



BLUEWAVE INTERNATIONAL LTD.

TERMS OF SERVICE FOR MOSAIC BY BLUEWAVE MEMBERSHIP

1. THE FOLLOWING TERMS AND CONDITIONS WILL BE LEGALLY BINDING ON CUSTOMER UPON EXECUTION OF THE MEMBERSHIP ORDER FORM. CUSTOMER SHOULD CAREFULLY READ THE FOLLOWING TERMS OF SERVICE BEFORE SIGNING THE MEMBERSHIP ORDER FORM.

2. Terms of Service. Customer acknowledges and agrees to the following terms of service. In addition, Customer agrees that unless explicitly stated otherwise, any new features that augment or enhance the Service, and/or any new service(s) subsequently purchased by the Customer will be subject to this Agreement.

2.1. Customer Must Have Internet Access. In order to use the Service, Customer must have or must obtain access to the World Wide Web, either directly or through devices that access Web-based content. Customer must also provide all equipment necessary to make such (and maintain such) connection to the World Wide Web.

2.2. Accuracy Of Customer's Registration Information. Customer agrees to provide accurate, current and complete information ("Registration Data") about Customer as prompted by the Membership order form, which Customer will fill out in order to gain access to the Service. Customer further agrees to use commercially reasonable efforts to maintain and promptly update the Registration Data to keep it accurate, current and complete. Customer acknowledges and agrees that if Customer provides information that is intentionally inaccurate, not current or incomplete in a material way, or Bluewave has reasonable grounds to believe that such information is untrue, inaccurate, not current or complete in a material way, Bluewave has the right to suspend Customer's account.

2.3. Email And Notices. Customer agrees to provide Bluewave with Customer's e-mail address, to promptly provide Bluewave with any changes to Customer's e-mail address, and to accept emails (or other electronic communications) from Bluewave at the e-mail address Customer specifies. Except as otherwise provided in this Agreement, Customer further agrees that Bluewave may provide any and all notices, statements, and other communications to Customer through either e-mail or posting on the Service.

2.4. Passwords, Access, And Notification. Customer acknowledges and agrees that Customer is prohibited from sharing passwords and/or user names with unauthorized users. Customer will be responsible for the confidentiality and use of Customer's (including its employees') passwords and user names. Customer will also be responsible for all Electronic Communications, including those containing business information, account registration, account holder information, financial information, Customer Data, and all other data of any kind contained within emails or otherwise entered electronically through the Service or under Customer's account. Bluewave will act as though any Electronic Communications it receives under Customer's passwords, user name, and/or account number will have been sent by Customer. Customer agrees to immediately notify Bluewave if Customer becomes aware of any loss or theft or unauthorized use of any of Customer's passwords, user names, and/or account number.

2.5. Customer's Lawful Conduct. The Service allows Customer to send Electronic Communications directly to Bluewave and to third-parties. Customer agrees to comply with all applicable local laws, regulations, and conventions in connection with its use of the Service, including without limitation those related to privacy, electronic communications, and anti-spam legislation. Customer will not send any Electronic Communications from the Service that is unlawful, harassing, libellous, defamatory, or threatening. Except as permitted by this Agreement, no part of the Service may be copied, reproduced, distributed, republished, displayed, posted or transmitted in any form or by any means. Customer agrees not to access the Service by any means other than through the interfaces that are provided by Bluewave. Customer shall not license, rent, sell, lease, transfer, assign, distribute, display, host, outsource, disclose, or otherwise commercially exploit or make the Service available to any third party other than an authorized user, including but not limited to, creating Internet Links to the Service which include log-in information, including but not limited to, user names, passwords, secure cookies, and/or "mirroring" or "framing" any part of the Service. Customer will not upload, post, reproduce or distribute any information, software or other material protected by copyright or any other intellectual property right (including rights of publicity and privacy) without first obtaining the permission of the owner of such rights. Customer will not in any way express or imply that any opinions contained in Customer's Electronic Communications are endorsed by Bluewave. Neither Customer, nor someone acting on Customer's behalf, will use the Service to target for solicitation of any Bluewave customers for purposes of providing any competitive product. Customer shall not reverse engineer, disassemble or decompile any part of the software comprised in the Service or attempt to do so except to the extent permitted by law. Customer



will ensure that any use of the Service by Customer's employees (or users) is in accordance with the terms and conditions of this Agreement.

