

GENERAL TERMS OF SUPPLY – PRODUCTS & SERVICES

1 - PURPOSE

1.1 These general terms and conditions of supply ("**General Terms**") set out the terms and conditions according to which NewNet Secure Transactions Inc. a company incorporated under the laws of the State of Delaware, United States of America, including its Affiliates (herein collectively referred to as "**NewNet**") may sell to a purchaser (herein referred to as "**Purchaser**") network infrastructure equipment as further detailed in the Agreement ("**Products**") for use in the country of the Purchaser or other country ("**Territory**") as specified in the Agreement (defined in section 2.1) and may, subject to any nomination of, or assignment to an Affiliate pursuant to section 20.4, provide planning, installation, supervision, training, consultancy and technical assistance services or any combination of these services in conjunction with the sale of Products ("**Services**") and ongoing support and maintenance services for the Products as further detailed in the Agreement ("**Support Services**"). NewNet and the Purchaser will jointly be referred to as "**Parties**" in these General Terms.

2 - APPLICABILITY

2.1 These General Terms form a part of each contract, between the Parties, and/or each purchase order issued by the Purchaser as a response to a firm and valid proposal ("**Proposal**") from NewNet on the basis of these General Terms (e.g. attached, referred and/or agreed to form part of the purchase order or otherwise integrated into a form of contract or agreement, tender, purchase order or order confirmation) ("**Agreement**"). These General Terms shall always supersede any conflicting pre-printed and/or standard Purchaser terms of any purchase orders.

2.2 These General Terms may be supplemented or amended only by a written agreement between NewNet and the Purchaser and only to the extent expressly agreed. If a current reseller agreement subsists between NewNet and the Purchaser, the terms of that reseller agreement shall prevail over the provisions of these General Terms solely to the extent that the terms of such reseller agreement differ from these General Terms. The terms of any end user license agreement (EULA) shall apply to the Purchaser's use of any NewNet software in addition to these General Terms and to the extent of any conflict between the terms of these General Terms and the terms of any EULA, the terms of the EULA shall prevail but only in relation to the use of the software licensed under the EULA. All other terms and conditions remain unaffected.

3 - SPECIFICATIONS

3.1 The technical specifications of the Products and scope of Services and Support Services are set out in NewNet's Proposal or order confirmation. Any change to the specifications or scope requires the written consent of NewNet. In the absence of any specific requirement, the Products, Services and Support Services shall adhere to the requirements and specifications generally applicable to NewNet's similar products and services.

3.2 All information contained in NewNet's brochures and other similar materials are non-binding.

3.3 Despite sections 3.1 and 3.2, NewNet may make minor modifications to the Products, Services or Support Services or provide new versions or models of individual Products

provided that such modifications and/or new versions meet the requirements of the Agreement.

4 - ORDERING AND DELIVERY PERIOD

4.1 To accept a Proposal the Purchaser must issue a purchase order for Products, Services and Support Services and then NewNet shall promptly confirm its acceptance of the purchase order or otherwise advise the Purchaser of any changes or corrections that may be required to the purchase order.

4.2 A purchase order becomes binding on the Parties only upon NewNet's written acceptance of it (as may be corrected).

4.3 NewNet will confirm the delivery time upon request or in its order confirmation.

4.4 Either Party may request a Variation to the Services or Support Services prior to the completion of those Services or Support Services. NewNet may agree to perform a Variation requested by the Purchaser, where such Variation is reasonable and within the scope of work contemplated by NewNet at the date of the Agreement.

4.5 The Contract Price specified by NewNet in its Proposal is based upon the specifications, scope of work and assumptions in, or referred to in, the Proposal. If the Purchaser requests a Variation, NewNet may adjust the Contract Price by a reasonable amount to take into account extra costs incurred by NewNet in connection with the Variation plus an amount for overheads and its profit margin. NewNet may extend the time for the provision of the Services or Support Services reasonably necessary for it to carry out the Variation.

4.6 If the Purchaser requests a Variation that involves the omission of work valued at more than ten (10) per cent of the original Contract Price or seeks to cancel the Purchaser's order and such Variation is accepted in writing by NewNet, the Purchaser must compensate NewNet for all reasonable costs, expenses and losses incurred by NewNet including but not limited to any loss of profit or revenue. If the Purchaser has been offered a discount off the Contract Price for Support Services as a result of the Purchaser issuing an order for Support Services for a period longer than twelve (12) months, if the Purchaser subsequently cancels or fails to honor that order (including, for clarity, by failing to pay the amount due for each Support Services Renewal Term) during the period in which the order applies, the Purchaser must repay to NewNet on demand an amount equivalent to the discount applied to the Contract Price from the date of such order to the date of such cancellation or failure.

