



Wexford County

FINANCE & APPROPRIATIONS COMMITTEE

Mike Musta, Chair

NOTICE OF MEETING

The Finance and Appropriations Committee of the Wexford County Board of Commissioners will hold a regular meeting on Wednesday, January 25, 2023, beginning at 4:00 p.m. in the Commissioners' Room, 437 E. Division St., Cadillac, Michigan.

TENTATIVE AGENDA

- A. CALL TO ORDER
- B. ROLL CALL
- C. ADDITIONS / DELETIONS TO THE AGENDA
- D. APPROVAL OF THE AGENDA
- E. APPROVAL OF THE JANUARY 12, 2023, REGULAR MEETING MINUTES 1
- F. PUBLIC COMMENTS
Designated for topics on the agenda only.
- G. AGENDA ITEMS
 - 1. Approval of the Claims (*A. Nyman, County Clerk*)
 - 2. Updated TelNet Service Agreement..... 3
- H. CORRESPONDENCE
- I. ADMINISTRATOR'S COMMENTS
- J. PUBLIC COMMENTS
- K. COMMITTEE COMMENTS
- L. CHAIR COMMENTS
- M. ADJOURN

WEXFORD COUNTY
FINANCE & APPROPRIATIONS COMMITTEE MEETING
 REGULAR MEETING MINUTES
 January 12, 2023

The Finance and Appropriations Committee regular meeting was called to order by Chair Michael Musta at 4:00 p.m., in the Commissioners' Room, Third Floor, Historic Courthouse, 437 E. Division St. Cadillac, Michigan.

Members Present: Michael Musta, Chair; Brian Potter, Gary Taylor, and Julie Theobald.
 Members Absent: None.
 Also Present: Jami Bigger, Deputy County Administrator/HR Director; Mike Boyd, Selma Township Supervisor; Megan Kujawa, Sr. Executive Assistant (*Extended Meeting Room via Zoom); Lt. Mike McDaniel, Sheriff Department; Joe Porterfield, County Administrator/Equalization Director; and Roxanne Snyder, Register of Deeds.

**Extended meeting room offered on the ground floor to accommodate for the elevator being out of service.*

ADDITIONS OR DELETIONS TO THE AGENDA

None.

APPROVAL OF THE AGENDA

A motion was made by Comm. Taylor and supported by Comm. Theobald to approve the agenda. A vote was called, all in favor. Motion passed, 4-0.

APPROVAL OF THE MINUTES

A motion was made by Comm. Theobald and supported by Comm. Taylor to approve the December 27, 2022 Regular Meeting Minutes. A vote was called, all in favor. Motion passed, 4-0.

PUBLIC COMMENTS

Mike Boyd, Selma Township Supervisor, asked the Committee to consider and approve grant monies from the ARPA funds to assist the Lake Mitchell Sewer Authority.

AGENDA ITEMS

G.1. Approval of Claims

A motion was made by Comm. Potter and supported by Comm. Theobald to approve paying the bills in the amount of \$553,331.89. A vote was called, all in favor. Motion passed, 4-0.

G.2. Radio Upgrades - Jail

A motion was made by Comm. Taylor and supported by Comm. Theobald to forward a recommendation to the full board to waive the competitive bidding requirement and to approve radio upgrades in the amount of \$76,540.88 from the Sheriff Department's 2022 Budget.

Chair Musta commented that this was discussed last year. Comm. Potter asked Lt. McDaniel if this was something that was budgeted for. Lt. McDaniel informed the Committee that this was not a planned purchase but there are funds left in the 2022 budget to cover the purchase. The committee discussed the need for the radio upgrades.

A vote was called, all in favor. Motion passed, 4-0.

G.3. Taser Replacements - Jail

A motion was made by Comm. Theobald and supported by Comm. Potter to forward a recommendation to the full board to waive the competitive bidding requirement and to approve the purchase of taser replacements in the amount of \$19,148.70, with funds from the Sheriff Department's 2022 Budget.

Comm. Taylor inquired about the typical life expectancy of the tasers. Lt. McDaniel stated that it is normally 6 years. He discussed with the committee the need for the new tasers to replace the current ones in the jail.

A vote was called, all in favor. Motion passed, 3-0.

CORRESPONDENCE

None.

ADMINISTRATOR'S COMMENTS

Mr. Porterfield informed the committee that in June the Board had approved matching funds for a grant for the Northern District Fair. The Fair Board has not yet utilized the grant, so this may come back before the board.

Mr. Porterfield stated that looking into the future of the budget when the extra funds are not there to balance the budget, there needs to be more conservative planning and use of the budget.

Comm. Potter stated that he would like some clarification regarding the Lake Mitchell Sewer Authority requesting ARPA funds when it has not been to the ARPA committee, the Finance committee, or the Board. Mr. Porterfield stated that former Commissioner Mike Bengelink was working with the authority, the ARPA Committee and Administration to get an attorney approved contract to present back to the committees and then to the Board, like it was done with the Manton Library. County legal drafted an agreement that was sent to the LMSA for review. The Lake Mitchell Sewer Authority's attorney suggested some slight changes. Once the changes have been approved by the county's legal counsel, it will go before the ARPA Committee for consideration.

