

Subscriber Agreement for Products and Services provided by magicJack, LP, YMAX Communications Corporation and magicJack VocalTec Ltd.

The magicJack, magicJack Plus, magicJack Plus 2014, magicJackGO and magicJackExpress devices (each individually a “Device” and collectively “Devices”) are brought to you by magicJack, LP, a limited partnership organized under the laws of Delaware (“magicJack, LP”). The magicApp and renewal server access are brought to you by magicJack VocalTec Ltd., a Limited Company organized in the State of Israel (“VocalTec”). The International prepaid calling services and other communication services are brought to you by YMAX Communications Corporation, a corporation organized under the laws of Delaware (“YMax”). Before you begin using the Devices, the magicApp, the Services, or the Associated Software, you must read and agree to this Subscriber Agreement (referred to collectively with any future amendments hereto as the “Agreement”). For your convenience, we have written this Agreement in plain English. However, you agree that the terms should be interpreted broadly to protect the intention of the Agreement.

BY CHECKING THE BOX NEXT TO “I HAVE READ AND AGREE TO THE SUBSCRIBER AGREEMENT” DURING REGISTRATION, OR BY ACTUALLY USING THE DEVICE(S), THE MAGICAPP AND/OR THE SERVICES, YOU INDICATE YOUR AGREEMENT TO BE BOUND BY ALL OF THE TERMS AND CONDITIONS OF THIS AGREEMENT INCLUDING OUR PRIVACY POLICY AT <http://www.magicjack.com/privacy> AND THE PRIVACY POLICY PROVISIONS IN SECTION 10 BELOW AT THE TIME OF USE. IF YOU DO NOT ACCEPT AND ABIDE BY THIS AGREEMENT, YOU MAY NOT USE THE DEVICE(S), THE MAGICAPP AND/OR THE SERVICES. FURTHER, YOU MAY NOT USE THE DEVICE(S), THE MAGICAPP AND/OR THE SERVICES AND MAY NOT ACCEPT THE TERMS IF (A) YOU ARE NOT OF LEGAL AGE TO FORM A BINDING CONTRACT WITH ANY OF THE ENTITIES MENTIONED IN THIS AGREEMENT, OR (B) YOU ARE A PERSON BARRED FROM USING THE DEVICES, THE MAGICAPP AND/OR SERVICES UNDER THE LAWS OF THE UNITED STATES, THE COUNTRY IN WHICH YOU ARE RESIDENT OR THE COUNTRY IN WHICH YOU ARE USING THE DEVICE(S), THE MAGICAPP AND/OR THE SERVICES.

Definitions:

As used in this Agreement, the following terms have the following meanings:

“Associated Software” means the software provided by VocalTec and accessed or otherwise used by the Devices and/or the magicApp to facilitate your use of the Services and any related Documentation provided by us.

“Company”, “Companies” or “we” or “us” or “our” means magicJack LP, YMax and/or VocalTec as the context requires. Each such entity provides a unique product and/or service under this Agreement and each such entity shall (a) only be liable for any obligations arising from this Agreement with respect to the product or service offered by such entity, and (b) only be entitled to any rights arising from this Agreement with respect to the product or service provided by such entity. Referring to these entities collectively is for ease of reference only and is not intended to imply that there is a lack of independence among them nor that any such entity is liable for the obligations of the other or that any party has the power to bind any other party or acts as the agent for the other. This Agreement creates a separate agreement between you and each of magicJack LP, YMax and VocalTec.

“Device” as defined in the first paragraph of this Agreement.

“Documentation” means our technical materials provided to you, if any, in hard copy or electronic form describing the use and operation of the Services.

“magicApp” means the application offered for download to smart phones and tablets by VocalTec to provide the Services over the internet. “magicApp” does not mean the magicJack Connect App, which is a separate and distinct application available at www.mjconnect.com.

“magicApp Basic” as defined in Section 4 of this Agreement.

“magicApp Premium” as defined in Section 4 of this Agreement.

“magicJack, LP” as defined in the first paragraph of this Agreement.

“Premium Number” means any number for which you pay an additional fee (such as vanity numbers) other than numbers that are ported into the Service by you.

“Service(s)” means, as the context requires, the services furnished through the use of any Device, the magicApp, or the Associated Software. The collective term “Services” shall be deemed to refer to the use of a Device, the magicApp, or the Associated Software as the context implies.

“Updates” as defined in Section 18 of this Agreement.

“Upgraded Software” as defined in Section 4 of this Agreement.

“VocalTec” as defined in the first paragraph of this Agreement.

“YMax” as defined in the first paragraph of this Agreement.

