

1. AGREEMENT

1.1 Subscriber hereby hires from the Provider, which hereby rents the goods described in the Agreement for the rentals payable as set out in the Schedule of Goods. The conditions of this Agreement shall apply equally to additions agreed to subsequently. The additions shall create a separate and independent Agreement.

1.2 Subscriber consents to the Provider vetting its creditworthiness. Should the credit of Subscriber not meet the Provider's criteria, the Provider may at its sole discretion terminate the Agreement.

2. DURATION

This Agreement will commence on the date of the actual connection ("the Connection Date") and will endure as per the agreed Agreement.

3. SUPPORT COSTS

The Service excludes the cost of maintenance, service and support to keep the Service operational for the duration of the Agreement which is charged at the Provider's Standard Rates. Call-outs to attend issues that relate to non-Provider equipment will be charged at the prevailing rates, available on request.

4. PAYMENTS

4.1. Subscriber shall make all payments in terms of this Agreement monthly in advance without set off or deduction or withholding of any nature, free of bank or other charges at the Provider's address or at such other place as the Provider or its cessionary may direct in writing.

4.1.1 Subscriber shall pay the rental portion of the accepted Agreement for the period specified in the Agreement and shall pay the fees for services on an ongoing basis as long as the goods are the used in conjunction with the Provider's Digital Direct service.

4.2 All payments must be made by debit order or other pre-arrangement within three working days after the date of the invoice issued by the Provider in respect thereof. Subscribers not paying by debit order are subject to an administration fee of R25 per site. The Provider reserves the right to require prepayment on the Service when Subscriber has defaulted on payment or when Subscriber risk profile warrants this.

5. NO WITHOLDING

Subscriber is not entitled to withhold any payment for any reason whatsoever.

6. VARIATION IN RENTALS

The Rental is linked to the Prime rate as charged by FNB South Africa and the rental amount will vary accordingly. In the event of any change in any law or regulation or in the interpretation thereof, resulting in a mandatory increase to the Provider of any costs for providing or maintaining this Agreement, the Provider shall be entitled to charge such cost in the rental payments.

7. INSURANCE

7.1 Subscriber shall insure the goods for their replacement cost with a registered insurer or through a broker of Subscriber's own choice for as and advise the insurer of our ownership and our rights in and to the goods. Subscriber agrees that Subscriber will notify the Provider, in writing within fourteen days, if any of the goods are lost, stolen or damaged. Subscriber confirms that Subscriber have been given prior written notice of Subscriber's right of free choice in terms of Section 43(1) of the Short Term Insurance Act 53 of 1998, and that Subscriber have exercised that freedom of choice and Subscriber were not coerced or induced as to the manner in which Subscriber exercised Subscriber's choice.

7.2 If any of the goods are lost or stolen, and not recovered within a period of 21 days after such loss or theft, or are damaged beyond repair, then Subscriber agree that the Agreement will terminate in respect of such goods unless, the Provider decides to replace such goods with other goods of a similar nature and condition, and thereafter the Agreement shall continue to apply equally to the replacement goods which Subscriber will accept accordingly. Any dispute in this regard shall be referred to any sworn valuator selected by the Provider who shall act as an expert and whose decision shall be final and binding on Subscriber and the Provider.

8. BREACH

8.1 If Subscriber breaches any of the conditions or terms of the Agreement, or fail to pay any amounts due to the Provider, or commits any act of insolvency or compromise with any of Subscriber's creditors, or makes

a false statements in connection with the Agreement or the Provider's ownership of the goods, or allows any judgment that has been granted against Subscriber to remain unsatisfied for more than seven days, or becomes subject to a final or provisional order of liquidation or surrender, or if Subscriber is an individual and its estate is provisionally sequestrated, then Subscriber agrees that the Provider have the right (without notice to Subscriber and without affecting any of our other rights) to:

8.2 claim immediate payment of all amounts which would have been payable in terms of the Agreement until expiry of the rental period stated in the Agreement, whether such amounts are then due for payment or not. Subscriber agrees that the Provider may take possession of the goods and only return them to Subscriber on receipt of full payment of all amounts owing by Subscriber. Subscriber will not be able to withhold payment or make any deductions from any amount owing as a result of Subscriber's loss of possession of the goods; or

8.3 immediately terminate the Agreement, take possession of the goods, retain all amounts already paid by Subscriber and claim all outstanding rentals, all legal costs as between attorney and his own client and, as agreed pre-estimated liquidated damages, the aggregate value of the Rentals which would have been payable had the Agreement continued until expiry of the duration of the Agreement.

9. INTEREST

The Provider shall be entitled to charge interest on overdue amounts at Prime plus 3% per annum calculated from due date to date of receipt of payment in full.

10. CERTIFICATE

A written certificate issued and signed by any Director of the Provider shall constitute on the face of it proof of the amount and extent of any indebtedness of Subscriber to the Provider for purposes of Summary Judgement and/or Provisional Judgement proceedings. It is hereby agreed that, in the event of such certificate being issued, Subscriber will carry the burden of proving, on a balance of probabilities, that such amount is not due and payable.

