities provided by other carriers to allow such connection of Customer's locations to Verizon's network or to the network of an underlying carrier or service. Customer is responsible for all charges billed by other carriers in connection with the use of Service. Any special equipment or facilities necessary to achieve compatibility between carriers are the sole responsibility of Customer.

3.5 Customer must notify Verizon of any interruption of Service. Before giving such notice, Customer shall ascertain that the trouble is not being caused by any action or omission of Customer and is not in the Customer Equipment.

3.6 Customer is solely responsible for the selection, implementation and maintenance of security features for protection against unauthorized or fraudulent use of Services.

3.7 Neither Customer nor its agents, subcontractors, third parties or users may rearrange, disconnect, move, remove, modify, or attempt to repair any facilities or Service provided by Verizon, other than by connection or disconnection to any interface means used, without the prior written consent of Verizon.

3.8 Customer is responsible to perform any error detection and error correction of data generated by Customer Equipment. Verizon assumes no responsibility for the quality of the signal generated by the Customer or any Customer Equipment and will deliver the signal to the receiving location in the same format and condition as generated by Customer.



4. Service Limitations.

4.1 The Service may not be used for any unlawful purpose.

4.2 The facilities used to provide the Service will be exclusively of Verizon's choosing. Verizon may at any time substitute facilities used to provide the Service, or it may substitute comparable service for the Service being provided to Customer. Verizon facilities and equipment placed on Customer premises that are utilized by Verizon to provide Service remain the property of Verizon. Such facilities must be returned to Verizon by the Customer, whenever requested, within a reasonable period following the request in as good condition as reasonable wear will permit.

4.3 Verizon's provision of Service is subject to authorization to operate in the jurisdiction(s) where the Services are provided. The obligation of Verizon to provide Service is dependent upon its ability to procure, construct, and maintain facilities that are required to meet Customer's order for service. Verizon will make all commercially reasonable efforts to secure the necessary facilities, providing such Service will not adversely affect Verizon's services.

4.4 Verizon reserves the right to perform network upgrades as required to maintain the Service performance. Verizon will make reasonably commercial efforts to perform these upgrades during the hours of 11 PM and 7 AM local time and to provide notice to Customer. Verizon reserves the right to perform maintenance at any time, at its discretion, when it believes such unscheduled maintenance is necessary to maintain Service or network performance.

4.5 Except as set forth in the Exhibit, Verizon is not subject to any performance intervals, performance measurements, performance credits, penalty payments or the like associated with the performance of this Agreement.

4.6 No license (other than the limited license to use) is granted by Verizon nor may any be implied or arise by estoppel, with respect to the Service.

4.7 Common carrier interstate services that may be used with the Service will be provided pursuant to tariff rates, terms, and conditions of applicable tariffs or separate agreement. In the event a regulatory agency or the courts re-impose common carrier regulation for the Service as provided herein, the rates, terms and conditions for this Service will automatically revert to tariff rates, terms and conditions without an amendment.

4.8 The use and restoration of Service during emergency conditions will be performed consistent with applicable law and regulation.

5. Service Period. Customer shall purchase the Services identified in such Exhibit for the period of time stated in the Exhibit ("Service Period"). Unless otherwise stated in the Exhibit, the Service Period will begin when any work or installation of facilities needed to provide the Service is completed and the Service is turned over to the Customer for use. At the end of the Service Period, unless otherwise stated in an Exhibit, the terms and conditions set forth herein will continue in full force and effect until a new agreement is entered into or the Service is terminated ("Extended Service Period"). Although the terms and conditions will continue to apply, Verizon may charge its then-current month-to-month rates for the Service. Either party may thereafter cancel this Agreement without further liability by either party upon thirty (30) days prior written notice to the other party.

6. Charges. Customer is responsible for payment to Verizon, or to any entity designated by Verizon as its collection agent, for all rates and charges set forth in the Exhibit and associated with the Service, including any applicable early termination charges ("Charges"). This responsibility for payment of the Charges is not changed by virtue of any use, misuse, abuse or fraudulent use of the Service by Customer or third parties including, without limitation, the Customer's employees or other members of the public. The Charges may include: (a) non-recurring or one-time Charges that are payable when the service with which they are associated has been performed; (b) recurring Charges which are not dependent on usage (which may be billed in advance); or (c) usage Charges billed after each usage cycle associated with the Service. If an entity other than Verizon (e.g., another carrier or a supplier) imposes charges on Verizon in connection with the Service, those charges, along with any applicable Charges, will be imposed on Customer;



7. Taxes and Surcharges.

7.1 Verizon's Charges are exclusive of the following charges: (a) all applicable federal, state, local, and foreign sales, use, excise, utility, gross receipts, value added or other taxes ("Taxes"); and (b) all applicable surcharges, including but not limited to charges to recover amounts Verizon is required or permitted by a governmental or quasi-governmental authority to collect from others or pay to others in support of statutory or regulatory funds or programs ("Surcharges"). Examples of Surcharges include, but are not limited to Universal Service funding, license tax, permit fees, or franchise fees.

7.2 Verizon may elect to impose and collect such Taxes and/or Surcharges, unless otherwise constrained by court order or direction. Customer agrees to pay all Taxes and Surcharges imposed. If Customer provides Verizon with a duly authorized exemption certificate, Verizon will exempt Customer in accordance with law, effective on the date Verizon receives the certificate.

