

This Service Contract is made between Shaharov Networks Inc. and:

Customer Name:

Date:

Customer Address:

Customer Contact:

Phone:

Fax:

Service Requested:

? 1.5 Broadband ? 10Mbps Internet10 ? 10Mbps E10 Access ? 100Mbps E100 Access
 ? Dedicated Service? ? Business? ? Business Plus? ? Business Pro?

Term of Contract:

? 1 Year ? 2 Years ? 3 Years ? 4 Years

Installation Date Requested:

Comments:

Expedited Install Requested: ? Yes** ? No Expedited install complete within 7 days

*Dedicated Service liable to extra fees and charges. ** Expedited Install subject to an additional charge.

? A Service Level Agreement does not support these services/One IP included with these services

Service Plan

Committed Usage Plan: ? Yes _____GB of committed Usage ? No
 Usage Fee \$ _____/ Monthly

Web Hosting: ? small ? medium ? large ? No

Web Hosting Storage: ? Yes _____MB of Storage + _____MB Transfer ? No

Email Accounts: ? Yes # of Accounts _____ at \$ _____/ Monthly ? No

Domain Name: _____ (e.g. www.yourname.com)

Domain Name Registration: ? Yes # of Names _____ (1 year registration) \$ _____/Year ? No

Please list all names _____

DNS Forwarding: ? Yes \$ _____/ Monthly ? No

IP Request: IP(s) requested _____ (There will be a fee if requesting a Class C [256] IP's and on Business Service Plans)

Usage Plans

Committed Usage:

Included Usage:

| | | | | |
|-------|---|--|-------------------------|--------------|
| 10GB | \$80.00 a month (extra usage \$10/GB) | | 1.5 Business Broadband? | 10 Gigabytes |
| 20GB | \$160.00 a month (extra usage \$8/GB) | | 10Mbs Internet10? | 50 Gigabytes |
| 50GB | \$280.00 a month (extra usage \$7/GB) | | 10Mbs E10 Access | Unlimited* |
| 100GB | \$520.00 a month (extra usage \$6.5/GB) | | 100Mbs E100 Access | Unlimited* |
| 200GB | \$1000.00 a month (extra usage \$6/GB) | | Business ? | 10 Gigabytes |
| 300GB | \$1600.00 a month (extra usage \$5/GB) | | Business plus ? | 12 Gigabytes |
| 400GB | \$2200.00 a month (extra usage \$5/GB) | | Business pro ? | 15 Gigabytes |

* unlimited traffic on Shaharov's network between clients premises ? additional usage \$12.00/gig

Web Hosting / Domain Name Registration / Email Accounts / DNS/ IP Request

| | |
|------------------------------|--|
| Web Hosting Package - small | \$30.00 per month / 50MB of storage and 10 Email Accounts |
| Web Hosting Package - medium | \$50.00 per month / 100MB of storage and 20 Email Accounts |
| Web Hosting Package- large | \$90.00 per month / 200MB of storage and 30 Email Accounts |
| Web Hosting Set Up Fee | \$30.00 one time |
| Additional Storage | \$5.00 per 5MB per month |
| Additional Email Accounts | \$1.50 per account per month |
| Domain Name Registration | \$30.00 per year |
| Expedited Install | \$800.00 one time |
| Class C | \$100.00 per Class C per year |
| Business Service Extra IP | \$10.00 per IP per month |

Totals

Connectivity Fees: \$ _____ / Monthly

Installation Fees: \$ _____ / One time **Expedited Install:** \$ _____ / One Time

Service Plan Fees: \$ _____ / Monthly \$ _____ / One Time

Total Monthly \$ _____ **Total One Time** \$ _____

| | | |
|--------------------------------------|-------------|------|
| Customer Billing Information: | | |
| Billing Name: | Department: | |
| <hr/> | | |
| Email Address: | Phone: | Fax: |
| <hr/> | | |
| Billing Address: | | |
| <hr/> | | |
| Comments: | | |
| <hr/> | | |

| | | |
|---|--------|-------------|
| Customer Premises Information: | | |
| Customer owns the building: ? Yes ? No* | | |
| Is the building a multi-tenant building: ? Yes ? No | | |
| Installation Contact: | | |
| Name: | Title: | Department: |
| <hr/> | | |
| Phone: | Email: | Fax: |
| <hr/> | | |
| *If "No", please provide the Building Owner/Management contact information: | | |
| Name: | Phone: | Fax: |
| <hr/> | | |

The Terms and Conditions attached to this Agreement as Schedule "C" are a part of this Service Contract, and have been read by the customer prior to signing this Contract, and are enforceable and binding.

