



EQUIPMENT RENTAL AGREEMENT

This Equipment Rental Agreement (herein after referred to as “ERA”), together with any operating rules, policies, price schedules, or other supplemental documents expressly incorporated herein by reference or published from time to time and incorporated into and made a part of the Service and any service agreements (collective “Agreements” for the purpose of this ERA) between Veracity Networks, LLC, (herein after referred to as “we,” “us,” “Company,” or “Veracity,”) a Delaware limited liability company, with its principle offices at 170 W. Election Road, Draper UT, 84020 and the customer named in any Agreements (herein referred to as "Customer," or “You,”) governs the Customer’s use of certain equipment provided to Customer under an applicable Agreement (the “Rental Equipment, or “Equipment”). Veracity and Customer may referred to herein as a “Party” and together, “Parties,” as appropriate.

THIS EQUIPMENT RENTAL AGREEMENT CONSTITUTES A CONTRACT BETWEEN THE CUSTOMER AND VERACITY. ANY ONE OF THE FOLLOWING ACTIONS SIGNIFIES YOUR ACCEPTANCE AND AGREEMENT TO BE BOUND BY THESE TERMS AND CONDITIONS: (1) ACCEPTING THE TERMS AND CONDITIONS ELECTRONICALLY DURING THE ORDERING PROCESS AND/OR UPON LOGGING ON TO USE YOUR SERVICE, (2) YOUR SUBMISSION OF AN ORDER FOR EQUIPMENT, (3) YOUR USE OF THE RENTAL EQUIPMENT AS DESCRIBED HEREIN. THROUGH THESE ACTIONS YOU ARE AGREEING TO BE BOUND BY THE TERMS OF THIS AGREEMENT AND ALL TERMS AND CONDITIONS INCORPORATED BY REFERENCE IN THE SERVICE AND THE HOSTED SERVICES AGREEMENTS.

From time to time, we may revise the terms and conditions of this Equipment Rental Agreement (including, without limitation, any of the policies incorporated by reference) and the rental pricing. This Equipment Rental Agreement does not alter in any way the terms or conditions of any other written or on-line agreement Customer may have or will have with Veracity, including any agreement for the purchase of products or services. Notice of revisions to the Equipment Rental Agreement shall be posted on the Veracity Website (“the Website”) and deemed given and effective on the date posted to the Website. If you do not agree to the revision(s), you must immediately terminate your Equipment Rental, subject to the Termination provisions provided in this Agreement.

1. TERM

- 1.1 **Initial Term.** The initial term of this ERA shall commence on the date the Equipment is shipped to Customer and shall continue thereafter for the number of months set forth on the Agreements (“Equipment Rental Term.”)

1.2 Renewal. Except as set forth in 1.3, at the end of the initial Equipment Rental Term, this ERA automatically renews for successive terms of like duration at Customer's then-existing pricing at the time of renewal, unless (i) Veracity or Customer provides written notice of termination at least 45 days prior to the end of the current term (ii) or the automatic renewal is prohibited by law.

1.3 Month-to-Month Renewal. Customers who decline renewal but retain Veracity Service and the Equipment will be converted automatically to a month-to-month term at the end of the current term. Month-to-month customers may not be entitled to prior term-plan pricing or discounts. Either Party may terminate month-to-month agreements on 30 days written notice. Notwithstanding anything to the contrary in the Agreements, the term of this ERA shall be coterminous with any Agreements in effect between the parties.

1.4 Early Termination Charge - If the Customer (1) terminates Services under the early termination provisions of the Agreements or (2) terminates the ERA before the end of the Equipment Rental Term, the Customer shall pay Veracity a 25% early termination fee equal to the original purchase price of the Rental Equipment and return the equipment.

1.5 Ownership – Veracity owns and shall retain all right, title and interest in and to the Equipment. No title shall pass to Customer at the end of the Equipment Rental Term. Customer may negotiate with Veracity to purchase the Equipment prior to expiration of the Equipment Rental Term. The agreed purchase price will be due and payable within ten (10) days of the date of transfer.

2. PRICING

Customer agrees to pay in full all amounts due hereunder when invoiced in accordance with the payment terms set forth in the Service Agreements. Customer also agrees to pay all sales, excise, use, property and similar taxes and related charges that may be imposed or assessed by any governmental entity or other taxing authority with respect to such Equipment.

