Netplan Discounts Section

Contents

Click on the section that you are interested in.

1	About the Netplan section Our Customer Terms	4
	Inconsistencies	4
2	What is Netplan?	2
	Netplan 1 and 2	2
	Availability – no new orders	2
	Eligible services	2
	Netplan 1 eligible services	3
	Netplan 2 eligible services	3
	Choosing your yearly spend level or benchmark	3
	Changing your benchmark	3
	Monthly service fee	3
	Minimum period	2
	Netplan will be automatically extended	۷
	Cancelling Netplan	4
3	Discount levels and payment	4
	Paying your discount	4
	Netplan 1 discount levels	4
	Netplan 2 discount levels	6
4	Reconciling the discounts paid to you	•
	When we reconcile your discounts	6
	Reconciling your discounts	6



Netplan Discounts Section

Certain words are used with the specific meanings set out in the <u>General Terms of Our Customer</u> Terms.

1 About the Netplan section

Our Customer Terms

- 1.1 This is the Netplan section of Our Customer Terms.
- 1.2 The General Terms of Our Customer Terms apply.

Inconsistencies

- 1.3 If the General Terms of Our Customer Terms are inconsistent with something in the Netplan section, then the Netplan section applies instead of the General Terms, to the extent of the inconsistency.
- 1.4 If a provision of the Netplan section gives us the right to suspend or terminate your service, that right is in addition to our rights to suspend or terminate your service under the General Terms of Our Customer Terms.

2 What is Netplan?

Netplan 1 and 2

- 2.1 Netplan is a pricing option that offers you variable discounts on your eligible services. There are two Netplan pricing options:
 - (a) Netplan 1; and
 - (b) Netplan 2.

Availability - no new orders

2.2 From 1 November 2004 Netplan will no longer be available to new customers. If you already receive discounts under Netplan you will continue to receive those discounts in accordance with this section of Our Customer Terms. If you held an eligible service prior to 1 November 2004 and have yet to apply for a Netplan discount in respect of that service, you may apply for a discount equivalent to the Netplan discount relevant to that service.

Eligible services

2.3 You must nominate the accounts that are to receive the Netplan 1 or Netplan 2 discounts



Netplan Discounts Section

(**your eligible services**). The accounts must be for services that are eligible for the Netplan 1 or Netplan 2 discounts.

2.4 You must tell us of any changes to your nominated accounts from time to time.

Netplan 1 eligible services

2.5 You can nominate Digital Data Service (DDS), DDS Fastway and DDS Flexnet for Netplan 1 discounts.

Netplan 2 eligible services

2.6 You can nominate Digital Metropolitan Service (DMS), Voicelink C, Voicelink T, MDATS (Multi Point Dedicated Alarm and Telemetry Service), Frame Relay, Integrated Frame Relay, IP WAN and ATM services for Netplan 2 discounts.

Choosing your yearly spend level or benchmark

2.7 You must nominate a level of yearly spend on your eligible services (**your benchmark**) by telling us in writing.

Your benchmark is used in determining the actual discount that you are entitled to.

Changing your benchmark

- 2.8 You can increase your benchmark from time to time by telling us in writing.
- 2.9 You can decrease your benchmark from time to time by telling us in writing only if:
 - (a) you either dispose of business or there is substantial decrease in the assets of your business, and as a result your requirements for your eligible services are projected to substantially decrease;
 - (b) you move to functionally equivalent services that we approve; or
 - (c) there is a change to the standard charges for your eligible services.
- 2.10 A change in your benchmark takes effect after you tell us on the first day of the next billing period for your eligible services.

Monthly service fee

2.11 We charge you the following monthly service charge for Netplan 1 and Netplan 2. If you receive Netplan 1 and Netplan 2 discounts, we charge you two separate monthly service charges.



Netplan Discounts Section

Monthly service charges	GST excl.
Charge per account	\$20.00
Maximum monthly service charge	\$500.00

Minimum period

- 2.12 You have to participate in Netplan 1 and Netplan 2 for at least 12 months.
- 2.13 If you give us your nominated accounts and benchmark on or before the 20th day of the month, the 12-month period starts on the first day of the next month.
- 2.14 If you give us your nominated accounts and benchmark after the twentieth day of the month, the 12-month period starts on the first day of the second calendar month after you gave us this information.

Netplan will be automatically extended

2.15 Netplan will be automatically extended each year for a further 12 months, unless you tell us in writing that you wish to cancel it.

Cancelling Netplan

2.16 You can cancel Netplan without penalty at any time by telling us in writing. If you do, Netplan will end on the last day of the next calendar month.

