

# Master Service Agreement – General Terms & Conditions

The following terms and conditions apply to the services provided by The Compliance Group, Inc. (TCG) under this Master Service Agreement. The Customer agrees to these terms and conditions by either accepting a Service Order that references these terms and conditions or by using one or more of TCG’s “Accu” services.

## Overview of Services

TCG offers a variety of compliance services to the communications industry, facilitated by its AccuCompliance software platform. Services available from TCG include, but are not limited to, incorporation, licensing, compliance reporting and other outsourced compliance services that TCG can deliver to the customer, and may include any or all of the following:

- **AccuLicense:** Regulatory licensing, registration and authorization procurement and Corporate registration services. For Terms of service see Schedule 1;
- **AccuReg:** Regulatory compliance reporting services. For Terms of Service see Schedule 2;
- **AccuCorp:** Corporate compliance reporting services. For Terms of Service see Schedule 3;
- **AccuAgent:** Registered agent for service of process services. For Terms of Service see Schedule 4;
- **AccuTax:** Communications tax and 911 fee compliance reporting services. For Terms of Service see Schedule 5;
- **AccuTax Pro:** Through a partnership with TaxConnex<sup>®</sup>, TCG offers the CompliancePro Solution, delivering nationwide, state, and local communications and digital goods & services transaction tax, as well as 911/E911 Compliance & Reporting Services. For Terms of Service see Schedule 6;
- **Compliance Essentials Solution for Small Service Providers:** Tax Mapping and Compliance Services Bundle. For Terms of Service see Schedule 7.

## Definitions

- **“Consulting Services”** Additional professional services provided by TCG on request
- **“Compliance Profile”** The range of compliance services provided by TCG.

- **“Data Request”** Requests for necessary information to complete filings.
- **“Escalation & Referral”** Process for handling complex issues.
- **“Fixed-Fee Service”** Services with a one-time, fixed charge.
- **“Governmental Agency”** Government entities overseeing compliance.
- **“Intellectual Property”** Patents, trademarks, copyrights, etc.
- **“New Report”** Newly created or significantly modified filings.
- **“Non-Routine Filing”** Filings not part of regular intervals.
- **“Out-of-Scope Service”** Services beyond fixed services, provided on a different basis.
- **“Report”** Required documents submitted to Governmental Agencies.
- **“Routine Filing”** Mandated filings at regular intervals.
- **“Strategic Partner”** Independent service provider associated with TCG.
- **“Subscription-Based Service”** Services billed on a recurring basis.
- **“Tax Engine Data Report”** Tax and fee data report from calculation software.

### **Third-Party Services**

Services not directly provided by TCG, including but not limited to legal services, are governed by the terms of the respective vendors or strategic partners. TCG is not responsible for these arrangements.

### **Escalation & Referral of Legal/High-Risk Matters**

TCG is not a law firm and does not provide legal services. Complex issues requiring legal advice are escalated to TCG's affiliated law firm or referred to the customer's legal team. Customers can choose how to handle these “Out-of-Scope” situations.

**Structure and Operations:** Our organization is purposefully divided into two distinct entities:

1. **The CommLaw Group (CLG)** –Full-service law firm that provides a broad array of legal services and handles all legal and “moderate-to-high” risk matters.
2. **The Compliance Group (TCG)** –Consulting firm that manages compliance and provides non-legal, consultative services.

## **Client Interactions and Billing:**

- **Legal Services:** Always billed by The CommLaw Group. Legal fees are separate from consulting fees.
- **Compliance Management & Consulting Services:** The Compliance Group invoices for all in-scope monthly recurring and fixed fee charges, and any authorized and approved out-of-scope consultative services.

## **Service Tiers at The Compliance Group:**

### **Tier 1 – Routine Compliance Work:**

- Handled by TCG’s Consultants and Compliance Specialists.
- Covers the preparation and filing of reports, returns, and remittances.
- Out-of-scope issues are billed at hourly consulting rates, see below.