7.3 Any adjustment to, or imposition of, Taxes and Surcharges under this Section 7 may be made without prior notice to Customer.

8. Billing and Payment. Verizon will invoice Customer monthly. Customer will pay all Verizon charges (except Disputed amounts) within 30 days of invoice date or within 60 days if applicable law requires a 60 day payment period. Customer will pay a late payment charge on any amount not paid or Disputed within such 30 days, or 60 days if applicable, equal to the lesser of: (a) 1.5% per month, (b) the amount indicated in a Service Attachment, (c) the maximum amount allowed by applicable law; or (d) such interest as may be mandated by the State Treasurer under applicable law. A "Disputed" amount is one for which Customer has given Verizon written notice, adequately supported by bona fide explanation and documentation. Any invoiced amount not Disputed within 6 months of the invoice date is deemed correct and binding on Customer. Customer is liable for all fees and expenses reasonably incurred by Verizon in attempting to collect any charges owed under this Agreement.

9. Service Termination by Customer. If Customer terminates the Service subsequent to the execution of this Agreement by both parties, Customer shall pay all applicable Charges for early termination of the Service as specified in the Exhibit(s). Termination of the Service must be in writing to Verizon and Verizon has up to thirty (30) days to complete the disconnection of the Service. Customer is responsible for all Charges for the Service during such thirty (30) days. This 30-day period begins on the day Verizon receives Customer's written termination notice from Customer.

10. Suspension of Services by Verizon. In addition to its rights to suspend Service as set forth above, Verizon may suspend, or limit use of the Services provided under this Agreement without liability and with notice as required by law to Customer, for the following reasons: a) The Service is being used in violation of any applicable federal, state, or local law, ordinance or regulation; b) The Services are being used in an unauthorized or fraudulent manner; c) The use of the Services adversely affects Verizon's equipment or its service to others; d) A court or other governmental authority having jurisdiction issues an order prohibiting Verizon from furnishing the Services to Customer; or e) Customer fails to pay undisputed charges for Services provided.

11. Limited Warranty. VERIZON WILL USE COMMERCIALY REASONABLE EFFORTS TO PROVIDE THE SERVICES SUBSTANTIALLY IN ACCORDANCE WITH ANY SERVICE DESCRIPTIONS SET FORTH IN THIS AGREEMENT. IF THE SERVICES DO NOT FUNCTION SUBSTANTIALLY IN ACCORDANCE WITH SUCH SERVICE DESCRIPTIONS, THROUGH NO FAULT OF CUSTOMER OR ITS AGENTS AND NOT DUE TO SCHEDULED MAINTENANCE, VERIZON'S SOLE OBLIGATION IS TO REPAIR AND RESTORE THE SERVICES AT VERIZON'S EXPENSE AND TO PROVIDE TO CUSTOMER ANY CREDITS FOR THE AFFECTED SERVICES IN ACCORDANCE WITH THIS AGREEMENT OR THE APPLICABLE EXHIBIT. THE FOREGOING WARRANTY AND REMEDY IS VERIZON'S EXCLUSIVE WARRANTY AND CUSTOMER'S EXCLUSIVE REMEDY FOR BREACH OF WARRANTY, UNLESS OTHERWISE STATED IN AN APPLICABLE EXHIBIT HERETO. VERIZON HEREBY DISCLAIMS ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY OR OF FITNESS FOR A PARTICULAR PURPOSE, AND ANY WARRANTIES ARISING FROM A COURSE OF DEALING, USAGE OR TRADE PRACTICE.

12. Limitation of Liability.

12.1 EXCEPT FOR PAYMENT BY CUSTOMER OF AMOUNTS OWED TO VERIZON FOR SERVICES PROVIDED UNDER THIS AGREEMENT, NEITHER PARTY IS LIABLE TO THE OTHER FOR ANY INDIRECT, CONSEQUENTIAL, EXEMPLARY, SPECIAL, INCIDENTAL OR PUNITIVE DAMAGES, INCLUDING WITHOUT



LIMITATION LOSS OF USE OR LOST BUSINESS, REVENUE, PROFITS, OR GOODWILL, ARISING IN CONNECTION WITH THIS AGREEMENT, UNDER ANY THEORY OF TORT, CONTRACT, INDEMNITY, WARRANTY, STRICT LIABILITY OR NEGLIGENCE, EVEN IF THE PARTY KNEW OR SHOULD HAVE KNOWN OF THE POSSIBILITY OF SUCH DAMAGES. VERIZON'S LIABILITY TO CUSTOMER FOR ANY OTHER DAMAGES DUE TO FAILURES IN THE SERVICES OR OTHERWISE ARISING UNDER THIS AGREEMENT, WHETHER CAUSED BY VERIZON'S NEGLIGENCE OR BREACH OF THIS AGREEMENT, ARE LIMITED TO THE CHARGES FOR THE SERVICES AFFECTED BY ANY SERVICE FAILURE FOR THE PERIOD OF SUCH FAILURE, UNLESS OTHERWISE SPECIFIED AS PART OF A SERVICE LEVEL AGREEMENT IN AN APPLICABLE EXHIBIT. VERIZON MAY FROM TIME TO TIME PROVIDE ADVICE, MAKE RECOMMENDATIONS OR SUPPLY OTHER ANALYSIS RELATED TO THE SERVICES IN THIS AGREEMENT AND WHILE VERIZON SHALL USE REASONABLE EFFORTS IN THIS REGARD, CUSTOMER ACKNOWLEDGES AND AGREES THAT THIS LIMITATION OF LIABILITY APPLIES TO THE PROVISION OF SUCH ADVICE, RECOMMENDATIONS AND ANALYSIS.

