

/EQUIPMENT FINANCE LEASE AGREEMENT FORM/



Equipment Finance Lease Agreement Form

1. Customer Details

Customer Name:		Company Reg No:	
Company Name:		VAT Number:	
Address:		Previous Address:	
		(if present address is less than 3 years)	
Email Address:		Mobile No:	
Vessel Name:		Work No:	

2. Contract Details

Item No	Contract Type	Equipment Description	BSSC Part No	Warranty Period	Commencement Date	Rate/ Month
1						
2						
3						
4						
5						
Single initial payment						\$
Single final payment						\$
Total monthly Charges:						\$

This order is subject to the terms and conditions detailed overleaf and to a minimum period of 36 months.

I have read and agree to the BSSC Equipment Finance Lease Terms and Conditions as attached to this order.

Signed for Lessee: _____ **Print Name:** _____ **Date:** _____

Signed for BSSC: _____ **Print Name:** _____ **Date:** _____

3. PAYMENT DETAILS

Payment Schedule

Agreement Duration: _____ 36-months at US\$ 00.00 per month

Agreement Start Date: _____ TBC _____

Total Lease Agreement Value: \$00.00

Payment terms: By Direct Debit or bank transfer, strictly 30 days from invoice date

Lease period: 00-months

Monthly payment to be paid on the 1st day of each calendar month. Notwithstanding anything to the contrary in the Agreement, the effectiveness of this "Equipment Finance Lease Agreement" is subject to the "Terms and Conditions of Lease Rental"

Agreement Notes:

4. TERMS AND CONDITIONS FOR FINANCE LEASE

Blue Sky Satellite Communications CY LTD:

Terms and Conditions for Finance Lease

1 Interpretation

- 1.1 The definitions of rules of interpretation in this clause apply in this agreement.

"Business Day" a day (other than a Saturday, Sunday or Public Holiday) when banks in the Republic of Cyprus are open for Business.

"Commencement Date" the date that the Lessee takes Delivery of the Equipment.

"Delivery" the transfer of physical possession of the Equipment to the Lessee Site.

"Initial payment" the initial payment amount set out in the Equipment Finance Lease Agreement Form.

"Equipment" as recorded on the Equipment Finance Lease Agreement Form.

"Lessee" shall be the individual or the company named in Section 1 of the Equipment Finance Lease Agreement Form.

"Lessor" shall be Blue Sky Satellite Communications CY LTD

"Lease Payments" the payments made by or on behalf of the Lessee for the Hire of the equipment.

"Lease Period" the period of hire as set out in section 3 of the Equipment Finance Lease Contract Form.

"Total Loss" due to the Lessee's default) the Equipment is, in the Lessor's reasonable opinion, or the opinion of its insurer(s), damaged beyond repair, lost, stolen or seized or confiscated.

- 1.2 Clause and paragraph headings shall not affect the interpretation of this Agreement.
- 1.3 A **person** includes a natural person, corporate or unincorporated body (whether or not having separate legal personality) and that person's legal and personal

representatives, successors and permitted assigns.

- 1.4 A reference to a **company** shall include any company, corporation or other body corporate, wherever and however incorporated or established.
- 1.5 Unless the context otherwise requires, words in the singular shall include the plural and vice versa.
- 1.6 Unless the context otherwise requires, a reference to one gender shall include a reference to the other genders.
- 1.7 A reference to a statute or statutory provision is a reference to it as it is in force for the time being, taking account of any amendment, extension or re-enactment and includes any subordinate legislation for the time being in force made under it.
- 1.8 A reference to **writing** or **written** includes faxes but not email unless email is acknowledged as received.
- 1.9 References to clauses are to the clauses of this agreement. References to paragraphs are to paragraphs of the relevant schedule.
- 1.10 Any words following the terms including, include, in particular or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms.

2 Equipment Hire

- 2.1 The Lessor shall pass the risks and rewards of ownership of the Equipment to the Lessee subject to the terms and conditions of this agreement.
- 2.2 The Lessor shall not, other than in the exercise of its rights under this agreement or applicable law, interfere with the Lessee's quiet possession of the Equipment.