*****Sign:** _____ **Print:** _____ **Title:** _____ **Date:** _____

*****Shaharov Networks:** _____ **Date:** _____

***I have the authority to bind the company

Terms and Conditions

1. **Services-** Shaharov Networks shall furnish to the Customer the services selected under the Service Contract listed above.
2. **Fees-** The customer shall pay the fees for the Services at the rates as specified in the "Totals" section of the Service Contract, plus applicable taxes. The payments shall be due and payable by the customer to Shaharov Networks monthly in advance.
3. **Invoicing-** Invoices will be issued monthly. Invoiced amounts are payable at the invoice date and are subject to a late payment charge of (1%) per month calculated from the invoice date, if not paid within thirty (30) days of the invoice date.
4. **Credit Check -** The customer consents to Shaharov Networks, subject to applicable legislation, conducting a credit check on the Customer.
5. **Service Charges-** Where special facilities or equipment are necessary or where Shaharov Networks must incur any unusual expense in order to furnish the Services to the Customer (collectively the "Special Work"), Shaharov shall provide to the Customer a written quote for the Special Work. If the Customer acknowledges in writing its agreement with the quote, then Shaharov shall provide the Special Work and be payable upon the commencement of the Term (as herein defined).
6. **Term -** This Agreement shall be for a term of the agreed months in the Service Requested section above with the Commencement Date being the later of:
 - (1) the Requested Installation date: ;OR
 - (2) the Actual Installation Date (the first day of services are installed and ready for use)

The Customer will be deemed to have accepted the service on the Installation Date unless they provide a written notice to Shaharov Networks Ltd. Within 5 days after the Installation Date.

This Agreement will be deemed to be renewed for a further 12 months on the same terms and conditions set forth herein if the Customer does not provide Shaharov Networks with written notice 30 days prior to the expiry of the current term.

7. **Termination-**

- (1) If this Agreement is for any reason terminated by the Customer prior to the expiry of the Term, the Customer shall pay to Shaharov a termination fee (the "Termination Fee") equal to the remaining unpaid amount of the Fees for the period from the date of termination to the expiry of the Term. The Customer acknowledges that the Termination Fee is not in substitute or election of any other right or remedy Shaharov Networks may have at law or in equity.
- (2) Shaharov may, with 30 days notice, terminate all or any of the Services for any breach of this Agreement by the Customer, including but not limited to non-payment by the Customer of the Fees and all other amounts payable by the Customer to Shaharov pursuant to the terms of this Agreement or failure to comply with the Customer's obligations under the terms of this Agreement, or where in our opinion a material change in Shaharov's ability to deliver the Services including but not limited to a material change in real estate access costs.
- (3) Either party shall be entitled to terminate this Agreement immediately with five days written notice in the event of the other party's insolvency, receivership or voluntary or involuntary bankruptcy or in the event that Shaharov ceases to offer the Services. In the event of default by the Customer, any and all payments required to be made to Shaharov by the Customer shall be due and payable immediately.
- (4) Termination of this Agreement for any reason shall not relieve the Customer from any liability for amounts owing and accrued prior to the time that such termination becomes effective and any Termination Fee.
- (5) Shaharov reserves the right to delete Customer's personal files if the Services and this Agreement are terminated.

8. **Customer Obligation**

(a) The Customer shall:

- (1) Ensure at all times that the Shaharov Equipment (as herein defined) and the customer or third party provided equipment is stored in a manner and in an environment which conform to the relevant equipment manufacturer's specifications.
- (2) Be responsible for all loss and/or damage to the Shaharov Equipment, except where directly caused by the negligence of Shaharov.
- (3) Provide all necessary infrastructure required for the safe and efficient operation and maintenance of the Shaharov Equipment and the Customer or third party provided equipment in accordance with Shaharov, Canadian Standards Association and other specifications or regulations as applicable, and as Shaharov may specify, from time to time;
- (4) Permit Shaharov or its third party provider's prompt, safe and unrestricted access to its premises for the purpose of performing its obligations under this Agreement;