4.7 The Contract Price for Support Services may be increased by NewNet for each Support Services Renewal Term.

4.8 Subject to section 18, the initial term for the provision of Support Services shall commence from the date of installation of the Products in accordance with section 8 or section 10.2, as applicable, for a period of twelve (12) months ("**Initial Term**") and shall be automatically renewed for further twelve (12) month periods on the anniversary of the Initial Term unless the Purchaser gives thirty (30) days' prior written notice to terminate the Support Services with effect from the end of the Initial Term or the end of any Support Services Renewal Term. If the Purchaser requests that Support Services are reinstated following their termination, NewNet shall be entitled to charge an amount from the date of termination to the date of re-instatement of the Support Services ("**Break Period**") where such amount is calculated using the then-current annual Support Services price, pro-rated for the Break Period.

5 - QUANTITIES, PRICING AND PAYMENT

5.1 The prices, price validity and expected delivery quantities for Products, Services and Support Services as well as the terms of payment will be set out in the Agreement. Unless other payment terms have been accepted in writing by NewNet, NewNet may invoice the Purchaser for full payment for: (a) Products, 50% of the price due at the date of NewNet's acceptance of a purchase order in accordance with section 4.2 and 50% of the price due upon shipment pursuant to section 6.1; (b) Services, monthly when NewNet has provided the respective Service; (c) Support Services, annually from the commencement date of the Initial Term and thereafter thirty (30) days in advance of the date of each Support Services Renewal Term; and (d) Support Services for any Break Period and the annual payment due for the 12 month period thereafter upon NewNet's agreement to reinstate the Support Services. Unless previously revoked by written notification to the Purchaser, the Proposal is valid for the period stated in it or if no such period is stated for thirty (30) days from the date of the Proposal.

5.2 Unless otherwise specified in the Agreement, all prices are expressed and all payments shall be effected in United States Dollars.

5.3 All prices are expressed exclusive of any customs duties or levies, stamp duty, Goods and Services Tax and any value added, turnover, withholding or equivalent taxes levied on account of sales in or upon importation into the Territory. Such taxes shall be invoiced in addition to the price.

5.4 Payments shall be made to the bank account of NewNet specified in the invoice. All invoices shall be payable within 30 days from the date of NewNet's invoice by cleared funds to NewNet's account. NewNet may at its option assign any receivables without the prior written consent of the Purchaser.

5.5 If the Purchaser does not pay any amount due to NewNet, NewNet may at its option, in addition to any other rights it may have, a) charge interest on the overdue amount at the rate of 4% per annum in excess of the interest rate for the time being prescribed by LIBOR (3 month term) calculated from the date of invoice to the actual date of full and final payment; or b) in relation to any amount due for Support Services, charge an amount of 5% per month for the period that such amount remains overdue (such that 5% of the amount overdue will be applied for the first month, 10% for the second month and so forth). Any payment by the Purchaser shall be credited first against any interest so accrued and the balance of payment (if any) shall be applied in reduction of the outstanding balance of the Contract Price. If payment due to NewNet is delayed, NewNet may suspend its delivery of Products and/or supply of the Services and Support Services, or performance under any other contemporaneous Agreement between the Parties. Where the Support Services have been suspended, they will not be resumed until full payment of the charges for the Support Services together with interest payable in accordance with section 5.5(a) or (b) above have been received in full by NewNet.

5.6 NewNet reserves the right to: (a) require reasonable credit assurances and reasonable credit limits for purchases made by the Purchaser under the Agreement; and (b) suspend delivery of Products or Services or Support Services if any payment is overdue

and/or if the credit limit established has been exceeded and/or in the event of material adverse effect on the Purchaser's overall creditworthiness.

6 - TERMS OF DELIVERY, RISK AND TITLE

6.1 Delivery terms will be specified in the Agreement. If no other delivery term has been agreed, all deliveries of Products by NewNet shall be effected Free Carrier (FCA) at the location of first shipment when put into the possession of the carrier, in accordance with INCOTERMS 2000. Risk in the Products shall pass to the Purchaser in accordance with the delivery term and the Purchaser indemnifies NewNet against any loss or damage to the Product to the extent the loss or damage arises or is connected with handling, transport or use of the Products after the Purchaser has taken possession of the Product.

6.2 Subject to sections 15 and 16, title in Products passes to the Purchaser upon full payment of the price of the Products.

7 - TIME SCHEDULE AND DELAYS

7.1 The Parties will agree on the overall time schedule of the Agreement, indicating the relevant time periods and dates for delivery of the Products and any Services and Support Services. In the absence of express agreement, NewNet shall perform its obligations as promptly as reasonably possible. Both Parties expressly agree to adhere to the said time schedule.

7.2 In the event of delay in delivery of Products beyond the agreed delivery date for reasons solely attributable to NewNet breach of the Agreement, the Purchaser may be entitled to liquidated damages for delay (after a 1 week grace period) at the rate of 0.5 % of the price of the delayed Products per each full week of delay, up to an aggregate maximum of 5 % of such price.

7.3 The Parties agree that the liquidated damages do not constitute a penalty and are a reasonable and good faith pre-assessment of the damage that might be suffered by the Purchaser on account of delays in the delivery of Products and is Purchaser's sole remedy for any delay and that no other compensation shall be payable by NewNet to the Purchaser on account of delays.

