

General Terms & Conditions

For the provision of Spidersat Services

1.1 General

These General Terms and Conditions are part of the Contract between Spidersat Communications ("Spidersat") and the Customer regarding provision of services from Spidersat. This document contains the general terms and conditions for all Spidersat services, and Section 2 contains terms and conditions that are specific to Broadband services delivered by satellite.

1.2 Definitions

"Amendment to the Contract"

shall have the meaning ascribed to it in 1.14 herein.

"Availability Figure"

shall have the meaning as described in the SLA.

"Appendix"

shall have the meaning ascribed to it in 1.14 herein.

"Balance"

shall mean the running balance for voice traffic charges.

"Calling Card"

shall mean that Spidersat provides the customer with PIN codes, which can be used to activate VoIP Service.

"Contract"

shall in this agreement include the Contract, the Amendments, the GTCs, the SLAs and any appendices and annexes referred to herein.

"Contract Duration"

shall mean the number of months as defined in the Contract from the Service is put in operation.

"Customer Item(s)"

shall mean any equipment and/or services, which are to be provided by the Customer.

"End User"

shall mean the recipient/transmitter of the information.

"Equipment"

shall mean the hardware and documentation to be provided by Spidersat to the Customer as detailed in the Contract.

"First Day of Operation"

shall mean the day the service is put into operation, if Spidersat is responsible for the on-site installation. Otherwise it shall mean from the day Spidersat has provided all Equipment and Satellite resources (i.e. frequencies) to the Customer.

"Global Access"

refers to the Internet access services obtained through Spidersat.

"GTC"

abbreviates 'General Terms and Conditions'.

"Information"

refers to the information relayed by the Customer, which is to be transmitted via the Service and Equipment provided for herein.

"Intellectual Property Rights"

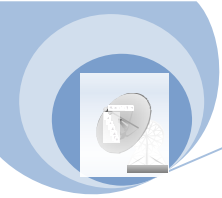
shall mean, but not limited to, patents, trademarks, designs and copyrights.

"Inbound"

shall mean the satellite capacity as seen from the Customer's site running towards the Teleport.

"Location"

shall mean the physical place where the Customer connects the Tail Circuit to the Service.



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"Major Outage"

shall mean a complete and utter failure of all service(s) provided by Spidersat to the Customer.

"On Site Installation"

shall mean the physical installation of Service and Equipment on the Customer's Location.

"Outage"

shall mean a failure of the service(s) provided by Spidersat to the Customer to meet the Availability Figure defined by the SLA.

"Outbound"

shall mean the satellite capacity as seen from the Teleport running towards the Customer's site.

"SLA"

Abbreviates "Service Level Agreement".

"Service"

shall mean the service(s), according to product or service description, not including any equipment, hardware and documentation, to be provided by Spidersat to the Customer as detailed in the Contract.

"SpiderBroadband"

shall mean a channel inside a one-way high-speed carrier.

"SpiderLink"

shall mean a one or two-way service via satellite.

"Tail Circuit"

shall mean the medium by which the Information is transmitted to the Location.

"VSAT"

shall mean the terminal equipment i.e. antenna, satellite modem/receiver, transmitter and cabling for the purposes of relaying of the Information.

"VoIP"

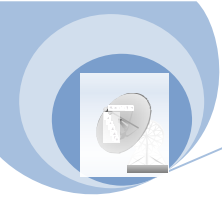
shall mean Voice over IP that can be used for international calls through the Spidersat voice gateway.

1.3 Duration and Delivery

- (a) The Contract and all Amendments shall be valid from the date of signature by both parties on each of the documents until terminated by either party subject to Clause 1.5 and/or 1.6. If the Contract states a duration period for the Contracts validity, the Contract shall remain in full force until the stated number of months of service has passed, counted from the First Day of Operation except if terminated according to 1.6.
- (b) The Customer shall have the option to extend and/or upgrade the duration of the Contract by mutual agreement between the parties.
- (c) The Equipment (if any) and Service shall be delivered before the First Day of Operation as stated in the Contract. Spidersat shall not be liable towards the Customer for any delayed delivery due to circumstances not attributable to Spidersat, such as but not limited to, delayed payment from Customer.

