



**Terms and Conditions of
Safaricom Telecommunications Ethiopia PLC
Purchase Order**

1.0 SAFARICOM PURCHASE ORDER TERMS AND CONDITIONS

The Purchase Order Terms and Conditions apply to all Orders for the purchase of goods and services for Safaricom Telecommunications Ethiopia PLC (Safaricom Ethiopia). No other terms apply unless specified in the Purchase Order or otherwise agreed in writing between Safaricom Ethiopia and you. If there is any contradiction between these Purchase Order terms and conditions and those set out in an Agreement executed between you and Safaricom Ethiopia, the Agreement shall prevail.

2.0 DEFINITIONS

- i. Purchase order means Safaricom generated document that authorizes a purchase of goods/ works and or services to which these standard Purchase Terms are attached or incorporated. A Purchase Order sets forth the descriptions of goods/works and or services, quantities, unit prices, total cost, payment terms, the date by which performance of supplier's obligation must be completed (need by date) other associated terms and conditions and identifies the specific seller.
- ii. **Seller or Supplier** means the party indicated on the cover page of the Purchase Order that is contracting with Safaricom Ethiopia for the sale of Goods/works and or services.
- iii. **Buyer** means Safaricom Telecommunications Ethiopia PLC (Safaricom).
- iv. **Goods** means the goods that are required to be delivered by the Seller pursuant to a Purchase Order, and include all materials, component parts, packaging and labelling of such goods.
- v. **Services** means any professional services to be provided by the Seller to Safaricom in accordance with the terms of a Purchase Order.
- vi. **Need by Date** means the date by which delivery for Goods or performance of Services as specified in a Purchase Order needs to be completed.
- vii. **Specifications** means the requirements, attributes and specifications for the Goods or Services that are set out in the applicable Purchase Order. Specifications also include a) Documentation published by the seller relating to the Goods or Services.
 - a. Operational and technical features and functionality of the Goods or Services.
 - b. Standards or levels of service performance for Services; and
 - c. Buyer business requirements that are expressly set out in a Purchase Order.

3.0 CONDITIONS OF PURCHASE

- i. **ACCEPTANCE AND TERMS AND CONDITIONS**
 - a. Every Purchase Order shall remain open for acceptance three (3) days after receipt thereof by the Seller, and if not accepted within the three (3) days, then Safaricom shall have the right to cancel the Purchase Order.
 - b. The seller shall accept a Purchase Order and any amendments by acknowledging acceptance in Safaricom iSupplier portal.
 - c. Any queries in regard to the issued Purchase Order(s) should be channeled to below email: purchase.orders@safaricom.et
 - d. In the absence of a written acknowledgment within the period specified above in (a), the Seller's full or partial performance under this Purchase Order will constitute acceptance of these Terms.
 - e. By acceptance of this Order, the seller agrees to be bound by, and to comply with all these Terms and Conditions, and any accompanying or attendant variations. These Terms may be modified only by a written document signed by the duly authorized representative of Safaricom and the Seller.
 - f. Goods/works and or services shall be supplied not later than the delivery (need by date) indicated on the face of the Purchase Order.
 - g. Safaricom reserves the right to accept all goods/works and or services supplied after the expiry of the delivery date mentioned therein.

- ii. **PACKAGING**
 - a. All goods must be packaged in the manner specified by Safaricom and shipped in the manner and by the route and carrier designated by Safaricom. If Safaricom does not specify the manner in which the goods must be packaged, the Seller shall package the goods so as to avoid any damage in transit.