3 Lease Period

The Lease Period starts on the Commencement Date and shall continue for a minimum period as set out in the Equipment Lease Agreement Form unless this agreement is terminated earlier in accordance with its terms.

4 Lease Payments

- 4.1 The Lessee shall pay the Lease Payments to the Lessor by direct debit or electronic bank transfer within 30 days of

invoice date.

- 4.2 The Lease Payments are exclusive of applicable taxes and Duties or similar charges which shall be payable by the Lessee at the rate and in the manner from time to time prescribed by law.
- 4.3 All undisputed payments to be made by the Lessee under this agreement shall be made without withholding or set-off on account of disputes, counterclaims or for any other reason whatsoever.
- 4.4 If the Lessee fails to pay any Lease Payments or any other sums payable under this agreement by the due date for payment under this agreement then, without limiting the Lessor's rights under clause 14.1, the Lessee shall pay interest on such sums for the period from and including the due date of payment up to the actual date of payment, whether before or after judgment. The interest shall be paid at the rate of two-point five percent (2.5%) per annum above the base lending rate for the country in which the Lease agreement is signed.

5 Delivery and Installation

- 5.1 Delivery of the Equipment shall be made by the Lessor subject to agreed delivery charges. The Lessor shall use all reasonable endeavors to affect Delivery by the date and time agreed between the parties. Title and risk shall transfer in accordance with clause 6 of this agreement.
- 5.2 The Lessor has no responsibility to install the Equipment at the site unless otherwise agreed with the Lessee. The Lessee shall confirm in writing examination of the Equipment and that the Lessee has found it to be in good condition, complete and fit in every way for the purpose for which it is intended (save as regards any latent defects not reasonably apparent on inspection).
- 5.3 To facilitate Delivery and possible installation, the Lessee shall at its sole expense provide all requisite materials, facilities, access and suitable working conditions to enable Delivery and installation to be carried out safely and expeditiously including the materials, facilities and working conditions.

6 Title, Risk and Insurance

- 6.1 The Equipment shall at all times remain the property of the Lessor until such time as all financial liability has been fully extinguished. The Lessee shall have the rights to use and title or interest in the Equipment during the lease period, provided the terms and conditions of the lease are observed.
- 6.2 The risk of loss, theft, damage or destruction of the Equipment shall pass to the Lessee on delivery. The Equipment shall remain at the sole risk of the Lessee during the Lease Period and any further term during which the Equipment is in the possession, custody or control of the Lessee (**Risk Period**) until such time as the Equipment is redelivered to the Lessor. During the Lease Period and the Risk Period, the Lessee shall, at its own expense, obtain and maintain the following insurances:
- (a) Insurance of the Equipment to a value not less than its full replacement value as indicated in the Equipment Lease Agreement Form comprehensively against all usual risks of loss, damage or destruction by fire, theft or accident, and such other risks as the Lessor may from time to time nominate in writing;
 - (b) Insurance for such amounts as a prudent owner or operator of the Equipment would insure for, or such amount as the Lessor may from time to time reasonably require, to cover any third party or public liability risks of whatever nature and however arising in connection with the Equipment; and
 - (c) Insurance against such other or further risks relating to the Equipment as may be required by law, together with such other insurance as the Lessor may from time to time consider

reasonably necessary and advice to the Lessee.

- 6.3 The Lessee shall give written notice as soon as reasonably practicable to the Lessor in the event of any loss, accident or damage to the Equipment or arising out of or in connection with the Lessee's possession or use of the Equipment.

7 Software

- 7.1 Subject to the terms and conditions of this Agreement, the Lessor grants to the Lessee, and the Lessee accepts, a nonexclusive, non-transferable license to use the Software (software attached to any of the Equipment under this Agreement), solely on the applicable unit of Equipment, with which the Software is shipped, and solely in accordance with the applicable documentation. The Lessee will have no right to receive any source code with respect to any Software, nor any right to grant any third party any right to receive such source code.
- 7.2 The Lessor and its licensors retain all right, title, and interest to the Software not expressly granted herein including ownership of all intellectual property rights that are embodied in, or practiced by, the Software.

