1. SERVICE. Subject to the terms and conditions set forth herein, upon receipt of a complete and accurate quote / service request ("SR"), countersigned by both parties hereto, RIVERWAVE BROADBAND agrees to provide to Customer broadband capacity / network services / mobile application / VoIP phone services ("Service") through its network ("Network").

2. TERM AND TERMINATION. The term of any Service shall be as specified in the SR. RIVERWAVE BROADBAND shall notify Customer when the service has been successfully installed and is available for Customer's use. Unless notified by Customer in writing within 24 hours that service is not operational, RIVERWAVE BROADBAND considers that the term shall begin on the date it notifies Customer that service is operational. Such date shall hereinafter be referred to as the Service Date. Service Date will not be delayed or postponed due to problems with customer's equipment or Customer's lack of readiness to accept or use service. Upon expiration of the term, the Service shall continue on a month-to-month basis at the same rate until such time as either party provides thirty (30) days' written notice of termination.

3. BILLING AND PAYMENT. As compensation for the Service provided by RIVERWAVE BROADBAND, Customer shall pay in U.S. dollars the recurring and non-recurring rates and charges set forth in the SR, together with any supplemental charges (such as for changes to the requested start date, design changes and expedites) and any applicable taxes or other fees as defined in Section 4, below (collectively, the "Charges"). Residential customers must setup autopay for all account billing as a condition of service. Autopay can be configured for credit card, debit card, ACF, or bank accounts (with routing number). Charges shall be invoiced monthly in advance, commencing on the first day of the Service Date and on the same day of the month for each month thereafter. Services shall not fully activate until Customer's first payment is collected. Actual usage charges that are over and above contracted services shall be billed in arrears. Charges shall begin accruing on the Service Date. For Residential services, Charges shall be due within seven (7) days of the invoice date, (together with Commercial services referenced later in this section, the "Payment Due Date"). Residential accounts shall be considered delinquent, and services throttled, four (4) days after the Payment Due Date. For Commercial services, Charges shall be due within thirty (30) days of the invoice date(together with Residential services referenced prior, the "Payment Due Date"). Commercial accounts shall be considered delinquent, and services throttled, two (2) days after the Payment Due Date. If payment is not received by the Payment Due Date, Customer shall be considered delinquent and the delinquent balance due shall be subject to interest charges at the rate of the lesser of one and one-half percent (1 ½ %) per month or the highest amount permitted by law, until paid in full. If Customer in good faith disputes any charges, it shall timely pay all undisputed charges, and also within thirty (30) days of the invoice date give RIVERWAVE BROADBAND written notice of the disputed amount(s) and written documentation of the reason(s) therefore or any such disputes shall be deemed waived. Any amounts that are determined by RIVERWAVE BROADBAND to be in error or not in compliance with this Agreement will be adjusted on the next month's invoice following such determination. Any disputed amounts that in good faith and supported by reasonable documentation are deemed by RIVERWAVE BROADBAND to be correct as billed and in compliance with this Agreement, will be due and payable by Customer, upon notification and demand by RIVERWAVE BROADBAND, along with late payment interest charges accrued from the Due Date. Customer shall pay to RIVERWAVE BROADBAND all costs, including, but not limited to, legal fees, court costs and the fees of any collection agency, incurred by RIVERWAVE BROADBAND in exercising its rights under this Agreement.