2.6. Third-Party Software. Customer agrees to use software produced by third parties, including, but not limited to, "browser" software that supports a data security protocol compatible with the protocol used by Bluewave. Until notified otherwise by Bluewave, Customer agrees to use software that supports the Secure Socket Layer (SSL) protocol or other protocols accepted by Bluewave and to follow logon procedures for services that support such protocols. Customer acknowledges that Bluewave is not responsible for notifying Customer of any upgrades, fixes or enhancements to any such software or for any compromise of data transmitted across computer networks not owned or operated by Bluewave or telecommunications facilities, including, but not limited to, the Internet.

2.7. Transmission Of Data. Customer understands that the technical processing and transmission of Customer's Electronic Communications is fundamentally necessary to Customer's use of the Service. Customer expressly consents to Bluewave's interception and storage of Electronic Communications and/or Customer Data, and Customer acknowledges and understands that Customer's Electronic Communications will involve transmission over the Internet, and over various networks, only part of which may be owned and/or operated by Bluewave. Customer acknowledges and understands that changes to Customer's Electronic Communications may occur in order to conform and adapt such data to the technical requirements of connecting networks or devices. Customer further acknowledges and understands that Electronic Communications may be accessed by unauthorized parties when communicated across the Internet, network communications facilities, telephone, or other electronic means. Customer agrees that Bluewave is not responsible for any Electronic Communications and/or Customer Data which are lost, altered, intercepted or stored without authorization during the transmission of any data whatsoever across networks not owned and/or operated by Bluewave.

2.8. Links. The Service may provide, or third parties may provide, links to other World Wide Web sites or resources. Because Bluewave has no control over such sites and resources, Customer acknowledges and agrees that Bluewave is not responsible for the availability of such external sites or resources, and does not endorse and is not responsible or liable for any content, advertising, products, or other materials on or available from such sites or resources.

2.9. Bluewave's Support. Bluewave will make commercially reasonable efforts to promote Customer's successful utilization of the Service, including but not limited to providing Customer with on-line user guidance in a format chosen by Bluewave, as well as optional paid for training classes. Customer acknowledges that Bluewave has extensive experience helping Customers improve utilization and realization of benefits of the Service, and that not following the advice of Bluewave in these areas may substantially undermine Customer's successful utilization of the Service. For the avoidance of doubt, Customer acknowledges that the Service has not been developed to meet Customer's individual requirements and that it is therefore Customer's responsibility to ensure that the facilities and functions of the Service meet Customer's requirements.

2.10. Proprietary Rights. Customer acknowledges and agrees that the Service and any necessary software used in connection with the Service contain proprietary and confidential information that is protected by applicable intellectual property and other laws. Customer further acknowledges and agrees that content or information presented to Customer through the Service or by advertisers may be protected by copyrights, trademarks, service marks, patents or other proprietary rights and laws. Customer has no right in or to the Service save as permitted in this Agreement.

2.11. Trademark Information. Bluewave®, Bluewave International™, Bluewave SWIFT™, Connecting Teachers & Schools™, and other Bluewave service marks, logos and product and service names are marks of Bluewave International Limited. Customer agrees not to display or use the Bluewave marks in any manner without the owner's express prior written permission.

2.12. Confidential Information. For purposes of this Agreement, confidential information shall include the terms of this Agreement, Customer Data, and any information that is clearly identified in writing at the time of disclosure as confidential ("Confidential Information"). Each party agrees: (a) to keep confidential all Confidential Information disclosed to it by the other party or by a third-party; (b) not to use the Confidential Information of the other party except to the extent necessary to perform its obligations hereunder; and (c) to protect the confidentiality thereof in the same manner as it protects the confidentiality of similar information and data of its own (at all times exercising at least a reasonable degree of care in the protection of such Confidential Information). Bluewave may disclose Confidential Information on a need-to-know basis to its contractors who have executed written agreements requiring them to maintain such information in strict confidence and use it only to facilitate the performance of their services for Bluewave in connection with the performance of this Agreement. Confidential Information shall not include information which: (1) is known publicly; (2) is generally known in the industry before disclosure; (3) has



become known publicly, without fault of the recipient, subsequent to disclosure by the disclosing party; or (4) the recipient becomes aware of from a third party not bound by non-disclosure obligations to the disclosing party and with the lawful right to disclose such information to the recipient. This Section 2.12 will not be construed to prohibit the disclosure of Confidential Information to the extent that such disclosure is required by law or order of a court or other governmental authority. The parties agree to give the other party prompt notice of the receipt of any subpoena or other similar request for such disclosure. With respect to any information received by either party from the other as a result of any other relationship between the parties other than as service provider and subscriber under this Agreement (i.e., business development, partnership, alliance, etc.), the parties will abide by the terms and conditions of any Nondisclosure Agreement (or similar agreement) executed between the parties.