8 Lessee's Responsibilities

- 8.1 The Lessee shall during the term of this agreement to
- (a) Ensure that the Equipment is kept and operated in a suitable environment, used only for the purposes for which it is designed, and operated in a proper manner by trained competent staff in accordance with any operating instructions provided by the Lessor;
 - (b) Take such steps (including compliance with all safety and usage instructions provided by the Lessor) as may be necessary to ensure, so far as is reasonably practicable, that the Equipment is at all times safe and without risk to health when it is being set, used, cleaned or maintained by a person at work;
 - (c) Maintain at its own expense the Equipment in good and substantial repair in order to keep it in as good an operating condition as it was on the Commencement Date (fair wear and tear only excepted) including replacement of worn, damaged and lost parts, and shall make good any damage to the Equipment;
 - (d) Make no alteration to the Equipment and shall not remove any existing component(s) from the Equipment without the prior written consent of the Lessor, unless carried out to comply with any mandatory modifications required by law or any regulatory authority, or unless the component(s) is/are replaced immediately (or if removed in the ordinary course of repair and maintenance as soon as practicable) by the same component or by one of a similar make and model or an improved / advanced version of it. Title and property in all substitutions, replacements, renewals made in or to the Equipment shall vest in the Lessor immediately upon installation;
 - (e) Keep the Lessor fully informed of all material matters relating to the Equipment;
 - (f) At all times keep the Equipment in the possession or control of the Lessee and keep the Lessor informed of its location;
 - (g) Subject to prior written consent from Lessee, permit the Lessor or its duly authorized representative to inspect the Equipment at all reasonable times and grant reasonable access and facilities for such inspection;
 - (h) Not, without the prior written consent of the Lessor, part with control of (including for the purposes of repair or maintenance), sell or offer for sale, underlet or lend the Equipment or

- allow the creation of any mortgage, charge, lien or other security interest in respect of it;
- (i) Deliver up the Equipment on early termination of this agreement at such address as the Lessor requires and at the Lessee's expense, or if necessary, allow the Lessor or its representatives access where the Equipment is located for the purpose of removing the Equipment, all expenses for removal of equipment to be at the Lessee's expense.

8.2 The Lessee acknowledges that the Lessor shall not be responsible for any loss of or damage to the Equipment arising out of or in connection with any negligence, misuse, mishandling of the Equipment or otherwise caused by the Lessee or its officers, employees, agents and contractors, and the Lessee undertakes to indemnify the Lessor on demand against the same, and against all losses, liabilities, claims, damages, costs or expenses of whatever nature otherwise arising out of or in connection with any failure by the Lessee to comply with the terms of this agreement.

9 Export

9.1 The Equipment (including, without limitation, any Software) may be subject to the export or import laws and regulations of the United States, the European Union and its member states, and other countries (collectively, "Export/Import Law"). The Lessee agrees to comply strictly with all Export/Import Laws applicable to the Equipment. The Lessee shall promptly notify Lessor of any authorization requirements under Export/Import Laws that may apply to delivery or use of the Equipment. The Lessee acknowledges and agrees that Equipment shall not be exported, re-exported, trans-shipped or otherwise transferred to Cuba, Iran, North Korea, Syria, Sudan, or any other countries for which the United States and/or the European Union maintains an embargo (collectively, "Embargoed Countries"), or a national or resident thereof, or to any person or entity on the U.S. Department of Treasury List of Specially Designated Nationals, the U.S. Department of Commerce Denied Parties or Entity List, or to any person on any comparable list maintained by the European Union or its member states (collectively, "Denied or Restricted Parties"). The Lessor represents and warrants that it is not located in, a national or resident of, or under the control of an Embargoed Country or similarly Denied or Restricted Party. The Lessor further acknowledges and agrees that the Equipment shall not be exported to countries specified in BSSC export policy (available upon request) without prior written approval of Lessor.

10 Final lease payment

- 10.1 The Lease shall expire on receipt of the final period payment paid to the lessor and subject to clause 10.2, the lessee will then take ownership of the Equipment.
- 10.2 The legal transfer of ownership will occur only if all amounts due to the Lessor under this agreement up to the date of the transfer have been paid in full by the Lessee.
- 10.3 On transfer of legal title to the Equipment under this clause 10, such title to the Equipment as the Lessor had on the Commencement Date shall transfer to the Lessee. The Equipment shall transfer to the Lessee in the condition and at the location in which it is found on the transfer date.