PUBLIC COMMENTS

None.

COMMITTEE COMMENTS

None.

CHAIR COMMENTS

None.

ADJOURN

A motion was made by Comm. Potter and supported by Comm. Theobald to adjourn the meeting at 4:15 p.m.

Michael Musta, Chair

Megan Kujawa, Recording Secretary



TelNet Service Agreement

TelNet Worldwide Quote Prepared for Wexford County Jail	Term: 36 Months
Prepared on: January 10, 2023	Expires on: March 31, 2023 Payment terms: Net 20

Quote Prepared for:	Quote Prepared by:
Jami Bigger 1015 Lincoln St Cadillac, MI 49601 P: 2317799453 administration@wexfordcounty.org	Sara Clancy TelNet Worldwide Customer Account Manager P: (248) 485-7083 sclancy@telnetww.com

IP-PRI Bundle				
PRODUCT	UNIT PRICE	QTY	Monthly Total	Non Recurring Total
PRI Voice Gateway (Adtran) (Subscription)	\$29.50	1	\$29.50	\$0.00
Voice Gateway - Setup Fee	\$0.00	1	\$0.00	\$0.00
PRI Channel	\$8.50	23	\$195.50	\$0.00
Telephone Number	\$0.15	100	\$15.00	\$0.00
Directory Listing	\$0.00	1	\$0.00	\$0.00
Domestic LD Metered Rate Plan	\$0.00	23	\$0.00	\$0.00
Subtotal:		149	\$240.00	\$0.00

Digital Fax Bundle				
PRODUCT	UNIT PRICE	QTY	Monthly Total	Non Recurring Total
Digital Fax Bridge (Purchase)	\$1.00	8	\$0.00	\$8.00
Digital Fax	\$7.95	13	\$103.35	\$0.00
Fax Number	\$0.00	13	\$0.00	\$0.00
User Account	\$0.00	13	\$0.00	\$0.00
Fax Pages	\$0.00	13	\$0.00	\$0.00
Subtotal:		60	\$103.35	\$8.00



TelNet Worldwide
 31700 Research Park Drive
 Madison Heights, MI 48071

FXS Bundle				
PRODUCT	UNIT PRICE	QTY	Monthly Total	Non Recurring Total
FXS Line	\$11.00	4	\$44.00	\$0.00
Domestic LD Metered Rate Plan	\$0.00	4	\$0.00	\$0.00
	Subtotal:	8	\$44.00	\$0.00

MONTHLY TOTAL:	\$387.35	NON RECURRING TOTAL:	\$8.00
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Rates will only apply to the services that have been purchased

FXS Call Plan	Local	Intralata	Interstate	Intrastate	Toll Free	Intl
Unlimited Nationwide Calling	0.00	0.00	0.00	0.00	0.022	Market Rate
International Calling	0.00	0.00	0.00	0.00	0.00	Market Rate
Domestic LD Rate Plan	0.00	0.00	0.019	0.019	0.022	Market Rate

IP PRI Call Plan	Local	Intralata	Interstate	Intrastate	Toll Free	Intl
Unlimited Nationwide Calling	0.00	0.00	0.00	0.00	0.022	Market Rate
International Calling	0.00	0.00	0.00	0.00	0.00	Market Rate
Domestic LD Rate Plan	0.00	0.00	0.019	0.019	0.022	Market Rate

MS Teams Call Plan	Local	Intralata	Interstate	Intrastate	Toll Free	Intl
Unlimited Nationwide Calling	0.00	0.00	0.00	0.00	0.022	Market Rate
International Calling	0.00	0.00	0.00	0.00	0.00	Market Rate
Domestic LD Rate Plan	0.00	0.00	0.019	0.019	0.022	Market Rate

Digital Fax Call Plan	Local	Intralata	Interstate	Intrastate	Toll Free	Intl
Unlimited Nationwide Calling	0.00	0.00	0.00	0.00	0.022	Market Rate



TelNet Worldwide
31700 Research Park Drive
Madison Heights, MI 48071

Unless specified, prices do not include shipping charges, regulatory fees, applicable taxes, administrative/service fees, professional services, or other time and material charges. For additional terms and conditions go to www.telnetww.com.

Business POTS (Plain Old Telephone Service) is a no-term, month to month service; rates subject to change with prior notification. High volume broadcast faxing is prohibited on the Digital Fax service offering, if excessive use is detected, TelNet reserves the right, at its sole discretion, to change or modify the pricing structure. A \$1 E911 Enabled Fee may be charged per Telephone Number provisioned with E911 services.

