

IRISTEL CUSTOMER AGREEMENT

This agreement ("**Agreement**") is entered into as of October 2nd, 2009 ("**Effective Date**") by and between the following parties ("**Parties**"):

- 1) **IRIS TECHNOLOGIES INC. (Iristel)** with registered office at 11 Bowan Court, Toronto, Ontario, Canada, M2K 3A8, Canada Business Number 89866 9726 RC 0001, hereby validly represented by Samer Bishay, President & CEO ("**Iristel**"); and
- 2) _____, with registered office at _____, _____, Companies Registry Number _____, represented by _____, _____, ("**Client**").

The Parties have agreed on the following:

1 Definitions

CLI means Calling line identification, which means signalling information passed through the point of interconnection to Iristel's system which unambiguously either

- (i) identifies the network termination point from which a call is originated or
- (ii) identifies a network termination point to which a return or subsequent call may be made;

End User means a customer of Iristel, or a customer of the customer of Iristel, being the person who effectively uses the DID for his activities;

Partial CLI means signalling information passed to Iristel over the point of interconnection which unambiguously identifies the first switch from which a call is originated;

SLA means the Service Level Agreement attached under annex 2, which forms an integral part of this Agreement;

Working Day means any day on which the banks in Toronto are open to the public for ordinary business;

2 Purpose

The object of the present Agreement will be the Services as described in Annex 1 ("**Service(s)**").

3 Obligations

3.1. Obligations of Iristel

3.1.1 Iristel shall provide the Service as described Annex [1] and in accordance with the service level agreement ("**SLA**") contained in Annex [2] to the Agreement.

3.1.2 Iristel shall provide the Service in accordance with all applicable laws and any order or determination of any competent authority. To that effect, Iristel shall ensure that it obtains and maintains all licences, approvals, consents and authorizations necessary to provide the Service.

3.1.3 Subject to the provisions of this Agreement, Iristel agrees to operate and maintain applications, servers and communications networks such that Iristel shall be able to interconnect with said facilities and make use of the Service.

3.1.4 Iristel shall maintain and operate its network and its assets in accordance with good professional and engineering standards.

3.1.5 Iristel shall provide call detail records ("CDRs"), including Caller Line Identification ("CLI") in an electronic format upon Client's first request. If no CLI is available, the Iristel shall provide at least a partial CLI, meaning information which unambiguously identifies the first switch from which a call is originated, unless a call has not originated from the Iristel's system and the Iristel has not been provided with CLI from the originating system.

3.1.6 Test of Services: see annex 4.

3.2. Obligations of CLIENT

3.2.1. Client shall pay for the Service in accordance with the article of the Agreement headed "Rates and charges".

3.2.2. Client shall ensure that it complies with all relevant laws and obligations.

3.2.3. Subject to applicable law, Client shall undertake reasonable efforts to ensure that the Service is not being used for any unlawful purpose whatsoever.

4 Rates and charges

4.1. The rates and charges will be those set forth in Annex [3] to the Agreement ("**Rates**").

- 4.2. Iristel may change its Rates upon 30 days prior written notice to Client. However, Client may in such case terminate this Agreement upon the new rates becoming effective without any damages being due by Client to Iristel.
- 4.3. Unless otherwise indicated, all Rates shall be exclusive of VAT or any other applicable tax. All applicable taxes shall be indicated on the Iristel's invoice.

5 Prepayment and invoice terms

- 5.1. All accounts will be prepaid. To that effect, Iristel will provide monthly invoices stating the recurring and non-recurring fees due by Client at the latest seven (7) days prior to the delivery of the Service. Client will at all times provide for sufficient prepayment to cover the Rates for the Services to be delivered in the following month.
- 5.2. Client may pay through a wire transfer on the following bank account number

WIRE TRANSFER INFORMATION

Beneficiary Account Name: Iris Technologies Inc.