### **Tier 2 – Substantive Consultative Guidance:**

- For out-of-scope matters potentially requiring legal services but resolvable through substantive, non-legal consultation.
- Escalated to TCG’s Senior Managing Consultant.
- If the issue requires less than a half-hour of consulting time, it is deemed authorized by the client. For consultations exceeding a half-hour, prior client approval is required.
- If legal services are needed, the client will be notified with an option to engage telecom counsel.

### **Tier 3 – Legal Services by The CommLaw Group:**

- Issues requiring legal expertise are referred to an attorney at CLG.
- Clients have the option to:
  - Engage with CLG.
  - Forward the matter to their internal team or chosen attorney.
  - Or assume risks and consequences if not addressed.

**Our Unique Approach:** Our unique approach is grounded in the belief that effective compliance and legal services require specialized expertise and a clear separation of roles to ensure the highest quality of service. Here’s why our model stands out:

**Separation of Legal and Consulting Services:** By maintaining distinct entities for legal and consulting services, we ensure that each area receives the focused expertise it requires. Legal issues are handled by experienced attorneys at The CommLaw Group, who adhere to strict ethical standards and have extensive knowledge of telecommunications law, practical

and pragmatic experience advising clients on risk-based matters, and unparalleled insights into the gray areas of the law and how to best navigate through complex and nuanced issues successfully.

Consulting services are managed by specialists at The Compliance Group, who are experts in regulatory compliance and practical implementation. This separation allows each team to excel in their domain without overstepping boundaries.

**Comprehensive and Nuanced Guidance:** Many one-stop compliance shops lack the depth of legal expertise required to navigate complex regulatory environments. They often provide overly conservative or aggressive advice, which can lead to incorrect decisions, unnecessary and wasteful work, or risky decisions without consideration of longer-term ramifications.

Our model provides nuanced, practical guidance. We recognize that not all compliance issues are black and white and have the experience to navigate gray areas effectively. This ensures that our clients receive advice that is both compliant and practical for their specific needs.

**Ethical Standards and Professionalism:** The legal team at The CommLaw Group operates under the rigorous ethical standards required of attorneys. This includes a commitment to client confidentiality, conflict-of-interest avoidance, and providing independent, unbiased advice.

The Compliance Group, while not bound by the same legal ethics, operates with a similar level of professionalism and integrity, ensuring that all advice and services are in the best interest of our clients.

**Tailored Client Solutions:** We understand that each client's needs are unique. Our structure allows us to tailor our services precisely to those needs. Routine compliance tasks are efficiently handled by our consultants, while complex legal issues are escalated to our attorneys.

This tailored approach means clients are not paying for unnecessary services and can trust that each issue is handled by the most appropriate expert.

**Transparency and Clear Communication:** Our billing practices are transparent. Clients are notified of out-of-scope work and provided with estimates before any additional charges are incurred. This prevents unexpected bills and ensures that clients are fully aware of the costs associated with their services.

By clearly delineating the roles of The CommLaw Group and The Compliance Group, we make it easy for clients to understand who is handling their issues and why, fostering trust and clarity in our client relationships.

## Scope of Services- Differentiating "Out-of-Scope" and "In-Scope" Services

TCG's services to the Customer are strictly defined by the Scope of Work in the Service Order and related Service Schedules. "In-Scope" work alone may not fully meet the Customer's compliance needs.

Examples of "Out of Scope" services not covered by the Agreement and its Service Schedules include, but are not limited to:

- **Optional, Non-Mandatory and Exceptional One-Time Event Reports:** Reports that are not required regularly are considered "Out of Scope" and are not part of Fixed-Fee services.
- **Resolving Notices and Amending Returns:** Fixed-Fee services do not cover notices due to Customer actions or amending returns due to errors.
- **Re-Filings, Re-Submissions, and Delinquent Filings:** Fixed-Fee services exclude re-filings and submissions after deadlines have passed due to various reasons.
- **Duplicate Reports and Extension Requests:** TCG won't file reports for failed data provision or compliance.
- **New Reports and Filings ("New Reports"):** Initial preparation of newly required reports falls outside Fixed-Fee service scope. Reports Due After Termination or Breach: Reports due after termination, cancellation, breach, or during suspension are not covered.
- **Consulting Services:** Services not covered by Fixed-Fees are treated as Consulting Services with hourly rates.

