

Telnet International Ltd Broadband Services

FAIR USAGE POLICY Version 2.0 (May 2007)

Telnet is committed to providing customers with a high quality service suitable for business use, at a competitive price. To achieve this Telnet uses a network that only carries data for businesses (which send and receive far less data than residential users, subsequently using less bandwidth). We manage the available bandwidth carefully and very closely. As with all broadband offerings the available bandwidth is contended across all users; if a group of users use a disproportionately large amount of bandwidth (i.e. transfer a disproportionately large amount of data) then this will:

- a. impact the available bandwidth for the rest of the users;
- b. potentially degrade the service;
- c. drive up the cost of delivering the service to Telnet customers.

It is a well-known fact among Internet Service Providers that on badly managed networks 1% of customers can utilise in excess of 30% of the available bandwidth. As Telnet provides an un-metered service (where we do not charge by the amount of data transferred) it is important that we ensure that all customers use the service fairly. Ultimately providing a poor quality of service is not an option for us, so unfair and disproportionate use of the Telnet service would lead to an increase in prices across all users. So as to ensure a high quality service at a competitive price, a FAIR USAGE POLICY applies to all users.

The majority of customers that will be affected by this policy are those using file sharing software such as peer-to-peer and binary newsgroups (USENET). Such software (for residential applications) is typically used to send and receive large files (such as music and videos) and can be left running throughout the day – this unreasonable use of the internet uses a massive amount of bandwidth and in many cases is illegal. Customers using their broadband service for sending e-mails, browsing web-pages and other typical business applications will not be affected.

A fair usage threshold has been set for the Telnet product set:

- **Standard ADSL services** (all speeds) are not expected to transfer more than **30 Gigabytes** of data during the course of a month.

- **ADSL Max services** are not expected to transfer more than **50 Gigabytes** of data during the course of a month. Data transfer is measured on the total amount of data uploaded and downloaded during a particular month.

MONTH 0 – The total amount of data the user downloads and uploads is measured in Gigabytes (GB).

MONTH 1, Usage Warning - If a user is seen to exceed the relevant monthly limit then we will contact the serving customer by the close of business on the **2nd working day of the month** by e-mail. The customer will be asked to contact their user and request that they modify their usage accordingly.

MONTH 2, Excess Usage Payment or Speed Restriction - If the customer's usage does not change by the end of the next month and following the warning, we will contact the customer by the close of business on the **2nd working day of that month** by e-mail. The customer then has the following choice to make:

1) EXCESS USAGE PAYMENT

In order for the service to continue to operate at the usual speed the customer can agree to pay for the excess usage over and above the relevant limit. The excess usage charge is set at **50p per GB**.

For example:

A customer has a Max 800 service and transferred 70GB in month 1. Despite being issued a warning, in month 2 they once again exceeded the FUP and transferred 80GB. The excess usage for month 2 was therefore 30GB (80GB minus 50GB) and the excess usage charge raised for month 2 was £15.

Customers must advise Telnet that they are willing to pay the excess usage charge, by way of return of the original e-mail, by the close of business of **the 3rd working day of the month**. If the customer's usage is over and above the relevant limit the following month, the customer will again be asked to pay for the excess usage.

If the customer is not willing to pay for the excess usage, or does not confirm acceptance of the excess usage charge by the close of business on the 3rd working day of the month, then the **customer's service will be restricted** – we will make available less bandwidth for the customer to use. This restriction will be placed on their service **until the 1st working day of the next month**. If the usage has dropped to an acceptable limit during the time the restriction is in place, the restriction will be lifted. But, if the limit has once again been exceeded the restriction will remain in place (unless the customer then agrees to pay for the excess usage for that month).

Customers using standard ADSL services will have the option to regrade to an ADSL Max service in order to take advantage of the higher limit for this service type. However, if a warning has already been issued and the customer breaches the limit in month 2, they will still be required to pay the excess usage charge or the service will be restricted until the migration completes. **Once a service has been regraded then any restriction in place will be lifted.**

For ADSL lines provisioned before May 2006 customers will be required to migrate their service to the new network – speed restrictions will then be put in place for the remainder of the month.

The customer will experience a slowing down of their service. The extent of this degradation will depend on what the customer is doing and how many users are connected to the service. If a small number of users are web-browsing and reading emails, they will notice a slowing of the service. If on the other hand they are using Peer-to-Peer or file sharing software, or they are downloading files from the internet or an external server, they will experience a significantly and possibly slower service.

With 10 Gigabytes of data transfer, a customer can:

- 1) send and receive a total of 100,000 emails
- 2) view over 100,000 standard web pages
- 3) transfer over 10,000 1mb files, or
- 4) make 80,000 minutes worth of FeaturePlus calls

The Fair Usage Policy applies to all ADSL variants, but **does not apply to SDSL products**.