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COMTEL COMMUNICATIONS CODE OF CONDUCT REGULATIONS ARE AS FOLLOWS:

Introduction

This Code of Business Conduct covers a wide range of business practices and procedures. All of our employees and officers must conduct themselves accordingly and seek to avoid even the appearance of improper behaviour. The code should also be provided to and followed by the Company's agents and representatives.

Employees and officers are responsible for understanding the legal and policy requirements that apply to their jobs and reporting any suspected violations of law, this code, or Company policy.

Those who violate the standards in this code will be subject to disciplinary action, including possible dismissal. Furthermore, violations of this code may also be violations of the law and may result in civil or criminal penalties for you, your supervisors and/or the Company. . If you are in a situation which you believe may violate or lead to a violation of this code, follow the procedures set out in Section 14 of this code.

The basic principles discussed in this code are subject to any Company policies covering the same issues.

1. COMPLIANCE WITH LAWS, RULES AND REGULATIONS

Obeying the law, both in letter and in spirit, is the foundation on which this Company's ethical standards are built. All employees and officers must respect and obey the laws, rules, and regulations of the cities, states, and countries in which we operate. Although employees and officers are not expected to know the details of each of these laws, rules and regulations, it is important to know enough to determine when to seek advice from supervisors, managers or other appropriate personnel.

2. PRIVACY AND CONFIDENTIALITY

- 2.1 COMTEL and its members respect the constitutional right of Internet users to personal privacy and privacy of communications.
- 2.2 COMTEL respect the confidentiality of customers' personal information and will not gather, retain, sell or distribute such information to any other party without the consent of the customer, except where required to do so by law.

3. CONSUMER PROTECTION AND PROVISION OF INFORMATION TO CUSTOMERS

- 3.1 COMTEL must have an acceptable use policy for their Internet access services. This policy must be made available to customers prior to the commencement of any such service agreement and at any time thereafter, on request.
- 3.2 In their dealings with consumers, other businesses and each other, COMTEL must act fairly and reasonably. In particular, pricing information for services must be clearly and accurately conveyed to customers and potential customers.
- 3.3 COMTEL undertake to inform their customers that members of COMTEL are bound by this code of conduct. Members' web sites must include a copy of or link to the code.

4. PROTECTION OF MINORS

COMTEL members will take reasonable steps to ensure that they do not offer paid content subscription services to minors without written permission from a parent or guardian.

5. UNLAWFUL CONTENT AND ACTIVITY

COMTEL members providing Internet access or data hosting services will establish notification and take-down procedures for unlawful content and activity, and respond expeditiously to such notifications.

6. INTERNET STANDARDS

COMTEL will operate in accordance with established Internet best practices, as set out in the various request for comment (RFC) documents and as mandated from time to time by established and respected Internet governance structures.

7. COMPETITION AND FAIR DEALING

- 7.1 We the members of COMTEL seek to outperform our competition fairly and honestly. We seek competitive advantages through superior performance never through unethical or illegal business practices. Stealing proprietary information, possessing trade secret information that was obtained without the owner's consent, or inducing such disclosures by past or present employees of other companies is prohibited. Each employee and officer should endeavour to respect the rights of and deal fairly with the Company's customers, suppliers, competitors and employees. No employee or officer should take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other illegal trade practice.
- 7.2 No employee or officer is permitted to engage in price fixing, bid rigging, allocation of markets or customers, or similar illegal activities.
- 7.3 To maintain the Company's valuable reputation, compliance with our quality processes and safety requirements is essential. All inspection and testing documents must be handled in accordance with all applicable specifications and requirements.

