TELEPHONE SERVICES AGREEMENT

THIS AGREEMENT is dated _____ BETWEEN:-

(1) Sovereign Telecom (UK) Limited having its office at PO Box 568 Weston-super-Mare BS23 9HJ ("Sovereign", "we" or like expressions); and

(2) _____ of _____

_____
(the "Information Provider", "you" or like expressions).

WHEREAS:-

(A) Through our relations with telephone network operators and through our bureau resources we are able to offer you bureau facilities and/or network services.
(B) You are an information provider who needs to use bureau and/or network services in order to provide your services.
(C) In order to provide your services you have asked us and we have agreed to provide certain bureau and/or network services on the terms and conditions set out below.

IT IS AGREED as follows:-

1. Interpretation

1.1 The following provisions shall have effect for the interpretation of this Agreement, unless the context otherwise requires.

1.2 The following words, expression and abbreviations shall have the following meanings:-

"Code"	any Code of Practice relevant to the Services issued by PhonepayPlus (formerly ICSTIS), as amended or replaced from time to time;
"Force Majeure"	any cause set out in Clause 6 of this Agreement;
"Holding Company"	shall have the meaning ascribed thereto in sections 736 and 736A of the Companies Act 1985;
"PhonepayPlus"	PhonepayPlus or any other independent body approved for the purpose of the supervision of standards of telephone information services recognised by the Director General of Telecommunications (or his representative) as the appropriate body to administer and apply the Code;
"Intellectual Property Rights"	any patent, registered design, registered trade or service mark, copyright, design right, semi-conductor topography right, know-how or any similar right exercisable in any part of the world, including any application therefore;
"Network"	any public switched telecommunications system over which calls to the Services are conveyed;
"Network Operator"	means the public telecommunications operator(s) includes any relevant Holding Company over whose Network calls to the

	Services will be conveyed;
"Network Services"	the services more specifically described in Clause 2.1;
"Numbers"	the numbers set out in Clause 2.1 or such other numbers as we shall notify you to use from time to time;
"Rates"	the rates specified in Clause 2.1 or such other rates as we shall notify you from time to time; and
"Services"	a service more specifically described in Clause 2.1.

1.3 Reference to either of us includes our respective permitted assignees and/or, in case of individuals, the successors in title to our respective estates and personal representatives and/or, in the case of other persons, the successors in title to substantially the whole of our respective undertakings.

1.4 References to persons shall include bodies corporate and unincorporated associations, partnerships and individuals. References to the singular shall include the plural and vice-versa. References to the masculine, feminine or neuter shall include references to each or all of such genders.

1.5 Headings are for information only and shall not form part of the operative provisions of this Agreement and shall be ignored in construing the same.

2. Our Duties

2.1 We will provide the following Network Services and Telephone Numbers at the following Rates to enable you to provide the Services to callers on the terms and conditions of this Agreement:-

(A) Network Services: Delivery of calls to _____

(B) Numbers: _____

(C) Services: _____

(D) Rates: _____

2.2 We shall make available suitable equipment for connection to the network if appropriate for the purpose of providing the service. The equipment will be maintained in good working order.

2.3 We will make arrangements for the content of the services to be updated on the equipment as required by you during normal working hours, or by special arrangement outside these hours.

2.4 We agree to maintain the confidentiality of the content of the service and we acknowledge that you retain the intellectual property rights to the content of your information.

2.5 We agree to make your services available only on the telephone numbers allocated to you.

2.6 The telephone numbers allocated to you under this agreement are for your exclusive use during the term of this agreement. Additional telephone numbers allocated to you during the term of this agreement will be subject to the same terms and conditions of this agreement

2.7 In the event of a breakdown of the equipment or associated systems, we will take all reasonable steps to bring the equipment and service back into working order as soon as possible. You will not be entitled to damages or compensation for expense or loss of profit or revenue or any consequential loss or otherwise in the event of such breakdown.

2.8 We do not warrant that the Network Services are or shall be continuous or that they are, or will be, free from faults.

2.9 We agree that we will not change the audio content of your services without prior agreement with yourselves.

2.10 We agree that we will not use or allow to be used any audio content of your services on any numbers that are not allocated to you.

3. Your Duties

3.1 You will promote the Services to callers using the Bureau and Network Services and Numbers.
3.2 You will be responsible for the quality of the content of the Services, and shall comply with the relevant provisions of statute, the Code and this Agreement.
3.3 You will obtain and comply with all the necessary approvals, permissions or authorisations for use of the Numbers. You will neither have nor acquire any right, title or interest in the Numbers.
3.4 You will provide us with such information or material relating to the Services as we may request including without limitation copies of recorded messages and other information supplied to callers as well as information which we may use for credit checking and debt collection.
3.5 You will ensure that the Services neither infringe any Intellectual Property Rights nor are defamatory.
3.6 We reserve the right to request that you provide any proposed advertising copy and promotional material for the Services at least forty-eight (48) hours before the advertising copy deadline. You will ensure that all advertising and promotion of the Services is carried out so that no publicity from you and your subcontractors reflects adversely on us or the Network Operator.
3.7 You will promptly liaise with us in relation to any complaints, enquiries or investigations by callers, the media, PhonepayPlus or the Director General of Telecommunications relating to the Services.
3.8 You will not state or imply any approval of the Services by us or the Network Operator, and shall not use any words or names in connection with the Services which might imply any connection whatsoever with us or the Network Operator.
3.9 You will obtain and maintain adequate insurance for each claim arising out of your breach of this Agreement and shall provide us with evidence of the currency of such insurance within a reasonable time of our request.