RECEIVING BANK

Bank Name National Bank of Canada

Address 2002 Sheppard Avenue East

Toronto, Ontario, M2J 5B3

Canada

Account # 0073061 (US Dollar only)

102017 264 050 001 01 (Euro only)

*ABA # 026009797

**Swift Code BNDCCAMMINT

- 5.3. Iristel will invoice the Services based on the orders effectively placed.
- 5.4. If Client has failed to pay the invoiced fees or if the prepayments do not cover the Rates for that month, Iristel will send a written reminder stating the amount due and upon receipt Client will immediately pay the outstanding balance. The issuance of such reminder does not entitle Iristel to suspend or terminate the Agreement.

- 5.5. Interest is due for undisputed late payments at an annual interest rate of 8%, calculated from day to day and capitalised annually.
- 5.6. Client may at any moment request the reimbursement of any prepaid amounts to the extent such amounts exceed Client's contractual obligations.
- 5.7. Each Party expressly reserves the right to set off any sums owing under this Agreement against any sums due and owing by the other Party.

6 System changes

- 6.1. Iristel shall give Client at least three (3) months prior written notice if Iristel wishes to make a change to its system which is reasonably likely to have an impact on the Services or on Client's system.
- 6.2. In case of emergency and if the changes are reasonably necessary for maintaining the integrity of the network or to avoid any fraudulent use of the Service, Iristel may change its system without providing Client the three months notice, under the condition that:
 - Iristel immediately notifies Client;
 - Iristel undertakes all reasonable endeavours to minimize any effects for Client.
- 6.3. Iristel shall notify Client as soon as reasonably practicable of any changes required to the Client system as a result of the proposed system change and a quotation for the cost of such alterations (if any) based on good engineering practice.
- 6.4. If the Parties have used their reasonable endeavours but have been unable to agree on the alterations to Client's system or the quotation of the work, either party may terminate this Agreement on one (1) month's written notice.

7 Maintenance and repair

- 7.1. Subject to its rights under the SLA, Iristel may, without terminating this Agreement, suspend part or all of the Service if it needs to maintain or repair its network.
- 7.2. Iristel will use its best efforts (i) to reduce the impact of such suspension of service for Client and its end users and (ii) to give at least 3 days prior notice of such suspension to Client whenever reasonably possible.

8 Liability

- 8.1. This Agreement, including its Annexes, sets forth the full extent of Iristel's and Client's obligations and liabilities.

- 8.2. Nothing in this Agreement shall exclude or limit liability resulting from any conduct which is, under Canadian Law, characterized as being fraud or intentional negligence. This clause 8.2 takes precedence over all other clauses in this Agreement.
- 8.3. Each Party shall not be liable to the other party for any failure to comply with its obligations under this Agreement to the extent that such liability arises as a result of the failure by either Party to fulfil its obligations under this Agreement.
- 8.4. Subject to Iristel's rights under the SLA, Iristel shall not be liable for the consequences of any suspension or interruption of the Service, such as interrupted communications, lost data, loss of profit or other economic loss arising out of or in connection with this Agreement.
- 8.5. Iristel will be liable towards Client for any breach of this Agreement or failure to perform and, subject to clause 8.2 above, damages shall be limited to the damages due under the Service Level Agreement (see Annex [2]) as the case may be.

9 Duration

Without prejudice to the article headed "Termination" and unless indicated otherwise under its Annexes, this Agreement shall remain in effect for one (1) year and thereafter shall automatically renew for successive renewal terms of one year each.