With Mobile Client, features vary by device, settings and quality of signal. When Wi-Fi is not available or cellular usage is selected, phone plan roaming, data and voice usage charges apply. Mobile client calls may drop or lose quality when Wi-Fi or cellular signals are lost or weak. Firewall settings may also impact use. TelNet Worldwide ("TelNet") is not responsible for loss of call quality and/or dropped calls with Mobile Client or any provided wireless or Wi-Fi service.

TelNet Worldwide ("TelNet") will provide two free hours of technical support up to \$240 only after the customer/vendor has reviewed and applied the recommended configurations outlined in the SIP Trunking LAN Requirements. Once the customer/vendor has engaged TelNet Worldwide ("TelNet") for technical support, each additional hour of support beyond the free two hours provided by TelNet Worldwide ("TelNet") will be billed \$120.00 per hour. TelNet Worldwide ("TelNet") will inform the customer/vendor the two hours of free technical support has elapsed and once informed, the customer will have the option to continue or discontinue technical support. Customer/Vendor accepts full responsibility for the billing of additional hours of support.

TelNet Worldwide ("TelNet") will work with the vendor/customer to assist with the proper installation of their equipment by collecting and analyzing traces and log files for proper interoperability. In addition, test calls will be performed to ensure call routing is working properly. However, this support will not include device management, configuration changes, firmware upgrades, factory reset, and or replacement parts to any customer-owned device.

Please note: International calling service is available only when authorized by completing the TelNet International Calling Authorization Form.

Customer initial _____



TelNet Worldwide
31700 Research Park Drive
Madison Heights, MI 48071

When the term "this Agreement" is used, the term refers to this TelNet Service Agreement and, as found on www.telnetww.com, TelNet's Terms and Conditions ("T&Cs") and all items incorporated in the T&Cs, including those in tariffs, rate guides, TelNet's Acceptable Use Policy, and TelNet's E911 Disclosure Notice and Acknowledgement ("911 Acknowledgement") as applicable. The term "this Agreement" also includes, any attachments, exhibits or appendices to this TelNet Service Agreement, and, if applicable, any Purchase Order Terms and Conditions; Equipment Rental Terms & Conditions and any attachments, exhibits or appendices to these documents. By executing this Agreement, the "Customer" (defined as the party signing below and made a party to this TelNet Service Agreement) is ordering the services set forth in this Agreement. Customer agrees to pay for all services ordered or otherwise used including: taxes, surcharges and fees charged by TelNet, including, but not limited to, applicable federal, state, local use, excise, sales, or privilege taxes, duties or similar liabilities, as further set forth in this Agreement.

Customer authorizes TelNet to obtain any credit information and/or any customer proprietary network information necessary to provision services and to establish Customer's account, and hereby authorizes the release of such information by any and all third parties to TelNet. Customer understands that number assignments are not guaranteed and cannot be relied on before service is activated. Customer has provided TelNet with a valid Letter of Agency for all applicable services ordered. Customer is responsible for the identification and payment of any termination fees to any third party that may apply when switching to TelNetservices.

Customer has provided TelNet with a valid Letter of Agency for all applicable services ordered. Customer is responsible for the identification and payment of any termination fees to any third party that may apply when switching to TelNetservices.

Term of Agreement

The effective date of this Agreement is the date signed by the last Party to sign this TelNet Service Agreement. However, the date of installation of all services shall determine the end date of the Initial Term of the Agreement. By way of example, if the obligations under this Agreement becomes effective on January 1, and installation is completed February 1, the Initial Term of a one year agreement, would end on January 31 of the following year.

After the expiration of the Initial Term, this Agreement shall automatically renew for successive one-year Renewal Terms, unless a written Notice of Termination is received by the other party at least 30 days prior to the expiration of the Initial Term or a Renewal Term. Auto renewal terms do not apply to locations that have special access, coax, T1-based services or third-party fiber connectivity arrangements.

Firm Order Confirmation

A Firm Order Confirmation time-frame varies with each service. Requests other than standard intervals may be subject to an expedite fee. Please be advised that the installation of Fiber typically takes sixty (60) to one hundred twenty (120) days or longer.

Order Cancellation

Cancellation by the Customer after the signature date and before the service available date will result in an Order Cancellation Fee to be paid by the Customer as described in applicable TelNet T&Cs which can be found at www.telnetww.com.

TelNet pricing under this Agreement may be budgetary and is subject to change. In those cases, and at TelNet or our access partners request, a site survey may be performed to verify rates and availability of service after an Order is submitted to our service partners. If TelNet determines that the rates must be adjusted due to additional requirements or expenses, including build-out costs, or that a service is not available, Customer will have the option to accept the adjusted rate or cancel the service without incurring an early termination penalty. If Customer fails to notify TelNet within 14 days of its request to cancel the service, TelNet shall proceed with the adjusted rate and Customer shall be liable for payment under the adjusted rate. In the case of cancellation, Customer will also be liable for any one-time fees assessed by our access partners if the cancellation request is received by TelNet after 30 calendar days of order submission.