- (5) At all times comply with the terms and conditions of Shaharovs Internet use policy, domain name registration policy and IP allocation policy, which policies are incorporated into this Agreement by reference thereto; and
 - (6) Be aware of, and comply with, changes to any federal or provincial law which may relate to the Customer's use of the Service.
- (b) The Customer Shall Not:
- (1) obtain by any means whatsoever, information regarding the personal identification or password of any other person which is a customer of Shaharov or any network to which the Customer may be permitted access;
 - (2) obtain or seek to obtain access to or interfere with any programs or data maintained by Shaharov;
 - (3) develop or use programs which adversely affects or impact other customers, the Services, the Internet or any computer network;
 - (4) use, transmit or store anything obscene, offensive or defamatory or which appropriates a personality without legal permission or which in any way violates or infringes copyright, trademark or other intellectual property rights;
 - (5) utilize the Service and the Internet for any purpose which is contrary to the laws of any government having jurisdiction over Shaharov Networks and/or the Customer; and
 - (6) omit any act or cause or permit any act to be committed or provide any services which will conflict with or affect in any way the provision of the Services by Shaharov
- (c) In connection with any investigation of a customer's failure to observe its obligation or any malicious disruption of any computer system or computer program of Shaharov, and/or of any breaches of the terms of this Agreement by the Customer or any person who has access to the Services provide to the Customer, the Customer agrees that Shaharov may in its sole discretion create and keep backup information and examine the Customer's programs, data, printed output, and other media.
9. Shaharov Obligations, Shaharov shall:
- (a) use reasonable efforts to install in a timely fashion the Shaharov Equipment and to provide the Services, provided that the location where the Shaharov Equipment is to be installed and the Services are to be provided are in Shaharov's service area;
 - (b) provide the Shaharov Equipment and arrange for the supply, installation and maintenance of the Shaharov Equipment at each site specified by the Customer in this Agreement and ensure that the Shaharov Equipment is installed and maintained according to the manufacturer's specifications and;
 - (c) provided that the maximum cost of installing the Services and the Shaharov Equipment is less than \$1500.00, Shaharov will use reasonable efforts to activate the Services within 20 business days following the date that this Agreement is complete, signed and delivered to Shaharov;
 - (d) implement reasonable security policies to safeguard the Customer's electronic mail and any other value added Service that the Customer has subscribed for under the above sections;
10. Maintenance, Testing and Configuration of the Services
- Shaharov's customer support centre shall be the sole contact for reporting trouble with respect to the Services. The telephone number is _____ or such other number as may be communicated by Shaharov to the Customer from time to time. Upon receipt of a trouble report, Shaharov shall initiate maintenance action. Following correction of the trouble, Shaharov shall inform the Customer that the Services have been restored. Shaharov may suspend the provision of the Services to the Customer for a reasonable length of time in order to maintain, test and configure the Services. Shaharov reserves the right to charge for unnecessary service calls requested by the Customer, which are not the result of the disruption of Shaharovs services, and are related to customer or third party equipment, services or action.
11. User Name and Password
- (a) The Customer shall provide Shaharov where indicated in the above sections with a user name and password and an administrator user name and password which shall be used to gain access to Services.
 - (b) The Customer shall be solely responsible for all use of the Internet and maintaining the security of the user name and password and an administrator user name and password, and for preventing any unauthorized use.
 - (c) The user name and administrator user name shall use the Internet in a proper and prudent manner and according to any operating instructions provided by Shaharov.
12. Condition of Web Hosting Data
- (a) In relation to Shaharov's web hosting service (the "Web Service"), any information, materials or data (the "Material") supplied to Shaharov must be in a form requiring no additional manipulation or revision on the part of Shaharov in order for Shaharov to supply the Web Service to the Customer.
 - (b) In the event the Material provided by the Customer to Shaharov requires manipulation or revision by Shaharov, then Shaharov may at its option and at any time, reject the Material, including any portion of the Material which has been put on Shaharovs

server. Shaharov agrees to notify the Customer immediately of its refusal to place all or any portion of the Material on Shaharov's server and to provide the Customer with the opportunity to amend or modify the Material in order for Shaharov to provide the Web Service. If the Customer fails to modify any portion of the Material, as directed by Shaharov, then within 10 days of such a request, this Agreement in relation to Web Service shall be deemed to be terminated.

