



Contract No. _____

**ALLIANCE PARTNER
TELECOMMUNICATIONS SERVICES AGREEMENT**

This Telecommunications Services Agreement ("Agreement") is made and entered into as of _____, 2002, by and between _____, a _____ corporation, with its principal office at _____ ("CUSTOMER") and TRANS PACIFIC TELECOM, Inc. a Delaware corporation, with its principal office at 7514 Girard Ave Suite 1411 La Jolla, CA 92037 USA ("TPT").

1. Services; Minimum Service Term.

TPT agrees to provide and CUSTOMER agrees to accept switched telecommunications services and other related services (collectively, the "Services"), which Services are more fully described herein and in one or more Service Schedules attached hereto as Exhibit A and incorporated herein by this reference (the "Service Schedules"). As used herein, where the context so requires, the term "Agreement" shall include this Agreement and the applicable Service Schedules attached hereto. TPT's obligation to provide and CUSTOMER's obligation to accept and pay for the applicable Services shall be effective upon the execution of this Agreement and the applicable Service Schedule by the parties and shall commence with respect to any Service as of the date set forth on the applicable Service Schedule and terminate after one year, unless the parties desire to continue on a month to month basis thereafter.

2. Optional Service Interconnections for Domestic Termination.

Optional Service interconnections shall be the responsibility of the CUSTOMER. For High QoS and Service Level Agreements (SLA's) TPT recommends CUSTOMER directly connects to TPT's Gateway(s) with a DS-1 / T1 or higher. CUSTOMER shall order circuits from vendor of their choosing. CUSTOMER shall have sole responsibility for the installation, testing, operation of and costs associated with facilities, services and equipment other than those specifically to be provided by TPT as described in a Service Schedule.

3. Payment Terms and Charges.

(a) Payment Terms. TPT expects payments for Services on a weekly basis following the start of service. Services shall be billed at the rates set forth on the attached Service Schedule. CUSTOMER agrees to pay TPT each invoice for Services in accordance with the Service Schedule. All payments due hereunder shall be made in U.S. dollars. Deposit, Letter of Credit (LC) Credit Card Guarantee or Pre-Payment may be required. Please see Service Schedule.

(b) Charges. Each Digital Invoice from TPT is generated by the Call Detail Records ("CDR") provided and the rates established in the Service Schedule, which is reflected in the CUSTOMER's Alliance Partner's online login website. tin board system. Paper Invoices will only be generated upon advance request.

Invoice and CDR report will be deemed to have been actually received by CUSTOMER once the information has been made available on TPT Alliance Partner website within twenty-four (24) hours of posting. The CDR will contain the following information: CUSTOMER billing account number, date of call, time of call, billed duration of call, destination number including country code, billed amount, and per-minute charge.



(c) **Modification of Charges.** TPT reserves the right to modify charges for Services. TPT agrees to provide notification of all rate changes on the Alliance Partner website. CUSTOMER are responsible for checking the Alliance Partner website for such modification.

(e) **Billing Disputes.** CUSTOMER may deduct from TPT's billings any and all amounts reasonably disputed by CUSTOMER, provided CUSTOMER: (i) pays all undisputed charges on or before the due date of the weekly invoice, (ii) presents a written statement of any billing discrepancies to TPT in reasonable detail within five (5) days following the due date of the invoice in question, and (iii) negotiates in good faith with TPT for the purpose of resolving such dispute. If CUSTOMER and TPT are not able to resolve such dispute within twenty (20) days after TPT presents to CUSTOMER the written statement of the billing discrepancies, CUSTOMER and TPT agree to resolve the dispute in accordance with Paragraph 11 below. In the event such dispute is resolved in favor of TPT, CUSTOMER agrees to pay TPT the disputed amounts within ten (10) days following the resolution.

4. **Warranty.** TPT will use good faith diligent efforts to maintain its overall network quality. The quality of Services provided hereunder shall be consistent with other common carrier industry standards, government regulations and sound business practices. TPT is not responsible for network infrastructure and services provided by other vendors.

