

# NEOCARRIER SERVICE SCHEDULE

## 1. APPLICABILITY

This Service Schedule is applicable only to the COF for the purchase of NeoCarrier Services, which has been signed by the Customer and Neotel.

## 2. DEFINITIONS

- 2.1. Terms used herein but not otherwise defined shall have the same meanings ascribed to them in the Agreement.
- 2.2. For the purposes of this Schedule, the following expressions shall have the meanings given to them hereunder:
  - 2.2.1. "Aggregation Local Loop" means the 'last mile' access link that connects the Aggregation Site to the nearest Neotel core PoP or distribution PoP;
  - 2.2.2. "Aggregation Site" means the designated Customer Site within a Metro or the NLD Network where the Aggregation Local Loop will be terminated;
  - 2.2.3. "B-End Party" means the third party/site to whom the Customer wishes to be connected in order to provide services;
  - 2.2.4. "B-End Party Local Loop" means the 'last mile' access link that connects the B-End Party Site to the nearest Neotel core PoP or distribution PoP;
  - 2.2.5. "B-End Party Site" means the designated site of the B-End Party located within a Metro or the NLD Network where the B-End Party Local Loop will be terminated;
  - 2.2.6. "CPE" means the Customer equipment which is either leased or purchased from, and managed by, Neotel, located at a Customer Site, used in conjunction with the Network in order to receive the NeoCarrier Service;
  - 2.2.7. "CSRS" means 'Customer Site Requirements Specification', a document that specifies the requirements at a Customer Site which enable Neotel to deliver the Service;
  - 2.2.8. "Customer Site" means the site owned or leased by the Customer or any other site used to provide the Service, which is directly connected to a PoP managed by Neotel, as set out in the COF;
  - 2.2.9. "Ethernet" means interface conforming to The Institute of Electrical and Electronics Engineers Standards Association (IEEE 802.3- 2002, 802.1Q and 802.1D standards), as amended from time-to-time. The Ethernet TS has a limitation of being carried up to ninety (90) metres for direct Ethernet interconnections;
  - 2.2.10. "IP" means 'Internet Protocol';
  - 2.2.11. "Metro" means Services delivered within a 50km radius of any metropolitan areas within the borders of South Africa;
  - 2.2.12. "NLD" means national long distance;
  - 2.2.13. "Planned Maintenance" means any preventative, routine or scheduled maintenance which is performed with regard to the NeoCarrier Service, the Network, the off-net network or any component thereof, reasonably believed to be necessary in order to prevent or remedy a defect which may affect the Customer's use of or access to the applicable Service;
  - 2.2.14. "PoP" means a Point of Presence specifically relating to the Neotel Network;
  - 2.2.15. "SDH" means Synchronous Digital Hierarchy;

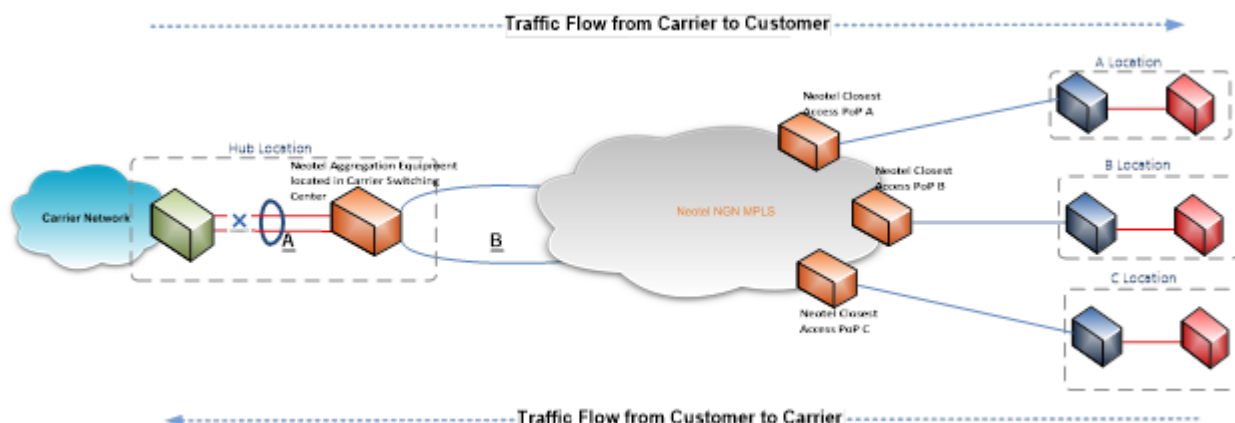
- 2.2.16. "Service Credits" means service credits due to the Customer for unscheduled Service Downtime calculated in accordance with clause 6;
- 2.2.17. "Service Downtime" means that period of time for which the Service was unavailable to the Customer;
- 2.2.18. "Service Outage" means an instance when the Customer is unable to route traffic to one or more Sites via the Network, which results in Service Downtime;
- 2.2.19. "VLAN" means a virtual local area network. A VLAN is a method of creating independent logical networks within a physical network. VLAN tagging is the practice of inserting a VLAN ID into a packet header in order to identify which VLAN the packet belongs to.