- b. Any damage in transit attributed to Seller's inadequate packaging of goods will be the responsibility of the Seller.
- c. If Safaricom does not specify the manner of shipment, route, or carrier, seller shall ship the goods at the lowest possible transportation rates, consistent with the seller's obligation to meet the delivery schedule set in the Purchase Order.

iii. *SHIPMENT*

- a. Where applicable, all shipping documents shall contain the Purchase Order Number specified in the Purchase Order.
- b. The seller shall ship the goods and/or materials referred to in this Purchase Order in accordance with the agreed Incoterm on the date specified by Safaricom. The applicable standard shall be Incoterms, 2010 as may be varied from time to time. In the event that the Seller fails to ship the goods and/or materials on the said date for any reason whatsoever, Safaricom shall have the right to obtain such goods and/or materials from any other source.
- c. The Seller shall compensate Safaricom for any loss suffered by Safaricom in connection with the failure of Seller to ship the goods and/or materials referred to in this Purchase Order on the said date (need by date).
- d. The Seller may request in writing change of delivery date before expiry in consultation and approval from Safaricom.

iv. *DELIVERY*

- a. Goods/works and or services delivered to Safaricom by the seller must be confirmed by way of Goods Receipt Note (GRN). The GRN is raised by Safaricom once the goods/works and or services have been accepted.
- b. Goods/works and or services delivered to Safaricom by the Seller must be confirmed by way of Goods Receipt Note (GRN). The GRN is raised by Safaricom once the goods/works and or services have been accepted.
- c. The Purchase Order must be quoted on all invoices and other correspondence regarding the supply or otherwise of the said goods or services.
- d. When delivery of the goods and/or services is spread over a period, which has been agreed by Safaricom, each separate delivery thereof shall be invoiced when dispatched or delivered, whichever is the later. Each invoice shall be treated as a separate account and shall be payable according to the terms on the Purchase Order. The Supplier shall only deliver to Safaricom goods and/or services which have in fact been ordered by Safaricom and in respect of which order an official purchase order number has been issued by the Safaricom.
- e. Any extension of time granted by the Safaricom in respect of the time period for delivery of the goods and/or services shall be reduced to writing and signed by Safaricom.

v. *SITES*

- a. The sites to which ordered goods and/or services shall be delivered in terms of this agreement shall be set out in the relevant purchase order ("the designated site(s)"). Safaricom may at its election add to or vary the designated sites, sites in and/or in other provinces in which event no additional fees.

vi. *RIGHTS OF INSPECTION AND TITLE AND RISK*

- a. Safaricom retains the right to inspect and approve all goods/works and or services and to reject any or all of the said goods/works and or services that do not meet the procurement specifications.

- b. Goods rejected for whatever reason remain the property of the Seller for which risk shall not pass to Safaricom whether kept at Safaricom premises or not and no liability whatsoever for loss or damage shall be claimed against Safaricom.
- c. The goods and/or materials referred to in this Purchase Order shall be subject to inspection by Safaricom within a reasonable time after receipt thereof by Safaricom.
- d. If any of the goods or services are found at any time to be defective in material form or workmanship, or otherwise not in conformity with the requirements of this Purchase Order, including any applicable drawings and specifications, Safaricom reserves the right to reject and return the said goods and/or materials at the Seller's expense. Payment, if any, made for any goods rejected under this condition shall be promptly refunded by Seller by issuing a credit note, Cheque or making an electronic bank transfer to Safaricom's bank account.

vii. **PRICE**

- a. Safaricom shall be under no obligation to pay a price higher than the price agreed with the Seller before the date of shipment and detailed on the face of the Purchase Order. In the absence of express agreement as to price, Safaricom shall pay to the Seller the price last offered by the Seller to Safaricom for identical goods, materials or services or the market price of identical goods, materials or services at the date of receipt thereof by Safaricom, whichever is lower.
- b. No extra charges of any kind will be allowed unless specifically agreed to in writing by Safaricom. If the Seller reduces its prices for such goods/works and or services during the term of this Order, Seller shall correspondingly reduce the prices of goods/works and or services sold thereafter to Safaricom under this Order.

viii. **DISCOUNT**

The amount of any discount shall be calculated from the date on which an invoice, conforming in all respects to the provisions of this Purchase Order, is received by Safaricom, or the date on which proof of shipment is received by Safaricom, whichever is later.

ix. **DRAFTS AND/OR SAMPLES**

Samples relating to the goods and/or materials and/or referred to in any Purchase Order shall not be accepted by Safaricom unless otherwise agreed. Safaricom shall be under no obligation to pay for delivery of such drafts and/or samples.

