



Commissions and Responsibilities Appendix

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This Commission and Responsibilities Appendix ("Appendix") applies to the commissions and responsibilities of the Channel Partner. This Appendix is incorporated by reference into the Channel Partner Agreement between Channel Partner and IP Communications ("Agreement"). Terms used but not defined in this Appendix have the same meaning as in the Agreement. In case of conflict between the terms and conditions of the Agreement and this Appendix, the terms and conditions of the Agreement will control.

1. **Territory.** Channel Partner will only have the right to market and sell IP Communications' VoIP Services in the United States where IP Communications offers Services or if outside the United States, the Channel Partner must have written approval by IP Communications. IP Communications reserves the right to limit or further define the Territory upon notice to Channel Partner.
2. **Channel Partner Responsibilities.** Channel Partner acknowledges that it has received and read, and agrees to comply with the terms and policies as described in the following IP Communications' documents:
 - a. Channel Partner Agreement [initials] _____
 - b. Channel Conflict Policy [initials] _____
 - c. Commissions and Responsibilities Appendix [initials] _____
 - d. IP Communications Non-Disclosure Agreement [initials] _____
3. **Commission.** As full compensation for the performance as an active Channel Partner, IP Communications will pay Commission per the following commission rate table. Each calendar month, IP Communications will use the commission rate table to calculate, determined by the commission rate multiplied by the "Monthly Billing" by product, the amount of Commissions owed to Channel Partner.

a. **Commission Rate Table**

Service Level (total monthly billing)	Commissions			
	Platinum >\$80,000	Gold \$50,000 - \$79,999	Silver \$25,000 - \$49,999	Bronze <\$25,000
DID / DDI Service	19%	17%	15%	13%
Toll Free Service	5%	4%	3%	2%
Outbound Service	5%	4%	3%	2%
Taxes/Surcharges/Fees	0%	0%	0%	0%
All Others	0%	0%	0%	0%

- b. **Commission Calculation Example.** For example, if all Channel Partner's Customer's April monthly billing, as defined in the Channel Partner Agreement, is a total of \$27,000 and has the following breakdowns:

1. IPDID Lines: \$21,000 x .15 = \$3150.00
2. DID/DDI Numbers \$2,000 x .15 = \$300.00
3. Toll Free Service \$1,700 x .03 = \$51.00
4. Outbound Service \$2,000 x .03 = \$60.00
5. Taxes/Surcharges \$300 x .00 = \$0.00

The above monthly billing commission level would be Silver and the Channel Partner's payment for April's monthly billing would be \$3,561.00. The sum total commissions from the Channel Partner's Customers will determine the commission level and the total commissions paid to the Channel Partner each month. The commission due to Channel Partner specifically excludes hardware, taxes, universal service fund charges, surcharges, bad debt, regulatory recovery charges, E911 related charges, Local Number Portability (LNP) charges, Responsible Organization (RespOrg) charges or amounts that IP Communications is required by laws or other regulations to deduct.

In witness whereof, the Parties have read, understand and agree to be bound by this Appendix as signified by signing below.

IP Communications, LLC

By:

By:

Name

Name

Title

Title

Date

Date

Channel Partner must return two (2) fully completed original Commissions and Responsibilities Appendix documents to IP Communications at: IP Communications, 1925 Vaughn Road, Suite 215, Kennesaw, GA 30144.