RESIDENTIAL SERVICES GENERAL TERMS AND CONDITIONS

UPTele Inc. ("UPTV") provides, High Speed Internet, Digital Phone services as well as other value added services to its Customers ("UPTV's Services" or "Services", unless the context requires otherwise).

In this Agreement, i) "Customer" shall mean the person named on the invoice, residing in the Province of Québec, and responsible for paying the charges for the Services provided under this Agreement and entitled to receive any notice and information relating to this Agreement or the Services; and ii) "Agreement" shall mean the agreement in effect from time to time between UPTV and the Customer which is subject to amendment in accordance with section 16 hereof, including, but not limited to, the present Terms and Conditions, and any other document or form that may be designated by UPTV from time to time in accordance herewith as forming part of the Agreement.

By using the Services provided by UPTV in Québec, the Customer expressly agrees to be bound by the terms and conditions of this Agreement. If the Customer does not agree with the terms and conditions of the Agreement, the Customer may exercise the right to terminate the Agreement according to the termination provision included herein and cease using the Services. The Customer shall be responsible for ensuring that the Services are used in accordance with this Agreement.

UPTV Customer accounts are due and payable in full by the due date indicated (i) on the invoice; (ii) on the Customer statement issued following its initial pre-authorized bank withdrawals or credit card payment authorization, if applicable; or (iii) as otherwise indicated by UPTV to the Customer.

The Customer agrees to pay the total charges due in accordance with section 4 hereof using any of the following methods: (i) automatically by pre-authorized bank withdrawals or credit card payment; (ii) by mailing a cheque or money order to UPTV; (iii) by telephone/PC banking; (iv) at any financial institution; or (v) by credit card, through the call center or UPTV website.

An administration charge will be levied, if the Customer's cheque is returned for insufficient funds or in the case of a refused bank account or credit card pre-authorized debit. Any amount unpaid after the due date shall bear interest at a rate of 2% per month (26.82% per annum) calculated monthly. An additional collection charge will be levied if costs are incurred as a result of collection efforts on outstanding amounts.

Overdue accounts may result in cancellation of the Services referred to thereon. If a service call is required to restore any Customer's Service which has been terminated for non-payment, a reconnection charge will then apply.

UPTV reserves any and all rights, whenever it will observe that the use of Services or related products (such as, and without limiting the generality of the foregoing, long-distance telephone service, Pay-Per-View movies or events or Video on Demand movies) by the

Customer does not respect the present Terms and Conditions and/or exceeds a reasonable limit, as determined by UPTV in its sole judgement, to temporarily suspend or restrict the Customer's access to those Services or products and/or any other products related thereto or disconnect same, without notice or delay. The Customer will then have the obligation to contact UPTV's customer service, which may at that time require from the Customer, as applicable, a payment to cover additional costs beared by UPTV or the cost incurred by prior excessive consumption of those Services, enabling the Customer to have access again to such Services. For the purposes of this Agreement, shall be considered as exceeding a reasonable limit any usage that restricts or inhibits other users from using or enjoying the Services in an adequate manner, creates an unusually large burden on the UPTV network, generates levels of traffic impeding other users' ability to transmit or receive information, or that could eventually result in significant amounts to be paid by the Customer related to the use of such Services or related products.

Only one television set, FM receiver or modem may be connected to any outlet. In the event that the Customer fails to comply with the present section, UPTV shall have the right to recover from the Customer any and all charges in order to render the Customer's use of the Services authorized and lawful.

It is acknowledged by the Customer that there are provisions in the Criminal Code of Canada which refer specifically to "telecommunication services" or "computer services", which include the Services provided by UPTV, and that any unauthorized connection to UPTV's Services or equipment, interfering or tampering with UPTV's Services or equipment or unauthorized use of UPTV's Services or equipment without the payment of the prescribed fees is prohibited and may constitute theft under the Criminal Code of Canada. The Customer must immediately inform UPTV, either in writing, by calling UPTV's customer service at 514-316-0223 or by accessing the www.uptele.com website, if the Customer becomes aware, at any time, that any of the Services is either stolen or being used unlawfully.

