



470 Lindbergh Avenue
Livermore, CA 94551

June 27, 2007

Jane Doe
President
ABC Corporation
117 Tiburon Street
San Rafael, CA 94901

Subject: Cisco Unified Communication Integrated Voice and Data Solution with Cisco UC500

Dear Ms. Doe:

Thank you for the opportunity to propose a telephone solution for your organization. We understand that evaluating telephone solutions is a daunting task. We are here to help. From my discussions with Teresa Lopez from Cisco, concurrent with ABC Corporation move, ABC Corporation desires to replace its current telephone system with a more modern system. Among other things, you identified reliability, auto-attendant and traditional telephone services as current needs. We also understand that ABC Corporation wants unified communications with their Little Rock, Arkansas location.

To meet your organization's needs we are proposing a Cisco based converged data and voice technology solution. A converged strategy is the most modern strategy for organizations. It combines your data, voice and video needs all on the same network infrastructure. It offers lower cost of ownership and greater productivity, among other things. Cisco's telephony solutions are the market leader. It is the only manufacturer that provides a comprehensive single source solution.

To accomplish this converged network, we are proposing a combined Cisco Unified Communications 500 series telephone system and Level 3's Integrated Voice and Data (IVAD) service. The recently released Cisco Unified Communications 500 Series for Small Business, is a unified communications solution for small businesses that provides voice, data, voicemail, Automated Attendant, video, security, and wireless capabilities while integrating with existing desktop applications such as calendar, e-mail, and customer relationship management (CRM) programs. Level 3's Integrated Voice and Data (IVAD) services combines integrated local and long distance phone service with high-speed Internet access over a reliable fully managed integrated service. The Level 3 IVAD service works seamlessly with the UC500. We have included more detail in our proposal.

With Cisco's three year 0% lease financing the Cisco Unified Communication solution for San Rafael is \$336 a month for 36 months with a \$1 buyout. The Little Rock solution is \$247 a month. The Level 3 service for San Rafael has a monthly recurring cost of \$480.07 based on a three-year commitment. The estimated monthly recurring cost for Little Rock is \$400 a month. This includes a full dynamic T1 circuit. When all voice lines are idle, a full 1,536 Kbps is available for data/internet traffic. As each

voice line is used, a minimal amount of bandwidth is diverted from data to voice the voice session. After the voice session ends this bandwidth is reallocated to data. Under this program there are toll charges. We have attached a summary of the plan.

We are confident that Peak IP Solutions is the right partner for ABC Corporation. We have expertise in solving the exact challenges your face, industry expertise working with similar clients on other engagements, and a strong professional staff with a record of success.

This proposal assumes that your office has properly installed cabling and electrical services. Please understand that this proposal is being provided for budget purpose only. All the costs and specifications discussed in this proposal are subject to change by Peak IP Solution's engineering. Without exception, all work will be performed under the terms and conditions of a written scope of work acceptable to all parties. Professional Services Agreements, Scopes of Work and applicable exhibits can provide for additional requirements and exclusions resulting in changes in overall costs and expenses.

Thank you for your time and courtesy. We look forward to ABC Corporation's decision. When all is in order we will provide you for signature an engagement agreement and other necessary administrative documentation. Please contact me with any questions or issues. Thank you for your time and Happy Memorial weekend.

Sincerely,

A handwritten signature in black ink that reads "Bart Saling". The signature is written in a cursive, slightly slanted style.

Bart Saling
Account Executive

HIGH LEVEL DESIGN CISCO UNIFIED COMMUNICATION SOLUTION

A RECOMMENDATION FOR ABC CORPORATION,

Presented to:

Jane Doe
ABC Corporation,

Presented by:

Bart Saling
Peak IP Solutions,

June 27, 2007



IMPORTANT NOTICE

This document is a nonbinding communication. It is a high-level design discussion. It includes budgetary project forecasts for discussion purposes only. This communication also contains information which is confidential and may also be privileged. It is for the exclusive use of the intended recipients. If you are not the intended recipient please note that any form of distribution, copying or use of this communication or the information in it is strictly prohibited and may be unlawful. If you have received this communication in error please return it to the sender then delete it and destroy any copies of it.



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RECOMMENDATIONS FOR ABC CORPORATION

PEAK IP SOLUTIONS' HIGH LEVEL DESIGN TO ADDRESS YOUR NEEDS

ABC Corporation is dealing with several business issues consistent with older tier 3 telephone system. ABC Corporation desires a new and more reliable telephone strategy. Peak IP Solutions is recommending a Cisco UC500 Unified Communication strategy with a Level 3 Integrated Voice and Data Telco circuit. The basis of our recommendation is as follows:

Cisco Unified Communications Solutions

Unified Communication is "technology that allows interactions on a telephone and a computer to be integrated or converged in the same network environment. A converged network environment should provide a superior level of business resilience and agility. It will reduce the overall cost of ownership, increase productivity and possibly create other sources of revenue. The Cisco IP Telephony is designed from the ground up for converged network environments. Cisco IP Telephony solutions dramatically enhance communications flexibility and effectiveness.

IP telephony refers to technology that transmits voice communications over a network using IP standards. Cisco's Communications Solutions provides the infrastructure and feature set for creating a single converged network that can handle voice, video, and data traffic simultaneously. It provides this capability while maintaining a high level of network availability, QoS, and security. Cisco IP phones give customers an exciting new user interface that offers display-based access to features, productivity-enhancing applications, value-added services, and the industry's first Gigabit Ethernet IP Phone. From the company lobby to the desk of the busiest of managers, from the manufacturing floor to the executive suite, at home, on the road or in the branch—there is a Cisco IP Phone for all.