7.4 NewNet shall not be liable for any delay or failure to supply the Products where such delay or failure is caused by reasons which are outside NewNet's reasonable control including without limitation delays caused by the Purchaser or its Personnel, or any third party, industrial disputes including strikes and lockouts, fires, import restrictions, war, riots, embargos, acts of God, breakdowns, mechanical failures, transport interruption, Force Majeure and power or other utility failures.

7.5 If a delay or failure occurs of the type set out in section 7.4, the times for completion of the Services and Support Services shall be extended for a reasonable period which is at least equal to the time lost due to the delay or failure. If any Services or Support Services are delayed or varied by any act or omission of the Purchaser or its Personnel, NewNet shall notify the Purchaser of any additional costs which may be incurred as a result of such delay or variation and the Purchaser shall pay NewNet those costs plus a margin for profit and overhead on demand.

8 - TESTING AND INSPECTION

The Purchaser shall inspect the Products within three (3) days of delivery and inform NewNet of any discrepancies immediately. At the earlier of the end of such period or 90 days from the date of shipment of the Products in

accordance with section 6.1, the Products shall be deemed to have been installed and the Purchaser shall be deemed to have accepted the Products unless it has previously notified NewNet to the contrary.

9 - WARRANTY

9.1 NewNet warrants that the Products (excluding software) will be new, unused (except for testing required under the Agreement) when delivered and, subject to the provisions of this Section 9, will function substantially in accordance with the applicable technical specification during the warranty period of 12 months ("HWWP") from the date of delivery or 15 months from the date of shipment, whichever is shorter. In the event that the Product is to be installed by NewNet (or its Affiliate) pursuant to the Agreement, the HWWP for the Product shall commence on the date of installation or such later date of (provisional) acceptance as may have been agreed upon in the Agreement; however, under no circumstances shall the warranty period commence later than 4 months from the date of delivery. Repaired or replaced units and subassemblies shall have a new warranty period of 3 months from date of delivery to the Purchaser or up to the end of the original warranty period, whichever is longer.

9.2 The Purchaser shall arrange, at its own cost, the return shipment of the defective part, subassembly or unit (if applicable) to the facility designated by NewNet, together with the appropriate documentation required for such shipment and return shipment. If a defect is determined by NewNet (in its sole discretion but acting reasonably) to be the responsibility of NewNet, then NewNet shall arrange return of the replacement or repaired part to Purchaser at NewNet's sole expense. The re-installation of the repaired or replacement part, subassembly or unit shall be performed by the Purchaser at its own cost.

9.3 NewNet undertakes to remedy errors and malfunctions discovered in software delivered by NewNet ("NewNet Software") during a period of ninety (90) days from the date when the NewNet Software is first loaded in the Purchaser's Products in accordance with the provisions below ("SWWP"). In the absence of any other date having been agreed upon in the Agreement (e.g. a (provisional) acceptance date) and documented in respect of loading the NewNet Software on the Purchaser's Products, NewNet Software shall be deemed to have been loaded on the date of delivery. Absence of errors in NewNet Software is not warranted.

9.4 NewNet Software does not include and this Section 9 does not apply to software in respect of equipment that NewNet purchases from third parties and delivers to the Purchaser in connection with or as part of the delivery of Products, which will be governed solely by the rectification undertakings and/or warranties given by such third parties.

9.5 During each respective warranty period under this section 9, the Purchaser must carry out the necessary work to identify and locate the defect at its cost. The Purchaser must notify NewNet in writing of each defect discovered in the Products promptly upon its occurrence but in any event not later than 10 calendar days after it is discovered. The Purchaser must promptly provide any additional information concerning the defect and its occurrence that NewNet may reasonably request.

9.6 As the first remedial measure in case of a performance-affecting problem in NewNet Software (in respect of which an update or new version has previously been provided to the Purchaser), the Purchaser shall reload the most recent software update or version to restore performance.

9.7 For severe performance-affecting errors or malfunctions in the NewNet Software (which includes problems significantly affecting traffic or

substantially affecting the operation and control of the Products) during the SWWP NewNet shall promptly upon receipt of notice from the Purchaser take corrective action to restore satisfactory product performance. Such corrective action may initially include temporary patch changes followed by further modification of the NewNet Software so as to achieve removal of such material errors or malfunctions. Other (minor) software problems in NewNet Software shall from time to time be rectified in successive updates made available by NewNet subject to the terms and conditions of a separate technical support agreement.

9.8 Notwithstanding the aforesaid, errors occurring during the SWWP in that part of NewNet Software that is embedded on PROMs or other devices which are not readily reprogrammable shall be rectified through the repair or replacement of the applicable hardware module in the same manner as hardware warranty repairs are effected.

9.9 The warranties of NewNet under this Section 9 are valid on condition that: (a) the Purchaser has acted fully in conformity with the provisions of this Section 9; (b) the Products (inclusive of NewNet Software) have been transported, stored, installed and operated fully in accordance with the instructions and specifications of NewNet; (c) the Products (inclusive of NewNet Software) have not been modified or repaired by any unauthorized party or using any unauthorized parts, subassemblies or software without the prior written consent of NewNet; and (d) the NewNet Software has not been used with any freely available software not supplied by NewNet.