The Customer agrees not to use the Services in a manner that is contrary to applicable laws or regulations. Any breach of applicable laws or regulations may result in the immediate termination of this Agreement or the disconnection or suspension of the Service used illegally and any other Service related thereto

The Customer understands that given UPTV's contractual agreements with its content providers, the content offered on the Residential TV Services is restricted for use in Canada only. However, access to the program guide and the remote recording function is not geographically restricted. In addition to any rights herein, a breach by Customer to the present section may trigger the payment of additional fees pursuant to this agreement.

The Customer agrees that the equipment installed or provided by UPTV shall remain the property of UPTV, except for equipment purchased and paid for by the Customer, which equipment is neither returnable to nor refundable by UPTV. Fees may be charged to the Customer for the installation of the Services and/or equipment. The Customer will protect UPTV's equipment from defacing, tampering or damage, and will not permit anyone other than a representative of UPTV to perform any work, repairs, modifications on such equipment, unless otherwise expressly allowed by UPTV. UPTV's equipment shall remain where the Services were initially installed and as long as the Customer subscribes to those Services. The Customer acknowledges and accepts full responsibility for all equipment installed by UPTV at the service address and use thereof and agrees to reimburse UPTV for

the full cost of the repair or replacement of any lost, stolen, unreturned, damaged, mortgaged, sold, transferred, leased, encumbered or assigned equipment. The Customer is responsible for returning UPTV's relevant equipment upon termination of a Service or this Agreement, to UPTV's closest place of business or, in the absence of such place of business, to contact UPTV to arrange for equipment return. In the event the Customer fails to return said equipment or fails to comply with the terms and conditions of this Agreement, UPTV may, at its option, repossess such equipment whenever possible and charge the Customer any costs incurred in connection therewith, or charge the Customer the full replacement cost of the unreturned UPTV's equipment.

The Customer hereby grants UPTV, its employees, representatives, contractors, subcontractors and agents reasonable access to the Customer's premises or service address at reasonable hours to install, inspect, service, maintain, restore, remove or disconnect UPTV's Services or equipment. Charges may apply if a service call is required to restore any of the Services of a Customer and it is determined that the problem does not originate from UPTV's network or equipment. Charges may also apply if the Customer solicits UPTV's technical assistance by telephone. In addition, charges may apply in the event that the Customer wishes to switch to a lower-rate package for a UPTV Service.

If the Customer does not own the premises where the Services are provided, the Customer represents that the Customer has the consent of the owner of the premises or otherwise has the authority to allow UPTV to install, inspect, service, maintain, remove or disconnect UPTV's Services.

The Customer may obtain more information about the fees applicable under this Agreement on the http://www.uptele.com/website or by contacting UPTV's customer service at 514-316-0223

Subject to the provisions of the law, UPTV may, at its discretion, modify, add or remove any provision of this Agreement (including the Acceptable Use Policy referred to below, if applicable) at any time. Such changes may also include, without limitation, changes, additions to or removals from the Services, their features and charges, or the terms and conditions upon which UPTV distributes and the Customer receives the Services. UPTV shall inform the Customer of any such change, addition or removal upon written notice to the Customer at least thirty (30) days prior to such change, addition or removal becoming effective. If such change, addition or removal has the effect of increasing the Customer's obligations or reducing UPTV's obligations, the Customer shall be entitled to terminate this Agreement upon notice to UPTV no later than thirty (30) days following the change, addition or removal becoming effective, failing which the Customer shall be deemed to have accepted the said change, addition or removal.

Subject to the qualification set out below, the Customer may at any time, upon prior notice to UPTV specifying the required termination date, terminate this Agreement or any Service provided under the Agreement. Applicable service charges shall continue to apply until the effective date of termination or expiration.

In the event the Customer subscribed to a Service as part of a promotion offered by UPTV whereby the Customer enjoys reduced rates or other advantages (a "Promotion"), or for a

defined period, this Agreement shall then have a term equal to at least the minimum contract period required by the Promotion (the "Promotion Period") or the defined period. Should the Customer terminate a Service before the expiry of the Promotion Period or the defined period, the Customer shall pay UPTV the termination fee indicated in the Promotion and in the Agreement, if applicable. Unless notice to the contrary is provided by the Customer, this Agreement shall be automatically renewed upon the expiry of the Promotion Period or the defined period, on a monthly basis at the rate then in effect for the Services, and may be terminated in accordance with the provisions set forth in section 17. The Customer shall remain liable for the payment of all outstanding balances accrued up to the effective date of termination or expiration.