2.13 Storage Limits. Bluewave currently limits the amount of database storage to for each membership to 0.5GB. Any customers using database storage in excess of this limit may be charged additional fees.

3. Warranties.

3.1. Warranty Of Functionality. Bluewave warrants to Customer during the Term of this Agreement that the Service will achieve in all material respects the functionality described in the related documentation (available at www.bluewaveswift.com or successor Web site) and that such functionality will be maintained in all material respects in subsequent upgrades to the Service. Bluewave does not warrant that the Service will be error-free. Customer's sole and exclusive remedy for Bluewave's breach of this warranty shall be that Bluewave shall be required to use commercially reasonable efforts to modify the Service to achieve in all material respects the functionality described in the User Guides and other related documentation and if Bluewave is unable to restore such functionality Customer shall be entitled to terminate the Agreement and shall be entitled to receive a pro-rata refund of the membership fees paid for under the Agreement for its use of the Service but which use has not yet been furnished by Bluewave as of the date of such termination. Bluewave shall have no obligation with respect to a warranty claim unless notified of such claim within sixty (60) days of the first instance of any material functionality problem, and such notice must be sent to info@bluewaveswift.co.uk

3.2. Service Level Warranty. Bluewave warrants during the Term of this Agreement that the Service will meet the service levels outlined in Exhibit A hereto in any month. In the event that Bluewave fails to meet the service levels outlined in Exhibit A hereto, Customer's sole and exclusive remedy is that Bluewave will provide Customer with a credit as described in Exhibit A, which is hereby incorporated by reference. Any credit is expressly conditioned upon Customer providing Bluewave written notice of such failure sent to info@bluewaveswift.co.uk by the tenth day of the month following such service level failure.

3.3. Security, Data Maintenance And Backup Warranty. Bluewave warrants during the Term of this Agreement that Bluewave will use commercially reasonable efforts to ensure that Customer's Data will be safeguarded and maintained accurately. Bluewave also warrants that it will, at a minimum, utilize and maintain security and backup procedures as listed in Exhibit B hereto (and hereby incorporated by reference) to protect Customer Data. In the event of a breach of this provision, Bluewave will use commercially reasonable efforts to correct the Customer's Data or restore the Customer's Data within three (3) business days. In the event Bluewave is unable to correct or restore Customer's Data as provided in this Section 3.3, Customer's sole and exclusive remedy shall be at its option to terminate the Agreement and receive a pro-rata refund of the membership fees paid for under the Agreement for its use of the Service but which use has not been furnished by Bluewave as of the date of such termination.

3.4. Non-Infringement Warranty. Bluewave warrants that it is the sole owner and has full power and authority to grant the membership and use of the Service and other rights granted by the Agreement to Customer with respect to the Service and that neither the performance by Customer in its utilization of the Service, nor the membership of and authorized use by Customer of the Service as described herein will in any way constitute an infringement or other violation of any copyright, trade secret, trademark, patent, invention, proprietary information, non-disclosure, or other rights of any third party.

3.5. Other Warranty. Bluewave warrants that the Service shall be free of viruses, Trojan horses, worms, spyware, or other malicious code or components.



3.6. BLUEWAVE SHALL NOT BE RESPONSIBLE FOR ANY FAILURE TO COMPLY WITH THE WARRANTIES IN THIS SECTION 3 IF SUCH FAILURE IS ATTRIBUTABLE TO:

3.6.1. Customer's or any third party's services, software or equipment not provided and/or developed by Bluewave under or pursuant to this Agreement;

3.6.2. any changes, modifications, updates, alterations or enhancements to the Service not provided by Bluewave under or pursuant to this Agreement or caused by the incorrect use, abuse or corruption of the Service or by the use of the Service with other computer programs or on equipment with which it is incompatible;

3.6.3. any inaccuracies, delays, interruptions, or errors occurring as a result of incorrect data or data which does not conform to required input formats; and/or

3.6.4. the Service being used other than permitted by this Agreement.