12.2 Nothing contained in Section 12 excludes or limits liability: (a) under Section 16, Indemnification, or Section 7, Taxes and Surcharges; (b) for any obligation to indemnify, defend and/or hold harmless that a party may have under this Agreement; or (c) for direct damages arising out of or resulting from bodily injury to or death of any person, or damage to, or destruction or loss of, tangible real and/or personal property of any person.

13. **Force Majeure.** Neither party is liable for any delay or failure in performance under this Agreement arising out of acts or events beyond its reasonable control, including but not limited to acts of God, war, terrorist acts, fire, flood, severe weather, cut cable, explosion, riot, embargo, acts of the Government or third parties, labor disputes or strikes, or unavailability of necessary facilities or equipment.
14. **Default.** If Verizon fails to substantially perform its obligation to provide the Service in accordance with this Agreement, or if Customer fails to substantially perform its obligations hereunder in connection with the Service, and such failure is not cured within thirty (30) calendar days following receipt of a default notice in writing from the other party, then the non-defaulting party has the right to terminate this Agreement. Verizon may also terminate this Agreement if Customer's fails to pay any invoice (excluding Disputed Claim amounts) within 30 days after the invoice date, which failure has not been cured within 10 days of receiving notice of the failure to pay. Upon termination of the Agreement, Customer is liable for any unpaid charges for the terminated Service incurred up to the time of termination of the Agreement. If such termination is due to the default of Customer, then Customer is required to pay the applicable termination liability charges as set forth in the Exhibit. Termination of the Service for any cause does not release either party from any liability which at the time of termination had already accrued or which thereafter accrues for any act or omission occurring prior to the termination or from an obligation which is expressly stated in the Agreement to survive termination.

15. Intellectual Property.

15.1 Except as expressly stated in this Agreement, this Agreement may not be construed as granting a license with respect to any patent, copyright, trade name, trademark, service mark, trade secret or any other intellectual property, now or hereafter owned, controlled or licensable by either party. Except as expressly stated in this Agreement or in accordance with the terms of a separate license agreement between the Parties granting such rights, neither party may use any patent, copyrightable materials, trademark, trade name, trade secret or other intellectual property right, of the other party.

15.2 NOTWITHSTANDING ANY OTHER PROVISION OF THIS AGREEMENT, CUSTOMER AGREES THAT VERIZON HAS NOT MADE, AND THAT THERE DOES NOT EXIST, ANY WARRANTY, EXPRESS OR IMPLIED, THAT THE USE BY CUSTOMER OF VERIZON'S SERVICES PROVIDED UNDER THIS AGREEMENT MAY NOT GIVE RISE TO A CLAIM OF INFRINGEMENT, MISUSE, OR MISAPPROPRIATION OF ANY INTELLECTUAL PROPERTY RIGHT.

15.3 Customer agrees that the Services provided by Verizon hereunder are subject to the terms, conditions and restrictions contained in any applicable agreements (including software or other intellectual property license agreements) between Verizon and Verizon's vendors. Verizon agrees to advise Customer, directly or through a third party, of any such terms, conditions or restrictions that may limit any Customer use of Services provided by Verizon that is otherwise permitted by this Agreement.



16. Indemnification.

16.1 Customer shall be responsible for its own acts, and those of its employees, officers, and agents.

16.2 Verizon (the Indemnifying Party under this Section 16.2) agrees at its own cost to indemnify Customer, its affiliates, directors, officers, employees and agents (the "Indemnitees" under this Section 16.2) and to defend or, at its option, to settle, any Third Party Claim brought against the Indemnitee and pay any claim or judgment against the Indemnitee alleging that the Service or Indemnitee's use of such Service as authorized herein infringes any valid United States patent, trademark, copyright, or other third party proprietary rights. If such Third Party Claim has occurred or in the Indemnifying Party's judgment is likely to occur, the Indemnitee agrees to allow the Indemnifying Party (at its option and expense), to procure the right for the Indemnitee to continue using the applicable Service or to replace or to modify such Service so that it becomes non-infringing, or to terminate the infringing Service without liability to either party, except that the Indemnitee remains obligated to pay for such Services rendered prior to the termination pursuant to this section. The Indemnifying Party's obligations under this section do not apply to any Third Party Claim arising out of the Indemnitee's modification of the Services or combination of the Services with other services or products of others. The foregoing states the entire obligation of the Indemnifying Party to the Indemnitee, and is the Indemnitee's sole and exclusive remedy with respect to any Third Party Claim arising under this Section 16.2 or any other infringement of any intellectual property right of any kind, and the Indemnifying Party disclaims all other warranties and obligations with respect to any such Third Party Claims.

