

Schedule 1: Goods

1. INTERPRETATION

- 1.1 Except as defined in this Schedule 1, capitalised terms shall have the meanings given to them in the DEFINITIONS SCHEDULE.
- 1.2 To the extent applicable to the supply of Goods, in the event of conflict with the terms of this Schedule 1 and the Agreement, the provisions in this Schedule 1 shall take precedence and in the event of a conflict with the terms of this Schedule 1 and Order, the provisions of Order shall take precedence over this Schedule 1.

2. SUPPLY OF GOODS

- 2.1 FourNet shall use reasonable endeavours to meet any dates to deliver the Goods, but any such dates shall be estimates only and time shall not be of the essence.
- 2.2 Where the Goods are being supplied by a Third Party supplier, they will be supplied subject to any relevant terms and conditions of sale and any returns policy of the relevant manufacturer and/or Third Party supplier.

3. QUANTITY AND DESCRIPTION

- 3.1 The quantity and description of the Goods shall be as set out in the Order.
- 3.2 Any samples, drawings, descriptive matter or advertising produced by FourNet and any descriptions or illustrations contained in the FourNet's catalogues, brochures or website are produced for the sole purpose of giving an approximate idea of the Goods described in them. They shall not form part of the Agreement or have any contractual force.
- 3.3 FourNet reserves the right (but does not assume the obligation) to make any change in any specification of the Goods which is required to conform with any applicable legislation, or which does not materially affect the quality of the Goods.

4. DELIVERY

- 4.1 FourNet shall deliver the Goods and/or Software to the Delivery Location at any time after FourNet notifies the Customer that the Goods are ready. Where the Delivery Location is unavailable FourNet will hold the Goods and/or Software until the Delivery Location becomes available.
- 4.2 The Customer shall accept delivery of the Goods and/or Software at the Delivery Location on the delivery date.
- 4.3 Delivery of the Goods and/or Software shall be completed on the Goods' and/or Software's arrival at the Delivery Location or, if unavailable, the time FourNet notifies the Customer that the Goods are ready for delivery.
- 4.4 Any dates quoted for delivery are approximate only, and the time of delivery is not of the essence.
- 4.5 The Customer will inspect the Goods on delivery and notify FourNet in writing within 3 Business Days of delivery of any defect in the Goods provided that if no such notification is given it shall be conclusively presumed that the Goods are complete and in good order and condition. Where the Delivery Location is a FourNet location, FourNet will allow the customer to view the Goods at a convenient time for both parties.

- 4.6 FourNet may deliver the Goods by instalments, which shall be invoiced and paid for separately. The Customer may not cancel an instalment because of any delay in delivery or defect in another instalment.
- 4.7 If FourNet fails to deliver Goods by the relevant delivery date after being given a reasonable opportunity to remedy such delay, except to the extent that such delay is due to a third party for which FourNet shall have no liability, its liability shall be limited to the costs and expenses incurred by the Customer in obtaining replacement goods of similar description and quality in the cheapest market available, less the price of the Goods. FourNet shall have no liability for any failure to deliver Goods to the extent that such failure is caused by:
- 4.7.1 a delay from the manufacturer, third party supplier or other third party;
 - 4.7.2 a Force Majeure Event; or
 - 4.7.3 the Customer's failure to provide FourNet with adequate delivery instructions or any other instructions that are relevant to the supply of the Goods.
- 4.8 If after ten (10) Business Days following the day on which FourNet attempted to make delivery of Goods, the Customer has not taken delivery of those Goods, FourNet may resell or otherwise dispose of part or all of the Goods and, after deducting reasonable storage and selling costs, account to the Customer for any excess over the price of the Goods, or charge the Customer for any shortfall below the price of the Goods.

5. PRICES

- 5.1 Prices for Goods in FourNet's stock ready to be shipped will be established at the time the order is accepted by FourNet. If the Customer places an order for Goods not in stock at the time of order (a "Backorder") or the Customer places an order for scheduled delivery, such orders shall be irrevocable and the price for such Goods shall be the price established at the time the Backorder or scheduled delivery is accepted by FourNet.
- 5.2 Notwithstanding the foregoing, FourNet reserves the right to increase its prices after acceptance of a Backorder or scheduled delivery due to an increase in its Third Party supplier's price to FourNet or an increase in direct costs to which FourNet becomes subject (including without limit costs resulting from currency fluctuation) but FourNet shall only increase its price by such level as is necessary to reflect such increases.
- 5.3 Unless otherwise stated, prices exclude any copyright levies, waste and environmental fees, and similar charges that by law or statute may or shall charge or collect upon resale.

6. CUSTOMER EQUIPMENT CONNECTED TO THE SERVICE

- 6.1 Save as set out in the Scope of Work or Order, the Customer will be responsible for connecting Goods (which may including handsets and other equipment) to any Services following the procedures set out in the Product Handbook.
- 6.2 The Customer agrees that if it connects any Goods to any Service that is not on the list of approved Goods, the performance of the Service may be impacted. FourNet will not be liable for any faults that, in its reasonable opinion, are attributable to unapproved Goods, and the Customer will be liable for the costs associated with the correction of such faults.
- 6.3 Save as set out in the Scope of Work or Order, the Customer will ensure it has adequate and correctly configured any relevant routers and switches and sufficient bandwidth to enable use of the Goods. FourNet will not be liable for any faults

that, in its reasonable opinion, are attributable to inappropriate or incorrectly configured Goods or Customer Equipment including switches and routers, unless they are supported under contract by FourNet, and the Customer will be liable for the costs associated with the correction of such faults.

