



Revised: 1-Apr-02

Mobile Satellite Equipment Purchase

Terms and Conditions

The following terms and conditions ("Terms and Conditions") apply to individuals and entities ("Customers") purchasing equipment to access satellite services, including, but not limited to Inmarsat, Iridium, MarineSat/LandSat, Globalstar and/or other satellite services which may be offered by any of the following Stratos entities, hereinafter individually or collectively referred to as "Stratos":

- (a) Stratos Mobile Networks, Inc., a Delaware Corporation
- (b) Stratos Wireless, Inc., a Canadian Corporation
- (c) MarineSat Communications Network, Inc. a Delaware Corporation, d/b/a Stratos Communications

1. Equipment to be Sold to Customer

Subject to approval of a Customer credit application, if required by Stratos, and availability of the equipment requested by Customer on Stratos' Equipment Purchase Order Form ("Equipment Order Form"), Stratos will sell to Customer and Customer will purchase and pay Stratos for the equipment requested by Customer on the Equipment Order Form ("Equipment").

2. Equipment Price, Taxes, and Freight Charges

Customers will be charged Stratos' then-current price in effect on the date Customer's order is received. Customer will also pay the following to Stratos: (a) any applicable federal, state, provincial, local sales, excise, use or other tax assessment, including VAT or GST where applicable and surcharges or similar charges of any nature levied upon the Equipment by any governmental taxation or revenue entity (except for taxes based on Stratos' income) arising out of or related to the sale of the Equipment; ("Taxes") and (b) any shipping costs incurred by Stratos to ship the Equipment to the Customer location set forth on the Equipment Order Form. If Customer provides Stratos with an applicable tax exemption certificate, Stratos will work with Customer to obtain applicable tax exemptions to the extent consistent with applicable law.

3. Quote/Ordering Procedure

Customers may obtain Stratos' current Equipment price(s) or submit an order by calling the appropriate number as follows:

For U.S. and Canadian telephone orders: + 1 888 766 1313
For International telephone order: + 1 709 748 4233
For Europe, Middle East and Africa: + 44 20 7562 4826

Customers may also obtain prices or submit an order for Equipment via Stratos' worldwide web site at www.stratosglobal.com (the "web site"). Any order(s) placed for Equipment via the Web site are subject to these Terms and Conditions.

4. Customer Purchase Orders

If Customer issues a purchase order to Stratos in connection with ordering Equipment, such 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. Customer agrees to waive any future challenge to the enforceability of any purchase order on the basis that such purchase order was made and or confirmed by electronic means.



BEYOND THE HORIZON®

5. Payment Terms

- (A) Invoices for Equipment will be sent on or after the date of shipment and will include all applicable taxes or other charges that may be levied upon the Equipment. Payment of invoiced amounts is due within thirty (30) days of the date of the invoice. Overdue payments are subject to a late fee on the unpaid balance of the lesser of one and one half percent (1.5%) per month of the unpaid balance or the highest rate permitted by law. 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.
- (B) Customer may pay for Equipment via Master Card, VISA, American Express, or other credit card(s) as Stratos may accept in its sole discretion.
- (C) 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.
- (D) All payments are to be made in United States or Canadian dollars.
- (E) Customer will notify Stratos in writing of any disputes with the invoiced charges within thirty (30) days after the date of invoice. Thereafter, Customer shall be deemed to have waived its right to dispute charges. All disputed amounts resolved in Customer's favor will be (i) credited against amounts owing on subsequent invoices, or (ii) in the event Customer has paid its invoice with Stratos in full prior to shipment, amounts owing to Customer will be refunded to Customer.

6. Delivery/Risk of Loss

Risk of loss in the Equipment shall transfer to Customer upon delivery and delivery will take place when Equipment is shipped from Stratos' location. In the absence of specific instructions, Stratos will select the carrier to whom delivery will be made for shipment. Additional delivery terms for Equipment will be mutually agreed to by Stratos and Customer in advance of shipment. Customer agrees to accept partial shipments unless otherwise specified in advance, particularly in cases where the Equipment is temporarily out of stock. In the event that ordered Equipment is not available, Stratos will maintain a backorder list compiled by date. As backordered Equipment is received from the supplier, Stratos will fill orders based on age of order. Customer is responsible for shipping charges for each partial shipment. In no event shall Stratos have any liability in connection with any shipment, nor shall the carrier be deemed to be an agent of Stratos.

7. Title

Title to the Equipment 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, Stratos will have a lien on the Equipment. Customer will keep Equipment that is subject to Stratos' lien free from any other liens, claims or encumbrances and will execute all such documents as may be reasonably required by Stratos to evidence or perfect its security interest.

