

## Interface Advantage Limited

### Policy and Code of Practice for Early Termination

Our Early Termination policy is detailed in this document and is designed to be straightforward and fair to both Interface Advantage Limited (IAL) and our Customers.

#### Definitions

**Application Form** means the application form, service application form or order form relating to the provision of the Services in the form provided by Interface Advantage Limited (IAL) from time to time and covered by IAL terms and conditions.

**Billing Account** means the account opened by IAL or its billing partner Virocom Limited in the name of the Customer upon creation of the Contract and relating to the Services

**Client or Customer** means a person or company whose Application Form is accepted by IAL

**Contract** means the contract governed by the IAL terms and conditions, made between IAL and the Customer created upon acceptance by IAL of the Service Application Form.

**Early Termination** means cancellation by a Customer, (directly or by Indirect Cancellation) of a contract for Services subject to one or more of the following;

1. Within the Initial Term
2. Within any subsequent Renewable Term following the Initial Term
3. Without providing notice as may be specified in the Service Application
4. Where a Customer has failed to meet any Minimum Annual Commitment spend agreed as part of the contract and detailed in the Service Application.

**IAL** means Interface Advantage Limited which expression shall, where the context so requires, include its successors and assigns and any Associated Company thereof.

**Indirect Cancellation** means that Services will be deemed to have been cancelled if the Customer places an order with another supplier that results in the transfer of Service/s or a material part of a service from IAL to another supplier.

**Initial Term** a minimum or initial term in respect of each Service and or piece of equipment commencing on the Service Commencement Date. Such period shall normally be detailed on the Service Application and will be deemed to be 12 months in the absence of any contrary provisions in the tariff schedule or Application Form.

**Minimum Annual Commitment** – means a minimum spend for each twelve month term from the Service Commencement Date, to which the Customer has committed and which is detailed in the service Application Form

**Renewable Term** means that upon expiry of the Initial Term (and each anniversary of the Initial Term) the Contract shall be automatically renewed, on the same terms, for a period equivalent to the original Initial Term, unless notice of termination has been provided by the Client. Such notice to be provided not later than 30 days from expiry of the Initial Term or anniversary of the Initial Term.

**Service Commencement Date** the date on which the service is ready for use or, if earlier, the date on which the Customer first uses the Service/s.

**Service/s** means the routing any or all of the Customer's telecommunications, as detailed on the Application Form, by or through IAL under the terms of the Contract.

**VOIP** means Voice Over I/P services

## Early Termination

Refers to the cancellation by a Customer, (directly or by Indirect Cancellation) of a contract for Services subject to one or more of the following;

1. Within the Initial Term
2. Within any subsequent Renewable Term following the Initial Term
3. Without providing notice as may be specified in the Service Application
4. Where a Customer has failed to meet any Minimum Annual Commitment spend agreed as part of the contract and detailed in the Service Application.

## Reasons for applying Early Termination Charges

- To cover apportioned marketing and sales costs in acquiring new customers' and orders.
- To cover the internal and external administration costs incurred in setting up a Billing Account, providing the Services, support and establishing billing and collections cycles.
- To cover any costs that IAL may incur, directly or indirectly, with our suppliers, (including billing, network, service & equipment providers) that result from early terminations by our Customers.
- To recover discounts enjoyed by Customers specifically because they have committed to an Initial Term and /or Renewable term and/or Minimum Annual commitment.

Early termination charges are NOT designed to prevent Customers from changing suppliers and we would always prefer to work with our customers wherever possible to avoid Early Termination and any associated charges

## Early Termination charges

Unless otherwise stated in the Service Application, the Early Termination charge applicable will be as detailed below and mainly dependent upon on whether the Services are charged for on a usage or rental basis as follows;

**Usage based Charges:** - The Early Termination charge shall be the equivalent to an average of 90 days of usage charges. Where 12 months of billing is available the average will be calculated from the previous 12 months of billing. Where less than 12 months billing is available, the previous 90 days will normally be used to determine the average spend. Note: the first month of billing (usually a partial month) or any period following the transfer of routing to an alternative provider may be excluded by IAL when calculating the average spend.

**Rental & Recurring charges:-** For exchange line rentals, other rentals, managed & hosted services, managed VOIP services, broadband (and other services with recurring charges) the early termination charge shall be equal to the outstanding charges payable until the expiry of the Initial Term (or appropriate anniversary of the Initial Term where a Renewable Term applies). If cancellation takes place following expiry of the Initial Term (and no Renewable Term applies)

but without the Customer having providing the required notice, the charge will be equivalent to 1 days usage and rental charges multiplied by the number of days of notice period specified in the Service Application.

In all cases, any discounted or deferred, one off, installation, project or configuration charges will become payable in full (at their undiscounted rate) upon termination prior to the expiry of the Initial Term.

### Other Charges

Other charges as specifically detailed in the Service Application may apply in addition to the above.

### Termination prior the Service Commencement Date.

IAL reserve the right to apply an Early Termination charge in the event that Service Application/s and orders placed by a Customer are cancelled prior to the Service Commencement Date. Such charges will comprise a £50.00 administration charge plus a charge dependent upon elapsed time between order and cancellation, as detailed in Table 1

**Table 1**

Elapsed days from date of order	Transfer of existing Services (WLR & CPS)	New Voice Exchange Lines, Leased circuits, DIA, SDSL	Broadband Connections (New and Migrations)	Hosted Voice Services	Hardware	Mobiles
<b>0-2</b>	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00
<b>3-5</b>	£7.50 per line/ channel	£7.50 per line/ channel	£20.00 per line	£20.00 per User Licence	25.0% Of order value	£50 + £20 per connection
<b>5-15</b>	£10.00 per line/ channel	£10.00 per line/ channel.	£50.00 per line	£30.00 per User Licence.	50.0% of order value	As above – note once transfer date is confirmed full early termination penalties will become payable.
<b>15- 25</b>	As above	Installation charge (undiscounted) plus 3 months rental	Installation charge (Undiscounted) plus 3 months rental		50.0% of Order value	As above
<b>30 +</b>	As above	Installation charge (undiscounted) plus 12 months rental	Installation charge (Undiscounted) plus 3 months rental		75% of Order value	As above

*In addition to the charges in Table 1, IAL reserves the right to pass on to the Customer any third party supplier costs incurred for Early Termination including, but not limited to, minimum terms, site surveys, initial network planning, engineering work and cabling.*

## **Minimum Annual Commitments**

IAL additionally reserves the right to levy charges in the event that the Customer's spend levels fall below any Minimum Annual Commitment threshold that has been agreed (and specified in the Service Application) as at the anniversary of the Service Commencement Date. The maximum level of this charge will be equivalent to the Minimum Annual Commitment minus any charges incurred by the Customer up to the anniversary of the Service Commencement Date.