

STANDARD TERMS & CONDITIONS RELATING TO THE TELECOMMUNICATIONS CALLS & LINES AND OTHER VOICE AND DATA SERVICES PROVIDED BY PEN TELECOM LIMITED

1. Service

1.1 This agreement concerns the provision by Pen Telecom Limited (Pen Telecom) to you the customer (you) of one or more of Pen Telecom's telecommunications services. Pen Telecom will provide you with the service(s) as specified on the Application form subject to the provisions of this agreement. Pen Telecom may vary how these services are provided if Pen Telecom wishes to maintain or improve their quality or needs to do so in order to comply with any applicable law or regulation.

1.2 Where the service is Calls, Line Rental, Broadband or Hosted or other Solutions, the provisions in this Agreement specific to that service shall apply and if they conflict with any provision elsewhere in the Agreement, the specific provisions shall prevail.

1.3 You acknowledge that certain services are incompatible with the calls and line service available from British Telecommunications Plc (BT) and such incompatible services are excluded from Pen Telecom's services. You also acknowledge that some technical limitations within the network used to provide the services may not become apparent until the service has been operating for some time and if that occurs the service may need to be temporarily withdrawn in which case you will receive a pro rata rebate of the relevant charges paid by you in advance of the withdrawal.

1.4 If you want the connection point for the service (i.e., the terminal block, socket for a removable plug, distribution frame or other device which connects your equipment to an exchange line) to be moved to another place within your site, Pen Telecom may agree to this subject to your paying Pen Telecom's applicable charge. At Pen Telecom's request you will arrange for your equipment to be reprogrammed by your maintainer in accordance with instructions given by Pen Telecom but Pen Telecom will not bear any responsibility for such reprogramming.

2. Duration

Any service other than Calls, Line Rental, Broadband and VoIP solutions will be provided on the basis of a 12 month or such period as specified in the contract letter or email, initial period from the date you sign the Application Form with the same provisions for automatic renewal unless terminated by proper notice as are applicable to the Broadband service.

3. Charges

Pen Telecom charges you for using the services covered by this agreement. Initially you are charged at the rates specified on the Application form or published in our price lists. If the prices for any products which Pen Telecom acquires from its suppliers and which form part of the Services provided under the Supply Agreement are increased for any reason (for example (but without limitation) pursuant to a direction or decision of Ofcom), Pen Telecom reserves the right to increase its Charges for the Services accordingly. Please note:

3.1 Charges are calculated from data recorded by us and not from your own records.

3.2 Where a direct debit is unpaid due to insufficient funds or cancellation, a £5 administration charge will be included on your next monthly bill.

3.3 A charge of up to £20 will be added to your next bill to reinstate services barred due to non-payment of an invoice.

3.4 All Pen Telecom charges (whether referred to in the Application Form, this Agreement or elsewhere) are subject to VAT at the prevailing rate

3.5 Pen Telecom will charge £110 to reinstate lines that have been ceased due to non-payment

4. Payment Terms

4.1 If any payment is not made in cleared funds by the due date then in addition to other rights and remedies Pen Telecom reserves the right to require that all future payments are made by monthly variable direct debits and if you refuse to set up a direct debit arrangement in these circumstances can terminate the Agreement.

4.2 You will be notified of any problems with your payments or direct debit instructions.

4.3 Payments are to be made by you without set-off or deduction and if you fail to pay any sum due, we shall be entitled to charge interest on the amount due at the rate of four percent (4%) above the Bank of England official bank rate paid on commercial bank reserves prevailing from time to time calculated from the due date until collection.

4.4 Cancellation of the direct debit does not constitute notice of cancellation on termination of the contract.

4.5 You are protected at all times by the direct debit guarantee as detailed on Pen Telecom's Direct Debit form.

4.6 Pen Telecom reserves the right to charge a £5.00 administration fee for payments tendered by means other than direct debit. Pen Telecom reserves the right to increase this amount without notice

4.7 Pen Telecom reserves the right to perform a credit check with no prior notice on you, and to pass your credit history with Pen Telecom on to the credit agencies and/or the Court.