“you”, “your” or similar phrases refers to the customer purchasing, using and/or downloading the Services and agreeing to the terms of this Agreement.

Although we may choose to notify you when material changes are made to this Agreement, you should periodically review the most up-to-date version, which you can always find at <http://www.magicJack.com/saps>. We may, in our sole discretion, modify or revise this Agreement at any time and, by your continued use of the Services, you agree to be bound by those modifications or revisions. Unless explicitly stated otherwise by the Company, your use of any new features that may augment or enhance the Services will also be subject to this Agreement.

This Agreement sets forth the terms of the agreements between you and each of magicJack, LP, YMax and VocalTec as the case may be. Nothing in this Agreement will be deemed to confer any rights upon or benefits to anyone else.

1. Description of how the Services work.

The Devices, the magicApp and Associated Software enable the Services, which include a voice over Internet Protocol service feature and text messaging capability (available with the magicApp Premium Service). To enable your use of the Services you must first purchase a Device and download the Associated Software, and/or download the magicApp. You may download the magicApp from the iTunes App Store and the Google Play store. Some enhanced features also require you to purchase additional services or premium plans. In addition, you may need a computer running Microsoft® Windows (Vista, 7, 8 or 10) or Intel-based Mac® with a high speed Internet connection and, if you purchase a Device, you may need an available USB port and/or a standard telephone to plug into the Device. Bear in mind that your use of the Services may be dependent on these requirements and the failure of one may prevent the Services from working. We cannot guarantee that the Services will always function without disruptions, delay or other imperfections. There may be power outages or internet service disruptions and you may experience other disruptions unrelated to the Services, which will interfere with the quality of your Service. You are responsible for obtaining third party products and services required to use the Services (such as a computer with an appropriate operating system and port, high speed internet access and a standard telephone to plug into the Device) and for paying any fees for such third party products and services. The Services may not be compatible with certain equipment, including but not limited to, home security systems, medical monitoring equipment, fax machines, satellite television systems, or computer modems.

2. Ownership and Risk of Loss of Device

You will own the Device or Devices you purchase but not the Associated Software used to access Services with the Device or magicApp, which is provided to you by VocalTec for your use under this Agreement for terms ranging from one month to five years depending on the Service term included with your Device purchase and/or the term of your Service renewal upon termination of your initial Service term. You bear all risk of loss of, theft of, casualty to or damage to any Device you purchase from the time of purchase and/or shipment until the time (if any) when it is returned to us in accordance with this Agreement. If, within 30 days after placing your order for the Device directly from the www.magicjack.com website, you are not satisfied with your Device, you may either return it to us for a full refund of the purchase price, minus shipping and handling, or exchange it for a new Device. The full refund or exchange offer is applicable only to the purchase of your first Device. In order to receive a refund or exchange you must request and receive a magicJack RMA number by e-mail and the Device must be returned in its original packaging, be accompanied by proof of purchase and you must pay the expenses of shipping. Request your RMA here <http://my.magicJack.com/returns.html>. You will receive your refund or your new Device within a reasonable time frame after we receive your package; which is approximately 14 days for an exchange and 45 days for a refund. If you purchased the Device from one of our authorized agents, please contact the distributor or retailer directly to learn about their refund policy.

3. Internet Communications Feature

a) Incoming Calls:

When you first register your Device or download the magicApp Premium, as part of the available features, you may elect to choose a unique phone number. A monthly or annual fee may apply depending on the Service purchased, the terms of which will be disclosed to you prior to you agreeing to a unique phone number. If you are using the magicApp as a companion to a magicJackGo or magicJackExpress Device, your Device and magicApp will have the same phone number. YMax is the provider of your phone number and/or inbound calls. The phone number chosen by you will be allocated to you provided YMax determines that the number is available and legally permissible. If you are eligible for a phone number, it will be allocated to you as soon as reasonably possible after YMax has received your request. Premium numbers are not permanently assigned to your account until after the first 30 days of use. YMax may use customized ringtones or ring back when completing your calls, including supplying various messages of different lengths. YMax does not guarantee that a requested phone number can be allocated to you or that you can make use of the incoming call feature. The allocation of a phone number to you does not constitute any transfer of title, ownership, license or other rights with regard to the phone number. If you transfer or port out your phone number to another service provider, your Service is terminated and you relinquish all claims for a refund of your initial licensing period as well as any renewal licensing purchased. YMax may, without any liability, refuse, change or terminate any phone number at any time. If YMax changes the phone number that has been allocated to you, YMax will notify you, stating the effective date of the change and your new phone number. If you do not wish to accept this new phone number, you are entitled to cancel this Agreement; however, you will not be eligible for any refund unless you terminate the Agreement within 30 days after purchase of your Device or download of the magicApp Premium and you qualify for a refund as further described in Section 2 of this Agreement. We will not be liable for any damages resulting from the change of the phone number.