11. COST

Should Subscriber be in default, it will be liable to pay all expenses actually incurred by the Provider either on behalf of Subscriber or as a result of Subscriber's non-compliance with any provision of the Agreement including collection charges and legal costs calculated on an attorney-own client scale.

12. JURISDICTION

Subscriber agrees that the Provider will be entitled to proceed against Subscriber in any Magistrate's Court in terms of Section 29 of the Magistrate's Court Act or any High Court having jurisdiction subsequent to the competent jurisdiction of such Court, to which the Subscriber hereby consents.

13. OWNERSHIP

Ownership of the goods shall vest in the Provider for the duration of the Agreement or the last outstanding payment, whichever occurs last after which the equipment shall either be subject to a new Agreement or be reclaimed by the Provider. In the absence of a new Agreement or removal, the Provider shall invoice a monthly Usage cost no higher than the last Rental cost.

14. SITE PREPARATIONS AND PROGRAMMING

Subscriber undertakes to issue an order for and pay all charges for cabling, access points, POE equipment, testing and commissioning and set-up of its own CPE and site to utilise the Service and for costs of any delays arising from actions or inactions of its CPE vendor or its staff in doing all necessary and requested actions to prepare the CPE and site for operation with the Service. The Provider may, on behalf on Subscriber, authorise and contract for such CPE and other vendors for the continuation of service.

15. DELIVERY AND ACCEPTANCE

Signature by Subscriber of the installation certificate shall be deemed to be an acknowledgement that Subscriber has accepted, inspected and approved the goods and that same are in every way satisfactory to Subscriber.

16. THE USE OF THE GOODS

Subscriber shall enjoy the Manufacturer's warranty on all equipment provided. Subscriber shall keep the goods

in its possession and under its control and shall take reasonable care in the use of goods. Subscriber shall at its own expense maintain the goods in proper working order and keep the goods free from attachment, hypothec, or other legal charge or process. Subscriber shall not sell, let, loan, pledge, transfer or otherwise encumber or alienate the goods in any way or permit any lien to arise in respect of the goods, and shall not cede, assign or delegate any of its rights or obligations in terms of this Agreement. The goods shall be operated at Subscriber's cost. Subscriber shall comply with the specification, instructions and recommendations of the manufacturer for the operation, service, maintenance and/or repair of the goods or any part thereof.

a. Subscriber may not materially alter or modify the goods. Any part or accessory added to the goods shall become the Provider's property without any compensation.

b. Subscriber shall at reasonable times permit the Provider or its representative to inspect or service the goods.

c. Subscriber admits and agrees that the goods are movable and are installed with the purpose that the goods shall remain movable and that they shall under no circumstances accede to any property.

d. Subscriber shall have the rights to upgrade the goods or any part thereof, subject to the Provider's or its Cessionary prior written consent thereto.

17. DAMAGES

The Provider shall not be liable to Subscriber for any damages of whatsoever nature, arising from any matter related to this Agreement whether indirect, consequential, loss of revenue or profit or savings other than wilful damage.

18. WAIVER

Subscriber agrees that no indulgence whatsoever by the Provider will affect the terms of this Agreement or any of the rights of the Provider and such indulgence shall not constitute a waiver by the Provider in respect of any of its rights herein. Under no circumstances will the Provider be stopped from exercising any of its rights in terms of this Agreement.

19. VARIATION

The parties agree that this Agreement (a) represents the entire Agreement between Subscriber and the Provider and that no alterations or additions to this Agreement shall be effective or binding unless agreed to by both parties, reduced to writing and signed by Subscriber and a duly authorised representative of the Provider; (c) is applicable to all existing debts between the parties; (d) is final and binding and is not subject to any suspensive or dissolutive conditions; and that (e) any conflicting conditions stipulated by Subscriber are expressly excluded; (f) these terms supersede all previous Provider conditions without prejudice to any securities or guarantees held by the Provider.

20. TERMINATION

Should Subscriber terminate the Agreement for any reason or should the Provider terminate this Agreement due to Subscriber's non-payment or breach, Subscriber will immediately pay to the Provider all outstanding rentals plus the Net Present Value at Prime of the rentals which would have been payable had the Agreement continued until the expiry of the Agreement less any proceeds received by the Provider from any insurance claims

21. CESSION

The Provider shall be entitled to cede, assign and transfer or make over all or some of its rights in terms of this Agreement without permission but with prior notification.

22. NOTIFICATION TO LANDLORD

Subscriber will notify its landlord that the goods will be kept at the address stated on this Agreement and will notify the Provider in writing the name and address of any other premises to which the goods are moved and of the name and address of the owner of such premises. Subscriber shall also notify the Provider immediately of any changes that may occur from time to time in the leasehold or ownership of the premises upon which the goods may from time to time be installed or kept. Subscriber is obliged to obtain the required permission for the installation of goods on the premises referred to.