

Lease/Purchase Agreement

Preferred Communications

PO Box 829, Creedmoor, NC 27522 USA +1-919-528-9330 or, Fax to: +1-919-528-9529

Lessor Information				
Lessor Name: Preferred Communications				
Address: 105 Lake Rd., PO Box 829				
City: Creedmoor State: NC Zip Code: 27522 Country: USA				
Lessee Information				
Lessee Name: _____				
Address: _____				
City _____ Province _____ Postal Code _____ Country _____				
Location: _____ Date: _____, _____				
List of Equipment on Lease				
Quantity	Item and Serial Number			
1.				
2.				
3.				
Terms of Lease in Months	Per Month Lease Amount			Total Retail Payment (Payments are made monthly)
1.				
2.				
3.				
Agreed Purchase Value	Lease Start		Lease Finish	
1.				
2.				
3.				
Special Considerations				
The Undersigned acknowledges to have read the entire agreement and accepts the terms and conditions thereof (see reverse for terms and conditions).				
Lessor Signature:			Lessee Signature:	
Per:			Per:	
Title:			Title:	
Authorized:			Authorized:	
Title:			Title:	

Lease/Purchase Agreement

Terms and Conditions

1. **Lease:** The Lessee shall pay to the Lessor the monthly lease payment as set forth above. These payments shall commence on the date of execution of the lease and each subsequent payment shall be due on the first of each subsequent month.
2. **Location And Use:** The Equipment shall be located at the place designated herein and not elsewhere without the prior written consent of the Lessor. The Lessee shall cause the equipment to be operated carefully by qualified personnel only.

Customer agrees to abide by all of the current regulations in effect in countries where the communicator may be used, including the purchase of all required licenses. Stratos Mobile Networks cannot be held responsible for any operational restrictions, customs, license or permit fees required for operation in the destination country. In addition, Stratos holds no responsibility for fines associated with terminal seizure nor for legal ramifications of using Inmarsat equipment in countries where it is prohibited. Customers are recommended to contact the Embassy or Trade Commission of the destination country, prior to entry into that country.
3. **Title And Assignment:** The Lessee recognizes and acknowledges that the title of the equipment is retained by the Lessor, and that the Lessee has the right to maintain possession of the equipment conditional upon its compliance with the terms of this agreement. The Lessee agrees not to sell, assign, sublet, pledge, hypothecate, or otherwise encumber or suffer a lien upon or against any interest in this agreement or equipment. The Lessor may assign its rights hereunder to any other person.
4. **Repairs And Maintenance:** The rental amount is inclusive of the normal repairs and maintenance which are to be performed by the Lessor. The Lessor shall not be responsible for any repair due to the misuse of equipment caused by the Lessee. The Lessee shall be responsible for the repair of any damage caused by misuse.
5. **Cancellation Of Lease:** This agreement may be cancelled by the Lessee only by either an **early purchase or early cancellation** as outlined in the clauses below.
6. **Early Purchase:** The Lessee, at its option, may purchase the equipment and obtain full title to it by the payment of amount equal to the **agreed purchase price less 50% of the lease amounts paid to date, plus the applicable retail sales tax on this amount, plus the payment of any outstanding total payments with the addition of a late charge of 18% per annum on these outstanding payments.**
7. **Early Cancellation:** The Lessee, at its option, may cancel and terminate this lease prior to the lease finish date by returning the equipment to the Lessor in good condition allowing for normal wear and by the payment of an **amount equal to 30% of the unpaid future total lease payments, plus the payment of any outstanding total payments with the addition of a late charge of 18% per annum on these outstanding payments.**
8. **Insurance:** The Lessee shall obtain and maintain during the duration of this agreement, sufficient insurance to adequately cover the **early purchase** amount as defined above.
9. **Repudiation And Default:** Should the Lessee fail to make any rental payment (or otherwise fail to comply with this agreement) when due and such rental payment remains outstanding for a period of 30 days after written notice by the Lessor, the Lessor may reclaim possession of the equipment from the premises of the Lessee, and claim from the Lessee an amount equal to the **early cancellation** payment as defined above.