4. Disclaimer Of Warranties. EXCEPT AS STATED IN SECTION 3 ABOVE, BLUEWAVE DOES NOT REPRESENT THAT CUSTOMER'S USE OF THE SERVICE WILL BE SECURE, TIMELY, UNINTERRUPTED OR ERROR-FREE OR THAT THE SERVICE WILL MEET CUSTOMER'S REQUIREMENTS OR THAT ALL ERRORS IN THE SERVICE AND/OR DOCUMENTATION WILL BE CORRECTED OR THAT THE SYSTEM THAT MAKES THE SERVICE AVAILABLE WILL BE FREE OF VIRUSES OR OTHER HARMFUL COMPONENTS. THE WARRANTIES STATED IN SECTION 3 ABOVE ARE THE SOLE AND EXCLUSIVE WARRANTIES OFFERED BY BLUEWAVE. EXCEPT AS EXPRESSLY STATED IN THIS AGREEMENT, ALL WARRANTIES AND CONDITIONS CONCERNING THE SERVICE WHETHER EXPRESS OR IMPLIED BY STATUTE, COMMON LAW OR OTHERWISE (INCLUDING BUT NOT LIMITED TO THE IMPLIED CONDITIONS, WARRANTIES OR OTHER TERMS AS TO SATISFACTORY QUALITY, FITNESS FOR PURPOSE OR AS TO THE USE OF REASONABLE CARE AND SKILL) ARE HEREBY EXCLUDED TO THE EXTENT PERMITTED BY LAW. EXCEPT AS STATED IN SECTION 3 ABOVE, THE SERVICE IS PROVIDED TO CUSTOMER ON AN "AS IS" AND "AS AVAILABLE" BASIS, AND IS FOR COMMERCIAL USE ONLY. CUSTOMER ASSUMES ALL RESPONSIBILITY FOR DETERMINING WHETHER THE SERVICE OR THE INFORMATION GENERATED THEREBY IS ACCURATE OR SUFFICIENT FOR CUSTOMER'S PURPOSES.

5. Limitations Of Liability. CUSTOMER ACKNOWLEDGES AND AGREES THAT THE CONSIDERATION WHICH BLUEWAVE IS CHARGING HEREUNDER DOES NOT INCLUDE CONSIDERATION FOR ASSUMPTION BY BLUEWAVE OF THE RISK OF CUSTOMER'S INCIDENTAL OR CONSEQUENTIAL DAMAGES. IN NO EVENT SHALL EITHER PARTY BE LIABLE TO ANYONE FOR INCIDENTAL, CONSEQUENTIAL, PUNITIVE, SPECIAL OR EXEMPLARY DAMAGES, OR INDIRECT DAMAGES OF ANY TYPE OR KIND (INCLUDING LOSS OF CUSTOMER DATA, REVENUE, PROFITS, USE OR OTHER ECONOMIC ADVANTAGE), ARISING FROM BREACH OF WARRANTY OR BREACH OF CONTRACT, OR NEGLIGENCE, OR ANY OTHER LEGAL CAUSE OF ACTION ARISING FROM OR IN CONNECTION WITH THIS AGREEMENT. The maximum liability of either party to any person, firm or corporation whatsoever arising out of or in the connection with any membership, use or other employment of the Service, whether such liability arises from any claim based on breach or repudiation of contract, breach of warranty, tort, or otherwise, shall in no case exceed the equivalent of 12 months in membership fees applicable at the time of the event. The essential purpose of this provision is to limit the potential liability of the parties arising from this Agreement. The parties acknowledge that the limitations set forth in this Section are integral to the amount of consideration levied in connection with the membership of the Service and that, were Bluewave to assume any further liability other than as set forth herein, such consideration would of necessity be set substantially higher. Certain jurisdictions do not allow the exclusion of implied warranties or limitations of liability for incidental or consequential damages, so the exclusions set forth above apply only to the extent permitted in the jurisdiction in which any claim might validly be made.

