## **Exhibit M**

## SUBAGENT REQUIRED PROVISIONS

This Exhibit sets forth VZW's requirements for Agent to delegate certain of its rights and obligations under the Agreement to Subagents.

- **1.** <u>Definitions.</u> The capitalized terms used, but not defined in this Exhibit, shall have the same meanings as set forth in the Agreement.
- **2.** Agent's Delegation. Subject to, and limited by, Section 2.7 of the Agreement, VZW authorizes Agent to delegate to Subagents its obligation to offer, promote, market and sell VZW Services.
- **3.** VZW reserves the right, in its reasonable discretion, to require Agent to submit to VZW required information, in a format acceptable to VZW, for an Entity for which Agent seeks approval as a Subagent, which may include, but is not limited to, criminal and civil litigation background reports, credit report, and capitalization information.
- **3.1** If a Subagent intends to change or expand its representation of Agent based upon reasons including, but not limited to: (a) a Change of Control of Subagent, or (b) change of the Subagent's legal name or change or new fictitious name, trade name, or "d/b/a", Agent shall submit required information to VZW for approval prior to the effective date of the proposed change for such Subagent.
- 4. Required Provisions. Pursuant to Section 2.7 of the Agreement, Agent shall execute an agreement with each Entity VZW approves as a Subagent (the "Contract"). The Contract shall include all of the provisions set forth in Sections 4.1 and 4.2 below ("Required Provisions") without any modification (except for those necessary adjustments to Section and Exhibit references and to reflect the named parties to the Contract). VZW has the right, pursuant to Section 3.4 of the Agreement, to audit executed Contracts to confirm that the Required Provisions were included. Agent may include additional terms and conditions to the Contract, e.g., Subagent indemnification and compensation, only if such additional terms and conditions do not contradict the Required Provisions.

## 4.1 Definitions.

**Activation** (including the correlative terms "Activated" or "Activates") means the assignment by VZW of a VZW Number to the VZW Equipment in the System and the VZW Facilities to enable use of the VZW Service. For purposes of Compensation, only the first Activation of a Subscriber is eligible for Compensation.

**Affiliate** means, with respect to a party to this Agreement, any Entity, that directly or indirectly, through one or more intermediaries, Controls, is Controlled by or is under common Control with such party.

Agent means for the purposes of this Agreement, the Entity who is contracting under this Agreement.

**Area** means the MSAs, RSAs, MTAs and BTAs (including without limitation, those specified in Exhibits [] and [] to this Contract) offering VZW Service through the Direct Distribution Channel.

**Brand** means an independently marketed but affiliated Service offering of a Carrier or Reseller, such as, but not limited to, Sprint/NEXTEL or TracFone/Net10.

**Card** means a physical card that represents a retail monetary value that can be redeemed by a Subscriber of Prepay Service for airtime minutes of usage or download services.

**Carrier** means an Entity (other than VZW) licensed by the FCC to offer Service through the use of licensed Facilities.

Compensation means the compensation or any payment Subagent receives pursuant to this Contract.

Confidential Information means the terms and conditions of this Contract, account information and any other business information of VZW disclosed either directly or indirectly, whether in oral form, or in written, graphic or electronic form, which is confidential or proprietary, including, without limitation, firmware, source code, object code, software tools, designs, schematics, plans, formulas, know-how, VZW Equipment information, Subscriber Information, Subscriber lists, markets, inventions, processes, technology or any other information relating to any research project, work in process, future development, scientific, engineering, manufacturing, marketing or business plans, or financial or personnel materials, products, future products, product plans, services, sales, training materials, the identity of or information concerning suppliers, employees or investors.

Control (including the correlative terms "Controlling", "Controlled by" and "under common Control with"), as used with respect to any Entity, means the possession, directly or indirectly, of the power in fact or in law to direct or cause the direction of management policies of such Entity, whether through ownership of voting securities, by contract or otherwise. For the avoidance of doubt, if, with respect to an Entity that is party to a merger or consolidation transaction (for purposes of this sentence, an "acquiring entity"), the shareholders of the acquiring entity as a group as of the time immediately prior to the consummation of such transaction, immediately following the consummation of such transaction beneficially own, directly or indirectly, voting securities of the surviving Entity in such transaction sufficient to exercise Control thereof, the acquiring entity will be deemed to have acquired Control of the other party or parties to such merger or consolidation transaction.

**Customer Proprietary Network Information** ("CPNI") is information about the quantity, technical configuration, type, destination, location, and amount of use of telecommunications services a customer has purchased.

**Direct Distribution Channel** means the Direct Stores, or the VZW Website, or any of the VZW telemarketing or corporate or business-to-business channels.