Termination

TelNet may terminate this Agreement and the services for Customer's non-payment in accordance with TelNet's general T&Cs, tariffs and rate guides. Upon termination of this Agreement by TelNet for non-payment the customer shall be liable for the payment of all services provided through the date of termination, plus any applicable Termination Fees. TelNet may terminate this Agreement without liability if TelNet determines that it is no longer able to offer a product or service, or the product or service is no longer offered, or in a TelNet tariff or rate guide, in which case the customer will not be liable for any Termination Fees. If Customer terminates this Agreement prior to the expiration of its initial term or renewal term, or if TelNet terminates this Agreement due to non-payment, Customer will owe TelNet the following Termination Fees per applicable service: the monthly recurring charge (MRC) times the remaining number of months of the contract period for the contracted services.

Customer initial _____



TelNet Worldwide
31700 Research Park Drive
Madison Heights, MI 48071

General Provisions

This Agreement supersedes any previous Agreements for the same services between TelNet and Customer. Except as otherwise provided herein, any changes to this agreement must be agreed to in writing by the parties. Any changes to this Agreement by Customer without said written approval are null and void at TelNet’s discretion. If the Customer wishes to assign this Agreement to a third party, it must first receive TelNet’s written consent.

Business Type:

- Corporation
- Partnership
- Proprietorship

Federal Tax ID:

Tax Exempt Status (Select all that apply):

- | | |
|----------------|--------------------------|
| None | Exempt Form Signed Date: |
| Federal Excise | Exempt Form Signed Date: |
| Federal FUSF | Exempt Form Signed Date: |
| State | Exempt Form Signed Date: |
| County | Exempt Form Signed Date: |
| Local | Exempt Form Signed Date: |

(Exemption forms must be provided if you are tax exempt)

By placing Customer’s signature in the space provided, Customer agrees to the terms of this Agreement. If ordering Voice over IP (“VoIP”) services, Customer furthermore acknowledges that Customer has received and understands the E911 Disclosure Notice and Acknowledgment.

Authorized Signature

Date

Printed Name

Title



TelNet Worldwide
31700 Research Park Drive
Madison Heights, MI 48071

Company: Wexford County Jail

_____	_____
Legal Company Name	Telephone

Address	

Headquarter/Parent Company Name (if different from above)

_____	_____
Company Name	Telephone

Address	

Billing Contact

_____	_____
Billing Contact Name (First and Last)	Title
_____	_____
Email	Telephone

Onsite Contact

_____	_____
Onsite Contact Name (First and Last)	Title
_____	_____
Email	Telephone

Technical Contact (Data/voice vendor, if applicable)

_____	_____
Technical Contact Name (First and Last)	Title
_____	_____
Email	Telephone

Please complete and return with your order, or fax to 248.485.1090.

TelNet E911 Disclosure Notice and Acknowledgment

This E911 Disclosure Notice and Acknowledgment (“E911 Acknowledgment”) is agreed, acknowledged and accepted by TelNet Worldwide Inc. (“TelNet”) and its end user customer (“Customer” or “you”) in connection with Customer’s purchase and use of TelNet Service. All TelNet Service is governed by the Terms and Conditions found at <https://www.telnetww.com/legal> (“Terms and Conditions”). Any capitalized terms not otherwise defined in this E911 Acknowledgment shall have the meanings ascribed to such terms in the Terms and Conditions. In the event of any conflict between this E911 Acknowledgment and the Terms and Conditions, this E911 Acknowledgment shall control.

Section 1 - Emergency Services – VoIP 911 Calling: Comparison with Traditional Landline 911 Services

TelNet provides E911 Service as a component of TelNet’s Voice over Internet Protocol (“VoIP”) service (“Service”). TelNet’s E911 Service enables Customers to communicate with emergency services by dialing 911. When Customer dials 911, the 911 call is routed from TelNet’s network to the Public Safety Answering Point (“PSAP”) or local emergency service personnel designated for the physical address Customer provided to TelNet at the time of activation of Service (as may be updated by Customer).

However, VoIP E911 Service is different in important ways from traditional landline E911. The Federal Communications Commission (“FCC”) requires all VoIP service providers, such as TelNet, to inform their customers of these differences. It is important that you understand how these differences affect your ability to access E911 services. Please carefully read this Notice.