1.4 Authorisation and Compliance with Law

- (a) Spidersat's Services and Equipment may only be used for lawful purposes. Any access to other networks connected to the Spidersat network must comply with the applicable rules for such other networks. Transmission over the Spidersat network of any material in violation of applicable local, state, or national governmental regulations will not be accepted. This includes, but is not limited to:
 - (i) copyrighted material to which the sender does not hold the copyright, or
 - (ii) has not cleared the use of such material from the holder of copyright,
 - (iii) material legally judged to be threatening or obscene
 - (iv) confidential material that the sender is not authorised to send.
 - (v) Purposes not specified in Acceptable Use Policy of Spidersat published at <http://www.spidersat.net/document-downloads.php>



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- (b) The Customer undertakes and warrants that its use and reception of the Service and Equipment does not and will not violate any applicable law, statute, regulation or government license and that, unless otherwise specifically agreed between the Parties by written instrument, it has obtained, on or before commencement of the Service, and shall maintain any and all necessary licenses and permissions in respect thereof and shall pay all fees and charges relating thereto.
- (c) The Customer is responsible for obtaining such licenses and or permissions as may be required for the import and use of the Equipment and Customer Items for the Service.
- (d) The Customer undertakes to fully indemnify and hold Spidersat harmless from and against all costs, claims, expenses, liabilities, damages, demands and loss (including without limitation to the generality third party liability and reasonable legal fees) suffered or incurred by or awarded against Spidersat in consequence for arising out of the Customer's breach of the Customer's obligations under Clause 1.4(a)(b)(c).
- (e) In case relay of the Services violates, or Spidersat evaluate it to violate, applicable law, statute, regulation or government licence and that unless otherwise specifically agreed between the parties by a written instrument, Spidersat has the right to order stop in the relay of Services to/from the Customer for the end user responsible for the violation.
- (f) When the Customer uses Spidersat VoIP with Calling Card billing, Spidersat reserves the right to block the remaining cards, block the voice gateway or close the link if suspicion of fraud, abuse, theft or any other unintentional use of the calling cards.
- (g) Spidersat reserves the right to modify the Acceptable Use Policy at any time, effective upon posting of modified Policy to URL <http://www.spidersat.net/document-downloads.php>
- (h) It is the Customer's obligation to react within 24 hours to Acceptable Use Policy violations reported by Spidersat. In cases of severe, repeating, or continuous illegal use, Spidersat reserves the right to restrict the Customer's access to the Spidersat network until violation is resolved.

1.5 Termination by Spidersat

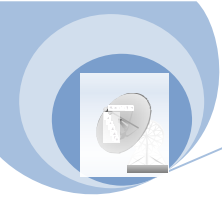
- (a) Spidersat shall be entitled, in addition to all its other rights and remedies at law, and at its option, upon giving seven (7) days notice to the Customer to terminate the Contract if:
 - (i) the Customer fails to make any payment within thirty (30) days of the due date, or;
 - (ii) the Customer shall commit a material breach of this Contract which shall be capable of remedy, but which the Customer shall not have cured or remedied within thirty (30) days of notification thereof, or
- (b) The Contract may be terminated by Spidersat with immediate effect, without any notice being required, if the Customer shall enter into any liquidation, shall call any meeting of its creditors, shall have a receiver of all or any of its undertaking or assets appointed, or shall in any other way be unable to pay its debts or if anything analogous under any jurisdiction shall occur.

1.6 Termination by the Customer

- (a) The rights provided in 2.4(d) are the Customer's sole and exclusive rights to cancel or terminate hereunder or otherwise at law or equity.
- (b) The Contract may be terminated by the Customer upon giving seven (7) days notice to Spidersat, if Spidersat;
 - (i) has been granted a suspension of payments,
 - (ii) has been declared bankrupt.

1.7 Termination Consequences

- (a) Upon the date of termination of the Contract pursuant to 1.5 and/or 1.6, the Customer shall pay to Spidersat all invoices then due under the Contract. Termination according to 1.5 permits Spidersat to invoice all the remaining balance according to the Contract, i.e. all remaining invoices for monthly service and fees for the entire Contract duration it was initially signed for. The Customer shall pay Spidersat these invoices according to the payment conditions stated on the invoice.
- (b) The termination of the Contract shall not affect any rights or liabilities of either Party subsisting or arising at the date of termination.