b) Outgoing Calls:

Once you have registered your Device, you may now elect to choose the feature allowing you to make free outgoing calls over the internet. You can make free calls to other Device or magicApp users located anywhere in the world, and to traditional telephone networks or wireless networks in the United States (other than Alaska), Canada (other than Yukon and the Northwest Territories) and calling or conference bridge platforms. International calls and calls to Alaska, and the Yukon and Northwest Territories of Canada to non-Device or magicApp users will require purchase of prepaid international calling service. magicJack, LP allows outbound calling capability which in turn may use YMax as the provider of outbound calling services to subscribers on traditional telephone or wireless networks in the United States and Canada, or for toll free calls, and/or for international calls. We may supply various messages of different lengths before your call is completed. Some restrictions in cost prohibitive areas may apply. You will not have the ability to call any number that would require the addition of any charges to your phone bill, such as 900 or 976 numbers or any other "fee per call" type service. Calls of long duration may be terminated to make sure the integrity of the network is kept intact, which would prevent abandoned calls.

4. What Is Free and What is Not:

A Device or magicApp allows you to receive incoming calls. If you choose outgoing service, the Device or magicApp allows you to make outgoing calls to other Device or magicApp users located anywhere in the world and to traditional telephone networks or cellular networks in the United States (other than Alaska) and Canada (other than the Yukon and Northwest Territories) for no additional charge. Outgoing calls do not include non-8YY accessed calling card, platform, conference or chat lines. We may require prepaid purchase and/or we may charge you for calls to conference lines, platforms and certain other high cost calls, or any call wherein we incur a cost from another carrier. We may provide for a fee, premium prepaid services, which may be powered by YMax, and may include some inbound, international, conference, platform and outbound calls that receive a recording and certain calls to high cost areas, and the rates for those services will be governed by listed price lists or tariffs. Charges may apply to use the call forwarding feature, if available. VocalTec may make available to you, for an additional fee, enhanced versions of the Associated Software ("Upgraded Software") that provide new features and functions. "magicApp Basic" is a free download with limited capabilities including free calls to Devices and magicApp users around the world. "magicApp Premium" is a paid download that provides you with greater calling capabilities including a dedicated U.S. phone number and texting to U.S. mobile numbers with texting capability located in the U.S.. Texting to Canadian numbers is not available. magicApp Premium is included at no additional cost to Device users for the applicable term of Service for such Device. For each Device account, you may download magicApp Premium as a companion App to either a single iTunes account or a single Google Play account.

5. Emergency calls:

Please read carefully and understand the difference between the devices and the magicApp.

magicApp does not provide any emergency calling or texting capability.

magicApp - No Emergency Calls or Texts. magicApp does NOT support any emergency calls or texts to 911. magicApp is not a traditional telephone service or a replacement for your primary telephone service. There are important differences between traditional telephone services and the magicApp Associated Software and Service. You need to make additional arrangements in order to call or text 911. It is your responsibility to use the wireless 911 feature of your smart phone or purchase, elsewhere, traditional wireless or fixed line telephone services that offer access to 911. It is Your responsibility to inform all users that may use the magicApp Associated Software that you have downloaded, that it is not possible to support or carry 911 calls or texts using the magicApp Associated Software and products, and that they may access emergency services via the additional arrangements that You have made available.

Device 911 calling Service - The Service is not a traditional telephone service and we are not required to provide you with access to 911, E911, or similar access to emergency services. However, when you register to use a Device, you may enroll in 911 service if you register a United States 911 address for United States telephone numbers or a Canadian 911 address for Canadian telephone numbers. magicJack, LP may take commercially reasonable steps to provide you with emergency service calling only for your registered 911 address. If you are a new customer and you are using the device in the United States or Canada, you must give us a valid 911 address during the registration process or your Service will not be activated. If you are an existing customer you must give us a valid 911 address in your my.magicJack account in order for 911 service to be active. You must update this address whenever you change the location from which you place your calls. You agree that each and every time you change the physical location of where you are using a Device, you will update the Emergency Services record at my.magicJack.com and provide the new address where you are using the Device. Your 911 service may take a few days to one week to work after registration but refer to your 911 status at my.magicjack.com for more details.