16.3 The defense and indemnification obligations set forth in this Section 16 are contingent upon (1) the Indemnitee providing the Indemnifying Party prompt, written, and reasonable notice of any Third Party Claim subject to indemnification, (2) the Indemnitee granting the Indemnifying Party the right to control the defense of the same, and (3) the Indemnitee's full cooperation with the Indemnifying Party in defense of the Third Party Claim, including providing information and assistance in defending such claim. Nothing herein, however, restricts the Indemnitee from participating, on a non-interfering basis, in the defense of the Third Party Claim at its own cost and expense with counsel of its own choosing. No settlement may be entered into by the Indemnifying Party on behalf of the Indemnitee that includes obligations to be performed by the Indemnitee (other than payment of money that will be fully paid by the Indemnifying Party under this Section 16) without Indemnitee's prior written approval.

16.4 Each party's obligations under this Section 16 will survive expiration, cancellation or termination of this Agreement.

17. **Confidential Information.** Except as required by law or regulation, each party promises that during the Service Period stated in each Exhibit, as applicable, and for three years after, it will use the other party's Confidential Information only for purposes of this Agreement, not disclose it to third parties except as provided below, and protect it from disclosure using the same degree of care it uses for its own Confidential Information (but no less than a reasonable degree of care). "Confidential Information" means information (in whatever form) designated as confidential by the disclosing party by conspicuous markings (if tangible Confidential Information) or by announcement at the time of initial disclosure (if oral Confidential Information) or if not so marked or announced should reasonably have been understood as confidential to the disclosing party (or one of its affiliates or subcontractors), either because of legends or other markings, the circumstances of disclosure or the nature of the information itself and that (i) relates to this Agreement or changes to this Agreement; (ii) relates to the disclosing party's customers, products, services, developments, trade secrets, know-how or personnel; and (iii) is received by the receiving party from the disclosing party during the Service Period. Confidential Information does not include information that: (a) is in the possession of the receiving party free of any obligation of confidentiality at the time of its disclosure; (b) is or becomes publicly known other than by a breach of this provision; (c) is received without restriction from a non-party free to disclose it; or (d) is developed independently by the receiving party without reference to the Confidential Information. In addition, information, whether or not Confidential Information, may be disclosed by a receiving party as may be required by applicable law, rule, regulation, or lawful process, including the New Jersey Open Records Act, N.J.S.A. 47:1A-1 et seq.

18. **Law Enforcement.**

18.1 Each party may cooperate with law enforcement authorities and national security authorities to the full extent required or permitted by applicable law in matters related to the Services provided by it under this Agreement, including the production of records, the establishment of new lines or the installation of new services on an existing line in order to support law enforcement and/or national security operations, the



installation of wiretaps, trap-and-trace facilities and equipment, and dialed number recording facilities and equipment.

18.2 *A party does not have the obligation to inform the other party or the customers of the other party of actions taken in cooperating with law enforcement or national security authorities, except to the extent required by applicable law.*

- 19. Entire Agreement; Severability.** This Agreement, including Exhibits and any Addenda made a part hereof, constitutes the entire agreement of the parties pertaining to the subject matter herein and supersedes all prior agreements, negotiations, and representations, whether written or oral, concerning such subject matter. No representations or warranties express or implied, have been made or relied upon in the making of this Agreement other than those specifically contained in this Agreement. Unless specified otherwise, this Agreement may be modified or amended only if done in writing and signed by both Parties. All provisions of this Agreement are severable, and the invalidity or unenforceability of any provision will not affect the validity or enforceability of the remaining provisions. The remaining provisions will be interpreted in such a manner as to carry out the full intention of the parties.
- 20. Waiver.** Either party's failure to enforce any of the provisions of this Agreement or to exercise any right or option is not a waiver of any such provision, right, or option, and does not affect the validity of this Agreement. Any waiver must be written and signed by the Parties. If any provision of this Agreement or the provision of any Service under the terms hereof is held to be illegal, invalid, or otherwise prohibited under applicable law or regulation in any State or jurisdiction, then this Agreement must be construed as if not containing such provision or not requiring the provision of such invalid, illegal, or prohibited Service in such State or jurisdiction.
- 21. Independent Contractor Relationship; No Agency.** The personnel of Customer and of Verizon are not agents or employees of the other and Customer and Verizon are each an independent contractor for all purposes and at all times in connection with provision of Services under this Agreement. Except as otherwise provided herein, neither Customer nor Verizon has the right or authority to, and shall not, assume or create any obligation of any nature whatsoever on behalf of the other or bind the other in any respect whatsoever.
- 22. Assignment.** Either party may assign this Agreement or any of its rights hereunder to an affiliate or successor upon notice to the other party. If Customer assigns this Agreement to an affiliate or successor, then that affiliate or successor must meet Verizon's creditworthiness standards for the assignment to become effective. Any attempted transfer or assignment of this Agreement by one party to any other third party without prior written consent is null and void.
- 23. Notices.** All notices, requests, or other communications (excluding invoices) hereunder must be in writing and transmitted via overnight courier, electronic mail, hand delivery, or certified or registered mail, postage prepaid and return receipt requested to the Customer and to Verizon at the addresses below, unless otherwise stated in the Agreement.