10 Termination

- 10.1. Iristel may at any time terminate this Agreement if Client fails to comply with its payment obligations pursuant to article 5 for more than one month after having received a reminder.
- 10.2. Client may at any time terminate this Agreement:
- with immediate effect if Iristel fails to comply with its obligations pursuant to this Agreement, including but not limited to the SLA or the Technical Standards, and does not remedy any non – compliance within three (3) working days in Canada after notice of such non-compliance by Client;
 - with immediate effect if Iristel ceases trading, convenes a meeting of, or comes to an arrangement with its creditors, has distress or other seizure levied over any of its assets or does not satisfy any demand for payment from any creditor;
 - with immediate effect if Iristel commits a material breach of any applicable legislation or any legal authorisation of Iristel to provide the Service is revoked or terminated and is not immediately reinstated;
 - with immediate effect in accordance with the article headed "Force Majeure";
 - for any reason upon one (1) month's prior written notice to Iristel.
- 10.3. In the event of termination of this Agreement for whatever cause and at whoever's initiative, Iristel shall use all reasonable efforts to allow Client at its first request, to port the phone numbers which where the object of this Agreement at the moment of termination to Client's new carrier, subject to applicable law and to the extent technically possible. Iristel shall indemnify Client for all reasonable costs associated to

such port. Parties shall use their best efforts to port the numbers indicated by Client with the less disturbance possible to the Service for Client's own customers.

11 Force Majeure

11.1. Except as provided in Article 10.2:

- a) neither party shall be liable or responsible for any costs or damages attributable to failure or delay in performance arising out of any force majeure event; and
- b) each party shall give the other party prompt written notice with full details of the occurrence of any force majeure event that is expected to cause more than three (3) days delay hereunder, and the date of performance by any such party shall be extended for a period not exceeding the period of delay caused by the force majeure event.

11.2. Unless the performance by either party of its obligations under this Agreement is delayed by the occurrence of a force majeure event for a period of more than five (5) working days in Canada (and such delay is excused under the foregoing provisions), no force majeure event shall excuse permanent non-performance, but shall excuse only delays in performance and only to the extent that such delays are directly attributable to such cause. Should any force majeure event delay performance for a period of more than five (5) working days in Canada, either party may terminate this Agreement with immediate effect upon notice to the other party.

11.3 Notwithstanding any provision of this Agreement, neither Party shall be liable for its inability in performing any of its obligations hereunder (other than an obligation to make payment) if such inability is caused by or arises as a result of circumstances beyond the reasonable control of the relevant Party including, without limitation, inability or delay caused through acts of God, fire, flood, riot, industrial dispute of any kind (other than disputes of Party's own employees or the employees of an associated company to that Party), lightning, explosion, civil commotion, malicious damage, storm, tempest, acts or omissions of other communications carriers, act of government or other regulatory bodies, acts or omissions of persons or bodies for whom the Party affected thereby is not responsible, and any other circumstances beyond the reasonable control of the relevant Party.

12 Assignment

12.1. Iristel reserves the right to assign, sell, and transfer any right or obligation resulting from this Agreement to companies related to Iristel in the sense of article 11 of the Canadian Companies Code and to third parties without the prior consent of Iristel.

12.2. Both Iristel and Client reserve the right to assign, sell, and transfer any right or obligation resulting from this Agreement to companies related to Iristel and/or Client and to third parties without the prior consent of Iristel.

13 Intellectual property rights

- 13.1. All Intellectual Property Rights owned by one party shall remain the property of the original party that owned it. Intellectual property rights are not transferable under this agreement;
- 13.2. Unless agreed otherwise, neither Party shall use the other party's name, trademarks, or copyrights in any way that implies any approval or connection with the services or products offered, unless agreed otherwise under the Annexes to this Agreement.