4.8 Pen Telecom reserves the right to request from you at any time a deposit, paid in advance, should periodical credit checks reveal an insufficient credit scoring or County Court Judgement or if unusual usage and call charges are incurred. Should this request not be met within 30 days of notification by Pen Telecom, Pen Telecom reserves the right to terminate the contract and to demand full and immediate payment of any outstanding balance.

4.9 Pen Telecom may, at its sole discretion and at any time, impose a credit limit on your account. Any credit limit imposed can be amended without prior notice. If you exceed any such credit limit, Pen Telecom may demand immediate payment of the charges and/or suspend the service; and you will still be responsible for all charges incurred including those exceeding the credit limit.

4.10 Pen Telecom will charge a £199 disconnection fee should your agreement with Pen Telecom be terminated due to your non-payment.

5. Pricing

5.1 All call types where prices are not listed on the Application Form will be charged at Pen Telecom's standard tariff prices, details of which are available on request.

5.2 Local and national calls are numbers beginning with 01 and 02 only and do not include non-geographic number (0845, 0870 etc) premium rate numbers (09xx) and internet access numbers.

5.3 Mobile calls are calls to 02, Vodafone, EE, T-Mobile or Orange or Three. Calls to other network operators, unless specified otherwise in the Application Form, will be charged at Pen Telecom's standard tariff prices, details of which are available on request.

6. Your Responsibilities -You agree:

6.1 To use the services in accordance with this agreement, any instructions given by Pen Telecom from time to time and any laws, regulations and licenses which apply to the use by you of the services.

6.2 Not to allow an alternative supplier to override or bypass Pen Telecom's service either through the installation of equipment or through the BT™ local exchange.

6.3 To be responsible for any engineering reprogramming costs or equipment removal costs that may be required to terminate the service of any previous supplier.

6.4 Not to use the service to transmit any material which may be abusive, offensive, obscene, indecent, menacing, defamatory or which might cause annoyance, inconvenience or needless anxiety to anyone or in order to commit a fraud or other criminal offence.

6.5 Unless with prior agreement and authorisation from Pen Telecom Ltd, not to transfer or agree to transfer any number provided to you for use with the service.

6.6 To the termination of your existing contract for equivalent services with your current provider and irrevocably authorise and request Pen Telecom to cancel on your behalf any such existing contract and to provide Pen Telecom with such information as Pen Telecom reasonably requires and to allow access to the site at which the service is to be provided for Pen Telecom, BT or any other telecommunications supplier to Pen Telecom and you acknowledge that Pen Telecom cannot process the provision of the services until such information is provided and such access is allowed.

6.7 You will be responsible for providing the site conditions Pen Telecom advises you will be required for provision of the service including electricity supply connection points and computer terminals. Pen Telecom will not be responsible for reinstating the site after the installation work has been carried out, other than where damage has been caused by Pen Telecom or by those for whom Pen Telecom is responsible.

6.8 You will ensure that your equipment meets all legal and regulatory requirements and is approved for connection to the network. You must disconnect any non-compliant equipment immediately or allow Pen Telecom to do so at your expense.

6.9 You are responsible for removing any equipment not required for or incompatible with the service and returning it to its owner.

6.10 You consent to BT or other relevant service provider disclosing to Pen Telecom any information relating to the transfer or removal of BT's (or other relevant service providers') products and services that exist on the line as at the time of its transfer to Pen Telecom.

7. Suspension of Service

Pen Telecom may suspend the service (without being liable to compensate you):

- 7.1 In the event of a local or national emergency.
- 7.2 To comply with a request from a government or other competent authority.
- 7.3 To protect or provide service to rescue or other essential services or otherwise.
- 7.4 To maintain the quality of Pen Telecom's services.
- 7.5 If Pen Telecom reasonably believe that you will fail to pay any amount due to Pen Telecom (whether or not we have issued you with an invoice)
- 7.6 If an event occurs which is beyond Pen Telecom's reasonable control.
- 7.7 If you break any part of this agreement.
- 7.8 If Pen Telecom has good reason to suspect fraudulent activity or misuse of Pen Telecom's services or any other breach by you of this agreement.