To Customer	With a copy to:

To Verizon Operation Center	With a copy to:
Verizon Business Services 6415-6455 Business Center Drive Highlands Ranch, CO 80130 Attn: Customer Service or via email to: notice@verizonbusiness.com	Verizon Business Services 22001 Loudoun County Parkway Ashburn, VA, 20147 Attn: Vice President, Legal.

- 24. Compliance With Laws.** Each party shall comply with the provisions of all applicable federal, state, and local laws, ordinances, regulations and codes in its performance under this Agreement. The Services are subject to such orders, rulings, and tariffs now or hereafter issued or filed with the Federal Communications Commission (FCC) and/or the applicable state regulatory commission if and to the extent required by law. In the event of a



conflict between the terms of any such tariffs and this Agreement, the terms of such tariffs will apply to the extent required under applicable law.

25. **Applicable Law.** In the event of any claim or dispute, the laws of the State of New Jersey will apply, without regard to its choice of law provisions including but not limited to the New Jersey Tort Claims Act, N.J.S.A. 59:1-1 et seq. and the New Jersey Contractual Liability Act, N.J.S.A. 59:13-1 et seq.
26. **Interpretation.** Nothing in this Agreement may be construed or interpreted for or against either Customer or Verizon because that party drafted or caused that party's legal representative to draft any of its provisions.
27. **Limitation of Actions.** A party may bring no action or demand for arbitration arising out of this Agreement more than two (2) years after the cause of action has accrued. The parties waive the right to invoke any different limitation on the bringing of actions under state or federal law. Verizon will make no refund of overpayments by Customer unless the claim for such overpayment, together with proper evidence, is submitted within two (2) years from the date of the alleged overpayment.
28. **Good Faith Performance.** The Parties shall act in good faith in their performance of this Agreement. Except as otherwise expressly stated in this Agreement (including where consent, approval, agreement or a similar action is stated to be within a party's sole discretion), where consent, approval, mutual agreement or a similar action is required by any provision of this Agreement, such action will not be unreasonably withheld, conditioned or delayed.
29. **Publicity.** Notwithstanding any contrary term in this Agreement, a party may not issue or permit issuance of a press release or other public statement concerning this Agreement without the written consent of the other party and then only after the contents of such release or statement is agreed upon by the parties.
30. **Order of Precedence.** The contractual relationship between Verizon and Customer is governed by the following order of precedence with the item following (i) given the highest order of precedence in resolving conflicts in terms: (i) Exhibits, and (ii) these terms and conditions.
31. **Authority.** Each signatory to this Agreement represents and warrants that he or she has authority to bind the entity on whose behalf he or she is executing this Agreement.



Interstate Transparent LAN Service

Verizon company name: Verizon New Jersey Inc. (referred to in this Exhibit as “Verizon”)

State: New Jersey

Customer name: _____

Case No.: 2010-509117

The terms and conditions of this Exhibit apply to interstate Transparent LAN Service (“TLS” or “Service”) to Customer.

1. Definitions.

- 1.1 **Ethernet:** Ethernet refers to a data communications protocol defined by standards 802.3, 802.3u, 802.3z, and related standards of the Institute of Electrical and Electronics Engineers.
- 1.2 **User Network Interface (“UNI”):** The UNI provides the Ethernet connection from Verizon's switch to the Customer designated location.
- 1.3 **UNI Port with Access Line Connection:** The UNI Port with Access Line Connection (or “Access Line”) provides a link from a Customer location to a Verizon switch and the appropriate port interface connection.
- 1.4 **Ethernet TLS EVC:** The Ethernet TLS Ethernet Virtual Circuit (“EVC”) provides an Ethernet point-to-point virtual connection between Customer locations and between two UNIs or between a UNI and an Network to Network Interface (NNI). Ethernet TLS EVC is only available with Ethernet Relay Service (“ERS”). Depending on the Customer’s requirements, the capacity of the EVC may be allocated between the following service classes:
 - 1.4.1 **ERS Standard:** Designed for Customer applications where the Committed Information Rate (“CIR”) equals 0 and Excess Information Rate (“EIR”) equals the number of Mbps of the selected ERS Standard EVC service class; ERS Standard is only available with ERS Standard class of service.
 - 1.4.2 **ERS Basic (“ERS-B”):** Designed for Customer applications where the CIR equals 0 and EIR equals the number of Mbps of the selected ERS Basic service class;
 - 1.4.3 **ERS Priority Data (“ERS-PD”):** Designed for Customer applications where the CIR equals the number of Mbps of the selected ERS Priority Data service class and the EIR equals the number of Mbps of the selected ERS Priority Data service class;
 - 1.4.4 **ERS Real Time (“ERS-RT”):** Designed for Customer applications where the CIR equals the number of Mbps of the selected ERS-Real Time service class and the EIR equals 0.
- 1.5 **Fiber Path Diversity:** Fiber Path Diversity (“FPD”) means that two fiber pairs will be provided as part of Protected Diverse optical transport system. Such fiber pairs will be placed in physically separate paths (e.g., different conduit paths) and separated by at least 25 feet. Such 25-foot separation is not provided a) on Customer’s property, even if past the Point of Termination; b) 500 feet out from the property line of the Customer location; and c) 500 feet out from any Verizon central office location. Customer may request dual entrance facilities to be installed at the Customer premises and Verizon central offices (where 25 foot separation would be provided), provided that Customer pays additional construction charges under Section 3.1 as may be applicable.
- 1.6 **Point of Termination:** The Point of Termination refers to the point of demarcation between Verizon’s facilities and the customer-designated location. Verizon's responsibility for the provision of TLS ends at the Point of Termination and includes the Verizon-provided network interface. Customer is responsible for all facilities on the premises side of the network interface, including any inside wire required in connecting the LAN to the TLS service equipment.
- 1.7 **Closed User Group (“CUG”):** CUGs or virtual LANs are used to provide traffic separation among customers on Verizon’s shared switch and backbone facilities. Customer users in a CUG can only access such Customer’s own data.
- 1.8 **Network Interface Device:** The network interface is the LAN interface on the Service equipment at Customer’s premises.
- 1.9 **Wire Center:** A Verizon building in which one or more central office switches, and cross connection equipment used for the provision of Verizon telecommunications services are located.