13. Connection Speed

Connection speed represents the speed of a connection and does not represent a guarantee of available end-to-end bandwidth.

14. Service Interruption

(a) Interruption in this Agreement refers to the inability of the Customer to complete Internet network connection due to a malfunction of Shaharov's Equipment or Shaharov's network and such failure continues after three (3) consecutive polling attempts have been made by Shaharov's network operations centre to the Customer's device. For greater certainty, interruption does not include any Shaharov Equipment or network failure associated with Internet connections outside of Shaharov's core network, any failure caused by the Customer, any failure caused by power outage or human error or any failure due to termination of the Services by Shaharov in accordance with the terms of this Agreement.

(b) See Service Level Agreement for details

15. Repair

(a) Shaharov will monitor and maintain the Services on a 24-hour basis every day throughout the Term. Shaharov will maintain staff available on the Shaharov Network every day throughout the Term between 24 hours a day seven days a week.

(b) Shaharov's obligation under this Agreement does not extend to any relocation, maintenance, repair, rearrangement, alteration, modification or adjustment which becomes necessary due to, resulting from or in any way related to, damage, misuse or failure on the part of the Customer.

16. Limitation of Liability

(a) Under no circumstances will Shaharov or its successors and assigns, be liable to the Customer for any incidental, special or consequential damages, expenses, costs, liability, loss or damage whatsoever, whether arising in negligence, tort, statute, equity, contract, common law or any other cause of action or legal theory. The Customer agrees, acknowledges and confirms that Shaharov's liability arising out of or in connection with this Agreement and the provision of the Services, and the Customer and that this limitation is fair and reasonable in the commercial circumstances of this Agreement and that Shaharov would not have entered into this Agreement but for the Customer's agreement to limit Shaharov's liability in the manner, and the extent, provided for herein.

(b) For greater certainty, Customer agrees that Shaharov and its successors and assigns shall not be liable for any lost profits, anticipated revenue, loss of data, loss of use of any information system, lost business revenue, failure to realize expected savings or any other commercial or economic loss of any kind whatsoever arising out of or in connection with this Agreement or the provision of the Services, even if Shaharov has been advised of the possibility of such loss.

(c) Shaharov is not liable for protection or privacy of electronic mail or other information transferred through the Service or any other network provider its customers may utilize.

(d) Shaharov assumes no liability arising from the use of the Services furnished by Shaharov in combination with services, products or equipment provided by Customer or any third parties.

(e) This Section 16 shall apply even in the event of a breach of condition, a breach of an essential or fundamental term or a fundamental breach of this Agreement.

17. Indemnity

(a) The Customer shall indemnify and save Shaharov, its successors and assigns, and their directors, officers, employees and agents harmless from and against all loss, liability or damages of any type and expense, including reasonable legal fees and disbursements, arising from any and all claims by any third party, including end users and distributors (collectively, the "Third Party"), in connection with the use of the Service (and related equipment) by the Customer or any Third Party or in connection with the Customer's failure to comply with its obligation under this Agreement, whether the failure is attributable to the Customer or to some other person using the Customer's account with or without permission of the Customer.

(b) The Customer shall indemnify Shaharov, its successors and assigns and their directors, officers, employees and agents, against any claim by a Third Party for alleged infringement of any copyright, trademark or any other intellectual property rights which arises as a result of the storage or processing of any of the Customer's programs or data on or through the Services or the Internet.

(c) The indemnities contained within this Article 18 shall survive termination of this Agreement for the maximum time period permitted by law.

17. Change Request

(a) If the customer wishes to order additional services or make a change to the Services:

- (1) the Customer may submit to Shaharov a change request using this form ("Service Contract") at the request of Shaharov detailing the change in the service requested;
- (2) Shaharov will respond to the Customer in writing via e-mail within 10 (ten) business days of receipt of the Change Request, stating whether the change may be made, and if so, specifying the estimated cost and time required to implement the change and the impact on the Service; and
- (3) The Customer may respond to Shaharov in writing via e-mail within 10 (ten) business days of receipt of the Estimate by either advising Shaharov to proceed with the change based on the estimated cost and time schedule specified in Shaharov's response or by providing written notice that the Customer is withdrawing the Change Request. For greater certainty, if Shaharov does not receive the Customers Withdrawal 7 days within delivery of the Estimate, then Shaharov deem the Change Request to have been withdrawn by the Customer.