8. Termination

The agreement may be ended immediately by you on written notice to Pen Telecom if Pen Telecom breaks a term of this agreement, which after written notice has not been rectified within 14 days. Either you or Pen Telecom may end this agreement without notice if the other stops trading or becomes insolvent or is wound up. Pen Telecom may end this agreement on written notice to you but without needing to give you prior notice if you break any of the obligations under clause 4 (Payment) or 6 (Your Responsibilities). On termination of this agreement for whatever reason, you will:

- 8.1 immediately pay any outstanding invoices.
- 8.2 be responsible for any required engineering reprogramming costs for you to use an alternative supplier.

9. Liability

- 9.1 Neither Pen Telecom nor you will have to compensate the other for any detrimental event beyond the other's reasonable control.
- 9.2 In this agreement, events "beyond... reasonable control" include any act of God, reduction or failure of power supply, other telecommunications operators and suppliers or their equipment including access lines, act or omission of national or local government authority, war, act of terrorism, military operation, riot or delay or employee dispute.
- 9.3 In any event Pen Telecom will not have to compensate you for any harm to your business, lost revenues, loss of anticipated savings, lost profits or other indirect consequential or special losses nor for any charges incurred by you with another call carrier.
- 9.4 Without prejudice to this Pen Telecom's liability to you in contract or tort arising under or in connection with this agreement shall be limited to a refund of Pen Telecom's line rental charges for the period during which you were unable to use the services and in no event shall Pen Telecom liability to you for any event or series of connected events exceed £500 for each year commencing on the date our agreement with you comes into effect.
- 9.5 The service cannot be guaranteed to be fault free but Pen Telecom will provide you with a similar standard of service as it provides to its customers generally.
- 9.6 Pen Telecom does not seek to limit Pen Telecom's liability for death or personal injury resulting from Pen Telecom's negligence.
- 9.7 Pen Telecom accepts no liability for claims relating to your ability to use or continue to use a particular telephone number.
- 9.8 Pen Telecom accepts no liability for any charges incurred by you should your traffic be diverted to another service provider other than when this is due to a negligent act or omission on the part of Pen Telecom .

10. Wholesale Line Rental (WLR)

On the WLR Service, Pen Telecom will bill you for line rental of your BT™ line and BT Openreach™ will continue to maintain your line and fix any faults that may occur. You acknowledge that in order to avoid delays occurring in the ordering process, Pen Telecom will need to be notified by BT™ of any products or services presently in use on your line that are incompatible with the WLR service. BT™ is under a strict duty not to disclose information about a customer's telephone services to a third party unless the customer has consented to such disclosure. In signing this agreement you give consent to BT™ to disclose such information to Pen Telecom. You also give Pen Telecom authority to act as

your agent to arrange connection onto Pen Telecom services. If Pen Telecom is unable to take over the billing of your line rental, for whatever reason, you hereby authorise Pen Telecom to carry your phone calls only through carrier preselection.

11. Carrier Pre-Selection (CPS)

CPS is the routing of your phone calls through a carrier other than BT™. Your phone line(s) are still maintained by BT™ engineers but the calls are carried on another network. Pen Telecom may select and at any time change any carrier or other service provider for the purposes of providing the CPS service. In signing the Agreement you irrevocably authorise Pen Telecom to give all notices, nominations and other authorisations necessary for Pen Telecom to the CPS service.

12. Repairs to Service

12.1 BT Openreach™ will continue to maintain your line and will continue to fix any faults that may occur. We will use our best endeavours to correct any defect or fault in the services provided to you as rapidly as possible. The Customer Service and Fault Notification is 0800 970 2999 and is free to call.

12.2 In relation to the Line Rental Service, if BT Openreach™ charges Pen Telecom for repairs and an engineering call out charge, which will occur if the fault is found to be a fault in or is due to damage to the customers' equipment, Pen Telecom reserves the right to pass on those charges to you together with its own administration charge of £25 per call out.

12.3 You should report any fault to Pen Telecom's customer services department, where it will be dealt with in accordance with Pen Telecom's fault repair service. Pen Telecom may ask that you have your equipment checked by your own maintainer. If Pen Telecom agrees to fix a fault that is not Pen Telecom's responsibility, or if no fault is found, Pen Telecom may charge you for work carried out by Pen Telecom at its applicable engineer's rates.