You understand and agree that access to 911 may be provided to you as a convenience. If you choose to use the same phone number for two or more Devices, you will have 911 emergency dialing on all Devices, but possibly only the first Device registered with the phone number will be associated with the registered 911 address you provide. The Company will not be liable for any damages resulting from any 911 call. You understand that the 911 service will not work in certain circumstances, including, but not limited to: when you relocate your computer or Device to

a new physical location without updating your registered location; if you use a non-native telephone number; if you experience broadband connection failure; if you experience loss of electrical power at your location; if delays occur in the system making updates of your registered physical location. You assume the risk that you may not obtain emergency service when you dial 911. You should always have an alternative means of accessing 911 such as a landline or mobile telephone. It is your responsibility to inform others who use your Device to make phone calls that they should be prepared to access 911 through a traditional landline or mobile telephone.

magicJack E911 services will not operate outside of the United States and Canada.

911 Billing – Additional Fees We have agreed with certain emergency communications districts to bill you via e-mail to collect the charges imposed by them for your ability to dial 911 services. Such charges are in addition to any fees paid by you for the Device, the magicApp or the Services. It is important that you pay such charges pursuant to the instructions included in any bills you receive. If you do not pay this government-imposed charge, the emergency communications district in your jurisdiction may seek to collect any amounts from you directly. We do not profit at all from your 911 services and the funds we collect are turned over to the appropriate government authority pursuant to their requirements.

6. Proper Use; Suspicion of Fraud:

You agree that you are responsible for your own communications and for any consequences that arise from them. You agree that you will use the Services in compliance with all applicable local, state, national, and international laws, rules and regulations and you may have to pay certain taxes or fees or surcharges including, without limitation, regulatory fees related to 911 services. Among other things you will not, and will not authorize or encourage any third party to: (a) prevent others from using their Service, (b) use the Service for any fraudulent or inappropriate purpose, (c) remove any copyright, trademark or other proprietary rights notices contained in or on the Devices and/or magicApp, including those of any of our business associates, from whom we may have licensed certain components used in the Devices and/or magicApp, (d) collect or harvest any personally identifiable information, including phone number, from the Service, or to use the communication systems provided by the Service for any commercial solicitation or spam purposes and/or (e) spam, or solicit for commercial purposes, any users of the Service. Violation of any of these obligations may result in immediate termination of this Agreement, and may subject you to state and federal penalties and other legal consequences. The Company reserves the right, but will have no obligation, to investigate your use of the Device, magicApp, or the Associated Software in order (a) to determine whether a violation of the Agreement has occurred or (b) to comply with any applicable law, regulation, legal process or governmental request. We may monitor your use of the Service for violations of this Agreement. We may terminate your use of the Device and/or magicApp and/or Associated Software immediately if we suspect a violation of this Agreement, or if we think it necessary in order to protect other customers or our respective, parents, affiliates, directors, officers, agents, and employees from harm. If we become aware of unreasonably excessive use, including but not limited to, a customer whose usage is extraordinarily greater than the average Device or magicApp customer usage, or a customer who calls more than 50 different telephone numbers per day, or a customer who forwards calls from their Device and/or magicApp to a non-Company number for longer than a two week consecutive period, or systematic or intentional misuse, we reserve the right, in our sole discretion, to terminate your use of the Device and/or magicApp and/or Associated Software immediately, and you will not be entitled to get a refund of any licensing fee or any other fee you may have paid to us. We reserve the right to reclaim any telephone number that does not make a call for 90 consecutive days. In the event that we reclaim a phone number and your Service under this Agreement is still active, you may choose another phone number.

You also agree not to use or launch any automated system, including without limitation, “robots,” “spiders,” “offline readers,” etc. or “load testers”, including without limitation, wget, apache bench, mswebstress, httpload, blitz, Xcode Automator, Android Monkey, etc., that accesses the Service in a manner that sends more request messages to the Company’s servers in a given period of time than a human can reasonably produce in the same period by using the Service, and you are forbidden from ripping the content unless specifically allowed. Notwithstanding the foregoing, the Company grants the operators of public search engines permission to use spiders to copy materials from the website for the sole purpose of creating publicly available searchable indices of the materials, but not caches or archives of such materials. The Company reserves the right to revoke these exceptions either generally or in specific cases. While we do not disallow the use of sniffers such as Ethereal, tcpdump or HTTPWatch in general, we do not

permit any efforts to reverse-engineer our system, our protocols, or explore outside the boundaries of the normal requests made by Company clients. We do not permit the use of request modification tools, including without limitation, fiddler or whisker, or any other such tools activities that are meant to explore or harm, penetrate or test the site. You must secure our permission before you measure, test, health check or otherwise monitor any network equipment, servers or assets hosted on our domain.