Consulting Services for out-of-scope work are billed at hourly rates, as agreed upon between TCG and the Customer.

<b>Director of Tax:</b>	\$250 per hour
<b>Senior Managing Consultant:</b>	\$225-\$275 per hour
<b>Managing Consultant:</b>	\$200 per hour
<b>Consultant:</b>	\$175 per hour
<b>Compliance Specialist:</b>	\$150 per hour

Billing may be adjusted yearly, usually on January 1st, and time is billed in increments of one-tenth of an hour, with a minimum of two-tenths of an hour.

## Customer Responsibilities

*Supplying Data:* TCG requires timely and accurate data responses from the Customer to effectively manage compliance.

It is the customer's responsibility to provide accurate data in a timely manner in response to TCG's Data Requests.

Monthly and Quarterly Data Requests are due within five days after the reporting period.

Annual Data Requests are due by March 15th each year.

*Forwarding Governmental Communications:* If TCG is not the main point of contact with Governmental Agencies, Customers are to promptly forward all correspondence received from Governmental Agencies to TCG. Timely forwarding within seven (7) days of receipt is crucial to prevent omissions, errors, and missed deadlines.

### **Data Submission Process**

1. TCG sends Data Requests within 30 days of reporting deadlines.
2. Customer responds with accurate data in the required format.
3. Data must adhere to specific formats and deadlines.
4. TCG prepares reports upon receiving complete data and return to customer for final review.
5. Customer reviews and confirms drafts of reports provided by TCG.

### **Non-Routine Data Requests**

- TCG provides specific Data Requests for non-routine reports at least 30 days before the due date.
- Custom Data Requests must adhere to TCG's format requirements, though exceptions may be considered.
- The Customer is solely responsible for data accuracy, and TCG does not validate it.

### **Pricing of Services**

TCG's services are priced based on various models, including fixed fee, subscription-based, and usage- based (time and materials). Services beyond the scope of fixed or subscription-based services might be provided as consulting services with customer approval.

### **Billing and Payment Requirements**

*Billing:* TCG collects charges via Customer's chosen method. Credit card authorization remains valid for 30 days post-termination. Charges are billed in advance or monthly based on services.

- Work isn't performed until payment is received.
- Fixed-Fee Services are billed in advance.
- Subscription-Based Services are billed in advance.
- Consulting Services and Out-of-Scope services are billed monthly on a time and materials basis.

*Payment:* All payments should be made to TCG by check or ACH Payment. Payment details are provided for both methods.

### **Customer's Duty to Pay Expedited Fees for Late-Submitted Data**

Expedited Filing Fees may be required from customer due to customer's failure to submit complete, accurate, and timely Data, subject to TCG's Late Data Policy, and as is outlined in the relevant Service Schedule.

### **Customer's Responsibility for Expenses; Governmental, Administrative, and Other Fees**

Unless an adequate Escrow Account is established, the Customer is responsible for covering Administrative Cost Fees, Advanced Costs, and out-of-pocket expenses incurred in connection with the provided Services. Administrative Costs encompass activities like photocopying, faxing, scanning, telephone services, conference calls, credit card or bank processing fees, and mailing costs. Administrative Cost Fees are calculated at five percent (5%) of the billed amount and are invoiced when Fixed-Fee services are charged or during each billing cycle for usage-based consulting services.