By signing this Notice, you are acknowledging that you understand the following differences associated with VoIP 911 Service:

- A. VoIP E911 service will not function during a power outage or disruption. If there is an interruption in your power or a power surge, when power is restored, your VoIP equipment may need to be reset to reinitiate your VoIP service, including your VoIP 911 and E911 services.
- B. VoIP E911 service will not function if your broadband connection is terminated, interrupted or degraded.
- C. If you disable or damage your VoIP device or equipment, VoIP E911 service calls may not complete.
- D. Unless correctly registered, if your phone number is a phone number typically associated with a geographic area different than the area in which you are using your VoIP device, your 911 call may be routed to an incorrect PSAP and emergency personnel may not be dispatched to the correct location.
- E. If your 911 call cannot be completed, is dropped or disconnected and/or if your VoIP E911 Service is not operational for any reason, and/or if the caller is unable to speak, the PSAP and emergency personnel may not be able to identify your phone number in order to call you back.
- F. If billing issues arise due to delinquent or unpaid invoices or other reasons that result in the suspension or termination of your TelNet VoIP services, the ability to make 911 calls will cease.
- G. Due to technical constraints, there is a greater possibility of network congestion and/or reduced speed in the routing of a 911 call made utilizing VoIP equipment as compared to traditional 911 dialing over traditional public switched telephone networks.
- H. VoIP E911 Service will not work if you move your VoIP device to a location outside the United States.
- I. If you move your VoIP device to a new location, as explained below, you must register your new location. However, please be advised that it may take a few days for the change in address to be processed. If you move your VoIP device before your new registered location can be processed, your 911 call may be routed to the incorrect local emergency service provider and emergency personnel being dispatched to the incorrect location. Please register your new location several days in advance of any move and include the date on which the move will occur.



Section 2 - Registration of New Locations and other Customer Obligations

A. Registered Location Required

All Customers are required to register the intended physical location(s) of each of their VoIP devices when placing a Sales Order with TelNet. If you move any registered VoIP device, you must immediately update the Registered Address with the new physical location of the device(s). Calling 911 from an improperly registered number may subject you to a \$100 per call pass-through fee from the 911 administrator.

B. How to update Registered Location(s)

Please use the E911 tab on the TelNet Portal (<https://portal.telnetww.com>) to input the new location of each moved VoIP device. If you are unable to update your E911 location designations via the TelNet Portal, please Download the 911 Update form (<http://telnetww.com/infosource/911updateform.xls>), which is in Excel format and follow the directions on the form. You should only use the Excel 911 Update Form if you are unable to make the change via the TelNet Portal. If you are not able to update your registration by using either TelNet's Portal or the 911 Update Form, you may call 1-800-508-1254 and provide the update information.

C. Importance of Updating Location of VoIP devices

If you do not update the Registered Address, any 911 calls made from the device may be sent to the wrong emergency response center and will not transmit your current location information to emergency responders, delaying emergency assistance to you. Customers are solely responsible for ensuring that an accurate and up-to-date Registered Address is maintained for each VoIP device.

Please note: It may take a few days for the address update to take effect.

D. Customer's Obligation to Inform Users of Customer's VoIP devices

In addition, it is Customer's obligation to inform others at its premises who use Customer's VoIP service of the above VoIP 911 limitations. By signing this Notice, Customer acknowledges and agrees to perform this obligation.

E. Placement of stickers on Customer's VoIP devices

TelNet will provide to Customer a set of stickers explaining when VoIP 911 Service may not be available. Customer hereby agrees to place the stickers on or near Customer's VoIP devices.

F. Obligation to Make any Needed Equipment Changes

You are also responsible for any equipment changes required to ensure compliance. (Example: You may need to have your equipment vendor update your phone system's outpulsed phone numbers to ensure proper identification of 911 calls.)

Section 3 - Limitation of Liability and Indemnification

Customer acknowledges and agrees that it is solely responsible for ensuring that an accurate and up-to-date registered address is maintained for each of customer's voip devices. Customer acknowledges that it understands that TelNet disclaims any and all liability for any service outage or inability to complete emergency 911 calls from any customer line or customer premises or to access emergency service personnel. Customer shall protect, defend, indemnify, and hold harmless TelNet, its officers, directors, employees, affiliates, contractors, and agents and any other service provider that furnishes services to customer in connection with the service, from any and all claims, lawsuits, losses, damages, liability, fines, penalties, costs, and expenses including, without limitation, attorney's fees and costs, arising from, or related to, any absence, failure, or outage of the service, including, without limitation, emergency 911 calling and/or inability of customer or any customer employee, third person or party, or user of TelNet's service to be able to call 911 or to access emergency service personnel. In no event shall TelNet be liable to customer or any third party for incidental, indirect, consequential, exemplary, punitive, or special damages related to customer's (or any customer employee, agent, or contractor, or third person or third party or user of TelNet's service) use of or inability to use e911 services.

Section 4 - Acknowledgment of Understanding of Contents of this Notice

The FCC's rules require us to keep a record on file showing that you have received and understood this 911 and E911 Notice. By signing, you certify that you have received and understood this 911 and E911 Notice.

Customer Signature

Wexford County Jail

Account



TelNet Worldwide
31700 Research Park Drive
Madison Heights, MI 48071

Equipment Rental Terms & Conditions

In addition to the general terms and conditions contained in the TelNet Service Agreement (“SA”) between TelNet Worldwide (“TelNet”) and Customer (the “Agreement”), of which this Equipment Rental Schedule is a part, the following terms and conditions apply to the Rental of the Equipment, as defined below. In the event of any inconsistency between the Agreement and this Schedule, this Schedule shall control.

