



Revised: 14 June 2010

Fixed Satellite Services and Equipment Terms and Conditions

Canada

The following terms and conditions ("Terms and Conditions") apply to end-users ("Customer(s)") using fixed satellite services ("Services") and/or associated sale or rental of equipment ("Equipment") provided by Stratos Wireless, Inc. ("Stratos").

1. PROVISION OF SERVICES AND EQUIPMENT BY STRATOS

- (A) These Terms and Conditions, a Stratos approved Subscriber Application and Services Agreement ("Subscriber Application") and/or Customer's written acceptance of a Stratos quotation, when taken together, will govern the provision by Stratos of Services and/or Equipment (collectively referred to as "Network Services") to Customer. There are no other oral or implied agreements, warranties or understandings, and from time to time, Stratos may, at its sole discretion, add, delete or modify the portfolio of Network Services made available to Customer under these Terms and Conditions.
- (B) In the absence of a quotation signed by Customer, Customer's verbal instruction or issuance to Stratos of a purchase order, work order, work ticket or other form of written order on Customer's standard form (collectively "Purchase Order(s)") will constitute Customer's acceptance of a Stratos quotation. All future orders for Network Services will be governed by these Terms and Conditions, unless otherwise agreed. Future orders will be subject to Stratos' acceptance, which may be withheld for any reason or for no reason. Customer's Purchase Order will be treated as an administrative document only and will not add to, delete from or change any of these Terms and Conditions.
- (C) Customer is responsible for notifying Stratos, in writing, of any requirement to permanently deactivate or suspend Network Services. Permanent deactivation or suspension of Network Services will be effective only after Stratos' receipt and written acknowledgement of Customer's written request. If applicable, and at Stratos' sole discretion, Customer may be liable for early termination fees if Network Services are terminated prior to the contracted term (as defined in Article 13(E)) of such Network Services. Furthermore, Customer may continue to be liable for payment of Network Services that are suspended by Customer, during the period of suspension, unless otherwise agreed in writing by Stratos.

2. SERVICE SPECIFIC TERMS AND CONDITIONS

- (A) Customer understands and acknowledges the following: (a) Stratos and its parent and affiliated companies do not own or operate their own satellite communication system, (b) Stratos and its parent and affiliated companies are resellers of Network Services, and (c) Stratos purchases Network Services from third party suppliers (collectively the "Supplier(s)"), under strict contractual terms and conditions required of all resellers.
- (B) 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. Services may also be temporarily interrupted or curtailed due to modifications, upgrades, repairs or similar activities of Stratos' Supplier. The use and restoration of certain space segment is governed by Part 64, Subpart D of the FCC's Rules and Regulations, which specify the priority system for such activities. Stratos has no liability for any Supplier networks.
- (C) The obligations of Stratos and the terms for the sale and provision of Network Services are subject to the terms of the agreements under which Stratos purchases the Network Services from its Suppliers (each an "Other Contract"). To the extent fulfillment of any obligation of Stratos under these Terms and Conditions is



BEYOND THE HORIZON®

not permissible or possible under an Other Contract, the Other Contract will prevail and such obligation will be suspended or modified to the extent required by the Other Contract.

- (D) **Improper Illumination.** "Improper Illumination" is defined as any of the following: (a) transmissions other than as specified in writing by Stratos, or (b) transmissions of an incorrect frequency, or (c) transmissions at excessive power levels, or (d) any illumination that could cause harm to or interference on any transponder or space segment on any satellite. If Stratos detects or is informed of any Improper Illumination of any Service provided under these Terms and Conditions, Stratos will immediately notify Customer. Customer will take immediate corrective action to stop the Improper Illumination. If capable, and as soon as capable, Stratos will temporarily suspend, with no liability to Customer, any affected Services should Customer be unable to rectify the Improper Illumination within four (4) minutes from notification of the Improper Illumination to Customer as set forth in the preceding sentence. Such affected Services will be suspended until Customer demonstrates to Stratos' sole satisfaction that the Improper Illumination is rectified. Customer will be charged and will pay any amount that Stratos is required to pay to its Suppliers or other telecommunications service provider(s) under any Other Contract due to any Improper Illumination attributable to Customer. Stratos will timely inform Customer in writing of any liability Stratos incurs as a result of such Improper Illumination. It is Customer's responsibility to provide Stratos, on or before the Due Date, with a telephone number(s) at which Stratos can contact Customer twenty-four hours per day, seven days per week, 365/366 days per year. In addition, Stratos has the right, in its sole discretion, to take immediate action, including but not limited to suspending or terminating any affected Service(s), in order to protect Stratos' services and/or interests.
- (E) **StratosITek® Services.** StratosITek is a contended service, for which a contention ratio is applicable. Customer will adhere to Stratos' fair access policy, a copy of which is available upon written request to Stratos. Stratos implements weight-based fair queuing algorithms to give all customers equal and fair access to network resources if no Customer specific QoS is implemented.
- (F) **Terrestrial Services.**
- (i) Customer understands and acknowledges the following: (a) Stratos and its parent and affiliated companies do not own or operate their own terrestrial network, (b) Stratos and its parent and affiliated companies are resellers of Network Services, and (c) Stratos purchases Network Services from third party suppliers (collectively the "Supplier(s)"), under strict contractual terms and conditions required of all resellers.
- (ii) The obligations of Stratos and the terms for the sale and provision of terrestrial Network Services are subject to the terms of Other Contract(s). To the extent fulfillment of any obligation of Stratos under these Terms and Conditions is not permissible or possible under an Other Contract, the Other Contract will prevail and such obligation will be suspended or modified to the extent required by the Other Contract. STRATOS MAKES NO WARRANTIES WHATSOEVER WITH RESPECT TO THE AVAILABILITY OF TERRESTRIAL NETWORK SERVICES.