11 Warranty

- 11.1 The Lessor warrants that the Equipment shall substantially conform to its specification (as made available by the Lessor), be of satisfactory quality and fit for any purpose held out by the Lessor. The Lessor shall use all reasonable endeavors to remedy any material defect in the Equipment which manifests itself within the warranty period stated in the equipment finance lease agreement form, provided that:
- (a) the Lessee notifies the Lessor of any defect in writing within ten (10) Business Days of the defect

- occurring or of becoming aware of the defect;
- (b) the Lessor is permitted to make a full examination of the alleged defect;
- (c) the defect did not materialize as a result of misuse, neglect, alteration, mishandling or unauthorized manipulation by any person other than the Lessor's authorized personnel;
- (d) The defect did not arise out of any information, design or any other assistance supplied or furnished by the Lessee or on its behalf; and the defect is directly attributable to defective material, workmanship or design.

12 Liability

- 12.1 Nothing in this agreement shall exclude or in any way limit:
- (a) either party's liability for death or personal injury caused by its own negligence;
- (b) either party's liability for fraud or fraudulent misrepresentation; or
- (c) Any other liability which cannot be excluded by law.
- 12.2 This agreement sets forth the full extent of the Lessor's obligations and liabilities in respect of the Equipment and its hiring and sale to the Lessee. In particular, there are no conditions, warranties or other terms, express or implied, including as to quality, fitness for a particular purpose or any other kind whatsoever, that are binding on the Lessor except as specifically stated in this agreement. Any condition, warranty or other term concerning the Equipment which might otherwise be implied into or incorporated within this agreement, whether by statute, common law or otherwise, is expressly excluded.
- 12.3 Without prejudice to clause 10.2, neither party shall be liable under this agreement for any:
- (a) Loss of profit;
- (b) Loss of revenue
- (c) Loss of business; or
- (d) Indirect or consequential loss or damage in each case, however caused, even if foreseeable.

13 Total Loss

- 13.1 If a Total Loss occurs in relation to the Equipment then:
- (a) This agreement shall immediately terminate and clause 14.2 shall apply;
- (b) The Lessee shall within twenty (20) Business Days pay to the Lessor as agreed compensation for loss, as determined by an independent valuation.
- (c) Any insurance monies received by the Lessee following a Total Loss shall be applied as follows:
- (i) To settle any outstanding sums owed to the Lessor pursuant to this clause 13;
- (ii) To refund to the Lessee any sums paid to the Lessor pursuant to this clause 13; and
- (iii) Any remaining balance shall be retained by the Lessee.

14 Termination

- 14.1. The Lessor may, without prejudice to any other right or remedy which may be available to it, terminate this agreement immediately by written notice to the Lessee if:
- (a) The Lessee defaults in any of its payment obligations;
- (b) The Lessee commits a material breach of this agreement which breach is irremediable, or which breach (if remediable) is not remedied within ten (10) Business Days after the service of written notice from the Lessor requiring it to do so;
- (c) The Lessee suspends, or threatens to suspend, payment of its debts or is unable to pay its debts as they fall due or admits inability to pay its debts or is deemed unable to pay its debts; or
- (d) An application is made to court, or an order is made, for the appointment of an administrator, or