1. Rental of Equipment

Customer Rents from TelNet the equipment described on the attached SA (“Equipment”) for the number of months set forth on the SA (“Equipment Rental Term”). The Equipment Rental Term will be coterminous with the TelNet provided Service(s) on the SA and therefore will commence with the Effective Date of the Service(s) per the terms of the Agreement. Upon expiration of the initial Equipment Rental Term, this Equipment Rental Schedule will automatically continue for successive periods equal in length to the SA renewal period(s). Customer shall remain obligated to pay the applicable Equipment Rental rate (whether initial or renewal) notwithstanding an early termination of the SA, or execution of the Equipment Buyout Option noted below.

2. Rental

Customer shall pay all amounts due under the SA, in accordance to the payment terms set forth in the Agreement. Customer also agrees to pay all sales, excise, use, property and similar taxes (other than income taxes on payments made by Customer to TelNet under this Agreement) and related charges that may be imposed or assessed by any governmental entity or taxing authority with respect to such Equipment.

3. Equipment Buyout Option

Upon successful completion of original contract term as defined in the attached SA, Customer has the option to purchase the TelNet-supplied rental Equipment, associated with the SA, for \$1.00 per piece of Equipment plus applicable taxes (includes phones, Power over Ethernet switches and conference phones). This Equipment would no longer be eligible for TelNet maintenance or replacement. TelNet-supplied rental Equipment that Customer adds after the installation date and before completion of the original contract term would be excluded from this offer, (e.g., if Customer adds three phones in month 28 of a 36-month contract, those three phones would be excluded from the buyout option.) Equipment added after initial installation would become eligible for buyout after renewing the initial agreement and completing the balance of the original term, or by paying month to month charges on the Equipment for a period of time that matched the initial contract term.

4. Ownership and Use

The Equipment is and shall remain the exclusive property of TelNet, subject only to Customer’s rights to use it in normal business operations under this Rental. The Parties agree that the Equipment is and shall remain or be deemed to remain personal property even if installed in or attached to real property. Customer shall keep the Equipment at all times free and clear from all liens and encumbrances. Customer shall give TelNet immediate notice of any such attachment or other judicial process affecting any article of Equipment. The Equipment shall be located at the address designated on the SA and Customer shall not move the Equipment to another location or subleases the Equipment without TelNet’s prior written consent. Customer agrees, at its sole expense, to provide the proper environment and electrical and telecommunications connections for the Equipment, such as but not limited to, ensuring appropriate power supply and surge protection is deployed. Customer is solely responsible for correcting any hazardous conditions that may adversely affect Equipment. Customer shall use the Equipment in a careful and proper manner and shall comply with all federal, state, and local laws. Customer shall not make any alterations or improvements to the Equipment without TelNet’s prior written consent.

5. Warranty, Disclaimers, and Limitation of Liability

Customer rents the equipment as is and, not being the manufacturer of the equipment, the manufacturers agent or the seller’s agent, TelNet makes no warranty or representation whatsoever, express or implied, as to the merchantability, fitness for any particular purpose design or condition of the equipment, or intellectual property rights (including without limitation any patent, copyright and trademark rights, of any third party with respect to the equipment, whether relating to the infringement or otherwise) with respect to the equipment. TelNet shall not be responsible for any direct, indirect, incidental or consequential damages arising from possession or use of the equipment, including but not limited to, lost profits or business revenue, lost business, whether such damages are foreseeable and whether TelNet has been advised of the possibility of such damages. Customer agrees that TelNet shall not be liable for any delay in delivery or installation of, or any failure to deliver or install, any equipment. Notwithstanding the foregoing, in no event shall TelNet’s liability (whether in tort, negligence, or otherwise) to customer with respect to the equipment under this schedule exceed an amount equal to the aggregate charges or fees actually paid by customer with respect to the equipment for the one (1) month period immediately preceding the month during which the event giving rise to TelNet’s liability occurs.

6. Liability for Damage

Customer shall be responsible for any damage to the Equipment while in Customer's possession and shall pay to TelNet the value of as much of the Equipment as may be damaged or destroyed. On receipt of the payment, TelNet shall, to the extent of the amount paid, assign to Customer any rights Customer may have with respect to the damaged or destroyed article of Equipment under any insurance, together with all of TelNet's interest in the article of Equipment.

7. Inspection

Upon service activation, Customer will inspect the Equipment and notify TelNet within 48 hours if the Equipment is not in good operating condition. The agents of TelNet may at any time enter Customer's premises to inspect the Equipment and the manner in which it is being used.

