



Revised: March 2010

BOW GSM Service from Stratos

Equipment and Telecommunications Services Agreement

1. DEFINITIONS

The following definitions apply to this Agreement:

- “Pre-Paid Credit” means the minimum Credit payable on the Commencement Date in the amount in accordance with the application form.
- “Authorised Users” means those employees and independent individual contractors of the Customer to whom the Customer gives a SIM and who are entitled to use the Pre-Paid Services under this Agreement.
- “Charges” means the amounts payable by the Customer to Stratos pursuant to this Agreement.
- “Credit” means the fees payable by the Customer to Stratos in respect of the Pre-Paid Services, as described in this Agreement and set out in the Price List published by Stratos from time to time, which shall include the Advance Credit.
- “Equipment” means the Equipment rented to the Customer by Stratos pursuant to this Agreement as listed in Annex 4.
- “GSM” means global system for mobile communications, including broadband services, when available.
- “Invoice date” means the date upon which the ship is commissioned and active on the Stratos service.
- “Pre-Paid Services” means the GSM telecommunications services (including GPRS services, when available, in accordance with Clause 7.1) which give an Authorised User the ability to make calls or send and receive texts or to send or receive data over a telecommunications service network using prepaid Credit and which Stratos decides shall comprise the GSM telecommunications services from time to time.
- “Price List” means the amount of Credit payable in relation to specific GSM Pre-Paid Services provided by Stratos to the Customer from time to time or made available to the Customer via Stratos’ website.
- “SIM” means a card, bearing a unique telephone number, the related personal unlocking key and personal identification number, used to enable access to the GSM Pre-Paid Services.

“Software”	means the software to be used by the Customer on the Equipment.
“Telecommunications Services”	means the telecommunications services to be provided to the Customer pursuant to this Agreement including GSM and Inmarsat FleetBroadband (FB) services.
“Vessel”	means the Vessel(s) whose name and other details appear in the Annex, each of which are owned or hired by the Customer.
“Application Form”	Means the application form completed by Customer containing the commercial details for the GSM over FB services for a particular vessel

2. CUSTOMER'S OBLIGATIONS

2.1. The Customer shall:

- 2.1.1. make every endeavour at its own cost to prepare each Vessel for the delivery and the installation of the Equipment and shall be responsible for the provision of all necessary access to such information and facilities reasonably required by Stratos while delivering and installing the Equipment. The Customer shall ensure the Equipment is operated at all times in accordance with any operating manuals and other instructions issued by Stratos from time to time;
- 2.1.2. use all reasonable endeavours to prevent the performance of the Equipment from being impaired by electric interference caused by, including but not limited to, dynamos, motors and/or electric wiring circuits, and any such impairment or damage to the Equipment shall be solely at the risk of the Customer;
- 2.1.3. render assistance that may be reasonably expected by Stratos and/or its designated personnel with regard to the repair and/or maintenance of the Equipment;
- 2.1.4. not modify, repair, service, re-hire, sell, charge, part with the possession of, or otherwise deal with any part of the Equipment without the prior written consent of Stratos;
- 2.1.5. not use the GSM Pre-Paid Services as the sole device available to it for emergency services or for compliance with health and safety laws that might apply to the Customer;
- 2.1.6. comply, and shall procure that each Authorised User shall comply, with the terms of the terms and conditions relating to the use of SIMs contained in the User Guide relating to the GSM SIMs (as issued to Authorised Users) as if such terms and conditions were set out herein. Notifications provided for in those terms and conditions shall be made to and by Stratos as the case may be; and
- 2.1.7. comply in all respects with the Standard Terms and Conditions appended to this Agreement as Annex 1.

3. STRATOS' OBLIGATIONS

- 3.1. Stratos shall, subject to the Customer having fully complied with its obligations under Clause 2 above, ensure that the Equipment is kept in good working order during the period of this Agreement and in this regard shall use its reasonable endeavours to repair the Equipment as necessary.
- 3.2. Stratos grants to the Customer a personal, non-transferable, non-exclusive license to use the Equipment in conjunction with the Software for the purpose of receiving the Telecommunications

Services.