x. **CARTAGE**

Safaricom shall be under no obligation to pay any charges in connection with shipping or packing in excess of the charges that Safaricom has agreed to pay, and which result from the performance by the Seller of the terms and conditions contained herein.

xi. **INVOICES, PAYMENTS AND TAXES**

- a. Invoices shall be rendered on completion of services or delivery of goods and shall contain the Purchase Order Number, item number, description of goods or services, quantities, unit prices, date(s) rendered, Safaricom Tax Identification Number (TIN No.) and total purchase price. Each invoice must refer to only one purchase order.
- b. The invoice relating to the goods and/or referred to in this Purchase Order shall be addressed to Safaricom Plc.
- c. Unless subject to a separate agreement, the seller will be paid in accordance with the payment terms appearing on the body of the purchase order. All seller invoices and statements shall be uploaded on the Safaricom iSupplier portal.
- d. The Seller shall pay those taxes imposed by law upon or in connection with the goods/works/services and or material referred to in this Purchase Order. In the event that Safaricom shall be required by law to make

any deductions or withholding tax then Safaricom shall, at the cost and expense and for the account of the seller, comply with such applicable legislation and remit the amounts to the appropriate authorities.

xii. ASSIGNMENT AND SUB-CONTRACTING

The Supplier party shall not be entitled to transfer or assign, partially or entirely, any of its rights or obligations under this agreement to a third party without the prior written consent of Safaricom, which consent shall not be unreasonably withheld.

xiii. TOOLS AND EQUIPMENT

The seller shall insure and maintain in good repair any tools and/or equipment provided by Safaricom to the seller in connection with the production of goods by the seller for use by Safaricom. Safaricom reserves the right to recall the said tools and/or equipment at any time upon which the seller shall return the said tools and/or equipment in good repair forthwith.

- a. In the event that the seller is, for any reason whatsoever, unable to return the said tools in good repair at the date of recall or at such other date agreed with Safaricom, the seller shall provide replacement tools with specifications identical to those of the tools originally provided by Safaricom within a reasonable time.

xiv. THIRD PARTY INTELLECTUAL PROPERTY INDEMNITY

The seller shall hold and indemnify Safaricom, its officers, agents, servants and users of its products or services harmless from liability for the infringement of any third party's intellectual property relating to any goods and/or material supplied by seller.

xv. COMPLIANCE

- a. The Purchase Order is placed by Safaricom on the understanding that the seller's acceptance hereof serves as a warranty that no statute or any other legal regulation has been violated in the manufacture or sale of the goods and/or materials or the provision of services referred to in this Purchase Order.
- b. The seller shall be required to obtain and pay for any license, permit, inspection or listing by any public body or certification organization required in connection with the manufacture, performance, completion or delivery of any good and/or service.

xvi. ENTIRE AGREEMENT

- a. This Purchase Order contains the entire agreement between the Parties with respect to the purchase of the goods and/or materials hereof and, unless the terms and conditions herein are replaced in accordance with varied superseding agreement signed by mutual consent of the Parties, whether oral or written, express or implied, in relation to the subject matter between them.
- b. Safaricom reserves the right to vary the terms and conditions of this Purchase Order as a direct result of new legislation, statutory instrument, government regulations or licenses, amendments or recommendations from regulatory bodies, changes to its internal business rules or similar events provided that such variations or new terms and conditions shall be notified to the seller and shall be limited to the extent necessary for these purposes.

xvii. GOVERNING LAW

- a. The terms and conditions of this Purchase Order are governed by the Federal Laws of Ethiopia.

