



TERMS AND CONDITIONS - MANAGED SERVICES AGREEMENTS

(EFFECTIVE 1/1/2010)

"USA" in this document shall mean USAPhone.com and The PhoneOwners Group which are trade names used by U ½ 2 Inc, A USA PhoneCenter Company

MANUFACTURER'S PARTS WARRANTY - This is a "pass-through" of the parts warranty provided by the manufacturer. This covers the cost of repair or replacement of a part, which fails due to defective materials or workmanship or normal wear-and-tear during the manufacturer's warranty period, which is specified on the Proposal. Or Contract. A "failure" is, for the purposes hereof, defined as failure of a mechanical or electronic part of a covered component, or faulty workmanship on a covered component. Failed parts may be repaired or replaced at the option of the manufacturer or USA. No USA labor is included even to test, troubleshoot, remove, install or reprogram the defective or replacement component. The cost of this LIMITED Parts warranty coverage is included in the part-price and/or on the applicable Proposal or Contract. Upon expiration this coverage automatically converts to and thereafter renews annually as a USA Managed Services Agreement - Parts at additional cost unless cancelled by either party in writing between 60 and 90 days prior to the anniversary (or expiration) date. Any other cancellation by the customer for any reason whatsoever (including for non-payment) will result in the automatic termination of any remaining "USA" responsibility for any warranty or Managed Services Agreement.

MANAGED SERVICES AGREEMENTS (MSA)– Parts Only, Labor Only or both.

Managed Services Agreements are available only on Panasonic (TDA, TDE and NCP) systems and on Samsung (OfficeServ 7xxx) systems. No other systems are qualified for MSA's except following system evaluation on an individual case basis.

USA provides a Managed Services LIMITED warranty for the time period shown on the face of your Proposal or Contract on your PAID invoice or on other correspondence. This LIMITED warranty has two coverages, PARTS coverage and LABOR coverage. Either or both or neither of these coverages may be in effect at any given time depending upon what was included in your original purchase contract and depending upon which coverages were added, renewed, extended or expired.

These cover the cost of labor and/or replacement parts where there is a failure due to defective materials or workmanship or normal wear-and-tear after a Manufacturer's Parts Warranty has expired but during the specified period of time. A "failure" is, for the purposes hereof, defined as failure of a mechanical or electronic part of a covered component, or faulty workmanship on a covered component.

MANAGED SERVICES AGREEMENT – Labor LABOR ONLY to troubleshoot, test, order parts, remove and install parts, program or reprogram, etc. It includes administration of any manufacturer's parts warranty or extended parts coverage, which may be in effect. *Eligible for 1 free training annually, free software upgrades to the telephone system and voicemail system as well as free handling of carrier trouble tickets, no-charge incidental consulting, free annual technology review and free annual carrier services audit.* This is an additional cost item priced based on covered parts and must be detailed on a Proposal or Contract, or on other documentation including a PAID invoice and may be included with the purchase of a new system. This coverage automatically renews annually unless cancelled by the either party in writing between 60 and 90 days prior to anniversary date

MANAGED SERVICES AGREEMENT– Parts PARTS ONLY. Covered parts that fail may be repaired or replaced at the option of USA. No USA labor is included-even to test, troubleshoot, remove, install or reprogram the defective or replacement component. See "Managed Services-Labor" for any and all labor required including warranty administration. *Eligible for 1 free training annually, free handling of carrier trouble tickets, no-charge incidental consulting, free annual technology review and free annual carrier services audit as well as other parts related benefits such as providing loaner equipment to maintain at least minimal service if necessary.* This is an extra cost item which may be included an applicable Proposal or Contract or on other documentation including a PAID invoice and may be included with the purchase of a new system. This coverage automatically renews annually unless cancelled by the either party in writing between 60 and 90 days prior to anniversary date.

LIMITS OF COVERAGE, EXCLUSIONS and LIMITS OF LIABILITY

Equipment may be repaired or replaced at the option of USA. Equipment of like kind and quality shall be used to replace any covered equipment or components at the time of any failure thereof. Repair or replacement of wear and tear items such as base cords or handset cords are not covered under any warranty or Managed Services Agreement. Coverage shall be limited to the replacement or repair of the covered equipment once during the term (or extended term) of an MSA.

Coverage is NOT PROVIDED for: (1) Repair or replacement without proper authorization from USA; (2) Any equipment which is identified as "refurbished" or "used" or is similarly described on the Proposal or Contract. In the absence of other explanation, such equipment is furnished "as is." (3) Failures due to failure to perform normal, routine service/maintenance; (4) repairs to equipment serviced or repaired by someone not authorized by USA; (5) any equipment not purchased from USA. The addition of any such equipment will entirely void any warranty or MSA.

These warranties and MSA do not apply to covered equipment or components which are damaged due to: (1) Deliberate or inadvertent abuse thereof by any person; (2) The negligence of customer or it's agents or employees; (3) Improper or negligent alteration of covered equipment or a component part thereof; (3) misuse, negligence, accident, theft or unexplained loss, abuse, connection to direct current, fire, flood, wind, lightning, power surge, Acts of God or public enemy, insurrection, terrorism, water or other liquid damage; (5) Insufficient heating ventilating or air conditioning (HVAC) or HVAC system failure. **The coverage term for cordless devices or for hotel / motel telephones shall not exceed one year regardless of the overall coverage terms found on the face of the Proposal or Contract or referenced elsewhere.**

The liability of USA for this limited warranty and/or Managed Services Agreement is only as herein set forth and USA shall in no instance be liable for any consequential damages whatsoever.