We reserve the right to not authorize or settle any transaction you submit which we believe is in violation of this Agreement, any other agreement between you and the Company, or exposes you, other Device or magicApp users', financial services providers, or the Company to harm or unnecessary risk, including but not limited to fraud and other criminal acts. You grant us authorization to share information with law enforcement about you, your transactions, or your Device or magicApp account if we reasonably suspect that use of your Device or magicApp account has been used for an unauthorized, illegal, or criminal purpose.

We may disclose your personal information to law enforcement, government officials, or other third parties if: (i) we are compelled to do so by subpoena, court order or other legal process; (ii) we must do so to comply with laws, statutes, rules or regulations; (iii) we believe in good faith that the disclosure is necessary to prevent physical harm or financial loss, to report suspected illegal or unauthorized activity, or to investigate violations of this Agreement.

7. No Resale:

Unless expressly authorized in writing by the Company, you agree not to reproduce, duplicate, copy, sell, trade, resell or exploit for any purposes any portion of the Device the magicApp, the Services or the Associated Software.

8. Subscription:

Subject to the terms and conditions of this Agreement, the Company grants you a personal, non-transferable, non-assignable, revocable and non-exclusive right to use the Services and the Associated Software on your Device, smartphone, computer or other digital device for the relevant subscription period; provided that you do not (and do not allow anyone else to) copy, modify, create a derivative work of, reverse engineer, reverse assemble or otherwise attempt to discover any source code, sell, assign, sublicense, grant a security interest in, or otherwise use the Services except as specifically provided in this Agreement. The initial term of your subscription for the Services following a Device purchase will be three or more months depending on the Device and Service option purchased. Services may be renewed by visiting magicJack.com/myaccount. You must start your initial Service term within one month after buying the Device. The magicApp Basic Service is a free download and has no term. magicApp Basic Service may be terminated by us at any time without notice. The magicApp Premium Service will have the Service term communicated to you upon purchase. If you do not renew your Service subscription, we may immediately revoke the phone number, at our sole discretion, and your Device, magicApp Basic and/or magicApp Premium plan may be deemed obsolete or non-renewable upon the expiration of your subscription. You agree not to modify the Device, magicApp and/or Associated Software in any manner or form, or to use modified versions of the Associated Software, including for the purpose of obtaining unauthorized access to any Device, the magicApp or the Services. We expressly reserve all rights in the Services, the Associated Software, Documentation, and all other materials provided by us hereunder not specifically granted you. You agree that all right, title and interest in the Services, Associated Software, Documentation, and all other materials provided by us hereunder, any update, adaptation, translation, customization or derivative work thereof, and all intellectual property rights therein will remain with us (or third party suppliers, if applicable) and that the Services, Associated Software, Documentation, and all other materials provided by us and not sold to you hereunder are provided to you on a subscription basis only for the term of your subscription.

9. Payment:

Use of your Device and/or magicApp and related Services may be free for a period of time. Your purchase of a Device or purchase and download of the magicApp Premium Service and registration of the Device and/or magicApp Premium Service gives you the right to use the Services and the Associated Software for one or more months depending on the Device and plan purchased. To continue using a Device and/or magicApp Premium and

Associated Software after the end of the initial Service term, you must renew your Service subscription for additional terms at the then applicable Service subscription renewal fee. Failure to renew your Service subscription after the end of the initial term or any renewal term and/or notification of a dispute for prior charges, may result in immediate termination of your Service subscription and access to any Device or magicApp Service feature, subject to the Company's sole discretion. The magicApp Basic Service is a free download and has no term. magicApp Basic Service may be terminated by us at any time without notice. If your right to use the Services is terminated for breach of this Agreement, you may not be able to use the Device or magicApp features and your right to use any phone number allocated to you will be canceled. Text messages and voicemails stored on the Company's servers will be deleted as soon as practicable upon expiration or termination of a Device and/or magicApp Premium account. If you renew after expiration of your most recent Service term, your new Service term will begin on date of registration and you may not have access to any phone number you had previously. For your convenience, we use an auto-renewal program. To the extent permitted by the laws of your state, the form of payment you have on file may be automatically charged for the prevailing renewal fee. We may receive and/or request automatic updates of your account information from the financial institution that issued your form of payment on file in order to keep your payment information current. All payments for your Device and Services must be made United States Dollars (USD). If you use a credit card issued by a non-US financial institution to pay for a purchase of a Device or Services, your financial institution may convert the charge and they may impose currency exchange fees.

You can elect to disable this auto renew feature at any time by going to <http://my.magicJack.com/autorenew>. magicJack, LP offers a thirty-day refund for the Device. You agree to be responsible for any applicable taxes, regulatory fees, or administrative or shipping charges, now in force or enacted in the future in connection with the subscription and your use of the Services.