- 1.10 **Direct Fiber Transport Connectivity Options:** The standard customer connectivity model for UNI Port with Access includes direct fiber or existing transport facilities between the customer's location and the TLS-equipped central office.
- 1.11 **Optical Transport Connectivity Options:** The standard customer connectivity model for UNI Port with Access includes direct fiber or existing transport facilities between the customer's location and the TLS-equipped central office. Optical transport connectivity provides TLS connectivity over optical transport facilities between the Customer premise and the TLS equipped central office. Where optical transport connectivity is available and compatible with Customer's requirements, Customer may select from the following configurations:
 - 1.11.1 **Protected Non-Diverse:** This optical transport connectivity offers an alternate (although not provided with FPD) facility between Customer's location and the TLS equipped central office. For the 1000 Mbps speed, at least one node of the optical transport system must be located in a TLS equipped central office.
 - 1.11.2 **Protected Diverse:** This optical transport connectivity offers an alternate facility designed with FPD between Customer's location and the TLS equipped central office. For the 1000 Mbps speed, at least one node of the optical transport system must be located in a TLS equipped central office.
 - 1.11.3 **Protected Private:** This optical transport connectivity is provided over a dedicated private ring which the Customer has purchased from Verizon under a separate agreement or tariff. At least one node of the private ring must be located in a TLS equipped central office.
- 1.12 **Transport:** a TLS rate element for interoffice mileage. Transport is sometimes referred to as "Mileage" or "Interoffice Mileage".
- 1.13. **JerseyConnect Network.** Statewide technology services organization and network infrastructure delivered through Customer to provide low cost internet access and related services to public libraries in New Jersey.
- 1.14 **Eligible Organizations.** Entities utilizing the Service for the purpose of accessing Customer's JerseyConnect Network.

2. Service Description.

- 2.1 TLS is a connection-less and connection-oriented, high speed data service which provides Ethernet transport and allows connectivity among multiple Customer-designated locations over a shared network and utilizes Ethernet to transport Customer data between Customer locations.
- 2.2 Customer must select EMS (also known as Ethernet LAN Service or "ELAN") or ERS (also known as Ethernet Virtual Private Line Service) for each domain or group of Service access lines designated by Customer. Connectivity cannot be established between EMS and ERS service types. EMS and ERS are described as follows:
 - 2.2.1 EMS is a connection-less service that provides multipoint to multipoint connectivity among multiple Customer designated locations within a metropolitan serving area. With EMS, the TLS service utilizes CUGs that provide traffic separation on the shared switch and backbone, permitting subscribers in a CUG to access only their own data. Customer may have more than one domain, but connections between Service domains are not permitted. EMS is available as a Standard class of service or Real Time class of service. The Standard class of service provides a CIR equal to zero. EMS Standard Access is available at speeds of 10, 100 and 1000Mbps. The Real Time class of service provides a CIR equal to the number of Mbps of the selected EMS service class and an EIR equal to 0 ("EMS Real Time Access"). EMS Real Time Access is available at 100 and 1000 Mbps. Customer may select to have EMS provisioned over an optical transport system.
 - 2.2.2 ERS is a connection-oriented service that provides point-to-point connectivity between Customer locations within a metropolitan serving area. With ERS, the TLS service provides point-to-point virtual connectivity between two Customer access lines or between Customer's access line and an NNI. The ERS Standard class of service is only available for existing networks and will only support the ERS Standard EVC. ERS Premier is a class of service that allows Customer to allocate portions of a given EVC between ERS-B, ERS-PD and ERS-RT ("ERS Premier Access"). ERS Premier Access is available at 10, 100, 1000 Mbps and 10 Gbps. Customer may select to have ERS Premier class of service provisioned over an optical transport system compatible with ERS.
- 2.3 TLS includes entrance cable or drop wiring and wire or intrabuilding cable to the Point of Termination. TLS has only one Point of Termination per Customer location. Verizon is responsible for the installation, operation and maintenance of TLS only up to the Point of Termination, which includes the network interface. Verizon will test TLS to the extent necessary to detect and/or clear troubles and to perform maintenance of TLS as needed. Additional terminations beyond the Point of Termination are the sole responsibility of the Customer. Construction of TLS will not begin until the design and configuration are mutually agreed to by Customer and Verizon. Customer is responsible for any inside wire required in connecting its LAN to Verizon's TLS equipment, any installation, operation, and maintenance of any Customer-provided equipment.
- 2.4 Verizon may perform maintenance on TLS at any time, at its discretion, when it believes such maintenance is necessary to maintain network performance. It may also be necessary for Verizon to perform network upgrades



to TLS. Verizon will make commercially reasonable efforts to provide Customer with notification of such network upgrades.