8. Return

If Customer does not choose to participate, or is not eligible for the Equipment Buyout Options (see 3), at the end of the term of this Rental, Customer shall, at Customer's own expense, return the Equipment to TelNet in as good condition as when received, reasonable wear and tear excepted, at the location specified by TelNet. Customer must keep all original packing that came with the Equipment (including, but not limited to, the box, cd's, installation disks, paper documents and instructions) and must return it to TelNet along with the Equipment. Additional terms and conditions for the return of Equipment can be found in the General Terms and Conditions located on the TelNet website and are made a part of the Agreement.

9. Insurance

A. Customer shall procure and continuously maintain and pay (including the deductible) for:

1. All risk insurance against loss of and damage to the Equipment for not less than the full replacement value of the Equipment, naming TelNet as loss payee, and;
2. Combined public liability and property damage insurance with limits as approved by TelNet, naming TelNet as additionally named insured and a loss payee.

B. The insurance shall be in such form and with such company or companies as shall be reasonably acceptable to TelNet, shall provide at least thirty (30) days advance written notice to TelNet of any cancellation, change or modification, and shall provide primary coverage for the protection of Customer and TelNet without regard to any other coverage carried by Customer or TelNet protecting against similar risks. Customer shall provide TelNet with an original policy or certificate evidencing such insurance. Customer hereby appoints TelNet as Customer's attorney in fact with power and authority to do all things, including, but not limited to, making claims, receiving payments and endorsing documents, checks or drafts necessary or advisable to secure payments due under any policy of insurance required under this Agreement.

10. Maintenance or Repairs

TelNet shall provide routine maintenance and repairs to the Equipment as TelNet as follows:

- A. In the event that Customer is experiencing trouble with the Equipment, Customer shall immediately notify TelNet of the issues via the TelNet customer service number. TelNet will attempt to resolve the problem via remote support and if that is not successful, TelNet may dispatch personnel to perform on-site support during normal business hours. The on-site repair services may be performed by a TelNet affiliate or subcontractor, at TelNet's discretion.
- B. TelNet shall use reasonable efforts to identify and correct the problem with the Equipment. However, if the Equipment cannot be fixed and none of the exclusions in Section (C) below apply, TelNet will replace the defective Equipment with either new or reconditioned Equipment.
- C. If persons other than those employed by TelNet shall repair, modify or perform any maintenance services on any of the Equipment, or if Customer fails to maintain the Equipment according to the terms of the Agreement or this Schedule, and as a result of either of the foregoing, further maintenance services are required to restore the Equipment to operating condition or the Equipment needs to be replaced, such further maintenance services or Equipment replacement shall be billed to Customer at the then current TelNet time and material rates.



TelNet Worldwide
31700 Research Park Drive
Madison Heights, MI 48071

11. Breach

Upon default in the payment of any installment of rent, or upon a breach of any other condition of this Rental, or if during the term of this Rental, bankruptcy or insolvency proceedings are commenced by or against Customer, a receiver is appointed for the business of Customer, or Customer discontinues business, TelNet shall have the right without notice or demand to terminate this Rental, but the termination shall not release Customer from paying damages sustained by TelNet. If upon any termination of this Rental, Customer fails or refuses to deliver the Equipment to TelNet, TelNet shall have the right to enter Customer's premises and take possession of and remove the Equipment without legal process. Customer releases any claim or right of action for trespass or damages caused by the entry and removal. TelNet can pursue any other remedies TelNet has for arrears of rent or breach of any other conditions of this Rental. Customer shall pay all expenses, including attorney fees, which TelNet pays or incurs to enforce this Rental.

12. Assignment

This Rental is not assignable or transferable by operation of law by Customer. TelNet may assign the Rental without Customer's consent.

Customer initial _____

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Purchase Order Terms & Conditions

In addition to the general terms and conditions contained in the TelNet Service Agreement (“SA”) between TelNet Worldwide (“TelNet”) and Customer (the “Agreement”), of which this Purchase Order is a part, the following terms and conditions apply to the purchase of the Product, as defined below. In the event of any inconsistency between the Agreement and this Schedule, this Schedule shall control.

1. Purchase of Product & Price

Customer is purchasing from TelNet the equipment described on the attached SA (“Product”). Customer shall pay all amounts due under the SA, in accordance to the payment terms set forth in the Agreement. If Customer does not pay in accordance to the payment terms, late payment charges will be billed in the amount of 1.5% of the total overdue amount or the maximum lawful rate allowable, whichever is less. Customer also agrees to pay all reasonable costs and expenses involved in the collection of the amounts due, including but not limited to, attorney fees, expenses, court costs and service charges. Customer also agrees to pay all applicable handling charges, interest charges, shipping charges, insurance charges, cancellation fees or restocking fees, or any applicable sales, excise, use, property and similar taxes (other than income taxes on payments made by Customer to TelNet under this Agreement) and related charges that may be imposed or assessed by any governmental entity or taxing authority with respect to such Product.

