

Whidbey Telecom

ATTACHMENT A TO CUSTOMER PREMISES EQUIPMENT ("CPE") ATTACHMENT TO MSA NO. _____

DSL Router Lease
(rev. 07-14-10)

THIS EQUIPMENT LEASE ("Lease") is entered into by and between Whidbey Telecom and or Whidbey Telecom Internet and Broadband ("Lessor") and the Whidbey Telecom and or Whidbey Telecom Internet & Broadband Customer referenced in the Internet Service Attachment to the Master Service Agreement to which this Lease is an attachment ("Lessee"), and is made and effective on the date the Equipment (defined more fully below) is provided to Lessee. This Lease governs the Equipment, and all substitutions and/or replacements thereof made by Lessor. All monetary amounts referenced in this Lease are in US Dollars ("Dollars"). BY ACCEPTING DELIVERY OF AND BY USE OF THE EQUIPMENT AND/OR INTERNET SERVICE FURNISHED BY WHIDBEY TELECOM OR WHIDBEY TELECOM INTERNET & BROADBAND, YOU ARE STATING THAT YOU ARE ELIGIBLE FOR SUCH SERVICE AND THAT YOU AGREE TO BE BOUND BY THIS LEASE AGREEMENT AND THE TERMS AND CONDITIONS OF SUCH SERVICE.

IT IS AGREED:

Lease -- Description of Property

Lessor hereby leases to Lessee, and Lessee hereby leases from Lessor, on the terms and conditions as specified in this document, the following described equipment ("Equipment"), to be used only with Lessor's Internet and broadband service:

Leased Router with accessories consisting of Power Supply, ADSL Cable, Ethernet Cable, Installation Guide, and packaging carton, replacement value of one hundred and thirty Dollars (\$130), plus applicable taxes, if any.

Disclaimer of Warranties and Waiver of Defenses

A. Warranty by Lessor

Lessor makes no warranty, express or implied, regarding the fitness, merchantability, design, condition, capacity, performance or any other aspect of the Equipment or its material or workmanship. Nevertheless, LESSOR WILL REPLACE EQUIPMENT described in this Lease, if defective and if Lessor is given notice by Lessee of such defect prior to the termination, cancellation or expiration of this Lease. Lessor further disclaims any and all liability for loss, damage, or injury to Lessee or third parties as a result of any defects, latent or otherwise, in the Equipment whether arising from Lessor's negligence or application of the laws of strict liability. As to Lessor, Lessee leases the Equipment "AS IS".

B. Assignment for Breach of Warranty

Lessor hereby assigns to Lessee, solely for the purpose of prosecuting such a claim, all of the rights which Lessor may have against a supplier and a supplier's vendor (in each case, other than Whidbey Telecom and its affiliates) for the breach of warranty or other representations respecting the Equipment of this Lease; provided, however, that this assignment shall be of no force or effect with respect to Equipment that is replaced by Lessor or otherwise returned to Lessor.

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Term

The agreement under this Lease shall begin on the date that the Equipment is provided to Lessee, and shall continue thereafter for the duration of the Term of the Customer Premises Equipment ("CPE") Attachment to the Master Service Agreement to which this Lease is an attachment, or until Lessor cancels this Lease.

Rent

Any applicable rent installments shall be paid on a monthly basis. Rent installments to be paid by Lessee will be in the amount shown on the Pricing Schedule of the Master Service Agreement to which this Lease is an attachment, and this amount will appear on Lessee's monthly bill until the final payment has been made after the expiration of this Lease. With the exception of the initial partial month, if any, the rent installment for each month will normally be invoiced in at the beginning of the month.

Care and Use

Lessee, at Lessee's own cost and expense, shall maintain and keep Equipment in good repair, condition, and working order, shall provide the proper physical environment for the Equipment, shall not use the Equipment unlawfully, and shall not alter the Equipment without Lessor's prior written consent.

Risk of Loss

Lessee shall bear any and all risks of loss and damage to Equipment. In the event of loss or damage to the Equipment, Lessee shall pay to Lessor the replacement value of the Equipment as defined in this Lease, within twenty (20) days of when the loss or damage occurs.

Delivery Upon Termination of Lease

Upon the expiration, cancellation or termination of this Lease, Lessee shall return the Equipment to Lessor, at Lessee's expense, in good repair, condition, and working order. If Equipment is not returned within fifteen (15) days following expiration, cancellation or termination of this Lease, Lessee shall pay to Lessor the replacement value of the non-returned Equipment as defined in this Lease.

Indemnity

Lessee shall indemnify and hold Lessor harmless from and against any and all claims, suits, damages, costs (including, but not limited to, reasonable attorneys' fees), and other liabilities connected with the Equipment or this Lease.

Default

In the event Lessee defaults in timely payment of any amount due under this Lease or fails to perform any other of its obligations as set forth in this Lease, Lessor may exercise any one or more of the following remedies:

- A. To declare the entire balance of the greater of replacement value of the Equipment as defined in this Lease and/or any applicable rent immediately due and payable without notice.
- B. To sue for and recover all payments and other monies due.
- C. To take possession of all Equipment described in this Lease.
- D. To terminate this Lease.
- E. To pursue any other legal remedy.

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Title, Ownership

The Equipment, as described in this Lease, is and shall remain the sole exclusive property of Lessor, and Lessee shall have no right, title or interest therein, except as set forth by this Lease. This Lease and the Equipment leased hereunder are transferable at the sole discretion of Lessor.

Attorneys' Fees

In the event Lessor is required to file legal action or suit against Lessee, and if Lessor prevails, Lessor shall be entitled, in addition to costs, to reasonable attorneys' fees as determined by the court.

Miscellaneous

This Lease is an attachment to a Customer Premises Equipment (“CPE”) Attachment to a Master Service Agreement. The Cover Sheet and the Terms and Conditions of that Master Service Agreement and the provisions of that Customer Premises Equipment (“CPE”) Attachment apply in addition to the provisions of this Lease. Copied, microfiched, scanned or other duplicate or electronic images of this Lease are admissible for all purposes.