Cisco UC500

Cost-effective IP communication solution for the small office

Cisco Unified Communications 500 Series for Small Business, a critical part of the Cisco Smart Business Communications System, is a unified communications solution for small businesses that provides voice, data, voicemail, Automated Attendant, video, security, and wireless capabilities while integrating with existing desktop applications such as calendar, e-mail, and customer relationship management (CRM) programs. This easy-to-manage platform uses business-class, proven unified communications technologies to full advantage and supports flexible deployment models based on your needs—a wide array of IP phones, public switched telephone network (PSTN) interfaces, and Internet connectivity

Core Components:

- Cisco Unified IP phones, including wireless handsets and Session Initiation Protocol (SIP) phones
- Cisco Unified Communications Manager Express for call processing
- Cisco Unity® Express for voice messaging and Automated Attendant



- LAN switching: Integrated and expandable through Cisco Catalyst® Express 520 Series Switches
- Security, firewall, and VPN capabilities
- Optional wireless LAN capability
- Cisco Configuration Assistant for GUI-based customization of the solution

More information on Cisco Unified Communications 500 Series:

For more information about the Cisco Unified Communications 500 Series can be found at http://www.cisco.com/en/US/products/ps7293/products_data_sheet0900aecd8061fb06.html.

Telephones and Endpoints

Cisco Unified IP Phones lead the IP communications device market and provide a complete portfolio with ease of use, superior audio quality, and increased accessibility for people with disabilities, ergonomic physical design, and capability to add custom applications, and advanced services, and features. The portfolio includes options for uses from the company lobby to the manufacturing floor to the executive suite, at home, on the road, or in branch offices.

Product



[Cisco Unified IP Phone 7971G-GE](#)



[Cisco Unified IP Phone 7970G](#)



[Cisco Unified IP Phone 7961G-GE](#)

Features

- First to provide unconstrained bandwidth to desktop applications
 - Latest Gigabit Ethernet VoIP telephony technology
 - Backlit, high-resolution, color touch screen for easy access to communications information, XML applications, and features
 - Integrated Ethernet switch and 10/100/1000BASE-T Ethernet connection via an RJ-45 interface for LAN connectivity
 - Support for IEEE 802.3af Power over Ethernet (PoE) or a local power supply
 - Standards-compliant SIP phone support
-
- Backlit, high-resolution, color touch screen for easy access to communications information, XML applications, and features
 - Access to eight telephone lines (or combination of lines and telephony features)
 - High-quality speakerphone and built-in headset connection
 - Integrated Ethernet switch and 10/100BASE-T Ethernet connection through an RJ-45 interface for LAN connectivity
 - Support for both Cisco prestandard and IEEE 802.3af PoE
 - Standards-compliant SIP phone support
-
- Latest Gigabit Ethernet VoIP telephony technology
 - Higher-resolution display supports advanced XML applications and double-byte characters/Unicode
 - Supports IEEE 803.af PoE or local power supply
 - Access to six phone lines (or combination of lines and telephony features)
 - Integrated Ethernet switch and 10/100/100BASE-T Ethernet connection via an RJ-45 interface for LAN connectivity
 - Standards-based
 - Standards-compliant SIP phone support



[Cisco Unified IP Phone 7961G](#)

- Higher-resolution display supports advanced XML applications and double-byte characters/Unicode
- Supports IEEE standard 802.3af inline power and Cisco legacy power
- Access to six phone lines (or combination of lines and telephony features)
- Integrated Ethernet switch
- 10/100BASE-T Ethernet connection through an RJ-45 interface for LAN connectivity.
- Standards-based
- Standards-compliant SIP phone support



[Cisco Unified IP Phone 7960G](#)

- Meets the needs of users with a high amount of phone traffic in enclosed office environments
- Access to six telephone lines (or combination of lines and telephony features)
- Supports XML applications to the screen
- Integrated Ethernet switch and 10/100BASE-T Ethernet connection through an RJ-45 interface for LAN connectivity
- Standards-compliant SIP phone support



[Cisco Unified IP Phone Expansion Module 7914](#)

- Provides 14 additional buttons and an LCD display to extend the capabilities of the Cisco Unified IP Phone 7960G, 7961G, 7961G-GE, 7970G, and 7971G-GE
- Buttons can be programmed as directory numbers, line keys, or speed-dial keys
- Up to two modules can be used on a single IP phone connection



[Cisco Unified IP Phone 7941G-GE](#)

- Latest Gigabit Ethernet VoIP telephony technology
- Higher-resolution display supports advanced XML applications and double-byte characters/Unicode
- Supports IEEE 803.af PoE or local power supply
- Access to two phone lines (or combination of line access and telephony features)
- Integrated Ethernet switch and 10/100/1000BASE-T Ethernet connection through an RJ-45 interface for LAN connectivity
- Standards-based
- Standards-compliant SIP phone support



[Cisco Unified IP Phone 7941G](#)

- Higher-resolution display supports advanced XML applications and double-byte characters/Unicode
- Supports IEEE 803.af PoE or local power supply
- Access to two phone lines (or combination of line access and telephony features)
- Integrated Ethernet switch and 10/100/1000BASE-T Ethernet connection through an RJ-45 interface for LAN connectivity
- Standards-based
- Standards-compliant SIP phone support



[Cisco Unified IP Phone 7940G](#)



[Cisco Unified IP Phone 7931G](#)



[Cisco Unified Wireless IP Phone 7921G](#)



[Cisco Unified Wireless IP Phone 7920](#)



[Cisco Unified IP Phone 7911G](#)

- Addresses the needs of transaction workers who conduct a medium amount of telephone traffic in office cubicle environments
- Access to two telephone lines or one line and a telephony feature
- Supports XML applications to the screen
- Integrated Ethernet switch and 10/100BASE-T Ethernet connection through an RJ-45 interface for LAN connectivity
- Standards-compliant SIP phone support

- 24 programmable line/feature buttons
- Four-way LEDs (red/green/amber/off) for indicating call/line state
- Dedicated *Hold*, *Transfer*, and *Redial* buttons
- 802.AF PoE only, no Cisco PoE
- Supported by Cisco Unified CallManager 4.0(2) in first release. Future support for Cisco Unified Communications Manager planned.