9.10 The warranties of NewNet under this Section 9 do not cover: (a) consumable, perishable or wearing parts, such as lamps, fuses and batteries; (b) any defects arising out of or in connection with any improper handling or use or by external reasons, such as (but not limited to) excessive physical force, water or humidity and other detrimental environmental or operating conditions beyond the limits specified for each Product; (c) electromagnetic interference or malfunctions of interconnected equipment; or (d) damage to property or equipment other than the Product itself.

9.11 Subject to Section 12.4, the warranties in these General Terms are the Purchaser's sole remedy and expressly in lieu of all other conditions and warranties, express, implied, or statutory, including without limitation any implied warranty of merchantability or of fitness and all other obligations and liabilities of NewNet or its Affiliates, each of which are hereby disclaimed, with respect to any defect or deficiency applicable to or resulting directly or indirectly from, the Products, Services and Support Services supplied hereunder, whether in contract, tort (including negligence), equity or otherwise.

9.12 NewNet may subsequently decide to ramp down the production of Products, extensions, spare parts (or compatible replacement parts) for Products, or cease their repair services. NewNet shall use its reasonable efforts to notify the Purchaser of such decision. Upon such decision, Products, extensions, spare parts (or compatible replacement parts) for and hardware repair services are available for a period of 6 months from the date of the notification. In the absence of a notification, extensions and spare parts (or compatible replacement parts) for a Network Element are deemed to be available for the time periods above but counted from the date of delivery. All orders must be issued by the Purchaser prior to the

10 - TRAINING AND INSTALLATION

10.1 In the event of installation by the Purchaser, NewNet may provide technical assistance on the terms and for the charges set out in the Agreement. This assistance does not affect the acceptance of the Products which will be in accordance with section 8.

10.2 If the Services scope includes the installation of Products by NewNet or its Affiliate at the agreed Purchaser's address upon terms and charges set out in the Agreement then such installation is deemed complete upon the earlier of successful execution of NewNet' acceptance tests agreed in the Agreement or 90 days from the date of delivery of the Products in accordance with section 6.1.

10.3 Products that are put to operational or commercial use by the Purchaser are deemed accepted regardless of whether such Products have been tested in accordance with the acceptance procedures or not and regardless of the results of any such tests. A certificate of acceptance shall, in these cases be issued accordingly by NewNet and it may invoice for the relevant Products in accordance with the Agreement.

10.4 The Purchaser must obtain all governmental consents, permits, approvals and licenses necessary for the timely delivery, installation, testing, commissioning and operation of the Products.

10.5 The Purchaser is responsible for the preparation of a safe and suitable site for installation in accordance with NewNet site requirements or for a suitable site for delivery. Additional charges may be imposed if NewNet is impeded from accessing any site due to reasons attributable to the Purchaser or that are outside NewNet's reasonable control. Use of the sites and all such facilities must be provided to NewNet for the performance of its obligations under the Agreement free of charge to NewNet. NewNet must have free access to all sites at all times (including overtime, weekends and national holidays).

10.6 In respect of agreed Services and Support Services, all times specified for provision of them shall be calculated from the later of: (a) the date that NewNet accepts the Purchaser's order; (b) the date that NewNet is given all information required under section 10.4; and (c) the date that the Purchaser complies with section 10.5.

10.8 Any delivery, installation or completion date or period offered is a bona fide estimate only. Performance of Services and Support Services may be dependant on inputs from the Purchaser that may be set out in a share of responsibilities or time schedule document, which identify the relevant time periods and dates for the start and finalisation of the Services or Support Services and the dependencies. Both Parties expressly agree to adhere to any share of responsibilities or time schedule.

10.9 Unless otherwise agreed in writing, NewNet's Services will be provided during NewNet's normal working hours, which are determined by the relevant employment award regulations in force from time to time for the particular location where NewNet's Personnel are engaged.

11 - FORCE MAJEURE

11.1 Neither party shall be liable to the other for any delay or non-performance caused by any event of Force Majeure.

11.2 Each party shall promptly inform in writing the other party of any event of Force Majeure, its expected duration and cessation, respectively.

11.3 If an event of Force Majeure continues for a period of three (3) months, then either Party may immediately terminate the Agreement and the Purchaser must pay for all Products, Services and Support Services provided to the Purchaser to the date of that termination and otherwise neither Party will incur any liability to the other Party as a result of termination pursuant to this section 11.3 but subject to section 18.5.

12 - LIABILITY

12.1 Except as otherwise specified in section 12.2, the total, aggregate liability of NewNet in respect of any Product or Service supplied or agreed to be supplied pursuant to, or otherwise in connection with, any Agreement including under any indemnification obligation, is limited to 100% of the Contract Price paid in the twelve (12) month period immediately preceding the date on which such liability arose per event and 100% of the Contract Price in the aggregate.

12.2 Each Party indemnifies the other Party for any and all liability arising from any accident or injury to any person or property of any third party occurring in connection with the negligent errors, negligent omissions or other negligent actions of that Party or its employees, servants and agents and those of its subcontractors engaged in the activities connected with the Agreement.

