SERVICE SPECIFIC TERMS / CLOUD

Microsoft Cloud (CSP)

Microsoft 365, Azure and other Microsoft products through the Cloud Solution Provider programme

VERSION	EFFECTIVE	REPLACES
v2026.10d	1 November 2026	FirstNet-CSP-Agreement-2022.pdf

These Service Specific Terms form part of your agreement with FirstNet Technology Services (Pty) Ltd. Read them with the FirstNet Standard Terms and Conditions (or your signed Master Services Agreement), your Service Schedule and the Data Processing Annexure, all available at www.firstnet.co.za/legal-notices/.

These Service Specific Terms apply when the Customer buys Microsoft cloud products (Microsoft 365, Microsoft Azure, Dynamics 365, Power Platform, Microsoft security and compliance add-ons, Copilot, Windows 365 and software subscriptions or perpetual software available through the Cloud Solution Provider programme) from FirstNet as its Microsoft Cloud Solution Provider.

1. Status and precedence

1.1 These Service Specific Terms ("SST") form part of the agreement between FirstNet Technology Services (Pty) Ltd (registration number 2006/031608/07) ("FirstNet") and the Customer, being the FirstNet Standard Terms and Conditions or, where the Customer has signed one, the Customer's Master Services Agreement with FirstNet (the "Agreement").

1.2 These SST apply to each Service Schedule, order or purchase of Microsoft Products made through the Client Zone (clientzone.firstnet.co.za). The Service Schedule records the Microsoft Products, quantities, NCE term and billing frequency of each subscription, and any FirstNet services ordered with them.

1.3 If documents conflict, they apply in this order: (a) the Service Schedule, only for commercial items that it expressly says override these SST; (b) these SST; (c) the Agreement (including the Data Processing Annexure and the Acceptable Use Policy); (d) the Microsoft Customer Agreement and other Microsoft terms in clause 4. However, the Customer's use of the Microsoft Products is governed by the Microsoft Customer Agreement and Microsoft's Product Terms, and the Customer must comply with them.

1.4 Words defined in the Agreement have the same meaning in these SST.

2. Definitions

2.1 In these SST:

2.1.1 **"CSP"** means Microsoft's Cloud Solution Provider programme, under which FirstNet buys Microsoft Products directly from Microsoft and resells them to the Customer;

2.1.2 **"Extended Service Term"** means the monthly term that Microsoft applies, under its end-of-term policy, to a license-based subscription that is not renewed or cancelled at the end of its term;

2.1.3 **"GDAP"** means Microsoft's granular delegated admin privileges, which give a partner time-bound, least-privileged administrative access to a customer tenant;

2.1.4 **"MCA"** means the Microsoft Customer Agreement, as published by Microsoft and updated from time to time;

2.1.5 **"Microsoft"** means Microsoft Corporation and its affiliate that contracts with the Customer under the MCA;

2.1.6 **"Microsoft Products"** means Microsoft online services, software subscriptions, perpetual software and Azure services bought through FirstNet under CSP;

2.1.7 **"NCE"** means Microsoft's new commerce experience for CSP, under which license-based subscriptions are bought for monthly, annual or three-year terms and Azure is billed on consumption;

2.1.8 **"Partner of Record"** means the CSP partner that Microsoft records as the reseller for the Customer's tenant;

2.1.9 **"Tenant"** means the Customer's Microsoft Entra ID tenant and the Microsoft Products in it.

3. Service description

3.1 What FirstNet provides. FirstNet, as the Customer's reseller of Microsoft Products under Microsoft's Cloud Solution Provider (CSP) model, provides:

3.1.1 Microsoft Products under CSP for the Customer's own internal use, billed in South African rand on one consolidated monthly invoice;

3.1.2 Tenant setup or Partner of Record transfer to FirstNet;

3.1.3 a licence right-sizing review at onboarding and about every 90 days;

3.1.4 for Azure, a monthly consumption summary and quarterly optimisation review;

3.1.5 first-line support: FirstNet's service desk triages Microsoft Product issues and raises and manages cases with Microsoft; and

3.1.6 a customer success contact and renewal planning about 90 days before each annual or three-year term ends.

3.2 What Microsoft provides. Microsoft provides the Microsoft Products, their features, availability, security and service levels, under the MCA and Product Terms. FirstNet does not operate the Microsoft Products.

