

SERVICE SCHEDULE 1 DEVICE AND SIM ONLY

1 SERVICE DESCRIPTION

- 1.1 In this Service Schedule, Service shall refer to either or all of the following:
- 1.1.1 The secure, managed data communication services provided by ConnectNet enabling Customers connectivity to various destination;
 - 1.1.2 The provision of any of the following Devices (where applicable, packaged with SIMs) and in accordance with the Customer's requirements as selected by the Customer in the relevant Service Order(s). "**Device**" for the purposes of this Schedule shall include the following:
 - 1.1.2.1 "**T-Pad or G-Pad or S-Pad**" – are Multi-SIM modems that provide secure wireless data communication connectivity over the GSM data networks. Applications interface to the units via multiple serial ports (4 on the T-Pad, 3 on the G-Pad and 1 on the S-Pad). Communications is established via the GSM data (GPRS/EDGE) networks using ConnectNet's core network linking to various destinations. These units are specifically designed for transaction type data and are typically used in the banking environment enabling merchants to perform credit/debit card authorizations.
 - 1.1.2.2 "**E-Pad**" – is a network device that connects to the Customer's LAN via an Ethernet interface. The E-Pad is specifically designed to enable transaction type data utilizing the Customer's always-on Internet connection and is typically used in the banking environment enabling merchants to perform credit/debit card authorizations.
 - 1.1.2.3 "**Mobile Router or Mobile Gateway**" - are Multi-SIM routers that provide secure (VPNs and 128 bit encryption) wireless data communication connectivity over the GSM data networks. Applications interface to the units via a single Ethernet port. Communications is established via the GSM data (GPRS/EDGE/HSDPA/HSUPA) networks using ConnectNet's core network linking to various destinations. These units are specifically designed for high volumes, bandwidth intense applications and are typically used for Medical Aid authorizations, integrated point of sale applications and inter-branch communications.
 - 1.1.2.4 "**ADSL GSM Router**" - are Multi-SIM, combined GSM and ADSL routers that provide secure (VPNs and 128 bit encryption) data communication connectivity over the ADSL and GSM data networks. Applications interface to the units via a single Ethernet port. Primary communications is typically established via the ADSL data network with failover to the GSM data (GPRS/EDGE/HSDPA/HSUPA) networks using ConnectNet's core network. These units are specifically designed for Customer's requiring Internet access with GSM failover.
 - 1.1.2.5 "**SIM Only**" – SIMs provided by ConnectNet to Customer enabling equipment other than ConnectNet's to connect over the GSM data networks and where applicable via ConnectNet's core network to various destinations.

2 CONNECTNET'S OBLIGATIONS

- 2.1 Subject to the terms and conditions of this Agreement, ConnectNet shall use all reasonable endeavours to enable Customer connectivity to the applicable destination via ConnectNet's core network and commence with such Service on the date specified in the Service Delivery document or such other date as may be agreed in writing by the Parties and thereafter to provide and maintain the Service throughout the duration of this Agreement.
- 2.2 Installation of the Devices shall be effected by ConnectNet or a person duly authorized by ConnectNet. All Installation Charges, as applicable, shall be for the Customer's account.
- 2.3 Subject to the terms and conditions of this Agreement ConnectNet shall:
 - 2.3.1 install at and/or deliver to the Customer's Address of Request such quantity of Devices as may be ordered by the Customer;
 - 2.3.2 allow the Customer access to the applicable APN by way of the Device and SIM and shall use all reasonable endeavours to maintain such connection; and/or;
 - 2.3.3 use all reasonable endeavours to meet any agreed installation and/or delivery date, which shall be provisional only, and ConnectNet shall not be responsible for any consequence of delay or damages if installation and/or delivery is not met.

3 CUSTOMER OBLIGATIONS

- 3.1 The Customer shall provide ConnectNet with all such necessary information and co-operation that ConnectNet may reasonably require from time to time to enable it to proceed uninterruptedly with the performance of its obligations in accordance with this Agreement. This shall include, if applicable:
 - 3.1.1 the provision of a suitable secure environment for the Devices and/or SIMs;
 - 3.1.2 full and convenient access to the Customer's and other premises for the purpose of installing and/or delivery of the Devices and/or SIMs, or of any additional visits to these premises made either at the Customer's request or which may be necessary from time to time in order to maintain the Service; and/or
 - 3.1.3 a prompt report by the Customer to ConnectNet of any loss or damage to the Devices and/or SIMs while at the Customer's premises.

4 OWNERSHIP OF THE DEVICES AND/OR SIMS

- 4.1 The ownership of the SIM, whether Customer has purchased the Device or not, shall remain vested in ConnectNet and all SIMs shall be returned to ConnectNet after termination of the Service in accordance with Clauses 3 and 14 of the Master Services Agreement within 7 (seven) days from the date of termination at the Customer's sole expense and shall further, upon demand, pay ConnectNet all amounts due hereunder at the date of such termination.