**Direct Stores** means those VZW-operated retail locations offering, selling and marketing VZW Service and VZW Equipment.

**Entity** means any person, partnership, corporation, firm, joint venture, joint-stock company, or trust, however organized.

**Equipment** means mobile or portable telephones and data communications devices, including, but not limited to, wireless modems/data cards and PIBs, used in conjunction with or in order to utilize Service, but excluding any Accessories.

**Facilities** means the telecommunications switching equipment, cell site transceiver equipment and other equipment maintained, expanded, modified or replaced by VZW or a Carrier to provide Service.

**Government Entity** means any Federal, state, or local governmental, or public sector department, agency, or bureau.

**Licensed Marks** shall mean those Marks that VZW, in its sole discretion, has authorized Agent to sublicense to Subagent as set forth on Exhibit [], which are subject to change upon notice.

**Marks** means all decorative designs, insignia, logos, names, service marks, service names, symbols, trade dress, trademarks, trade names, or the like, whether registered or unregistered, which VZW or its Affiliates own or are licensed or sub-licensed to use in connection with VZW Service or Equipment relating to VZW Service.

**MDN** means the mobile directory number that is received from the North American Numbering Plan Administration ("NANPA") for the purpose of receiving calls from the PSTN. It is a telephone number ("NPA-NXX-XXXX") used to access Service and is assigned to a unit of Equipment.

**MIN** means the mobile identification number, which is announced to Carriers for the purposes of providing Service and processing calls on the Facilities of VZW or a Carrier. A MIN is paired with an MDN for the purposes of receiving calls from the PSTN.

Minimum Activation Level or MAL has the meaning set forth in Section [] of Exhibit [] to this Contract.

**Multi-NAM** means a unit of Equipment that contains more than one distinct NAM permitting the loading of more than one distinct Number.

**NAM** means the number assignment module found in a unit of Equipment.

**Number** means the MIN and MDN used to provide access to the Service.

**Personal Identification Number or PIN(s)** means a personal identification number that represents a retail monetary value that can be redeemed by a Subscriber of Prepay Service for airtime minutes of usage or Get It Now services.

**Postpay Service(s)** means VZW Service for which (after Activation and on an ongoing basis) a Subscriber is billed and required to pay for any Usage only after using such VZW Service.

**Prepay Service(s)** means VZW Service (voice and data) paid for in advance by a Subscriber at the time of Activation (in the case of the PIB) or redemption of a PIN, Card or through some other method approved by VZW, as applicable, in order to access and use such VZW Service.

Reseller means any Entity that resells the Service of VZW or a Carrier.

**Service** means wireless service provided pursuant to licenses issued by the FCC pursuant to the FCC's rules and all voice, data and content services reasonably ancillary thereto.

**Service Forms** means the VZW Service calling plan brochure, customer agreement, collateral or marketing materials.

**Subagent**, when used in connection with the grant of rights from Agent under this Contract, means the Entity who is contracting under this Contract and, to the extent that such term is used herein to describe required conduct or to obligate Subagent, the term shall also include any employee, principal, officer, or agent, partnership or officer of such Entity, and shall correspondingly create an obligation on the part of Subagent to bind such other Entity accordingly.

**Subagent Locations** means those retail stores owned and/or operated by Subagent, authorized by Agent, open for business from time to time during the Term and identified in Exhibit [] to this Contract, as amended from time to time.

**Subscriber** means the ultimate user of VZW Service provided by or through VZW. Subscriber purchases VZW Service from VZW and is responsible for payment of charges to VZW. Each VZW Number is deemed to be a separate Subscriber; provided, however, that in the case of multi-NAM units of VZW Equipment there shall be deemed only one Subscriber per unit at any given time regardless of how many VZW Numbers are actually attributed to that unit of VZW Equipment.

**Subscriber Information** means all non-public information concerning Subscribers including, without limitation, the VZW Numbers, VZW Service account information and VZW Service usage information (including CPNI), which includes, without limitation, information that relates to the quantity, technical configuration, type, destination, location, and amount of use of VZW Services a Subscriber has

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purchased from VZW) that Subagent may obtain from any source in the course of performance of this Contract, including any information of a confidential or proprietary nature received by Subagent, directly or indirectly, from Agent or VZW, or acquired or developed pursuant to the provision of VZW Service and VZW Equipment to Subscribers. "Non-public information" does not include the Subscriber's name, address and landline telephone number and other telephone numbers, provided that such other telephone numbers are not VZW Numbers.