4. TAXES AND FEES. Any applicable foreign, federal, state or local use, excise, gross receipts, sales, value added or privilege taxes; duties, surcharges to recover universal service contributions, regulatory assessment fees or other taxes, fees, charges, surcharges or similar liabilities imposed on or based upon the provision, sale or use of the Service furnished by RIVERWAVE BROADBAND (collectively, "Taxes and Additional Charges") shall be paid by Customer in addition to the recurring and non-recurring rates and charges set forth in each SR, excluding taxes based upon RIVERWAVE BROADBAND's net income or real property. Applicable Taxes and Additional Charges shall include those, if any, which may be imposed after the execution of this Agreement and shall also include all interest, penalties, fees and other charges for late payment. In the event Customer believes it is exempt from any Taxes and Additional Charges, Customer shall provide RIVERWAVE BROADBAND with a valid exemption certificate from the appropriate taxing authority evidencing such claimed exemption. Customer shall be liable to RIVERWAVE BROADBAND for any and all costs, expenses and liabilities of any kind incurred by RIVERWAVE BROADBAND (including, without limitation, the time value of money related to tax refunds for payments made by RIVERWAVE BROADBAND based upon Customer's Service that are subsequently exempt from taxation) in connection with an otherwise valid exemption certificate not provided by Customer to RIVERWAVE BROADBAND within one (1) month of the Service Date.

5. CREDIT APPROVAL AND SECURITY. Customer authorizes RIVERWAVE BROADBAND to seek such details concerning its credit background as RIVERWAVE BROADBAND deems necessary, and consents to RIVERWAVE BROADBAND's disclosure of account information to or from credit reporting agencies, credit bureaus, private credit reporting associations and other providers of telecommunications services. RIVERWAVE BROADBAND may require a deposit, letter of credit or other form of security in an amount acceptable to RIVERWAVE BROADBAND pursuant to RIVERWAVE BROADBAND's credit review procedures.

6. EQUIPMENT AND INSTALLATION FOR SERVICE. If applicable, during the term of the Service, Customer grants RIVERWAVE BROADBAND the right free of charge to occupy portions of the Customer's facilities and real property ("Space") for the placement and maintenance of communications equipment and cabling ("RIVERWAVE BROADBAND Equipment") and interconnecting such RIVERWAVE BROADBAND Equipment to the Network for the purpose of providing the Service. RIVERWAVE BROADBAND shall be given adequate power for the RIVERWAVE BROADBAND Equipment without charge and the right to pass through third party traffic with add/drop capability. RIVERWAVE BROADBAND shall be permitted access to the Space during operating hours, subject to reasonable documented rules of Customer governing such access. Customer shall provide RIVERWAVE BROADBAND with notice of any proposed modification to such rules thirty (30) days prior to any such modification being implemented. In an emergency or to perform scheduled maintenance, RIVERWAVE BROADBAND requires twenty-four (24) hours a day, seven (7) days a week access to the Space, which will be provided by Customer. The communications router and associated equipment (part of the "RIVERWAVE BROADBAND Equipment") required for service are owned by RIVERWAVE BROADBAND and are provided to Customer for use with the Service at no charge to Customer. Customer shall return the RIVERWAVE BROADBAND Equipment to RIVERWAVE BROADBAND at 190 Merrimon Ave, Asheville, NC 28801 within ten (10) days of service termination in conformity with this Agreement.

7. CONSTRUCTION PROCEDURES. Before conducting any construction activities, RIVERWAVE BROADBAND shall contact NC 811 to ensure all existing utilities are located and marked. Additionally, it is Customer's sole responsibility to mark all buried private lines not marked by public utilities (ex. Water sprinkler or irrigation lines, secondary electrical feeds, landscape lighting, private water and sewer laterals, private propane and gas lines, communication and security extensions, abandoned utilities, animal fences, etc.) Customer understands completion of the NC 811 utility locating process and Customer's private locating and marking is a prerequisite to RIVERWAVE BROADBAND constructing its infrastructure to Customer's premises for service deliver. RIVERWAVE BROADBAND's default construction path to a premise is to follow the general path of other existing utilities, but may deviate based on conditions, or upon separate agreement with Customer.

8. FORCE MAJEURE. RIVERWAVE BROADBAND shall not be held liable for any delay or failure in performance of any part of this Agreement from any cause beyond its reasonable control and/or without its fault or negligence, including, without limitation, acts of God, acts of civil or military authority, government laws, rules or regulations, labor disputes, embargoes, pandemics, epidemics, war, terrorist acts, riots, insurrections, fires, explosions, earthquakes, nuclear accidents, floods, cable or fiber cuts, strikes of party or its affiliates, power blackouts, volcanic action, other major environmental disturbances, unusually severe weather conditions, or hurricanes (collectively, "Force Majeure").