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- (c) Upon the termination of the Contract, however arising and without prejudice to any accrued rights and claims which either party may have against the other, the Customer shall cease to receive the Service.
- (d) The Customer shall permit Spidersat's employees or its Contractors access to its facility to retrieve Spidersat's equipment.
- (e) The costs for de-installation and transport for return of Spidersat's equipment shall be borne by the Customer.

1.8 Tail Circuit to the Location and Customer Responsibility.

The Customer is operationally and financially responsible for providing a Tail Circuit from the Customer's network to the Location stated in the Contract. The Customer is considered as either an Internet Service Provider (ISP) with the right to connect Commercial or Academic networks onto his own routers or a Telecom Operator with the rights to receive and originate international calls. The Customer is operationally responsible for the Equipment and network connected to the Service.

1.9 Force Majeure

Notwithstanding anything to the contrary contained in the Contract, if for any reason beyond the control of either party, which shall for the purpose of the Contract include without limitation, strikes, lockouts or other industrial disputes or actions, acts of God, force majeure, inclement weather conditions, acts of terrorism or sabotage or war, either Party shall be delayed in or prevented from performing any of its obligations under the Contract (having exercised reasonable efforts to perform) then such non-performance shall be deemed not to constitute breach of the Contract. If the force majeure or act of God continues for thirty (30) days, both parties shall be entitled to terminate the Contract with immediate effect. The Party claiming Force Majeure shall make every reasonable effort to immediately notify in writing the other Party about such claim. For the avoidance of doubt, such delays or nonperformance shall not be considered as Outages or Major Outages as defined in 2.4(d).

1.10 Disclaimer of Warranties and Limitation of Liability

- (a) Spidersat does not exercise any control whatsoever over the content of the information passing through the Spidersat network. Spidersat does not make any warranties of any kind, whether expressed or implied, for the Spidersat network being provided. Spidersat disclaims any warranty of merchantability or fitness for a particular purpose. Spidersat will not be responsible for any damage suffered by the Customer as a result of use of the Spidersat network or upstream providers. This includes loss of Information resulting from delays, non-deliveries, incorrect deliveries, or service interruptions. Use of any Information obtained via the Spidersat network is at the Customer's own risk. Spidersat specifically denies any responsibility for the accuracy or quality of Information obtained through the Spidersat service.
- (b) Notwithstanding anything else to the contrary stated or implied herein, neither Spidersat nor the Customer shall have any liability to the other Party or any third party, whatsoever for any indirect, incidental, consequential, punitive or special damages, including without limitation, loss of profit, loss of revenue, or loss of business suffered by the other or by any assignee or other transferee of the other, or any third party, even if informed in advance of the possibility of such damages, except in connection with the indemnification provisions of Clause 1.5 in this GTC.
- (c) Except as specifically stated in the Contract, Spidersat makes no warranties, express or implied, with respect to the Contract, the performance of Spidersat, whether arising at law or equity.
- (d) The total liability of Spidersat shall be limited to the remedies set forth in the Contract and shall in no event exceed the total amount of fees paid by Customer under the Contract, as appropriate, for the first year of the Contract.

1.11 Confidentiality

Both Parties shall ensure that all material and information received from the other party in anticipation of and in pursuance of the Contract shall be kept strictly confidential and shall not be disclosed to a third party (except to the extent necessary for Service). This provision shall not apply to material or information which is or becomes in the public domain other than by a breach of this provision or is otherwise obtained by a third party with full rights of disclosure, or if there is a legal obligation to disclose such information or it occurs in the course of legal proceedings. The foregoing obligations as to confidentiality shall survive three years after termination of this agreement.

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1.12 Notices and Documentation

Any notice or other communication sent to the Customer shall be deemed valid and sufficient if sent to any address notified to Spidersat for that purpose or to the Customer's address last known to Spidersat. Any notice or other communication sent to Spidersat shall be addressed to:

Spidersat Communications Pty Ltd
PO 48, BELMONT 6984, Western Australia
Attention: Contracts Manager

1.13 Assignment

The Contract shall be binding upon and inure to the benefit of the Parties hereto and their respective successors or assigns provided always that neither Party shall assign nor transfer its rights or obligations under the Contract, other than to its ultimate holding company or any direct or indirect subsidiary thereof, without the prior written consent of the other Party. Such consent is not to be unreasonably withheld. After termination of the Contract Spidersat may however, at its sole discretion, assign any outstanding account to a third party.

