

BUSINESS PHONES & NETWORKS LTD - TERMS AND CONDITIONS

SUPPLY OF BUSINESS TELECOMMUNICATIONS SERVICES

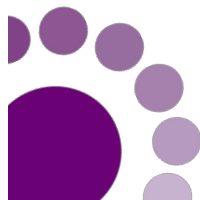
1. DEFINITIONS

In these terms and conditions, these words shall mean:

- 1.1 **'Act'** – the Telecommunications Act 1984 as amended or modified from time to time;
- 1.2 **'Agreement'** – the record of what you and we have agreed including these terms and conditions and the Tariff Sheet;
- 1.3 **'Call charges'** – the charges for calls made on the Network logged by us and only by us calculated in accordance with the relevant Tariff Sheet in force from time to time;
- 1.4 **'Charges'** – any sums owed by you to us under this Agreement;
- 1.5 **'Connection Charge'** – the charge set out overleaf in Section 5 for the connection of each piece of equipment and/or Exchange Line to the Network or connecting You to the Network;
- 1.6 **'Connection Point'** – any piece of equipment we fix or arrange to be fixed or is used by us at Your Premises to connect you to the Network and provide the Service;
- 1.7 **'Consequential Loss'** – pure economic loss, loss of profit, loss of business and like loss, whether direct or indirect;
- 1.8 **'Exchange Lines'** – any apparatus or equipment We use or arrange to use to connect Your Premises to a telephone exchange to provide You with the Service;
- 1.9 **'Fixed Charges'** – any Charges which are shown in Section 5 overleaf as fixed for the Minimum Period;
- 1.10 **'Minimum Monthly Spend'** – the minimum you are required to spend on calls per month as set out in Section 5 overleaf;
- 1.11 **'Length of Contract'** – This agreement will be for a minimum period of thirty six (36) months ("**the minimum Period**") from the date of our acceptance of your order (unless otherwise specified overleaf) and will be automatically renew for further rolling periods of thirty six (36) months (subject to clause 9.3.3).
- 1.12 **'Monthly Rental Charges'** – the monthly charge for rental of Our Equipment as set out in Section 5 overleaf;
- 1.13 **'Network'** – any telecommunications network which we may use in order to provide you with the Service;
- 1.14 **'Our Equipment'** – any equipment which is owned or supplied by us in order to provide you with the Service (this may include Exchange Lines and Connection Points);
- 1.15 **'Our License'** – the License granted to us under the Act which allows us to provide the Service;
- 1.16 **'Premises'** – the Trading Address specified in Section 1 overleaf at which the Service will be provided;
- 1.17 **'Tariffs'** – the charges for calls made on the Network and as set out in Our Tariff Sheet as varied by us from time to time;
- 1.18 **'Tariff Sheet'** – Our list of Tariffs and other charges applicable from time to time and which is available on request;
- 1.19 **'Service'** – the telecommunications services which we agree to provide you under this Agreement and which are described in our service literature;
- 1.20 **'We' 'Us' 'Our'** – Business Phones & Networks Ltd, The Stables, Wassell Grove Lane, Hagley, Stourbridge, DY9 9JH.
- 1.21 **'you' 'Your'** – the person or company named as the Customer overleaf and any other person who we believe is acting with your authority;
- 1.22 **'Your Equipment'** – any equipment owned by you and Used in connection with the Service;