9. DEFAULT AND TERMINATION.

    9.1 The occurrence of any one (1) or more of the following shall constitute a Default:

        9.1.1 Any insolvency, bankruptcy, assignment for the benefit of creditors, appointment of a trustee or receiver, or similar event with respect to either party;

        9.1.2 Either party's violation(s) of any applicable laws, statutes, ordinances, codes or other legal requirements with respect to its use of the Service and the failure to remedy such violation(s) within the time frame(s) allowed by law;

        9.1.3 Either party's failure to perform its material obligations under this Agreement (excluding Customer's non-payment of undisputed charges as set forth in Section 3, above) where such nonperformance is neither excused by a Force Majeure event nor remedied within thirty (30) days after written notice thereof; provided that if such nonperformance cannot be cured within such thirty (30) day period with the

exercise of reasonable due diligence and the defaulting party provides adequate assurance of its ability to perform, the defaulting party shall be given a reasonable additional period of time in which to cure such nonperformance, so long as it is acting promptly and diligently to cure; or

9.1.4 The failure by Customer to pay undisputed charges within ten (10) days' notice of non-payment.

9.2 In the event of a Default by Customer, upon notice to Customer, RIVERWAVE BROADBAND may terminate the Agreement or any related service, in whole or in part, or suspend Service or any portion thereof with no further performance obligation, and Customer shall be liable for all amounts due and owing as of such termination or suspension date, plus early termination charges as set forth herein shall apply.

9.3 In the event of a Default by RIVERWAVE BROADBAND, upon notice to RIVERWAVE BROADBAND, Customer, as its sole and exclusive remedy, may terminate the Service without liability for early termination charges and shall be entitled to a refund of any prepaid amounts for Service not rendered.

10. EARLY TERMINATION AND RETAINED EQUIPMENT CHARGES. In the event Customer cancels or terminates this Agreement or any related service except as otherwise expressly permitted under this Agreement, and/or fails to timely return the RIVERWAVE BROADBAND Equipment, Customer agrees that additional charges apply as described below:

10.1 MONTH TO MONTH SERVICE REQUEST. Where the SR specifies a month-to-month term Section 10.3 and 10.4 apply.

10.2 CONTRACT TERM SERVICE REQUEST. Where the SR specifies a contract term other than month-to-month, Customer agrees to pay RIVERWAVE BROADBAND, as liquidated damages and not as a penalty, an early termination charge with respect to the cancelled or terminated Service as follows: (a) all non-recurring charges specified in the SR (including previously waived and amortized charges); plus (b) all disconnection, early cancellation or termination charges incurred by RIVERWAVE BROADBAND on Customer's behalf; plus (c) one hundred percent (100%) of the total monthly recurring charges specified in the SR multiplied by the number of months remaining in the first year of the term, plus seventy-five percent (75%) of the total monthly recurring charges specified in the SR multiplied by the number of months remaining in the second year of the term, plus fifty percent (50%) of the total monthly recurring charges specified in the SR multiplied by the number of months remaining in the term after the first twenty-four (24) months of the term. Notwithstanding the foregoing and anything else to the contrary contained in this Agreement, where RIVERWAVE BROADBAND must build fiber or facilities (e.g., obtain space and/or deploy equipment) to provide Service to Customer, Customer's SR for Service in connection with the build shall not be subject to cancellation once submitted to and accepted by RIVERWAVE BROADBAND, Customer shall have no right to terminate the Service for convenience prior to expiration of the service request's and/or quote's term, and Customer shall be liable for 100% of the monthly recurring charges applicable to such SR for its entire term.