8. Equipment Inspection and Acceptance

Customer may inspect or test Equipment that has been tendered for acceptance. Customer may require repair or replacement of non-conforming Equipment at no increase in price. Customer must exercise the post-acceptance rights provided by this Article 8 (a) within thirty (30) days after a defect is discovered or should have been discovered; and (b) before any substantial change occurs in the condition of the defective Equipment, unless the change is due to the defect in the Equipment. If Customer fails to reject any Equipment within such time, Stratos may, without liability, refuse to repair or replace the nonconforming Equipment and Customer shall be deemed to have inspected and accepted such Equipment.

9. Warranty

- (A) Except as provided in Article 7 above, Stratos warrants that title to all new Equipment delivered to Customer under this Agreement will be free and clear of all liens, encumbrances, security interests, or other claims.



- (B) Except as provided below, Stratos warrants that new Equipment sold hereunder will be free from defects in material and workmanship for a period of one (1) year, and that all refurbished or used Equipment or accessories sold hereunder will be free from defects in workmanship and material for a period of sixty (60) days. The warranty period shall commence at the time of delivery. All repairs covered by such warranty will be performed at no charge to Customer.
- (C) All warranties offered by Stratos are a "return to depot" warranty. If Customer requires a Stratos technician to travel to a Customer location to perform warranty services (a "Site Visit"), Customer is responsible for and will reimburse Stratos for all costs associated with such Site Visit including, but not limited to, transportation costs, living expenses, etc., plus an administrative fee equal to fifteen percent (15%) of Stratos costs incurred.
- (D) Upon receipt of notice of a potential warranty defect, Stratos shall repair or replace, at its sole discretion, defective Equipment or accessories. Equipment, parts, materials or components which are replaced will become Stratos' property.
- (E) This warranty shall not apply to any Equipment that: (i) has been subjected to misuse, neglect, accident or abuse; or (ii) has been altered, improperly installed by a third party, is repaired, altered, or 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's manufacturer's instructions or specifications provided by Stratos at the time of delivery to Customer.
- (F) THE EXPRESS WARRANTIES OFFERED IN THIS ARTICLE ARE EXCLUSIVE AND IN LIEU OF ANY AND ALL IMPLIED WARRANTIES OR REMEDIES WHETHER STATUTORY, COMMON-LAW OR OTHERWISE INCLUDING BUT NOT LIMITED TO IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE OR DESIGN AND STRATOS DISCLAIMS ALL SUCH IMPLIED WARRANTIES OR REMEDIES.

10. Refunds/Restocking Fees

There will be no refunds for used Equipment returned to Stratos. Unopened Equipment, in its original packaging, that is returned to Stratos for any reason is subject to a 15% restocking fee. All Equipment being returned to Stratos must have a Stratos-issued Returned Merchandise Authorization ("RMA") number prominently displayed on the packaging. An RMA number may be obtained by calling Stratos' Customer Care Center. The worldwide phone number for Stratos Customer Care is +1 709 748 4226. Any Equipment returned without an RMA number will be refused by Stratos and returned to Customer at Customer's expense.

11. Operating Procedures

Customers shall follow the procedures ("Procedures") established by the entities that supply the Equipment to Stratos ("Suppliers") and such Procedures may be provided to Customer upon reasonable request to Stratos. Customer acknowledges that the Procedures may be modified from time to time by Suppliers. Stratos shall not be liable for Customer's use of the Equipment in a manner inconsistent with the Procedures provided by Suppliers.

12. Fraudulent Use of Equipment

- (A) Customers shall not use the Equipment in an abusive or fraudulent manner, including, but not limited to the following:
- (i) tampering with or altering authorized Equipment;
 - (ii) obtaining or attempting to obtain permission to use Equipment by providing false or misleading information;
 - (iii) obtaining Equipment without having the intent to pay charges incurred;
 - (iv) intentionally interfering with or causing disruption in the provision of Equipment to other Customers;
 - (v) using Equipment to further criminal activity;
 - (vi) using 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;
 - (vii) using Equipment in a manner that interferes unreasonably with the use of Equipment by one or more other Customers.



(B) Stratos reserves the right to terminate use of the Equipment of any Customer engaging in abusive or fraudulent use of the Equipment purchased from Stratos.