12.3 Notwithstanding any other provision of the Agreement or these General Terms: (a) neither Party is liable for any special, indirect, consequential or incidental damages, lost profits, lost opportunities, lost revenues or damages or loss of use arising under or in connection with the Agreement and these General Terms whether the liability claim is based in contract, tort, negligence, equity, under statute or on any other legal basis; and (b) NewNet's liability for breach of warranty or otherwise is strictly limited to, in NewNet's discretion, repair or replacement of the non-conforming goods or parts in accordance with these General Terms or the repayment of amounts paid for them.

12.4 Where any applicable legislation prohibits limits or renders void the exclusion, limitation or modification of any implied warranty, condition, undertaking, representation or term ("Implied Term") then that Implied Term is not excluded, limited or varied by any other provision of this Agreement to the extent of the prohibition.

13 - GOVERNMENT REGULATIONS

13.1 Each Party agrees not to export or re-export, as the case may be, any Products to any country without obtaining any licenses and permits that may be required under any applicable legislation. The Purchaser must not resell any Products.

13.2 If any new or increased (when compared to the duties and taxes applicable as at the date of the Agreement) duties or indirect or withholding taxes (i.e. taxes other than income tax) are levied by the government of the Territory on the importation, sale or use of the Products or on the performance of any Services or Support Services, then such new or increased duties or taxes shall be to the account of the Purchaser.

14 - CONFIDENTIALITY

14.1 Each Party ("**Receiving Party**" for the purposes of this Section 14) shall not disclose to third parties nor use for any purpose other than for the proper fulfilment of the purpose of the Agreement any technical or commercial information ("**Information**") received from the other Party ("**Disclosing Party**") in whatever form under or in connection with the Agreement without the prior written permission of the Disclosing Party except Information which was in the possession of the Receiving Party prior to disclosure and not subject to any obligation of confidentiality; or was

in the public domain at the time of disclosure or later became part of the public domain without breach of the confidentiality obligations in this Agreement; or was disclosed by a third party without breach of any obligation of confidentiality owed to the Disclosing Party; or was independently developed by personnel of the Receiving Party having no access to the Information.

14.2 Affiliates of a Party engaged in the performance of work under the Agreement shall not be deemed to be third parties for the purposes of this Section 14 on condition that the respective Party ensures full compliance by such Affiliates of all of the provisions of this Section 14.

14.3 Each Party must limit access to Information to those of its Personnel for whom such access is reasonably necessary for the proper performance of work under the Agreement and obtain written undertakings of confidentiality from them (which may already be covered by existing contracts).

14.4 The provisions of this Section 14 shall bind the Parties for a period of 3 (three) years from the date of signing of the Agreement (or confirmation of order by NewNet) or, in respect of every item of Information later disclosed, a period of 2 (two) years from disclosure, whichever period is longer regardless of any earlier termination, cancellation or completion of the Agreement.

15 - INTELLECTUAL PROPERTY RIGHTS

15.1 Ownership of the copyright in all drawings, specifications, manuals, documents, data, and software provided by one Party to the other under or in connection with the Agreement shall remain with the Party first referred to above but the receiving Party shall be deemed to have a non-exclusive, royalty-free right to use (without prejudice to the software fees specified in the Agreement or in NewNet' tender) such copyright for the performance of its obligations under the Agreement as well as for the operation and use of the Products in the Territory. Such license shall not include any right to grant sublicenses. Unauthorized copying shall be strictly prohibited provided that the Purchaser may make one back-up copy of each user-loadable programme and related updates or revisions in order to replace an authorised existing copy. The Purchaser will not otherwise copy, translate, modify, adapt, decompile, disassemble or reverse engineer the NewNet Software, unless otherwise ruled by the mandatory provisions of law.

15.2 Subject to the conditions and limitations set out below, NewNet undertakes to indemnify the Purchaser for any cost, loss or damage finally awarded by a competent court in the applicable jurisdiction or by NewNet approved settlement amounts arising out of infringement of patents, copyrights or registered designs of third parties by NewNet in the Products, provided that:

(a) in case of any claim of infringement, the Purchaser shall immediately notify NewNet and afford NewNet with every possibility to, at NewNet' option (and at no cost to the Purchaser) to modify the Products so as to make it non-infringing, to obtain a license from the owner of the right that is alleged to be infringed by Products and/or to defend itself against the claim of infringement or in the event none of the above is commercially reasonable then NewNet shall have the right to pay back the amounts paid by the Purchaser for the infringing Products; and

(b) the foregoing shall not apply in cases where (and to the extent that) the claim for infringement is based on any unauthorized modification of the Products, combination of

the NewNet Software with other equipment (whether hardware or software) not supplied by NewNet, use of Products for purposes other than that they were designed for or in conjunction with other equipment not supplied by NewNet or if the infringement results from compliance by NewNet with any part of the specification that is a mandatory requirement of the Purchaser and which is not commercially and/or technically reasonably capable of being complied with without infringement of the intellectual property right on which the third party has based its claim; and

(c) to the extent that a third party makes a claim of infringement against NewNet based on the exceptions specified in the foregoing subparagraph (b) above, the Purchaser shall indemnify NewNet in respect of any cost, loss or damage arising out of such action, subject to the same conditions (mutatis mutandis) as are specified in subparagraph 15.2(a) above.