8. CHARGES

- 8.1 The Subscriber shall pay to COMTEL all fees and charges set out in the Contract, plus all Value Added Tax payable thereon, by electronic funds transfer, by a series of post-dated cheques or by debit order on due date (within 7 days from invoice), in South African currency, free of exchange, without deduction or set-off.
- 8.2 In the event that the Subscriber elects to pay the fees and charges due to COMTEL by way of a series of post-dated cheques, then delivery by the Subscriber and acceptance by COMTEL of such cheques shall not be construed or deemed to be a novation of any portion of the Subscriber's indebtedness and no cheque shall be considered a payment until duly honoured.
- 8.3 It is recorded that some fees and charges are based on a Rand/US Dollar exchange rate and the Subscriber understands that such amounts shall be adjusted in accordance with the midrate average for that quarter, beginning on the date of commencement of the Agreement, as provided by the Nedcor Economic unit or any bank nominated by COMTEL, at the sole discretion of COMTEL.
- 8.4 In addition to any increase in the monthly charges envisaged in 3.2, COMTEL shall be entitled from time to time on 30 (thirty) days prior written notice to the Subscriber to increase the monthly charges set out in the Contract, provided that:

- (i) COMTEL shall not so increase the charges on more than one occasion in any 12-month period of this Agreement.
 - (ii) any such increase shall not exceed an amount equal to the year on year percentage fluctuation in the Consumer Price Index excluding interest on mortgage bonds (CPIX) as published by the Central Statistical Service (or any other body authorised in its stead to publish same) for all income groups, relating to the year in which the increase is made.
- 8.5 Any amount which is due by the Subscriber but unpaid, shall bear interest at a rate equal to the maximum allowable in terms of the Usury Act, calculated daily in advance from the date that payment was due until date of actual payment thereof, both days inclusive, and is payable on demand.
- 8.6 In the event of any dispute arising as to the amount or calculation of any fee or charge which is payable by the Subscriber, the dispute shall not be referred to arbitration in accordance with clause, but rather for determination to an independent auditor appointed by agreement between the parties, or failing such agreement by the President for the time being of the South African Institute of Chartered Accountants. The said auditor shall be entitled to make a determination as to which party or parties shall bear the costs of the auditor and of the procedure. The said auditor shall act as expert and not as an arbitrator and his decision shall be final and binding on COMTEL and the Subscriber. The determination whether Clause 3.6 or Clause 8 should be applicable, is in the sole discretion of COMTEL.
- 8.7 Under no circumstances may Subscriber resile from this Agreement or withhold or defer any payment or be entitled to a reduction in any charge or have any other right or remedy against COMTEL, its servants, its agents or any other persons for whom it may be liable in law (and in whose favour the provision constitutes a stipulatio alteri) if COMTEL interrupts the Services to the Subscriber as it would be entitled to do if the Subscriber is in default of any of its obligations under this Agreement to COMTEL or in the circumstances contemplated in clause 5 hereof.
- 8.8 This agreement will remain in full force and effect, until such time as all payment disputes have finally been adjudicated on in terms hereof and full payment has been made in terms of such adjudication or settlement reached between the parties.

9. DISCRIMINATION AND HARASSEMENT

The diversity of the Company's employees is a tremendous asset. We are firmly committed to providing equal opportunity in all aspects of employment and will not tolerate any illegal discrimination or harassment based on race, colour, religion, sex, national origin or any other protected class. For further information, consult the appropriate Company policy.

10. HEALTH AND SAFETY

- 10.1.1 The Company strives to provide each employee and officer with a safe and healthy work environment. Each employee and officer has the responsibility for maintaining a safe and healthy workplace for all employees and officers by following environmental, safety, and health rules and practices and by reporting accidents, injuries and unsafe equipment, practices or conditions. Violence and threatening behaviour are not permitted.
- 10.1.2 Employees and officers are expected to perform their Company related work in a safe manner, free of the influences of alcohol, illegal drugs or controlled substances. The use of illegal drugs in the workplace will not be tolerated.

11. CONFIDENTIALITY

The parties agree as follows –

- 11.1 The Subscriber agrees and warrants to COMTEL that it shall at all times keep the terms third party (save to its legal advisors and accountants solely for the purposes of obtaining professional advice thereon); and
- 11.2 Each party acknowledges that it will exchange proprietary and confidential information with the other, as reasonably necessary for each to perform its obligations under this Agreement. All information relating to this Agreement provided by either party to the other, whether oral or written, shall be deemed to be confidential and proprietary information, unless indicated to the contrary in writing.