3. EQUIPMENT

3.1 Acceptance – Customer agrees, at its sole expense, to provide the proper physical environment (including temperature and security) and electrical and telecommunications connections for the Equipment. Customer is solely responsible for correcting any hazardous conditions that may adversely affect Veracity personnel or the Equipment. If Customer is unable or unwilling to schedule or accept delivery or installation on the date Veracity tenders delivery or installation of the Equipment, Veracity shall have the right to initiate billing for the amounts due hereunder as of the date delivery was tendered. Customer shall be solely responsible for the secure packaging, shipping and return of Equipment to Veracity upon expiration or termination of the Agreement or Equipment Rental Agreement, in good repair, condition and working order (ordinary wear and tear excepted) at the location specified by Veracity. Customer shall remain obligated to pay the Equipment Rental Charge for the remainder of the applicable Equipment

Rental Term notwithstanding the early termination of the Equipment Rental Agreement or the Agreements.

- 3.2 Use of Equipment** - Customer agrees that this Agreement does not grant Customer any ownership or property rights in any of the Equipment. Customer shall use the Equipment solely in the conduct of its business, in a manner and for the use contemplated by the manufacturer thereof. Veracity shall be entitled to inspect the Equipment at reasonable times. Veracity may require markings to be affixed to the Equipment. Customer shall keep the Equipment free from any markings or labeling which might be interpreted as a claim of ownership thereof by Customer.
- 3.3 Sub-renting of Equipment** - Without the prior written consent of Veracity, Customer shall not assign, lend, pledge, transfer, or sublease the Equipment; permit to exist any security interest, lien, or encumbrance with respect to any of the Equipment; or cause or permit any of the Equipment to be moved from the location specified in the Agreement.
- 3.4 Risk** - Customer shall bear the risk of any loss, theft, damage, or destruction to the Equipment during the Term. Customer shall obtain and maintain at its own expense insurance against the loss of or damage to such Equipment, including, without limitation, loss by fire or other casualty. Customer acknowledges that Veracity may lease the Equipment from, or pledge any or all of its rights in the Equipment to, financing sources (each a "Lessor") and Customer shall comply with any and all directions from such Lessor regarding the Equipment, including releasing the Equipment to Lessor upon written request. Customer hereby irrevocably authorizes Veracity and/or Lessor to file and record such Uniform Commercial Code financing statement(s), amendments and continuations and/or other lien recordation as may be prudent to confirm and maintain Veracity's and/or Lessor's interest in the Equipment.
- 3.5 Limitation of Liabilities** - CUSTOMER RENTS THE EQUIPMENT AS IS AND, NOT BEING THE MANUFACTURER OF THE EQUIPMENT, THE MANUFACTURER'S AGENT OR THE SELLER'S AGENT, VERACITY 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 INFRINGEMENT OR OTHERWISE) WITH RESPECT TO THE EQUIPMENT. VERACITY 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 VERACITY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. CUSTOMER AGREES THAT VERACITY 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 VERACITY'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 VERACITY'S LIABILITY OCCURS.

3.6 Maintenance – Veracity shall provide routine diagnostic and maintenance services (the “Services”) on the Equipment, as follows:

- 3.6.1** In the event Customer is experiencing a problem with the Equipment, Customer shall be required to call Veracity Customer Care at 1.801.379.3000 and open a trouble ticket. If the problem cannot be identified and resolved per the terms of this Equipment Rental Agreement via remote support, Veracity will dispatch a technician or Project Engineer to the Customer's location during normal business hours.
- 3.6.2** Veracity shall use all commercially reasonable efforts to identify and correct the problem with the Equipment. The Service does not include upgrading software versions or fixing or arranging to have equipment fixed. If the Equipment cannot be fixed and none of the exclusions in Section 3.6.5 below apply, Veracity shall replace the defective equipment with either new or reconditioned equipment.
- 3.6.3** VERACITY WARRANTS THAT THE SERVICES TO BE PROVIDED UNDER THIS AGREEMENT WILL BE PERFORMED IN A TIMELY AND WORKMANLIKE MANNER, USING ONLY QUALIFIED TECHNICIANS FAMILIAR WITH THE EQUIPMENT AND ITS OPERATION. VERACITY MAKES NO OTHER EXPRESS OR IMPLIED WARRANTIES WITH RESPECT TO THIS AGREEMENT OR THE MATERIALS OR SERVICES CONTEMPLATED HEREUNDER. VERACITY MAKES NO REPRESENTATIONS OR WARRANTIES REGARDING THE EQUIPMENT.
- 3.6.4** Services may be provided by Veracity or its agents or subcontractor.
- 3.6.5** If persons other than those engaged or authorized by Veracity repair, modify or perform any maintenance service on any Equipment, or if Customer fails to maintain the Equipment in accordance with the manufacturer's requirements, and as a result of either of the foregoing, and further maintenance services by Veracity are required to restore the Equipment to good operating condition or the Equipment needs to be replaced, such further maintenance services or replacement Equipment charges shall be billed to Customer at Veracity's then current time and materials rate.