- b. Any dispute arising out of or in connection with this Purchase Order or the goods/works and or services supplied in accordance with this Purchase Order, if not resolved amicably within a period of thirty (30) days may be referred to the relevant Courts in Addis Ababa, Ethiopia.

xviii. *ENVIRONMENT*

Safaricom requires the Seller to assume responsibility for the environmental impacts caused by its activities in recognition of ecological limits and environmental sustainability. The Seller is also expected to monitor and continually improve on its environmental performance.

xix. *CORRUPT PRACTICES*

Safaricom requires that the Seller as well its subcontractors, employees, directors, shareholders and officers to observe the highest standard of ethics during the procurement and execution of this Agreement. In pursuit of this, Safaricom:

- a. Defines, for the purposes of this clause the following terms:
 - i. "Corrupt practice" means the offering, giving, receiving, or soliciting, directly or indirectly, anything of value to influence improperly the actions of another party including offences listed under all applicable laws, regulations and sanctions relating to anti-bribery, and anticorruption including but not limited to the Corruption Crimes Proclamation No. 881/2005.
 - ii. "Fraudulent practice" means any act or omission, including a misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain a financial or other benefit or to avoid an obligation;
 - iii. "Coercive practice" means impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of a party to influence improperly the actions of a party;
 - iv. "Collusive practice" means an arrangement between two or more parties designed to achieve an improper purpose, including influencing improperly the actions of another party.
- b. Will terminate this Agreement with immediate effect if it determines at any time that representatives of the Seller is engaged in corrupt, fraudulent, collusive or coercive practices during the procurement or the execution of this Purchase Order; and
- c. Will sanction the Seller, its shareholders, directors and other officers including declaring them ineligible, either indefinitely or for a stated period of time, to be awarded a Safaricom contract if it at any time determines that they have, directly or through an agent, engaged in corrupt, fraudulent, collusive or coercive practices in competing for, or in executing this or any other Agreement entered into with Safaricom.
- d. **Reporting:** Where sellers suspect corrupt or fraudulent acts involving Safaricom they are encouraged to report such instances to

Legal.risk@safaricom.et

xx. *Data Protection*

- a. The Supplier warrants and undertakes in respect of all Safaricom Ethiopia Data that it processes on behalf of Safaricom Ethiopia that at all times:
 - i. it shall only process such Safaricom Ethiopia Data for the purposes detailed in the Statement of Work and, in so doing, shall act solely on the instructions of Safaricom Ethiopia. In particular, the Supplier shall not itself exercise control, use for its own purposes, nor shall it transfer, or purport to transfer control of Safaricom Ethiopia Data to a third party, except as it may be specifically instructed to do so by Safaricom Ethiopia or as may be agreed by the parties;
 - ii. it shall keep Safaricom Ethiopia Data logically separate to data processed on behalf of any other third party;
 - iii. it shall submit to Safaricom Ethiopia all information and details on the processing of Safaricom Ethiopia Data upon request;