Nothing in this Agreement shall exclude or limit either party's liability for (i) fraud; (ii) death or personal injury caused by that party's negligence; (iii) breach of the implied terms as to title as set out in section 12 of the Sale of Goods Act 1979 or section 2 of the Supply of Goods and Services Act 1982; or (v) any other liability which cannot be excluded or limited by law. THE LIMITATION OF LIABILITY SET FORTH IN THIS SECTION SHALL NOT APPLY TO EITHER PARTY'S INDEMNITY OBLIGATIONS SET FORTH IN SECTION 6 BELOW.

6. Indemnification.

6.1. Infringement. Bluewave will indemnify, defend and hold Customer harmless from and against any and all costs, liabilities, losses, and expenses (including, but not limited to, reasonable attorneys' fees) (collectively, "Losses") arising out of or in connection with a claim, suit, action, or proceeding brought by any third party against



Customer which arise out of or result from the infringement of any copyright, patent, trademark, or misappropriation of a trade secret relating to Customer's use of the Service in accordance with this Agreement; provided that Customer (a) promptly gives Bluewave notice of the claim, suit, action, or proceeding; (b) gives Bluewave sole control of the defence and related settlement negotiations; (c) make no admission relating to the infringement or alleged infringement; and (d) provides Bluewave with all reasonably available information and assistance necessary to perform Bluewave's obligations under this paragraph. If the

Service is held to infringe any intellectual property right, Bluewave may, in its sole discretion and at its own expense, either procure a license that will protect Customer against such claim without cost to Customer or replace the Service with a non-infringing Service. Provided that Bluewave complies with this Section 6.1, Customer shall have no remedy against Bluewave, except it may at its option terminate the Agreement and receive a pro-rata refund of the membership fees paid for under the Agreement for its use of the Service but which use has not yet been furnished by Bluewave as of the date of such termination. However, Bluewave shall have no liability under this clause in respect of anything resulting from (a) Customer's use of a superseded or altered release of the Service if Bluewave can reasonably demonstrate that such infringement would have been avoided by the use of a subsequent, unaltered release of the Service which is provided or offered to be provided to Customer; (b) any information, design, specification, instruction, software or data not furnished by Bluewave; (c) use of the Service in combination with any other software; (d) use of the Service other than as directed or approved by Bluewave in writing or otherwise in any manner not permitted by this Agreement; or (e) any breach of contract or any negligent, wilful or fraudulent act or omission by Customer.

6.2. Disclosure Of Customer Data. Bluewave will fully indemnify, defend and hold Customer harmless from and against any Losses arising out of or in connection with a claim, suit, action, or proceeding brought by any third party against Customer which arise out of or result from Bluewave's gross negligence in preventing unauthorized access to confidential Customer Data, or Bluewave's wilful disclosure of such confidential Customer Data, as determined by a court of competent jurisdiction in connection with a claim by a third party alleging a breach of confidentiality. In addition, Bluewave will indemnify Customer up to an amount equal to five (5) times the equivalent of 12 months of membership fees applicable at the time of the event, from and against any Losses incurred by Customer with respect to any third party claim, suit, action, or proceeding arising out of or relating to Bluewave's breach of Section 2.12 of this Agreement (which breach does not rise to the level of gross negligence in preventing unauthorized access to confidential Customer Data or Bluewave's wilful disclosure of such confidential Customer Data as described in Section 6.2).

Bluewave's indemnification obligations under this Section 6.2 are expressly conditioned upon Customer (a) promptly giving Bluewave notice of any such third party claim, suit, action, or proceeding; (b) giving Bluewave sole control of the defence and related settlement negotiations; and (c) promptly providing Bluewave with all reasonably available information and assistance necessary to perform Bluewave's obligations under this Section 6.2. Provided that Bluewave complies with this Section 6.2, Customer shall have no remedy against Bluewave, except it may at its option terminate the Agreement and receive a pro-rata refund of the membership fees paid for under the Agreement for its use of the Service but which use has not yet been furnished by Bluewave as of the date of such termination.

