Standard Terms & Conditions of Sovereign Telecom Freephone Service

1. Provision of Telecommunications Service

1.1 Sovereign Telecom (UK) Limited (STL) undertakes to provide and the customer undertakes to use the service(s) indicated overleaf on the terms set out in this agreement.

1.2 STL will be free to contract for such telecommunications services and facilities from any licenced operator(s) as it may consider necessary in order to enable it to provide the service(s). STL will be solely responsible for paying all agreed relevant charges in connection with such services.

2. Duration

2.1 The term of the agreement shall be twelve months and shall commence from the date of acceptance by STL and continue thereafter unless terminated by either party giving the other not less than 30 days written notice to expire at the end of the term of agreement or at the end of any subsequent month.

2.2 The customer may terminate this agreement prior to the expiry of the term of the agreement subject to the provisions of condition 5.5

3. Charges and Payments

3.1 Prices relating to the service(s) shall be as stated overleaf.

3.2 The prices shall not be increased during the term of agreement after which time they may be subject to change upon STL giving not less than 30 days prior written notice to the customer.

3.3 The customer shall be invoiced monthly by STL for all charges under this agreement plus VAT. Payment is due within 14 days of the invoice date. The time of payment of all sums due to STL under this agreement shall be the essence of this agreement. If payment in full is not received by STL or assigns by the due date STL shall be entitled to charge interest on the outstanding amounts at a rate of 2% per month until payment is made.

3.4 All application charges payable under this agreement shall be calculated by reference to data recorded or logged by STL and/or associates and not by reference to data recorded or logged by the customer. Invoices will be presented in STL standard format unless otherwise agreed.

3.5 All sums referred to in this agreement are exclusive of VAT and any other taxes of a similar nature that may from time to time be introduced.

4 Use of the Service

4.1 The customer undertakes to use the service(s) in accordance with such conditions as may be notified in writing by STL from time to time and also in accordance with terms and conditions specified by licenced operators or suppliers contracted with STL.

5 Termination

5.1 Without prejudice to their other rights under this agreement either party has the right to terminate this agreement forthwith in the event that the other party is in breach of a material term of this agreement and fails to remedy that breach within 14 days of written notice to do so.

5.2 Without prejudice to its other rights, STL shall have the right forthwith to terminate this agreement by notice in writing to the customer in the event that:

5.2.1 The customer fails to make a payment when it becomes due to STL; or

5.2.2 Any licence or agreement necessary for STL to provide the service(s) expires or is cancelled or revoked or is otherwise modified so as to frustrate the purpose of this agreement in which event STL shall give the customer the maximum notice of termination practicable in the circumstances; or

5.2.3 A licence under which the customer has the right to operate its telecommunications system is revoked, amended or otherwise ceases to be valid.

5.3 In the event of termination by STL under conditions 5.1.or 5.2.1, STL shall be entitled to recover from the customer all costs, losses and expenses incurred by STL including but not limited to the cost of removing the service(s).

5.4 Sections 6 and 9 of this agreement shall survive its termination for any reason whatsoever.

5.5 STL will at the customer's request agree to terminate this agreement prior to the expiry of the term of agreement upon being given 30 days prior written notice by the customer. This is conditional upon the customer paying any outstanding STL invoices for service(s) supplied and covering any periods up to the agreed date of termination.

6. Limitation of Liability

6.1 In the event that STL service(s) fail to operate and the customer diverts traffic to another carrier, STL will not be responsible for that carriers charges.

6.2 STL shall not be liable to the customer under this agreement in contract, in tort or otherwise including liability for negligence, for any loss of revenue, business contracts, anticipated savings, profits or any other indirect or consequential loss whatsoever.

6.3 STL's liability in contract or tort or otherwise including any liability for negligence howsoever arising out of or in connection with the performance of STL's obligations under this agreement shall be limited to an amount no greater than the charges paid by the customer to STL for the period of 6 (six) months prior to the relevant incident(s) from which such liability arose took place.

6.4 The customer agrees that STL shall have no liability whatsoever for the acts faults or omissions of licenced operators or other suppliers contracted with STL however caused but not limited to negligence.

6.5 Neither party shall be liable to the other for any loss or damage which may be suffered by the other party due to any cause beyond the first party's reasonable control including without limitation any act of God, inclement weather, failure or shortage of power supplies, flood, drought, lightening or fire, strike, lock-out, trade dispute or labour disturbance, any act of omission of Government, highways authorities, other public telecommunications operators or other competent authority, production or supply of services by a third party.

7. Suspension of Service

7.1 STL may at its sole discretion upon giving the customer 14 days written notice elect to suspend forthwith provision of the service(s) until further notice without compensation in the event that:

7.1.1 The customer is in breach of a material term of this agreement.

7.1.2 STL is obliged to comply with an order, instruction or request of the Government, an emergency service organisation or other competent administrative authority.

7.1.3 Any licence or agreement necessary for STL to provide the service(s) expires is suspended, cancelled or revoked.

8. Provision of Freephone Service(s)

8.1 The customer agrees that STL shall have no liability if a person making a call to their Freephone number is charged by the caller's service provider for the call. (e.g. Mobile operators may charge the caller for the conveyancing of calls to Freephone numbers) or that the exchange line provider will convey that call to the STL utilised network.

8.2 STL reserve the right to alter allocated numbers in compliance with the UK or other country numbering plans or to avoid a breach of the licence under which they operate. In the unlikely event of this occurring, STL will make its best endeavours to mitigate the effect(s) and promptly issue alternative number(s). STL shall not be liable to the customer for any consequential loss or effect.

9. General

9.1 This agreement may not be assigned in whole or in part by the customer without prior written consent of STL such consent not to be unreasonably withheld.

9.2 This agreement contains the entire understanding of the parties to the exclusion of any and all prior agreement or understanding whether oral or written and may only be amended by agreement in writing by the duly authorised representatives of the parties.

9.3 This agreement may not be altered, supplemented or amended or any covenant herein or default hereunder waived except as provided herein or upon execution and delivery of a written agreement signed by both parties.

9.4 Except as expressly provided herein this agreement does not constitute either party as agent or legal representative of the other party and does not create a partnership or joint venture between STL and the customer. This agreement confers no rights upon a third party.

9.5 Any notice, invoice or other document which may be given by STL under this agreement shall be deemed to have been duly given if left at or sent by post to an address notified to STL in writing by the customer as an address to which notices, invoices or other documents may be sent, or the customer's last usual known place of abode or business, or if the customer is a limited company, its registered office.

9.6 Failure by either party to exercise or enforce any right conferred by this agreement shall not be deemed to be a waiver of any such right nor operate so as to bar the exercise or enforcement of that right thereof or of any right on any occasion.

9.7 STL's address for service of any notice hereunder shall be such address as appears on the last invoice rendered to the customer or such address as may be prescribed by STL for that purpose.

9.8 This agreement shall be governed by and construed and interpreted in accordance with English law and the parties hereby submit to the exclusive jurisdiction of the English courts.