In addition to all other rights given to UPTV under this Agreement (including in the Acceptable Use Policy referred to below, where applicable), UPTV may:

(a) subject to paragraph (b), at any time and for any reason, upon at least sixty (60) days' prior notice in writing to the Customer, terminate this Agreement or any Service provided under the Agreement if such Agreement or Service has not been entered into for a Promotion Period or a defined period; or

(b) at any time and without prior notice to the Customer, disconnect or suspend the Customer's access to the Services or terminate the Agreement if the Customer fails to comply with one or more of the Customer's obligations hereunder; or

(c) at any time and without prior notice to the Customer, disconnect or suspend the Customer's access to the Services or terminate this Agreement for serious cause, if such Agreement or Service has been entered into for a Promotion Period or a defined period.

UPTV DOES NOT WARRANT UNINTERRUPTED USE OR OPERATION OF THE SERVICES. UPTV WILL NOT BE LIABLE FOR ANY INTERRUPTIONS IN SERVICE, LOSS OF DATA OR ANY DELAY OR FAILURE TO PERFORM. UPTV DISCLAIMS ALL WARRANTIES, EITHER EXPRESS OR IMPLIED, REGARDING THE SERVICES PROVIDED TO THE CUSTOMER. THE CUSTOMER ACKNOWLEDGES THAT UPTV, ITS AFFILIATES, AND THEIR RESPECTIVE DIRECTORS, OFFICERS, EMPLOYEES, AGENTS AND CARRIERS SHALL NOT BE HELD LIABLE WITH REGARD TO ANY DAMAGE ARISING, DIRECTLY OR INDIRECTLY, FROM THIS AGREEMENT. IN NO EVENT SHALL UPTV HAVE ANY LIABILITY TO THE CUSTOMER FOR SPECIAL, INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES ARISING FROM THIS AGREEMENT. UPTV'S MAXIMUM LIABILITY TOWARD THE CUSTOMER SHALL BE LIMITED TO THE TOTAL AMOUNT PAID TO UPTV BY THE CUSTOMER UNDER THE AGREEMENT DURING THE 12-MONTH PERIOD IMMEDIATELY PRECEDING THE DATE OF THE CLAIM. THE PRESENT SECTION WILL SURVIVE TERMINATION OF THE AGREEMENT.

The Customer shall be liable for any damages, claims, losses, actions, suits, proceedings or causes of action whatsoever, including legal fees and expenses (a "Claim") arising out of (i) the breach of any provision of this Agreement or any applicable law; (ii) the use of the Services; or (iii) the posting or transmission of any information or other materials through the Services. The Customer shall be liable for and indemnify and hold harmless UPTV, its affiliates and their respective officers, directors, employees, agents and suppliers against all Claims. The Customer agrees to promptly notify UPTV after becoming aware of any unauthorized use of the Services or its account and shall take such reasonable measures as are

necessary to prevent any reoccurrence of such event. UPTV reserves the right, in its sole discretion and at its own expense, to assume the exclusive defense and control of any matter otherwise subject to such indemnification. The Customer shall co-operate as fully as reasonably possible in the defense of any Claim assumed by UPTV in such a case.

UPTV collects personal information on its Customers, which it uses for the following purposes:

- to communicate with its Customers;

- to develop and maintain its relationships with its Customers;

- to provide its Services or to receive services it requires in order to deliver the Services;

- to ensure that all actions required for the purposes mentioned above are taken;

- to understand and assess the interests, wants and needs of Customers with a view to improving current Services, or to offer new Services;

- to manage its business;

- to ensure the efficiency, reliability and security of its systems and network; and

- to fulfill its obligations under the law.

Unless a Customer provides express consent or unless disclosure is otherwise required or allowed by law, UPTV will not disclose personal information regarding a Customer, other than the Customer's name, address and listed telephone number, to anyone other than:

- the Customer;

- a person who, in the reasonable judgment UPTV, is seeking the information as an agent of the Customer;

- another telephone company, provided the information is required for the efficient and costeffective provision of telephone service and disclosure is made on a confidential basis with the information to be used only for that purpose;

a company involved in supplying the Customer with telephone or telephone-directory related services, provided the information is required for that purpose and disclosure is made on a confidential basis with the information to be used only for that purpose; or
an agent retained by UPTV in the collection of the Customer's account, provided the information is required for and is to be used only for that purpose.

