



Generic HSC Payment Terms

We appreciate that a smooth and consistent flow of commissions is critical to the efficient running of your business and will always endeavour to release any funds due in a timely manner. Please note that on all new accounts we will monitor the commissions versus invoices in the first 4-6 weeks of trading and reserve the right to withhold payments until invoices start to come due. We also reserve the right to withhold payments if the account balance due far exceeds the commissions awaiting payment. If payments are to be held, you will be notified by a member of the Credit Control team. In certain extreme circumstances it may be necessary to suspend trading activity on your account for extended periods. In these circumstances, we will notify you of the suspension. We reserve the right to withhold payment of commissions for up to six months following account suspension to off-set network claw-backs and any other debt arising from activity on your account. Any remaining balance will be repaid in full after this period.

Network Payment Terms

Three

Paid 14 days after connection date subject to payment of connection being received from the Network. This information is received by HSC weekly for connections made 10-16 days prior to date of receipt.

O2

Paid 14 days after connection

subject to receipt by Commissions Department of correctly completed contract and required proofs.

Orange

Paid 14 days after connection date subject to payment of connection being received from the Network. This information is received daily.

T-Mobile

Paid 14 – 28 days after connection subject to payment of connection being received from the Network. This information is received by HSC twice a month e.g: 10th of month 2 – Confirming connections from 16th – 31st of month 1, 25th of month 2 – Confirming connections from 1st – 15th of month 2. Only HSC stock connected with a HSC authorised SEC code are valid for commission payment.

Three Additional terms & conditions Consumer

Any connections will have full commission clawed back where there is: a) no usage within the first three months of contract or b) there is a default on any of the first three bills from registration. This clawback will be held and not applied to your account should acceptable proofs be received by HSC within 14 days of request. If your fraud/non payment disconnections are above 3% of your net connections for the previous six months then clawbacks will not be held or repaid.

Business

“With immediate effect Three have

made changes to their clawback terms for business connections.

Any lines that are disconnected within 180 days of connections will be liable for full clawback. If correct proofs are provided to HSC within two weeks of the clawback then full commissions will be repaid. If your level of disconnections exceeds 3% of your total connections in any 6 month period, HSC will clawback all commission repayments made within that period. If HSC or Three’s investigations show connections have been made to non-business customers proof protection will not apply.”

O2 Additional terms & Conditions Fraud / Non payment - full clawback

- If disconnections made within 120 days of connection date for fraud or non-payment exceed
- 5% of total monthly connections full clawback will be applied to all disconnections.
- Any disconnections made within 120 days of connection date for fraud or non-payment will be clawed back in full.

Revenue Share Payments

When you connect a customer for on O2, you will be paid an advance commissions payment upfront based on an average £40 ARP per month. This will be multiplied by the number of months upfront payment listed in the price guide. If your customer spend is over or under this amount you will receive True Up/True Down payment in the months specified, and

then true revenue share outside of the advanced period.

Disconnection

1. Tariff adjustments within 120 days from date of connection (tariff bonus adjustment)
2. Value added services cancellation within 120 days from date of connection (VAS bonus clawback)
3. Customer not provided with new handset for new connection (handset bonus clawback)
4. Upgraded to handset supplied for pre pay SIM (upgrade bonus clawback)
5. Disconnection (for reason other than non-payment / fraud) within 120 days from date of connection (full clawback)

Returns

Any handset returned incomplete (minus charger, battery etc) will not qualify for a credit on your account and will be returned to you.

Orange Additional terms & Conditions

Fraud / Non payment - full clawback

- Any connections identified by the Network as Fraud or Suspected Fraud will have commissions clawed back in full.
- If acceptable contracts and proofs are submitted to HSC within the time frame specified, and approved by the network, 50% of commissions will be repaid.

Orange Suspect Fraud & Bad Debt Changes

From 1st July 2010 Orange are making some changes to their classification of 'Fraud' and 'Bad debt'. Currently customers who fail to make payment of their 1st bill and Orange have not been able to make any direct contact, these connections are classed as 'Suspect Fraud' and dealers are given the opportunity to provide proofs for audit. When a customer default s on their bill and Orange have been able to make contact (such as query, promise to pay etc) these were classed as 'Non Payment' and resulted in a full clawback. Customers previously classed as 'Non Payment' will now be flagged as 'Suspect Fraud' and dealers will be given the opportunity to provide proofs which will be repaid at 50% if they pass the audit. Clawback rules for disconnections within 120 days will remain unchanged where 100% clawback takes place for suspect fraud, with 50% repayable on acceptable proofs.

Disconnection or Account suspension

- > 14 day money back (full clawback)
- > Non payment of deposit (full clawback)
- > Failure to supply proofs of identification (full clawback)
- > Non payment by customer (full clawback)
- > Breach of Orange terms and conditions by customer (full clawback)

Billing Adjustments

- > Talkplan change, disconnection or other action, in the sole belief of Orange, made for commercial gain of either the customer or retailer.
- > Disconnection of Value Added Service within 120 days after activation
- > Disconnection of customer connected through Mobile Number Transfer within 120 days after connection.

Prepay

If the handsets or SIM are not connected to a genuine customer (being an account holder whose

account has been opened in good faith & in the absence of fraud as to identity or purpose), the Network reserves the right to withhold payment of un-paid commission or if commission has already been paid clawback £50 or the commission paid, whichever is greater. No second top up undertaken within 120 days after connection. For clarity, the initial £1 credit supplied at registration is not classed as a top up. Original SIM and IMEI must still be paired at point of second top up.

T-Mobile Additional Terms & Conditions Fraud / Non-payment - full clawback

Customers who have not paid their first bill within 120 days of connection (Full clawback).

Disconnections

Disconnection within in 120 days of connection (full clawback) including fraud & non payment.

Billing Adjustments

If after 120 days the tariff is lower than at point of connection (differential Tariff bonus clawback). These can occur in the following instances

- 1) B2B account health checks or
- 2) in exceptional circumstances to retain the customer.

Disconnection of commitment VAS (12 month bundles) within 6 months of connection (VAS commission clawback). Disconnection of non commitment VAS (monthly) within 3 months of connection (VAS commission clawback).

Business Proofs

Business connections will be audited in the 3rd month following connection. You will be informed by letter of any contracts and proofs required for this audit. If no contract and proofs are received within the specified time frame, or, in the view of the Network, the contract and proofs fail to comply with business proof policy for Business connections, a clawback (£40 minimum) will be

applied (T-Mobile do however reserve the right to clawback all commissions paid in relation to breach of acceptance process).

T-Mobile Queries

Please note that T-Mobile have made the following changes to their query process.

1. Totally unpaid queries remain valid for 12 months from connection date.
2. Part/short paid queries will only be investigated within 60 working days of payment to HSC.
3. Queries will only be looked at once, ensure you list all issues i.e Incorrect tariff and missing bundle. If only one issue is queried and a further problem is subsequently found this will not be looked into.
4. Turnaround time is now 45 working days from receipt at T-Mobile.

Prepay

£10.00 + credit must be applied to the handset and supplied SIM card within 3 months of registration to activate payment of commissions, clawback of commission will occur where a chargeable event has not occurred within 30 days of top up and SIM and IMEI do not remain paired.

Generic Additional Network Terms

Premicell/Fixed Cellular terminal/Gateways
This type of activity on the network will result in full clawback at any point during the contract period.

Please note that this information is intended as a guide only and HSC will not be held liable for any information contained herein. Our full terms and conditions are available on our website at www.yourhsc.com.