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## SMS Office Premium services - Information

### 1. *What is premium SMS*

SMS Office premium services allow our clients to run revenue generating SMS marketing, promotional, & entertainment services. This is known as MO (Mobile Originated or Pull)

Premium SMS allows customers to charge higher tariffs for SMS services such as marketing, gaming, voting, competitions, content delivery. Revenues from premium SMS services are shared amongst the mobile network operator and the client.

### 2. *Services Offered.*

SMS Office currently offers the following premium rate services.

2.1 **SMS Office Competitions** - Is a SMS based competition service allowing people to enter competitions from their mobile phones. SMS Office provides its customers with the facility to setup SMS competitions on one of our short codes. SMS Office will run and manage that competition on behalf of our clients. You will be able to track your competition progress through our comprehensive reports (including: number of entries, revenue generated, last 500 entries and the competition winners) which are available to you through your SMS Office account. Winners are selected using the SMS Office draw mechanism; winners can be notified via SMS as soon as the draw has been completed.

2.1.1 **Uses of SMS Competitions** - SMS competitions can be used to achieve a number of objectives.

- Help promote and launch new products
- Help build a client database.
- Increase customer loyalty

2.2 **SMS Office P \ V \ S** - Is a SMS Based Polling, Voting and Surveys service allowing people to submit their opinion or vote from their mobile phone. SMS Office provides its clients with the facility to setup these services on one of our short codes. SMS Office will run and manage the poll, vote or survey on behalf of our clients. You will however have live reports (including: number of entries - total number of entries per key word, revenue earned, last 500 entries as well as the results) with up to the second information available to you through your SMS Office account.

2.2.1 **Uses of SMS P \ V \ S** - SMS Polling, voting and surveys can be used to achieve a number of objectives

- Market research (survey on new products)
- Voting in conjunction with a programs such as idols and big brother
- Opinion polls on current events

### 3. Number Types

The following Number Types are offered in South Africa

#### 3.1 Dedicated Short code

- An exclusive cross-network compatible 5-digit number
- Examples: 31700, 32700, 35700.
- Each number range is related to a specific price. This is pre-determined by the network operators.
- A minimum of 2000 inbound (MO) messages is required per month for Vodacom and 500 for MTN.

#### 3.2 Shared Short code-Keyword Service

- A cross-network compatible 5-digit number that you share with other SMS Office clients.
- All messages received by SMS Office with your chosen keyword at the start of the message are sent to your account. Example: Number 32700, keyword = house.
- Each number range is related to a specific price. This is pre-determined by the network operators.
- A minimum of 500 inbound (MO) messages is required per month.

#### 3.3 Network Dependant Long Numbers

- Three 10-digit dedicated numbers, one per network operator.
- Example: 0824005000, 0834005000, 0844005000.
- These numbers are not cross-network compatible.

### 4. Short code Range

All network operators in South Africa follow the following numbering arrangement for short codes.

<b>SMS Office Premium Price Bands</b>			
31xxx - normal	32xxx - R1.00	33xxx - R1.50	34xxx - R2.00
35xxx - R3.00	36xxx - R5.00	37xxx - R7.50	38xxx - R10.00
39xxx - R 15.00	40xxx - R20.00	41xxx - R25.00	42xxx - R30.00

## 5. Setup Costs

Setup costs for the aforementioned services are standard across our various premium services. Please see the table below:

Number Type	Setup Fee (once off)		Monthly rental	Inbound fee
Dedicated Short code	R 2000.00		R 500.00	1/3 of a credit
Shared short code - Keyword service	1 <sup>st</sup> keyword	R 500.00	R 250.00	1/3 of a credit
	Addition keywords	R 250.00 per keyword	R 250.00	1/3 of a credit
	Spelling Variance *	R 100.00	R 250.00	1/3 of a credit
Network dependent Long numbers	R 1000.00		R 250.00	1/3 of a credit

These prices exclude VAT and are per allocated number.

- Setup is paid in advance.
- Rental is paid 3 months in advance.
- The keyword pricing is based on the number of keywords per price band. If a client requests multiple keywords on various price bands, then it will not be discounted as explained above.

\* **Spelling variance** - refers to additional keywords that are seen as incorrectly spelt versions of an existing keyword. For example the word “Colour” would be considered a spelling variance of “Color”. This will be considered on a case by case basis.

## 6. Pay outs

While SMS Office does not charge for use of this service, there is a routing and aggregation charge, which works in the following way. The person who uses the service, pays for the premium service with their air time (R3.00 or R 5.00), the networks then take a share before they pay it over to SMS Office. SMS Office works on a 60/40 revenue share split with our clients, giving the clients the lion’s share of 60%. It is important to note that the networks take 60 days to pay out. Payouts from SMS Office to the client will be within 30 days of receiving payouts from the networks.

A minimum volume of 500 MO messages per month for shared short codes is required before SMS Office will pass on any revenue.

Please note that 1/3 of a credit is charged for switching of inbound messages. Return messages to competition entrant’s costs 1 credit.

The network payout tables are listed below.

