

Key Retail Outlet Agreement

Additional Terms & Conditions

INTERPRETATION:

- A. The clause headings in this Agreement have been inserted for convenience only and shall not be taken into account in its interpretation.
- B. In this Agreement, unless inconsistent with or otherwise indicated by the context, the following words shall have the meanings ascribed to them below:

“Agreement” – This Agreement together with the annexures attached hereto (or as amended).

“Dealer”—person authorized by SPECTRANET to purchase products from SPECTRANET for the main purpose of sale to the end user from its Authorized Point-of-Sale

“KRO”—person authorized by SPECTRANET to purchase products from SPECTRANET for the main purpose of sale to the end user from its Authorized Point-of-Sale. KROs are a category of dealer in the nature of shopping malls, supermarkets, shopping complexes, etc. that have high footfall, through which subscribers are targeted upon.

“Authorized Point-of-Sale”—any business site or employee of the Dealer authorized to promote and sell SPECTRANET’s products. The Address and photograph of such location is treated as enclosed.

“Business”-the promotion and sale of SPECTRANET’s products by the Dealer and the provision of front line assistance and general information regarding network services and network services’ price to SPECTRANET’s subscribers and the general public.

“Competitor” - any operator (and its employees) from or in Nigeria or outside Nigeria, rendering telecommunication services within Nigeria.

“Currency” or **“NGN”** or **“N”**- Nigerian Naira.

“Effective Date” - meansDate as mentioned in DD/MM/YYYY format.

“NCC” - the Nigerian Communications Commission or its successor.

“NCC Act” - the Nigerian Communications Commission Act, as amended.

“Products” - SIM, Terminal Equipment, Benefit / RCV Vouchers and other products or merchandise supplied by SPECTRANET to the Dealer for distribution and sale, as per detail in [Annexure 1](#) (or as amended).

“SIM card” - an electronic device that when inserted in suitable terminal equipment enables the terminal to access SPECTRANET Network Services, as per detail in [Annexure 1](#) (or as amended).

“Terminal Equipment” or **“Device(s)”** - means end user devices together with such accessories as provided by SPECTRANET, as per detail in [Annexure 1](#) (or as amended).

“Benefit / RCV Vouchers/Electronic Top-Up” - an electronic or disposable card with a concealed activation number (as applicable) which is purchased by the subscriber and which provides the means, when activated on SPECTRANET’s network, to transfer a pre-determined recharge balance amount equal to value as displayed on the card to that subscriber’s prepaid account, enabling that subscriber to use SPECTRANET Network services until the corresponding data bundle to the value credited is depleted. Detailed in [Annexure 1](#) (or as amended).

“Maximum Retail Price” - the maximum retail price for which the Dealer may sell SPECTRANET’s products and services. Detailed in [Annexure 1](#) (or as amended).

“Product Delivery” - takes place upon the pick-up of products by the Dealer from SPECTRANET’s designated business premises or pick-up point whether such products are picked up individually, in batches or otherwise, as per detail in [Annexure 1](#) (or as amended).

“Benefit” - the monetary credit in the subscriber’s account on the activation of a Recharge Voucher or

purchase of a SIM with included monetary balance to use it to load Data Bundles on SPECTRANET network services.

“Data Bundles” - the data credited upon renewal to subscriber’s account on the loading of a Recharge Voucher to a subscriber’s account. Detailed in SPECTRANET website ([Www.spectranet.com.ng](http://www.spectranet.com.ng)).

“Network Services” - the telecommunications services provided through and on SPECTRANET’s network. Detailed in SPECTRANET website ([Www.spectranet.com.ng](http://www.spectranet.com.ng)).

“Network Services Price” - the price and conditions of SPECTRANET network services, as per detail in SPECTRANET website ([Www.spectranet.com.ng](http://www.spectranet.com.ng)).

“Network Coverage” - SPECTRANET network coverage, as per detail in SPECTRANET website ([Www.spectranet.com.ng](http://www.spectranet.com.ng)).

“Why SPECTRANET” - refers to arguments that Authorized Point-of-Sale should use when explaining the benefits of SPECTRANET Products and Services as per [Annexure-2](#).

“Subscriber” - a party to whom SPECTRANET has agreed to provide Network Services pursuant to the purchase of SIM or other products requiring subscription and/or registration.

“Registration” - the process that the Dealer needs to follow when selling a SIM or other products requiring registration, as per detail in DEALER Process Manual.

“Dealer onboarding & Process Manual” - the onboarding and operational process detailed in [Annexure 4](#) (or as amended) herein or amended from time to time and supplemented by further written directions and regulations, giving details of the Process, System and the Intellectual Property and imparting the know-how.

“Dealer Compensation” - the compensation that SPECTRANET will pay to the Dealer in the form of tiered pricing, commissions or incentive/awards as per [Annexure 2](#) (or as amended).

“SPECTRANET Support” - refers to SPECTRANET contact center, SPECTRANET website (www.spectranet.com.ng) and SPECTRANET support applications.