3. EQUIPMENT

(A) Purchased Equipment.

- (i) Subject to clause 3(A)(ii) below, risk of loss in Equipment purchased by Customer will transfer upon delivery to Customer and delivery will take place when such Equipment is shipped by Stratos. Unless otherwise agreed in writing, Stratos will ship all Equipment FOB Stratos' premises in the United States or Canada to Customer's designated location, and all shipping costs will be to Customer's account. In no event will Stratos have any liability in connection with any shipment, nor will the carrier be deemed to be an agent of Stratos. Unless otherwise agreed in a quotation, Customer agrees to accept partial shipments.
- (ii) If Customer is unable to accept shipment/delivery of Equipment for any reason, Stratos will store such Equipment, subject to availability of space and free of charge, for a period of thirty (30) days from notification to Customer that the Equipment is ready for shipment. If Customer is still unable to accept shipment/delivery of Equipment after the aforesaid thirty (30) day period, then Stratos will charge Customer, and Customer will pay, a storage fee for such Equipment at a rate of One Hundred (\$100.00) United States Dollars, per month, for each 4 ft x 4 ft x 4 ft pallet space, or fraction thereof, required to store the Equipment. Customer will be solely responsible for risk of loss or damage in any Equipment stored by Stratos pursuant to this clause.
- (iii) Title to Equipment purchased by Customer will transfer from Stratos to Customer upon Stratos' receipt of



the full sale price and any applicable taxes, fees, and freight charges. Until such time, Customer will keep Equipment that is owned by Stratos free from any liens, claims or encumbrances.

- (iv) Stratos warrants that new Equipment delivered to Customer will perform substantially in accordance with the specifications contained in the technical documentation accompanying the Equipment for a period of one (1) year/(365 days) from the date of delivery. All refurbished or used Equipment or accessories sold hereunder will be free from defects in workmanship and material for a period of thirty (30) days from the date of delivery. All repairs covered by such warranty will be performed at no charge to Customer. For any repairs requested after the warranty period, Stratos will provide a quotation for such repairs and if the quotation is accepted and the work authorized by Customer, the repairs will be performed at Customer's expense. In the event of a warranty claim, Stratos will, at its sole option: (a) repair the Equipment so that it performs as set forth above, (b) replace the nonconforming Equipment with Equipment which performs as set forth above, or (c) if Stratos determines that neither of the foregoing is commercially reasonable, upon return of the Equipment to Stratos, refund all sums paid to Stratos by Customer with respect to the nonconforming Equipment. The foregoing Equipment warranty is Customer's sole remedy in the event of a warranty claim, and is a 'back-to-base' warranty, such that Customer will bear the transportation cost of returning any nonconforming or defective Equipment to Stratos' designated premises in the United States and also the transportation cost of returning the Equipment following a repair from Stratos' premises in the United States to Customer's premises. If Customer requires a Stratos technician to travel to Customer's location to perform warranty services, Customer is responsible for all costs associated with the travel including, but not limited to, transportation costs, living expenses, etc. Stratos will provide Customer a written estimate of such costs upon request.
- (v) The foregoing warranty does not extend to Equipment which is altered, improperly installed by a third party or which fails or is damaged after delivery due to accident, act of God, shipment or handling, or due to storage, operation, use, or maintenance in a manner or environment which does not conform to the Equipment manufacturer's instructions or specifications provided by Stratos at the time of delivery to Customer.
- (vi) There will be no refunds for used Equipment returned to Stratos. If Customer returns unused Equipment to Stratos in its original package, in its original condition, and within thirty (30) days of delivery, Stratos will refund to Customer eighty five percent (85%) of the purchase price, the remaining fifteen percent (15%) of the purchase price representing a restocking fee. Customer will bear all shipment and insurance costs related to such return shipment.
- (vii) All Equipment returned to Stratos must have a Stratos-issued Returned Merchandise Authorization ("RMA") number prominently displayed on the packaging and must be returned to the Stratos facility as directed by Stratos. An RMA number may be obtained by calling Stratos' Customer Care at 1-800-563-2255 within North America (Toll Free), 1-709-748-4226 internationally, or by email at support@stratosglobal.com. Equipment returned without an RMA number will be returned to Customer at Customer's expense.

- (B) Rental Equipment. Stratos will retain title to any and all Equipment that is rented to Customer. Unless otherwise agreed, all rental Equipment will be shipped FOB Stratos' premises in the United States or Canada to Customer's designated premises. Risk of loss in the Equipment will transfer to the Customer upon delivery of the Equipment, and delivery will have deemed to take place when the Equipment is loaded onto the carrier's vehicle. Customer agrees, at Customer's sole expense, to (i) insure such Equipment against loss by fire, theft and any other casualty covered by standard fire and extended coverage insurance, for the full current replacement value, (ii) keep the Equipment free and clear from all adverse liens, security interests and encumbrances, (iii) provide a proper and suitable environment (including adequate power and appropriate temperature control) for the Equipment, in accordance with Stratos and/or the manufacturer's specifications (and any failure to provide such proper and suitable environment will void any warranty on the Equipment), (iv) keep the Equipment clearly labelled as property of Stratos, in good order and repair and comply with any maintenance instructions given by Stratos, (v) not transfer these Terms and Conditions, the Equipment or all or part of Customer's interest therein, and (vi) return the Equipment to Stratos at the end of the rental term in good condition, normal wear and tear excepted. Stratos may charge Customer and Customer will pay Stratos for the fair market value of the Equipment, in its reasonable determination, if Customer fails to return the Equipment to Stratos within thirty (30) days of the end of the rental term. Breach by Customer of any of the foregoing provisions regarding rental Equipment will entitle Stratos to enter Customer's premises where



the Equipment is reasonably believed to be located, and remove such Equipment without any legal process or notice, and without being liable for trespass or damage, and to declare all amounts remaining unpaid to be immediately due and payable by Customer.