- 3.3.** Stratos reserves the right to make any changes to the specification of the Equipment that are required in order to conform to any applicable legislation or which do not materially affect their quality or performance.

4. LIMITATION OF LIABILITY

- 4.1.** Liability for Data Usage. For the avoidance of doubt, the Customer shall be fully liable for payment for any and all data charges accrued through the use of the Services by the Customer. It is the sole obligation and responsibility of the Customer to ensure that all Equipment and associated computer hardware and software are properly configured with respect to the Services being used and that only authorized users are permitted access to the Equipment. No credits or refunds will be provided by Stratos for data usage that is alleged to be accidental, inadvertent, or unauthorized.
- 4.2.** The limitations of liability provisions for GSM Services are set out in the standard terms and conditions as specified in Annex 1.

5. INSURANCE

The Customer shall protect the Equipment against all risks and shall insure the Equipment as from the Commencement Date as part of the Vessel's hull and machinery cover and shall be fully liable for, and indemnify and hold harmless Stratos from, all loss or damage to the Equipment while in Customer's custody.

6. FEES AND PAYMENT FOR EQUIPMENT AND SERVICES

- 6.1.** The Customer shall for the duration of this Agreement pay the Equipment and Service Charge as calculated in accordance with the provisions set out in the Application Form.
- 6.2.** The Equipment and Service Charge plus any applicable taxes and duties shall be payable by the Customer within 30 days of the Invoice date. Stratos shall invoice the Customer in advance, starting on the Commencement Date of this Agreement.
- 6.3.** In addition to the Equipment and Services Charge, Stratos reserves the right to charge the Customer for maintenance services that are required due to use of the Equipment other than in accordance with this Agreement, including the cost of overhauling, repairing or replacing any damaged Equipment that arises other than from fair wear and tear, which will be charged by Stratos at its then current list price, which Stratos may vary at its discretion from time to time.
- 6.4.** Full payment terms are set out in Annex 2.

7. SERVICES

- 7.1.** Stratos shall use all reasonable commercial endeavours to ensure that the GSM Pre-Paid Services are provided to the Customer pursuant to this Agreement, provided that the Credit for the GSM Pre-Paid Services has been paid in advance in accordance with the terms and conditions set out in Annex 1. Stratos does not guarantee the continuing availability of any particular GSM Pre-Paid Services and other Telecommunication Services, as the Customer acknowledges, is dependent upon third parties and subject to periodic outages in this respect. The Customer acknowledges and agrees that quality, capacity and availability of the GSM Pre-Paid Service and other Telecommunication Services can be affected by factors which cause outages and interference and by technical faults in Stratos' network or equipment, the mobile devices, the SIM or in other third party telecommunications networks through which calls, data or messages may be relayed.

Stratos shall not be liable for any failure, delay, interruption, suspension, or restriction of the GSM Pre-Paid Service and other Telecommunication Services, including a call being cut off or email not being transmitted for any reason.

- 7.2. The Customer agrees and acknowledges that the SIM must be used on a GSM frequency 1800 cellular mobile device, with appropriate software, that is listed on the list of devices that are approved to access the GSM Pre-Paid Services appearing on Stratos' website from time to time in order to avail of the Pre-Paid Services.
- 7.3. The Customer shall use the GSM Pre-Paid Services and SIM solely for its own use and the personal use of its Authorised User(s). The Customer shall not resell or make any commercial use of the GSM Pre-Paid Services or SIM save as provided for in this Agreement.
- 7.4. The GSM Pre-Paid Services shall not be utilised by the Customer in bypassing, or in activity/ies that bypass, the Stratos or third party network, or be used in prohibited services like callback, dialback, unauthorised audiotext, international national simple resale or other similar service. Stratos reserves the right to block access to such services and premium rate numbers at its discretion without notice. The Customer agrees not use the GSM Pre-Paid Services or SIM for any purpose other than that for which it was designed. The Customer will not use the GSM Pre-Paid Services or SIMs for any purpose contrary to any law.
- 7.5. Stratos reserves the right to disconnect, terminate, suspend or to refuse to connect the GSM Pre-Paid Services and other Telecommunication Services in the event that Stratos reasonably determines that the customer or other person has used either of them for any unlawful, fraudulent, illegal, unpermitted or abusive purpose(s).