2. Cancellation Policy

The following cancellation policy shall apply to the Product purchased by Customer:

- A. Pre-Shipment: If Customer cancels any portion of the Product order prior to the shipment date, Customer agrees to pay a liquidated damage in the amount totaling 15% of the canceled order amount, plus any cancellation or restocking fees imposed on TelNet by the applicable equipment manufacturer. Customer agrees that this cancellation charge is a true measure of the damage to TelNet and is not a penalty charge.
- B. Post-Shipment: If Customer cancels any portion of the Product order after shipment has occurred but prior to installation of the Product, Customer shall receive a credit for the invoice amount of the cancelled Product minus (a) a liquidated damage in the amount totaling 15% of the cancelled order amount, minus (b) any cancellation or restocking fees imposed on TelNet by the applicable equipment manufacturer, and minus (c) the shipping charges, both original and return, associated with the canceled Product. Customer agrees that this cancellation charge is a true measure of the damage to TelNet and is not a penalty charge. If Customer cancels any portion of the Product order after shipment and installation has occurred, Customer shall not be entitled to receive a credit on the returned Product under any circumstances.

3. Environment & Delivery

Customer agrees, at its sole expense, to provide the proper environment and electrical and telecommunications connections for the Product such as, but not limited to, ensuring appropriate power supply and surge protection is used. Customer is solely responsible for correcting any hazardous conditions that may adversely affect Product. TelNet shall use commercially reasonable efforts to complete the delivery of the Products in advance of the installation date requested by customer, but TelNet does not guarantee that it will be able to do so. If Customer is unable or unwilling to schedule or accept delivery or installation on the date that TelNet tenders delivery or installation, TelNet shall have the right to initiate billing for the amounts due hereunder as of the date that delivery or installation was tendered. Product prices and Installation or Service charges are subject to change at TelNet’s sole discretion if Customer delays delivery or installation by more than thirty (30) days.

4. Title, risk of loss & security interest

Title to the Product ordered by Customer shall pass to Customer upon payment in full of all invoiced amounts. Until TelNet receives the full amount due hereunder from the Customer, Customer grants to TelNet a continuing purchase money security interest in the Products ordered under this Agreement, and Customer agrees to support TelNet in the perfection of such security interest. Risk or loss or damage to the Product shall pass from TelNet to Customer upon initial delivery by TelNet or its suppliers to the delivery carrier (“FOB Origin”). Customer agrees to pay all transportation, handling, insurance and associated charges, including but not limited to, additional charges for non-standard shipment. TelNet shall use commercially reasonable efforts to meet Customer’s requested delivery dates, but TelNet does not guarantee any delivery dates. Customer shall be solely responsible to coordinate all delivery arrangements necessary to comply with project schedule date.



5. Warranty & disclaimers

TelNet does not warrant equipment or goods (“products”) purchased hereunder. To the maximim extent permitted by law, TelNet disclaims and excludes all representations, warranties and conditions, whether express, implied or statutory, including but not limited to representations, warranties or conditions of title, non-infringement, satisfactory condition or quality, merchantability and fitness for a particular purpose, with respect to the products and any services, or other materials or information provided by TelNet with the product(s). TelNet warrants only that its services shall be performed in a timely, professional and workmanlike manner by qualified personnel. If services are not performed as described, and customer notifies TelNet in writing within thirty (30) days, customer’s exclusive remedy shall be for TelNet to re-perform the non-conforming services. Customer’s exclusive remedy with respect to the products purchased from TelNet hereunder is as set forth in the warranty, if any, provided by the equipment manufacturer. Such warranties, if any, from the equipment manufacturer are customer’s exclusive warranties and sole remedies and replace all other warranties or conditions, express or implied, with respect to products purchased hereunder, including without limitation, the implied warranties or conditions of merchantability or fitness for a particular purpose.

6. Limitation of Liability

In no event will TelNet be liable to customer or any third party, in contract, tort or otherwise, for any loss of profits or business, or any incidental, special, indirect, exemplary, punitive or consequential damages, arising from or as a result of these contract terms or any agreement between the parties relating to the products, services or deliverables TelNet provides, even if TelNet has been advised of the possibility of such damages.

7. Return

If Customer is required to return any Product to TelNet for service, Customer agrees to obtain TelNet’s concurrence prior to returning the Product. Customer agrees to reference any Return Material Authorization Number (RMA Number) issued by TelNet on all paperwork or documentation accompanying the returned Product. Customer further agrees to ship the Product pre-paid and suitably packaged to the TelNet specified location. Any returned product becomes the property of TelNet and, subject to TelNet’s receipt of the exchanged Product, the replacement becomes Customer’s property. Customer agrees to ensure that any returned Product is free from any and all legal obligations or restrictions that may prevent its exchange and represents that all returned Products are genuine and unaltered. The replacement Product may not be new, but will be in working order and equivalent to the item exchanged as determined in good faith by TelNet. Additional terms and conditions for the return of Product can be found in the General Terms and Conditions located on the TelNet website and are made a part of this Agreement.

Customer initials _____