2. CONNECTION AND SUPPLY OF SERVICES

- 2.1 We cannot guarantee that the Service will be ready by any particular date and you accept that we shall not be liable to you for any failure to provide you with the Service by any estimated date of connection.
- 2.2 We will use our reasonable endeavors to provide you with the quality and coverage of Service that we are able to provide to our customers generally.
- 2.3 You understand that no service can be fault free all of the time and may be affected by things outside our control such as faults in other telecommunications networks.
- 2.4 We may have to temporarily suspend all or part of the Service for operational reasons or in the event of an emergency or for your security or if repairs to/ and maintenance of the Network is required. We will try to give you notice of any such suspension. We will refund to You on a pro-rata basis such proportion of the Monthly Rental Charges You have already paid in respect of any period during which We have suspended the Service for this reason.
- 2.5 We may refuse to connect you to the Network if any of the information you have provided to us is inaccurate or misleading.
- 2.6 We will connect you to the Network if you meet our financial and other requirements. If you do not we may refuse to connect you to the Network and we will write to you to inform you of this. In this event this Agreement will automatically terminate. We will connect you to the network by either supply and installation of our equipment or reprogramming your equipment.
- 2.7 If we have to alter the Service as a result of regulatory or technical changes, you will be responsible for any changes needed to Your Equipment;
- 2.8 We may replace Our Equipment or alter any telephone number or any other code or number allocated by us in connection with the Service.
- 2.9 You shall provide us free of charge with all information, assistance or facilities which we may reasonably require to enable us to supply the Service and fulfill our obligations under this Agreement.
- 2.10 In order that we can provide the Service You must prepare Your Premises in accordance with our instructions and must provide a mains electricity supply. All such preparation work and any reinstatement work at Your Premises after we have completed any work we have to do to provide Service will be your responsibility and will be at your own cost.
- 2.11 Prior to providing you with Service We may have to obtain the consent or approval of a third party. You will have to obtain any consent referred to in clause 4.2. Our ability to provide you with the Service will be dependent upon all such consents and approvals being properly in place.
- 2.12 We may have to re-programme at your cost Our Equipment or Your Equipment before we can provide you with



Service and connect you to the Network. We may charge you for all costs we incur in this respect.

2.13 We will install any necessary Connection Points, Exchange Lines and other ancillary equipment in order to connect Our Equipment to the Network.

3. USE OF THE SERVICE

3.1 You must not use the Service:

3.1.1 for sending any messages or communications which are immoral, indecent, offensive, obscene, defamatory menacing or for any malicious purpose;

3.1.2 fraudulently, or for any illegal or unlawful purpose;

3.1.3 to harass, annoy, inconvenience or cause needless anxiety to any person and you must not encourage, request or permit anyone else to use the Service in this way.

3.2 You must use the Service in accordance with:

3.2.1 all reasonable instructions we may give you from time to time;

3.2.2 the relevant provisions of the Act, any other relevant law, code of practice or regulation;

3.2.3 any direction of the Director General of Telecommunications or other competent authority and any license which governs the running of your own telecommunications system.

3.3 You shall not acquire any rights in relation to any telephone number(s) or any other code or number allocated by us in connection with the Service.

3.4 For the avoidance of doubt property and ownership in Our Equipment shall not pass to you at any time.

3.5 You shall ensure that any of Your Equipment used in connection with the Service is in good working order and conforms to the relevant standard or approval for the time being designated under the Act and is suitable for connection to the Network.

3.6 We do not have to connect or keep connected any of Your Equipment which, in Our reasonable opinion, is liable to cause death or personal injury to any person, damage to Our Equipment or is likely to impair the quality of the service We offer to You or any other person.

3.7 You shall not move, modify, relocate or otherwise interfere with any of Our Equipment which is installed on Your Premises and shall not allow Our Equipment to be repaired, serviced or maintained by anyone other than our authorised representative.

3.8 You agree to take reasonable care of Our Equipment and agree to be responsible for any loss or damage occurring to Our Equipment after We install it at Your premises. You are advised to take out appropriate insurance.

3.9 You will not sell, assign, mortgage, charge, underlet or part with possession of our Equipment or any interest you may have in it and you will not permit anyone else to do so.

3.10 Your Equipment may only be connected to the Network if we give prior written consent and by means of a Connection Point provided by us. You shall not connect any equipment to the Network directly or indirectly, nor permit any other person to do so.

3.11 You may request the relocation of any Connection Point within Your Premises or the installation of additional Exchange Lines at Your Premises with Our consent which we may give or withhold in our absolute discretion. You shall pay us any relevant additional Charges and any other costs or expenses we incur at our usual rates in force from time to time.