8. TERM AND TERMINATION

- 8.1. This Agreement takes effect on the Commencement Date and, subject to Clause 8.2, shall continue for a term of one (1) year unless terminated earlier pursuant to this Agreement or in accordance with the Standard Terms and Conditions set out in Annex 1 of this Agreement.
- 8.2. Upon the end of the one-year term, this Agreement shall automatically renew for successive one-year terms unless Customer provides Stratos with not less than three (3) months advance notice prior to the end of any given term of Customer's intention not to renew for an additional term.
- 8.3. In the event that Customer chooses not to renew the Agreement for a total term of five (5) years, or if the Agreement is terminated for any reason other than a material breach of the Agreement by Stratos, then Customer shall either (a) return the Equipment to Stratos pursuant to Article 1 of Annex 1 to this Agreement; or (b) be assessed a Termination Fee as specified in Annex 3. The Customer shall either return the Equipment or pay said Termination Fee within thirty (30) days of its notice of termination.

9. ENTIRE AGREEMENT

This Agreement and any documents referred to in it, together with the Annexes, constitute the whole Agreement between the Parties.

10. GOVERNING LAW AND JURISDICTION

- 10.1. This Agreement and any disputes or claims arising out of or in connection with its subject matter shall be governed by and construed in accordance with the law of England & Wales.
- 10.2. The parties irrevocably agree that the courts of England & Wales have non-exclusive jurisdiction to settle any dispute or claim that arises out of or in connection with this Agreement.

ANNEX 1 - STANDARD TERMS AND CONDITIONS

1. TERMINATION AND CONSEQUENCES OF TERMINATION

- 1.1.** Without prejudice to any other rights or remedies to which the Parties may be entitled, either Party may terminate this Agreement immediately by written notice to the other party if:
- 1.1.1.** an order is made or a resolution is passed for the winding up of the other Party, or circumstances arise which entitle a court of competent jurisdiction to make a winding-up order in relation to the other Party; or
 - 1.1.2.** an order is made for the appointment of an administrator to manage the affairs, business and property of the other Party, or a receiver is appointed over any of the Equipment or any of the other Party's assets or undertaking, or the other Party makes any arrangement or composition with its creditors or becomes bankrupt, or the other Party takes or suffers any similar or analogous action in any jurisdiction in consequence of debt; or
 - 1.1.3.** the other Party is in material breach of its obligations under this Agreement and has failed to remedy such breach within 10 days of receipt of notice from the first Party requiring it to do so.
- 1.2.** In addition to the above, and without prejudice to any claim or remedy which Stratos may have against the Customer, Stratos shall have the right to terminate this agreement by written notice to the Customer with no liability whatsoever:
- 1.2.1.** immediately in respect of a particular Vessel, where the contract under which the Vessel is hired by the Customer is terminated for any reason.
- 1.3.** On termination of this Agreement by Stratos:
- 1.3.1.** the Customer shall cease to be in possession of the Equipment with the consent of Stratos, and shall immediately:
 - 1.3.1.1.** notify Stratos of the date upon which each Vessel on which the Equipment is installed visits a port notified to Stratos for the purposes of paragraph 1.3.1 and shall allow Stratos to retake possession of the Equipment and to enter upon the Vessel(s) on that date for that purpose, in order to dismantle and remove the Equipment; or
 - 1.3.1.2.** with the prior written agreement of Stratos, at Stratos' expense, dismantle, pack, ship/transport and insure the Equipment in its return to Stratos to a service port or at such other place as Stratos may direct in writing.
 - 1.3.2.** all rights to receive the GSM Pre-Paid Services and other Telecommunication Services shall cease and any unused Credit shall be retained by Stratos and deemed expired; and
 - 1.3.3.** the obligations and liabilities of the Customer under this Agreement shall continue in full force and effect notwithstanding termination of this Agreement for whatever reason until the date of receipt of the Equipment by Stratos; and
 - 1.3.4.** all sums payable to Stratos by the Customer under this Agreement shall continue until the Stratos Equipment is returned to Stratos.