### 3. SERVICE DESCRIPTION

- 3.1. NeoCarrier is a Layer 2 IP service delivered across Neotel's next generation carrier Ethernet network enabling connectivity within Metros and across the NLD network.
- 3.2. The NeoCarrier Service is a combination of point-to-point circuits and consists of the following components:
  - 3.2.1. Aggregation Local Loop access;
  - 3.2.2. Aggregation bandwidth albeit it Metro and /or NLD;
  - 3.2.3. B-End Party Local Loop access; and
  - 3.2.4. B-End Layer 2 Bandwidth within the Metro for distributed bandwidth.
- 3.3. The Service enables carrier customers to connect to its 3<sup>rd</sup> party customers as well as facilitating seamless backbone connectivity albeit within a Metro or across the NLD network.

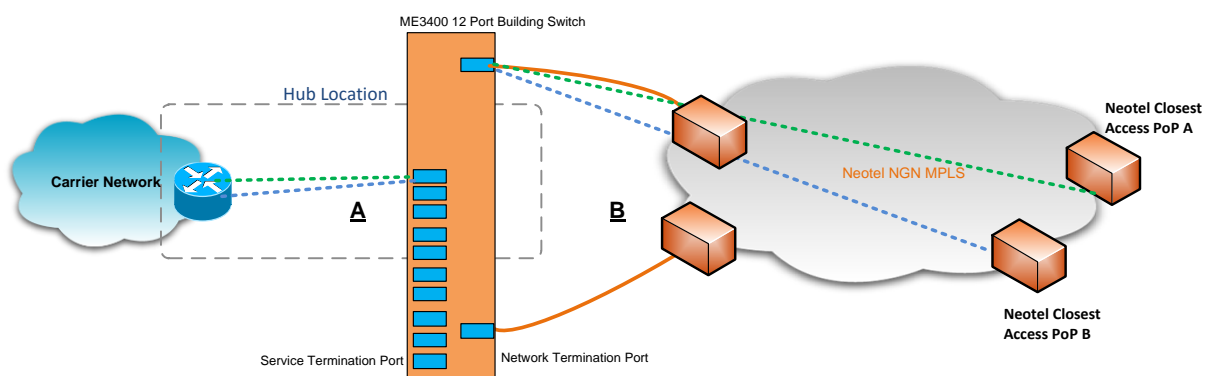
### 4. HIGH LEVEL SERVICE ARCHITECTURE

- 4.1. The NeoCarrier Service is provisioned over Neotel's carrier Ethernet Network within the Metro and across the NLD Network.
- 4.2. At Neotel's discretion, typically a 12 port switch will be deployed at each of the Aggregation Sites.
- 4.3. At Neotel's discretion, typically a 2 port switch will be deployed at each of the B -End Party Sites.
- 4.4. NeoCarrier Services will be provisioned through the creation of VLANs between Aggregation Site, across Neotel's core Network and B-End Party Sites.