- Vodacom Payouts**

Price Band (Price charged to user)		Incl. Vat	R 1.00	R 1.50	R 2.00	R 3.00	R 5.00	R 7.50
Monthly Volume		Excl. Vat	R 0.88	R 1.32	R 1.75	R 2.63	R 4.39	R 4.39
PREPAID clients								
500+	Vodacom (Network Provider)	Excl. Vat	R 0.55	R 0.66	R 0.76	R 0.97	R 1.41	R 1.94
	Client (Content Provider)	Excl. Vat	R 0.33	R 0.66	R 0.99	R 1.66	R 2.98	R 4.64
CONTRACT clients								
500+	Vodacom (Network Provider)	Excl. Vat	R 0.51	R 0.57	R 0.63	R 0.77	R 1.03	R 1.36
	Client (Content Provider)	Excl. Vat	R 0.37	R 0.75	R 1.12	R 1.86	R 3.36	R 5.22

Price Band (Price charged to user)		Incl. Vat	R 10.00	R 15.00	R 20.00	R 25.00	R 30.00	
Monthly Volume		Excl. Vat	R 8.77	R 13.16	R 17.54	R 21.93	R 26.32	
PREPAID clients								
500+	Vodacom (Network Provider)	Excl. Vat	R 2.48	R 3.56	R 4.63	R 5.70	R 6.81	
	Client (Content Provider)	Excl. Vat	R 6.29	R 9.60	R 12.91	R 16.23	R 19.51	
CONTRACT clients								
500+	Vodacom (Network Provider)	Excl. Vat	R 1.69	R 2.35	R 3.00	R 3.66	R 4.32	
	Client (Content Provider)	Excl. Vat	R 7.08	R 10.81	R 14.54	R 18.27	R 22.00	

- Cell C Payout**

Price Band (Price charged to user)		Incl. Vat	R 1.00	R 1.50	R 2.00	R 3.00	R 5.00	R 7.50
Monthly Volume		Excl. Vat	R 0.88	R 1.32	R 1.75	R 2.63	R 4.39	R 6.58
500 +	Cell C (Network Provider)	Excl. Vat	R 0.59	R 0.73	R 0.87	R 1.15	R 1.71	R 2.41
	Client (Content Provider)	Excl. Vat	R 0.29	R 0.59	R 0.89	R 1.48	R 2.68	R 4.17

Price Band (Price charged to user)		Incl. Vat	R 10.00	R 15.00	R 20.00	R 25.00	R 30.00	
Monthly Volume		Excl. Vat	R 8.77	R 13.16	R 17.54	R 21.93	R 26.32	
500 +	Cell C (Network Provider)	Excl. Vat	R 3.11	R 4.52	R 5.92	R 7.32	R 8.73	
	Client (Content Provider)	Excl. Vat	R 5.66	R 8.64	R 11.62	R 14.61	R 17.59	

- **MTN Payouts**

Price Band (Price charged to user)		Incl. Vat	R 1.00	R 1.50	R 2.00	R 3.00	R 5.00	R 7.50
Monthly Volume		Excl. Vat	R 0.88	R 1.32	R 1.75	R 2.63	R 4.39	R 6.58
500	MTN (Network Provider)	Excl. Vat	R 0.83	R 1.08	R 1.31	R 1.78	R 2.70	R 3.83
	Client (Content Provider)	Excl. Vat	R 0.05	R 0.24	R 0.44	R 0.85	R 1.69	R 2.75
1K	MTN (Network Provider)	Excl. Vat	R 0.83	R 1.07	R 1.30	R 1.76	R 2.65	R 3.56
	Client (Content Provider)	Excl. Vat	R 0.05	R 0.25	R 0.45	R 0.87	R 1.75	R 3.02
10k	MTN (Network Provider)	Excl. Vat	R 0.73	R 0.96	R 1.17	R 1.60	R 2.44	R 3.46
	Client (Content Provider)	Excl. Vat	R 0.15	R 0.36	R 0.58	R 1.03	R 1.95	R 3.12
100K	MTN (Network Provider)	Excl. Vat	R 0.70	R 0.93	R 1.13	R 1.55	R 2.37	R 3.35
	Client (Content Provider)	Excl. Vat	R 0.18	R 0.39	R 0.62	R 1.08	R 2.02	R 3.23
1M	On Application							

Price Band (Price charged to user)		Incl. Vat	R 10.00	R 15.00	R 20.00	R 25.00	R 30.00
Monthly Volume		Excl. Vat	R 8.77	R 13.16	R 17.54	R 21.93	R 26.32
500	MTN (Network Provider)	Excl. Vat	R 4.93	R 7.14	R 9.31	R 11.48	R 13.63
	Client (Content Provider)	Excl. Vat	R 3.84	R 6.02	R 8.23	R 10.45	R 12.69
1K	MTN (Network Provider)	Excl. Vat	R 4.64	R 6.77	R 9.05	R 11.15	R 13.23
	Client (Content Provider)	Excl. Vat	R 4.13	R 6.39	R 8.49	R 10.78	R 13.09
10k	MTN (Network Provider)	Excl. Vat	R 4.47	R 6.46	R 8.42	R 10.37	R 12.30
	Client (Content Provider)	Excl. Vat	R 4.30	R 6.70	R 9.12	R 11.56	R 14.02
100K	MTN (Network Provider)	Excl. Vat	R 4.32	R 6.25	R 8.13	R 10.02	R 11.88
	Client (Content Provider)	Excl. Vat	R 4.45	R 6.91	R 9.41	R 11.91	R 14.44
1M	On Application						