3.12 You agree to indemnify us against all costs (including the costs of enforcement) expenses, liabilities (including any tax liability), injuries, losses, damages (including damage to or loss or theft of Our Equipment) claims, demands or legal costs (on a full indemnity basis) and judgements which we suffer or incur from or in any way connected with any use of the Service in breach of this Agreement or in connection with the misuse of Our Equipment or Your Equipment by You.

3.13 When you notify us of a fault in the Service We will endeavour to make arrangements to correct that fault.

3.14 We will carry out work by appointment during normal working hours which are 9.00 am to 5.00 pm Mondays to Fridays excluding Bank or other Public Holidays. If you want us to carry out work outside these hours you will be responsible for our charges in accordance with our usual rates in force from time to time.

3.15 We may charge you for any costs we incur in carrying out any maintenance or repair work which we consider unnecessary or where we do not find any fault in the Service.

3.16 You acknowledge that we may co-operate with the police and any other relevant authorities in connection with any misuse or suspected misuse of the Service or other telecommunications services and you consent to us cooperating with any other telecommunications operators for this reason. Where this is reasonably necessary, you agree that we can divulge your name, address and account information to such third parties.

4. ACCESS TO PREMISES

4.1 You agree to give us unrestricted access to Your Premises in order that we can connect you to the Network or for the purposes of inspecting, maintaining or removing Our Equipment or otherwise as necessary to fulfill our obligations under this Agreement.

4.2 You will be responsible for obtaining any necessary consents to allow us access to Your Premises.

4.3 We will always try to give you at least 7 days' notice if we need to gain access to Your Premises but there may be circumstances where we cannot give you reasonable notice.

4.4 We cannot be held responsible for any failure to comply with our obligations under this Agreement resulting from our inability to gain access to Your Premises.

5. THE CHARGES

5.1 You will pay us, in addition to any other charges due under this Agreement:

5.1.1 the Connection Charge(s);

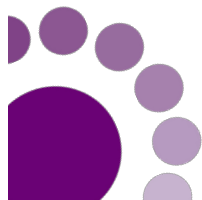
5.1.2 the Monthly Rental Charges; and

5.1.3 Call Charges calculated in accordance with the Tariff Sheet.

5.2 If the amount of Call Charges in any month is below the agreed Minimum Monthly Spend, You will pay us in addition to the Call Charges, an amount equal to the difference between the Minimum Monthly Spend where applicable and the Call Charges for that month.

5.3 We may change any charges (except for Fixed Charges) at any time without notice to you. Details of our Charges are shown on the Tariff Sheets which are available from us upon request.

5.4 Any equipment delivered to your premises whether bought out right or on hire will have a standard delivery charge



(currently £11.00 excluding VAT per item, but which may vary from time to time) or as otherwise expressly agreed.

6. BILLING

6.1 We will send you a bill each month. You agree to pay us all Charges due within 14 days of the date of our bill if paying by direct debit or 7 days if paying by an alternative method agreed by us. Time shall be of the essence in respect of payment of Charges due. Any payment method other than direct debit will have a £5.00 surcharge per transaction.

6.2 Call Charges will be calculated separately in respect of each Exchange Line under this Agreement. You will receive one bill from us each month for all Exchange Lines You have with us. (A summary of each Exchange Line can be provided upon request).

6.3 If you are disconnected for non-payment, you will pay the prevailing disconnection charge (excluding VAT) for each reconnection.

6.4 Each time your payment is late, cancelled or dishonored without a valid reason, we will charge you the prevailing charge (excluding VAT) for our administration costs. You agree to be responsible for all reasonable costs and expenses incurred by us and by our debt collection agents and solicitors in attempting to obtain payment from you.

6.5 If you fail to pay any Charges by the due date without valid reason we may charge you interest at the rate of 3% above Lloyds TSB base rate from the due date until the date we receive your payment.

6.6 We will charge you the prevailing rate (excluding VAT) each month per Exchange Line each time you pay the Charges other than by direct debit.

6.7 If you want to challenge an item on your bill, you must do this within 6 months of the date of the bill.

6.8 You agree to tell us of any change in your name, address or bank details. The bill will be sent to the Invoice Address specified in Section 1.