- IEEE 802.11a,b,and g standards
- Larger, 2-inch color display (176x220 TFT)
- Speakerphone capabilities
- New combination charger/speakerphone stand
- Application button that supports push-to-talk via XML
- Dedicated keys for mute and volume
- Longer battery life (100 hours standby time)

- Supports the 802.11b protocol
- Roaming; security; extension-mobility support; services, configuration utility updates; user-profile and text-entry enhancements; QoS, and management throughout an end-to-end Cisco network
- Support for Cisco Unified Contact Center Enterprise and Cisco Unified Contact Center Express
- Delivers text and graphics messages on the screen using an XML format

- Single-line access and four interactive soft keys
- Supports XML applications to the screen
- Enhanced feature roadmap
- Integrated 10/100 Switch Ethernet connection through an RJ-45 interface for LAN connectivity
- IEEE 802.3af power; Cisco inline power
- Cisco Unified CallManager v. 4.1(3) security
- Manufacturing certificates
- Secure media/signaling
- Authenticated configuration
- SIP-ready with Cisco Unified CallManager 5.0 and Cisco Unified CallManager Express 3.4



[Cisco Unified IP Phone 7912G](#)

- Single-line access and four interactive soft keys
- Supports XML applications to the screen
- Integrated Ethernet switch and 10/100BASE-T Ethernet connection through an RJ-45 interface for LAN connectivity
- Call hold indicator, message waiting indicator on the handset
- Pre-standard PoE plus a local power option with a power cube
- Standards-compliant SIP phone support



[Cisco Unified IP Phone 7906G](#)

- Single-line access and four interactive soft keys
- Supports XML applications to the screen.
- 10BASE-T Ethernet connection through an RJ-45 interface for LAN connectivity
- Choice of IEEE 802.3af Power over Ethernet (PoE), Cisco inline power, or local power through an optional power adaptor
- Call hold indicator, message-waiting indicator on the handset
- Standards-Compliant SIP Phone Support

Accessories



[Cisco Unified IP Conference Station 7936](#)

- Addresses the needs of a small to midsize conference room or office
- Regular telephony keypad plus three soft keys and menu navigation keys to guide users through call features and functions
- Backlit, pixel-based LCD display



[Cisco IP Communicator](#)

- Software-based application that delivers enhanced telephony support through PCs
- Provides functionality of Cisco Unified IP Phone 7970G: Access to eight telephone lines (or a combination of lines and telephony features)
- Supports XML applications to screen
- Provides high-quality calls and connections to company services while on the road, in the office, or any place you can access the corporate network



[Cisco Unified Video Advantage](#)

- A video telephony solution comprising the software application and a USB camera
- Brings video telephony functionality to Cisco Unified IP Phones
- Attached to a PC and used with a Cisco Unified IP Phone, enables you to place and receive video calls on your enterprise IP telephony network using a familiar phone interface

[Cisco ATA 180 Series Analog Telephone Adaptors](#)

- Cost-effective, handset-to-Ethernet adaptors that enable analog devices support VoIP services
- Supports devices such as analog phones, teletypewriter (TTY) machines, fax machines (fax pass-through support)

More Information on Cisco's Telephones and Endpoints.

[Cisco IP Phone 7961 Tutorial](#)

Data Sheets

[\(All Cisco Unified IP Phones 7900 Series Data Sheets\)](#)

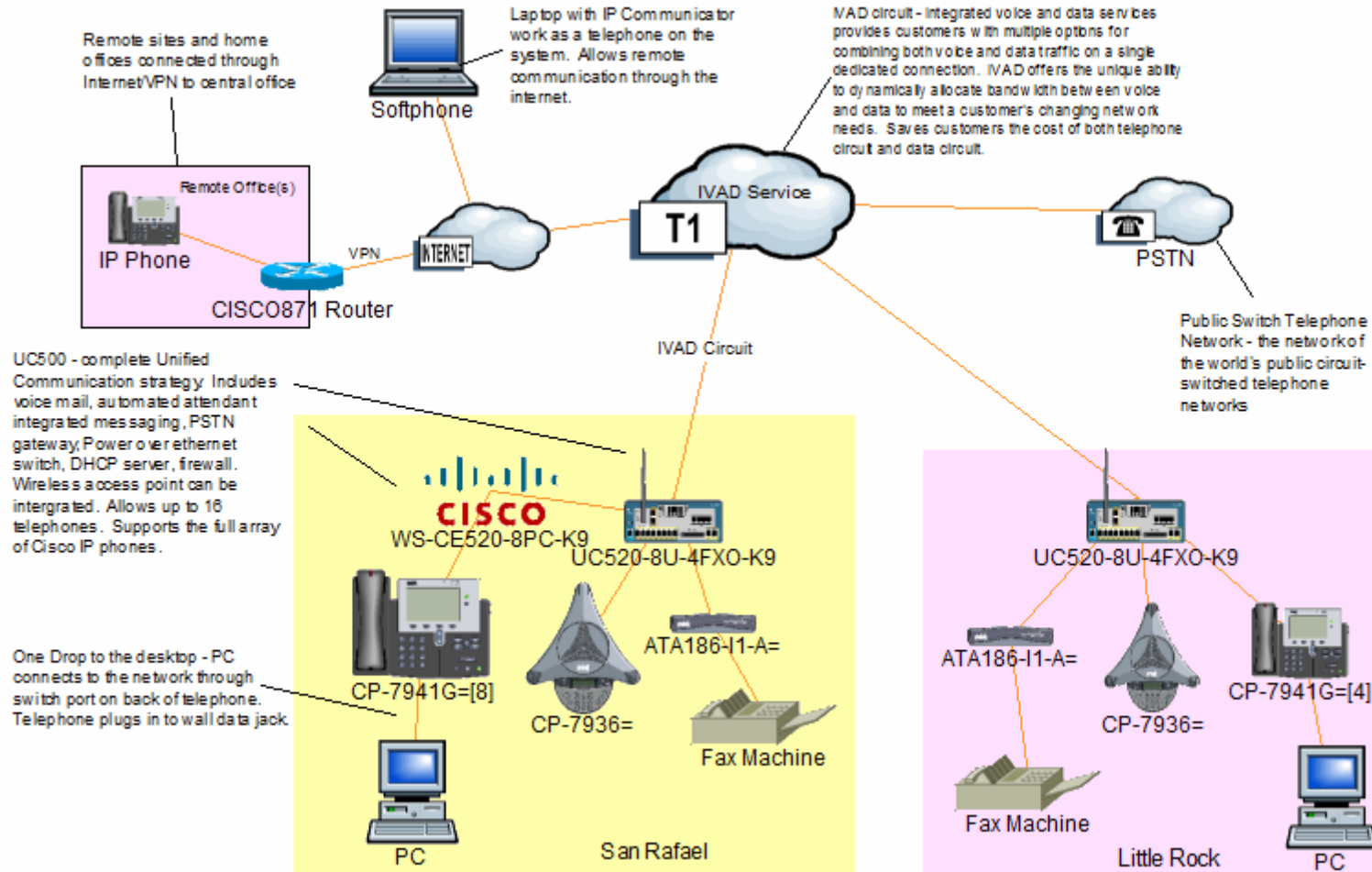
Level Three Integrated Voice and Data Services