1.14 Amendments and Appendixes

- (a) Amendments to the Contract: The Contract shall not be modified except by a written agreement signed by the Parties. Such written agreement shall only be valid hereunder if it expressly states that it is an "Amendment to the Contract".
- (b) Appendixes to the GTC or to Amendments: GTCs and Amendments shall not be modified except by a written agreement signed by the Parties. Such a written agreement shall only be valid hereunder if it expressly states that it is an "Appendix to the GTC" or an "Appendix to the Amendment".

1.15 Ownership

Any Equipment delivered by Spidersat under this Contract and any Equipment, attachment, accessories and/or modifications placed on or made to such equipment by Spidersat, as well as any repairs to the Equipment, are and shall remain Spidersat's property, until the Equipment is fully paid by the Customer. Title and Rights to the Equipment are only then transferred to the Customer.

1.16 Intellectual Property Rights

Spidersat, or the party representing Spidersat, holds the Intellectual Property Rights to the Service and Equipment to be provided under the Contract. The Customer is hereby granted a perpetual irrevocable, non-exclusive and time-limited right to use the Service and Equipment.

1.17 Insurance

From the date the Equipment is received by the Customer according to the specific Inco Terms, the Customer is responsible for all Equipment delivered under this Contract. This means for any kind of damage, loss and theft of Equipment.

1.18 Warranty

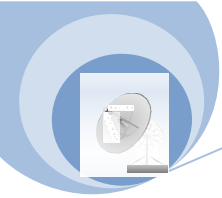
Spidersat provides transparent warranty periods from its suppliers and 12 months warranty for Spidersat produced equipment from the Contract signature, for Equipment provided by Spidersat and installed by Spidersat certified staff, unless otherwise stated in the Contract. Spidersat will repair or replace such faulty equipment if it is within the warranty period. The warranty shall only apply if the Equipment is used according to Spidersat requirements and conditions and used for the purpose it is intended. The warranty does not cover normal wear and tear. The cost for shipment of Equipment covered under this clause is not included in the warranty.

1.19 No license

No license with respect to the Service and Service Equipment expressed or implied is granted by Spidersat pursuant to this Contract.

1.20 Disputes

This Contract shall be governed by and construed and enforced in accordance with the laws of the Commonwealth of Australia.



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- (a) Any disputes which may arise out of this Contract and which cannot be settled in discussions or negotiations between the Parties shall be settled by arbitration in accordance with the International Chamber of Commerce rules. The place of arbitration shall be Perth, Western Australia unless otherwise agreed by both parties. The arbitration shall be held in English and the award shall be binding upon all parties.
- (b) Prior to commencing formal proceedings with respect to any dispute as provided for above, each Party give written notice to the other detailing its position and reasons therefore and may recommend corrective action.

1.21 Suspension

Spidersat may, whether or not terminating the Contract immediately suspend part or all of the Services it provides until further notice if:

- (a) it could be permitted to terminate Services under Clause 1.5 of this GTC, or
- (b) it is obliged to comply with an order, instruction or request of government, emergency services or other competent administrative authority, or
- (c) it needs to carry out work related to exceptional upgrading or maintenance of its facilities where those facilities must cease operation at or about the time and agrees with the other party the times of such work beforehand.

In the event of a suspension pursuant to Clauses 1.4, Spidersat will give the Customer the maximum period of notice practicable and will endeavour to keep the period of suspension to as shorter period as is practicable in the circumstances.

2.1 General (VSAT-Services)

Section 2 in this GTC contains terms and conditions specific to VSAT Services provided by Spidersat.

2.2 The Service

- (a) Spidersat shall provide the Service and Equipment in accordance with the terms and conditions of the Contract.
- (b) The Service shall be provided on a twenty-four hour basis and consists of services specified in the Contract.
- (c) The physical connection of the Customer network shall be made at the Location stated in the Contract.