Express consent to disclosure may be deemed to be given by a Customer where the Customer provides:

- written consent;

- oral confirmation verified by an independent third party;

- electronic confirmation through the use of a toll-free number; or

- electronic confirmation via the Internet;

- oral consent, where an audio recording of the consent is retained by the carrier; or

- consent through other methods, as long as an objective documented record of customer consent is created by the Customer or by an independent third party.

By entering into this Agreement, the Customer hereby expressly consents to UPTV requiring, obtaining from and providing to third parties, personal information on the Customer or on the Customer's account, for the sole purposes set out in the first paragraph of this section. In addition, and whenever applicable, the Customer hereby consents that UPTV obtains and

uses credit history information and personal information therein contained and provides same to credit reporting or collection agencies, if applicable.

For more information about the privacy of the Customer's personal information, please visit our website at <u>www.uptele.com</u>

The failure of UPTV to enforce any provision of this Agreement, for whatever reason, shall not be construed as a waiver of any right to do so at any time. The Customer agrees that if any portion of this Agreement is held invalid or unenforceable, the remaining portions will remain in full force and effect.

The Customer shall not assign this Agreement, the rights or obligations herein contained, nor the equipment belonging to UPTV, as applicable, without first having obtained the prior written consent of UPTV. In the absence of any such consent, any assignment shall be deemed null and void. UPTV shall be entitled to assign its rights or obligations in this Agreement, or part thereof, without the prior consent of the Customer.

This Agreement shall be governed by, and construed in accordance with, the laws applicable in the Province of Québec.

A French version of this Agreement is available on the www.uptele.com website or available on request.

SPECIFIC TERMS AND CONDITIONS APPLICABLE TO UPTV HIGH SPEED RESIDENTIAL INTERNET SERVICE

By using the High Speed Internet Service provided by UPTV in Québec, the Customer agrees not to use this Service in a manner that is contrary to applicable laws or regulations and UPTV's Acceptable Use Policy ("AUP"), which forms part of this Agreement. The current AUP is available on the www.uptele.com website. If the Customer does not agree with the terms and conditions of the AUP, the Customer must immediately stop using the High Speed Internet Service and notify UPTV's customer service that the Customer is terminating this Service.

SPECIFIC TERMS AND CONDITIONS APPLICABLE TO UPTV RESIDENTIAL DIGITAL PHONE SERVICE

The UPTV Residential Digital Phone Service (the "RDPS") in Québec should only be used with the Customer's telephone located at the service address specified by the Customer, which is connected to UPTV's multifunction modem and is provided to the Customer as a residential user, for personal and solely residential use, excluding business and commercial use. This means that the Customer shall not use the RDPS for any commercial activities, including, without limiting the generality of the foregoing, for the operation of a home office, business, sales, telecommuting, telemarketing (including without limitation charitable or political solicitation or polling), autodialing, continuous or extensive call forwarding, fax broadcast, fax blasting or any other activity that would contravene or be inconsistent with normal residential usage patterns. This also means that the Customer is not to resell or transfer the RDPS to any other person for any purpose, or charge any fees for the use of the RDPS, without express prior written permission from UPTV.

Upon discovering that use of this Service or any functionalities related thereto by Customer is contravening the terms of the present section or exceeds reasonable usage limits determined by UPTV, at its sole discretion, with regard to such a personal or residential use, UPTV may, at any time and without prior notice, limit or suspend access by the Customer to the RDPS. In such cases, the Customer must contact UPTV's customer service which may require payment of fees in order to restore Customer access to this Service.

THE CUSTOMER UNDERSTANDS AND ACKNOWLEDGES THAT THIS SERVICE MAY BE DISRUPTED IN THE EVENT OF AN ELECTRIC POWER OUTAGE, AN INTERRUPTION OR SUSPENSION OF THE INTERNET SERVICE BY UPTV, OR FOR ANY OTHER REASON BEYOND THE CONTROL OF UPTV. THE RDPS MAY ALSO BE INTERRUPTED AT THE CUSTOMER'S REQUEST OR BY UPTV, SHOULD THE CUSTOMER FAIL TO PAY ANY FEES WITH RESPECT TO SERVICES PROVIDED BY UPTV.