14 Confidentiality

- 14.1. For the purpose of this provision "**Confidential Information**" means all confidential information disclosed (whether in writing, orally or by another means and whether directly or indirectly) by a party (the "**Disclosing Party**") to the other party (the "**Receiving Party**") whether before or after the date of this Agreement including, but not limited to, information relating to the Disclosing Party's products, operations, processes, plans or intentions, product information, know-how, design rights, trade secrets, market opportunities and business affairs.
- 14.2. During the term of this Agreement and at all times after termination or expiry of this Agreement for any reason the Receiving Party:
 - shall not use Confidential Information for a purpose other than the performance of its obligations under this Agreement;
 - shall not disclose Confidential Information to any person except with the prior written consent of the Disclosing Party or in accordance with clauses 14.3 and 14.3;
 - shall make every effort to prevent the use or disclosure of Confidential Information.
- 14.3. During the term of this Agreement the Receiving Party may disclose Confidential Information to any of its directors, other officers, employees and sub-contractors (a "**Recipient**") to the extent that disclosure is reasonably necessary for the purposes of this Agreement.
- 14.4. Before disclosure of Confidential Information to a Recipient, the Receiving Party shall ensure that such Recipient is made aware of and complies with the Receiving Party's obligations of confidentiality under this Agreement as if the Recipient was a party to this Agreement.
- 14.5. Clauses 14.1 to 14.3 do not apply to Confidential Information which:
 - is at the signature date of the Agreement or becomes at any time after that date publicly known other than by the Receiving Party's or Recipient's breach of this Agreement;
 - can be shown by the Receiving Party to the Disclosing Party's reasonable satisfaction to have been known by the Receiving Party before disclosure by the Disclosing Party to the Receiving Party;
 - is or becomes available to the Receiving Party otherwise than pursuant to this Agreement and free of any restrictions as to its use or disclosure;
 - is required to be disclosed by law or regulation.

15 Notices

Any notice permitted or required under this Agreement shall be deemed given when mailed by certified mail, faxed or sent by email. Any notice given by fax or e-mail shall be deemed to have been validly delivered on the Working Day (or on the next Working Day if sent after 5.00 p.m.) that it was transmitted, provided that no error message indicating failure to deliver has been received by the sender and that the fax or e-mail is confirmed by certified mail at the latest on the Working Day following the day the fax respectively e-mail has been sent.

16 Entire agreement

- 16.1. This Agreement constitutes the entire agreement and understanding between the parties in respect of the matters dealt with in it and supersedes any previous agreement between the parties relating to such matters.
- 16.2. The annexes to this agreement (the "Annexes") are an integral part of the Agreement.
- 16.3. This Agreement supersedes the purchasing conditions as made public on Iristel's website or elsewhere.

17 Miscellaneous

- 17.1. The failure of either Party to enforce or insist upon compliance with any of the provisions of this Agreement shall not be construed as a general waiver or relinquishment of any other provision of this Agreement.
- 17.2. If any provision of this Agreement is found not to be valid or enforceable, such invalidity shall not affect the other provisions of this Agreement which shall remain in full force and effect.
- 17.3. This Agreement shall be governed by and construed in accordance with Canadian Law. Any legal proceedings arising out of or relating to Agreement will be subject to the exclusive jurisdiction of the Courts of Toronto, Canada.
- 17.4. The Parties agree that they have no joint venture, partnership, or agency relationship as a result of this Agreement. Neither party shall make any offer, guarantee, or warranty to any third party, in regards to the services, that purports to bind the other party.

18. Settlement of disputes

If a dispute should arise between the Parties regarding the application or interpretation of any provision of the Agreement or the performance of either Party hereunder, the aggrieved Party shall notify the other Party within ten (10) Business Days of the dispute. If the Parties fail to resolve the dispute within thirty (30) Business Days after delivery of such notice, the matter shall be referred to an ad hoc conciliation committee made up of one (1) upper management person from each Party. If the dispute is not resolved within twenty (20) Business Days by such ad hoc committee, such dispute shall be resolved at the request of either Party by final and binding arbitration which shall be conducted in the English language, in accordance

with the Rules of Conciliation and Arbitration of the International Chamber of Commerce of New York, or in such other place as the Parties shall agree upon in writing. The determination of the majority of the arbitrators, or the sole arbitrator, as the case may be, shall be conclusive and binding upon the Parties and shall not be subject to any appeal or review procedure, provided that the arbitrators, or the sole arbitrator, as the case may be, has followed the rules and procedures in good faith and has proceeded in accordance with the principles of natural justice and judgment upon the same may be entered in any court having jurisdiction. The costs of the arbitration shall be shared equally by the Parties. During the progress of arbitration, the Parties hereto shall continue to perform their obligations under the Agreement. If a Party does not participate in these dispute resolutions and arbitration activities, the other Party may enforce its remedies under the Agreement through the appellate court system without reference to this Article.