6.9 Any Charges payable by you under this Agreement shall be paid in full without any deduction or set-off whatsoever.

6.10 Invoices will be sent to you electronically via the email address given in section 1 of the contract. Any invoices requested to be sent by post will incur an admin charge of £2.00 per invoice

7. NON PAYMENT

7.1 If you fail to pay any Charges by the due date we may temporarily suspend Service without warning. We will restore full Service when you pay all Charges including any additional charge for non-payment.

7.2 If you fail to pay for one month or more, we may completely disconnect you from the Network. Reconnection will be at our discretion and will only be considered when you have paid all Charges including the reconnection charge.

8. SECURITY DEPOSITS

8.1 We may request a security deposit before we connect you to the Network.

8.2 We may request a security deposit before reconnecting you or any Exchange Line to the Network if we have disconnected you for non-payment.

8.3 If at any time you exceed your average monthly spending pattern for Call Charges We may restrict the amount of calls (except emergency calls) you make each month unless you deposit with us such amount as we shall notify you. If we intend to do this we shall give you at least 7 days' notice.

8.4 We may request a security deposit before providing you with additional Exchange Lines or other services.

8.5 If you have paid a security deposit we may retain this for all or part of the term of this Agreement.

8.6 If you have paid a security deposit, we will deduct any unpaid charges from the Deposit before returning it to you.

9. TERMINATION

9.1 We can end this Agreement immediately if any of the following happens:

9.1.1 you are in breach of this Agreement and the breach is incapable of remedy;

9.1.2 you are in breach of this Agreement and, such breach being capable of remedy, do not remedy the breach within 7 days of our notice requiring you to do so;

9.1.3 you do not pay your bill on time;

9.1.4 You (being a company) satisfy the test of insolvency and are unable to pay your debts at any time as set out in section 123 of the Insolvency Act 1986;

9.1.5 You (being an individual, person or firm) satisfy the test of insolvency and are unable to pay your debts at any time as set out in sections 267 and 268 of the Insolvency Act 1986;

9.1.6 you cease or threaten to cease to trade;

9.1.7 you have any distraint, execution or other process levied or enforced on any of your property;

9.1.8 we are required to end this Agreement by a competent regulatory authority or Our License expires or is terminated.

9.2 On termination of this Agreement for any reason you will:

9.2.1 pay us all outstanding Charges due under this Agreement;

9.2.2 co-operate with us in the removal of any of Our Equipment from Your Premises.

9.3 You may terminate the contract by giving us at any time at least 28 days (but no longer than 48 days) written notice of termination by recorded delivery to our registered office prior to the renewal date.

9.4 If the agreement ends before the minimum period ends, or before any subsequent 36 month period ends, (other than as a result of force majeure or any breach of the agreement by us) you will pay us:

9.4.1 the monthly rental charges which would have been payable if the agreement had not ended early;

9.4.2 a compensation charge in respect of telephone call traffic, equal to 4 times the value of average monthly call billing during the term of this agreement up to and including the month of termination; and

9.4.3 the cessation charge relating to any broadband and mobile connections

9.4.4 a disconnection fee of £159.00 per line or user for ceasing our services whether the agreement has reached the full minimum period or not

9.5 On termination of this Agreement we will return the security deposit (if any) to you after deduction of any unpaid Charges.

9.6 When the agreement has ended, any equipment on hire from us must be returned by an agreed date (no later than 28 days after the agreement has ended) and in a re-usable state. Any equipment returned in a condition that is deemed unusable or broken will incur a replacement charge.

9.7 Any and all charges relating to the rental of equipment including any non-physical licenses will be charged up to the end of the month of the date that the equipment is returned to us.

10. SUSPENSION



10.1 We can suspend provision of the Service immediately if any of the following happens:

10.1.1 We are entitled to end this Agreement for any reason;

10.1.2 We have reasonable grounds to believe that any Charges payable under this Agreement by You may not be paid;

10.1.3 You do not pay us any money which is due to us;

10.1.4 We have reasonable grounds to suspect you are using the Service or Our Equipment fraudulently or in the event of loss or theft of Your Equipment or Our Equipment.