- (C) Floor Space, Conduit Access, and Electrical Power – Customer must provide the following to Stratos, at its own expense; the proper environment, lightning protection, crane (if necessary), space, electrical power, and telecommunications connections, equipment space, supporting structures, lighting, inside wiring, and unimpeded access to and egress from its premises required to install, operate, repair, maintain, inspect, re-provision, disconnect and remove any Equipment utilised in the provision of Services. Detailed installation requirements are set forth in Appendix A hereto. These provisions must be made available to Stratos in sufficient time to permit the installation, maintenance or disconnection of any Equipment in accordance with the Due Date (as defined in Article 4). Stratos' obligations to perform installation, maintenance or disconnection will be amended accordingly if these conditions are not satisfied by Customer.
- (D) Use of Customer Equipment – Title to all equipment and facilities that Stratos uses to provide the Network Services will remain with Stratos. If Customer connects its own equipment to Stratos' network, Customer must ensure that such equipment is compatible with and does not harm, impair or interfere with the technical integrity of the Network Services, Stratos' network or its Suppliers network(s), or any other services or customers of Stratos. Customer is responsible for the compatibility of its equipment with the network and failure to do so will constitute breach by Customer of these Terms and Conditions. Customer will provide and pay for all equipment and services required to connect Customer-provided equipment to the Services. Notwithstanding the foregoing, Customer may, subject to Stratos' consent, appoint Stratos as its agent for purposes of procuring related telecommunications services, in particular, local exchange, backhaul, interexchange, or bypass carrier facilities ("Facilities") to terminate Customer's calls to Customer's designated location. Customer will be responsible for payment for all such Facilities. Customer shall be liable and responsible for all actions and obligations incurred on its behalf by Stratos in its capacity as Customer's agent pursuant to this Article, and shall accept and pay Stratos for all flow-through costs associated with such Facilities (or the termination of such services), including without limitation, all installation fees and monthly recurring fees, plus any applicable taxes. Customer acknowledges and agrees that Stratos will have no liability or responsibility for any Facilities. Any service level parameters and related warranties, pricing, surcharges, outage credits, required commitments, termination liability and other terms relating to the Facilities are those of the third party provider or carrier of such Facilities, and not Stratos.

4. INSTALLATION AND MAINTENANCE

- (A) Stratos and Customer will agree on a mutually convenient date for provision of the Network Services ("Due Date"). In the event the Due Date is delayed, Stratos and Customer will agree upon a new Due Date. Customer will adhere to the Installation Guidelines set forth in Appendix A hereto. In no event will Stratos be liable for failure to meet the Due Date when such failure is due to an act or omission by Customer. Customer will reimburse Stratos for all out-of-pocket expenses incurred by Stratos in relation to a failure to meet the Due Date caused by Customer. Customer's sole remedy for a failure by Stratos to either provide Services by the Due Date or to provide Services during the contracted term for such Services, will be for the Customer to request an Outage Credit, as defined in Article 6.
- (B) If stated on the quotation, and unless otherwise agreed, installation services will be provided by Stratos or its subcontractors, on a time and materials basis at Stratos' then current rates for labour, or at the rates set forth in the applicable quotation.
- (C) If stated on the quotation, Stratos will provide maintenance services in relation to the Network Services. On-site maintenance will be made available on a time and materials basis at Stratos' then current rates for labour, or at the rates set forth in the applicable quotation. Customer agrees to comply with all reasonable instructions that Stratos may give, from time to time, and to provide all necessary assistance to Stratos in diagnosing any Network Service faults.
- (D) Where required by law or regulations or at the request of Stratos, Customer will install, maintain and/or pay reasonable expenses incurred by Stratos to provide special facilities and protective apparatus at locations involving high voltage power and/or hazardous materials. Customer shall indemnify, defend and hold Stratos harmless from any liability incurred in connection with any hazardous material present at such Customer location.



5. STAND-BY TIME

Notwithstanding anything to the contrary in these Terms and Conditions, and regardless of whether related to any warranty in these Terms and Conditions, under all circumstance Customer will bear the cost of: (a) all offshore and overseas transportation expenses related to the provision of Network Services, and (b) all Stand-By time incurred by Stratos or its contractor personnel that is caused by or attributed to Customer, including without limitation, where caused by delays to or untimely cancellation of service calls. For the purposes of this Article, Stand-By time means the amount of hours, or portion thereof, incurred by Stratos while waiting for (i) transport to and from an offshore location; or (ii) access to the Customer's premises if required hereunder. Stand-by time incurred by Customer will be charged at Stratos' published rates for labour.

6. OUTAGE CREDITS

- (A) Subject to Clause 6(B) below and unless otherwise stated in a quotation, a pro rata credit allowance ("Outage Credit") will be given to Customer for the total Outage period(s) during any given consecutive twelve (12) month period, not including the period permitted under the service availability commitment (e.g. for a service availability commitment of 99.5% in any given twelve (12) month period, Outages totaling 0.5% would not be subject to an Outage Credit). An Outage is defined as a complete loss of the ability to originate or receive voice or data communications causing the service availability to fall below 99.5% in any twelve (12) month period.
- (B) For terrestrial (e.g. backhaul) services, Stratos will pass through to the Customer the service availability that it receives from its suppliers, if any. In the event of failure or degradation of a terrestrial service, Stratos will pass through and credit Customer's account with a rebate equal to the rebate that Stratos receives from its suppliers, if any.
- (C) An Outage Credit, if any, will be applied against the charges payable to Stratos under these Terms and Conditions and will be expressly indicated on the final invoice to Customer of the calendar year in which Outage Credit applies, for the period of the Outage, or prorated portion thereof, after written request to Stratos. No other liability may in any event attach to Stratos on account of interruption or failure to provide Network Services. All Outage Credit(s) will be treated as liquidated damages and not as penalties. Outage Credit(s) do not apply to Outages, (i) caused by Force Majeure, (ii) caused by the negligence of Customer or others authorized by Customer when using Equipment related to the Network Services, (iii) caused by (iv) occurring during periods when Customer has elected not to allow for testing or repair, (v) caused by rain fade, solar outages or flares, extreme weather, or damage to satellites, or (vi) caused by the failure of equipment or facilities not provided by Stratos.