13. Indemnity and Limitation Of Liability

- (A) Stratos shall not be liable to Customer, any user, or other person for:
- (i) any indirect, consequential, incidental or special, exemplary or punitive losses or damages, including without limitation, loss of profits, loss of earnings, loss of business opportunities, or personal injury, however arising;
 - (ii) any claims of defamation, invasion of privacy, slander, libel, harassment or copyright infringement arising from material transmitted or received over Stratos' facilities;
 - (iii) infringement of patents or other intellectual property arising from use of the Equipment or the use of the Equipment in combination with Customer-provided services or equipment.
- (B) Should Stratos be found liable to Customer under these Terms and Conditions, IN NO EVENT SHALL STRATOS' TOTAL LIABILITY IN ANY WAY ARISING FROM THESE TERMS AND CONDITIONS EXCEED THE SALE PRICE OF THE EQUIPMENT WHICH GIVES RISE TO THE CLAIM, NOR SHALL ANY CLAIM OF CUSTOMER BE VALID UNLESS CUSTOMER ADHERES TO ALL OF THE TERMS AND CONDITIONS SET FORTH.
- (C) Customer alone shall be responsible for all claims, actions, losses, costs and damages ("Liability") arising out of or relating to the acts or omissions of Customer in connection with the Equipment sold by Stratos. Customer shall indemnify and hold Stratos and its officers, employees and agents harmless from and against all such Liability.
- (D) Each provision of this Article 13 is to be construed as a separate provision applying and surviving even if one or more of the other provisions of this Article is held inapplicable or unreasonable.

14. Force Majeure

Except for Customer's payment obligations as set forth above, neither party will be liable to the other for any failure to perform due to a cause beyond such party's reasonable control ("Force Majeure") including, but not limited to, acts of God, acts of any governmental body in either its sovereign or contractual capacity, explosions, fires, floods, earthquakes, epidemics, strikes or other labor difficulties, freight embargoes, unusually severe weather, riots, war, theft, national emergencies or natural disasters; provided that the party failing to perform promptly notifies the other party of such circumstances and uses its reasonable efforts to avoid or remove such cause of non-performance. During any period when performance of a party's obligation is prevented by Force Majeure, that obligation shall be suspended for the duration of the period of Force Majeure. Upon removal or cessation of such cause of non-performance, all obligations will resume.

15. Governing Law

These Terms and Conditions will be governed by and construed in accordance with the laws of the State of New York (USA) without regard to its choice of law provisions.

16. Government Approvals and Authorizations

Customer will not use the Equipment for any purpose contrary to law. Customer agrees to abide by all of the current regulations in effect in countries where the Equipment may be used, including licensing requirements. Stratos will not be held responsible for any operational restrictions, customs, license or permit fees required for operation in the destination country. In addition, Stratos will have no responsibility for fines associated with Equipment seizure nor for legal ramifications of using Equipment 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. Customer agrees to comply with relevant export and import laws of the United States and other countries to ensure that the Equipment is not exported or otherwise transferred in violation of such laws and to obtain any required export or import licences or authorities.



17. Confidential Information

Unless Customer consents in writing, or disclosure is made pursuant to a legal proceeding, Stratos will keep confidential all information or data furnished by Customer or otherwise acquired by Stratos through its performance under these Terms and Conditions. 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) an agent retained by Stratos to collect outstanding balances owed to Stratos by customer, or (iv) 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.

18. Assignment

Stratos may, without the consent of Customer (a) assign its right to receive payment hereunder to a third party and (b) assign its rights and obligations hereunder to a corporation, partnership, affiliate or other business enterprise in which Stratos has directly or indirectly an ownership interest. These Terms and Conditions shall enure to the benefit of, and shall be binding on Customers' and Stratos' respective successors and permitted assigns.

19. Notices and Communications

All notices and communications permitted or required ("Notices") shall be in writing in the English language and shall be sent by facsimile, overnight courier, or certified mail, as appropriate in light of the subject matter of the Notice. Notices to Customer shall be sent to Customer's Point of Contact specified on the Equipment Order Form.

For Customer Service and Billing Inquiries:

Stratos
34 Harvey Road, Paramount Building, 4th Floor
St. John's, Newfoundland, Canada A1C 2G1
Attention: Customer Service
Tel: +1 709 748 4226
Fax: +1 709 748 4320

For Contract, Legal & Demand Notices:

Stratos
6901 Rockledge Drive, Suite 900
Bethesda, Maryland 20817 USA
Attention: Contracts and Legal Department
Tel: +1 301 214 8800
Fax: +1 301 214 8801
E-mail: contracts.legal@stratosglobal.com

20. Severability

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

21. Entire Agreement

These Terms and Conditions and Customer's order constitute the entire understanding between Stratos and Customer as to the subject matter hereof and supersede all prior agreements, discussion, representations, and understandings, written or oral, between Stratos and Customer with respect to such subject matter.

22. Effective Date

The Terms and Conditions set forth above are effective as of April 1, 2002 and will remain in effect unless modified, revoked or terminated by Stratos.