Services that are purchased by the minute (such as international calling minutes) will expire six months after the date of purchase.

10. Privacy Policy:

You agree and consent that your registration data and certain other information about you, including personally-identifiable information, and our collection, use and sharing of such data and information, will be treated in accordance with the our Privacy Policy ("Privacy Policy") which is incorporated by reference into this Agreement and may be found at: <http://www.magicjack.com/privacy> and as may be modified thereafter. We strongly recommend that, as you read this Agreement, you also access and read the linked Privacy Policy, since it is incorporated into and hereby made part of this Agreement.

11. Indemnification:

You agree to hold harmless and indemnify us and our respective subsidiaries, affiliates, officers, agents, employees, partners and licensors, from and against any claim or demand, including reasonable attorneys' fees, made by any third party due to or arising out of or relating in any way to, your use of the Services (including but not limited to the cancellation, absence, failure or outage of the Services, including specifically any claims arising out of the failure to complete emergency service calls).

12. Modification:

We reserve the right to modify the Services and Associated Software, temporarily or permanently, with or without notice or liability to you.

13. Termination:

You agree that one or each of magicJack, LP, YMax and/or VocalTec, in their respective discretion, may immediately suspend and/or terminate this Agreement and your subscription to use the portion of the Services provided by the terminating party, without any refund, (a) if requested by law enforcement or other government agencies, (b) as a result of unexpected technical or security issues or problems, (c) if we reasonably suspect that you

are using the Services in a fraudulent manner, (d) if your use of the Services violates any laws, regulations, or rules, or otherwise disrupts use of Services by others, (e) as a result of nonpayment of any fees, including subscription renewal fees, owed by you in connection with your use of the Services, (f) as a result of changes in any rules or regulations that affect our ability to provide the Services or any relevant portion thereof, or (g) your breach or violation of any of your obligations under this Agreement or incorporated agreements or guidelines. Termination of your subscription includes cancellation of your ability to use the Services, without refund and deletion of all related account information associated with or inside your account. Further, you agree that any termination of this Agreement under this Section 13 will be made in the Company's sole discretion and that neither the Company nor any of its agents or affiliates will be liable to you or anybody else for termination of your subscription or this Agreement in accordance with this Section 13. We may offer Vanity, Canadian and/or custom numbers for an annual fee. If a phone number associated with your Service is transferred, the Services associated with that number will be terminated.

You may terminate your use of the Services at any time. Remaining balances will not be refunded.

All provisions that must survive in order to give effect to their meaning will survive any expiration or termination of this Agreement, including without limitation, all of your representations, warranties and indemnification obligations.

14. Intellectual Property Rights:

You acknowledge and agree that the Services and Associated Software contain proprietary and confidential information that is protected by applicable intellectual property and other laws. You further acknowledge and agree that content contained in the Service is protected by copyrights, trademarks, service marks, patents or other proprietary rights and laws. You agree not to reverse engineer, modify, rent, lease, loan, sell, distribute or create derivative works based on the Services or the Associated Software, in whole or in part.

15. No Warranties:

EXCEPT AS THIS AGREEMENT EXPRESSLY STATES, AND EXCEPT FOR THE LIMITED WARRANTY SET FORTH IN SECTION 26 HEREOF AND THE MATERIALS ACCOMPANYING THE EQUIPMENT, WE MAKE NO EXPRESS WARRANTY REGARDING THE DEVICES, MAGICAPP, SERVICES OR ASSOCIATED SOFTWARE AND DISCLAIM ANY IMPLIED WARRANTY, INCLUDING ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. WE ALSO MAKE NO WARRANTY THAT THE SERVICES WILL BE UNINTERRUPTED OR ERROR FREE. WE DO NOT AUTHORIZE ANYONE, INCLUDING, BUT NOT LIMITED TO, EMPLOYEES, AGENTS OR REPRESENTATIVES, TO MAKE A WARRANTY OF ANY KIND ON OUR BEHALF AND YOU SHOULD NOT RELY ON ANY SUCH STATEMENT.

The Services, Device, magicApp and Associated Software are provided "as is", without any warranties of any kind, whether expressed or implied, including, but not limited to, warranties of quality, performance, non-infringement, merchantability, or fitness for use or a particular purpose.

We make no warranty regarding 911 access that may be provided through the Devices. All calls made to 911 are made at the caller's risk.