10.3 INSTALLATION FEE. Installation fees may apply to Customer's service and if so, will be listed on their SR. RIVERWAVE BROADBAND may in its sole discretion waive any applicable installation fee in writing on Customer's SR. If Customer terminates service before thirty six (36) months of service have elapsed, regardless of whether Customer executed a Month to Month or Term SR, and whether any applicable installation fee was waived, the waived installation fee shall become payable upon termination as follows:

10.3.1 If within the first twelve (12) months of service, three hundred dollars ($300).

10.3.2 If within thirteen (13) and twenty-four (24) months of service, two hundred dollars ($200).

10.3.3 If within twenty-five (25) and thirty-six (36) months of service, one hundred dollars ($100).

10.4 EQUIPMENT FEE. If Customer does not return the RIVERWAVE BROADBAND Equipment within ten (10) days of service termination, and regardless of whether Customer executed a month-to-month or contract term SR, Customer will be charged and owe to RIVERWAVE BROADBAND three hundred dollars ($300) in addition to any other fees due according to the SR or this Agreement.

11. DISCLAIMER OF WARRANTIES. RIVERWAVE BROADBAND MAKES NO ORAL OR WRITTEN WARRANTIES OR REPRESENTATIONS, EXPRESS OR IMPLIED, IN FACT OR IN LAW, AND ALL OTHER WARRANTIES WHETHER EXPRESS, IMPLIED OR STATUTORY, INCLUDING, WITHOUT LIMITATION, WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE ARE HEREBY EXCLUDED AND DISCLAIMED.

12. LIMITATION OF LIABILITY.

    12.1 Except as otherwise specifically set forth in this Agreement, neither party shall be liable to the other party for any direct or indirect, consequential, special, incidental, reliance or punitive damages of any kind or nature whatsoever (including, but not limited to, any lost profits, lost revenue, lost savings, cost of substitute equipment or services, or harm to business), regardless of the foreseeability thereof, whether based upon statute, contract, tort, negligence, strict liability or otherwise. Each party hereby releases the other party, its subsidiaries and affiliates, and their respective officers, directors, managers, employees and agents from any such claim.

    12.2 Except with respect to Section 13.1, below, the total liability of RIVERWAVE BROADBAND in connection with this Agreement shall in no event exceed sums actually paid by Customer to RIVERWAVE BROADBAND for the Service which gives rise to the claim.

    12.3 The limitations set forth in Section 12.1, above, shall not limit Customer's indemnification obligations hereunder with respect to third party claims against RIVERWAVE BROADBAND as set forth in Section 12, below.

13. INDEMNIFICATION.

    13.1 Each party shall indemnify, defend and hold harmless each other from and against any and all liabilities, claims, damages, losses, costs, expenses and judgments arising out of or in connection with bodily injury (including death) or damage to tangible property caused by the negligence or willful misconduct of the indemnifying party, its employees, directors, officers, agents or invitees.

    13.2 In addition to its obligations pursuant to Section 13.1, above, Customer shall indemnify, defend and hold harmless RIVERWAVE BROADBAND from and against any and all (i) proceedings to recover taxes, fines or penalties for failure of the Customer to obtain or to maintain in effect any necessary certificates, permits, licenses, approvals, authorizations or other authority, whether federal, state or international, to use the Service required to be obtained or maintained by Customer under applicable law; (ii) libel, slander, copyright infringement, patent infringement or unauthorized use of a trade secret, trademark, trade name or service mark by Customer; and (iii) any and all claims of Customer's end users that use the Service through Customer, and any and all third party claims resulting from Customer's use of the Service.

14. WAIVER. No failure or delay on the part of a party in exercising any right, power or privilege hereunder and no course of dealing by a party shall operate as a waiver thereof nor shall any single or partial exercise of any right, power or privilege by such party hereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

15. AMENDMENT. No subsequent agreement among the parties concerning the Service or this Agreement shall be effective or binding unless it is made in writing by authorized representatives of the parties.

16. ENTIRE AGREEMENT. This Agreement sets forth the entire understanding of the parties and supersedes any and all prior agreements, arrangements or understandings relating to the subject matter hereof. Notwithstanding the above, an accepted RIVERWAVE BROADBAND Quote, Service Request, Proposal or the like shall be reciprocally incorporated in this Agreement.