5. **Continuing Relationship and Termination.** This Agreement may be terminated upon the occurrence of any of the following events of default: (a) TPT may terminate this Agreement in the event CUSTOMER fails to make any payment when due and fails to cure such default within fifteen (15) days after receipt of notice of such default, (b) either party may terminate this Agreement in the event of: (i) a material breach of this Agreement by the other party (other than as specified in (a) above), which is not cured by the breaching party within thirty (30) days after receipt of notice of such default; (ii) the adjudication of bankruptcy of the other party under any Federal, state or municipal bankruptcy or insolvency act, or the appointment of a receiver or any act or action constituting a general assignment by such other party of its properties and/or assets for the benefit of its creditors, which involuntary proceeding or appointment is not dismissed or vacated within ninety (90) days; or (iii) the determination by any governmental entity having jurisdiction over the Services provided under this Agreement that the relationship of the parties and/or Services provided hereunder are contrary to then existing laws.

6. **Liability.** In no event will either party hereto be liable to the other party for any indirect, special or consequential losses or damages, including without limitation, loss of revenue, loss of customers or clients, loss of goodwill or loss of profits arising in any manner from this Agreement, the Services or the performance or nonperformance of obligations hereunder.

7. **Force Majeure.** If either party's performance under this Agreement or of any obligation hereunder is prevented, restricted or interfered with by causes beyond its reasonable control including, but not limited to, acts of God, fire, explosion, vandalism, cable cut, storm or other similar occurrence, any law, order, regulation, direction, action or request of the United States government or state or local governments, or of any department or agency thereof, or by national emergency, insurrection, riot, war, strike, lockout or work stoppage or other labor difficulties, supplier failure, shortage, breach or delay, then such party shall be excused from such performance on a day-to-day basis to the extent of such restriction or interference.

8. **Notices.** Any notice or other communication required or permitted to be given hereunder shall be in writing and shall be given by: (i) prepaid first class mail, or (ii) personal delivery as hereafter provided. Any such notice or other communication, if mailed by prepaid first-class mail, shall be deemed to have been received on the fourth business day after the postmarked date thereof; or if delivered by hand, shall be deemed to have been received at the time it is delivered to the applicable address. Notice of change of address shall also be governed by this Section. In the event of a general discontinuance of postal service due to strike, lock-out, or otherwise, notices or other communications



shall be by personal delivery and shall be deemed to have been received in accordance with this Section. Notices and other communications shall be delivered to the addresses set forth in the introductory paragraph hereof.

9. **Use of Service.** Upon TPT's acceptance of a Service Schedule hereunder, TPT will provide the Service specified therein to CUSTOMER upon condition that the Service shall not be used for any unlawful purpose. The provision of Services hereunder will not create a partnership or joint venture between the parties or result in a joint communications service offering to third parties.

10. **Proprietary Information.**

(a) **Confidential Information.** The parties understand and agree that the terms and conditions of this Agreement, all documents referenced herein (including invoices to CUSTOMER for Services provided hereunder), communications between the parties regarding this Agreement or the Services to be provided hereunder (including price quotes to CUSTOMER for any Service proposed to be provided or actually provided hereunder) and all information regarding the customers of CUSTOMER, as well as such information relevant to any other agreement between the parties (collectively "Confidential Information"), are confidential as between CUSTOMER and TPT.

(b) **Limited Disclosure.** A party shall not disclose Confidential Information unless subject to discovery or disclosure pursuant to legal process, or to any other party other than the directors, officers, and employees on a need to know basis of a party or agents of a party including their respective brokers, lenders, insurance carriers or prospective purchasers who have specifically agreed in writing to preserve the confidentiality of the terms and conditions hereof. Any disclosure hereof required by legal process shall only be made after providing the non-disclosing party with notice thereof in order to permit the non-disclosing party to seek an appropriate protective order or exemption. Violation by a party or its agents of the foregoing provisions shall entitle the non-disclosing party, at its option, to obtain injunctive relief without a showing of irreparable harm or injury and without bond. The provisions of this Section will be effective as of the date of this Agreement and remain in full force and effect for a period equal to the longer of: (a) one (1) year following the effective date of this Agreement, or (b) one (1) year following the termination of all Services hereunder.