- 2.5 TLS may be connected to other Verizon services provided under applicable tariffs, to the extent such service connection is technically feasible.
- 2.6 TLS Mileage, if required by the network configuration, will be charged at Verizon's prevailing rate, unless otherwise indicated in this Exhibit.

3. Services and Quantity Commitments.

3.1 Customer agrees to purchase the following TLS from Verizon at the monthly recurring charges ("MRC") and quantities set forth below for the Service Period as defined below. Such charges will be fixed for the duration of the Service Period. Any other work, services or facilities required will be provided subject to prevailing tariff rates and charges, or if no tariff is applicable, as mutually agreed to by the parties and reflected in an amendment to this Agreement. Additional charges may be applied if Verizon incurs costs for space and power required to place TLS equipment on Customer's or third party property. Customer shall promptly provide Verizon with any documentation or information necessary for Verizon to implement the TLS set forth below.

TLS/EVPL Rates:	Column A	Column B
Service Rate Element	MRC/Unit for 1 to 74 Premier Access Lines	MRC/Unit for 75 or more Premier Access Lines
10Mb Premier Access Line (EVPL)	\$600.00	\$550.00
100Mb Premier Access Line (EVPL)	\$810.00	\$760.00
1000Mb (GigE) Premier Access Line (EVPL)	\$1,100.00	\$1,015.00

Note 1: Customer agrees to order an initial quantity of _____ Premier Access Lines hereunder upon signature of this Agreement. Rates in Column B will apply during the Ramp Period. At the conclusion of the Ramp Period, the rates will be adjusted based on the total quantity of Premier Access Lines that are in-service under the terms of this Agreement and under the terms of the Participation Agreements signed by Eligible Organizations for connection to the JerseyConnect Network ("Total EO Quantity"). Such rates in Column B will apply after the Ramp Period if and only if the Total EO Quantity in-service on the date the Ramp Period ends equals or exceeds 75 Premier Access Lines (the "Minimum Commitment"), and remains equal to or greater than the Minimum Commitment thereafter during the Service Period. If at the end of the Ramp Period, the Total EO Quantity is less than 75 Premier Access Lines, the MRC that will be required to be paid thereafter will be the rates in Column A.

Note 2: In the event that Verizon determines Mileage charges apply to the Services provided hereunder, the Customer will be responsible for such charges for the actual Mileage based on airline fiber mileage.

Note 3: In connection with providing the Service, special construction of Verizon network facilities may be required ("Special Construction"). Special Construction charges are in addition to the rates specified above.

Note 4: Special Construction charges, if applicable, are in addition to the MRCs.

EVC Rates:

	Basic	Priority Data	Real Time
1M EVC Bandwidth	\$ 35	\$ 35	\$ 40
2M EVC Bandwidth	\$ 35	\$ 35	\$ 80
3M EVC Bandwidth	\$ 35	\$ 45	\$ 120
4M EVC Bandwidth	\$ 35	\$ 60	\$ 160
5M EVC Bandwidth	\$ 35	\$ 75	\$ 200
6M EVC Bandwidth	\$ 50	\$ 90	\$ 240
7M EVC Bandwidth	\$ 50	\$ 105	\$ 280
8M EVC Bandwidth	\$ 50	\$ 120	\$ 320
9M EVC Bandwidth	\$ 50	\$ 135	\$ 360



10M EVC Bandwidth		\$ 50	\$ 120	\$ 320
20M EVC Bandwidth		\$ 195	\$ 300	\$ 800
30M EVC Bandwidth		\$ 270	\$ 450	\$ 1,100
40M EVC Bandwidth		\$ 270	\$ 600	\$ 1,300
50M EVC Bandwidth		\$ 270	\$ 600	\$ 1,200
60M EVC Bandwidth		\$ 290	\$ 900	\$ 1,700
70M EVC Bandwidth		\$ 290	\$ 1,050	\$ 1,900
80M EVC Bandwidth		\$ 315	\$ 1,200	\$ 2,100
90M EVC Bandwidth		\$ 315	\$ 1,350	\$ 2,300
100M EVC Bandwidth		\$ 315	\$ 1,200	\$ 2,000
200M EVC Bandwidth		\$ 600	\$ 1,650	
300M EVC Bandwidth		\$ 630	\$ 1,800	
400M EVC Bandwidth		\$ 630	\$ 1,950	
500M EVC Bandwidth		\$ 630	\$ 1,700	
600M EVC Bandwidth		\$ 650		
700M EVC Bandwidth		\$ 650		
800M EVC Bandwidth		\$ 675		
900M EVC Bandwidth		\$ 675		
1000M EVC Bandwidth		\$ 675		