3 Discount levels and payment

Paying your discount

- 3.1 We pay you the discount payable for each billing period in accordance with our standard procedures.
- 3.2 The discount that is payable to you is worked out by multiplying the applicable discount level for the billing period by your expenditure on your eligible services for that period. Your expenditure on your eligible services is calculated before Netplan discounts are applied and excludes any installation charges and other once only charges.

Netplan 1 discount levels

- 3.3 The discount level for Netplan 1 is the sum of the following discounts set out below:
 - (a) the standard discount level;



Netplan Discounts Section

- (b) the help desk discount; and
- (c) the benchmark discount.
- 3.4 The **standard discount level** is calculated as follows:

Netplan 1 standard discount level		
Benchmark (GST excl.)	Discount	
0 to less than \$750,000	4.0%	
\$750,000 to less than \$1,000,000	6.0%	
\$1,000,000 to less than \$2,000,000	8.0%	
\$2,000,000 to less than \$3,000,000	10.0%	
\$3,000,000 to less than \$4,000,000	12.0%	
\$4,000,000 to less than \$6,000,000	13.0%	
\$6,000,000 to less than \$8,000,000	14.0%	
\$8,000,000 to less than \$16,000,000	15.0%	
\$16,000,000 to less than \$30,000,000	16.0%	
\$30,000,000 to less than \$45,000,000	17.0%	
\$45,000,000 and over	18.0%	

- 3.5 A further **help desk discount** of 1% applies if you operate a centralised help desk facility and ensure your users direct all reports of service difficulties to your help desk and not to us. To be eligible for this discount, your help desk must provide initial diagnostics, screening of end user service difficulties and a central point of contact for reporting of all faults to us concerning all your eligible services.
- 3.6 A further **benchmark discount** applies if your expenditure on your eligible services for the last 12 months of the continuous management period is at least 50% of your benchmark.
- 3.7 If the continuous management period is more than 12 months, but less than 24 months, the benchmark discount is 0.5%.
- 3.8 If the continuous management period is 24 months or more, the benchmark discount is



Netplan Discounts Section

1%.

Netplan 2 discount levels

- 3.9 The discount level for Netplan 2 is the sum of the following discounts set out below:
 - (a) the standard discount level; and
 - (b) the help desk discount.
- 3.10 The **standard discount level** is calculated as follows:

Netplan 2 standard discount level		
Benchmark (GST excl.)	Discount	
0 to less than \$750,000	5.0%	
\$750,000 to less than \$1,000,000	7.0%	
\$1,000,000 to less than \$2,000,000	9.0%	
\$2,000,000 and over	11.0%	

3.11 A further **help desk discount** of 1% applies if you operate a centralised help desk facility and ensure your users direct all reports of service difficulties to your help desk and not to us. To be eligible for this discount, your help desk must provide initial diagnostics, screening of end user service difficulties and a central point of contact for reporting of all faults to us concerning all your eligible services.

4 Reconciling the discounts paid to you

When we reconcile your discounts

4.1 We reconcile your discounts at the end of each 12-month period and when you cancel Netplan.

Reconciling your discounts

- 4.2 In reconciling your discounts, we use your actual benchmark for the last 12-month period (or shorter period if you cancelled Netplan). Your actual benchmark is either:
 - (a) your benchmark that was current during that period; or
 - (b) if you changed your benchmark during that period, the average of your



Netplan Discounts Section

benchmarks over the period (weighted by the number of days in the billing periods in which each benchmark applied).

If you have cancelled Netplan we pro rata the figure on a daily basis to the date that you cancelled it.

- 4.3 If your expenditure on your eligible services for the period is equal to or exceeds your actual benchmark for the period, there is no change in the discount payable to you.
- 4.4 If your expenditure on your eligible services for the period is less than your actual benchmark for the period, we recalculate your discount.
- 4.5 Your discount for the period will be recalculated as follows:
 - (a) You will be entitled to discounts, recalculated using the discount levels that would have applied if your benchmark for the period had been equal to the your expenditure on your eligible services for the period.
 - (b) We minus an amount from this figure if your expenditure on your eligible services is less than your actual benchmark for the period because of factors other than those that allow you to decrease your benchmark. We minus an amount equal to 1% multiplied by your expenditure on your eligible services for the period.
- 4.6 If the recalculated discount is less than the sum of the discounts that were originally payable to you over the period, you must pay us the difference between these two amounts within 60 days of the end of the relevant 12-month period.