“Off-Limit Customers” or “Off-Limit Locations”- refers to customers or identified locations that the Dealer is not allowed to sell and approach to sell or promote SPECTRANET Products and Services, as explained in Dealer process manual (or as amended). SPECTRANET reserves the right to sell special plans directly without making it available for sales through the dealer.

“Invalid Activation” – Invalid activation is where a device is activated with documents and registration process which does not qualify the norms laid down by NCC under the NCC Act (List of Documents - As detailed in Dealer Handbook).

ANNEXURE 1 – SPECTRANET PRODUCTS AND PRICES

This Annexure has been last updated on

1. **Retail Terms & Conditions For Products in this Agreement**

- a) Cannot be sold by the Dealer above the general retail or face value of the Naira denomination; and
- b) Have no denominational upper limit.
- c) Order needs to be received by SPECTRANET before product delivery.
- d) Product will only be delivered after payment confirmation.
- e) Prices include VAT.
- f) The difference between the price paid and the maximum retail price shall constitute DEALER profit.

2. **SPECTRANET Products included in this Agreement**

- a) SIM – Starter Packs (prices are VAT inclusive)
- b) Devices or Terminal Equipment (prices are VAT inclusive)
- c) Recharge Vouchers (All mediums for e.g. E-Pins, Electronic Top-Up etc.) (Prices are VAT inclusive)

3. **SPECTRANET Products and Commercial conditions**

a) **Prices–Device or Terminal Equipment, SIM, RCVs & Accessories**

(As mentioned on Next page)

b) **Price protection Policy for SIM & Device or Terminal Equipment**

In case SPECTRANET reduces the maximum retail price of the SIM and/or Terminal equipment the Dealer should apply the new maximum retail price.

SPECTRANET will compensate the Dealer with the price difference between the previous and new maximum retail prices for the SIMs and Terminal equipment pack that:

- 1) Were acquired up to 90 (Ninety) calendar days before the price reduction; and
- 2) Were not sold by the Dealer as of the time of reduction of price; and
- 3) Are composed of the same make and model of device and include the same free data bundle in GB.

Compensation settlement process will be at discretion of SPECTRANET.

c) **Prices – Electronic Top-Up or Recharge Vouchers**

For purchases of benefit amounts equal or above NGN 50,000, SPECTRANET will issue the Dealer with Recharge vouchers to compensate for the distribution of SPECTRANET benefit to customers.

The Recharge Vouchers or Electronic Top-Up will only be delivered to the DEALER after payment confirmation. Prices are VAT inclusive as per VAT rules applicable from time to time.

d) **Payment**

SPECTRANET requires that purchases be made in bank draft, electronic bank transfer or cheque. In case of Bank Draft / Cheque / Electronic Bank transfer the product will only be delivered after confirmation that the funds were credited to SPECTRANET account.

Payment for all purchases of SPECTRANET Products in cash shall be settled by making direct payments to SPECTRANET account only with details as mentioned on Spectranet Website or as may be communicated or directed by SPECTRANET in writing:

Beneficiary: **SPECTRANET Limited**

Payments made to any other beneficiary account number other than those mentioned on SPECTRANET Website shall be deemed as not paid to SPECTRANET limited and SPECTRANET is indemnified from all losses arising out of any such wrong transaction made by the DEALER due to any reason at their end.

e) **Product Delivery location**

SPECTRANET starter packs, Terminal Equipment, Recharge Vouchers, and Electronic Pins will be delivered at

the Head office or Regional offices after payment confirmation.

f) Price Increase

In case SPECTRANET increased the maximum retail price of the SIM and/or Terminal equipment the Dealer would fulfill the difference between Old Maximum retail price & New Maximum retail price.

The Dealer will compensate SPECTRANET with the price difference between the previous and new maximum retail prices for the SIMs and Terminal equipment pack that:

Settlement process will be at discretion of SPECTRANET.

PRODUCTS & PRICES

As mentioned on website

ANNEXURE 2 – DEALER COMPENSATION

This Annexure has been last updated on
Compensation Benefits will be applicable as per Terms of Trade, as mentioned in the Dealer Handbook (As amended from time to time) issued by SPECTRANET.

TIERED PRICING TO DEALER//DEALER COMMISSIONS STRUCTURE

NEW/EXISTING	Device Billed Less Than 20	20 & Above
Dealer	10%	12%
KRO	12%	12%

OD CPE sales referrals by Dealer to Team CARE will attract commission equal to respective commission as applicable on CPE sales for Dealer.

Conditions:

- 1- First Order on Devices – Minimum 10 count for Dealer and Min. 20 count for KRO.**
- 2- First Order on Renewals – Minimum NGN 80,000 for Dealer and Min. NGN 100,000 for KRO.**
- 3- Minimum quantity of Billing remains 5 for a Dealer and Minimum 10 for a Key Retail Outlet to purchase devices unless authorized otherwise for any Dealer or location in writing.**
- 4- Min. Renewals – NGN 50,000 for Dealer and Min. NGN 75,000 for KRO.**

Min. Electronic Top-Up Purchase- NGN, 50,000 for a Dealer.