- iv. it shall not process, apply or use Safaricom Ethiopia Data for any purpose other than as required for purposes of this Agreement or Statement of Work;
 - v. upon termination of this Agreement, Safaricom Ethiopia Data shall, at Safaricom Ethiopia's option, be destroyed or returned to Safaricom Ethiopia, along with any medium or document containing Safaricom Ethiopia Data;
 - vi. it maintains and shall continue to maintain appropriate and sufficient technical and organisational security measures to protect such Safaricom Ethiopia Data against accidental or unlawful destruction, unlawful interception or accidental loss, damage, alteration, unauthorised disclosure or access, in compliance with the provisions of the Statement of Work and in particular where the processing involves the transmission of data over a network, and against all other unlawful forms of processing; and
 - vii. it shall grant Safaricom Ethiopia, its respective sub-contractors and agents, and/or Privacy Authorities (where such authorities have the legal right to carry out an audit of Safaricom Ethiopia's or a Safaricom Ethiopia Companies' processing activities), such reasonable access to its premises, computer, media and other information systems and records as may be reasonably required to enable the same to satisfy themselves that the Supplier is complying with its obligations under this Clause **Error! Reference source not found.**, subject to appropriate safeguards to protect the confidentiality and privacy of Safaricom Ethiopia or third party data and information.
 - viii. it shall facilitate requests by individual data subjects or exercise of any privacy rights be implemented in terms of Safaricom Ethiopia Data, including updating, amending or correcting the personal information of any individual upon request of Safaricom Ethiopia from time to time or cancelling or blocking access to any personal information upon instruction from any applicable Safaricom Ethiopia; and
 - ix. provision of appropriate interfaces or support for other processes of Safaricom Ethiopia in ensuring information is provided to data subjects as required by Applicable Privacy Law.
- b. The Supplier may be subjected to Safaricom Ethiopia's consent which shall not be unreasonably withheld, sub-contract or outsource the processing of Safaricom Ethiopia Data under this Agreement to any other person or entity ("**Sub-Processor**") provided the Supplier imposes legally binding contract terms substantially the same as those contained in this provision on the Sub-Processor.
 - c. The Supplier shall proactively inform any applicable Safaricom Ethiopia if it has reasonable reason to believe that:
 - i. an instruction from Safaricom Ethiopia infringes any Applicable Privacy Law; or
 - ii. it is subject to legal requirements that would make it unlawful or otherwise impossible for Supplier to act according to a Safaricom Ethiopia's instructions or to comply with Applicable Privacy Law.
 - d. The Supplier acknowledges and agrees that it shall remain liable to Safaricom Ethiopia for any breach of the terms of this provision by any Sub-Processor and other subsequent third party processors appointed by it.
 - e. The Supplier shall give Safaricom Ethiopia such co-operation, assistance and information as Safaricom Ethiopia may reasonably request to enable it to comply with its obligations under any Applicable Privacy Law and co-operate and comply with the directions or decisions of a relevant Privacy Authority, and in each case within such time as would enable that other party to meet any time limit imposed by the Privacy Authority.
 - f. Safaricom Ethiopia acknowledges and agrees that the Supplier may receive legally binding demands from a Law Enforcement Authority for the disclosure of, or other assistance in respect of, Safaricom Ethiopia Data, or be required by law, court order, warrant, subpoena, or other legal judicial process to disclose any Safaricom Ethiopia Data to any person other than Safaricom Ethiopia and that the Supplier will not be in breach of this Clause **Error! Reference source not found.** for complying with such obligations to the extent legally bound. The Supplier shall notify Safaricom Ethiopia as soon as reasonably possible of any such demand unless otherwise prohibited, such as a prohibition under criminal law to preserve the confidentiality of a law enforcement investigation.

xxi. GENERAL

a. *Cancellation of Order*

In the absence of terms to the contrary, where the Supplier fails to perform their obligations under or is otherwise found to be in breach of any of the provisions of this Purchase Order, Safaricom shall be entitled at its option and upon issuing a written notice of seven (7) days to the Supplier, to terminate this order and no goods and services shall be receipted against such cancelled order.

b. *Confidentiality*

Each Party agrees that it shall ensure that its trustees, employees, officers and directors shall hold in confidence all the commercial and other engagements and all information, documentation, data and know-how disclosed to it by the other Party and designated as "confidential" both relating to all orders made ("Confidential Information") and shall not disclose to any third Party or use Confidential Information other than in connection with the performance of its obligations pursuant to this Purchase Order or any part thereof without the other Party's written approval,

PROVIDED THAT:

- i. This clause shall not apply to Confidential Information already in the public domain other than by reason of breach of this clause;
- ii. A Party may disclose Confidential Information in accordance with any legal requirements or relevant regulatory or governmental authorities; or to consultants and contractors (subject to obtaining undertakings of confidentiality except where professional duties already impose an obligation of confidentiality) whose duties require such disclosure.

Either Party shall return or destroy Confidential Information in relation to any order made under this Purchase Order and given to the other Party within seven (7) days of cancellation of an order for any reason whatsoever; or as and when upon receipt of a written request by Safaricom

c. *Mutual Indemnity*

The Parties agree to indemnify and to hold each other, their agents and employees harmless against all claims, proceedings, damages, costs, expenses and losses whatsoever whenever and howsoever arising out of any negligent, inadvertent or willful act or omission of their employees, servants or agents in the fulfillment of their respective obligations as provided herein.

d. *Publicity*

The Supplier shall not use any of Safaricom's trademarks or intellectual property (including without limitation such logos, brands, service marks) without the prior written consent of Safaricom.

For and On Behalf Supplier:

Name of Supplier: _____

Signature: _____

Position: _____

Director / Managing Director / Chief Operations Officer

Date: _____

_____ END OF DOCUMENT _____