Level 3's IVAD services combine voice (local & Long Distance) and data traffic over a single T1 circuit, delivering a fully integrated communication platform. This efficient and highly scalable combination provides multiple services over the same circuit through dynamic allocation of bandwidth. With IVAD, circuits automatically switch the use of bandwidth from data to voice (or vice-versa) depending on what is being used, with voice channels having priority over data channels.

More information on Level 3's IVAD services is attached under Level

SOLUTION DESIGN

SOLUTION DRAWING



Estimated San Rafael Location Cost

Here is some cost information relative to the recommendations Peak IP Solutions is making to ABC Corporation:



Peak IP Solutions, LLC
 470 Lindbergh Avenue- - Livermore, CA 94551
 Phone: 925.337.8668- Fax: 925.337.8638- Email: bsaling@peakipsolutions.com



Date	Quote #
04/24/07	AAAQ1057

Sold To: ABC Corporation.
 Jane Doe
 117 Tiburon Street
 San Rafael, CA 94901

Phone: 415-275-4041
Fax:

Ship To: ABC Corporation.
 Jane Doe
 117 Tiburon Street
 San Rafael, CA 94901

Phone: 415-275-4041
Fax:

Terms	Rep	P.O. Number	Ship Via
Due Upon	bsaling		

Ln #	Qty	Description	Unit Price	Ext. Price
1		---- San Rafael 8station Cisco UC500 Telephone Solution -----		
2	1	CISCO 8U CME BASE CUE PHONE FL W/ 4FXO 1VIC		
3	1	Cisco SmartNET 8x5xNBD UC500- 8 phone, 4 FXO, 2BRI, 8 port PoE Ethernet switch		
4	1	CISCO 4PT VOICE I/F CARD FXO UNIV		
5	1	8 10/100POE+1 GETH BASET SFP UPLINK		
6	1	SMARTNET 8X5X4 Catalyst Express 520 8 10/100 PoE + 1 GE		
7		Total CallManager Solution:		\$5,036.45
8				
9		-----Telephone Equipment-----		
10	1	CISCO ATA186 2PT ADPT 600 OHM IMP		
11		Total Misc Telco Hardware:		\$108.00
12				
13	8	CISCO IP PHONE 7941 SPARE		
14	1	CISCO 7936 IP CONFERENCE PHONE W/ EXT MIC PORTS		
15		Total Telephones		\$2,847.60



Ln #	Qty	Description	Unit Price	Ext. Price
16				
17				
18		----- Cisco Installation, Configuration & Training -----		
19	1	Peak IP Solutions Telephone Installation Project Management		
20	1	Peak IP Installation, Configuration, Training & "2nd Day Support"		
21	1	Misc Installation materials		
22		Total Config, Install & Training		\$4,100.00
23				
24		Total Solutions Cost:		\$12,092.05
25				
26	1	Optional Telco Circuit Cutover Administration Services	\$500.00	\$500.00
27				
			SubTotal	\$12,592.05
			Sales Tax	\$827.40
			Shipping	\$150.00
			Total	\$13,569.45

TO BE BILLED AT PUBLISHED RATES FOR EACH ACTIVITY INVOLVED - GENERALLY ALL HARDWARE COMPUTER COMPONENTS PROPOSED ABOVE ARE COVERED BY A LIMITED ONE YEAR WARRANTY, COVERING PARTS AND LABOR ON A DEPOT BASIS WE SPECIFICALLY DISCLAIMS ANY AND ALL WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTIES OR WITH REGARD TO ANY LICENSED PRODUCTS. WE SHALL NOT BE LIABLE FOR ANY LOSS OF PROFITS, BUSINESS, GOODWILL, DATA, INTERRUPTION OF BUSINESS, NOR FOR INCIDENTAL OR CONSEQUENTIAL MERCHANTABILITY OR FITNESS OF PURPOSE, DAMAGES RELATED TO THIS AGREEMENT. MINIMUM 15% RESTOCKING FEE WITH ORIGINAL PACKAGING.

Estimated Little Rock Location Costs



Peak IP Solutions, LLC
 470 Lindbergh Avenue - - Livermore, CA 94551
 Phone: 925.337.8668 - Fax: 925.337.8638 - Email: bsaling@peakipsolutions.com



Date	Quote #
04/24/07	AAAQ1058

Sold To: ABC Corporation
 Jane Doe
 117 Tiburon Street
 San Rafael, CA 94901

Phone: 415-275-4041
Fax:

Ship To: ABC Corporation.
 Jane Doe
 117 Tiburon Street
 San Rafael, CA 94901

Phone: 415-275-4041
Fax:

Terms	Rep	P.O. Number	Ship Via
Due Upon	bsaling		

Ln #	Qty	Description	Unit Price
1		---- Little Rock 4-station Cisco UC500 Telephone Solution -----	
2	1	CISCO 8U CME BASE CUE PHONE FL W/ 4FXO 1VIC	
3	1	Cisco SmartNET 8x5xNBD UC500 - 8 phone, 4 FXO, 2BRI, 8 port PoE Ethernet switch	
4		Total CallManager Solution:	\$3,314.05
5			
6		-----Telephone Equipment -----	
7	1	CISCO ATA186 2PT ADPT 600 OHM IMP	
8		Total Misc Telco Hardware:	\$108.00
9			
10	4	CISCO IP PHONE 7941 SPARE	
11		Total Telephones	\$993.60
12			
13			
14		----- Cisco Installation, Configuration & Training -----	
15	1	Peak IP Solutions Telephone Installation Project Management	