16 - SOFTWARE LICENSE TERMS

16.1 The Purchaser is granted a license to use the software, which is part of the NewNet Products on the terms, and conditions set out in this section 16.

16.2 NewNet Software means for the purpose of this Section 16 software developed or acquired by NewNet and delivered to the Purchaser of NewNet Products and includes (i) the machine-executable object code version of the user-loadable programs of the NewNet Products; (ii) the microcode (firmware) embedded in the NewNet Products; (iii) all related user documentation; (iv) any update or revision of these programs or the microcode delivered to the Purchaser under the Agreement (as hereinafter defined) or any related care agreement, regardless of the form in which the Software is delivered (e.g. separate physical media, on-line); and (v) any copy of these items.

16.3 NewNet Software does not include and these Software License Terms do not apply to software in respect of equipment that NewNet purchases from third parties and delivers to the Purchaser in connection with or as part of the delivery of NewNet Products, provided that NewNet separately informs the Purchaser of such licenses and of the terms and conditions applicable thereto. In the event and to the extent that NewNet does not so separately inform the Purchaser, these Software license terms shall also apply to software in respect of third party equipment.

16.4 The Purchaser is hereby granted a non-transferable and non-exclusive license to use NewNet Software exclusively on the NewNet Products for which the NewNet Software is supplied. The license does not extend any rights to the Purchaser in respect of the source code of the NewNet Software and is without prejudice to any license fees provided for in the Agreement.

16.5 In the absence of a specification in the Agreement of the applications or the number of network elements that the license is granted for, the license shall be strictly limited to applications and number of network elements (NewNet Products) for which the NewNet Software is initially delivered.

16.6 The Purchaser may use the NewNet Software only on the NewNet Products and in its own internal business operations. The Purchaser may not use the NewNet Software or any by NewNet supplied third party software with freely available software of any kind. The Purchaser will not permit any other person to use the NewNet Software, except such use as is necessarily afforded to subscribers of the network system of which the NewNet Products forms a part. The Purchaser will not rent the

NewNet Software or make it available on a time-sharing basis. The Purchaser may make a reasonable number of back-up copies of each user-loadable program and any related update or revision in order to replace an authorised existing copy. The Purchaser will reproduce all confidentiality and proprietary notices on each of these copies. Except to the extent permitted by applicable mandatory law, the Purchaser may not otherwise copy, translate, modify, adapt, decompile, disassemble or reverse engineer the NewNet Software.

16.7 Title to the NewNet Software and all patents, copyrights, design rights, trade secrets and other proprietary rights in or related to the NewNet Software are and will remain the exclusive property of NewNet and its licensors, whether or not specifically recognized or perfected under the laws of the country where the NewNet Software is located. The Purchaser will not take any action that jeopardizes such proprietary rights or acquire any right in the NewNet Software, except the limited use rights specified in these Software License Terms. NewNet (and its licensors) will own all rights in any copy, translation, modification, adaptation or derivation of the NewNet Software, including any improvement or development thereof.

16.8 Subject to section 18, the initial term of the Software license granted under this section 16 shall commence from the date of acceptance of the end user license agreement (EULA) relating to the Software for a period of twelve (12) months ("**Software License Initial Term**"). The Software license may be renewed for further twelve (12) month periods within a maximum of fifteen (15) days of the anniversary of the Software License Initial Term by the Purchaser issuing a renewal purchase order that is accepted by NewNet in accordance with provisions of sections 4.1 and 4.2. Failure by the Purchaser to issue a purchase order renewal as set out in this section 16.8 may, in NewNet's sole discretion, result in the Software license being terminated or the features and functionality of the Software being limited or restricted.

17 ENVIRONMENT, HEALTH AND SAFETY

17.1 Purchaser assumes full responsibility and cost for the health and safety of its network operations, including maintenance of equipment and sites, and for the proper removal, control, collection, recycling, disposal, and reporting of its network equipment and utilities at the equipment's end of life (regardless of whether such equipment was purchased under, before or outside of this Agreement) according to sound environmental principles including, if applicable, any such requirements in local legislation. If such local legislation specifies that such end of life obligations, including financing, may be allocated either to the end user or producer depending on the contractual agreement of the parties, this section should be interpreted as contractually allocating that responsibility to Buyer. NewNet reserves the right to impose reasonable audit, indemnity and/or financial assurance requirements to ensure Purchaser's continuing capacity to perform this obligation. This provision survives termination or expiration of the Agreement.