12. RECORD-KEEPING, FINANCIAL CONTROLS AND DISCLOSURES

- 12.1 The Company requires honest, accurate and timely recording and reporting of information in order to make responsible business decisions.
- 12.2 All business expense accounts must be documented and recorded accurately in a timely manner. If you are not sure whether a certain expense is legitimate, ask your controller. Policy guidelines are available from your controller.
- 12.3 All of the Company's books, records, accounts and financial statements must be maintained in reasonable detail, must appropriately reflect the Company's transactions; must be promptly disclosed in accordance with any applicable laws or regulations; and must conform both to applicable legal requirements and to the Company's system of internal controls.
- 12.4 Business records and communications often become public and we should avoid exaggeration, derogatory remarks, guesswork or inappropriate characterizations of people and companies that may be misunderstood. This applies equally to e-mail, internal memos and formal reports. Records should always be retained or destroyed according to the Company's record retention policies. In accordance with those policies, in the event of litigation or governmental investigation, please consult the Corporate Vice President - Administration.

13. PROTECTION AND PROPER USE OF COMPANY ASSETS

- 13.1 All employees and officers should protect the Company's assets and ensure their efficient use. Theft, carelessness and waste have a direct impact on the Company's profitability. All Company assets are to be used for legitimate Company purposes. Any suspected incident of fraud or theft should be immediately reported for investigation. Company assets should not be used for non-Company business.
- 13.2 The obligation of employees and officers to protect the Company's assets includes the Company's proprietary information. Proprietary information includes intellectual property such as trade secrets, patents, trademarks and copyrights, as well as business, marketing and service plans, engineering and manufacturing ideas, designs, databases, records, salary information, and any unpublished financial data and reports. Unauthorized use or distribution of this information is a violation of Company policy. It could also be illegal and result in civil or criminal penalties.

14. REPORTING ANY ILLEGAL OR UNETHICAL BEHAVIOUR

Employees are encouraged to talk to supervisors, managers or other appropriate personnel about observed behaviour that they believe may be illegal or a violation of this Code of Conduct or Company policy or when in doubt about the best course of action in a particular situation. It is the policy of the Company not to allow retaliation for reports made in good faith by employees of misconduct by others. Employees are expected to cooperate in internal investigations of misconduct.

15. ALTERATIONS

COMTEL reserves the right to make alterations to this code of conduct from time to time. The current code of conduct and a history of any changes made will be maintained on Comtel's website at www.comtel.co.za

16. COMPLIANCE PROCEDURES

We must all work to ensure prompt and consistent action against violations of this code. However, in some situations it is difficult to know right from wrong. Since we cannot anticipate every situation that will arise, it is important that we have a way to approach a new question or problem. These are the steps to keep in mind:

- 16.1 Make sure you have all the facts. In order to reach the right solutions, we must be as fully informed as possible.
- 16.2 Ask yourself: What specifically am I being asked to do? Does it seem unethical or improper? This will enable you to focus on the specific question you are faced with and the alternatives you have. Use your judgment and common sense; if something seems unethical or improper, it probably is.
- 16.3 Discuss the problem with your supervisor. This is the basic guidance for all situations. In many cases, your supervisor will be more knowledgeable about the question and will appreciate being brought into the decision-making process. Remember that it is your supervisor's responsibility to help solve problems. If you are uncomfortable discussing the problem with your supervisor, you can talk to your general manager or human resources manager.
- 16.4 Always ask first, act later: If you are unsure of what to do in any situation, seek guidance before you act.
- 16.5 All employees and officers are subject to the Company's code, which describes procedures for the internal reporting of violations of the code. All employees and officers must comply with those reporting requirements and promote compliance with them by others. Failure to adhere to this code by any employee or officer will result in disciplinary action up to and including termination.

Your Personal Commitment to
COMTEL COMMUNICATIONS (PTY) Ltd

Code of Business Conduct

I acknowledge that I received a copy of the Company A Code of Business Conduct dated _____ (“the Code”), that I have read the Code and that I understand it. I will comply with the code. If I learn that there has been a violation of the code, I will contact my general manager or the Corporate Vice President - Administration. I acknowledge that the code is not a contract and that nothing in the code is intended to change the traditional relationship of employment-at-will.

Dated: _____

Employee’s Signature

Employee’s Name (Please Print)