16. Limitation of Liability:

We can only be held liable for direct damages resulting from failure to perform our respective obligations under this Agreement. In this respect, direct damages means the amount you actually paid for the Device, magicApp and/or Services during the year in which such damages occur. To the maximum extent permitted by applicable law, we will not be liable for any indirect, special, incidental or consequential damages whatsoever including, but not limited to, damages for loss of profits or loss or disclosure of confidential or other information, for business interruption, for loss of privacy, or divulgence of sensitive and confidential information or any such damage arising out of or in any

way related to the use of or inability to use the Services, even if we have been advised of the possibility of such damages.

Some jurisdictions do not allow some of the exclusions or limitations as established above, so they may not apply to you. In that event, the liability will be limited as far as legally possible under the applicable legislation.

17. Export/Import:

You agree to comply with all export and import laws and restrictions and regulations of the United States and foreign countries, and not to export, re-export or import the Services or Associated Software or any direct product thereof in violation of any such restrictions, laws or regulations, or without all necessary authorizations. Neither the Services or Associated Software, nor their respective underlying information or technology may be downloaded or otherwise exported or re-exported (i) to Cuba, Iran, Libya, North Korea, Sudan, Syria, or any other country subject to U.S. trade sanctions applicable to the Services or Associated Software, to individuals or entities controlled by such countries, or to nationals or residents of such countries other than nationals who are lawfully admitted permanent residents of countries not subject to such sanctions; or (ii) to any named party or individual on the United States Department of Treasury, Office of Foreign Assets Control list of Specially Designated Nationals and Blocked Persons, and/or the United States Department of Commerce, Bureau of Export Administration Denied Persons List or Entity List. You acknowledge that the Services and Associated Software contains encryption technology, the export of which is restricted by the United States and certain foreign laws. By downloading the magicApp or the Associated Software or using any Device and Associated Software you agree to this section and represent and warrant that you comply with these conditions.

18. Automatic Updates:

The Services, Devices or magicApp may communicate with our servers to check for available updates to the Services or Associated Software, including bug fixes, patches, missing plug-ins and new versions (collectively, "Updates"), however we have no obligation to provide you with such Updates and we do so solely at our option. To ensure that you have the most recent updates for the Services and Associated Software you should periodically visit <http://www.magicJack.com> to check for updates. We will have no liability for your inability to use certain features of the Services or reduced Services performance associated with your failure to install available Updates. We may send and access the Device or cookies on your computer. A "cookie" is a small file containing information about you that is sent to your computer when you visit a website. When you visit the website again, the cookie allows that site to recognize such things as your browser, user preferences and other information to optimize the performance of the Services. During the Update process, the Associated Software may send to us or our partners a request for the latest Associated Software version. By installing the Services and/or Associated Software, you hereby agree to allow us the option to automatically provide Updates from our and/or our partners' servers.

19. Representations and Warranties:

You represent and warrant that (a) all of the information provided by you to us to use the Service is correct and current; (b) you have all necessary right, power and authority to enter into this Agreement and to perform the acts required of you hereunder; and (c) you are at least 18-years-old.

20. Entire Agreement:

This Agreement, as it may be updated or amended from time-to-time as effectuated by posting such updates or amendments in amended versions of this Agreement posted at www.magicjack.com/saps, incorporates by reference all policies and guidelines posted on the www.magicjack.com website and as may be modified thereafter (including the Privacy Policy and any Acceptable Use Policy and/or General Terms and Conditions) and constitutes the entire agreement between you and us regarding the subject matter hereof and supersedes any and all prior or contemporaneous representation, understanding, agreement, or communication between you and us, whether written or oral, regarding such subject matter.

21. Assignment:

You agree that you may not assign this Agreement to any third party and that we may assign this Agreement, without your consent, to any person including, without limitation, (i) to any person that controls, is controlled by, or is under common control with us, or (ii) pursuant to a transfer of all or substantially all of our business or assets, whether by merger, sale of assets, sale of stock, or otherwise. Any assignment in violation of this section shall be void.

22. Governing Law:

The Company and you agree that this Agreement has been made in and shall be construed and enforced in accordance with the laws of the State of Florida, without reference to its conflicts of laws principles.

23. Waiver and Severability of Terms:

Even if we do not exercise or enforce any or all of our respective rights or any provision of this Agreement it does not mean that we waive the right or provision, and we may still enforce those rights and provisions later. If any provision of this Agreement is found by any court of competent jurisdiction to be invalid, the parties nevertheless agree that the court should endeavor to give effect to the parties' intentions as reflected in the provision, and the other provisions of this Agreement remain in full force and effect.

24. Statute of Limitations:

You agree that regardless of any statute or law to the contrary, any claim or cause of action arising out of or related to your use of the Service or this Agreement must be filed within ninety days after such claim or cause of action arose or be forever barred.

