

PROPOSAL TERMS AND CONDITIONS

1. GENERAL

- 1.1. Attendance of the Project Definition Workshop (“PDW”) by all decision makers is essential to ensure that the revised proposal emanating from the PDW satisfies all the customer’s requirements.
- 1.2. Additional charges may be incurred if the customer elects to deviate from the original solution design as specified in the proposal.
- 1.3. The customer will be liable for any contractually-binding costs incurred by Logicalis SA as a result of the customer placing and then consequently cancelling an order for any Logicalis SA connectivity service or any third-party delivered connectivity service.
- 1.4. By placing an order for a service, the customer agrees that prior to provision of that service it will bind itself to the specific terms and conditions associated with that service, which will not materially differ from those that can be found at: www.za.logicalis.com/globalassets/south-africa/service_terms.pdf
- 1.5. It is the responsibility of the customer to check and ensure that the terms or conditions associated with a service are acceptable.
- 1.6. When a service or subscription is needed during the installation of a solution, the customer will be required to pay for that service or subscription even if the customer is unable to utilise it.
- 1.7. Unless otherwise agreed to in writing, Customer shall not use any software (including, but not limited to, operating systems, system software, utility software and application software) that is no longer supported by the associated vendor.
- 1.8. Logicalis SA will not be obligated to provide any services at the quoted amount if such amounts were quoted as estimates.
- 1.9. Prices are quoted in SA Rands and exclude VAT unless otherwise specified.
- 1.10. Prices for services are valid for 30 days and products for 7 days, but all prices may change during those periods due to fluctuations in foreign exchange rates.
- 1.11. Unless otherwise specified, hardware and software products exclude installation and may be subject to a delivery charge depending on the delivery address and method of delivery.
- 1.12. Unless otherwise agreed to in writing, a non-refundable deposit of 50% is required upon placement of an order, a further payment of 20% is required prior to delivery on-site of any product and the payment of any remaining outstanding amount by the due date specified on the final invoice.
- 1.13. All products remain the property of Logicalis SA until the purchase price has been fully paid by the customer. Furthermore, Logicalis SA has the right to recover any product delivered to the customer should the customer not pay the full purchase price of that product by the due date.
- 1.14. Any out-of-town travelling and accommodation costs will be invoiced in the month the costs were incurred.
- 1.15. Additional general terms and conditions apply to the provision of all services and products, as specified in the Agreement entered into between the customer and Logicalis SA.
- 1.16. Pricing, payment and contract terms for product and/or services presented on behalf of third parties are subject to the terms and conditions of those third parties.
- 1.17. Logicalis SA will endeavour to hold third parties accountable for agreed deliverables, but cannot be held responsible for non-delivery by a third party if due to factors beyond Logicalis SA’s control.
- 1.18. Errors and omissions excepted.

2. TELEPHONY SERVICES

- 2.1. All phone warranties are on a carry-in basis unless otherwise specified, except that any out-of-box failure reported within 30 days of purchase will result in a replacement phone being supplied.
- 2.2. Logicalis SA cannot be held responsible for any problems with the shift*eight solution should the cause of such problems be due to a fault with any part of the customer's network that Logicalis SA did not supply or undertake to warrant.
- 2.3. The shift*eight vPBX service does not cover the costs of provision of support on any problems not due to a fault with the service itself, including onsite support, support of the customer's equipment (e.g. handsets) and support of the customer's networks.
- 2.4. The shift*eight vPBX monthly costs will be determined by the peak number of extensions required by the customer during the monthly billing period and may exceed the estimated number of required extensions specified in the proposal.
- 2.5. ClaroVoice service will be invoiced monthly, with all call costs incurred in a given calendar month due for payment by the 7th day of the following calendar month.
- 2.6. By default, the ClaroVoice service is configured to not permit outgoing calls to destinations outside of South Africa.
- 2.7. The ClaroVoice service only supports GSM and G.729 codecs.
- 2.8. The ClaroVoice service does not support any facsimile services.

3. CLAROCLOUD SERVICES

- 3.1. Monthly costs will vary according to the bandwidth consumed by accessing the Virtual Hosting Platform, as well as other costs that are linked to foreign exchange rates (e.g. software licenses).
- 3.2. Unless otherwise specified, the customer is responsible for the costs of any connectivity required to access the Virtual Hosting Service.
- 3.3. Monthly costs for ClaroCloud backup services will vary according to the peak storage required on the Cloud Backup Platform and data transferred to the Cloud Backup Platform during the calendar month, as well as other costs that are linked to foreign exchange rates (e.g. software licenses).
- 3.4. Unless otherwise specified, the customer is responsible for the costs of any connectivity required to access the Cloud Backup Platform.