- 1.3.5.** All provisions that would naturally survive the expiration or termination of this Agreement or Terms and Conditions will survive the expiration or termination of this Agreement or the Terms and Conditions.
- 1.4.** In the event of the Customer's default pursuant to paragraphs 1.3.1.1 and 1.3.1.2 above, Stratos shall be entitled without notice to retake possession of the Equipment and to enter upon the Vessel for that purpose, in order to dismantle and remove the Equipment.
- 1.5.** On termination of this Agreement by the Customer the Customer shall cease to be in possession of the Equipment with the consent of Stratos, and shall immediately with the prior written agreement of Stratos, at customer's expense, dismantle, pack, ship/transport and insure the Equipment in its return to Stratos to a service port or at such other place as Stratos may direct in writing, or the fees as described in 8.2.1 of the Agreement and Annex 3 shall apply.

2. LIMITATION OF LIABILITY AND INDEMNIFICATION

- 2.1.** This paragraph sets out the entire liability of Stratos to the Customer in respect of:
- 2.1.1.** any breach of this Agreement;
 - 2.1.2.** any use made by the Customer of the GSM Pre-Paid Services, the SIM or any part of them; and
 - 2.1.3.** any representation, statement or tortuous act or omission (including negligence) arising under or in connection with this Agreement.
- 2.2.** Subject to paragraph 2.3, the liability of Stratos, irrespective of the legal grounds, shall be limited to:
- 2.2.1.** the remedying of damage that has occurred to the Equipment itself;
 - 2.2.2.** Stratos' total aggregate liability in contract, tort (including negligence or breach of statutory duty), misrepresentation, restitution or otherwise, arising in connection with the performance or contemplated performance of this Agreement shall be limited to the Credit paid by the Customer for the Pre-Paid Services during the three (3) months preceding the date on which the claim arose.
 - 2.2.3.** All warranties, conditions and other terms implied by statute or common law are excluded from this Agreement to the fullest extent permitted by law.
- 2.3.** The liability of Stratos shall be capped at US\$1 million in the event of death or personal injury caused by Stratos' negligence or fraud or fraudulent misrepresentation on the part of Stratos.
- 2.4.** Subject to paragraph 2.3, Stratos shall not be liable to the Customer (or any third party) for any special, indirect or consequential loss, or loss of profit or loss of opportunity howsoever arising.
- 2.5.** In case of a reported malfunction/defect of the Equipment by the Customer, Stratos will start an investigation and remedy any material defects that prevent the use of the Equipment for the purposes of the Services as soon as practicable.
- 2.6.** The liability of Stratos shall not extend to damage or defects caused by improper or abnormal use, fire, water, theft, civil commotion, pillage, lightning or other external influences.
- 2.7.** CUSTOMER AGREES TO RELEASE, PROTECT, INDEMNIFY, DEFEND AND HOLD HARMLESS STRATOS AND STRATOS' AFFILIATES, DIRECTORS, OFFICERS, AGENTS, EMPLOYEES ("STRATOS GROUP"), ASSIGNS AND SUPPLIERS FROM AND AGAINST ANY AND ALL LIABILITY, CLAIMS,

ACTIONS, LOSSES, DAMAGES, DEMANDS, SUITS, (INCLUDING DAMAGE TO PROPERTY AND PERSONAL INJURY) AND EXPENSES (INCLUDING LOSSES FROM SETTLEMENT AND REASONABLE COURTS COSTS AND ATTORNEY'S FEES) ARISING OUT OF OR RELATING IN ANY WAY OR ALLEGED TO BE CAUSED BY:

- 2.7.1.** CUSTOMER'S USE OR MISUSE OF THE EQUIPMENT AND/OR SERVICES; AND/OR
- 2.7.2.** INSTALLATION, MAINTENANCE AND/OR REMOVAL OF SUCH EQUIPMENT AND/OR SERVICES PROVIDED BY STRATOS AND/OR ITS SUBCONTRACTORS; AND/OR
- 2.7.3.** CUSTOMER'S BREACH OF THESE TERMS AND CONDITIONS, EXCEPT TO THE EXTENT SUCH CLAIMS ARE BASED UPON THE GROSS NEGLIGENCE OR WILFUL MISCONDUCT OF STRATOS; AND/OR
- 2.7.4.** ANY CLAIMS OR ACTIONS FOR LIBEL, DEFAMATION, SLANDER, INVASION OF PRIVACY, PATENT, COPYRIGHT OR TRADEMARK INFRINGEMENT, OR THE VIOLATION OF ANY THIRD-PARTY INTELLECTUAL PROPERTY RIGHTS, ARISING IN CONNECTION WITH THE USE OR MISUSE OF THE SERVICES AND/OR EQUIPMENT; AND/OR
- 2.7.5.** ANY CLAIM OR ACTION FOR PATENT INFRINGEMENT RESULTING FROM CUSTOMER'S USE (OR USE BY ANY OF ITS AFFILIATES) OF THE EQUIPMENT AND/OR SERVICES IN COMBINATION WITH THE EQUIPMENT, HARDWARE, SOFTWARE, SYSTEMS, CABLING, FACILITIES OR SERVICES NOT PROVIDED HEREUNDER BY STRATOS.

3. SERVICE AVAILABILITY

THE SERVICES ARE PROVIDED ON AN "ON-DEMAND" BASIS AND ARE SUBJECT TO THE AVAILABILITY OF CAPACITY ON THE APPLICABLE NETWORK. SERVICES MAY BE TEMPORARILY UNAVAILABLE OR LIMITED BECAUSE OF CAPACITY LIMITATIONS, NETWORK EQUIPMENT FAILURES, DISTRESS OR ANY OTHER EMERGENCY PRE-EMPTION AS REQUIRED BY STRATOS OR A SUPPLIER OR MAY BE TEMPORARILY INTERRUPTED OR CURTAILED DUE TO MODIFICATIONS, UPGRADES, REPAIRS OR SIMILAR ACTIVITIES OF A SUPPLIER. STRATOS HAS NO LIABILITY FOR UNAVAILABILITY OR MALFUNCTION OF ANY SERVICE NO MATTER WHAT THE CAUSE.

4. USE OF SERVICES AND EQUIPMENT

- 4.1.** Customer will use the Services only in accordance with applicable rules, laws and regulations. Customer is solely responsible for determining and complying with the licensing requirements in any jurisdiction in which it is operating the Equipment. Customer will be liable for all use or misuse of the Services and/or Equipment hereunder, irrespective of whether such use or misuse was authorized, fraudulent or otherwise. Customer will not resell or rent the Services or Equipment. Customers will not use the Services or Equipment in an abusive, illegal, or fraudulent manner, including, but not limited to the following:
 - 4.1.1.** accessing or attempting to access Services by using an unauthorised device or by tampering with or altering Equipment;
 - 4.1.2.** obtaining or attempting to obtain permission to use Services or Equipment by providing false or misleading information;
 - 4.1.3.** obtaining Services or Equipment without having the intent to pay charges incurred;
 - 4.1.4.** intentionally interfering with or causing disruption in the provision of Services or Equipment to other Customers;
 - 4.1.5.** using Services or Equipment to further criminal activity;

- 4.1.6. using Services or Equipment in a for the purpose of infringing the intellectual property rights of a third party;
- 4.1.7. using Services or Equipment to make obscene or illegal communications, to impersonate another person with fraudulent or malicious intent or to call another person so frequently or at such times of day or in any other manner with the intended effect of annoying, threatening or harassing such other persons; or
- 4.1.8. using Services or Equipment in a manner that interferes unreasonably with the use of services or equipment by one or more other Stratos customers.

5. FORCE MAJEURE

- 5.1. An event of Force Majeure shall mean any of the following: acts of God, war (whether declared or not), warlike actions, sabotage, riot, explosion, fire, accident, earthquake, storm, flood, epidemic, drought or other natural catastrophes, national, federal or state laws, rules and regulations of any governmental authorities having or asserting jurisdiction, inability to obtain Equipment, suitable raw materials, components, fuel, power or transportation, strikes or disputes with workmen, shortage of labour or any other causes beyond the control of Stratos or the Customer, as the case may be.
- 5.2. Neither Party shall be under any liability to the other Party for any breach of any provision hereof or failure to perform any obligation hereunder if and to the extent that non-performance or delay is a result of an event of Force Majeure.
- 5.3. The Party invoking this Clause 3 shall inform the other Party of the start and finish of the event of Force Majeure without delay.
- 5.4. If an event of Force Majeure should last for more than three (3) months, either Party shall be entitled to immediately terminate the Agreement by written notification to the other Party without any further liability to the other Party.