3.3 Not included. Unless ordered separately, the Service does not include design, migration, managed administration of Microsoft 365 or Azure, FinOps engagements, adoption services, Premier or Unified support, or third-party backup. Those are governed by the relevant SST (for example Cloud Migration Services, or Microsoft 365 Backup) and the Service Schedule. FirstNet does not transact Microsoft Enterprise Agreements. Security assessment, hardening and monitoring of Microsoft 365 are covered by the Microsoft 365 Security and Compliance Service Specific Terms; these SST cover the supply of the Microsoft Products.

3.4 Own use only. CSP licences are for the Customer's (and its affiliates', where Microsoft allows) internal use. The Customer may not resell, sublicense or use Microsoft Products to provide hosted services to third parties, unless Microsoft's Product Terms allow it and FirstNet has confirmed eligibility in writing.

4. Vendor Terms (Microsoft)

4.1 Microsoft Customer Agreement. Before FirstNet can place any order, the Customer must accept the current MCA, available at https://www.microsoft.com/licensing/docs/customeragreement (checked 13 October 2026; page shows "Last Update: March 1, 2023" for the template versions). The Customer may accept it directly in the Microsoft 365 admin centre, or may authorise FirstNet to confirm (attest) its acceptance to Microsoft. By signing the Service Schedule, the Customer:

4.1.1 confirms that it has read and accepts the MCA for its geography and customer type;

4.1.2 authorises FirstNet to attest that acceptance to Microsoft, giving the name, email address and date of acceptance of the person who signs for the Customer, who must be authorised to bind the Customer; and

4.1.3 acknowledges that Microsoft will send an automatic confirmation email to the Customer's primary contact.

4.2 Other Microsoft terms. The MCA incorporates Microsoft's Product Terms (https://www.microsoft.com/licensing/terms/, checked 13 October 2026), including the Microsoft Products and Services Data Protection Addendum (latest version May 2026, https://www.microsoft.com/licensing/docs/view/Microsoft-Products-and-Services-Data-Protection-Addendum-DPA, checked 13 October 2026), the acceptable use policy, and Microsoft's service level agreements for online services. These terms are between the Customer and Microsoft. Microsoft may change them as the MCA allows.

4.3 The MCA is a direct agreement between the Customer and Microsoft. Microsoft, not FirstNet, gives the warranties, service levels, service credits and data protection commitments for the Microsoft Products. FirstNet will pass on to Microsoft, and help the Customer pursue, any claim for a Microsoft service credit, and will credit the Customer with any credit FirstNet receives from Microsoft for the Customer's subscriptions. FirstNet adds no warranty of its own for Microsoft Products.

4.4 Microsoft may suspend or terminate the Customer's use of a Microsoft Product for breach of the MCA or the acceptable use policy. FirstNet is not liable for Microsoft's changes to, retirement of or pricing of Microsoft Products, but will pass on Microsoft's notices as soon as reasonably possible.

5. Customer responsibilities

5.1 The Customer must:

5.1.1 comply with the MCA, the Product Terms and the acceptable use policy, and make sure its users do;

5.1.2 not assign more users or devices than it has licensed, and tell FirstNet promptly when it needs more;

5.1.3 keep administrator credentials secure, enforce multi-factor authentication for administrators, and tell FirstNet immediately of any suspected compromise of the Tenant;

5.1.4 be responsible for all use of the Microsoft Products through its Tenant, including Azure consumption created by its users or by compromised credentials;

5.1.5 set budgets and alerts for Azure consumption (FirstNet sets default budget alerts at 50%, 80% and 100% when it builds an Azure landing zone);

5.1.6 approve GDAP relationships under clause 5.2 and keep its Partner of Record and contacts current; and

5.1.7 give FirstNet accurate information about whether it is a Consumer and its billing details.

5.2 GDAP. FirstNet accesses the Tenant only through GDAP relationships that the Customer approves, with the least-privileged roles needed for the services ordered and for a limited duration. FirstNet does not ask for permanent Global Administrator access through delegated admin. The Customer may end a GDAP relationship at any time, but FirstNet may then be unable to provide support for the affected Microsoft Products. Microsoft's description of GDAP is at https://learn.microsoft.com/en-us/partner-center/customers/gdap-introduction (checked 13 October 2026).