4. FEES AND PAYMENTS

- 4.1. The Customer shall be liable for the Fees agreed to between Logicalis SA and the Customer from time to time;
- 4.2. **Default provisions.** Unless otherwise agreed in terms of a Service Schedule or Proposal -
 - 4.2.1. Logicalis SA requires a PO (Purchase Order), signed quote, signed Proposal or signed Service Schedule before commencing, scheduling and/or planning any work request;
 - 4.2.2. Where Logicalis SA was required to do work which was not planned, the Customer is required to provide a PO on Logicalis SA's request, for example:
 - 4.2.2.1. Unplanned after hours services where an immediate resolution is required a PO upfront would delay an immediate resolution of the problem;
 - 4.2.2.2. Any on-site services provided whereby it is difficult to ascertain the time upfront.
 - 4.2.3. The Customer shall pay the Fees upon presentation of the invoice or, where agreed to in writing, within **30 (thirty) days** from date of statement (unless

otherwise agreed to in writing by both Parties) in South African Rands, free of conditions, set-off, bank - or exchange costs, commission or any other deduction by means of electronic transfer into a bank account designated in writing by Logicalis SA. For clarity purposes it is specifically agreed that where Logicalis SA executes Services as instructed by the Customer for the Customer's client that payment by the Customer to Logicalis SA is not dependent on the Customer receipt of payment from its client, unless otherwise agreed to in writing between Logicalis SA and the Customer.

- 4.2.4. Any Fee stated in a currency other than South African Rand shall be paid in South African Rands by using the exchange rate applicable on the date of the invoice, as obtained from: <http://www.xe.com>. (see clause 4.3 below).
- 4.2.5. The Customer may not, for any reason whatsoever, defer, adjust, set-off or withhold any payment due to Logicalis SA in terms of or arising out of the Contract Documents unless scope of work in the relevant Service Schedule has not been signed-off for a valid reason by the Customer;
- 4.2.6. Unless otherwise agreed to under a Service Schedule, Fees will escalate annually (during March each year) by the CPI rate as published by Statistics South Africa, unless otherwise agreed to under a Service Schedule;
- 4.2.7. All prices and/or costs quoted by Logicalis SA shall be inclusive of all applicable taxes but excluding VAT, which shall be shown clearly and separately to the agreed fees charged in terms of each Proposal/Quote or Service Schedule. Taxes or other charges, such as (but not limited to) transfer fees, bank charges, local taxes and value added taxes in other jurisdictions shall not be deducted from the payments due to Logicalis SA but shall be paid in addition to the fees due to Logicalis SA;
- 4.2.8. Travel costs and accommodation costs are not inclusive of the Service charges. Traveling and Accommodation:
 - 4.2.8.1. Logicalis SA's standard hourly rate will apply for travel time;
 - 4.2.8.2. Logicalis SA's standard travel and accommodation rates;
 - 4.2.8.3. The above costs shall be subject to prior approval from the Customer where reasonably possible.
- 4.3. It is agreed that should there be a subsequent price increase on components of the Services that are currency/indexed linked, beyond the control of Logicalis SA, including but not limited to foreign exchange fluctuations, increased third party products or services (i.e. third party software), surcharges, taxes, rates or levies, Logicalis SA shall be entitled to increase the affected Services Fees accordingly, by the rand value of the increase but in proportion to the Services provided after written notification to Customer.
- 4.4. If the Customer fails to make any payment or portion of a payment due in terms of this Agreement, Logicalis SA may, without prejudice to Logicalis SA's rights in terms of this Agreement or Service Schedule or at law, charge: -
 - 4.4.1. interest on any unpaid amount from the date the account became due until the date of payment, at the prevailing prime overdraft rate of Logicalis SA commercial bank overdraft lending rate, plus 2% (two per centum); and
 - 4.4.2. a collection charges of R100.00 per follow up communication. The Customer agrees that no notice in terms of section 129 of the National Credit Act is required if Customer default on any payment due to Logicalis SA
- 4.5. In the event of a dispute over an amount of fees, the amount not in dispute shall be paid on presentation of an invoice without any set off or counter claim, which may be alleged.
- 4.6. Logicalis SA reserves the right to suspend any service until all amounts are paid in full.