7. SOFTWARE LICENSE

If applicable, upon installation of Equipment, Stratos grants to Customer a fully paid, non-exclusive, non-sublicensable and non-transferable license and/or sublicense to use the software provided with the Equipment, including any third party software (the "Software"), for as long as Customer is entitled to use the Equipment. Customer may use the Software only in machine-readable, object code form. Third party software may be subject to additional terms and conditions described in the applicable third party software user documentation, and to the extent that those terms conflict with the terms of these Terms and Conditions, the third party terms will control. Customer may use the Software only for internal business purposes and only in connection with the Equipment. Customer may not assign, transfer, pledge, rent, share, copy or sublicense any of the Software. Customer further agrees not to reverse engineer, decompile or otherwise attempt to discover the source code of the Software.

8. INTELLECTUAL PROPERTY

Other than as specifically set forth in Article 7 above, no licenses or any rights of any kind under any patent, copyright and rights to create derivative works, trademark, trade secret, service mark, mask works or other form of intellectual property (collectively "Intellectual Property Rights") are granted by either Party or are to be implied by this Agreement or arisen by estoppel.



9. IMPLIED WARRANTIES

EXCEPT FOR THE EXPRESS WARRANTIES SET FORTH IN THESE TERMS AND CONDITIONS, ALL WARRANTIES AND CONDITIONS, WHETHER EXPRESS OR IMPLIED, WRITTEN OR ORAL, ARISING BY STATUTE OR OTHERWISE, IN RESPECT OF THE NETWORK SERVICES OR THE STRATOS FACILITIES, INCLUDING, WITHOUT LIMITATION, WARRANTIES OF TITLE, NON-INFRINGEMENT, MERCHANTABILITY, DURABILITY OR FITNESS FOR A PARTICULAR PURPOSE ARE HEREBY DISCLAIMED.

10. USE OF NETWORK SERVICES

Customer will use the Network Services only in accordance with all applicable U.S. and foreign rules, laws and regulations. Customer will be liable for all use or misuse of the Network Services hereunder, irrespective of whether such use or misuse was authorized, fraudulent or otherwise. Customer will not resell or rent the Services or any rental Equipment. Customer will not use Network Services in an abusive or fraudulent manner, including, but not limited to the following:

- (i) accessing or attempting to access Network Services by using an unauthorized device or by tampering with or altering Equipment;
- (ii) obtaining or attempting to obtain permission to use Network Services by providing false or misleading information;
- (iii) obtaining Network Services without having the intent to pay charges incurred;
- (iv) intentionally interfering with or causing disruption in the provision of Network Services to other Customers;
- (v) using Network Services to further criminal activity;
- (vi) using Network Services 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
- (vii) using Network Services in a manner that interferes unreasonably with the use of services or equipment by one or more other Stratos customers.

11. PAYMENT TERMS

- (A) **Acceptance.** Billing for Services (or any part thereof) will commence upon the Acceptance Date for each network site, which is defined as follows: the earlier of (i) Customer's signature of the Acceptance Certificate or (ii) forty-eight (48) hours from installation of the Network Services, provided that Customer does not provide Stratos with written notice that the Network Services fail to perform in accordance with the specifications in a material aspect, within the aforementioned 48-hour time period.
- (B) **Services.** Unless otherwise agreed in writing by the parties or stated in a quotation, Stratos will invoice and Customer will pay, monthly in arrears for the Network Services provided by Stratos, including all applicable federal, state, provincial, local and other taxes, including value added tax and fees, including, if applicable, any fees established by a regulatory authority for the provision of telecommunication services, which may be attributable to the sale or use of Network Services.
- (C) **Equipment.** Invoices for Equipment will be sent on or after the date of shipment and will include all applicable federal, state, provincial, local, VAT and other taxes that may be levied upon the Equipment. Payment for rental Equipment is due monthly in arrears regardless of whether or not an invoice is sent to Customer by Stratos.
- (D) In the event that any tax, duty, impost, levy or the like charge becomes payable in any territory in accordance with Clauses 11(A) and 11(B) above, either by deduction or otherwise, on or in respect of any amount to be paid by Company to Stratos, or which Company may be required to withhold in respect of any amount due to Stratos, such tax, duty, impost levy or like charge shall be for the account of Company and Company shall pay to Stratos such an amount as to yield to Stratos a net equal to the amount that but for such tax, levy, impost or charge would have been received by Stratos. Stratos will provide reasonable assistance to Company to minimize the amount of such withholdings or deductions, including providing any relevant certification of its status as a non-resident or a jurisdiction or of its entitlement to benefits under a treaty.
- (E) **Payment terms.**



