

MOBILE EQUIPMENT TERMS

The following additional terms and conditions apply to the provision by O2 of Mobile Equipment.

1 USE OF MOBILE EQUIPMENT

The following additional terms and conditions shall apply to the provision of Mobile Equipment by O2 to the Customer.

2 ORDERS

- 2.1 The Customer shall be entitled to place an order with O2 for any Mobile Equipment identified by O2 from time to time.
- 2.2 O2's acceptance of an order is subject to availability and O2 may reject any order without any liability to the Customer. In the event that O2 accepts an order, that order will be processed accordingly. Any order, once accepted by O2, may not be revoked by the Customer.
- 2.3 O2 reserves the right to add to, substitute, or to discontinue any item of Mobile Equipment at any time. O2 does not guarantee the continuing availability of any particular item of Mobile Equipment.

3 DELIVERY, ACCEPTANCE AND RISK

- 3.1 O2 will either deliver the Mobile Equipment to the address specified on the completed order provided that address is within the United Kingdom or provide the Mobile Equipment to the Customer via an O2 store.
- 3.2 The Customer shall be deemed to have accepted an item of Mobile Equipment:
 - a) when that item of Mobile Equipment has been delivered, if O2 is to deliver the item of Mobile Equipment; or
 - b) when the Customer takes possession of that item of Mobile Equipment, if the item of Mobile Equipment is to be collected by the Customer.
- 3.3 Risk in an item of Mobile Equipment will pass to the Customer when the item of Mobile Equipment is accepted by the Customer. The Customer shall not be liable for any loss or damage to the item of Mobile Equipment to the extent that such loss or damage is caused by the negligence of O2 or its suppliers.

4 CREDIT AGREEMENT

- 4.1 If the Customer agrees to buy a Device(s) using a Credit Agreement, the terms for payment of the Device(s) will be as set out in the Credit Agreement. The terms of the Credit Agreement will take precedence in the event of any conflict between it and the Business Agreement (which includes the General Conditions for Business Customers, the Mobile Terms and the Mobile Equipment Terms).
- 4.2 If the Customer terminates the Business Agreement, O2 may take the actions set out in the Credit Agreement including requiring the Customer to repay immediately the full outstanding amount for the Device(s) covered by the Credit Agreement.
- 4.3 Payment for any Device shall be exclusive of VAT, which shall be payable by the Customer in addition to the Charge for the Device, except to the extent stated otherwise under the terms of the Credit Agreement.

5 TITLE IN THE MOBILE EQUIPMENT

Any Mobile Equipment that O2 delivers to the Customer or that the Customer collects is the Customer's responsibility once it is collected by the Customer. Once the Customer has collected or received the Mobile Equipment and (if applicable) paid for it either in-store, online, on the Customer's first bill or via a Credit Agreement, title in the Mobile Equipment shall pass to the Customer.

6 OBLIGATIONS OF THE CUSTOMER

- 6.1 The Customer will pay the standard charges levied by O2 from time to time applicable to repair work on Mobile Equipment which is outside (in scope or time) the warranty provided under this Agreement.
- 6.2 The Customer shall ensure that their Mobile Equipment is up to date with the latest available version of the manufacturer's Software. Any failure by the Customer to ensure their Mobile Equipment Software is maintained on the latest version may result in performance issues which O2 shall not be liable for. For the avoidance of doubt, all charges for such repair work shall be exclusive of any value added tax chargeable thereon.

7 WARRANTIES

- 7.1 O2 warrants that each item of Mobile Equipment will conform in all material respects to the manufacturer's specification for a period of 12 months from the date on which such item of Mobile Equipment is despatched to the Customer by O2 (a "**Warranty Period**") unless special conditions associated with certain Mobile Equipment apply.
- 7.2 O2 warrants that any Software will conform in all material respects to the manufacturer's specification for a period of three months from the date on which such Software is despatched to the Customer by O2 (a "**Warranty Period**") unless special conditions associated with certain Software apply.
- 7.3 If, within the relevant Warranty Period, the Customer notifies O2 of any defect or fault in the Mobile Equipment or Software arising under normal use in consequence of which it fails to conform in any material respect with the manufacturer's specification O2 shall, at O2's option either: repair the faulty Mobile Equipment or Software; or, replace the faulty Mobile Equipment or Software with the same or an equivalent item of Mobile Equipment or Software which may be a new or refurbished item. In the event that Mobile Equipment or Software is provided to replace Mobile Equipment or Software which has failed during its Warranty Period, the replacement Mobile Equipment or Software will be provided with its own Warranty Period which shall last for the greater of: a) three months from the date on which the replacement Mobile Equipment or Software is despatched to the Customer; or b) the outstanding period of the original Warranty Period.
- 7.4 The warranty obligations set out in clause 7.3 of these Mobile Equipment Terms shall not apply in the event that a person has amended or damaged the Mobile Equipment or Software, or used it for a purpose or in a context, other than in accordance with O2's or the manufacturer's instructions and advice.
- 7.5 If the Customer reports a defect or fault in the Mobile Equipment or Software to O2, and is provided with a replacement item pursuant to clause 7.4 above, O2 reserves the right to charge the Customer for the replacement item in the following circumstances:
- a) where the faulty or defective Mobile Equipment is not returned to O2 within 14 days of provision to the Customer of a replacement for the faulty Mobile Equipment or Software;
 - b) where O2 considers that the defect or fault in the Mobile Equipment or Software is caused by use, amendment or damage described in clause 8.4, above; or
 - c) where no fault or defect is detected in the Mobile Equipment or Software.
- 7.6 For the avoidance of doubt, nothing in this clause 8 affects the Customer's statutory rights.

8 INSURANCE

- 8.1 If the Customer has purchased the O2 Insure Premier, Standard or any other applicable O2 Insure product and makes a claim under the policy for theft of the Mobile Equipment, which is approved by the insurer or an agent of the insurer, ("**the Insurer**") O2 will reimburse the Customer against the cost of unauthorised calls made on the Mobile Equipment up to the following limits:
- a) Premier policy - up to £3,000 per item of Mobile Equipment;
 - b) Standard policy - up to £1,000 per item of Mobile Equipment;

- c) other applicable O2 Insure policy - up to the amount O2 notifies the Customer in connection with that product. In each case these figures include any taxes and network or service provider charges.

8.2 In return:

- a) the Customer agrees to provide the Insurer with an itemised account from its network or service provider clearly showing the unauthorised calls made and their value within 2 months of the Customer's discovery of the theft of the Mobile Equipment;
- b) the Customer agrees to notify the Insurer of the theft of the Mobile Equipment as required by the terms of the Premier, Standard or any other applicable O2 Insure policy (as the case may be) in force at the time of the theft and the Customer agrees to notify O2 of the theft of the Mobile Equipment when it notifies the Insurer under the Premier, Standard or other applicable O2 Insure policy; and
- c) the Customer agrees that the same exclusions set out in the Premier, Standard or any other applicable O2 Insure policy (as the case may be) in force at the time of the theft apply, and where they do O2 will not reimburse the Customer for the cost of the unauthorised calls.