Ln #	Qty	Description	Unit Price	Ext. Price
16	1	Peak IP Installation, Configuration, Training & "2nd Day Support"		
17	1	Peak IP Remote Site Configuration		
18	1	Misc Installation materials		
19		Total Config, Install & Training		\$4,490.00
20				
21		Total Solutions Cost:		\$8,905.65
22				
23	1	Optional Telco Circuit Cutover Administration Services	\$500.00	\$500.00
24				
			SubTotal	\$9,405.65
			Sales Tax	\$588.42
			Shipping	\$300.00
			Total	\$10,294.07

PRICES SUBJECT TO CHANGE - PRICES BASED UPON TOTAL PURCHASE - ALL DELIVERY, TRAINING OR CONSULTING SERVICES TO BE BILLED AT PUBLISHED RATES FOR EACH ACTIVITY INVOLVED - GENERALLY ALL HARDWARE COMPUTER COMPONENTS PROPOSED ABOVE ARE COVERED BY A LIMITED ONE YEAR WARRANTY, COVERING PARTS AND LABOR ON A DEPOT BASIS WE SPECIFICALLY DISCLAIMS ANY AND ALL WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTIES OR WITH REGARD TO ANY LICENSED PRODUCTS. WE SHALL NOT BE LIABLE FOR ANY LOSS OF PROFITS, BUSINESS, GOODWILL, DATA, INTERRUPTION OF BUSINESS, NOR FOR INCIDENTAL OR CONSEQUENTIAL MERCHANTABILITY OR FITNESS OF PURPOSE, DAMAGES RELATED TO THIS AGREEMENT. MINIMUM 15% RESTOCKING FEE WITH ORIGINAL PACKAGING.

ABC CORPORATION'S ROI

VALUE ANALYSIS

Is an investment in the products and services we are recommending a good business decision for ABC Corporation? We are confident that our recommendations for ABC Corporation can save you money, reduce your operating costs, increase customer satisfaction, and even increase win ratios. Key factors in our recommendation include:

Lower hard costs compared to current system

Companies often underestimate their existing communication costs in terms of capital investments and recurring charges. Ask any business owner how many phone lines their company has and generally their response ignores private lines for management, faxes, modems and alarm systems. Maintenance fees impacting total cost of ownership are often forgotten. Companies rarely audit their actual phone bills and forget about features on their phone lines including voice mail, hunt groups and call waiting which adds as much as fifty percent to monthly charges. Selecting a knowledgeable vendor who is upfront about all costs associated with purchasing a phone system, including both capital costs and recurring costs will improve your return on investment

Increased Revenue

Studies have indicated that improving customer retention by 5% can boost profits by as much as 100%. Advances in telephone technology play an important role in this result, but it is critical that the selected technologies are relevant to your business needs and are not just implementation as window dressings. The proposed Cisco telephone solution should result in better customer retention.

Reduced Training and Turnover Costs

All phone systems require administrators and end user training. Administrators change voice mail, auto attendants and users, while managing their own phone traffic is a responsibility of each user. Training of both varies from cryptic to intuitive depending on the system and its implementation of user-friendly interfaces. The Cisco solution offers interfaces similar to Windows-based applications. The Cisco solution is very intuitive and user-friendly. Peak IP Solutions believes that this will result in reduced training and indirectly help reduce turnover costs.

Easier Serviceability

Recurring maintenance costs stem from the combination of how much you can do yourself, much your vendor can do remotely, frequency and duration of on-site service visits and the availability and support life of components that make up your system. The Cisco solution can be accessed remotely and securely over the Internet to make changes, limiting service visits to when a hardware component needs replacement. The Cisco solution's open system technologies allow for less costly and more available part replacement. As a result, the Cisco solution will reduce costs for service calls and improve time to completion of service.

Future Market Value

Phone systems are typically re-evaluated every five to seven years based on leasing and the availability of new features and upgrades. Historically, system value was based on hardware components and brand names. Today, it's not metal or wires that retain value, but the data collected and services provided by the system software that increases value. The proposed Cisco solution is an award winning comprehensive all-in-one solution. In addition, Cisco is profitable and a progressive

organization that continues to deliver market leading Unified Communication solutions. The proposed solution will likely retain above-average future value.

Reduced Long Distance Costs

According to US department of commerce, corporations spend approximately 3% of gross sales on telecommunications cost¹. While studies and research show the companies can reduce communication cost by 30% to 70% of current costs by moving their voice over their data networks.

A telephone connection requires approximately 75 kps of data transmission. Compared to the speed of company data networks, this is a relatively small amount of data transmission. The common data transfer rate for local area networks (LAN) is 100 Mbps (or more). This is almost 2000 times the speed of a typical telephone connection. Even wide area network (WAN) data connections (to connect offices to each other) used by companies typically range from 1 Mbps to 45 Mbps. The cost to send data as opposed to voice is approximately 10 to 20 times.

Table 1. shows some sample comparison between traditional charges for voice communication compared to the charges for sending data. This table shows that the average cost per minute for traditional telephone service (called switch voice) is approximately 4 cents per minute. If this service were to remain connected for 24 hours per day and 30 days in a month, this results in a monthly fee of \$1,728. A 56 kps switched connection at 0.2 cents per minute results in a monthly charge of \$90. The approximate cost for fixed connections is \$50 per month for 56 kps, \$500 per month for 1.5 Mbps (T1), and \$50,000 per month for 45 Mbps connections (DS3). If you adjust the monthly fee for a 64 kps voice data rate (64 kps/data rate dividend by 30 days x 24 hours x 60 minutes), the average cost of data connection that is used for voice is 4 cents for switched voice, 0.22 cents for switched data, 0.13 cents for fixed 56 kbps, 0.05 cents for fixed 1.5 Mbps, and 0.016 cents per minute for 45 Mbps.

