

SCHOOLS AND LIBRARIES FUNDING PROGRAMS ANNEX

If Customer is a public or private school (grades Kindergarten — Twelve) or a public library, Customer may be eligible for discounts or other benefits (“Support”) in connection with its purchase of Embarq services and equipment (“Service”). Support includes the Universal Service Fund Schools and Libraries Program established by the Telecommunications Act of 1996 (“E-Rate Program”) and state or local corollaries to the E-Rate Program. Eligible Customers seeking Support must comply with this Schools and Libraries Funding Programs Annex in addition to all other terms and conditions of the Agreement.

1. APPLICATIONS FOR SUPPORT. Customer will take the following steps to request Support from the appropriate source:

1.1. E-Rate Program. Customer will abide by all E-Rate Program rules for receipt of Support. Customer will take appropriate steps to ensure that the Schools and Libraries Division (“SLD”) of the Universal Service Administrative Company or other authorized E-Rate Program administrator (“USAC”) receives a Form 471 application (or its successor form) and any other necessary documentation to request Support. For Service provided in multiple years, Customer will submit subsequent Forms 471 to request Support. Customer will promptly provide Embarq with a copy of its Funding Commitment Decision Letter from the USAC and all other relevant documentation requested by Embarq. Customer will abide by all Federal Communications Commission (“FCC”) and USAC rules and obligations for receipt of Service, including but not limited to submission of Form 486 (or its successor form) confirming receipt of Support

1.2. Other Funding Sources. If desired, Customer will take all necessary steps to request Support from state and/or local administrators (“Other Funding Sources”). Customer will promptly notify Embarq in writing of its receipt of a Support commitment from such Other Funding Sources and will include a copy of its application, Other Funding Source Support documentation, and all other relevant documentation requested by Embarq. Customer will abide by all Other Funding Source rules and obligations for receipt of Service.

2. RECEIPT OF SUPPORT.

2.1. E-Rate Program. Customer will pay, in full, all invoices issued by Embarq prior to Embarq’s receipt of notification from the USAC of Customer’s Form 486 filing and Embarq’s receipt of the service worksheet. Upon notification, Embarq will apply discounts to Customer’s invoices or reimburse Customer according to the Funding Commitment Decision Letter, Form 486 for Service delivered, and Embarq worksheet delineating the associated accounts. Embarq may require Customer to seek USAC reimbursement via Form 472 if Customer has not received its Funding Commitment Decision Letter by December 31 of the funding year. All discounts or reimbursements will be retroactive to the date authorized by the USAC funding year. Embarq will either apply a credit to Customer’s account or provide Customer with a check corresponding to the USAC’s Support commitment as calculated after providing Service.

2.2. Other Funding Sources. Customer will pay, in full, all invoices issued by Embarq prior to Embarq’s receipt of notification from the Other Funding Source acknowledging Customer’s receipt of Service. Upon notification, Embarq will apply discounts or reimburse Customer for Service delivered under the terms of the Agreement and corresponding to the Other Funding Source acknowledgement. These discounts or reimbursements will be retroactive to the date authorized by the Other Funding Source funding year. Embarq may apply a credit to Customer’s account or provide Customer with a check corresponding to the Other Funding Source’s Support commitment as calculated after providing Service.

3. FAILURE TO OBTAIN SUPPORT.

3.1. If the FCC, USAC or Other Funding Sources fail to reimburse Embarq for Service, or if the FCC, USAC or Other Funding Sources reclaim any portion of Support paid to Embarq on Customer’s behalf, then Customer will reimburse Embarq for these amounts. Customer will not be responsible for Support withdrawn due to Embarq’s material failure to deliver Service.

3.2. While Embarq will use commercially reasonable efforts to assist Customer in requesting Support, Embarq is not responsible for Customer’s compliance with FCC, USAC or Other Funding Source rules and

regulations, Customer's applications for Support, or any decisions or actions by the FCC, USAC or Other Funding Sources with respect to Customer.

3.3. After the Commencement Date, Customer may not terminate the Agreement based solely on its failure to secure Support.

4. PRECEDENCE AND INTERPRETATION.

4.1. The terms and conditions of this Annex take precedence over all conflicting terms and conditions in the Agreement. All other terms and conditions of the Agreement remain unchanged.

4.2. Any references to specific forms or documents in this Annex include any properly authorized successor forms or documents adopted by the FCC, USAC or Other Funding Sources.