

CITYNET[®]

REFERRAL PROGRAM

Terms and Conditions

By making a referral to Citynet, the Referring Party agrees to the following Terms and Conditions:

1. The Referring Party shall function as an independent contractor and its actions shall not create a joint venture, partnership or employer-employee relationship. The Referring Party has no authority to act for or on behalf of Citynet. The Referring Party may not bind Citynet in any manner whatsoever and Citynet will incur no obligation to employees or agents utilized by the Referring Party. The Referring Party is responsible for all expenses and obligations incurred by it in connection with referring potential customers to Citynet.
2. The Referring Party shall be entitled to a one-time payment for each new customer referred to Citynet. The amount of the one-time referral payment will be as follows: 1 year agreement pays 33%, 2 year agreement pays 66%, 3 year agreement pays 100% and a 5 year agreement pays 200% of each circuit's monthly recurring charge for one (1) month. For example, if the referred party becomes a customer of Citynet and signs a 3 year agreement for a \$600 per month circuit, the Referring Party shall be entitled to a one-time payment of \$600. Monthly recurring costs for equipment, Long Distance commitments, etc. do not qualify for a referral payment. The Referring Party shall not be eligible for a referral payment until after the new customer makes its first monthly recurring payment. Referral payments due to a Referring Party shall be paid within sixty (60) days after the receipt by Citynet of the new customer's first monthly recurring payment to Citynet. No referral payment shall be due for any monthly recurring fee of less than \$475.00. No referral payment of more than \$5,000.00 shall be payable for any one new customer, regardless of the amount of the monthly recurring charge.

Renewal: (Auto payout for as long as customer renews)

\$100 will be paid for each T1 renewed with 1yr agreement
\$150 will be paid for each T1 renewed with 2yr agreement
\$250 will be paid for each T1 renewed with 3yr agreement
\$500 will be paid for each T1 renewed with 5yr agreement

The Referring Party shall be entitled to payments for referrals which result in the sale of the following Citynet-branded products: "Net Pulse" and "CityCare". Payments with respect to said products are based on the MRC and length of the term of the agreement. Net Pulse = network / device monitoring; CityCare = management of IT infrastructure and a variety of different applications. 1 year agreement pays 33%, 2 year agreement pays 66%, 3 year agreement pays 100%, and a 5 year agreement pays 200% of each product's monthly recurring charge for one (1) month.

3. The Referring Party acknowledges and agrees that Citynet's determination will be final and binding with respect to: (i) the Referring Party's eligibility for any Referral Payment; and (ii) the amount of any Referral Payment.
4. The Referring Party shall not receive any Referral Payment with respect to: (i) any referral that does not result in a sale of Citynet's services within ninety (90) days following the date such referral is received by Citynet via a completed Customer Referral Form; (ii) any referral that becomes a Citynet customer as the result of Citynet sales activities unrelated to the Referring Party; or (iii) any current Citynet customer.
5. Citynet sales personnel receiving a referral will determine the appropriate products and services to be marketed in its sales efforts to the prospective customer. Order submitted for services are not binding until accepted by Citynet. Referrals that become customers shall be customers of Citynet only and not a customer of the Referring Party.
6. The Referring Party shall conduct its business activities (i) in a legal and ethical manner; (ii) commit no act which would reflect unfavorably on Citynet and; (iii) cooperate with Citynet to resolve any customer service problems. The Referring Party shall not misrepresent Citynet's services or prices or impose any fees, initiation charges or minimums in connection with services provided by Citynet.
7. The Referring Party shall disclose to any potential customer the relationship between the Referring Party and Citynet.
8. The Referring Party hereby indemnifies and holds Citynet and its officers, employees, agents, managers and members, harmless from all suits, actions, claims or expenses of any nature (including actual attorney's fees and court

costs) arising from or brought by third parties, including customers, or prospective customers, resulting from the Referring Party's acts or omissions, performance, or failure to perform, any obligation required by these Terms and Conditions.

9. The Referring Party and its officer, employees and agents shall not disclose to any third party and confidential or proprietary business information acquired by the Referring Party from Citynet.

10. IN NO EVENT SHALL CITYNET BE LIABLE FOR ANY SPECIAL, INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES OR LOSS OF PROFITS ARISING FROM THE RELATIONSHIP BETWEEN CITYNET AND THE REFERRING PARTY OR TO THE CONDUCT OF BUSINESS BY EITHER PARTY.

11. Citynet reserves the right to terminate this referral program at any time without prior written notice.