Table 1. Voice over Data and Telephone Service Cost Comparison

	Switched Voice (75 kps)	Switched Data (56 kps)	Dedicated Data		
			(56 Kbps)	(1500 Kbps)	(4500 Kbps)
Cost per month	\$1728	\$90	\$50	\$500	\$5000
Cost per Minute	4¢	0.20¢	0.12¢	1.12¢	11.6¢
Cost per 75 kps	4¢	0.22¢	0.13¢	0.05¢	0.01¢

¹ “Universal Service Monitoring Report”, October 2002, FCC pages 576, 605

WHY SELECT PEAK IP SOLUTIONS?

UNIQUE VALUE FOR ABC CORPORATION

A Commitment to Superior Customer Satisfaction

Peak IP Solutions is not your typical solution provider. In fact, we're a personalized solutions and service-oriented company that continually surpasses our clients' expectations in customer satisfaction. How?

- First, we support our front line sales, service reps and other functional areas *on a daily basis*, enabling our customers to enjoy the overall Peak IP Solutions experience.
- Second, this clear, predictable product support enables our customers to effectively plan their budgets, predict their costs, justify their purchases, and forecast future replacements with their management teams.

Unsurpassed Expertise

Dependability. Functionality. Quality. Value. Extensive functional knowledge of each product offering. These are the traits that our manufacturer-trained staff possesses. And these are the reasons why your organization will get solutions properly implemented, expertly maintained for long-term satisfaction, and ROI maximized.

A Uniquely Qualified Team of Industry Experts

How's this for a bold statement... Our team is better than our competitors'. Each of our key personnel is highly skilled. Each offers unique, diverse talents that complement other team members. Plus, each recognizes the importance of the process-oriented methods necessary to ensure consistent quality. The result? We offer unparalleled depth of experience to develop customized solutions for ABC Corporation.

Unparalleled Flexibility and a Strong Local Presence

Because of our adaptability and localized presence, Peak IP Solutions has vast resources to support ABC Corporation' project, regardless of your size or your scope. We have the methods and processes in place to integrate with your organization — and to remain focused on your needs.

Best-of-the-Breed Security Products

Peak IP Solutions works closely with your team to select the best products for each vertical market that we sell and deploy. ABC Corporation will benefit by getting the finest products in the market that meet or exceed your current needs.

ABOUT PEAK IP SOLUTIONS

CORPORATE HISTORY AND OVERVIEW



What We Do: Personalized Solutions and Service

Peak IP Solutions is a West Coast-based solutions provider. The Peak IP Solutions team brings extensive experience with networking infrastructures – including routing, switching, security, wireless, storage, voice and video - to compliment our status as a Cisco Systems Premier Certified Partner specialized in Unified Communications. With a focus on working with growing businesses, our team is committed to creating long term customer satisfaction by providing superior Unified Communications Intelligence and completely integrated data networking solutions...

How We Do It: Best-in-Class Products and Services

Peak IP Solutions is a leader in IP Telephony technology, network and IT outsourcing. We work with you to achieve the greatest ROI on your investments across your communication and infrastructure fields. We have extensive experience with networking infrastructure ---- from routing, switching, QoS and security to wireless, storage, voice and video. All of these solutions complement our status as a Cisco Premier Certified Partner. We can design optimum solutions that run on your current communications systems or can customize and implement totally new systems for your specific business needs.

How We Do It Better: Customer focus.

Above all, we're a customer-focused company targeting the small-to-medium-sized enterprise market, providing fully trained, fully staffed IT department. Peak IP Solutions offers:

- Productive, innovative and cost-effective complimentary customer solutions to enhance the value of the IP Communication platform.
- Exceptional technical assessments, architectures and implementation of fundamental LAN and WAN networks for voice, video, data and mobility products and applications.
- Extraordinary value-adds with one-stop expertise to support our clients' applications, systems, communications infrastructure and networks.
- A highly skilled and experience engineering team with an obsession with efficiency.
- Continually reviewed process improvements.
- A thriving environment where our employees can grow and learn.

We're Better Known By The Companies We Keep.

You may not have heard of Peak IP Solutions, but you're certainly familiar with some of our clients, who are among the largest organizations in the area. They include: Mervyns, Liberty Title, Simpson Strong Tie, Central Pet and Garden, among others.

Peak IP Solutions,



ABC CORPORATION'S PEAK IP SOLUTIONS TEAM

THE PEOPLE WHO WILL BE WORKING WITH YOU

SFO Forecast, Inc wants the Peak IP Solutions team to be competent, with a proven track record of successful experience. Peak IP Solutions is committed to providing you with a quality team of people who will deliver the customer service you deserve and expect. Here are some of the people you'll be working with when you partner with us:

Bart Saling

Account Executive

Bart Saling is a MCSE Windows 2000 and CCDA candidate. He is also an accomplished well-credentialed salesperson with 20+ years of experience. Sales career began in newspaper direct sales, proceeded within sizeable and premier financial services organizations selling life insurance, stocks, mutual funds, and managing, underwriting and selling special assets. Eight years ago, it subsequently progressed into computer technology sales. Experienced at installing, configuring and administering Windows NT, Server 2000, Server 2003, Exchange 5.5 and 2000, XP, Office, FrontPage and other Microsoft Software. He has broad exposure to service and manufacturing-based businesses in several industries. He maintains a computer lab with Microsoft and Cisco products. Skilled in finance, accounting, planning and budgeting, credit and collections, business process engineering, asset valuation, underwriting and due diligence. Bart has a Bachelors Degree in Economics for Southern Oregon State College and a J.D. Degree from Seattle University School of Law. He has a history of integrity.

Douglas Renner

President and CEO

Doug is an active member of the Livermore community. He enjoys spending time with his family, driving the distance for customers, and driving down costs with system automation technologies.

