

BLACK STAR NETWORKS RESALE AND PURCHASE TERMS

The terms and conditions in this document govern the purchase of Black Star Networks (BSN) products by Independent Sales Partner (ISP) from BSN for resale under this agreement. ISP must comply with all BSN procedures dealing with BSN customer return policies or money back guarantees. ISP has no obligation under this agreement to purchase products from BSN for the operation of business under this agreement. BSN may change the terms and conditions in this document at anytime, in whole or in part. BSN will provide ISP 30 days written notice if BSN changes the terms defined in this document in a manner that negatively impacts ISP's equipment purchase terms.

1. Purchase Orders. A written purchase order is required for all orders. The terms and conditions in this document govern with respect to all sales of products by BSN to ISP, and control and prevail over contrary terms and conditions contained in the purchase orders submitted by ISP. Purchase orders submitted by ISP to BSN will not amend, modify, add to or detract from the terms and conditions in this document. All purchase orders submitted by ISP are subject to credit approval by BSN, and are subject to product availability.

2. Price. ISP may purchase products at the prices established by BSN in its sole discretion and that are in effect at the time of shipment. BSN may charge ISP a reasonable handling fee for each purchase order submitted to BSN by ISP. BSN may change the prices for products from time to time.

3. Payment Terms. Unless otherwise stated on the invoice, payment for all amounts owed to BSN is net 30 days from the date of the invoice in United States currency. The entire outstanding balance due on all invoices becomes due to company in full immediately upon default in the payment of any invoice. BSN may charge ISP a late payment charge in the amount of 1.5% per month (18% annually), or such lesser amount established or required by law, on any payment past due until such past due payment together with the late payment charge is paid in full to BSN. ISP may not offset amounts owed by BSN to ISP for any reason against any invoice issued by BSN to ISP.

4. Freight, Shipping & Inspections.

4.1 Freight and Shipping. Products ordered by ISP from BSN will be shipped F.O.B. Prepaid Destination and Add: BSN will invoice ISP for all freight and insurance costs incurred by BSN or its third party distribution services vendor in connection with the shipment of goods to ISP (or the approved destination point designated by ISP). BSN is not responsible for freight or transportation expenses (including, without limitation, spotting, switching, demurrage or other transportation charges) unless agreed to in writing by BSN.

4.2 Ownership and Risk of Loss. BSN will own freight in transit and will be responsible for carriage to an approved ISP Facility. Risk of loss and ownership will pass to ISP upon delivery of the Products to the approved ISP Facility and documented signature on the provided Transportation Carrier Delivery Receipt. BSN is responsible for all in-transit carrier interaction up to and including claim resolution.

4.3 Inspections. It is the responsibility of ISP to check the shipment and secure written acknowledgement from the delivering carrier for any shortages, loss or damage. Notification to BSN of shortages, loss or damage must be made in writing to BSN, and must be made within 2 business days of the receipt of the shipment by ISP, or the Products will be deemed accepted as of the date of receipt, and any claims for shortages, loss or damage with respect to that delivery are waived by ISP. ISP must retain all packaging when it submits a claim for shortage, loss or damage. Rejected shipments will be returned to the address designated by BSN via the delivering carrier. Shipments rejected for any reason will be considered attempted Returns subject to the limitations in Section 6 (Returns) unless ISP notifies BSN of a shortage, loss or damage within the 2 business days, and BSN agrees that there is an actual shortage, loss or damage to the shipment in question.

5. Price Protection.

5.1 Price Protection. BSN offers price protection to ISP in the form of an account credit only on qualifying products recently purchased by ISP from BSN if the price decreases. BSN offers no price protection for limited time special offers which are designated at the time the special offer is introduced. BSN offers no price protection for accessories or other equipment ISP may purchase from BSN.

5.2 Conditions for Price Protection. Price protection is available only for products purchased by ISP from BSN that meets the following conditions:

- (A) The wireless products must have been purchased by ISP from BSN for purposes of resale to end-user Customers, within the 30 days before the effective date of the price change;
- (B) The products must be of the same product model affected by the price change;
- (C) The products must be new and not yet opened as of the effective date of the price change; and
- (D) The products must be in ISP's inventory on the effective date of the price change.

5.3 Price Protection Claim.

- (A) To be eligible for the price protection account credit, ISP must submit a written claim for price protection to BSN via the process set out on the BSN Website.
- (B) The price protection claim must include an on-hand inventory report of products, by product model, affected by the price change in ISP's inventory on the effective date of the price change, including SIM, ESN or Serial Number (as applicable) and model type for each unit that ISP is submitting for price protection credit.
- (C) ISP must submit all price protection claims resulting from a particular price change within 30 calendar days of the effective date of that price change. Price protection claims received after that date will be rejected. All price protection claims are subject to verification.

5.4 Price Protection Credit Amount and Timing. ISP will receive an account credit for all qualifying products submitted by ISP for a price protection credit in the amount of the difference between the original sales price of the product charged to ISP, less the new sales price for that same product model, not including any special offers. The price protection account credit will be issued to ISP's account within thirty 30 calendar days from the receipt of ISP's price protection claim.

6. Returns.

6.1 Wireless Products. BSN will accept returns of products purchased by ISP from BSN subject to the conditions and limitations in this sub-section 6.1.