5.3 Security is shared. Microsoft Products give the Customer security and compliance controls, but the Customer's configuration and operation of its Tenant determine the outcome. Buying Microsoft licences does not by itself make the Customer compliant with POPIA.

6. Provisioning and lead times

6.1 New Tenants are set up after the MCA is accepted and the order is approved. A Partner of Record transfer needs the Customer to accept FirstNet's reseller relationship request in the Microsoft 365 admin centre. Subscriptions bought through another partner continue under that partner's terms until they end or are moved under Microsoft's transfer rules. Lead times are indicative only.

7. Service levels and support

7.1 FirstNet provides first-line support for Microsoft Products through Rapid Response under the Rapid Response Services Guide, and escalates to Microsoft. Microsoft's response times and resolution are outside FirstNet's control.

7.2 Microsoft's service levels for online services are set out in Microsoft's service level agreements and are Microsoft's commitments. FirstNet's own service levels (for example for its service desk) apply only if the Service Schedule states them.

8. Data, privacy and security

8.1 Customer data in the Tenant. Data the Customer stores in Microsoft Products is processed by Microsoft under the MCA and the Microsoft Products and Services Data Protection Addendum. Microsoft is not FirstNet's sub-operator for that data: the Customer contracts with Microsoft directly. Microsoft publishes the locations where it stores data for each service (including its South African datacentre regions for some services) and may process data outside South Africa as described in its Product Terms. The Customer is responsible for selecting regions and services that meet its data residency requirements and for any section 72 POPIA basis for transfers that Microsoft makes.

8.2 FirstNet's access. When FirstNet accesses the Tenant through GDAP to support or manage it, FirstNet acts as the Customer's operator for any personal information it can access, under the Data Processing Annexure.

8.3 Account information. FirstNet processes the Customer's contact, billing and administrator details as a responsible party to manage the account and must share them with Microsoft to place orders and attest MCA acceptance. Microsoft uses them as described in its privacy statement. FirstNet's Privacy Notice explains this processing.

8.4 Breach notification. If FirstNet becomes aware of a compromise of its own partner access to the Tenant, it will notify the Customer immediately, and in any event without undue delay, as set out in clause 8 of the Data Processing Annexure.

9. Fees, licences and changes

9.1 Prices are stated in the Service Schedule or FirstNet's quote in rand. This document states no prices.

9.2 Billing. License-based subscriptions are billed in advance for the billing frequency selected (monthly or annually, as Microsoft allows for the term). Azure and other consumption-based products are billed monthly in arrears on actual use, as reported by Microsoft. Microsoft's usage records are prima facie proof of consumption.

9.3 Price changes and exchange rate. Microsoft sets its prices in US dollars and changes them from time to time. Monthly-term subscriptions and Azure consumption may change price at any time on Microsoft's notice. Annual and three-year subscription unit prices are fixed in US dollars for the term by Microsoft. FirstNet bills in rand and may adjust rand prices for exchange-rate movements and Microsoft price changes on at least 30 days' notice, except where Microsoft gives FirstNet shorter notice, in which case FirstNet will give as much notice as it receives. The exchange rate basis, and whether a rand price is fixed for an annual or three-year term, are stated in the Service Schedule or quote.

9.4 Licence changes. The Customer can add licences at any time. Reductions and cancellations follow clause 10.

9.5 Monthly billing premium. Microsoft may charge more for paying monthly than annually for the same term, and FirstNet will pass that on as stated in the quote.

10. Term, renewal and cancellation

10.1 Subscription terms. Each license-based subscription runs for its NCE term (monthly, annual or three-year) and is committed for the whole term. Except as set out in clause 10.2, the Customer cannot cancel, or reduce the quantity of, a subscription during its term, and the Charges for the rest of the term remain payable even if the Agreement or Service Schedule ends.

10.2 Cancellation window. Microsoft currently allows a license-based NCE subscription to be cancelled (or its quantity reduced) within seven calendar days after it is bought or renewed, with a prorated refund (https://learn.microsoft.com/en-us/partner-center/customers/new-commerce-cancellation-policy, checked 13 October 2026). To use this window, the Customer must ask FirstNet in writing early enough for FirstNet to act within Microsoft's window. FirstNet will refund what it receives from Microsoft for the cancellation. If Microsoft changes the window, the Microsoft rule at the time of purchase applies.