## 5. PROVISIONING PARAMETERS

- 5.1. All NeoCarrier Services will have an Ethernet handoff.
- 5.2. Each Service will be created via a separate VLAN across the Neotel Network.
- 5.3. A single class of service will be provided per VLAN.
- 5.4. Each VLAN will be provisioned at a minimum bandwidth of 1Mbps.
- 5.5. A single VLAN cannot terminate at two different Aggregation Sites. At the Aggregation Site, the VLANs will be terminated on a single port, service multiplexed.
- 5.6. Each port on the CPE deployed at the Aggregation Site will have a 1Gbps interface and can terminate up to 500 VLANs per port with a maximum capacity of 80% of the interface/port size. This represents the upper limit and is subject to Network compatibility and capability in the vicinity of the Aggregation Site.
- 5.7. Each port on the CPE deployed at the B-End Party Site will have a 1Gbps interface and can terminate up to 50 VLANs with a maximum capacity of 80% of the interface/port size. This represents the upper limit and is subject to Network compatibility and capability in the vicinity of the B-End Party Site. Note that the termination of greater than 5 VLANs will incur an additional fee.



- 5.8. NeoCarrier Services may be provisioned on the following SLA options at either the Aggregation Site or the B-End Party Site:
  - 5.8.1. Economy; or
  - 5.8.2. Business
- 5.9. The NeoCarrier Service comprises of separate components which include B-End Local Loop access and Metro/NLD bandwidth to connect across the Neotel Network to the Aggregation Site.
- 5.10. The aggregation bandwidth, albeit Metro and/or NLD bandwidth, are separate aggregated components and will be provisioned as separate solutions, thus the Metro aggregation bandwidth and the NLD aggregation bandwidth will be terminated on separate ports of the CPE deployed at Aggregation Sites and B-End Party Sites.

## 6. SERVICE LEVELS

- 6.1. The Service Levels and the associated Service Credits are as outlined below. The service level options offered are Economy and Business per Customer Site:

Service Level	Parameters	Network Redundancy		Building Entry	
	Availability	Local	Core	Single	Dual
Economy	99.00%	No	Yes	Yes	No
Business	99.50%	Yes	Yes	No	Yes

- 6.2. Neotel shall guarantee service availability on the Neotel network between the Customer Site and Neotel PoP. The Service shall be considered unavailable in the event of any unscheduled service outage.
- 6.3. Neotel shall calculate, on a monthly basis, the amount of time the Service was unavailable. The duration of such Service Downtime shall be used to determine any Service Credits that the Customer shall be entitled to.
- 6.4. Service availability shall be measured as a percentage of the availability of the Service for a Customer Site in a given month.
- 6.5. For either Aggregation Local Loop or B-End Party Local Loop access a timer is implemented that accumulates the total time to restore all breaks recorded for the specific Service for each day over a period of a month. All the faults that occur on the Service during the month shall be finalised at the time the Service is handed back to the Customer. The timer shall be restarted at the beginning of each month.
- 6.6. Service Credit calculation:
- 6.6.1. Service Period is the total minutes in the month and is calculated using the following formula:  
 Service Period = 60 minutes x 24 hours per day x number of days in current month.
- 6.6.2.  $\text{Service Availability \%} = \frac{\text{Service Period} - \text{Service Downtime}}{\text{Service Period}}$
- 6.7. Service Credit with an Economy Service Level:

SERVICE AVAILABILITY	SERVICE CREDIT (PERCENTAGE OF MRC)
99.0%	0%
< 99.0% - 98.0%	5%
< 98.0% - 97.0%	10%
< 97.0% - 96.0%	15%
< 96.0% - 95.0%	20%
< 95.0%	25%

6.8. Service Credit with a Business Service Level:

SERVICE AVAILABILITY	SERVICE CREDIT (PERCENTAGE OF MRC)
99.5%	0%
< 99.5% - 98.5%	5%
< 98.5% - 97.5%	10%
< 97.5% - 96.5%	15%
< 96.5% - 95.5%	20%
< 95.5 %	25%

6.9. Service Credits are only applicable to individual last mile access charge of B-End Party Sites and/or the Aggregation Site.