- (i) Customer will pay all invoices within thirty (30) days of the date of invoice, and in accordance with the instructions as stated on the invoice.
 - (ii) Amounts not paid within thirty (30) days of invoice date will be subject to an interest charge of the lesser of, (i) one and one-half percent (1.5%) per month, or (ii) the highest rate permitted by law.
 - (iii) Customer will pay for any and all collection or litigation expenses, including reasonable legal fees, incurred by Stratos in collecting any late payments or late payment fees.
- (F) Stratos may require Customer to provide a third party guarantee, deposit, letter of credit, or other credit facility deemed by Stratos, in its sole discretion, necessary to provide adequate assurance of payment. The provision of such third party guarantee, deposit, letter of credit, or other credit facility does not relieve Customer of its payment obligations specified herein.
- (G) All charges will be in accordance with the applicable quotation provided to Customer for the applicable Network Services. Upon expiration of the term of the Network Services (as stated in a quotation), Stratos reserves the right to revise such charges upon notice to Customer.
- (H) Customer must pay all undisputed amounts when due. If any portion of an amount due is in dispute, Customer must, within thirty (30) days of the invoice date containing such disputed amount, give notice to Stratos of the amount it disputes ("Disputed Amount") and include in such notice the specific details and reasons for disputing each item. For the avoidance of doubt, claims of unauthorised use, fraudulent use or any other misuse will not constitute a valid basis for dispute of an invoice. If the Disputed Amount is resolved in favour of Stratos, Customer must pay the Disputed Amount with appropriate late charges, if applicable, upon final determination of such dispute. Stratos will issue credits to Customer upon resolution of any disputed amounts in favour of Customer. An invoice is deemed to be accepted if no written notice of a dispute is provided before the date the payment is due.

12. INDEMNITY AND LIMITATION OF LIABILITY

- (A) Customer agrees to indemnify and defend and hold harmless Stratos and its affiliates, directors, officers, agents, employees, assigns and Suppliers from and against any and all liability, claims, actions, losses, damages (including damage to property and personal injury) and expenses (including attorneys' fees) arising out of or relating to (i) Customer's use or misuse of the Network Services, and/or (ii) installation, maintenance and/or removal of such Network Services provided by Stratos and/or its subcontractors, and/or (iii) Customer's breach of these Terms and Conditions, except to the extent such claims are based upon the gross negligence or willful misconduct of Stratos, and/or (iv) 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 Network Services and/or (v) any claim or action for patent infringement resulting from Customer's use (or use by any of its affiliates, agents, subcontractors, employees, assigns or otherwise) of the Network Services in combination with the equipment, hardware, software, systems, cabling, facilities or services not provided hereunder by Stratos.
- (B) EXCEPT FOR ANY INDEMNITY OBLIGATIONS OR A BREACH THEREOF, THE TOTAL, AGGREGATE LIABILITY OF STRATOS TO CUSTOMER FOR ANY AND ALL CLAIMS WHATSOEVER RELATED TO THE NETWORK SERVICES OR THESE TERMS AND CONDITIONS FOR DAMAGES TO CUSTOMER (OR TO ANY AFFILIATE OF CUSTOMER) FOR ANY CLAIMS WHATSOEVER, REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT, TORT (INCLUDING NEGLIGENCE), OR OTHERWISE, HOWSOEVER ARISING SHALL BE LIMITED TO DAMAGES ACTUALLY PROVEN AS DIRECTLY ATTRIBUTABLE TO STRATOS, AND FURTHER LIMITED TO AN AMOUNT EQUAL TO THE LAST THREE (3) MONTHS OF PAYMENTS MADE BY CUSTOMER TO STRATOS UNDER THESE TERMS AND CONDITIONS PRECEDING THE DATE OF ANY CLAIM MADE AGAINST STRATOS.
- (C) EXCEPT FOR OUTAGE CREDITS AS SET FORTH IN ARTICLE 6, NEITHER STRATOS NOR ANY OF ITS SUPPLIERS AND THEIR RESPECTIVE OFFICERS, DIRECTORS, EMPLOYEES, REPRESENTATIVES, INSURERS, SUBSIDIARIES AND AFFILIATED (INCLUDING PARENT) COMPANIES, AND THEIR EMPLOYEES, REPRESENTATIVES, OFFICERS AND DIRECTORS, WILL BE LIABLE ON ANY BASIS WHATSOEVER FOR ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL, RELIANCE, SPECIAL, PUNITIVE OR EXEMPLARY DAMAGES (INCLUDING BUT NOT LIMITED TO LOSS OF REVENUE OR PROFIT, LOSS ARISING FROM OR ATTRIBUTABLE TO FAILURE TO REALIZE ANTICIPATED SAVINGS, OR LOSS OF PRODUCTION, EQUIPMENT OR DATA) EVEN IF A PARTY KNEW OR HAS BEEN ADVISED OF THE POSSIBILITY OR LIKELIHOOD OF SUCH DAMAGES, IN CONNECTION WITH THE PROVISION OR FAILURE TO PROVIDE THE NETWORK SERVICES, FOR ANY REASON WHATSOEVER AND



HOWSOEVER ARISING. STRATOS' LIABILITY IN CONTRACT, TORT OR OTHERWISE, INCLUDING ANY LIABILITY FOR NEGLIGENCE, HOWSOEVER ARISING OUT OF OR IN CONNECTION WITH THE PERFORMANCE OF STRATOS' OBLIGATIONS UNDER THIS AGREEMENT WILL BE LIMITED TO THE REMEDIES PROVIDED HEREIN.