17. NO THIRD PARTY BENEFICIARIES. This Agreement inures to the benefit of RIVERWAVE BROADBAND, its affiliates, and Customer only, and no other third party shall have any rights hereunder.

18. SEVERABILITY. If any part of any provision of this Agreement or any other agreement, document or writing given pursuant to or in connection with this Agreement shall be invalid or unenforceable under applicable law, said part shall be ineffective to the extent of such invalidity only, without in any way affecting the remaining parts of said provision or the remaining provisions of this Agreement.

19. GOVERNING LAW AND VENUE. This Agreement shall be governed by the laws of the State of North Carolina without regard to choice of law principles. Venue for any and all actions brought by either party to enforce the terms hereof shall reside in Buncombe county, North Carolina, and each party hereby irrevocably submits to the personal jurisdiction of the courts located in such county.

20. ASSIGNMENT. Neither party may assign this Agreement without the prior written consent of the other party, which consent shall not be unreasonably withheld, provided that any proposed assignment by Customer shall be subject to RIVERWAVE BROADBAND's credit approval of the proposed assignee. Notwithstanding the foregoing, no consent shall be required for an assignment by RIVERWAVE BROADBAND to an entity that either controls or is controlled by or is under common control with RIVERWAVE BROADBAND; or to an entity which succeeds to all or substantially all of RIVERWAVE BROADBAND's assets whether by merger, sale or otherwise; or to any institutional lender to whom this Agreement is assigned as collateral security for any indebtedness of RIVERWAVE BROADBAND or any affiliate of RIVERWAVE BROADBAND, provided that such collateral assignment is subject to the terms of this Agreement.

21. PUBLICITY. This Agreement shall not grant to either party a license to use any of the other party's (or its affiliates') trademarks, service marks or trade names ("Trademarks"). Neither party may, without prior written consent, use the other party's Trademarks in marketing, promotional, advertising or similar materials, or in any other manner. Neither party may issue any public or press release regarding the other party, or disclose the existence of this Agreement, without the prior consent of the other party.

22. NOTICES. Except as otherwise expressly provided herein, all notices or other communications permitted or required hereunder shall be in writing and mailed by certified mail, return receipt requested, or sent by receipted overnight courier to Customer at the billing address set forth in the SR and to RIVERWAVE BROADBAND at 190 Merrimon Ave., Asheville, NC 28801 Attn: Contract Management. Notices shall be deemed given three (3) days after deposit in the U.S. mail postage prepaid, if sent by certified mail, or when received or receipt is refused if sent by receipted overnight courier. The foregoing delivery addresses and recipients may be changed by either party by notice pursuant to this Section 22.

23. NETWORK/SYSTEM INTEGRITY. Customer and its end users shall not operate hardware or software that RIVERWAVE BROADBAND, in its sole discretion, deems harmful, hazardous or capable of causing interference, congestion or interruptions to the Network, RIVERWAVE BROADBAND Equipment or Service. Upon written or verbal notice from RIVERWAVE BROADBAND, Customer and/or end user(s) shall immediately remove the offending hardware or software. If Customer and/or end user(s) fail to do so, RIVERWAVE BROADBAND may suspend Service without notice; provided, however, that RIVERWAVE BROADBAND shall afford Customer a reasonable opportunity for cure before terminating this Agreement.

24. EASEMENT. Customer does hereby provide to RIVERWAVE BROADBAND, ERC Broadband LLC, and their agents and affiliates, a utility easement in perpetuity over, under and through Customer's property for the purposes of installing and maintaining fiber optic infrastructure, providing service to Customer, further propagating RIVERWAVE BROADBAND or its affiliates fiber optic networks, and ingress to and egress from Customer's property for those purposes listed above. The easement shall follow that locatable path from the beginning of the fiber infrastructure upon Customer's property to the Customer's building entrance as agreed between the Parties. Customer is responsible for securing easement rights on behalf of RIVERWAVE BROADBAND.

