

## **Lily Comms (Mobile) - Terms of Business - Equipment / Hardware Funds**

- 1.0** If the customer orders Equipment directly from Lily Comms which Lily Comms supplies directly to the Customer, the provisions of this clause shall apply in relation to that Equipment.
- Lily Comms (LC) shall bear the risk of loss or damage to Equipment and SIM Cards until the point of delivery to Customer. Subject to clause 1.2, the Customer shall bear the risk of loss or damage to Equipment and SIM Cards from time of delivery to Customer.
- 1.1** Customer shall notify Lily Comms in writing within 2 Business Days of receipt if Equipment or SIM Cards arrive having been damaged, or if the order has been incorrectly fulfilled.
- 1.2** LC is not obliged to offer a fund, exchange or Hardware Fund credit to the Customer in the event that Equipment is ordered by the Customer in error.
- 1.3** LC is not obliged to agree to any upgrades to the Equipment it supplies to the customer during or after the Minimum Period but if it does, LC shall be entitled to extend the Minimum Period.
- 1.4** Hardware Funds, and Equipment supplied that has been charged to the Hardware Fund, are supplied by Lily Comms in return that the Customer completes the Minimum Period of the corresponding Airtime Agreement.
- 1.5** LC's supply of Equipment and accessories shall be subject to availability.
- 2.0** At the end of the Minimum Period of the Airtime Agreement, should the Customer's Hardware Fund be in a negative position, then the Customer agrees to LC invoicing the full amount, and to pay that amount in line with LC's standard payment terms.
- 2.1** Where the Customer terminates any Connection prior to the expiry of that Connection's Minimum Period, the Customer shall pay to LC a lump sum termination payment calculated as the total amount of the Hardware Fund initially provided at point of connection/ contract renewal, minus any unspent amount currently held by LC.
- 2.2** Where the Customer terminates any Connection prior to the expiry of that Connection's Minimum Period and the Hardware Fund has been fully utilised by the customer, the Customer shall pay to LC a lump sum equal to the Hardware Fund provided for the connection(s) in question, based on the value provided at the commencement of the current Minimum Period.
- 2.3** Where the Customer terminates any Connection prior to the expiry of that Connection's Minimum Period and Equipment has been supplied either Free of Charge or at a Reduced Rate, the Customer shall pay to LC a lump sum equal to the Equipment provided for the connection(s) in question, based on the value of the Equipment provided at the commencement of the current Minimum Period.
- 2.4** Section 2.0, 2.1, 2.2 & 2.3 will be charged in addition to any contractual Early Termination Fees imposed by either Lily Comms or the applicable Network Service Provider in relation to the Airtime Agreement.

### **3.0 Title In Equipment**

- 3.1** For the avoidance of doubt, this clause 3 applies to Mobile Equipment supplied by Lily Comms to the Customer pursuant to this Agreement, except in relation to Accessories in relation to which title shall pass to the Customer upon payment in full for such Accessories.
- 3.2** Following any upgrade or replacement of Mobile Equipment or disconnection of Mobile Equipment from the Mobile Services, Lily Comms reserves the right to request the safe return of any such Mobile Equipment in which Lily Comms retains title from the Customer at the Customer's expense.
- 3.3** Lily Comms reserves the right to charge the Customer the price set out in the Replacement section of the Lily Comms Price List from time to time for any Mobile Equipment that is not returned to Lily Comms in accordance with the provisions of clause 3 of these Mobile Equipment Terms or where the Customer fails to fulfil its obligations under the General Terms & Conditions.
- 3.4** In the event that the Customer sells any Mobile Equipment in breach of this clause, the Customer agrees that liquidated damages equal to the price set out in the Replacement section of the Lily Comms Price List for such Mobile Equipment on the date on which Lily Comms invokes its right to recover liquidated damages, shall immediately be due and payable from the Customer to Lily Comms.