- if a notice of intention to appoint an administrator is given or if an administrator is appointed, over the Lessee; or
- (e) A person becomes entitled to appoint a receiver over the assets of the Lessee or a receiver is appointed over the assets of the Lessee; or
 - (f) A creditor or encumbrances of the Lessee attaches or takes possession of, or a distress, execution, sequestration or other such process is levied or enforced on or sued against, the whole or any part of the Lessee's assets and such attachment or process is not discharged within 14 days; or
 - (g) Any event occurs, or proceeding is taken, with respect to the Lessee in any jurisdiction to which it is subject that has an effect equivalent or similar to any of the events mentioned in clause 14.1(c) to clause 14.1(f) (inclusive); or
 - (h) The other party suspends or ceases, or threatens to suspend or cease, carrying on all or a substantial part of its business.
- 14.2. Upon termination of this agreement by Lessor due to Lessee's failure to cure the breach within 30 days after the cure notice given to Lessee, however caused:
- (a) The Lessor's consent to the Lessee's possession of the Equipment shall terminate and the Lessor may, by its authorized representatives, retake possession of the Equipment and for this purpose may enter the Site or any premises at which the Equipment is located; and
 - (b) Without prejudice to any other rights or remedies of the Lessee, the Lessee shall pay to the Lessor:
 - (i) All Lease Payments and other undisputed sums due but unpaid at the date of such demand together with any interest accrued pursuant to clause 4.4;
 - (ii) Any costs and expenses incurred by the Lessor in recovering the Equipment and/or in collecting any sums due under this.
- 14.3. Upon termination of this agreement pursuant to clause 14.1 or any other repudiation of this agreement by the Lessee which is accepted by the Lessor, the Lessee shall pay to the Lessor on demand, in addition to any sums payable pursuant to clause 14.2, as agreed compensation for the Lessor's loss, a sum equal to the whole of the Lease Payments that would (but for the termination) have been payable if the agreement had continued from the date of such demand to the end of the Lease Period.
- 14.4. Termination of this agreement shall be without prejudice to the rights and obligations of the parties accrued up to the date of termination.

15 Force Majeure

Neither party shall be in breach of this agreement nor liable for delay in performing, or failure to perform, any of its obligations under this agreement if such delay or failure result from events, circumstances or causes beyond its reasonable control, and in such circumstances the time for performance shall be extended by a period equivalent to the period during which performance of the obligation has been delayed or failed to be performed OR the affected party shall be entitled to a reasonable extension of the time for performing such obligations, provided that if the period of delay or non-performance continues for two (2) weeks, the party not affected may terminate this agreement by giving ten (10) Business Days' written notice to other party.

16 Assignment and Subcontracting

- Neither party shall, without the prior written consent of the other party (such consent not to be unreasonably conditioned, withheld or delayed),

assign, transfer, mortgage, charge, declare a trust of or deal in any other manner with this agreement or any of its rights and obligations under or arising out of this agreement (or any document referred to in it), or purport to do any of the same.

- Neither party shall subcontract or delegate in any manner any or all of its obligations under this agreement to any third party or agent without the prior written consent of the other party. Each party shall in all cases retain sole responsibility for the performance of the tasks assigned to it under this agreement, regardless of the use of authorized subcontractors.
- Each party that has rights under this agreement is acting on its own behalf and not for the benefit of another person.

17 Entire Agreement and Variation

- This agreement constitutes the whole agreement between the parties and supersedes all previous agreements between the parties relating to its subject matter.
- Each party acknowledges that, in entering into this agreement, it has not relied on, and shall have no right or remedy in respect of, any statement, representation, assurance or warranty (whether made negligently or innocently) other than as expressly set out in this agreement.
- Nothing in this clause shall limit or exclude any liability for fraud or for fraudulent misrepresentation.
- No variation of this agreement shall be effective unless it is in writing and signed by the parties (or their authorized representatives).

18 Contracts (Rights of Third Parties) Act 2002

- A person who is not a party to this agreement shall not have any rights under or in connection with it by virtue of the Contracts (Rights of Third Parties) Act 2002.
- The rights of the parties to terminate rescind or agree any variation, waiver or settlement under this agreement is not subject to the consent of any person that is not a party to this agreement.

19 Notices

- Any notice or other communication required to be given under this agreement, shall be in writing and shall be delivered personally, or sent by pre-paid post or recorded delivery or by commercial courier, to each party required to receive the notice or communication as set out in the order form, or as otherwise specified by the relevant party by notice in writing to each other party.
- Any notice or other communication shall be deemed to have been duly received:
 - (a) If delivered personally, when left at the address and for the contact referred to in this clause;
 - (b) If sent by commercial courier, on the date and at the time of signature of the courier's delivery receipt; or
 - (c) If sent by pre-paid post or recorded delivery, 9.00am on the second Business Day after posting.
- A notice or other communication required to be given under this agreement shall be considered valid if sent by recorded delivery to Blue Sky satellite Communications CY LTD and has been acknowledged by an authorized officer or representative of the Lessor.