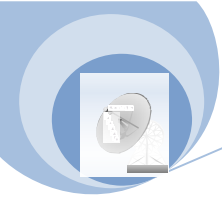
2.3 Fees and Payment

The Customer shall pay Spidersat for the provision of the Service and Equipment as follows:

- (a) A Network Establishment Fee as stated in Contract. The invoice for Network Establishment Fee and Equipment will be issued on the date of Signature of the Contract and must be paid prior to Equipment ordering or start of Service.
- (b) The price for installation of the VSAT is invoiced on a time and material basis or as otherwise stated in the Contract, Proposal, or Quotation. In all cases, unless otherwise agreed in writing by both parties, travel expenses will be added as a surcharge and calculated on the basis of actual costs for travel and lodging.
- (c) A Service Fee as stated in the Contract to be paid quarterly in advance if not otherwise agreed, for any Service defined in the Contract.
- (d) All payments from the Customer shall be made in the currency stated in the Contract and to the bank-account printed on the actual invoice.
- (e) All payments subject to 2.3(a)(b) shall be paid immediately upon reception of the invoice, or as otherwise agreed in writing between the parties. All other payments shall be made within thirty (30) days of the Invoice Date, or as otherwise agreed in writing between the parties.
- (f) Without prejudice to any other of Spidersat's right or remedies, the Customer shall in addition to payment of the fees, pay interest at the rate of 12% per annum on any sum remaining unpaid after the due date until the date of actual payment. Any additional necessary costs for debt collection shall be borne by the Customer.
- (g) In the case of overdue payments Spidersat reserves the rights to reduce or withhold the provision of Service and Equipment until all outstanding debts are fully paid. Spidersat shall not be liable for any direct, indirect or consequential loss the Customer may suffer in such case. There will be no reduction in the Service Fee during such period.
- (h) The fees specified, unless otherwise stated, shall be net of all taxes, licences, levies, charges and duties which shall be borne by the Customer

2.4 Outages

- (a) In the event of an Outage in the Service such that the Service is materially affected, which shall be defined as a breakdown or failure of the whole or a part of the Service, or failure to meet the agreed technical specifications, then Spidersat shall have no liability if the Outage is due to:



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1. failure by the Customer or any third party acting on behalf of the Customer to deliver the Information in accordance with written technical specifications issued by Spidersat.
 2. failure or malfunction of any equipment or Tail Circuit which is not delivered and installed by Spidersat or Spidersat certified staff or for which the Customer is operationally responsible.
 3. failure of the Customer or any third party acting on behalf of the Customer to use the Service and Equipment according to Spidersat requirements and conditions or the Service and Equipment is being used for purposes it is not intended for.
 4. sun transit effects.
 5. scheduled service and maintenance.
 6. force majeure or acts of God as described in the GTC for provision of Spidersat Services.
 7. Spidersat failing to meet the technical specifications in the Contract, but the Service is not impaired or the Customers obligations to third parties are not breached.
 8. equipment which is not covered by 1.15 (Warranty clause) in the GTC for provision of Spidersat services.
- (b) In the event of an Outage, Spidersat's sole liability is to provide a credit to the Customer based on the total number of minutes of Outage per month that exceeds the Availability Figures given in the SLA. The credit for each minute Outage, that exceeds the Availability Figure, is equal to the corresponding minute price based on the Monthly Fee, for the affected product, stipulated in the Contract. The maximum credit due to Outage shall be upward limited to one Monthly Fee.
- (c) Outages of less than ten (10) consecutive minutes shall be ignored. Any credits will be aggregated on a monthly basis and deducted from the following invoice. Such credits will only be applicable subject to a written notice from the Customer to Spidersat defining the Outage. Spidersat should receive this notice not later than thirty (30) days after the end of the month when the Outage occurred.
- (d) In the event that such Outages occur for a period of ten (10) days continuously for at least sixty (60) minutes per day or such Outages occur during twenty (20) days or more (whether consecutive or not) in any ninety (90) day period then this shall constitute a "Major Outage", and the Customer may at its discretion:
- 1.) terminate the Contract immediately by a written notice; or
 - 2.) seek to re-negotiate the Contract in good faith with any such re negotiated terms taking effect from the date that such period began. Such re-negotiated Contract shall be formalised in an amendment to the Contract.
- Outages due to replacement of any Equipment delivered by Spidersat are not considered a Major Outage if replacement time is within the agreed service level.
- (e) Any interruption of the Service owing to the response of Spidersat to the Customer's complaint of malfunction which proves to be unfounded or which is due to the fault of the Customer, its employees, agents, Contractors and end users shall not be considered a failure for which a credit is due to the Customer under the Contract. In addition, in this circumstance the Customer agrees to pay reasonable and proper additional charges in investigating the Customer's complaint, which charges will be assessed on a "time and material" rate.