17.2 Where equipment is replaced, relocated or recycled, it is understood that Purchaser's responsibility for end of life disposal remains the same as described above, unless one of the following circumstances apply: (a) the Parties have expressly agreed to different terms for a particular replacement or exchange project in the Purchaser's network and the items to be removed have been listed and mutually agreed; (b) Purchaser has purchased NewNet' standard hardware swap/repair service under the care agreement (Technical Support Agreement) (and in such case, only the network equipment and spare parts covered in that swap/repair service and which become the responsibility of NewNet for disposal are exempted from the above allocation of

responsibilities); or (c) NewNet has an obligation under the warranty provisions of this Agreement to repair or replace a particular defective part or product in the Purchaser's network (in which case NewNet assumes responsibility for disposal of the defective part or product in question, pursuant to the terms of the relevant warranty provisions of this Agreement and nothing in this provision is intended to modify or waive NewNet' warranty obligations under this Agreement). For avoidance of doubt, it is acknowledged that replacements or exchanges of equivalent products may trigger obligations for disposal of so-called historical waste under relevant environmental take back legislation (for example, Section 9 of the European Union Directive on Waste Electrical & Electronic Equipment of February 13, 2003) – it is understood that this obligation for disposal of historical waste is intended to remain with the Purchaser under this Agreement, unless one of the three exceptions above apply.

17.3 In addition, no network equipment should be sold or transferred to third parties by Purchaser unless in compliance with the terms of the applicable software license and unless Purchaser has ensured that the obligation to remove, control, collection, recycle and dispose of such equipment in accordance with applicable law and sound environmental principles has been assumed by such third party or remains with the Buyer. Purchaser indemnifies NewNet for any failure to comply with this obligation. This provision survives termination or expiration of the Agreement.

18 - TERMINATION

18.1 NewNet may immediately suspend its performance of or terminate the Agreement by notice to the Purchaser if:

(a) the Purchaser materially breaches any term of the Agreement (which includes, without limit, the failure to pay any money when due) and fails to remedy that breach within 14 Business Days of receipt of the notice requesting the Purchaser to do so; or

(b) the Purchaser:

(i) stops or suspends or threatens to stop or suspend, payment of all or any class of its debts; or

(ii) is, or states that it is, or under applicable legislation is taken to be, unable to pay its debts as and when they fall due; or

(iii) takes or has properly and validly instituted against it any order, action or proceeding for its winding up or dissolution or resolves to wind itself up or otherwise dissolve itself; or

(c) enters into an arrangement, compromise or composition with or assignment for the benefit of any of its creditors; or

(d) has an administrator, controller, receiver, receiver and manager, liquidator, provisional liquidator or similar officer appointed over any of its assets; or

(e) being an individual, dies or commits an act of bankruptcy or makes a compromise or composition with or assignment of the Purchaser's property in favour of creditors.

18.2 NewNet may terminate the Services or Support Services at any time on thirty (30) days' written notice.

18.3 If NewNet suspends or terminates the Agreement under section 18.1 or 18.2, payment for all Products, Services and Support Services provided by NewNet up to the date of such suspension or termination shall immediately become due and payable,

despite any credit arrangements or facilities previously granted to the Purchaser. NewNet may also retain any security given or monies paid by the Purchaser and apply this against the assessed loss and damages incurred by NewNet in performance of the Agreement.

18.4 Any action taken by NewNet under this section shall not invalidate the Agreement or prejudice any of the rights, powers and remedies of NewNet, whether under the Agreement or otherwise.

18.5 Any termination of the Agreement (howsoever occasioned) is without prejudice to any other rights or remedies a party may be entitled to hereunder and will not affect any accrued rights or liabilities of either party.

19 - APPLICABLE LAW, JURISDICTION AND DISPUTES

19.1 All Agreements shall be governed by the laws of the State of Delaware, United States of America without regard to its choice of law provisions. The Parties hereby agree to only submit to the exclusive jurisdiction of the courts located in Delaware, United States of America.

19.2 If any dispute or difference occurs between the Parties arising out of or in connection with the Agreement ("**Dispute**"), either Party may give written notice of that Dispute to the other Party, giving details of the subject matter of the Dispute ("**Notice of Dispute**").

19.3 Upon the giving of a Notice of Dispute, the following applies:

(a) The Dispute must be submitted for negotiation by the respective Chief Executive Officers of the Parties or their respective nominees;

(b) If within twenty-one (21) days of the giving of the Notice of Dispute, the Dispute has not been resolved, the Dispute may be referred by either Party to the courts located in Delaware, United States of America in accordance with section 19.1. section

19.4 Notwithstanding section 19.2, each Party is entitled to seek necessary immediate and appropriate injunctive relief in relation to any breach of or non-compliance with section 14 or section 15 section.

20 - MISCELLANEOUS

20.1 No failure or delay of either Party in exercising its rights under this Agreement is deemed to be a waiver of its rights unless expressly made in writing by the Party waiving its rights.

20.2 (a) All notices given by a Party pursuant to the Agreement must be in writing and must be delivered by prepaid post, by hand or by facsimile to the last known address of the other Party.

(b) A notice is deemed given:

(i) if by hand, when delivered; or

(ii) if by post, two (2) Business Days after the date of posting (if posted to an address in the same country) or seven (7) Business Days after the date of posting (if posted to an address in another country).