6.3. Customer's Indemnity. Customer shall defend and hold Bluewave harmless from and against any and all Losses arising out of or in connection with a claim, suit, action, or proceeding brought by any third party against Bluewave which arise out of or result from a claim by a third-party:

- (i) alleging that the Customer Data or any Trademarks, or any use thereof, infringes the intellectual property rights or other rights, or has caused harm to a third party, or
- (ii) arising out of Customer's breach of Section 2.5 and 2.12 above, provided that Bluewave (a) promptly provides Customer notice of the claim, suit, action, or proceeding; (b) gives Customer sole control of the defence and related settlement negotiations; and (c) provides Customer with all reasonably available information and assistance necessary to perform Customer's obligations under this paragraph.

6.4. Survival. The indemnification obligations contained in this Section 6 shall survive termination of this Agreement for one year.

7. Suspension/Termination.

7.1. Suspension For Delinquent Account. Bluewave reserves the right to suspend Customer's access and/or use of the Service for any accounts for which any payment is due but unpaid. Customer agrees that Bluewave shall not be



liable to Customer nor to any third party for any suspension of the Service resulting from Customer's non-payment of fees as described in this Section 7.1.

7.2. Suspension For Ongoing Harm. Customer agrees that Bluewave may suspend Customer's access to the Service if Bluewave reasonably concludes that Customer use of the Service is causing immediate or ongoing harm to Bluewave or others. In the event that Bluewave suspends Customer's access to the Service, Bluewave will use commercially reasonable efforts to resolve the issues causing the suspension of Service. Customer agrees that Bluewave shall not be liable to Customer or to any third party for any suspension of the Service under such circumstances as described in this Section 7.2.

7.3. In The Event of Breach. Either party may terminate this Agreement upon thirty (30) days written notice to the other party in the event of a breach of any provision of this Agreement by the other party, provided that, during the thirty (30) day period, the breaching party fails to cure such breach. Upon termination or expiration of this Agreement, Customer shall have no rights to continue use of the Service. If this Agreement is terminated as a result of a breach on Bluewave's part, Bluewave shall refund the pro rata portion of any fee that may have been paid by Customer for the portion of the Service not furnished to Customer.

7.4. Handling Of Customer Data In The Event Of Termination. Customer acknowledges and agrees that following termination of Customer's account and/or use of the Service, Bluewave may immediately deactivate Customer's account and shall be able to delete Customer's account and related Customer Data. However, in the event that Customer's Service with Bluewave terminates, Bluewave will grant Customer reasonable, temporary, limited access to the Service for the sole purpose of permitting Customer to retrieve lawful Customer Data, provided that Customer has paid in full all good faith undisputed amounts owed to Bluewave. Customer further agrees that Bluewave shall not be liable to Customer or to any third party for any termination of Customer access to the Service or deletion of Customer Data, provided that Bluewave is in compliance with the terms of this Section 7.4.

7.5. Survival of Rights. Termination or suspension in accordance with this clause 7 shall not prejudice or affect any right of action or remedy which shall have accrued or shall thereafter accrue to Bluewave and all provisions which are to survive this Agreement or impliedly do so shall remain in force and in effect.

8. Modification To Or Discontinuation Of The Service. Bluewave reserves the right at any time and from time to time to modify, temporarily or permanently, the Service (or any part thereof). In the event that Bluewave modifies the Service in a manner which removes or disables a feature or functionality on which Customer materially relies, Bluewave, at Customer's request, shall use commercially reasonable efforts to substantially restore such functionality to Customer. In the event that Bluewave is unable to substantially restore such functionality, Customer shall have the right to terminate the Agreement and receive a pro-rata refund of the membership fees paid under the Agreement for use of the Service which was paid for by Customer but not yet furnished by Bluewave as of the date of such termination. Customer acknowledges that Bluewave reserves the right to discontinue offering the Service at the conclusion of Customer's then current Term. Customer agrees that Bluewave shall not be liable to Customer or to any third party for any modification of the Service save as described in this Section 8.

9. Modification To The Terms Of Service. Bluewave reserves the right at any time and from time to time to modify these Terms of Service.

10. General

10.1. To the extent permitted by the Electronic Commerce (EC Directive) Regulations 2002, Bluewave and Customer agree to exclude the provisions of regulations 9(1), 9(2) and 11(1) of those Regulations.

10.2. No forbearance or delay by Bluewave in enforcing its rights shall prejudice or restrict its rights, and no waiver of any such rights or of any breach of any contractual terms shall be deemed to be a waiver of any other right or of any later breach.