The Customer acknowledges that modification or alteration of the equipment installed, provided, rented or lent by UPTV is prohibited.

UPTV reserves the right to change the number assigned to the Customer, but will, however, take all reasonable measures to prevent such an occurrence. In the event of such a change, UPTV will endeavour to give reasonable prior notice to the Customer.

UPTV's multifunction modem shall remain where the RDPS was initially installed and as long as the Customer subscribes to the RDPS, in order to ensure that the 911 calls will be handed off to the Emergency 911 Call Center serving the Customer's residence, and that the address from which a 911 call is placed will correspond to the physical address registered in the 911 database associated with the Customer's telephone number. **The Customer understands that any breach hereof may result in the 911 emergency services being unavailable**.

The RDPS allows access to the 911 emergency service in the traditional manner, as long as UPTV's multifunction modem connected to the Customer's telephone set remains, as required, at the same physical address given by the Customer to UPTV at the time the initial subscription to such Service was made, or at any other time thereafter.

Emergency 911 service will not work properly if the Customer experiences one of the following (but not limited to these) technical problems with the RDPS: failure of UPTV's multifunction modem; a gateway configuration problem; an electrical power outage or an Internet Service outage.

IN LIGHT OF THE CHARACTERISTICS AND LIMITATIONS OF THE 911 SERVICE DESCRIBED ABOVE, THE CUSTOMER ACKNOWLEDGES THAT UPTV, ITS AFFILIATES, AND THEIR RESPECTIVE DIRECTORS, OFFICERS, EMPLOYEES, AGENTS AND CARRIERS, SHALL NOT BE HELD LIABLE WITH REGARD TO ANY DIRECT OR INDIRECT DAMAGE ARISING, DIRECTLY OR INDIRECTLY, FROM THE OPERATION OF THE 911 SERVICE. UPTV will not incur nor assume any liability whatsoever arising from the connection to the RDPS of non-voice equipment, such as medical monitoring devices or home security systems. By accepting this Agreement, the Customer waives any claim against UPTV for any interference with or disruption of such systems due to their connection to the RDPS. In the event the Customer decides to proceed with the connection of such equipment to the RDPS, the Customer shall ensure that the same is compatible and may be used efficiently with the RDPS and UPTV shall have no obligation to provide any technical support with respect to such equipment or connection thereto. The Customer understands that that interruption or disconnection of the RDPS, for any reason whatsoever, may prevent the non-voice equipment connected thereto from performing adequately.

In the case of errors or omissions in directory white page standard listings, whether or not the error or omission is with regard to a telephone number, UPTV's liability is limited to correcting the error or omission that has occurred.

The Customer shall be held fully liable in the event of any improper or unauthorized use of the RDPS, even if such use was by a third party with access to the Customer's account. The Customer shall be responsible for ensuring that no one gains access to the Customer's account without authorization. The Customer shall be solely responsible for protecting its equipment that is connected to UPTV's RDPS against any fraudulent or unauthorized access by a third party and solely liable for all and any damages, claims, liabilities and others arising therefrom. In addition to UPTV's right to limit or suspend the Customer's access to the RDPS, as mentioned in the Agreement, UPTV shall be entitled to restrict, block, suspend or disconnect the Service, including therefore the 911 Emergency Service, without notice or delay and without any liability to the Customer, if UPTV has reasonable doubts or if it is established that the RDPS or the equipment connected thereto are used fraudulently or seem to be associated with a fraud or with an inappropriate or illegal use or are used in such a manner as to endanger the UPTV network, the RDPS or the use thereof by anyone.

By using the RDPS Service provided by UPTV in Quebec, the Customer agrees not to use this Service in a manner that is contrary to applicable laws or regulations and UPTV's Voice Service Terms ("VST"), which forms part of this Agreement. The current VST is available on the www.uptele.com website. If the Customer does not agree with the terms and conditions of the VST, the Customer must immediately stop using the RDPS and notify UPTV's customer service that the Customer is terminating this Service.