**Telemarketing** means the initiation of a telephone call or message to any current, former or prospective Subscriber that includes as its sole or partial purpose the encouragement of the purchase of VZW Service or VZW Equipment.

**Term** has the meaning set forth in Section [] of this Contract.

VZW means Verizon Wireless.

**VZW Contract** means the agreement between Agent and VZW authorizing Agent to offer, promote, market and sell VZW Services and VZW Equipment.

**VZW** Agent means any Entity that VZW has authorized to directly or indirectly market VZW Service on its behalf.

**VZW Service(s)** means the Service offered by VZW in the Area.

Website or Web Site means a point of presence maintained on the Internet or on any other public or private data network. With respect to any Website maintained on the World Wide Web or any successor public data network, the Website includes all HTML pages (or similar unit of information presented in any relevant data protocol) that either: (a) are identified by the same second-level domain or by the same equivalent level identifier in any relevant address scheme, or (b) contain branding, graphics, navigation or other characteristics such that a user reasonably would conclude that the pages are part of an integrated information or service offering.

## 4.2 Provisions concerning Subagent's limited authority with respect to VZW Services.

- **4.2.1** Subagent shall market and sell only Prepay Services and VZW Equipment, on a non-exclusive basis, and in compliance with all federal, state and local laws, the VZW Compliance and Clear Disclosure Guidelines attached as Exhibit [ ] to this Contract and all VZW processes and procedures. Subagent, at its expense, shall train its salespersons on applicable VZW procedures, as Agent communicates to Subagent from time to time. Subagent shall successfully complete training certification on new VZW Services and VZW Equipment prior to offering for sale such VZW Services and VZW Equipment. Subagent shall maintain records of the above training completed by its customer-facing personnel and shall provide Agent with written confirmation of its ongoing compliance with this Section.
- **4.2.2** During the term, and any extended term, of this Contract, and for a period of two (2) years after the termination of this Contract for any reason, neither Subagent, nor any of its Affiliates, employees, or agents shall:
- **4.2.2.1** directly or indirectly induce, influence, or suggest that any Subscriber terminate VZW Service and purchase Services or Brands from, or contract with, any Carrier or Reseller, or any agent or other representative of either;
- **4.2.2.2** share Compensation with or assume an ownership interest in any other VZW Agent or VZW Reseller or with any agent or other representative of any Carrier or Reseller; or
- **4.2.2.2** solicit or enter into any agreement with any VZW Agent or VZW Reseller or with any agent, or other representative of any Carrier or Reseller that interferes with or alters VZW's relationship with Agent, other VZW Agents or VZW Resellers.

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- **4.2.3** Subagent shall inform Subscribers that VZW's obligations to Subscriber are only those set forth in the agreement for VZW Service between VZW and the Subscriber. Subagent shall not represent or promise that Subscribers or potential Subscribers shall be charged for VZW Service at any rate other than those established by VZW for which Subscriber is eligible in VZW's sole discretion. Subagent shall not impose any type of fees for VZW Service on a Subscriber (including, but not limited to, unauthorized deposits on credit cards, Activation fees, early disconnect, chargeback, or similar fees), via separate contract or otherwise, other than those provided for by VZW as part of the Activation or business processes and procedures as communicated to Agent in writing
- **4.2.4** Subagent understands, acknowledges and agrees that Subscribers are customers of VZW, and Subagent does not have and shall not acquire any property interest or exclusive rights in Subscribers that Activate VZW Service through Subagent. Subscriber Information shall be considered VZW Confidential Information and Subagent shall keep all Subscriber Information confidential and shall not disclose it to any third party or use it for its own benefit, or for the benefit of any third party, at any time during or after the term.
- **4.2.5** Subagent shall not, without VZW's prior written consent, disclose to any third party any Confidential Information provided to Subagent by VZW, whether directly or indirectly though Agent.
- **4.2.6** Subagent shall not offer, market or sell VZW Service to any Government Entity.
- **4.2.7** Agent grants Subagent a limited sublicense to use the Licensed Marks, subject to the following terms:
- **4.2.7.1** Subagent shall conform to the highest ethical standards for advertising and will comply with all VZW standards for advertising, (including, but not limited to, those standards set forth in Exhibit [] and in promotional or other material to be used or distributed by Subagent to Subscribers or potential Subscribers.
- **4.2.7.2** All advertising, promotional material or signage prepared by Subagent using the VZW name, the Licensed Marks, or any language from which any of the Marks may be inferred or implied, shall be submitted to Agent who shall obtain VZW's written approval before publication or, the case of signage, before construction.
- **4.2.7.3** Subagent shall use the Service Forms prepared or distributed by VZW.
- **4.2.8** VZW is not a party to this Contract or any contract between Agent and Subagent and VZW shall have no obligations (including, without limitation, any Compensation or other payment obligations) or liabilities under any such contracts to Subagent. Subagent acknowledges and agrees that it is not intended to be, and shall not be deemed, a third-party beneficiary of the VZW Contract.
- **4.2.9** Any controversy or claim that may arise between Subagent and Agent that relates to this Contract shall be resolved first by informal good faith negotiations and if unsuccessful, then it shall be escalated to the parties' respective senior management; if still unsuccessful, the parties will attempt to settle the dispute by mediation. Unless otherwise required under the law, neither party will commence binding arbitration, institute legal proceedings, or issue a notice of default with respect to any dispute unless mediation fails to produce a mutually satisfactory resolution of the dispute within a reasonable time after commencement of the mediation.
- **4.2.10 Waiver of Trial by Jury.** In the event of any litigation with respect to any cause of action which may arise under or with respect to this Contract, or any relationship or dealings between the parties that arise out of or by virtue of this Contract, each party agrees to waive trial by jury.
- **4.2.11** Agent shall not be liable to Subagent for any consequential, incidental, indirect, punitive, special, treble or enhanced damages, including but not limited to lost profits, lost business, diminution in value of business, or other commercial or economic loss, whether such damages are claimed for breach of