- (A) ISP may not return to BSN any product that has been used for more than 30 calendar days.
- (B) ISP may not return to BSN any product that has been abused by ISP or the Customer. Examples of abuse include physical damage, and unauthorized alteration or programming
- (C) RMA Process - ISP must make all eligible returns in accordance with the RMA Process posted on the BSN Website.
- (D) ISP must return products with all original accessories and packaging that come with the products.
- (E) If the return meets all of the requirements of this sub-section 5.1, then BSN will issue an account credit to ISP for each properly returned product in the amount of the current price of that product.
- (F) BSN may charge a restocking fee.
- (G) BSN will keep all improperly returned wireless products, and ISP will not be eligible for the return credit.

7. Line of Credit/Credit Application. ISP will complete the credit application provided by BSN. BSN will rely on the credit information furnished by ISP, and ISP's credit history, to determine ISP's maximum credit line. ISP represents and warrants that all information furnished on the credit application will be complete, accurate and true. ISP will update any information previously furnished to BSN that later becomes incorrect or misleading because of a change in circumstances or a material change in the business of ISP or its financial condition. If BSN determines that any statements made on the credit application are false, incomplete or inaccurate, BSN may declare ISP to be in default of this Agreement, and may exercise any remedies it has under this Agreement or at law or in equity. The sale of Products on terms is contingent upon BSN's approval of ISP's credit application. BSN may require additional security from ISP before granting ISP a credit line. BSN has the right to increase, decrease or terminate ISP's credit privileges at any time without prior notice to ISP, and with or without cause. BSN may require ISP to complete a new credit application from time to time.

8. Security Interest.

8.1 Security Interest Granted. If the purchase provides for payments on credit, ISP grants BSN a security interest in the Products purchased from BSN by ISP, whether now owned or hereafter acquired, and any proceeds thereof to secure payment and performance in full by ISP of all amounts invoiced for the Products and all other obligations of ISP to BSN. This Agreement constitutes a security agreement under the Uniform Commercial Code (the "UCC").

8.2 UCC-1 Financing Statements. BSN is authorized by ISP to file UCC-1 Financing Statements and amendments thereto with the Secretary of State or other appropriate offices, and to give notifications to third parties of BSN's security interest to perfect and maintain the continuous enforceability, perfection and priority of BSN's security interest.

8.3 ISP's Obligations in Support of BSN's Security Interest. ISP will sign and deliver documents, and take other actions upon BSN's request, required to perfect and maintain the continuous enforceability, perfection and priority of BSN's security interest. If ISP obtains BSN's prior written consent as required in this Agreement to change ISP's name, type of organization or jurisdiction of organization, ISP will cooperate with the filing of appropriate UCC-1 Financing Statements or amendments and take other actions upon BSN's request to maintain the continuous enforceability, perfection and priority of the security interest granted by ISP in this Section 8.

9. Product Supply.

9.1 Supply of Products. BSN will use reasonable efforts to furnish a sufficient quantity of Products to meet the resale requirements of ISP.

9.2 Supply Limitation of Liability. BSN has no liability under this Agreement for:

- (A) Failure to deliver Products within a specified time period;
- (B) Availability or delays in delivery of Products;
- (C) Discontinuation of Products, product lines, or any part thereof by the manufacturer; or
- (D) The cancellation of any orders of Products by the manufacturer.

10. NO WARRANTY (PRODUCTS). BSN MAKES NO WARRANTIES OF ANY KIND, STATUTORY, EXPRESS OR IMPLIED, TO AR OR TO ANY OTHER PURCHASER OF THE PRODUCTS. BSN SPECIFICALLY MAKES NO EXPRESS OR IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. ISP WAIVES ALL OTHER WARRANTIES, GUARANTEES, CONDITIONS OR LIABILITIES, EXPRESS OR IMPLIED, ARISING BY LAW OR OTHERWISE. ISP'S SOLE AND EXCLUSIVE REMEDY RELATING TO PRODUCTS IS THE REMEDY, IF ANY, AFFORDED BY THE MANUFACTURER OF THE PRODUCTS TO ISP OR ISP'S CUSTOMERS. BSN IS NOT LIABLE FOR CONSEQUENTIAL, SPECIAL, INDIRECT, INCIDENTAL OR PUNITIVE DAMAGES, WHETHER OR NOT OCCASIONED BY BSN NEGLIGENCE AND INCLUDING, WITHOUT LIMITATION, LIABILITY FOR ANY LOSS OR DAMAGE RESULTING FROM THE FAILURE IN THE OPERATION OF ANY PRODUCTS SOLD UNDER THIS AGREEMENT.

11. NO PATENT OR TRADEMARK INDEMNITY. BSN HAS NO DUTY TO DEFEND, INDEMNIFY OR HOLD HARMLESS ISP FROM OR AGAINST ANY CLAIM, DEMAND OR CAUSE OF ACTION, INCLUDING ANY DAMAGES, COSTS OR EXPENSES INCURRED BY ISP IN CONNECTION THEREWITH, ARISING FROM OR RELATING TO THE ACTUAL OR ALLEGED VIOLATION OR INFRINGEMENT OF ANY PATENT, TRADEMARK, COPYRIGHT OR OTHER INTELLECTUAL PROPERTY BELONGING TO A THIRD PARTY BY THE PRODUCTS.

INDEPENDENT SALES PARTNER

Date: _____

By: _____

Federal Tax ID: _____

Social Security #: _____

Title: _____

Signature: _____

Phone: _____

Fax: _____

Email: _____

BLACK STAR NETWORKS

Date: _____

Name: _____

Title: _____

Signature: _____

Director Name: _____

Director Signature: _____ Date _____