11. **Dispute Resolution.** If a dispute arises out of or relates to this Agreement, or the breach thereof, and if the dispute cannot be settled through negotiation, the parties agree first to try in good faith to settle the dispute by mediation administered by the American Arbitration Association under its Commercial Rules before resorting to arbitration. Such mediation will take place within thirty (30) days after the parties' attempts at negotiations have concluded in failure. Thereafter, any remaining dispute shall be settled by arbitration administered by the American Arbitration Association in accordance with its commercial rules, and judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. Such arbitration will take place within 30 days after the parties' attempts at mediation have concluded in failure. Notwithstanding any other provision in this paragraph, the parties reserve their rights to apply to a court having jurisdiction over the parties in the subject matter for any appropriate provisional remedy, including but not limited to, an injunction, writ of attachment, temporary restraining order, and/or temporary protective order.

12. **Miscellaneous.** This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors or assigns. In any arbitration, civil action or other legal proceeding arising out of or relating to this Agreement, the prevailing party shall be awarded its costs and reasonable attorney's fees. This Agreement consists of all the terms and conditions contained herein, in executed Service Schedules that are identified herewith, and all documents incorporated herein specifically by reference. This Agreement constitutes the complete and exclusive statement of the understandings between the parties and supersedes all proposals and prior agreements (oral or written) between the parties relating to Services provided hereunder. No subsequent agreement between the



parties concerning the Services shall be effective or binding unless it is made in writing and executed by authorized representatives of CUSTOMER and TPT. This Agreement shall be governed by and construed in accordance with California law. Any mediation, arbitration, or judicial proceeding arising out of or relating to this Agreement, shall take place only in San Diego, California.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date and year first written above.

TPT:
TRANS PACIFIC TELECOM INC.
A Delaware corporation

By: _____
Name:
Title:

CUSTOMER:

A _____ Corporation

By: _____
Name: _____
Title: _____



Contract No. _____

**EXHIBIT A
SERVICE SCHEDULE
ALLIANCE PARTNER**

Service Description:

TPT will provide to CUSTOMER international wholesale telecommunication services at the rates provided in the attached rate addendum.

Payment Terms:

TPT reserves the right to apply any combination of the paragraphs below and reserves the right to change at any time. One business week of notice will be provided to Customer in writing.

1. TPT will deliver to CUSTOMER, via the Alliance Partner Website, an invoice detailing exact charges. CUSTOMER agrees to pay TPT the total amount due via bank wire transfer or check.
2. CUSTOMER will pre-pay for long-distance minutes;
3. CUSTOMER agrees to pay a deposit, which will be held for the period of one year. The deposit will not be used to pay for monthly invoices;
4. **PREPAYMENT TERMS.** CUSTOMER shall, on or before the commencement date, provide a prepayment to TPT in an amount equal to \$_____ reflecting the first forecasted ten (10) day period. Thereafter, the prepayment amount will be based on a seven (7) day period. Two (2) days prior to each seven (7) day period, Customer will provide to TPT a forecast of traffic by terminating destination, to include toll free origination, if any, for the following seven (7) day period. Subsequent to the initial forecasted period, TPT shall provide via the Alliance Partner Website, an invoice for the previous seven (7) day period. The invoice shall be in an amount equal to the (i) the charges for the actual traffic for the previous period; (ii) a credit for the amount of the prepayment for the previous period; and (iii) prepayment in an amount equal to the forecast for the subsequent period. Within forty-eight (48) hours after receipt of the invoice, Customer shall pay to TPT via wire transfer the amount of the invoice. Late payments will be assessed a late payment fee of one and one-half percent (1.5%) per month on the delinquent balance;
5. **PAYMENT.** Customer shall make full payment on each TPT invoice within forty-eight (48) hours of the date of said invoice via bank wire transfer or check.

Trans Pacific Telecom

7514 Girard Ave Suite I-411, La Jolla, CA 92037 USA
Phone: 619-944-5413 Fax: 858-777-5375

6. **SECURITY DEPOSIT.** An initial cash deposit of \$_____ (_____ Dollars) is required prior to turning up service.