13. TERMINATION

- (A) The occurrence or happening of any one or more of the following events will constitute an event of default if not remedied within ten (10) days after notice from Stratos:
- (i) use of the Network Services in any manner or for any purpose contrary to law (see Article 10);
 - (ii) abuse or fraudulent use of the Network Services (see Article 10);
 - (iii) failure to make any payments when due;
 - (iv) discovery by Stratos that any representation or warranty made by Customer in any document furnished by Customer to Stratos is incorrect;
 - (v) breach or violation of any of these Terms and Conditions by the Customer; or
 - (vi) commencement of any proceeding, whether voluntarily or involuntarily, relating to the Customer under any law relating to insolvency, bankruptcy or the protection of creditors' rights generally.
- (B) Subject to Article 10, in the event of default, Stratos may, at Stratos' sole option and without in any way limiting any other rights and remedies it may have, suspend or terminate the Network Services without notice. Stratos will bill Customer and Customer will pay Stratos, in accordance with Article 11, for all outstanding charges accrued up to and outstanding on the date of such termination. In all such cases, Stratos will incur no liability whatsoever. Customer will be liable for all costs and expenses incurred by Stratos due to default by a Customer, including but not limited to legal costs.
- (C) IN THE EVENT THAT STRATOS TERMINATES THESE TERMS AND CONDITIONS AND THE NETWORK SERVICES FOR A FAILURE TO PAY OR ANY OTHER BREACH, CUSTOMER AGREES TO PAY STRATOS IMMEDIATELY A TERMINATION FEE, AS LIQUIDATED DAMAGES AND NOT AS A PENALTY, EQUAL TO THE NUMBER OF MONTHS REMAINING IN THE TERM TIMES THE AVERAGE MONTHLY CHARGE PRIOR TO TERMINATION. CUSTOMER ACKNOWLEDGES THAT THE PRECISE AMOUNT OF STRATOS' DAMAGES WOULD BE EXTREMELY DIFFICULT TO CALCULATE AND THAT SUCH PAYMENT REPRESENTS A REASONABLE ESTIMATE OF STRATOS' ACTUAL DAMAGES.
- (D) Stratos may, with no liability whatsoever, suspend or terminate Network Services to Customer if lawfully ordered to cease operation of such Network Services by the Federal Communications Commission or a state or federal court of law, or any other lawful federal, state or local governmental authority. If at any time during the term of this Agreement any equipment, facilities, or property used by Stratos to provide Network Services to Customer are taken for a public or quasi-public purpose by a lawful power or authority under the exercise of right of condemnation or eminent domain, Stratos will have the right, upon written notice to Customer, to terminate Network Services affected by the taking.
- (E) Early Termination. Unless otherwise stated on the quotation, the minimum term of Service and rental of any Equipment is twelve (12) months from the Acceptance Date. For StratosITek maritime services, the minimum term of Service is twelve (12) months from the Acceptance Date, in any fifteen (15) month period, i.e. Customer may suspend Network Services without penalty for up to three (3) months. Notwithstanding the foregoing, Customer may terminate early at any time, upon thirty (30) days notice to Stratos. HOWEVER, IF CUSTOMER DOES SO TERMINATE EARLY, CUSTOMER WILL PAY TO STRATOS IMMEDIATELY AN EARLY TERMINATION FEE, AS LIQUIDATED DAMAGES AND NOT AS A PENALTY, EQUAL TO THE BALANCE OF THE REMAINING TERM MULTIPLIED BY THE MONTHLY FEE FOR THE SERVICES AND ANY RENTAL EQUIPMENT. CUSTOMER ACKNOWLEDGES THAT THE PRECISE AMOUNT OF STRATOS' DAMAGES WOULD BE EXTREMELY DIFFICULT TO CALCULATE AND THAT SUCH PAYMENT REPRESENTS A REASONABLE ESTIMATE OF STRATOS' ACTUAL DAMAGES.
- (F) Cancellation Prior to Service Activation. Customer may, at any time up until ninety (90) days before the Due Date (as defined in Article 4(A)), cancel the requested Network Services by providing notice to Stratos in writing. If Customer does so cancel, Customer shall reimburse Stratos for all out-of-pocket expenses incurred by Stratos (including any penalties imposed on Stratos by its suppliers) at cost plus fifteen percent (15%).
- (G) Cancellation; Suspension of Network Services. Customer is responsible for notifying Stratos, in writing, of any



requirement to permanently deactivate or suspend Network Services. Permanent deactivation or suspension of Network Services will be effective only after Stratos' receipt and written acknowledgement of Customer's written request. Customer may send such request to operations@stratosglobal.com or by facsimile to +1 337-761-3505. Stratos will use reasonable endeavors to respond to Customer's written request within one (1) business day. Customer is hereby notified that Stratos will only process requests received from an authorized representative of the account holder/registered holder of the Equipment. If applicable, Customer may be liable to pay an early termination fee if Network Services are terminated prior to the contracted term (as defined in Article 13(E) above) of such Network Services. Furthermore, Customer will continue to be liable for payment of Network Services during any period of suspension, unless otherwise agreed in writing Stratos.

- (H) The rights of termination, restriction or suspension set forth in this Article are in addition to any other remedies available to Stratos under these Terms and Conditions, or at law or in equity.
- (I) Month-to-Month and Indefinite Services. Any services provided by Stratos on a month-to-month basis or for any other indefinite term require a minimum of thirty (30) days written notice by Customer to Stratos prior to termination of services. No request to terminate service shall be effective until the end of such thirty-day period following such notice.

14. INDEPENDENT CONTRACTOR

These Terms and Conditions do not create any partnership, joint venture, agency or employee/employer relationship of any kind between the Stratos and Customer. Stratos is an independent contractor with respect to performance under these Terms and Conditions; all persons employed by each party are, and will remain the employees and agents of that party and are not, and will not become, the employees or agents of the other party. It is expressly understood that neither party's employees may participate in or receive any benefits from the other party's employee benefit plans.