- 3.2 **Eligible Organizations.** Each Eligible Organization will enter into a separate Participation Agreement with Verizon, signed by both Verizon and such Eligible Organization. Each Eligible Organization will be financially responsible to Verizon for its payment for Services thereunder and its other obligations under such Participation Agreement.
- 3.3 **Service Period.** Customer agrees to purchase the Services at the rates set forth above and in the quantities ordered for a period of sixty (60) consecutive months (the "Service Period"). The Service Period for each Premier Access Line shall commence on the In-Service-Date (as defined below). The In-Service Date is the date after the Effective Date of the Agreement when Verizon informs the Customer that the TLS has been installed and is available for Customer's use. For TLS already installed, the In-Service Date is the Effective Date of the Agreement. Billing for TLS shall commence on the In-Service Date. All EVCs will be provided on a month to month basis. Each Premier Access Line installed is subject to a Service Period of sixty (60) consecutive months.
- 3.4 **Additional Quantities: Access Lines and Ethernet TLS EVCs:** The Customer may add additional quantities of those service rate elements shown in Section 3.1 to existing locations or new locations by written or electronic request to Verizon, but without an amendment to the Agreement. The provision of such added services is subject to the terms and conditions of this Agreement and at the rates set forth above. Additional Interoffice Mileage may apply if the added Access Lines cannot be provided from an installed TLS serving Wire Center. EVCs will be provided on a month to month basis and Customer may add Ethernet TLS EVCs at any time subsequent to the In-Service Date of TLS by written or electronic request to Verizon, but without an amendment to the Agreement.
- 3.5 **Ramp Period:** Customer acknowledges that the MRCs for the TLS are contingent upon installation of the agreed-to quantities set forth in this Exhibit in Section 3.1 ("Minimum Commitment") for the applicable Service Period. The Minimum Commitment of TLS must be installed no later than twenty four (24) months from the date the Service Agreement was signed by both the New Jersey State Library and Verizon (the "Ramp Period"). The Minimum Commitment of TLS set forth in Section 3.1 must be installed on or before the end of the Ramp Period, and if not installed by such time Verizon may at any time thereafter adjust the MRC for all Premier Access Lines provided under this Agreement, whether installed during or after the Ramp Period, for the remainder of the Service Period. Any such adjustment shall be based on the total quantity of Service installed by the New Jersey State Library and its Eligible Organizations during the Ramp Period and continued in-service thereafter, and will



be made without an amendment to the Agreement. Such adjusted MRCs will thereafter apply to new TLS ordered after the Ramp Period as well as to TLS installed prior the end of the Ramp Period.

4. Cancellation and Termination Charges.

- 4.1 If the Customer cancels TLS subsequent to execution of this Exhibit by both parties, but prior to the In-Service Date of such service, Customer shall pay Verizon its actual incurred costs of provisioning the TLS and any associated New Construction up to the point of such cancellation. Cancellation must be in writing to Verizon.
- 4.2 Following the In-Service Date, termination charges shall apply to each circuit terminated except as indicated below. If the Customer terminates any or all of the circuits covered by this Exhibit before the end of the Service Period, the Customer must pay a termination charge for each affected circuit equal to 100% of the applicable MRCs for each affected circuit for the first 12 months of the Service Period plus 75% of the applicable MRCs for each affected circuit for the remainder of the Service Period. Any such termination charge shall be due and payable in one lump sum within thirty (30) days of billing. Customer is also responsible for all charges incurred up to the date of any TLS terminated. EVCs are not subject to termination charges.
- 4.3 Unless otherwise agreed to by Verizon, Customer may not move, change or replace the TLS without incurring Termination Charges in accordance with Section 4.2. However, Termination Charges will not apply under the following conditions:
 - 4.3.1 Customer moves its existing Service either to a new location within the same address and/or same building (inside move) or to a new location (outside move) and maintains that service for the remainder of the Service Period; or
 - 4.3.2 The Customer converts to a new Service Period for the same TLS before the current Service Period expires, and the dollar value of the TLS under the new Service Period is equal to or greater than the remaining dollar value of the current TLS under the existing Service Period; or
 - 4.3.3 Customer upgrades TLS to a higher speed or capacity of such service ("Upgraded Service"), provided the following conditions are met: (a) The total monetary value of the Upgraded Service for the applicable Service Period is equal to or greater than the remaining monetary value of the existing TLS under the existing Service Period; (b) both the existing and Upgraded Service is provided solely by Verizon; and (c) the order to discontinue the existing TLS and the order for the Upgraded Service are received by Verizon at the same time.

5. Additional Provisions.

- 5.1 **Interstate Certification.** Customer warrants and represents that more than ten percent (10%) of the traffic transported over the TLS provided herein is interstate in nature.
- 5.2 **Facilities.** Additional charges may be required if suitable Facilities are not available to provide TLS at any location, or if any additional work, services, or quantities of TLS are provided. In the event installation of additional network Facilities is required to provide TLS, Verizon will inform Customer of such additional charges, and Verizon will install such Facilities only upon mutual written agreement of the parties to such additional charges. If Customer does not agree to pay such charges, then this Agreement will be subject to termination by Verizon without application of the termination charges described herein.
- 5.3 **Customer Purchase Orders.** The terms and conditions contained on a Customer purchase order document (whether signed by one or both parties) shall not serve to modify the terms and conditions of the Agreement or this Exhibit and such terms and conditions shall be void and of no effect.
- 5.4 **Locations.** TLS shall be provided to Customer under the terms hereof at locations mutually agreed upon between Customer and Verizon ("Locations").