18. Dispute Resolution

In the event of any dispute, controversy, claim or alleged breach respecting this Agreement, which cannot be resolved (each a "Dispute"), the Dispute shall be submitted to arbitration. The arbitration shall be held in Victoria, British Columbia and shall be conducted in accordance with the Arbitration Act (British Columbia), be a single arbitrator appointed by a Justice of the British Columbia Court of Queens Bench. The decision of the arbitrator shall be final and binding upon the parties and the expense of the arbitration shall be paid as the arbitrator determines.

19. Shaharov Property and Equipment

- (a) All material and equipment provided by Shaharov and used in the provision of the Services ("Shaharov Equipment") shall at all times be and remain the exclusive property of Shaharov.
- (b) Nothing in this Agreement contemplates, constitutes or creates a transfer or licence of any intellectual property from Shaharov to the Customer.
- (c) Shaharov may in its absolute discretion and without notice to the Customer, at Shaharov's cost, make changes to or replace the Shaharov Equipment and any other equipment used in connection with the provision of the Services.

20. Confidential Information

- (a) "Confidential Information" means any data, documentation or other information of a proprietary nature, and which a party ought to know is confidential or proprietary, which is disclosed or made available to the other party in connection with the negotiation, preparation or performance of this Agreement and the design, installation, delivery or implementation of the Services, including without limitation, the network design specifications.
- (b) Each party agrees not to disclose the Confidential Information of the other party without the other party's written consent, except as required by law, and agreed to take such care to protect the confidentiality of the Confidential Information as would be taken by a reasonable party to protect its own confidential information from disclosure. Furthermore, each party shall indemnify and save the other harmless from any losses or damages directly or indirectly caused by the disclosure of Confidential Information by the party or any of its agents, contractors, subcontractors, employees, successors or permitted assigns.
- (c) Both parties rights and obligations under this Section 20 survive any termination of this Agreement for the maximum amount of time permitted by law.

21. Independent Contractors

The parties to this Agreement agree that the relationships created by this Agreement is that of independent contractors.

22. General Provisions

- (a) Amendment: All amendments to this Agreement shall be in writing duly executed by each party in the same manner and with the same formality as this Agreement.
- (b) Assignment: The Customer shall not assign this Agreement without the prior written consent of Shaharov, which consent shall not be unreasonably withheld. Any attempted assignment without such prior consent shall be void. Shaharov shall be permitted to assign this Agreement without the consent of the Customer.
- (c) Definition: Use of the term "Customer" shall in all cases include the directors, officers, employees and agents of the Customer.
- (d) Discretion of Shaharov: Any discretion, option, decision or opinion by Shaharov shall be sufficiently exercised or formed if exercised or formed by or subsequently ratified by Shaharov's system administrator or any other person or persons designated to Shaharov's directors.
- (e) Entire Agreement: This Agreement constitutes the entire agreement among Shaharov and the Customer with respect to the matters referred to herein, and warranties, whether oral or written, with respect to such matters.
- (f) Governing Law: This Agreement shall be governed by and interpreted according to the laws of the Province of British Columbia and the Laws of Canada applicable therein.

- (g) Interpretation: In this Agreement, the headings are for convenience of reference only and shall not affect its construction or interpretation.
- (h) Non-Waiver: No waiver of any term or provision or of any breach or default shall be valid unless in writing and signed by the party giving such waiver, and no such waiver shall be deemed a waiver of any other terms or provision of any subsequent breach or default of the same or similar nature.
- (i) Notice: All notices provided for shall be given in writing and transmitted by personal delivery, prepaid first class registered mail to the addresses identified:

Customer: Address to which Shaharov sends the Customer's invoices

Shaharov: Suite 130, Carey Rd, Victoria, British Columbia

- (j) Severability: The invalidity, illegality or unenforceability of any one or more provisions of this Agreement shall not affect or impair any other provisions of this Agreement.
- (k) Counterparts: This Agreement may be signed in counterparts, each of which shall be deemed to be an original, but all of which, taken together, shall constitute but one and the same instrument.