contract, negligence or otherwise, and whether or not Agent has been advised of the possibility of such damages, unless applicable law forbids a waiver of any such damages. This limitation of liability applicable to Agent also shall apply to, and be for the benefit of, VZW as an intended third-party beneficiary of this Contract in the event a dispute may arise between Subagent and Agent that involves any dispute with or claim against VZW.

- **4.2.12 Unauthorized Transmissions.** Subagent shall not transmit to a VZW Number any unsolicited or unauthorized commercial material, including, but not limited to, advertising, promotional materials, "junk mail," "SPAM," chain letters, pyramid schemes, or other undesirable material
- **4.2.13** No service performed by Subagent pursuant to this Contract shall be provided, directed, controlled, supervised, or managed, and no Subscriber Information relating to any such service shall be stored, accessed or transmitted, at, in, or through a site located outside of the United States without the advance written consent of VZW. Subagent further represents, warrants and covenants that it will not use, access or allow the use or access, outside of the United States of any user identifications and passwords assigned to it for access to the Subscriber Information.
- **4.2.14** Subagent shall not assign or delegate to any Entity any rights or obligations that Subagent has under this Contract.
- 4.2.15 Internet Sales, Telemarketing, E-mail Solicitations.
- **4.2.15.1** Without limiting the generality of the foregoing, Subagent shall not solicit, consummate, or process any sale of VZW Equipment or Activation of VZW Service through (a) any e-commerce functionality, including, but not limited to, a Website operated directly or indirectly by Subagent, or (b) Telemarketing. Subagent may (a) post on a Website maintained by or for Subagent only the following information: that Subagent is authorized to sell VZW Service and VZW Equipment, the address(es), phone numbers and hours of operation of the Subagent Location(s) and the VZW approved logo identifying Subagent as authorized to sell VZW Service and (b) advertise VZW Equipment on the Subagent's Website subject to Section 4.2.7.
- **4.2.15.2** Subagent shall not distribute e-mail campaigns, advertising and solicitations (collectively "E-mail Solicitations") that offer the VZW Service or VZW Equipment without the prior written consent of VZW. With respect to any E-mail Solicitation offering VZW Service or VZW Equipment that is so approved, Subagent shall be identified as the sender of the E-mail Solicitation; the body of any such E-Mail Solicitation shall be designed in a manner that gives the impression that the E-Mail Solicitation is being made by Subagent and the E-mail Solicitation shall only be sent to recipients that have explicitly consented to receive emails from Subagent that contain offers of third parties.
- **4.2.16** Subagent understands, acknowledges and agrees that VZW shall have the right, in its sole discretion, to approve, reject or rescind its approval of Subagent and to revoke the authority of Subagent to offer, sell and market VZW Service in any portion or all of the Area immediately upon written notice to Agent.
- **4.2.17** Subagent represents and warrants that:
- **4.2.17.1** The execution, delivery and/or performance of this Contract will not conflict with or result in any breach of any provision of the charter or by-laws of Subagent or any agreement, contract, or legally binding commitment or arrangement to which Subagent is a party;
- **4.2.17.2** Subagent is not subject to any limitation or restriction (including, without limitation, noncompetition/exclusivity, and confidentiality arrangements) which would prohibit, restrict or impede the performance of any of Subagent's obligations under this Contract; and
- **4.2.17.3** Neither Subagent nor its Affiliates is currently under contract to offer for sale Service of any Entity, nor is it or any such Affiliate contractually prohibited, under an expired/terminated contract, from promoting VZW Service or representing VZW.