1. Additional terms and conditions

➤ Maintaining Recommended Retail Price

Recharge Balance (all medium) and all devices must not be sold below or above the discount price (Billing value, VAT inclusive) received by the Dealer from SPECTRANET without the written consent of SPECTRANET.

SPECTRANET will consider the selling of SPECTRANET Products below and above the set communicated price to other parties including customers as price distortion and will apply penalties as it deems fit. The penalties may amount to the value of disqualification on all or part of Dealer Loyalty Payouts for a period deemed appropriate by SPECTRANET or even result in termination of this agreement.

➤ Invalid Activations

SPECTRANET will monitor the quality of all activations. In the event SPECTRANET discovers that the Dealer has generated any invalid activations due to any kind of motivation, SPECTRANET has the right to apply appropriate penalties or terminate this Agreement immediately.

➤ Commission Validity and alterations

SPECTRANET reserves the right to terminate or amend any part of this commission scheme in accordance with clause 10.4 and/or 1.2.3.6 of this agreement.

➤ Alterations in Devices Billed

SPECTRANET reserves the right to terminate this agreement if it is observed that Dealer is engaged willfully in supporting any alterations in devices billed by SPECTRANET without its consent.

ANNEXURE 3 – MINIMUM REQUIREMENTS FOR DEALERS & COMMISSIONS

This Annexure has been last updated on

I. Minimum Requirements for Dealer (As Amended from time to time)

Notwithstanding any other provision of this Agreement, the Dealer shall:

1. Provide at least one outlet (Authorized Point-of-Sale) of a minimum size of 100sq.Ft with facilities such as Laptops/Desktops.
 2. Provide minimum of one sales consultants/staff per Authorized Point-of-Sale.
 3. Provide an alternative power supply as a backup for power failure at the Authorized Point-of-Sale.
 4. Ensure accessibility of outlet and presence of staff to service SPECTRANET customers at all times during reasonable business days and business hours applicable in area of operation
- Maintain Minimum stock of 2 devices for all models being sold by SPECTRANET.

ANNEXURE 4 – DEALER PROCESSES MANUAL

Processes, Policies related to dealers are applicable as mentioned in Dealer Handbook provided by SPECTRANET and acknowledged as received and fully understood by the Dealer. (As amended from time to time)

ANNEXURE-5: DOCUMENTATION Requirement and Registration Processes

Dealer where authorized by Spectranet to sell and register or create new customer accounts on Spectranet's Database will ensure

- (a) To operate within adequately lit or illuminated brick & mortar shops
- (b) That customer's photographs are captured against white or plain background.
- (c) That all registration formalities are completed to ensure activation window of 48 hours is adhered.
- (d) That no proxy registration of any subscription medium are created.
- (e) To display Certificate of Operations as issued by Spectranet at a prominent space within the shop
- (f) To display **Dealer** Company Name, RC Number with Spectranet logo, RC Number, on the signage.
- (g) To display SPECTRANET logo, with SIM CARD REGISTRATION CENTRE written.

Dealer shall transmit all subscriber Information captured and registered on the date of registration of new account on Spectranet's database.

Dealer shall not under any circumstances retain, duplicate, deal in or make copies of any Subscriber Information or store in whatever form any copies of the subscriber information for any.

Dealer shall take all reasonable precautions in accordance with international practices to preserve the integrity and prevent any corruption, loss or unauthorized disclosure of subscriber information obtained pursuant to these Regulations and shall take steps to restrict unauthorized use of the Subscriber Information by their employees who may be involved in the capturing or processing of such subscriber information.

Dealer shall not retain the Biometrics of any subscriber after transmission thereof to Spectranet's Database.

From the commencement of this agreement, **Dealer** shall in accordance with registration specifications and at no cost to Spectranet or the subscriber capture, register and transmit to Spectranet Database—

- (a) Biometrics and other personal information of subscribers who requests for the activation of subscription medium; and
- (b) in the case of a corporate body or other juristic person, the biometrics and other personal information of the authorized representative of the corporate body or other juristic person and the name, address and where applicable, the registration number of the juristic person issued by the Corporate Affairs Commission.

PENALTIES

- (1) **Dealer** who fails to capture, register, deregister or transmit the details of any individual or corporate subscribers to Spectranet's Database as specified is liable to a penalty of N200,000.00 for each subscription medium.
- (2) **Dealer** who activates any Subscription Medium without capturing, registering and transmitting the personal information to Spectranet's Database commits an offence and shall on conviction be liable to a fine of N200,000.00 for each unregistered activated Subscription Medium.
- (3) **Dealer** who retains, duplicates or deals with Subscriber's information in contravention of any of the provisions of these Regulations is liable to a penalty of N200,000.00 per Subscription Medium.
- (4) Where a **Dealer** is found to have utilized a subscriber's information in any business, commercial or other transactions, such entity is liable to a penalty of N1,000,000.00 per Subscription Medium, without prejudice to any civil or criminal prosecution that may result from such unauthorized use of such information."