25. OWNERSHIP AND DAMAGES. RIVERWAVE BROADBAND and its affiliates shall remain the sole and exclusive owners of the fiber infrastructure installed on Customer's property, except any infrastructure installed inside a Customer building or dwelling, which shall be owned by Customer, unless otherwise agreed upon in writing by the Parties. Any damage to the fiber infrastructure on Customer's property shall be repaired or replaced at Customer's sole expense unless caused by RIVERWAVE BROADBAND, or its affiliates or agents, in which case RIVERWAVE BROADBAND shall be responsible for said expenses. Notwithstanding the above, where Customer provides to RIVERWAVE BROADBAND written or drawn instructions for installation purposes, and damage is caused by

installation activities, Customer shall be responsible for the damages so long as RIVERWAVE BROADBAND followed the Customer-provided instructions. Customer shall bear all costs of damage to unmarked private lines referenced in Section 7.

26. NEW RULES OR ACTIONS. The parties acknowledge that some rights and obligations of RIVERWAVE BROADBAND under this Agreement may be affected by future rules, regulations, guidelines, orders, treaties or laws promulgated, enacted or entered into by federal and state legislatures, by federal and state agencies, local or federal governments, and international or other regulatory bodies (together "Rules or Actions"). In the event that any such Rules or Actions adversely revise or modify RIVERWAVE BROADBAND's obligations under this Agreement, RIVERWAVE BROADBAND may, upon written notice to Customer, require this Agreement be renegotiated in good faith to reflect the effect of any such Rules or Actions.

27. APPLICATION TO SERVICE REQUESTS. All existing and future service requests and/or quotes for Customer and any of its successors will fall under the terms and conditions of this Agreement.

28. SERVICE, TERM AND RATES. RIVERWAVE BROADBAND agrees to provide and Customer agrees to accept the services for the duration described in a signed existing or future SR, beginning on or about the "Due Date", at the rates contained in the quote, and the Customer further agrees to comply fully with all terms and conditions in any applicable tariff(s) and the Agreement, which are fully incorporated herein.

29. APPENDICES. The following Appendices shall be attached to and incorporated into this Agreement. In the event of any inconsistency between the terms contained in the Appendices and this Agreement, the Appendices shall control with respect to the specific inconsistency.

Appendix 1 – PERFORMANCE SPECIFICATIONS AND SYSTEM ACCEPTANCE.

PERFORMANCE SPECIFICATIONS AND
SYSTEM ACCEPTANCE

1. Monitoring. RIVERWAVE BROADBAND will be responsible for performing surveillance of the Service. RIVERWAVE BROADBAND will maintain a twenty-four (24) hours a day, seven (7) days a week point-of-contact to whom Customer can report system trouble or faults. Customer shall maintain and provide to RIVERWAVE BROADBAND a list of Customer contacts for maintenance and escalation purposes.

2. Maintenance. Scheduled routine maintenance will be performed during specified customer maintenance windows and will be communicated in advance to Customer. RIVERWAVE BROADBAND will notify Customer upon completion of the scheduled maintenance work. Maintenance that may place the Network in jeopardy or require Network down time will normally be performed during the "Maintenance Window" of 12:01 am and 6:00 a.m. Eastern time or, upon Customer's request, at a time mutually agreed to by Customer and RIVERWAVE BROADBAND. Maintenance that may place the Network in jeopardy or require Network down time that will be performed outside of the normal Maintenance Window will be cleared with Customer no less than forty-eight (48) hours prior to commencement. Notwithstanding the foregoing, Customer understands that any time RIVERWAVE BROADBAND may perform emergency maintenance, in its sole discretion and without notice, to preserve the overall integrity of the Service or Network. Customer further acknowledges and agrees that the suspension of the availability of any Service pursuant to this Section 2 shall not be deemed a violation by RIVERWAVE BROADBAND of any of its obligations under this Agreement.