- **4.2.18** Subagent acknowledges that it has not received or relied upon, any guaranty, express or implied, as to the amount of Compensation or other revenue that it may earn as a result of this Contract. There are no oral or written understandings or agreements between VZW and Subagent relating to the subject matter of this Contract. Subagent represents and warrants that:
- **4.2.18.1** there have been negotiations between Agent and Subagent regarding this Contract. Subagent has read this Contract, and all exhibits, and understands and accepts the terms and conditions as reasonably necessary to maintain VZW's high standards for service. Subagent decided whether to retain an attorney for advice regarding this Contract and is not relying upon any representation made by Agent or VZW regarding the meaning or effect of any of the terms of this Contract;
- **4.2.18.2** Subagent has independently investigated the Service business, the VZW Service and/or VZW Equipment sales business and the profitability (if any) and risks thereof and is not relying on any representation, guarantee, or statement of Agent or VZW;
- 4.2.18.3 In particular, Subagent acknowledges that VZW has made no representations of any kind to Subagent, either directly or indirectly, verbally or non-verbally, including, but not limited to, representations regarding: (a) Subagent's prospects or chances for success selling VZW Services under this Contract; (b) the total investment that Subagent may need to make to operate under this Contract (VZW does not know the amount of the total investment that may be required for this purpose) or that Subagent will derive a particular amount of revenue, income or net or gross profit from its operations under this Contract; (c) Subagent obtaining any exclusive rights under this Contract with respect to territory or that VZW will limit its efforts to sell VZW Service or limit other VZW Agents in the Area; (d) the size (other than the geographic area), potential, or demographic nature of the market in which the VZW Service is available or the number of other VZW Agents that are, or may in the future operate, in the Area; (e) provision by VZW of a sales or marketing program, training or management assistance that will enable Subagent to derive income under this Contract; (f) provision by VZW of sales locations or assistance to Subagent in finding sales locations; (g) the quantity or quality of the VZW Service to be Activated by Subagent other than as stated in this Contract; (h) VZW purchasing any products made by Subagent; or (i) termination, transfer or renewal of this Contract. Subagent covenants not to assert at any time, now or in the future, claims against VZW based on, or in any way related to, allegations that Subagent relied to its detriment on any statement, representation, act or failure to act by VZW concerning any of the subjects listed in this Section 4.2.18.3 or concerning any matter whatsoever.
- **4.2.19** VZW reserves the right to market the VZW Services in the Area and elsewhere through the Direct Distribution Channel, including through the Direct Stores (which it may locate anywhere within the Area, including in close proximity to the Subagent Locations) or other VZW Agents, VZW Resellers, or otherwise on any terms it chooses.
- **4.2.20 PCI Compliance.** In the event Subagent through itself or through a processor or subagent stores, processes, handles or transmits Cardholder Data the terms of Exhibit [] shall apply.
- **4.2.21** Subagent shall (i) restrict and monitor access to Subscriber Information or potential Subscriber Information via the System to a limited set of individuals via a systematic and secure role and individual based authentication mechanism (e.g. LDAP), and (ii) comply with all applicable federal, state or local laws, orders, rules, regulations or ordinances, relating to such restriction and monitoring, including, but not limited to, Title 201 of the Code of Massachusetts Regulations, Sections 17.01 through 17.05.
- 5. In the event a Subagent submits to VZW a written request to enter into a direct contractual relationship with VZW, VZW may consider such request and/or enter into a direct contract with such Subagent, subject to the following: VZW has received written confirmation that Subagent provided written notice to Agent of its request to enter into a direct contract with VZW and at least thirty (30) days has expired from such notice and Agent has not objected in writing to VZW and the Subagent. If Agent objects and Agent and Subagent are unable to resolve their outstanding disputes or otherwise agree, VZW may nevertheless enter into a direct contract with such Subagent without incurring any liability to

VZW shall not be considered a party to any contract or contracts between Agent and Subagent and VZW shall have no obligations or liabilities under any such contracts.

Effective Date:\_\_\_\_\_

Master Agent Name dba ("Master Agent") Subagent name and ("Subagent")

Perfect Mobile, Inc

Master Agent Address: Subagent Address of the Approved Subagent Location:

4119 John Marr Dr.

Annandale, VA 22003

While having the rights of an intended third-party beneficiary to the extent set forth in this Exhibit,

Agent as a result of entering into such agreement.