10.3 Renewal. Each subscription renews automatically for the same term at Microsoft's then-current price, unless the Customer tells FirstNet in writing before the end of the term, early enough for FirstNet to make the change before the renewal date, that it wants to cancel, change the term or reduce quantities at renewal. FirstNet will remind the Customer about 90 days before an annual or three-year term ends. Where the Customer is a Consumer, FirstNet will give the renewal notice required by clause 3.5.3 of the Agreement, and a renewal for a further annual or three-year term needs the Consumer's express approval.

10.4 End of term without renewal. Since 4 May 2026, Microsoft no longer gives a free grace period for non-renewed subscriptions. If a subscription is set not to renew and the Customer has not asked for it to be cancelled at the end of the term, Microsoft moves it to an Extended Service Term billed monthly at Microsoft's higher extended rate, which FirstNet will bill to the Customer until the Customer cancels it (https://learn.microsoft.com/en-us/partner-center/customers/extended-service-terms, checked 13 October 2026).

10.5 Azure. Azure consumption has no term and stops being billed when resources are deleted. Azure reservations and savings plans are committed for their one-year or three-year term and are governed by Microsoft's exchange and refund rules.

10.6 Consumers. Where the Customer is a Consumer, the CPA applies to its contract with FirstNet. A Consumer may cancel a fixed-term agreement on 20 Business Days' notice, and FirstNet may charge only a reasonable cancellation penalty under section 14 of the CPA and regulation 5, which takes into account the amount FirstNet must still pay Microsoft for the committed term and cannot recover. FirstNet applies the same reasonable cancellation penalty to a Small Business Customer (clause 19.3 of the Standard Terms and Conditions). Before a Consumer buys an annual or three-year subscription, FirstNet will explain that it cannot be cancelled with Microsoft after the seven-day window.

10.7 Leaving FirstNet. The Customer may move its Tenant to another CSP partner or buy directly from Microsoft. FirstNet will cooperate with a Partner of Record transfer under Microsoft's process. Committed subscriptions remain payable to FirstNet for their term unless Microsoft transfers them to the new partner. The Customer keeps ownership of its Tenant data under the MCA; data retention after a subscription ends is governed by Microsoft's terms.

10.8 Ending the Agreement does not end committed subscriptions. If the Service Schedule ends, FirstNet may, at the Customer's choice, keep billing committed subscriptions until their term ends or transfer them under clause 10.7.

11. Suspension

11.1 FirstNet may suspend the Customer's ability to buy, and may ask Microsoft to suspend Microsoft Products, as allowed by the Agreement, including for non-payment after notice. Suspending a Microsoft Product can stop email, collaboration or other core business functions. FirstNet will therefore give the Customer written notice and a reasonable opportunity to pay before asking Microsoft to suspend for non-payment, and will tell the Customer which products will be affected.

11.2 Microsoft may suspend Microsoft Products under the MCA. FirstNet is not liable for a suspension by Microsoft unless it was caused by FirstNet's breach.

12. Liability specifics

12.1 FirstNet's liability is limited as set out in the Agreement. FirstNet is not liable for: (a) the performance, availability, security or data loss of Microsoft Products; (b) Azure consumption caused by the Customer's users, configuration or compromised credentials; (c) Microsoft's price changes, product changes or retirements; or (d) loss caused by the Customer's failure to use the cancellation window or give renewal instructions in time.

12.2 Nothing in this clause limits liability for FirstNet's gross negligence, fraud or wilful misconduct, or liability that cannot be limited under the CPA.

13. Regulatory notes

13.1 Microsoft Products are subject to United States and other export control and sanctions laws. The Customer must not use or allow access to them in breach of those laws.

13.2 Where a Microsoft Product includes calling or telephony (for example Teams Phone), the relevant FirstNet voice SST and the regulatory notes in the Agreement (including emergency calling limits) also apply.

14. Changes to these terms

14.1 FirstNet may update these SST when Microsoft changes CSP or NCE rules, or for changes in law or to clarify them, by publishing a new version at www.firstnet.co.za/legal-notices/. FirstNet will give at least 30 days' notice of material changes that are adverse to the Customer, unless Microsoft gives FirstNet shorter notice of the underlying change.

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