6. SALE, PURCHASE OR LOSS OF VESSEL

- 6.1. If the Customer intends to sell a Vessel in which the Equipment is installed prior to the expiry of this Agreement, the Customer shall give written notice to that effect to Stratos prior to such sale and shall pay an early termination fee pursuant to Section 8 and Annex 3 of the Agreement, with the effective date of the termination being the date of the transfer of ownership of the vessel. If a Vessel is lost at sea (and accepted as lost by the Vessel's insurers), the 14th day following the last news of the Vessel shall be deemed the date of its loss and the Annex shall be deemed to be varied accordingly. Upon receipt by Stratos of the insurance monies for the lost item of Equipment from the Customer in respect of the policy effected by the Customer pursuant to Clause 5 of this Agreement, the Customer shall have no further liability to Stratos in respect of the Equipment and Services charge for that Equipment from the date of the Vessel's loss. From the date of the Vessel's loss, this Agreement shall cease to apply to that Vessel and the Equipment and Service Charge in respect of that Vessel shall cease to be payable. Any Equipment and Service Charge paid in advance by the Customer in respect of such Vessel will be refunded on a pro rata basis by Stratos.
- 6.2. If the Customer requires and Stratos agrees to the installation of the Equipment on any additional Vessel(s), Stratos shall install the Equipment on those Vessels which shall then be "Vessels" for the purposes of this Agreement. The Customer will be responsible for the costs of installing the Equipment on board each additional Vessel in accordance with the agreed charges. The period of Equipment and Service charge of any Equipment installed on any such additional Vessel shall commence on the date of activation of the Service on board of the additional Vessel.

7. PROPRIETARY RIGHTS

The Customer acknowledges and agrees that Stratos and/or its licensors own all intellectual property rights in the GSM Pre-Paid Services and the network used to deliver them, and any material provided by Stratos to the Customer pursuant to this Agreement, and will, if Stratos so requires, be returned to Stratos on termination of the Agreement. For the avoidance of doubt, Smart Communications Inc. remains the owner of any GSM SIM which is provided for the purpose of this Agreement.

8. SOFTWARE TERMS

Where Software is supplied to the Customer with the Equipment the terms and conditions of the Service Agreement shall apply to the use of the Software.

9. DATA PROTECTION

Stratos may require the Customer to provide it with the name of one or more individuals within the Customer's organisation for contact purposes and/or with details of Authorised Users. Stratos agrees that such information shall only be used for contact purposes or insofar as may be necessary for the provision of services under this Agreement or to comply with its legal obligations. The Customer warrants at the time of provision of any information that it provides to Stratos pursuant to this Clause that it is entitled and authorised to provide Stratos with such information, that Stratos is entitled to use the information for the purposes of this Agreement and the Customer shall indemnify Stratos against claims by any third party resulting from breach of this warranty.

10. WAIVER

A waiver of any right under this Agreement is only effective if it is in writing and it applies only to the Party to whom the waiver is addressed and to the circumstances for which it is given. Unless specifically provided otherwise, rights arising under this Agreement are cumulative and do not exclude rights provided by law.

11. SEVERANCE

If any provision (or part of a provision) of this Agreement is found by any court or administrative body of competent jurisdiction to be invalid, unenforceable or illegal, the other provisions shall remain in force. If any invalid, unenforceable or illegal provision would be valid, enforceable or legal if some part of it were deleted, the provision shall apply with whatever modification is necessary to give effect to the commercial intention of the Parties.

12. ASSIGNMENT

12.1. The Customer shall not, without the prior written consent of Stratos, assign, transfer, charge, subcontract or deal in any other manner with all or any of its rights or obligations under this Agreement, except within all affiliated companies within the Customer.

12.2. Stratos may at any time assign, transfer, charge, subcontract or deal in any other manner with all or any of its rights or obligations under this Agreement.