10.3. If any provision of this Agreement is judged to be illegal or unenforceable, the continuation in full force and effect of the remainder of the provisions shall not be prejudiced.

10.4. Any amendment, waiver or variation of this Agreement shall not be binding unless set out in writing and expressed to amend this Agreement by or on behalf of Bluewave.

10.5. No term of this Agreement is intended to confer a benefit on, or to be enforceable by, any person who is not a party to this Agreement.



10.6. This Agreement shall be governed by and construed in accordance with English law and each party hereby submits to the exclusive jurisdiction of the English courts.

Exhibit A - SERVICE LEVEL AGREEMENT

Bluewave conducts maintenance and upgrades during scheduled times. The scheduled time for maintenance and upgrades is Friday and Saturday nights from 10 p.m. to 3 a.m. Bluewave does not perform these upgrades during the first or last weekends of each month. Outside of this time and the major releases and unscheduled maintenance described below, Bluewave guarantees 80% uptime. If in a calendar month these uptime commitments are not met, Bluewave shall credit Customer with one month of fees against future payments by Customer for the Service (for the avoidance of doubt, such credit may not be exchanged for cash or any other form of payment or refund). Credit shall include amounts for Membership fees only. Bluewave reserves the right on approximately a quarterly basis to issue new releases in which Bluewave adds functionality to the Service. Customer acknowledges that these periodic major releases can take several hours to complete. In the event that Bluewave in its sole discretion determines that any unscheduled maintenance is necessary, Bluewave will use commercially reasonable efforts to notify Customer.

Exhibit B – SECURITY

Security Overview

Bluewave's security strategy is to protect Customer data at multiple levels, which includes data security, data integrity, and data privacy. To ensure the privacy, security, and availability of Customer data and transactions, Bluewave employs the following technologies in delivering its service.

- Secure Data Centre
- Internet Firewalls
- Redundant, Highly Available Routers and Switches
- Redundant, Highly Available, and Secure Web and Application Servers
- Redundant, Highly Available Power
- Redundant, Highly Available Data Access
- Regularly Scheduled Backups, Offsite Storage
- Highly Available Application
- Secure Operating Systems
- Data Security

Data Centre Security

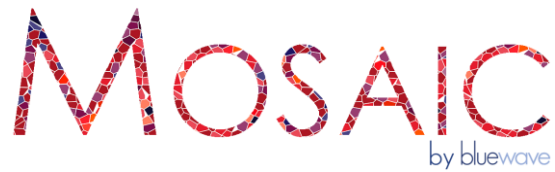
Bluewave's applications are hosted in one of the leading co-location facilities in the UK. Production web, application, and database servers along with network equipment are housed in a suite at the co-location facility which provides 24x7 security. To access the suite there are several levels of security that must be passed where each entry point provides state of the art card readers, scanners, and other access devices. Access to the facilities requires photo, encoded ID, and palm print.

Network Security

Bluewave's network is protected by redundant firewalls and monitored for unauthorized access. Firewall logs are regularly monitored, and the logs are reviewed on a regular basis. Firewall equipment has been chosen to protect the network. The network has been architected to be highly reliable and redundant. If a router, load balancer, or firewall should fail, there is redundancy built in that would allow failover to take place, without causing a loss of service to our customers.

Data Security and Availability

Databases are protected by firewalls against unauthorized usage. Bluewave's OS and databases do not share the same passwords. Database users are restricted to a controlled list; individual activities are restricted, logged and monitored. Data is stored on highly redundant storage systems. The DB servers are configured in a RAID 5 configuration. Each customer owns his/her data.

**Secure Application Access**

Bluewave's users access the application using password authentication. The robust design of the application prevents a customer from accessing another customer's data. There are several layers of protected servers that stand between the web page where the customer logs in and the actual data.

System Security

Bluewave uses tightly controlled passwords on its servers and network equipment. Bluewave limits access to production systems to authorized personnel only. Security updates to the operating systems are tracked and updated as necessary.

Data and Backups

Customer data is stored on a server that is configured with RAID 5 redundancy. In the event of a disk failure, the customer will not experience an interruption of service. In addition to the server configured with RAID 5. All customer data is automatically backed up daily to a tape library system. Tapes are taken offsite to a secure location that is designed to safeguard tapes under almost any environmental condition. The offsite facility exceeds industry storage requirements.