

Equipment Rental / Lease to Own - Section C

1. Rental Description

Hardware rental is the standard provided for all dedicated servers (dedicated servers are a combination of hardware rental or lease-to-own and colocation). Hardware rental continues perpetually. We retain the ownership of the rental hardware, and you rent it on a month-to-month or other contract basis (as ordered).

The rest of this section applies to the lease-to-own option only.

2. Lease-to-Own Description

We are pleased to provide you with the opportunity to purchase one of the Servers described in the Order Form. The lease to own option is only available to you in conjunction with your acceptance of the Order Form, and the additional terms and conditions set out in this Section C.

Lease-to-own must be chosen at the time of server order; a standard hardware rental dedicated server may not be changed to lease-to-own at a later date, or retroactively.

To participate in the lease-to-own service, you first pay the hardware rental plus lease-to-own fee for one year. After that year, you own the server (and thus only pay the standard colocation fee, plus for any other services - but no longer for hardware rental, for year two and thereafter). Your ownership of the server is conditioned on your account being in good standing throughout that one year term.

3. Lease to Own

In accordance with the terms and conditions of this Section C and the contract, we agree to lease to you, and you agree to lease from us, the units of personal property set out in the Order Form and referred to in it as the "Server." Except as specifically modified in this Section C, the terms and conditions set out in the Order Form will apply to your lease of the Server.

4. Ownership

4.1. Upon the occurrence of an Acceptable Termination, all right, title and interest in the Server shall be transferred to you. Transfer of ownership shall be effected by full execution of the transfer of ownership acknowledgement set out below. Your continued (active or inactive) use of your account/Server constitutes your acceptance of the Server in the condition at the time of transfer of ownership. You are encouraged to inspect the condition of the server upon Acceptable Termination. However, if you choose not to inspect the server within 10 days of an Acceptable Termination, your continued use of the server indicates your acceptance of the server and its condition "as is". Your continued (active or inactive) use of your account/Server also constitutes your release of us from any and all obligations we may have with respect to the Server, and your agreement to look to the manufacturer(s) of the Server and its components for any issues related to its operation.

4.2. You are responsible for all taxes and fees imposed on the transfer of ownership of the Server from us to you.

4.3. Until the transfer of ownership from us to you, we reserve the right to file reasonable documentation signifying our ownership in the Server, and to place such notices directly on the Server in a manner that does not interfere with its day-to-day operation. You agree to cooperate with us in those efforts.

4.4. After the transfer of ownership and as long as you colocate your server with us we will extend to it the manufacturer's warranty, if any in effect at the time of your request, for all of its hardware components (such warranty will not be extended by us if your server is no longer colocated with us; by removing your server from our facility you expressly agree that no warranty is provided on the hardware by us and that you are to contact the respective hardware manufacturers directly for any warranty claims). However, our standard hourly rates will be charged for any and all hardware work we are requested to do on your owned server unless you have purchased in advance and have in affect at the time of your request the optional Hardware Support service.

5. Fees

5.1. You agree that this lease is a net lease, and acknowledge and agree that it is your obligation to pay all fees and charges payable under this Section C, and our right in these payments, is absolute and unconditional and shall not be subject to any abatement, reduction, setoff, counterclaim or other defense for any reason whatsoever. It is our intent, and an inducement for us to enter into this contract, to claim all available tax benefits of the lease to own program with respect to the Servers.

5.2. Should an Acceptable Termination occur, we shall apply to the purchase price of the Server(s) any Fees set out in the applicable Order Form that have been paid by you to that time.

6. Location

6.1. During the Term of this Section C and applicable Order Form, the Server(s) will remain in our possession, at our facilities. You shall have no right to move or disturb the Server(s) during this Term.

6.2. Upon the occurrence of an Acceptable Termination, and transfer of ownership, you may take physical possession of the Server(s). Upon an Acceptable Termination, you agree that the terms of this Section C shall no longer apply, and the terms of Section D shall govern those aspects of the parties relationship previously governed by Section C.

6.3. An "Acceptable Termination" is prompt payment of all Fees when due, and compliance with this contract. Should you fail to pay any Fees when due and/or violate this contract, the lease to own aspect of this contract will terminate, any Fees paid toward ownership of the server will be forfeited, and the parties relationship shall be governed by Section B. "Acceptable Termination" occurs after one year of your ownership of the Server (at the end of the 365th day), with timely payment of all Fees due up to that date. From the second year (366th day of service and on), the

Service continues as colocation, at the standard colocation rate (any and all hardware rental plus colocation bundle discounts are removed at this time of unbundling the hardware rental plus lease-to-own aspect from the colocation) with customer owned hardware plus any additional services.

7. Sale of bandwidth

7.1. We agree to sell to you the amount of traffic specified on your Order Form. Your use will be the only user of the Server, however, we will retain ownership in the Server (as set out herein). We will install the Server in our data center.

7.2. You have the right to connect to our network, using the Server, on a 24 x 7 x 365 basis, limited by this contract.

8. You are responsible for management of the Server. Our only responsibility is to enable connection of the Server to our network. If your management of the Server creates a security or operational hazard for our network or other customers, we may take the Server off-line. You are required to make any changes we request to ensure that your management of the Server does not endanger our network.

9. We provide Customers with the option of contracting with us to support the Server. Customers may purchase support by either enrolling in a pre-paid support plan, or pay-as-you-go. You may order pre-paid support through your control panel, or at the time you request support. All support is provided as is, and as available. Support is specifically subject to the disclaimer of warranties set out in this Agreement.

10. General

Should any portion of this Section C conflict with the Order Form or Contract, the provisions of this Section C, then the Order Form, then the contract shall prevail.