13. NO PARTNERSHIP OR AGENCY

Nothing in this Agreement is intended to or shall operate to create a partnership or joint venture between the Parties, or authorise either Party to act as agent for the other, and neither Party shall have the authority to act in the name or on behalf of or otherwise to bind the other in any way (including, but not limited to, the making of any representation or warranty, the assumption of any obligation or liability and the exercise of any right or power).

14. NOTICES

Any notice required to be given hereunder shall be sufficiently given if properly addressed and sent by registered post or facsimile transmission (and if sent by facsimile transmission shall be confirmed by an equivalent notice sent by registered post within 48 hours of the sending of the original notice) by one Party to the other Party at its address as set out herein and shall be deemed to be properly served at the time when in the ordinary course of transmission or posting it would reach its destination.

ANNEX 2 - PAYMENT TERMS

1. GSM Pre-paid Services

- 1.1. The Customer assumes sole responsibility to the Authorised Users for the provision of the GSM Pre-Paid Services to the Authorised Users and for the payment to the Customer of any Credit payable by the Authorised Users in respect of the GSM Pre-Paid Services arising from such use. The Customer assumes sole responsibility for all acts and omissions of the Authorised Users as if their acts and omissions were an act or omission of the Customer for the purposes of this Agreement. The Customer or Customer's Dealer shall pay Stratos the Credit in advance of the GSM Pre-Paid Services being provided.
- 1.2. All the GSM Pre-Paid Services are charged at Stratos' rates set out in the then above Price List at the time that the GSM Pre-Paid Services are provided and those rates are available from Stratos upon request. As an Authorised User uses the GSM Pre-Paid Services charges are incurred at the prevailing rate and they will be deducted from Credit allocated to the SIM from which the GSM Pre-Paid Services are requested. When all Credit allocated to a SIM has been used up or is insufficient to avail of any of the GSM Pre-Paid Services further Credit must be paid by the Customer, and allocated to that SIM, in order to access the GSM Pre-Paid Services with that SIM.
- 1.3. The initial amount of Credit in the SIM shall be determined by Stratos, from time to time. Once the Credit paid by the Customer is allocated to a SIM by Stratos, the Credit may be used to avail of the GSM Pre-Paid Services for one hundred and eighty days (180) days after which it expires and is not refundable. Once Credit is consumed or has expired, continued use of the GSM Pre-Paid Services using that SIM requires the payment of additional Credit by the Customer.
- 1.4. The Customer shall pay the Advance Credit to Stratos or Stratos' nominee on the Commencement Date. All amounts, Credit and fees stated or referred to in this Agreement are exclusive of value added tax or other similar sales tax and will be invoiced as such.
- 1.5. Stratos shall invoice the Customer or Customer's Dealer for any amount that the Customer requests to pay as Credit. Each invoice is due and payable 30 days after the invoice date. For the avoidance of doubt, no GSM Pre-Paid Services referable to invoiced Credit shall be provided until paid and received in full. Payments shall be made by the Customer to a bank account provided by Stratos to the Customer in writing from time to time.
- 1.6. The Customer agrees to promptly inform Stratos in writing in the event of an Authorised User no longer being an Authorised User for the purposes of this Agreement where the former Authorised User has an active SIM. The Customer shall remain liable for the Credit payable in respect of a SIM until such information is provided to Stratos. The SIMs and any unused Credit allocated to a SIM are non-refundable and non-replaceable in the event of loss, theft, damage, misuse, mishandling or neglect.

2. Telecommunication Services

- 2.1. All monthly payments are due at the start of the month.
- 2.2. All crew GSM scratch card PINs will be ordered by supplying a PO and paid within 30 days of invoiced.
- 2.3. Subscription charges will be pro-rated on the date of activation.

ANNEX 3 - TERMINATION FEES

GSM Equipment only	
After 12 months:	USD 3,500
After 24 months:	USD 2,700
After 36 months:	USD 1,900
After 48 months:	USD 1,000
After 60 months:	USD 1

ANNEX 4 – EQUIPMENT OVERVIEW

- Remote Gateway
- Base Transceiver Station (Picocel)
- Power supply 24/7.5 V DC
- Power supply for BTS 48V AC
- Netgear 5-port Ethernet Switch
- Cat 5 cable
- Other cabling