15. CONFIDENTIALITY

- (A) Unless Customer consents in writing, or disclosure is made pursuant to a legal proceeding, Stratos shall keep confidential all information or data furnished by Customer or otherwise acquired by Stratos through performance. Such information will not be released by Stratos to anyone other than: (i) Customer; (ii) a person who in the reasonable judgment of Stratos is acting as an agent of Customer; (iii) to the commissioning entity or supplier or another telecommunications service provider provided that the information is to be used for the provision of Services and disclosure is made on a confidential basis with the information to be used solely for that purpose; (iv) an agent retained by Stratos to collect outstanding balances owed to Stratos by Customer; or (v) to a law enforcement agency whenever Stratos has reasonable grounds to believe that Customer has knowingly supplied Stratos with false or misleading information or is otherwise involved in unlawful activities.
- (B) Each party will comply fully with all applicable privacy and data protection laws and regulations, and will provide such assistance to the other party as is reasonably necessary to assist the other party in complying with such laws and regulations. Customer will indemnify Stratos against claims by third parties resulting from any breach or inadequate observance by Customer of the provisions of this Article 16(B).

16. FORCE MAJEURE

Stratos will not be liable for any failure of performance hereunder due to causes beyond its reasonable control ("Force Majeure"), including without limitation, acts of God, strikes, lockouts or other labour disputes, acts of public enemy, governmental orders, preemption of existing services to restore service in compliance with Part 64, Subpart D, of the Federal Communications Commission's Rules and Regulations, wars, riots, terrorist activities, epidemics, unusually severe weather, earthquakes, fires, floods, civil disturbances, explosions, train derailments, failure of or accidents to machinery, pipeline, or materials, and delay in delivery of Equipment, to the extent all such occurrences are beyond the reasonable control of Stratos or Customer, delay in performance by subcontractors to the extent such delay is beyond Stratos' reasonable control, and other delays incurred for reasons beyond Stratos' reasonable control, which, by the exercise of reasonable diligence, they are unable to prevent or avoid. Stratos' obligation to perform will be suspended for the duration of a period of Force Majeure and will resume as soon as reasonably possible, upon the cessation of the event of Force Majeure.



17. NOTICES

All notices, requests, demands and other communications hereunder will be effective upon delivery. Such notices will be in writing and will be sent by email, facsimile or nationally recognized overnight courier or delivered in person, addressed as set forth below. Stratos may, at any time, amend the above addresses for notices upon written notice to Customer.

If to Stratos:

Stratos Broadband
Networks
1710 West Willow Street
Scott, Louisiana, 70583
USA
ATTN: General Manager,
North America
Tel: +1 (337) 761-2000
Fax: +1 (337) 761-1284

With a Required
Copy To:

Stratos
6550 Rock Spring Drive, Suite 650
Bethesda, Maryland 20817 USA
ATTN: Contracts & Legal Dept.
Tel: +1 (301) 214-8800
Fax: +1 (301) 214-8801
Email:
Contracts.Legal@stratosglobal.com

If to Customer: To the address as set forth on the Subscriber Application or quotation.

18. ASSIGNMENT

Stratos may, without the consent of Customer, (a) assign its right to receive payment hereunder to a third party, or (b) assign its rights and obligations hereunder to a corporation, partnership or other business enterprise in which Stratos has directly or indirectly, an ownership interest, or (c) assign its rights to a successor in the event of a merger, acquisition or consolidation, or to a purchase of all (or substantially all) of Stratos' assets. These Terms and Conditions will inure to the benefit of, and will be binding on Customer's and Stratos' respective successors and permitted assigns.

19. WAIVER OF COMPLIANCE

The waiver or the failure of Stratos to enforce any of the provisions of these Terms and Conditions or to exercise any right or privilege hereunder, will not be construed as a waiver of any subsequent breach or default of a similar nature, or as a waiver of any provisions, rights or privileges hereunder.

20. GOVERNING LAW / RULES & REGULATIONS

- (A) These Terms and Conditions will be governed and construed in accordance with laws of Ontario and federal laws of Canada applicable therein and shall be treated in all respects as an Ontario contract without regard to the conflict of laws principles. Stratos and Customer submit to the exclusive jurisdiction of the courts of Ontario. Stratos and Customer hereby expressly exclude the application of the United Nations Convention on Contracts for the International Sale of Goods and the International Sale of Goods Act (Ontario), as amended, replaced, or re-enacted from time to time. Stratos and Customer have required that these Terms and Conditions and all documents relating thereto be drafted in the English language. Les parties ont demandé que cette convention ainsi que tous les documents qui s'y rattachent soient rédigés en anglais.
- (B) Both Stratos and Customer will fully abide by all applicable laws, rules and regulations, including but not limited to all applicable anti-bribery or anti-corruption laws. Stratos will not pay any commissions, fees or grant any rebates to any employee or officer of Customer, nor favour any employee or officer of Customer with gifts or entertainment of other than nominal value, nor enter into business arrangements with any employee or officer of Customer, other than as a representative of Customer, without the prior written approval of Customer.
- (C) Customer agrees to strictly adhere to the requirements and restrictions of the U.S. export and embargo laws and regulations, and any similar laws and regulations of other countries as applicable, in respect of the Network Services. Customer agrees to obtain, at Customer's sole expense, all necessary licenses, approvals, permits, consents and governmental authorizations that may be required for Customer's use of the Network Services. Customer may only use the Network Services in the region or with the satellite identified on the



quotation. Customer may acquire the right to use the Network Services in other regions from Stratos; however, an additional fee for reconfiguration of the Equipment and/or a different price for the Services may apply.

- (D) Stratos will not be held responsible for any operational restrictions, customs, license or permit fees required for operation of the Network Services in the destination country. In addition, Stratos will have no responsibility for fines associated with terminal seizure nor for legal ramifications of using Network Services in countries where it is prohibited. Customers are advised to contact the embassy or trade office of the destination country prior to entry into that country.