Douglas has over a dozen years in the computer networking industry holding both management and engineering positions. Prior to founding Peak IP Solutions, he was the lead engineer at Sybase for a 3000 telephone Cisco AVVID deployment across 26 offices in North America. This was a one year wholesale replacement of all LAN equipment at remote offices, reconfiguration and deployment of WAN QoS, all to serve a centralized Cisco CallManager, Unity and IPCC Enterprise Call Center deployment. Doug also served as a Systems Engineer for Cisco Systems for 3 years focusing on Routing and Switching, Cisco AVVID, Wireless, and Security technologies across Cisco's diverse solution families. This included working for such prominent customers as Pixar Animation Studios, Irwin Home Equity, Raza Foundries, Tickets.com, Copart, and WestAmerica Bank.

Mr. Renner holds a Bachelor's degree in Business Administration from Cal Poly San Luis Obispo as well as a litany of Cisco and Microsoft certifications.

PROCESS STEPS

KEY STEPS TO MOVING FORWARD

After reviewing this document, the following process steps need to happen in order to finalize our working partnership. We have listed specific action items that, if taken, will move us closer to a successful implementation.

Next Steps

Prepare Phase. During the prepare phase Peak IP Solutions team gathers high-level requirements and builds a business case for implementing a Cisco technology solutions. From this phase Peak IP Solutions provides a high-level design and project budget forecast.

Closed**Completed**

Plan Phase. After Client provides an engagement commitment and retainer, the engagement enters the plan phase. During the Plan Phase Peak IP Solutions team assesses the current network, site and operations readiness which will aid in the design of the proposed technologies. From this phase a detailed Bill of Materials is delivered.

Open **Pending**

Design Phase. After Client accepts the Bill of Materials and gains credit approval, the engagement enters the Design Phase. During the Design Phase Peak IP Solution ensures the solution design meets business requirements, while attempting to foresee and prevent potential network bottlenecks. From this phase a written solution plan is delivered.

Open **Pending**

Implement Phase. After Client accepts solution plan, the engagement enters the Implementation Phase. During the Implementation Phase service activities and components are performed to ensure the new solution is integrated without disrupting the network or creating points of vulnerability. This phase is completed with support handoff meeting.

Open **Pending**

Operate Phase. After the support handoff meeting, the engagement enters the Operate Phase. During the Operate Phase, activities are described and day-to-day management and monitoring of the newly implemented system begins.

Open **Pending**

EQUIPMENT LEASING

LEASE PRICING FORECAST



0% Unified Communications Financing for Small Business Customers



3 years, same as cash... PLUS you own the solution in the end!

For a growing business, technology is one of the strongest ways to gain a competitive advantage. But, it can be difficult to get the equipment you need. Cisco Capital can help. Not only can we significantly reduce cash flow limitations by allowing you to pay for your Cisco solution over time, but now, for a limited time, we are providing interest free financing on your Cisco Unified Communications solution.

How does this help you?

- By financing, you can utilize your operating budgets rather than paying as a single, capital expense.
- Get the equipment you need NOW, but spread the payments out with NO interest charges!
- There are no surprises or hidden costs—we've taken the complexity out of financing!
- Pay for your new solution over time, and own it in the end.

Offer Details

- Duration—September 15, 2006 through July 28, 2007
- Only available for US Small Business Customers (with less than 100 employees)
- Only available through certain Cisco resellers (speak with your local Cisco representative for details)
- \$100K Cisco product max in lease
- 36 month lease (\$1 out, meaning Customer OWNS at end term)
- Two options for including maintenance
 - Three years of Cisco SmartNet may be included in lease (to match three year lease term) at 0%
 - Customer can pay for maintenance outside of lease (if less than the term)
- Professional services from your local reseller can be included—speak with your local Cisco Capital Lease manager for details.

For additional details

Cisco reseller—Please contact your local Cisco TMM representative or Cisco Capital Lease Manager for details.

Customers—Please visit www.cisco.com/go/cisco/capital

Example: \$36,000 solution

$$\text{\$30,000 in hardware} + \text{\$6,000 for 3 years of Cisco SmartNet} = \text{\$1,000 for 36 months}$$

Cannot be combined with any other Cisco Capital financing offer. Applies to Cisco Unified Communications solutions only. Qualification subject to credit approval. This promotion will expire on July 28, 2007. Cisco Capital retains the right to modify or discontinue the promotion at any time, without notice.

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LEVEL 3

Level IVAD Quote

RFQ# 8972894225



Level 3 Communications Service Quotes for

Jane Doe
ABC Corporation
Office: 415-259-4041
Email: e.larson@greenlineindustries.com

Prepared and Presented by

Bart Saling
Office: 408-907-4545

Email: bsaling@peakipsolutions.com

About Level 3 Communications

Level 3 is an international communications and information services company headquartered in Broomfield, Colorado. The company operates one of the largest communications and Internet backbones in the world. Since our founding in 1998, Level 3 has been focused on delivering premier services over one of the world's most advanced, IP-optimized networks. Level 3 owns and maintains over 39,500 intercity route miles, and makes more than 77,000 intercity route miles available to our customers.

We offer a comprehensive portfolio of network offerings that spans Internet Protocol (IP) services, broadband transport, colocation services, and patented Softswitch-based managed modem and voice services. Level 3 also uses these network services as a foundation for delivering enterprise telecommunications solutions.

Founded:	1998
Ticker:	LVLT

The quote information shown is based upon the specific location information, requirements, and terms shown below.