(c) If a notice is deemed given under this section 20.2 on a day which is not a Business Day in the place which the notice is received, or is deemed to be received after 4.00 pm in that place, the notice will be deemed to be given on the next Business Day in that place.

20.3 If any provision in these terms shall be found or held to be void, the validity of the remaining provisions shall not be affected

thereby. The replacing provision and any other required modification shall be subject to new negotiations between the Parties.

20.4 Neither Party may assign or transfer the Agreement to any third party, without the prior written consent of the other Party except that NewNet has the right to: (a) assign or novate all or part of the Agreement to any Affiliate of NewNet without the prior consent or approval of the Purchaser; and (b) nominate in the Agreement or a separate nomination form a NewNet Affiliate to perform various portions of the scope of the Agreement, which nomination creates a separate binding agreement on the same terms as these General Terms and the relevant portions of the Agreement (modified as applicable) between that Affiliate and the Purchaser in respect of the obligations and liabilities assumed by that Affiliate and the Purchaser and the Purchaser releases NewNet from any such obligation and liability under the Agreement; and (c) use reliable sub-suppliers and subcontractors in the performance of its obligations under the Agreement and NewNet shall be fully responsible towards the Purchaser for the supply of such sub-suppliers and subcontractors.

20.5 The relationship between NewNet and the Purchaser during the term hereof shall be solely that of vendor and vendee; the Purchaser, its agents, employees, representatives or affiliates shall under no circumstances be deemed agents or representatives of NewNet, and the Purchaser and said agents, employees, representatives or affiliates shall have no right to enter into any contracts or commitments in the name of or on behalf of NewNet or to bind NewNet in any respect whatsoever.

20.6 In carrying out its respective obligations under the Agreement, each Party agrees to comply with all applicable laws and regulations of the Territory and of any other applicable country, including any country of export. Each Party agrees not to pay, promise to pay, or authorize the payment of any money or anything of value, whether directly or indirectly, to any person (whether a government official or private individual) for the purpose of illegally or improperly inducing any foreign official or any foreign political party or official thereof to make an award decision or illegally or improperly to assist either Party in obtaining or retaining business, or to take any other action favorable to either Party in connection with the award of a license. Any Party that fails to comply with this section 20.6 must indemnify the other Party from and against any claim, loss, damage, liability, expense, cost, of whatsoever nature arising out of or related to, or connected with the Party's failure to comply.

20.7 Any product roadmaps provided to Purchaser in connection with the Agreement are indicative only. Any information referred to in a roadmap is not intended to imply a binding commitment. The roadmaps represent reasonable time and feature estimates, based on NewNet's current internal plans for the development and supply of these products for commercial use, and also upon NewNet's current understanding of existing standards, technologies and market situations. These roadmaps may therefore change in the future. Final product deployments may include different features and different timelines. 20.8 No action, regardless of form, arising under or relating to the Agreement, may be brought by the Purchaser more than one year after the cause of action has accrued, except that an action for non-payment may be brought by a Party not later than one year following the date of the last payment due to such Party. Notwithstanding the foregoing, no action other than for non-payment can be brought more than one year after the date of delivery of the Service(s) and/or Product(s) that give rise to the action.

20.9 The United Nations Convention on Contracts for the International Sale of Goods does not apply to the Agreement.

20.10 In these General Terms, unless otherwise indicated by the context:

(a) the following defined terms will apply:

Affiliate of a party means: an entity which is directly or indirectly controlling such party; which is under the same direct or indirect ownership or control as such party; or which is directly or indirectly owned or controlled by such party. For these purposes, an entity shall be treated as being controlled by another if that other entity has fifty percent (50%) or more of the votes in such entity, is able to direct its affairs and/or to control the composition of its board of directors or equivalent body;

Business Day means any day that is not recognized as a weekend in the Territory (inclusive), excluding public holidays in the Territory in which the Products, Services and Support Services are delivered;

Contract Price means the amount payable by the Purchaser to NewNet for the Products, Services and Support Services as specified in the Agreement as may be varied in accordance with the Agreement; and

Force Majeure means any event beyond the reasonable control of the affected party, including but not limited to the following events: war, riot, civil unrest, action and inaction of government, strike, lock-out or other labour dispute, fire, accident, transport damage, export restrictions, cessation or suspension or severe restrictions on national or international transport, general shortages of components, materials or utilities, natural disasters and exceptional weather conditions;

Personnel of a Party means that Party's officers, employees, contractors and agents;

Support Services Renewal Term means each twelve (12) month period following the Initial Term during which Support Services are provided in accordance with section 4.7;

Variation means any change (including an increase, decrease or omission) to the Services or Support Services or any change to the character or quality of the Services or Support Services;

(b) a reference to the Agreement, these General Terms or any other document includes any variation or replacement of them;

(c) a reference to a statute includes regulations under it and consolidations, amendments, re-enactments or replacements of any of them; and

(d) No amendment or variation of this Agreement are valid or binding unless made in writing and signed by both Parties.

****END OF DOCUMENT****