21. SEVERABILITY

If any provision of these Terms and Conditions will be declared invalid, illegal or unenforceable by a court or regulatory agency of competent jurisdiction, the validity, legality and enforceability of the remaining provisions will not in any way be affected or impaired thereby. In the event that any such provision will be declared invalid, illegal or unenforceable due to its scope, breadth or duration, then it will be modified to the scope, breadth or duration permitted by law and will continue to be fully enforceable as so modified.

22. SURVIVABILITY

All provisions which would naturally survive the expiration or termination of these Terms and Conditions will so survive, including but not limited to the Articles entitled "Services Specific Terms and Conditions", "Equipment", "Use of Network Services", "Payment Terms", "Indemnity & Limitation of Liability", "Termination", "Confidentiality", and "Governing Law" and "Rules and Regulations".

23. RESTRICTED DESTINATIONS

No Services shall be used in, or Equipment imported into, any country where doing so is a violation of applicable U.S. law, and no Services shall be used by, or Equipment transferred to, any person or entity identified on the U.S. Specially Designated Nationals (SDN) List. Without limiting the foregoing, in no instance shall Services be used in, or Equipment imported into, the following countries without the express written consent of Stratos, which will only be provided upon a showing that the proposed use or importation is licensed or otherwise authorized by the applicable authority: Cuba, Iran, Syria, Sudan and North Korea.

24. EFFECTIVE DATE

These Terms and Conditions are effective as of 21st July 2006, and will remain in effect unless modified, revoked or terminated by Stratos.

APPENDIX A Installation Guidelines

Scope

These installation guidelines set forth the obligations of Customer with respect to installation of Equipment. Unless otherwise agreed to in a quotation, Customer is responsible for meeting the requirements of these guidelines, at its sole expense.

Construction and Position of the Antenna

Customer is responsible for ensuring that the antenna has a clear and unrestricted view of the applicable satellite, at all times. Customer shall follow Stratos' reasonable instructions with respect to positioning of the antenna. Antennas should not be installed near traffic ways. Customer warrants that it will supervise all third party personnel requiring access to the antenna or the area surrounding it. In no event will Stratos be liable for damage to the antenna or failure of Network Services due to acts or omissions of third parties, or for any resulting health defects which may be incurred through such third party's proximity to the antenna.

Installation Requirements

Customer shall ensure that Stratos has free and unimpeded access to and egress from the installation site. Customer shall obtain all necessary permits, consents and authorizations ("Authorizations") necessary for the placement of the antenna. Authorizations shall include but not be limited to consent from the building owner,



licenses associated with use of the Equipment and any governmental consents or permits. The antenna shall be installed on a level surface. If roof installation is required, such requirements will be set forth in the site survey.

Unless otherwise agreed to in a quotation, Customer shall provide all equipment necessary for the installation. This may include, without limitation, use of a crane, scaffolding or hydraulic lifts.

Customer shall ensure that there is sufficient space for the antenna. The following table sets forth the area around the antenna, which must be kept free from all other objects, in order to ensure safe and proper operation of the antenna.

| | | | | | |
|-----------------------------------|---------|---------|---------|---------|---------|
| Antenna Diameter (Metres) | :0; 1.0 | :0, 1.2 | :0, 1.8 | :0, 2.4 | :0, 3.7 |
| Surface Area for Antenna (Metres) | 1 x 1 | 2 x 2 | 5 x 5 | 6 x 6 | 9 x 8 |

Customer shall make available to Stratos all technical description and other information required by Stratos relating to the construction of the antenna foundation. Stratos shall provide to Customer general static information for the antenna foundation. Customer shall construct the antenna foundation according to Stratos' specifications, at its sole expense. Customer is solely responsible for ensuring that the antenna foundation meets the requirements of any applicable law, rule, regulation, permit or Approval.

Laying of Cables

Customer is solely responsible for the laying of any required 1F cables and power cables. The distance between the antenna and the internal equipment shall not exceed 150m. Cables should not be laid parallel to existing power lines, and should be protected against damage by vehicles, construction work, persons, etc.

Safety Requirements

Stratos will perform all installations in accordance with all applicable health and safety laws, rules and regulations. Customer shall also comply with all applicable health, safety and environmental laws, rules and regulations.

Environmental Requirements

The following table contains the environmental requirements for Equipment. To the extent that there is any conflict between the following table and the specifications set forth in the manufacturer's installation and/or operation guides, the manufacturer's documentation shall take precedence. Customer will ensure compliance with these requirements. Stratos shall not be responsible for any damage or failure of Equipment due to Customer's failure to comply with such requirements.

| Condition | Operation Requirements | Storage/Transport |
|-------------------|----------------------------|---|
| Temperature | 0° C to 40° C | - 40° C to 70° C |
| Humidity | 5 % to 95 % not condensate | |
| Shocks/Vibrations | | As is usual with respect to commercial transportation |

Electric Power Supply

Customer shall provide, at its sole expense, an uninterruptible power supply of 230 V / 16A / 50Hz or 120 V / 20A / 60 Hz, depending upon the country, for installation and maintenance. If Customer does not provide power on an uninterruptible basis, then Customer shall be liable for any and all damages arising thereby.

If stated on a quotation, Stratos may provide an uninterruptible power supply, subject to availability. If Stratos does so provide such power, then Stratos will invoice Customer and Customer will pay for all costs associated therewith. Specifications for any power that Stratos may supply will be as follows, and as applicable depending upon the country where the installation is to be performed:

| | |
|--|----------------------------|
| Input voltage (alternating current): | 220 -240 V 115 – 125 V |
| Fluctuating range input voltage (alternating current): | 190 – 250 V 115 – 125 V |