Done on October 2nd, 2009 at Toronto, Canada in two originals, being as many copies as there are parties to this agreement.

For
Name:
Function:

For Iris Technologies Inc.

Name: _____
Function: _____

Annex 1 – Service

Annex 2 – Service Level Agreement

Annex 3 – Rates & charges

Annex 4 – Prior tests

Annex 1: Service Description

1. Service Features

Iristel's INBOUND DIDs will route local calls (wherever Iristel has local coverage) to Iristel's supplied range of IP addresses.

2. Entire Agreement

This annex forms an integral part of the Agreement between Iristel and Customer to which this annex is attached. In case of a conflict, the wording of this Annex takes precedence.

Annex 2: Service Level Agreement

1. INTRODUCTION

This document describes the service level commitment by Iristel to Client. This Service Level Agreement (SLA) is applicable to Services as described in Annex 1.

2. DEFINITIONS AND SCOPE

End User is Iristel’s customer that uses the VoIP Service.

Iristel refers to Iristel, its staff and its authorized agents.

Service levels means the services levels as specified in this Service Level Agreement.

Service Level Agreement means this document which describes the Service Levels for the relevant Network Service and compensation, and which is an integral part of the Agreement to which it remains attached.

3. FAULT REPORTING

Faults with the Service can be reported to Iristel 24 hours per day, 7 days per week.

1. LEVEL	2. CONTACT
1	Trouble Ticket Reporting: Broadfone Customer Care Onsite Staffed 03:00 to 20:00 EST (GMT-5) Monitored 24hrs/7 days a week Phone: +1 (416) 800-4747 E-mail: customercare@iristel.ca
2	1st Level Escalation: Network Operations Center Onsite Staffed 03:00 to 19:00 EST (GMT-5) Monitored 24hrs/7 days a week Phone: +1 (416) 295 0010 E-mail: noc@iristel.com
3	2nd Level Escalation: Nikita Artemov Mobile: +1 (647) 891 9272 E-mail: nartemov@iristel.com
4	3rd Level Escalation: Samer Bishay Mobile: +1 (416) 838 9999 E-mail: sbishay@iristel.com

The Client shall receive fault reports from Iristel, log fault such reports and provide a fault reference number, as detailed in section 6 of this SLA. Response to fault reporting shall be within the applicable coverage window, and is in accordance with sections 4 and 5 of this SLA.

4. RESPONSE AND RESTORATION TARGETS

“**Response Time**” is the time from when Iristel receives a notification of a fault from Client, to the time Iristel provides a status advice to Client with an indication of the nature of the fault and estimated time to restore service.

Parameter	Target times	Applicable services
Response time (Business hours)	1 hour	All services
Response time (After hours)	6 hours	All services

“**Restoration Time**” is the time taken from when Iristel receives a notification of a fault from Client, to the time that the service is restored.

Parameter	Target times	Applicable services
Restoration time(Business hours)	3 hours	All services
Restoration time (After hours)	6 hours	All services

5. COVERAGE WINDOW

“**Coverage Window**” refers to the hours of operation for service response and restoration.

Coverage window	Hours of operation
Business hours	Monday to Saturday: 8.00 am to 8.00 pm on the place where the majority of DID’s which are the object of this Agreement are located
After hours	All hours not within Business hours coverage

6. FAULT REPORT COMMUNICATIONS

In the event of a fault report, Iristel will communicate with Client as follows:

- (a) **Receive Fault:** as soon as reasonably possible upon receipt of Client’s fault report;
- (b) **Response:** as per target response times above in Section 4.
- (c) **Progress Advice:** Iristel will contact Client every *n* hours, or more frequently if agreed, with a progress report on the fault. “*n* hours” is equal to the target restoration time number of hours, depending on the coverage window.

e.g. for a fault reported within business hours, a progress report will be provided every 3 hours.