13. General

13.1 You may not transfer this agreement or any rights under it without Pen Telecom's prior written consent.

13.2 Pen Telecom may transfer its rights or any part of them under this agreement as it sees fit, on written notice to you.

13.3 If any provision or condition of this agreement shall be invalid or unenforceable, the remaining terms shall continue to apply.

13.4 This agreement and the documents referred to in it represent the entire contract between you and Pen Telecom, to the exclusion of any terms subject to which you may accept, or purport to accept, the service.

13.5 Any variations (other than changes made in accordance with this agreement) shall not be effective unless in writing and signed by you and by Pen Telecom).

13.6 If there is any inconsistency between this agreement and the Application form, the Application form shall take precedence.

13.7 Any failure by either Pen Telecom or you to enforce any right shall not be deemed a waiver of any such right.

13.8 This Agreement is governed by English Law and the English Courts shall have exclusive jurisdiction for the purposes of determining any dispute or other matter which arises out of or in relation to this agreement.

14. Notices

14.1 Any notice required to be served under any of the provisions of this Agreement must be in writing. The address for service of Pen Telecom (subject to any change notified by Pen Telecom to you) is the address stated on your signed Application Form. Your address for service is the address set out on the most recent invoice or such address as has been subsequently notified to Pen Telecom in accordance with this clause.

14.2 A notice will be treated as served as follows:

i) in the case of delivery by hand, on the day of delivery except that where that day is not a Working Day, or the delivery is made after 4pm, then it will be treated as served on the next Working Day
ii) in the case of delivery by registered post or recorded delivery, on the date of delivery as proved by the proof of delivery advice issued by Royal Mail (or such other postal service providing a registered or recorded delivery service in place of or in addition to Royal Mail)

iii) in the case of any other method of service, at the time of service actually proved In this clause "Working Day" means Monday to Friday but does not include Bank Holidays.

15. Calls

15.1 "Calls" means calls (including reverse charge calls) made on a line and a line is the apparatus forming part of the

network used by Pen Telecom to connect you to a telephone exchange.

15.2 Unless discounted or waived installation charges apply, the agreement is for a minimum of 12 months or, if it is longer, the period specified on your signed Application Form. The period starts on the date you sign the Application Form. It will be automatically renewed for a further period of 3 months and for successive further periods of 3 months after that unless either Pen Telecom or you gives the other written notice of termination at least one month before the end of the initial or the relevant succeeding period. The General Terms and Conditions explain how notices must be served. This may be varied by email confirmation from Pen Telecom Ltd.

15.3 If Pen Telecom discounts or waives any line installation charges then the agreement for calls will be for a minimum of 36 months rather than 12 months commencing on the date you sign the Application Form. It will be automatically renewed for a further period of 3 months and for successive further periods of 3 months after that unless either Pen Telecom or you gives the other written notice of termination at least one month before the end of the initial or the relevant succeeding period. The General Terms and Conditions explain how notices must be served.

15.4 Calls are charged at the rates set out in the Application Form but where prices are not listed on the Application Form calls will be charged at Pen Telecom's standard tariff prices, details of which are available on request.

15.5 If you cancel the Calls service before it is duly terminated as described above, you will have to pay whichever is the greater of:

(i) £99, and

(ii) an amount equal to the average of the Call charges for each of the last 3 complete months during which the Calls service was provided (but if there are less than 3 complete months then the average will be calculated on a weekly basis and the amount payable will be equal to 4 such average weeks). This is in addition to any other charge imposed by virtue of these Terms and Conditions.

16. Line Rental

16.1 "Line Rental" means the provision of apparatus forming part of the network used by Pen Telecom to connect you to a telephone exchange.

16.2 Unless discounted or waived installation charges apply, the agreement for Line Rental is for a minimum of 36 months or, if it is longer, the period specified on your signed Application Form. The period starts on the date you sign the Application Form. It will be automatically renewed for a further period of 12 months and for successive further periods of 12 months after that unless either Pen Telecom or you gives the other written notice of termination at least one month before the end of the initial or the relevant succeeding period. The General Terms and Conditions explain how notices must be served.