6.10. In those instances where Neotel fails to meet the committed Service availability target and a trouble ticket was opened with respect to the Service Downtime, the Customer shall be eligible for Service Credits as described in the table above. The Service Credits shall be given in the form of a credit against the MRC reflected on the Customer invoice.

## 7. EXCLUSIONS

7.1. The Customer shall not be entitled to:

- 7.1.1. receive any Credits pursuant to Customer Site unavailability, or
- 7.1.2. exercise any right of termination for anything which is caused or is associated with, in whole or in part, the exclusions set out below:
  - 7.1.2.1. Construction of additional facilities which are required in order to connect the Customer Site to the Network and/or the Local Loop(s);
  - 7.1.2.2. Anything which is associated with or caused by Planned Maintenance events or cable cuts on the Network which are not otherwise due to the fault or negligence of Neotel;
  - 7.1.2.3. Anything attributable to circuits comprising a part of the Service that are provided by a third party, including Local Loops and local access facilities procured by the Customer.

7.2. Service Downtime shall not include any unavailability resulting from:

- 7.2.1. scheduled downtime for Planned Maintenance;
- 7.2.2. interruptions or delays resulting from any third party services procured by the Customer;
- 7.2.3. any supplies, power, equipment or local access facilities provided by the Customer or their suppliers, which is required in the provision of the Services;
- 7.2.4. any incident that affects the availability during any period when the Customer elects not to allow Planned Maintenance on the Service at the request of Neotel, acting reasonably;
- 7.2.5. Customer applications, equipment, or facilities;
- 7.2.6. interruptions due to the failure of equipment provided by the Customer or other third party on behalf of Customer;

- 7.2.7. acts or omissions of the Customer, its agents, contractors or vendors (including the provision of inaccurate information knowingly or unknowingly), or user of the Service or Customer-caused outages or disruptions;
- 7.2.8. suspensions due to non-payment of any amount payable by the Customer to Neotel under this Schedule; or
- 7.2.9. force majeure.

## 8. FAULT REPORTING

- 8.1. The Customer shall raise an outage trouble ticket with Neotel in the event of any Service outage detected at the Customer Site.
- 8.2. The logging of calls, queries and/or complaints shall be directed to the Enterprise Service Desk using any of the following:

TELEPHONE NO.	E-MAIL
+27 11 585 0652 (outside of South Africa)	<a href="mailto:EnterpriseService@neotel.co.za">EnterpriseService@neotel.co.za</a>
080 11 11 636 (within South Africa only)	

- 8.3. Should a call logged in accordance with clause 8.2 not be handled to the reasonable satisfaction of the Customer, the Customer shall be entitled to direct their concerns to [service.management@neotel.co.za](mailto:service.management@neotel.co.za), which is managed during Business Hours.
- 8.4. In addition, the Customer shall be entitled to approach an assigned Neotel account manager if the feedback or progress on the outage resolution is not satisfactory.
- 8.5. Neotel shall use reasonable endeavours to provide a root cause analysis report regarding the cause of the Service Downtime and the preventive measures put in place in an effort to mitigate a reoccurrence thereof. Neotel shall use reasonable endeavours to perform the following actions and shall provide the reports (as applicable) detailed in the following table:

FAULT MANAGEMENT AND REPORTING	TIME TARGETS
Assignment of Customer Fault Reporting Trouble Ticket	Within 15 minutes of the notification of fault
Root Cause Analysis Report	On Request < Ten (10) business days
Regular problem status update	Dependant on Severity

- 8.6. In the event that Neotel attends to a Service fault and/or Service outage ("Fault") reported by the Customer, and Neotel subsequently establishes that the Fault was not due to any fault on the Neotel Network and/or Neotel infrastructure deployed in the delivery of the Service, Neotel shall have the right to charge the Customer for the time and materials and/or travel costs associated with attending to the Fault at Neotel's current standard rates and charges at the time of the incident.