10.2 While the Service is suspended you will still have to pay all Charges due and any other reasonable costs and expenses which we may incur as a result of such suspension and any subsequent reconnection of Service.

11. LIMITATION OF LIABILITY

11.1 Our liability to you for damage to Your Premises directly caused by our negligence is limited to £1000. Our liability to you for any other direct loss or damage caused by our negligence or by our failure to keep to the terms of this Agreement is limited to £2000. Our liability for death or personal injury caused by our negligence is not limited.

11.2 We shall in no circumstances be liable to you for any Consequential Loss.

11.3 For the avoidance of doubt we shall not be liable for any charges you incur if you divert your calls to another telecommunications operator during any period when the Service is not available.

12. FORCE MAJEURE

We will not be liable to you for any non-performance of our obligations under this Agreement due to acts of God, war or national emergency riots, civil commotion, fire, explosion, flood, epidemic, strikes, lock-outs (whether including our workforce or the workforce of any other party) and other industrial disputes, acts of government, highway authorities, telecommunications operators or other competent authorities or inability in obtaining supplies or services from third parties or due to any cause beyond Our reasonable control.

13. ENTIRE AGREEMENT

13.1 This Agreement contains all of the terms of the Agreement between You and Us in relation to the Service and supersedes any prior written or oral agreements, representations or understandings between you and us. You acknowledge that you have not been induced to enter into this Agreement by any other promises, terms or conditions which it does not contain. This clause does not exclude any liability for any statements made fraudulently.

14. VARIATION

14.1 We can change this Agreement at any time upon service to you of no less than 7 days written notice to the email address provided in section 1 of the contract.

15. WAIVER

No failure by us to exercise any right, power or remedy will operate as a waiver of it nor will any partial exercise prevent any further exercise of the same, or of some other right, power or remedy.

16. ENFORCEABILITY

If any clause or part of this Agreement is found by any court or other authority of competent jurisdiction to be illegal, invalid or unenforceable then that provision shall, to the extent required, be deemed to not form part of this Agreement without affecting any other provision of this Agreement which shall remain in full force and effect.

17. ASSIGNMENT

This Agreement is personal to you and may not be transferred to anyone else without our agreement. We may transfer any of our rights under the Agreement to any third party.

18. NOTICES

Any notices which may be given by either you or us under this Agreement must be in writing and shall be deemed to have been duly given if addressed to the party to which it is to be given and if left at or delivered by pre-paid mail or facsimile (provided that such facsimile is then confirmed by pre-paid mail) as appropriate to our address and your trading address shown in Section 1 overleaf.

19. APPLICABLE LAW

This Agreement is governed by English law and any disputes will be settled in the courts of the United Kingdom. This Guarantee is offered by all Banks and Building Societies that take part in the Direct Debit Scheme. The efficiency and security of the scheme is monitored and protected by your own Bank or Building Society. If the amounts to be paid or the payment dates change, Business Phones & Networks Ltd will notify you 10 working days in advance of your account being debited or as otherwise agreed. If an error is made by Business Phones & Networks Ltd or your Bank or Building Society you are guaranteed a full and immediate refund from your branch of the amount paid. You can cancel a Direct Debit at any time by writing to your Bank or Building Society. Please also send a copy of your letter to us. The Direct Debit Guarantee This guarantee should be detached and retained by the payer.

The Direct Debit Guarantee

This Guarantee is offered by all Banks and Building Societies that take part in the Direct Debit Scheme. The efficiency and security of the scheme is monitored and protected by your own Bank or Building Society. If the amounts to be paid or the payment dates change, Business Phones & Networks Ltd will notify you 10 working days in advance of your account being debited or as otherwise agreed.

If an error is made by Business Phones & Networks Ltd or your Bank or Building Society you are guaranteed a full and immediate refund from your branch of the amount paid. You can cancel a Direct Debit at any time by writing to your Bank or Building Society. Please also send a copy of your letter to us.