- 6.4 The Customer will be responsible for deployment of Goods or Customer Equipment unless otherwise stated in the Scope of Work.

7. SITE SURVEY

- 7.1 In certain cases, FourNet, or its suppliers, may need to conduct a site survey at the Customer's premises to ensure the suitability of the Customer's site and/or equipment for the use of the Goods. Such surveys and site visits shall be conducted in accordance with this Schedule or as set out Order, where the survey is carried out by a third party, such as a carrier, these surveys shall incur a charge, payable by the Customer. This includes a Network Readiness Assessment which is a prerequisite for installation services. If the Customer wishes to waive this assessment, FourNet cannot guarantee sufficient connectivity to enable Services
- 7.2 Following any site survey, FourNet will notify the Customer of any charges that are required in order for FourNet to provide the Goods to the Customer and the Customer may decide to either pay the said charges or cancel the Order in respect of the affected Goods. The Customer shall within 5 Business Days of the date of it being notified of such charges notify FourNet of its intention to either pay the charges or cancel the Order, failing which the FourNet may terminate the Order for the affected Goods with immediate effect by giving written notice to the Customer.
- 7.3 If, following any site survey, FourNet is not able to supply any part of the Goods to the Customer, FourNet may terminate the Agreement for such part with immediate effect by giving written notice to the Customer.
- 7.4 In the event, that any part of an Order is terminated pursuant to paragraph 7.2 or paragraph 7.3, FourNet will refund any advance payments made by the Customer to FourNet in respect of the Charges for the terminated part of the Order.

8. TITLE AND RISK

- 8.1 The risk in the Goods shall pass to the Customer on completion of delivery.
- 8.2 Until title to the Goods has passed to the Customer, the Customer shall:
- 8.2.1 hold the Goods on a fiduciary basis as FourNet's bailee;
 - 8.2.2 store the Goods separately from all other held by the Customer so that they remain readily identifiable as FourNet's property;
 - 8.2.3 not remove, deface or obscure any identifying mark or packaging on or relating to the Goods;
 - 8.2.4 maintain the Goods in satisfactory condition and keep them insured against all risks for their full price from the date of delivery;
 - 8.2.5 notify FourNet immediately if it becomes subject to any of the events listed in clause 14.1 of the Agreement above; and
 - 8.2.6 give FourNet such information relating to the Goods as FourNet may require from time to time.
- 8.3 Notwithstanding paragraph 8.1, title to the Goods shall not pass to the Customer until FourNet has received payment in full (in cash or cleared funds) for the Goods.
- 8.4 If before title to the Goods passes to the Customer the Customer becomes subject to any of the events listed in clause 18 (Force Majeure), or FourNet reasonably

believes that any such event is about to happen and notifies the Customer accordingly, then, provided that the Goods have not been resold, or irrevocably incorporated into another product, and without limiting any other right or remedy FourNet may have, FourNet may at any time require the Customer to deliver up the Goods and, if the Customer fails to do so promptly, enter any premises of the Customer or of any third party where the Goods are stored in order to recover them.

- 8.5 On termination of this Agreement for any reason FourNet's rights in this paragraph 8 shall remain in full effect.

9. WARRANTY

- 9.1 Where FourNet is not the manufacturer of the Goods, FourNet shall use reasonable endeavours to transfer to the Customer the benefit of any warranty or guarantee given by the manufacturer to FourNet.

- 9.2 FourNet warrants that on delivery, and for a period of 3 months from the date of delivery ("warranty period"), the Goods shall conform in all material respects with any applicable Specification.

- 9.3 Subject to paragraph 9.4, if:

- 9.3.1 the Customer gives notice in writing to FourNet during the warranty period within a reasonable time of discovery that any of the Goods does not comply with the warranty set out in paragraph 9.2;
- 9.3.2 FourNet is given a reasonable opportunity of examining such Goods; and
- 9.3.3 the Customer (if asked to do so by FourNet) returns such Goods to FourNet's place of business;

at the Customer's cost, FourNet shall, at its option, repair or replace the defective Goods, or refund the price of the defective Goods in full.

- 9.4 FourNet shall not be liable for Goods' failure to comply with the warranty set out in paragraph 9.2 if:

- 9.4.1 the Customer makes any further use of such Goods after giving notice in accordance with paragraph 9.3;
- 9.4.2 the defect arises because the Customer failed to follow FourNet's or manufacturer's oral or written instructions as to the storage, commissioning, installation, use and maintenance of the Goods or (if there are none) good trade practice;
- 9.4.3 the Customer alters or repairs such Goods without the written consent of FourNet;
- 9.4.4 the defect arises as a result of fair wear and tear, wilful damage, negligence, or abnormal storage or working conditions; or
- 9.4.5 the Goods differ from the Specification as a result of changes made to ensure they comply with applicable statutory or regulatory requirements.

- 9.5 Except as provided in this paragraph 9, FourNet shall have no liability to the Customer in respect of the Goods' failure to comply with the warranty set out in paragraph 9.

- 9.6 Except as set out in this Agreement, all warranties, conditions and other terms implied by statute or common law are, to the fullest extent permitted by law, excluded from this Agreement.

- 9.7 This Schedule shall apply to Any repaired or replacement Goods supplied by FourNet.

10. CANCELLATION

- 10.1 Notwithstanding paragraph 2.2 of this Schedule , once an order for Goods has been accepted by FourNet, no order may be cancelled by the Customer except with the agreement in writing of FourNet and on terms that the Customer shall indemnify FourNet in full against all reasonable losses, costs (including the cost of all labour and materials used), damages, charges and expenses incurred by FourNet as a result of such cancellation.