Bundled Service: 24 Tiburon Street, San Rafael, CA, 94901

Requested:	Lines (12)	Terms to Quote (yrs.):	1 & 2 & 3
Area Code & Prefix:	415259	Bandwidth:	1536Kbps
Product Type:	Analog IVAD- Lines		
Time to Purchase:	Sept 2007		

[View Summary Analysis](#)

Bundled Service Summary Analysis

Service Location: 117 Tiburon Street, San Rafael, CA, 94901

Area Code & Prefix: 415259

Service Name	Term	Kbps	Total NRC	Total MRC	Annual Savings	Months to Justify NRC	MRC with Amortized NRC	
Measured Rate IVAD	36 mo.	1536	749.00	459.26	N/A	N/A	480.07	Details
Measured Rate IVAD	24 mo.	1536	749.00	481.78	N/A	N/A	512.99	Details
Measured Rate IVAD	12 mo.	1536	749.00	583.89	N/A	N/A	646.31	Details

Bundled Service Quote

1. IID24752-QID15580

Location: 24 Tiburon Street, San Rafael, CA, 94901

<u>Service Quoted</u>	Measured Rate IVAD
Term	36 months
Bandwidth	1536 Kbps
Trunks/Lines Type	Lines (12)
Quote ID	999833

Local Calling Rates (Daytime)				Long Distance Rates			
	Per Call	1st Min	Add'l Min		IntraLata	Intrastate	Interstate
Zones 1&2		0.0216 (B)	0.0081 (C)	Outbound	0.0324	0.0274	0.0243
Zone 3		0.0216 (E)	0.0081 (F)	Toll Free	0.0324	0.0274	0.0243

Monthly Charges	Qty	Installation (\$)	Monthly (\$)
Local Loop	1	0.00	111.85
Voice Channels	12	749.00	144.00
1536K Internet Bandwidth	1	0.00	147.37
Federal Subscriber Line Charge	12	0.00	52.80
LNP	12	0.00	3.24
Total		749.00	459.26

Quote is valid for 30 days

Additional IVAD Benefits

- Bandwidth is allocated dynamically. This means that for every voice channel that is not in use, the Internet bandwidth increases by 40K until the full bandwidth you ordered is attained.
- Your IVAD service will support private networking, which allows you to designate channels for the exchange of data between other locations that reside in Level 3-served LATAs.

Included Internet Features

- One static IP address, DNS Resolution.

Additional Options

- Block of 8 IP Addresses (5 usable) \$25 one-time, \$8 monthly.
- Battery back-up for Adtran device available for one-time charge of \$200.
- Voicemail and line features (Business Lines only) available at additional charge.
- DID Numbers: \$2.00 one-time charge, \$0.15 monthly per number

[Return to Summary](#)

Bundled Service Quote

2. IID24752-QID15578

Location: 24 Tiburon Street, San Rafael, CA, 94901

<u>Service Quoted</u>	Measured Rate IVAD
Term	24 months
Bandwidth	1536 Kbps
Trunks/Lines Type	Lines (12)
Quote ID	999833

Local Calling Rates (Daytime)				Long Distance Rates			
	Per Call	1st Min	Add'l Min		IntraLata	Intrastate	Interstate
Zones 1&2		0.0216 (B)	0.0081 (C)	Outbound	0.0324	0.0274	0.0243
Zone 3		0.0216 (E)	0.0081 (F)	Toll Free	0.0324	0.0274	0.0243

Monthly Charges	Qty	Installation (\$)	Monthly (\$)
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Local Loop	1	0.00	111.85
Voice Channels	12	749.00	156.00
1536K Internet Bandwidth	1	0.00	157.89
Federal Subscriber Line Charge	12	0.00	52.80
LNP	12	0.00	3.24
Total		749.00	481.78

Quote is valid for 30 days

Additional IVAD Benefits

- Bandwidth is allocated dynamically. This means that for every voice channel that is not in use, the Internet bandwidth increases by 40K until the full bandwidth you ordered is attained.
- Your IVAD service will support private networking, which allows you to designate channels for the exchange of data between other locations that reside in Level 3-served LATAs.

Included Internet Features

- One static IP address, DNS Resolution.

Additional Options

- Block of 8 IP Addresses (5 usable) \$25 one-time, \$8 monthly.
- Battery back-up for Adtran device available for one-time charge of \$200.
- Voicemail and line features (Business Lines only) available at additional charge.
- DID Numbers: \$2.00 one-time charge, \$0.15 monthly per number

[Return to Summary](#)

Bundled Service Quote	3. IID24752-QID15576
Location: 24 Tiburon Street, San Rafael, CA, 94901	

Service Quoted	Measured Rate IVAD
Term	12 months
Bandwidth	1536 Kbps
Trunks/Lines Type	Lines (12)
Quote ID	999833

Local Calling Rates (Daytime)				Long Distance Rates			
	Per Call	1st Min	Add'l Min		IntraLata	Intrastate	Interstate
Zones 1&2		0.0216 (B)	0.0081 (C)	Outbound	0.0324	0.0274	0.0243
Zone 3		0.0216 (E)	0.0081 (F)	Toll Free	0.0324	0.0274	0.0243

Monthly Charges	Qty	Installation (\$)	Monthly (\$)
Local Loop	1	0.00	111.85
Voice Channels	12	749.00	216.00
1536K Internet Bandwidth	1	0.00	200.00
Federal Subscriber Line Charge	12	0.00	52.80
LNP	12	0.00	3.24
Total		749.00	583.89

Quote is valid for 30 days

Additional IVAD Benefits

- Bandwidth is allocated dynamically. This means that for every voice channel that is not in use, the Internet bandwidth increases by 40K until the full bandwidth you ordered is attained.
- Your IVAD service will support private networking, which allows you to designate channels for the exchange of data between other locations that reside in Level 3-served LATAs.

Included Internet Features

- One static IP address, DNS Resolution.

Additional Options

- Block of 8 IP Addresses (5 usable) \$25 one-time, \$8 monthly.
- Battery back-up for Adtran device available for one-time charge of \$200.
- Voicemail and line features (Business Lines only) available at additional charge.
- DID Numbers: \$2.00 one-time charge, \$0.15 monthly per number

[Return to Summary](#)

FAQs

Question: How can I get more information about one of the quotes?

Answer: Do not hesitate to contact me with any questions you may have. I will answer your questions directly or work with Level 3 Communications to answer your any question to your satisfaction.

Question: How much time do I have to make a decision based upon the pricing provided?

Answer: Quotes are usually good for 30 days but promotions can have different expirations. I will confirm all pricing prior to placing the order for you.

Question: I know there is a lot of paperwork required when placing telecom orders, who will fill out all of the forms when I order?

Answer: One of the benefits of working with me is that I will work with you to complete all the necessary order documents at no charge.