

IPRS SUBSCRIPTION AGREEMENT

This Agreement is made effective on thisday of.....2000 between ("XXX"), abased company whose registered office is located at, and Qualtrack Limited ("Qualtrack"), a UK based company whose registered office is located at 12 Fratton Road, Portsmouth, PO1 5BX, United Kingdom.

WHEREAS

Qualtrack has established an Independent Performance Reporting Service ("IPRS") as defined in the Scope of Work for the common benefit of all submarine cable industry parties.

AND

XXX wishes to subscribe to IPRS in accordance with the Terms and Conditions as set out hereinafter.

IT IS HEREBY AGREED AS FOLLOWS :

1. DEFINITIONS

In this Agreement the following definitions shall apply:

"Agreement"	means this Agreement made between XXX and Qualtrack and all Annexes thereto as the same may be amended, varied or replaced from time to time.
"Work"	means all work and services to be provided by Qualtrack under the terms of this Agreement.
"Subscriber"	means any party who supports IPRS by paying the agreed fees to receive IPRS reports on a regular basis.
"Party"	means either one of the signatories to this Agreement
"Cable Owner"	means any party with financial investment in international submarine telephone cable capacity.
"UC Consortium"	means a non-incorporated co-operation between Global Marine Systems Ltd, Tycom Ltd, Alcatel Submarine Networks, Pirelli Sistemi SPA and KDD-SCS inc to facilitate the supply of standard jointing products for all types of submarine telephone cable.
"Ship Operator"	means a company responsible for the operation of any marine vessel which is used for the installation and/or repair of submarine cables.
"Cable Supplier"	means a company which manufactures submarine cable.
"Maintenance Authority"	means a company which is formally recognised as being responsible for maintenance of a submarine cable or part thereof.

2. SCOPE OF WORK

This is defined in Annex 1 which is attached and forms part of this Agreement.

3. SUBSCRIPTION FEES

Annual Subscription : XXX shall pay an annual subscription fee of £5000, billed annually in advance.

Discount: Ship operating subsidiary companies where the parent company is also a Subscriber shall qualify for a discount of 80% on the normal subscription fee.

Additional Charges : a) Translation Fees at cost.
b) Attendance at meetings with individual Subscribers, if required, charged to individual Subscriber at £600 per working day plus expenses.

NB: For European Community Subscribers all fees are subject to VAT at their national rate.

4. SUBSCRIPTION START DATE AND DURATION OF THE AGREEMENT

XXX shall become a Subscriber to IPRS from.....and shall continue its subscription for a minimum period of one year unless terminated earlier in accordance with the provisions of Clause 5 of this Agreement.

5. TERMINATION OF THE AGREEMENT

After one year, the service may be terminated at any time by either Party with three months written notice given to the other of such termination. If such notice is given during a subscription year, a pro-rata refund of subscription will be given.

In the event of Qualtrack failing to provide service to the satisfaction of a majority of IPRS Subscribers, XXX may terminate this Agreement at any time provided that Qualtrack has been notified in writing of such failure, other dissenting subscribers are identified in the notification, and Qualtrack has been given one calendar month to remedy the situation.

6. COPYRIGHT

The principle objective of IPRS is to help achieve ongoing performance improvement from all Ship Operators and Cable Suppliers. The open publication of independently assessed performance measures on a regular basis puts considerable competitive pressure onto those ship operators who are at the bottom of the league to do better. Those shown at or near the top will work hard to remain there.

Therefore, the content of IPRS reports is **not** confidential and all Subscribers are free to show it to third parties. However, Qualtrack aspires to provide a comprehensive service of excellent quality whilst keeping fees to an absolute minimum for individual Subscribers. This can only be achieved if more parties can be persuaded to support the service and IPRS report distribution is therefore restricted to IPRS Subscribers only. IPRS reports may not be copied, faxed, loaned or otherwise duplicated to third parties without the permission of Qualtrack.

7. DISPLAY OF COMPANY LOGOS

The success of IPRS depends upon wide-ranging support from Cable Owners and Maintenance Authorities since they collectively have possession of the base data which is required for IPRS analysis. Therefore, the company logos of those Subscribers who are either Cable Owners or Maintenance Authorities will, at their individual discretion, be displayed on the front cover of IPRS reports to facilitate marketing of the service to others.

8. CONFIDENTIALITY

Qualtrack may have access to information in the expanding IPRS database which could be commercially sensitive and unhelpful to cable-owning Subscribers if inappropriate search criteria were used. (e.g. failure analysis by cable system). Qualtrack therefore undertakes to maintain confidentiality with regard to cable system performance and will not publish any information which enables individual cable systems to be identified in the IPRS reports.

9. LIABILITY

Neither Party to this Agreement shall be liable to the other for any special, indirect or consequential losses, damage or expenses, howsoever such may arise under or in connection with this Agreement.

10. GOVERNING LAW

The interpretation, validity and performance of this Agreement shall be governed in all respects by the laws of England and the Parties submit to the exclusive jurisdiction of the English Courts.

Signed _____
.....for and on behalf of.....

Signed _____
.....for and on behalf of Qualtrack Ltd.

SCOPE OF WORK

1. IPRS Definition

At inception, Independent Performance Reporting Service ("IPRS") means the provision of a data gathering, analysis and reporting service on all aspects of jointing products supplied by members of the UJ Consortium including use of the products by various Ship Operators for the repair of submarine cable systems. The service is structured to reveal information about performance trends including, but not limited to, those relating to the following parameters:

- ?? Overall time taken to complete joint/coupler construction.
- ?? Analysis of time by sub-process (e.g. fibre splicing).
- ?? Analysis of overall completion times by cable type.
- ?? Analysis of overall completion times by cables used.
- ?? Percentage of construction time spent on resolving problems.
- ?? Failure analysis by problem category (e.g. broken fibres).

The scope of IPRS will be gradually expanded to include measures related to other aspects of ship operator and cable supplier performance provided that the common interest of Cable Owners is served.

2. Process Stages

The Work is achieved by the following process stages:

- ?? Data Gathering
 - Cable Repair Completion Reports
 - Jointing Logs
 - Request For Information (phone/fax/e-mail enquiries)
- ?? Translation (where necessary)
- ?? Analysis
- ?? Report Preparation
- ?? Distribution
 - Paper Copy of Report (by Post)
 - Paper Copy of Source Data Tracking Information (by Post)
 - Internet Web-site (Subscriber access only)

3. Frequency of Reports

Reports will be produced quarterly and will be formatted to include the following information:

Professional analysis of the jointing elements of each repair world-wide for which information has been made available in the previous quarter .

Performance trend information derived from monitoring the parameters detailed in paragraph 1 of this Annex. The trend database will be updated quarterly to take account of any new repair data which has been published.

The reporting cycle will be as shown in the following table:

To include all repairs (for which information has been received) up to	Contractual Cut-off Date for Receipt of Repair Completion Reports by Qualtrack Ltd	Jointing Performance Report Published on
30 th June	15 th August	1 st October
30 th September	15 th November	1 st January
31 st December	15 th February	1 st April
31 st March	15 th May	1 st July
30 th June	15 th August	1 st October

END OF ANNEX 1