Note: Equipment must be in operation at the same location as the service address for network Services. Customer must notify Veracity in the event that Customer re-locates the Equipment to another facility. Veracity shall

use reasonable efforts to provide the Services at the new location but has the right to terminate this Agreement without liability if the Equipment is relocated to a facility outside of the Veracity serving area.

3.6.6 Veracity may perform scheduled network maintenance during a maintenance window of 12:00 a.m. MST to 6:00 a.m. MST. Veracity may also perform unscheduled network maintenance that may result in a brief service interruption. Veracity will give advance notification of unscheduled interruptions whenever reasonably possible. Any Veracity liability resulting from an unscheduled Service interruption will be determined in accordance with the governing Agreement.

4. ASSIGNMENT

Customer may not sell, transfer, or assign its obligations hereunder without the prior express written consent of Veracity, which will not be unreasonably withheld. Any such assignment without the Company's prior written consent shall be void. Customer may, however, assign its rights hereunder to a company which purchases substantially all of its assets, provided that Customer provides to Veracity written agreement of the purchaser to be bound by all terms and conditions of this Agreement, including purchaser's agreement to cure all prior Defaults of the Customer under this Agreement. If such assignment is to a direct competitor of the non-assigning Party, such Party will be entitled to terminate this Agreement as if for Cause, provided however, that the 30-day notice and cure period will not apply, and neither will the charges referenced in Section 3.

5. INDEMNIFICATION

To the maximum extent permitted by applicable law, Customer shall indemnify, defend, and hold harmless, individually and collectively, Veracity and its affiliates from any direct physical injuries to people by Customer or any third-party claims, demands, actions, damages, personal injury, death, fines, revenue, property damage, the inability to dial 911 or E911 to access emergency services personnel, the inability to dial security, law enforcement or fire prevention/protection services or systems, the device, the use of and/or inability to use the device, liability, judgments, expenses and costs (including attorneys' fees) arising from Customer's use of Equipment, or by reason of any breach or nonperformance covenant or obligation of Customer herein, or the violation of any law or regulation by Customer, including any claims for libel, slander, infringement of contractual rights, intellectual property rights (including patent, trademark, copyright, and trade secret rights), rights of privacy, and rights of publicity and personality. Customer's obligation to assume, protect, defend, indemnify and save Veracity harmless shall extend to Veracity, its affiliates, subsidiaries, Officers, Directors, Agents and Employees and shall continue for so long as any of the named indemnities may be subjected to claims or suits calling for such obligations provided. Customer may not enter into a settlement that imposes any obligation on Veracity or requires any admission by Veracity without the express written consent of Veracity.

6. GOVERNING LAW

This Agreement shall be governed by and construed in accordance with the laws of the State of Utah without reference to its principles of conflict of laws. Customer and Veracity both hereby irrevocably agree that any suit brought by either Party arising out of or relating to this Agreement shall be brought in the State of Utah, Salt Lake County, Salt Lake City, and Customer and Veracity both hereby submit to the personal jurisdiction of such court. The Parties both hereby irrevocably waive, to the fullest extent permitted by applicable law, any objection which either Party may raise now, or hereafter have, to the laying of the venue of any such suit, action or proceeding brought in such court and any claim that any such suit, action or proceeding brought in such a court has been brought in an inconvenient forum. THE PARTIES HEREBY EXPRESSLY WAIVE THE RIGHT TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING BROUGHT BY A PARTY AGAINST THE OTHER PARTY RELATING TO THIS AGREEMENT. In the event an action is brought or an attorney is retained by either Party to enforce the terms of this Agreement or to collect any monies due hereunder, the prevailing Party will be entitled to recover, in addition to any other remedy, reimbursement for reasonable attorney's fees, court costs, reasonable costs of investigation and other related expenses incurred in connection therewith.

7. EFFECTIVENESS

This Agreement will become effective when the Customer has signed the Service Agreements. The Customer may sign the Agreements by hand or by electronic means (for example, by using a commercial e-signature service or by typing the name of the Customer's authorized representative into a web form).