The Customer bears the exclusive responsibility for payment of any late fees and penalties, unless these arise solely and directly due to TCG's negligence as determined by TCG's reasonable judgment. In cases where late fees or penalties are determined to be the result of TCG's negligence, TCG will take corrective actions without extra charge and may issue appropriate credits or refunds at its discretion.

### **Billing and Payment Obligations**

*Billing:* The Customer authorizes TCG to collect applicable charges through the selected payment method. Credit card authorization remains valid for 30 days after TCG's charging authority terminates. Service charges are billed either in advance or on a monthly basis, depending on the nature of the services, unless otherwise stipulated in the Service Order.

*Advance Billing:* Work will commence upon receipt of payment.

- For one-time Fixed-Fee Services (e.g., registration and licensing), associated costs are billed in advance according to the chosen payment method.
- For Subscription-Based and recurring Fixed-Fee Services (e.g., monthly reporting), associated costs are billed in advance of the relevant month.

*Post-paid Billing:*

- Consulting Services and Out-of-Scope services provided on a standalone basis or as part of Subscription-Based or Fixed-Fee Services, along with associated costs, are billed at the end of the month when services are provided by TCG or costs are incurred.
- Consulting Services and Out-of-Scope services are billed monthly on a time and materials basis and payment is due upon receipt.
- TCG will deliver invoices electronically via email or through U.S. Mail to the Customer's billing address. All invoices are considered received upon delivery. The Customer is responsible for making full payment upon receipt. All costs, fees, charges, and expenses are deemed delinquent after 30 days following delivery and may incur a monthly late payment fee of one and a half percent (1.5%).

*Payment for Invoiced Billing:* All invoiced payments are to be made payable to TCG by either check or ACH Payment using the provided details.

**Billing Disputes**

If Customer wishes to dispute any charges on an invoice, they must notify TCG within thirty (30) days of receiving the invoice, whether by mail or electronically. Failure to raise a timely dispute implies that the Customer forfeits the right to contest the charges.

**Escrow Arrangements and Obligations**

*Escrow Services:* In certain cases, TCG may act as a transfer agent between Governmental Agencies and the Customer, handling fee and tax remittance. Customer must establish and fund an Escrow Account to facilitate prompt fee and tax remittance. As part of setting up an Escrow Account, the Customer commits to providing funds necessary for payment obligations and replenishing the Escrow Account upon TCG's request and within the specified funding deadlines.

TCG will not make payments to a Governmental Agency unless the appropriate Escrow account is funded as per TCG's instructions. The Customer assumes full responsibility and liability for any failure to remit fees or taxes due to an Escrow Account being underfunded. Failure to timely fund the Escrow Account may lead to delays and non-compliance. TCG is not responsible for such consequences and is held harmless by the Customer.

**Notice and Communication**

Customers must update TCG with any changes to their contact or billing information. TCG will send notices through various means, including email, and changes to billing messages can be made without notice.



## **Term, Termination, and Suspension**

*Term:* This Agreement initiates on the Effective Date and continues annually, with either Party being able to terminate it by providing written notice more than thirty (30) days before the current term expires.

*Termination:* TCG may terminate this Agreement for cause, at its sole discretion, upon immediate notice to the Customer under the following circumstances:

- Customer's breach or default, including incurable breaches.
- Customer fails to rectify curable breaches within thirty (30) days of notice (or within ten (10) days for payment-related breaches).
- Customer engages in false or fraudulent behavior.
- TCG believes performing services may violate the law, conflict of interest, or harm reputation.
- Violation of license or sub-contracting agreements with TCG or its partners.
- Customers' non-compliance with laws or regulations prevents TCG's performance.

Customer can terminate for cause by providing written notice of a material service failure, giving TCG a 15-day Cure Period. Failures due to Customer actions or Force Majeure are excluded.

*Early Termination for Convenience:* Either Party can terminate this Agreement with a sixty (60) days' notice from the end of the initial term. If Customer ends the Agreement early, prepaid payments are forfeited, and Customer accepts early termination fees.