- 4.2 The risk of damage to and loss of the Devices shall pass to the Customer upon its installation and/or delivery by ConnectNet to the Customer's Address of Request until such time as the SIM and/or Devices are returned in good and satisfactory working order, by the Customer to ConnectNet at its registered office or such other address as ConnectNet may specify in writing.
- 4.3 Unless Customer purchases the Devices, the ownership of Devices shall remain vested in ConnectNet and shall be returned to ConnectNet after termination of the Service in accordance with Clauses 3 and 14 of the Master Services Agreement within 7 (seven) days from the date of termination at the Customer's sole expense and shall further, upon demand, pay ConnectNet all amounts due hereunder at the date of such termination.
- 4.4 Where Customer has purchased the Devices, excluding the SIMs, then the ownership of Devices shall vest in the Customer on receipt of full payment of the purchase price of the Devices.
- 4.5 Failure, for any reason, to return the Devices and/or SIMs in accordance with Clauses 4.1 and 4.3 of this Service Schedule to ConnectNet's address shall cause the Customer to be liable for the recovery costs of such Devices and/or SIMs and where the Device and/or SIM is not recoverable from the Customer, the Customer shall then also be liable for the then replacement cost of such Devices and/or SIMs. The Customer shall pay, on demand, such reasonable recovery or replacement charges as determined by ConnectNet from time to time.

5 WARRANTIES

- 5.1 ConnectNet warrants that Devices sold to Customers shall for a period of 12 (twelve) calendar months from the date of delivery, be:
- 5.1.1 free from defects in materials and workmanship;
- 5.1.2 fit for the purpose for which they are intended.
- 5.2 ConnectNet further warrants that the sale of the Devices will not in any way constitute an infringement of any copyright, trade secret, trademark, patent, invention, proprietary information, or any other rights, title or interest in intellectual property of any third party.
- 5.3 If ConnectNet breaches any warranty in Condition 5.1, ConnectNet shall at its own cost and expense, at the request of Customer, promptly correct any defect or error in the Device as may be necessary to comply with the warranties.

6 MAINTENANCE OF THE DEVICES

- 6.1 ConnectNet owned Devices shall be maintained, repaired and/or replaced by ConnectNet free of charge unless otherwise agreed to by the Parties, provided always that faults are the result of fair wear and tear, and not caused by any negligence or default on the part of the Customer. For avoidance of doubt, the SIM shall always be owned by ConnectNet. In the event of faults caused by negligence or default on the part of the Customer, the Customer shall pay, on demand, such reasonable repair or replacement charges as determined by ConnectNet from time to time. Devices which are

not the property of ConnectNet shall not be repaired and/or replaced by ConnectNet free of charge.

- 6.2 Subject to clause 5 above, Devices purchased by Customer shall be maintained, repaired and/or replaced by the Customer at their own cost. Should the Customer request ConnectNet to repair and/or replace a purchased Device, the Customer shall pay, on demand, such reasonable repair or replacement charges as determined by ConnectNet from time to time.
- 6.3 Devices currently incorporate no field serviceable parts and whether to repair or replace faulty units in the field shall be at the sole discretion of ConnectNet.

7 BILLING AND PAYMENT

- 7.1 Subscription Charges shall be invoiced by ConnectNet monthly in advance and shall continue for the duration of this Agreement until this Agreement is terminated and, if relevant, the Devices and/or SIMs are returned to ConnectNet in accordance with Clause 3 of this Service Schedule.
- 7.2 Installation Charges and Activation Charges, which are non-refundable, shall be invoiced by ConnectNet upon installation of the Service and/or delivery of the Device to the Customer.
- 7.3 Any other applicable charges shall be invoiced by ConnectNet in accordance with its Charges.
- 7.4 ConnectNet may charge additional charges in the following cases:
 - 7.4.1 where on-site assistance has been provided at the Customer's request, such charges shall be calculated in accordance with a quoted Charge;
 - 7.4.2 where it has been necessary for ConnectNet to use non-standard apparatus and/or equipment in order to provide the Service;
 - 7.4.3 where the SIM has been damaged, lost or stolen which shall include, but not be limited to, the recovery and replacement costs of the SIM as well as the costs associated with the remaining duration of the Agreement;
 - 7.4.4 where the Customer reported a problem and ConnectNet attends to the problem and finds that the problem is not ConnectNet related; and/or
 - 7.4.5 in accordance with Clause 6.2 of the Master Services Agreement.
- 7.5 In instances of an upgrade or downgrade of either the Device or tariff option, the Charges to the Customer will be amended from the date that the system changes have been effected.