- (d) **Close Off:** Iristel will contact Client upon restoring service and confirm that the service is operating satisfactorily.

7. PRO-ACTIVE OUTAGE NOTIFICATIONS

7.1. Major outages

In the event that a network outage should occur with the potential to impact End Users, Iristel will pro-actively communicate to Client.

Outage Notifications will be as follows:

- (a) **Initial Outage Advice:** target within 10 minutes of Iristel being aware of the beginning of the outage and typically prior to diagnostic and further information is available. This notice will advise of the existence of the outage and is sent prior to further information being available.
- (b) **Progress Advice:** an initial Progress Advice notice will be sent within 1 hour after the beginning of the outage. Subsequent notices will be sent every 3 hours thereafter until the service is restored. Details will include estimated restoration time and the nature of the fault when available.
- (c) **Close Off:** advice that the service is restored will be sent as soon as service restoration is complete.

7.2. Planned Service Outages

Unless in case of emergency, Iristel will provide 5 Working Day notification of any scheduled or planned service outage ("Planned Service Outages") to Client. Where practicable, Planned Service Outages will occur well outside normal business hours.

The process for notifying Client of Planned Service Outages will be as follows:

- (a) Iristel may plan a service outage to conduct necessary maintenance or upgrades to its network. Planned Service Outages may also originate from 3rd party carriers who are providing services to Iristel.
- (b) Iristel will notify the Client via email. The email will include the details of the Planned Service Outage.
- (c) Iristel will notify its End Users of the Planned Service Outage.

8. SERVICE AVAILABILITY

"**Service Availability**" is defined as the percentage of time each service is available to the End User during the course of (1) month. The service availability is calculated in accordance with the following formula:

$$\text{Total Hours for the period} = \frac{\text{Total Hours for the period less Unavailable Hours}^*}{\text{Total Hours for the period}} \times 100$$

where “**Unavailable Hours**” is the total number of hours that the service is unavailable due to any issue with the Service including programmed outages. The Service includes any infrastructure, servers, gateways or hosted services owned or operated by Iristel. The Service does not include End User, Iristel or 3rd Party hardware or internet connections. The Iristel’s fault ticketing system will be the basis for determining times for Service Availability, unless Iristel has reasonable indications that its proper data are more accurate.

Parameter	Target service availability	Applicable services
Service availability	99.9%	All services

9. COMPENSATION

Without prejudice to its right to terminate the Agreement, the Iristel will owe the amounts set out hereunder to Client in the following events:

- If Restoration Time added to Response Time exceeds [12] hours; or
- If Service availability is below [99.5]%.

The credit will be calculated as follows:

The compensation fee is equal to the same percentage of the monthly fee that is due to Service Iristel by Client (e.g.: Monthly fee 1.000 Dollars; % of unavailability 35% : compensation fee = 350 Dollars)

10. ENTIRE AGREEMENT

This annex forms an integral part of the Agreement between Iristel and Client to which this annex is attached. In case of a conflict, the wording of this Annex takes precedence.

Annex 3: Rates and Charges

Annex 4: Prior tests

Prior to the provision of the Services the parties shall agree tests for such Service based on industry agreed processes and criteria. Upon successful completion of such tests, the Client shall deliver to Iristel a "Ready for Service Notification".

Client shall be deemed to have accepted a Service:

- Upon the date of the delivery of the Ready for Service Notification, unless Iristel notifies the Client that there is an issue with the readiness for service of the latter within five working days in Toronto; or
- If earlier, where no Ready for Service Notification is received, upon the fifth working day in Toronto after the Client first uses such Service.