

## US Net – Channel Partner Agreement

This Channel Partner Agreement (Agreement) is entered into this \_\_\_\_\_ day of \_\_\_\_\_, 200\_\_ between V1 Ventures, LLC d/b/a US Net (hereinafter "US NET") and \_\_\_\_\_, a \_\_\_\_\_ (corporation, limited liability company, partnership, individual) organized under the laws of the state of \_\_\_\_\_, with a principal place of business located at \_\_\_\_\_ (hereinafter "Channel Partner").

Whereas, pursuant to this Agreement, Channel Partner wishes to sign-up customers for US NET's Internet services and has the necessary expertise to undertake this Agreement, and

Whereas, US NET is willing to pay a one-time commission for customers who are signed-up by Channel Partner, and

Whereas, US NET wishes to retain the right to change or eliminate the Channel Partner Program at any time and Channel Partner understands and agrees with US NET retaining such right,

Now therefore, Channel Partner and US NET agree to the terms and conditions contained herein:

1. Subject to the Qualification Schedule in Exhibit 1, Channel Partner is hereby authorized to sign-up customers for US NET services under the Channel Partner Program.
2. For each customer executing a US NET standard contract for Internet services for a term of one year or more, and contingent upon the installation of the service or circuit and payment by the customer of at least 2 calendar month's of service, US NET shall pay Channel Partner an on-going commission consistent with the terms as provided in Exhibit 2.
3. Channel Partner agrees to adhere to all US NET policies and procedures and to follow the Channel Partner Program Guidelines provided in Exhibit 3. Channel Partner agrees to use good, fair and honest business practices in signing up customers. Channel Partner acknowledges that any customers executing US NET contracts shall become customers of US NET and Channel Partner agrees not to solicit such customers on behalf of itself or any other entity for services competitive to US Net or attempt to disconnect such customers from US NET services.
4. Channel Partner agrees and acknowledges that US NET has not made any representations or guarantees regarding the success, profitability or expected financial opportunities associated with this venture. Channel Partner assumes all business risks associated with this Agreement and signing-up customers to US NET services.
5. US Net reserves the right to terminate this agreement with any Channel Partners who fails to sign-up the minimum number of subscribers in a given quarter.
6. Channel Partner agrees that it will not use US NET's name, trade names, trademarks, copyrights, symbols, designs, logos or other marks (collectively "Marks") other than as provided for under the Channel Partner Program without the written consent of US Net.
7. **US NET shall not be liable for any damages, direct or indirect, including but not limited to, lost profits, incidental, consequential, punitive, or special damages regardless of if US NET is aware of the possibility of such damages and regardless of the theory under which such damages are sought. US NET MAKES NO WARRANTIES, EXPRESS OR IMPLIED, REGARDING THE SERVICES AND RESERVES THE RIGHT TO REJECT ANY SIGNED RESIDENTIAL SUBMISSION FORM (ORDER). The Channel Partner has no vested right or interest in the order and US NET is under no obligation to enter any order or to take any particular steps in attempting to enter any**

**order that US NET finds in question or bad financial standing, including (but not limited to) bad credit history. By submitting the order, Channel Partner agrees that US NET shall not be liable for damages under any theory, including but not limited to, the manner in which it entered the order or any acts associated with the provision or termination of the service after the sale.**

8. Channel Partner is an independent contractor and this Agreement is not meant to create nor shall it be deemed to create any type of employer-employee relationship, partnership, joint venture or agency relationship.
9. Channel Partner agrees it will comply with all federal, state and local laws, regulations and requirements, including but not limited to payment of any applicable taxes, obtaining any necessary permits and licenses and any laws associated with the signing of customers.
10. US NET is under no obligation to enter any order or to take any particular steps in attempting to enter any order that US NET finds in question or bad financial standing, including (but not limited to) bad credit history. By submitting the order, the Channel partner agrees that US NET shall not be liable for damages under any theory, including but not limited to, the manner in which it entered the order is entered by US NET or any acts associated with the provision or termination of the service after the sale.
11. Either party may terminate this Agreement at any time by giving written notice of its intent to terminate to the other party. In the event the Agreement is terminated, Commissions shall be held to assure monies are available to cover any applicable charge-backs, such monies to be paid 90 days from the date service for the last customer signed-up by Channel Partner is installed. In addition, this Agreement shall be automatically terminated if US NET discontinues the Channel Partner Program.
12. Notices shall be deemed given when delivered, if hand-delivered, or if sent by US Mail Return Receipt Requested to the address listed below, 3 days after depositing the same or upon receipt, whichever is earlier. Such Notices to be sent:

a. If to US NET:

Senior Vice President - Operations

11970 Borman Drive

Suite 200

St. Louis, MO 63146

b. If to Channel Partner:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

13. This Agreement shall be interpreted under the laws of the State of Missouri without reference to conflict of laws provisions.
14. This Agreement represents the entire understanding and agreement between the parties and supercedes any and all prior or contemporaneous oral or written understanding, representation, agreement or communication between Channel Partner and US NET concerning this matter. Neither party is relying upon any warranties, representations, assurances or inducements not expressly set forth in this Agreement. No modifications or amendments may be made to this Agreement unless expressly identified as such in writing and signed by both parties.
15. Neither party may assign this Agreement without the prior written consent of the other party, provided however that the sale or transfer of any portion of the assets of US NET or any of its subsidiaries or affiliates, via acquisition or transfer into another company shall not be deemed an assignment of this Agreement by US NET. Any assignment in violation of this Section shall be void. Subject to the foregoing, this Agreement shall be binding upon and inure to the benefit of the successors and assigns of US NET and Channel Partner.
16. No waiver of any provision of this Agreement or any rights or obligations of either party hereunder shall be effective, except pursuant to a written notice signed by the party waiving compliance, and any waiver shall be effective only in the specific instance and for the specific purpose stated in such writing.
17. Each party shall bear its own costs and expenses in performing this Agreement. US NET may, but is not in any way obligated, to provide Channel Partner with marketing material or assistance. Channel Partner is not relying on receipt of any such material or assistance in entering into this Agreement.