16.3 If Pen Telecom discounts or waives any line installation charges then the agreement for Line Rental will be for a minimum of 36 months rather than 12 months commencing on the date you sign the Application Form. It will be automatically renewed for a further period of 3 months and for successive further periods of 3 months after that unless either Pen Telecom or you gives the other written notice of termination at least one month before the end of the initial or the relevant succeeding period. The General Terms and Conditions explain how notices must be served.

16.4 The fee for the Line Rental service is the monthly rental set out in your signed Application Form but where prices are not listed on the Application Form line rental will be charged at Pen Telecom's standard rates details of which are available on request.

16.5 If you cancel the Line Rental service before it is duly terminated as described above, you will have to continue paying the monthly service fee up until the end of the then current period of the Agreement, or £99, whichever is more. This is in addition to any other charge imposed by virtue of these Terms and Conditions.

16.6 In addition, if you terminate this agreement prior to the end of the period specified on the Application form and after your account has been provisioned (except if you terminate, in accordance with the provisions of this agreement, as a result of Pen Telecom's breach or insolvency or winding up), you will reimburse Pen Telecom for any costs incurred in releasing you from your contractual obligations with BT™ prior to transferring you to the Pen Telecom service (if applicable).

16.7 Where the service involves the installation of a new line, Pen Telecom will allocate a telephone number to that line and, unless you do not require it, will arrange for one free standard entry to be made in a telephone directory published by BT or any other operator (as appropriate).

16.8 If Pen Telecom has an appropriate agreement with your existing service provider, Pen Telecom can provide, at your request,

a telephone line using your existing number as long as

- i) there are no technical reasons preventing the use of that number
- ii) the existing service provider agrees to release the number
- iii) you authorise Pen Telecom to cancel on your behalf the service on the existing line using that telephone number
- iv) you provide Pen Telecom with sufficient information including (but not limited to) the account name, account number, service address and billing address
- v) you pay Pen Telecom's charges for number portability, and number portability is available at the site

17. Broadband

17.1 "Broadband" means all broadband services, including ADSL and SDSL and FTTC.

17.2 The agreement for Broadband is for a minimum of 12 months or, if it is longer, the period specified on your signed Application Form or email. The period starts on the date you sign the Application Form. It will be automatically renewed for a further period of 3 months and for successive further periods of 3 months after that unless either Pen Telecom or you gives the other written notice of termination at least one month before the end of the initial or the relevant succeeding period. The General Terms and Conditions explain how notices must be served.

17.3 The fee for the Broadband service is the monthly service fee set out in your signed Application Form.

17.4 If you cancel the Broadband service before it is duly terminated as described above, you will have to continue paying the monthly service fee up until the end of the then current period of the Agreement, or £99, whichever is more. This is in addition to any other charge imposed by virtue of these Terms and Conditions.

18. Inbound Solutions

18.1 "Inbound Solutions" means services provided via Non-Geographic Numbers (NGNs) or Virtual Geographic numbers, such as fax to email service, interactive voice response, time of day/day of week routing, call queuing and outbound call recording services.

18.2 The agreement for Inbound Solutions is for a minimum of 12 months or, if it is longer, the period specified on your signed Application Form. The period starts on the date you sign the Application Form. It will be automatically renewed for a further period of 12 months and for successive further periods of 12 months after that unless either Pen Telecom or you gives the other written notice of termination at least one month before the end of the initial or the relevant succeeding period. The General Terms and Conditions explain how notices must be served.

18.3 The fee for the Inbound Solutions service is the monthly service fee set out in your signed Application Form.

18.4 If you cancel the Inbound Solutions service before it is duly terminated as described above, you will have to continue paying the monthly service fee up until the end of the then current period of the Agreement, or £99, whichever is more. This is in addition to any other charge imposed by virtue of these Terms and Conditions.

19. Early Cancellation Charges

Where cancellation charges as described in Clauses 15 (Calls), 16 (Line Rental), 17 (Broadband) and 18 (Inbound Solutions) and in respect of any other service provided by Pen Telecom apply, such cancellation charges are cumulative.

LARGER FONT VERSION OF THIS DOCUMENT IS AVAILABLE ON REQUEST