4. Term and Termination

4.1 Save as otherwise provided in this Agreement, this Agreement shall commence on the date hereof and shall (subject as herein provided) remain in force unless or until terminated by either of us giving at least two months' notice in writing to the other.
4.2 Either of us may terminate or suspend this Agreement at any time by giving written notice to the other where either the other has committed a breach of its obligations under this Agreement, and (where such breach is capable of remedy) fails to remedy such breach within 30 days of receipt of notice from the other requiring it to do so or where the other or its Holding Company is or is likely to be unable to pay its debts.
4.3 We may terminate or suspend this Agreement at any time by giving written notice to you if a licence or agreement that is required by us or the Network Operator to enable the Services to be provided is not granted, expires or is suspended, terminated or revoked and is not replaced or reissued.
4.4 We may terminate or suspend this Agreement or the use of any of the Numbers if in our opinion you are not conducting your business in a bona fide manner or if there is adverse publicity against us or the Network Operator in connection with the Services.
4.5 The termination, suspension or expiry of this Agreement for any reason shall be without prejudice to any of each of our respective rights and obligations accruing up to and including the date of such termination, suspension or expiry.

5 Rates and Payment

5.1 We will pay you the Rates in respect of calls to the Services within 45 days (not including Saturdays, Sundays or Bank or other United Kingdom public holidays) after the end of the calendar month during which the call traffic was generated.
5.2 The Rates set out in this Agreement are exclusive of appropriate value added tax from time to time and payments are due and payable in pounds sterling.
5.3 We may at your request provide call statistics from our own call logging equipment. These call statistics are intended as a guide only and will in no way be part of any calculation regarding payment to you. Both of us will rely on the Network Operator's call information to calculate the sum payable to or by you.
5.4 We will give you thirty days' written notice of any increase or decrease in the Rates.
5.5 If we do not receive payment for calls to the Services from the Network Operator then we may withhold

payment for the identified calls until we receive payment from the Network Operator.

5.6 We may, on receipt of a direction or request from PHONEPAYPLUS or the Network Operator, withhold from any payments due to you or invoice you such sums as PHONEPAYPLUS claims it is entitled to meet any fines, administrative charges or other sums payable by you to PHONEPAYPLUS under the Code, or any sums withheld from us by the Network Operator as required by PHONEPAYPLUS.

5.7 In the event of any dispute between us on call figures or payments both parties agree that an independent auditor will be appointed to examine the call statistics and payments received from network operators and the procedures and calculations of payments made to our client. The auditor's costs will be shared between both parties.

6. Force Majeure

Neither of us shall be liable to the other for loss, damage, failure to perform or delay in performing all or any of our obligations under this Agreement if such loss, damage, failure or delay is due to Act of God, fire, flood, earthquake, strike (of our own or any others' employees), labour trouble or other industrial disturbance, war (declared or undeclared), embargo, blockage, legal prohibition, riot, insurrection, interruption of power supplies, or any other cause beyond our control.

7. Intellectual Property Rights

Our respective Intellectual Property Rights shall remain the property of whichever of us creates or owns the same and nothing in this Agreement shall be deemed to confer any assignment or licence of the Intellectual Property Rights of one of us to the other save that any Intellectual Property Rights or goodwill in the Numbers shall hereby be vested in or assigned to us.

8. Assignment

You will not assign or transfer all or any of your rights, benefits, interests or obligations under this Agreement without our prior written consent.

9. Entire Agreement

This Agreement (together with any documents referred to herein) constitutes the entire Agreement between us in connection with the subject matter of this Agreement and supersedes all other written or verbal representations, statements or agreements made between us.

10. Waiver and Amendment

10.1 There shall be no waiver of any term, provision or condition of this Agreement unless such waiver is evidenced in writing and signed by whichever of us is waiving the same.

10.2 No omission or delay on the part of either of us in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, power or privilege preclude any other or further exercise thereof or of any other right, power or privilege. The rights and remedies herein provided are cumulative with and not exclusive of any rights or remedies provided by law.

10.3 No variation to this Agreement shall be effective unless made in writing and signed by both of us.

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11. Notices

Save as specifically otherwise provided in this Agreement any notice, demand or other communication to be served under this Agreement may be served upon either of us only by posting by registered mail or delivering the same or sending the same by facsimile transmission to the other to be served at its address or number set out above or at such other address or number in the United Kingdom as either of us may from time to time notify in writing to the other.

12. Governing Law and Submission to Jurisdiction

This Agreement shall be governed by and construed in accordance with the laws of England and Wales

and both of us agree to irrevocably submit to the non-exclusive jurisdiction of the courts of England and Wales for the purpose of hearing and determining any dispute arising out of this Agreement and for the purpose of enforcement of any judgement against our respective assets.

13. No Partnership

Nothing herein shall be taken to constitute a partnership between us nor the appointment of one of us as agent for the other.

14. Further Assurances

At all times after the date hereof both of us will at our own expense execute all such documents and do such acts and things as may reasonably be required for the purpose of giving full effect to this Agreement.

AS WITNESS whereof this Agreement has been duly executed by and on behalf of each of us on the day and year first above written.

SIGNED by)
for and on behalf of)
Sovereign Telecom (UK) Limited)

SIGNED by)
for and on behalf of)
Company Name