In Witness Whereof, the parties hereto have caused this Agreement to be duly executed and delivered as of the date written above.

**US Net**

**Channel Partner**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name

\_\_\_\_\_  
Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

## **Exhibit 1**

### **US Net – Channel Partner Sales Unit Qualification Schedule**

1. To remain in Good Standing under the program, Channel Partner must sign-up four new (4) units per month. A Unit shall equal \$50 of contracted monthly recurring revenue (MRR), excluding pass-through revenue.
2. US Net reserves right to modify this Qualification Schedule in its sole discretion upon notice to Channel Partner.

## Exhibit 2

### US Net – Channel Partner Agreement

1. The commission rate shall be 20% of the amount of Monthly Recurring Revenue (“MRR”) from US NET term contracts sold by the Channel Partner. For purposes herein, MRR is defined as the revenue (excluding any local, state and/or federal taxes or fees) from a customer for one fiscal monthly period as calculated in accordance with Generally Accepted Accounting Principles and shall exclude any “Pass through” revenue” or “replacement revenue”. For example, “Pass through” revenue obtained via circuit or loop charges will not be counted towards MRR and will not be commissioned e.g., a T-1 dedicated access service selling at \$400 per month would pay a commission on \$100 if US Net paid \$300 per month to a local exchange company in order to provide the service. On sales to existing customers, the calculation of MRR shall also exclude the amount of revenue that does not constitute new revenue but rather “replacement revenue”. For example, if a sale is made to an existing US Net customer, the Channel Partner will receive credit for the MRR difference between the services, e.g., if a subscriber is at a service level of \$100, and is then upgraded to a \$200 service level, the Channel Partner would receive credit for \$100 less any applicable “Pass through” charges. If a customer should order a new service for a lesser MRR than their original service, the Channel Partner will receive \$0 commissionable credit.
2. Commission is calculated based upon signed and contracted business. All required paperwork must be complete, turned in and approved by the US NET Channel-Manager for contracted business to be counted. To be counted, Contracts signed during the week must be turned in by the close of business on Friday of that week and for the last week of the month by 2:00 pm on the last business day of the month. Contracts not turned in based on these timelines will carry over to the following month.
3. Customers must be signed to a minimum 12-month term agreement to qualify for commissions.
4. Commissions will be terminated if customer stops payment for services.
5. Setup fees and equipment must be charged at the scheduled rate unless a previously approved discount level is in effect.
6. No commissions will be paid on setup fees.
7. To be considered for Commission purposes, the contracted price for Services must be as stated on the then current US Net website at [www.us.net](http://www.us.net) or at discounted levels made available from time-to-time by US Net, at US Net's sole discretion.
8. Service must be installed and new subscribers must have paid for at least two months of service before a commission will be paid. Commissions will be paid by the last day of the month following payment of the second monthly payment. If the account is pre-paid rather than month-to-month, commission will be paid during the subscriber's second month of service.
9. To be considered for Commission purposes, the price for Services included on the customer contract must be as stated on the then current US Net website at [www.us.net](http://www.us.net) or at discounted levels made available from time-to-time by US Net, at US Net's sole discretion.
10. This Agreement must be in effect and the channel partner must be in good standing for a commission to be received.
11. US Net reserves the right to adjust commissions based upon special promotional offers or other discounted offers. US Net also reserves right to modify this Compensation Plan from time to time on a going-forward basis.
12. Nothing contained herein shall alter the independent contractor relationship in any way, and is not intended to do so. All policies, practices, procedures and guidelines of the Company remain applicable and are unchanged by this plan.
13. Customer Contracts will be eligible for inclusion in the Commission calculation only in the month sold and only for the Channel Partner responsible for the sale, with any disputes between or among channel partners or any other distribution partners to be resolved by US Net in its sole discretion. The Channel Partner responsible for a customer contract may not assign responsibility or benefit for such Customer Contract to any other party.
14. All commissions for customers who fail to purchase service for at least 3 fiscal months will be subject to chargeback.

## Exhibit 3

## US Net – Channel Partner Program Guidelines

The following guidelines must be followed when submitting a signed order to your US NET Channel Manager. US Net reserves the right to not compensate channel partners for sales that do not follow these guidelines.

1. All sales must be qualified for service availability. Consult US Net provided qualification tools, the US Net website, and your US Net channel manager to determine service availability.
2. Channel Partner agrees to provide prospective customers a copy of the US Net Terms of Service and Acceptable Use Policy.
3. Channel Partner obtains signed US NET Term Agreement from the customer.
4. Channel Partner faxes customer-executed Agreement to US Net Channel Manager on 314-317-2256.
5. The new customer is then documented, approved and entered into the US NET order entry system at the sole discretion of the order entry representative (a check will be performed to see if the new customer is already an existing US Net customer).
6. Channel Partner logs the sold account on the US NET Channel Partner Sales Report and emails the updated report to the US NET Channel Manager.
7. US NET Channel Manager approves and counter-signs the customer-signed US NET Term Agreement and returns signed copy of original to the Channel Partner.
8. US NET Channel Manager notifies the Channel Partner via e-mail that the order has been approved and submitted to the US NET Order Entry Department and indicates when the service will go live.
9. Channel Manager will update the Channel Partner should any issues arise.