## 9. SERVICE CREDIT REQUEST AND SETTLEMENT PROCEDURES

- 9.1. To initiate a claim for Service Credits with respect to the parameters defined above, the Customer shall submit a request in writing within thirty days after the end of the month during which the event occurred which gave rise to the claim for Service Credit.
- 9.2. The duration of the Service Outage will be determined by the Parties, acting reasonably, based upon the Parties' internal records and Neotel's trouble ticket.

- 9.3. The Service Credit for multiple failures by Neotel to achieve the service objectives resulting from a single incident or during one specific time frame shall not be aggregated but shall be limited to the one particular Service Credit that provides the maximum credit to the Customer.
- 9.4. In no event shall the total amount of all Credits issued to the Customer per month exceed twenty five percent (25%) of the MRC invoiced to the Customer for the affected Site for that month.
- 9.5. Credits are calculated after the deduction of all discounts and other special pricing arrangements, and may not be applied to governmental fees, taxes, surcharges, local access charges or any other charges other than MRC.
- 9.6. Service Credits are processed quarterly and are passed as a credit against the Customer's next invoice. If Neotel approves the claim, Neotel shall notify the Customer of the actual number of Service Credits to which the Customer will be entitled.
- 9.7. Any Service Credits calculated on the basis of a month shall be calculated with regard to a month being deemed to begin at 12:00AM SA Time on the first day of a calendar month, and ending at 11:59PM SA Time on the last day of the calendar month.
- 9.8. Neotel's failure to achieve or maintain the above service objectives set out in this Service Schedule is not a breach of the Agreement, and the award of Service Credits shall be the Customer's sole remedy and Neotel's sole liability for any such failure or corresponding degradation, interruption or loss of Service.

## 10. SERVICE PROVISIONING

- 10.1. The Customer shall be responsible for making available, at no cost to Neotel, accommodation, power, mast space, ducting and other facilities as more fully set out in the CSRS document for each Customer Site, for the Contract Term of the applicable COF, for the purposes of housing Neotel's transmission equipment required for the provision of the Services to Customer.
- 10.2. The Customer shall be responsible for obtaining all third party approvals and consents necessary for installation and use of the Services.
- 10.3. The Customer shall ensure that Customer Sites at either end of a Service for which the request has been made are accessible at any reasonable time as may be required by Neotel to fulfil its obligations in terms hereof.
- 10.4. Within seventy two (72) hours of completing the installation for the applicable Service, Neotel will provide a Service Handover Form containing essential information required to configure and use the Service as well as the Service Identity Number (Service ID). The Service ID should be used in all interactions with Neotel regarding the Service.
- 10.5. The Customer shall then conduct acceptance tests on the newly provided Service for a period of two (2) Business Days following receipt of the Service Handover Form.
- 10.6. Should the Customer detect a fault on the Service during these acceptance tests, then the Customer shall notify Neotel of such fault in writing.
- 10.7. The Customer may only reject a Service on the basis that the agreed technical specifications as set forth in the Service configuration diagram in the COF for the Service have not been met. If the Customer notifies Neotel of its non-acceptance, further tests of the Service shall be conducted and a revised Service Handover Form shall be provided to the Customer.
- 10.8. The Service shall be deemed accepted by the Customer if no objection has been raised by the Customer within two (2) Business Days following receipt of the SHF.



## 11. CUSTOMER REQUESTED CHANGES AND PLANNED MAINTENANCE

11.1. Neotel shall use reasonable endeavours to perform any agreed change as per agreed specifications required for Customer Site as per the below specified target timelines. The Customer must raise a change request stating the reason for the change, the type of change (Critical/Normal as defined by the Customer) and the impact on its Sites. The change request shall follow the normal change management process as communicated from Neotel to the Customer from time to time and the below commitments are applicable only for Class C type changes (as defined in the following table) excluding any impact analysis:

LEVEL OF CHANGE	DESCRIPTION OF CHANGES REQUIRED
Class A	<ul style="list-style-type: none"> <li>• New CPE Installation.</li> <li>• New link installation or shifting of circuit to new Site.</li> <li>• Hardware upgrade in existing CPE.</li> <li>• Link addition or termination to existing Site.</li> </ul>
Class B	<ul style="list-style-type: none"> <li>• Shifting of physical termination point of existing circuit, and does not require new CPE or new circuit installation.</li> <li>• Bandwidth soft up-gradation/down-gradation.</li> </ul>
Class C	<ul style="list-style-type: none"> <li>• Changes that are not specified in Class A and Class B.</li> </ul>

11.2. The Customer hereby understands and agrees that any change requests mentioned above in Class A and Class B are Service affecting in nature. Hence, the Customer understands and agrees that the Service can be unavailable for a minimum period of two (2) hours during the implementation of any such change requests. The time and date of the Service Downtime shall be discussed between the Parties. In any case, the Service Level targets set out in this Service Schedule shall not be applicable during any such change request implementation and as such, Neotel cannot be held responsible for any damages or losses which may occur during such implementation time.

11.3. Planned Maintenance which falls outside the scheduled maintenance window will be arranged with the Customer at least forty eight (48) hours before the Planned Maintenance commences.

11.4. At no time shall Planned Maintenance events which may cause a Service Outage be performed simultaneously on two (2) diverse circuit paths that carry the same Customer Service.

11.5. Neotel is not responsible for any breach of rights which may be related to any Customer transmitted or received content that has been carried on the Neotel Network and the Customer agrees that Neotel can view the content to identify Service related issues.

## 12. CONTENT REGULATORY COMPLIANCE

12.1. The Customer hereby agrees that the relevant permissions, approvals, licenses and/or related consents that may be required by the relevant government authority of the source and/or destination country/ies shall be obtained, as applicable, as per the local laws in such country and a copy of such permissions, approvals, licenses and/or related consents shall be available for inspection by Neotel prior to the commissioning of the Service.

12.2. In the event that the Customer is sourcing content from a third party in relation to the Service, the Customer shall be responsible for providing the permissions, approvals, licenses and/or related consents of such third party. The Customer further indemnifies Neotel from any costs, damages and/or penalties caused due to any non-compliance with this provision.

12.3. The Customer authorizes Neotel to monitor the Service at Neotel's Network Operating Centre facilities.

### **13. COMMERCIAL CONSIDERATIONS**

The pricing quoted for NeoCarrier Services are to be considered standalone prices and will not form part of any volume/spend discount structures already in place between the Customer and Neotel for other Services purchased from Neotel.

### **14. SERVICE RELOCATIONS**

In the event that the Customer requires the transfer of the NeoCarrier Services from a current B-End Party Site ("Current Site") to a new location ("Relocation Site") within an existing Contract Term, the following options are available for consideration, subject to Neotel's feasibility requirements:

- 14.1.** Where the Relocation Site is on the Network and already has fibre to the room in question, the Customer will remain responsible for the associated MRC for the relevant NeoCarrier Service for the remainder of the Contract Term thereof as if the relocation had not taken place, as well as the NRC costs associated with the relocation from the Current Site to the Relocation Site.
- 14.2.** Where the Relocation Site requires trenching or any civil works in order to deploy the Service, either of the options set out below shall apply, as confirmed in writing between the Parties:
  - 14.2.1.** the Customer will be required to enter into a new Contract Term (for a minimum of one year plus the remainder of the Contract Term for the provision of the Services at the Current Site) with its associated NRC and MRC for the provision of the Services to the Relocation Site; or
  - 14.2.2.** the Customer can elect to incur an additional NRC equal to the cost of provisioning the Relocation Site. The cost thereof will be provided on request after Neotel's feasibility has been conducted. The MRC and Contract Term will then continue as if the Service B-End Party Site had remained at the Current Site provided the Service remains unchanged.

### **15. SERVICE TERMINATIONS – EARLY TERMINATION COST**

Notwithstanding any early termination provisions set out in the Agreement, the termination fee for the Termination Services which are specified as Customer Specific Services in the relevant COF or where the Service either originates from or terminates at an international location shall be calculated as at the Termination Date and shall equal to 100% of the MRC for the remainder of the Contract Term thereof.