25. Mandatory Binding Arbitration; Forum:

The Company and you agree to arbitrate all disputes and claims between us. You agree that, by entering into this Agreement, you and the Company are each waiving the right to a trial by jury or to participate in a class action. The arbitration shall be administered in accordance with the then current Commercial Arbitration Rules of the American Arbitration Association, as modified by this Agreement. Any matter to be settled by arbitration shall be submitted to the American Arbitration Association in Palm Beach, Florida, and you consent to binding arbitration in Palm Beach, Florida.

The arbitrator may award relief only in favor of the individual party seeking relief and only to the extent necessary to provide relief warranted by that party's individual claim. The individual party may recover damages and attorneys' fees, if authorized by the law governing SUCH PARTY'S claim, to the same extent the individual party would be entitled to recover in court.

YOU AND THE COMPANY AGREE THAT EACH MAY BRING CLAIMS AGAINST THE OTHER ONLY IN YOUR OR ITS INDIVIDUAL CAPACITY, AND NOT AS A PLAINTIFF OR CLASS MEMBER IN ANY PURPORTED CLASS OR REPRESENTATIVE PROCEEDING. Further, unless all parties to the arbitration agree otherwise, the arbitrator may not consolidate more than one person's claims, and may not otherwise preside over any form of a representative or class proceeding.

This agreement to arbitrate is intended to be broadly interpreted and shall survive termination of this Agreement.

26. Warranty

magicJack, LP warrants the Device against component defects for one year after purchase. Should you experience a technical problem with your Device during the warranty period and we determine you need a replacement, we will

ship you one upon your compliance with the terms of this Section. This warranty extends only to the original purchaser of the Device in question. In the event magicJack, LP receives notice during the warranty period that your Device is defective, your sole and exclusive remedy, and magicJack, LP's sole and exclusive liability, shall be for magicJack, LP, at its sole option, to either repair or replace the Device or refund the purchase price in accordance with this limited warranty. Devices replaced under the terms of any such warranty may be refurbished or new equipment substituted at the option of magicJack, LP. Actual delivery times may vary depending on your location. As a condition precedent to warranty replacement, you must: (1) obtain a return material authorization (RMA), which will include an RMA number (available at the magicJack website - returns without an RMA number may be rejected by magicJack, LP); (2) ship the items being returned to magicJack, LP, freight prepaid, together with a written description of the claimed defect; and (3) pay warranty processing fees as communicated at the magicJack website.

27. iOS/magicApp Specific Provisions

The following provisions apply to magicApp Services downloaded from the Iphone App Store:

- a. You acknowledge that this Agreement is between you and the Companies and not with Apple, Inc. or any of its affiliates (collectively, "Apple") and that the Companies, and not Apple, are solely responsible for the magicApp Service and Associated Software.
- b. The license granted to you hereunder for use of the magicApp Service and Associated Software is limited to a personal, non-transferable, non-assignable, revocable and non-exclusive right to use the magicApp Service and Associated Software on any iPhone, iPod touch or iPad owned or controlled by you for the relevant subscription period and subject to the terms and conditions set forth in this Agreement.
- c. The Companies, and not Apple, are solely responsible for providing maintenance and support services with respect to the magicApp Service and the Associated Software. You acknowledge and agree that Apple has no obligation whatsoever to provide any such maintenance and/or support.
- d. The Companies, and not Apple, are solely responsible for the breach of any warranties specifically set forth in this Agreement. If the magicApp Service or Associated Software fails to conform with any such warranties, including your right to a refund under Section 2 of this Agreement, you may notify Apple of such non-conformity and Apple will refund the purchase price paid by you for the magicApp and, to the maximum extent permissible by law, Apple shall have no other liability to you arising from such non-conformity, and any other claims, losses, liabilities, damages, costs or expenses attributable to any failure to conform to any such warranty will be your sole responsibility.
- e. You acknowledge that Apple is not responsible for any claims you may have relating to the magicApp Service or Associated Software, including without limitation, (i) product liability claims, (ii) any claim that the magicApp Service or Associated Software fails to conform to any applicable legal or regulatory requirement, or (iii) any claims arising under consumer protection or similar legislation.
- f. You acknowledge and agree that, in the event of any third party claim that the magicApp Service or Associated Software, or your use and possession of the same, infringes a third-party's intellectual property rights, the Companies, and not Apple, will be solely responsible for the investigation, defense, settlement and discharge of any such claim.
- g. You acknowledge and agree that Apple is a third party beneficiary of this Agreement and, upon acceptance by you of this Agreement, Apple will have the right (and is deemed to have accepted such right) to enforce this Agreement against you as a third party beneficiary hereof.