*Early Termination Fees (ETFs):* As damages to TCG from early termination of the contracted Services term would be difficult or impossible to determine, Customer and TCG agree and stipulate that early termination fees (ETFs) Customer is responsible for shall be equal to 50% of the amount of Fixed-Fees and/or Subscription-Based Fees owed to TCG for the remaining Term. Customer agrees that the ETFs are not a penalty.

*Suspension of Agreement:*

- TCG can suspend or terminate Customer's online account access without notice if Customer damages TCG's systems.
- Suspension can also occur to comply with laws or protect TCG's interests.
- TCG will make reasonable efforts to notify Customer, and restoration will follow upon resolution.
- TCG's actions aren't limited, and TCG is not liable for any loss due to suspension.

*Suspension and Termination Due to Non-Payment:* TCG can suspend services for customers who don't pay on time. Delinquent accounts may be terminated if not resolved within ten (10) days of notice.

If services are suspended due to non-payment, Customer remains responsible for compliance. Upon payment, TCG will assess whether obligations were missed during suspension and may charge for curative actions.

### **Effect of Expiration, Suspension, or Termination**

Upon these events, Customer's rights end, and TCG can terminate access to licensed software. Terminated services must be paid for, and Customer is liable for associated expenses. This includes costs for collection, attorneys' fees, and more.

### **Confidentiality**

Both parties agree to protect Confidential Information, excluding certain circumstances like public domain data or legal requirements. Parties must use the same level of care as with their own confidential information and only disclose to authorized parties.

### **Account and Licensing Information**

Customer agrees to provide all necessary licenses, registrations, business authorizations and approvals necessary to conduct business in a particular jurisdiction. Customer must also provide any usernames, passwords or other login credentials required for all electronic filings covered under the scope of the Services within five (5) days of a reporting deadline.

### **Document Retention**

TCG retains filed Documents and drafts for five (5) years. Customer Information may be kept to aid filings. Customer is responsible for its accuracy.

### **Electronic Signatures and Contracts**

Electronic signatures are valid. Customer agrees to their use and authorizes TCG to use them.

### **Amendments to this Agreement**

The terms of this Agreement may be updated or modified by posting the revised terms on our website. By continuing to use our services after such changes are posted, you agree to be bound by the updated Agreement. It is your responsibility to review the website periodically for any changes to this Agreement. You are deemed to have knowledge of the

changes once they are posted on the website. Customer can cancel within sixty (60) days of a fee increase. Changes can be due to additional services, expanded licensing, or regulatory needs.

### **Proprietary Rights**

TCG doesn't claim ownership of Customer materials. TCG's materials remain TCG's property.

### **Force Majeure**

Neither party is liable for delays due to uncontrollable events. If such events last over thirty (30) days, Customer can terminate the Agreement.

### **Limitation of Liabilities**

TCG's liability is limited to fees paid by the Customer. Neither party is liable for certain damages. TCG's liability for third-party acts is limited to good faith efforts to ensure timely performance.

### **Disclaimer of Warranties**

Except as stated, there are no warranties. TCG disclaims implied warranties.

### **Indemnification**

Customer indemnifies TCG for certain claims arising from service use.

### **Governing Law; Jurisdiction; Waivers**

The Agreement follows Virginia law. Disputes go to Virginia courts, with waived jury trials. Prevailing Party may recover attorneys' fees.

### **General Terms**

Both Parties will comply with applicable laws and, for purposes of this agreement, are considered to be independent contractors. This Agreement does not create an employment relationship between the parties. In conflicts, specific terms prevail over general ones.

Notices are delivered via email, fax, courier or are otherwise posted to TCG's site or provided through Customer's portal in AccuCompliance. Assignments require TCG's consent. Severability preserves intent. Subrogation is waived. Non-waiver doesn't waive rights. Surviving provisions include confidentiality, liability, and more.

Headings are for convenience. The Agreement is the entire understanding between Parties. Signatories must have authority to sign.

