

Dedicated Charity Shortcode – UK

Kapow can provide Charities with their own Dedicated Charity Shortcode in the UK. Charity Shortcodes can only be used by registered Charities and enable the organisation to receive the full donation amount, including the VAT amount. Instead of taking a cut from the revenue, the networks bill a much smaller service charge on each Premium Message.

Text donations with incentives, such as competitions or ringtones, cannot be run on Charity Shortcodes and must run on a standard Shortcode instead.

Price Points

Your Dedicated Charity Shortcodes will have a billing price point set at the time of order. This is the amount that the mobile user is billed when you send them a Premium SMS. Price points are available from £1 to £10.

Associated Costs; *

Dedicated Shortcode

Set-up: £500

Monthly fee: £750

Related Charges

With the exception of Virgin, the full amount of revenue (e.g. £1) is paid to the Charity, including the VAT amount. A service charge is then deducted. Below are the service charges for the most popular price points (others are available on request). The related service charges shown are subject to VAT, currently set at 20%.

| Shortcode | O2 | Orange | Virgin | T-Mobile | Vodafone | Three |
|-----------|------|--------|--------|----------|----------|-------|
| £1.00 | 6p | 12.7p | 1.2p | 22.4p | 6.3p | 8.6p |
| £1.50 | 7.5p | 19.1p | 1.6p | 33.6p | 8.3p | 12.6p |
| £3.00 | 12p | 38.1p | 4.2p | 38.1p | 14.2p | 24.3p |
| £5.00 | 18p | 63.5p | 18.8p | 63.5p | 22.2p | 40p |
| £10.00 | 33p | £1.27 | £1.677 | £1.27 | 42p | 79.3p |

*Set up and monthly fees are subject to VAT.

Example: £1 revenue, minus a service charge of 6p + VAT means you will effectively receive 92.8p for messages on the O2 network.

Virgin Revenue

Virgin is the only network which does not pass the full revenue amount to the Charity. Instead they pass on a reduced amount per text, as shown in the table below.

| Shortcode | Amount Paid by Virgin |
|-----------|-----------------------|
| £1.00 | 89p |
| £1.50 | £1.335 |
| £3.00 | £2.67 |
| £5.00 | £4.45 |
| £10.00 | £8.90 |

The service fee as shown in the previous table is then deducted.

Example: For a £1 text Virgin pay 89p. The service fee of 1.2p+ VAT is deducted. This means you will effectively receive approximately 88p for messages on the Virgin network.

Billing

Billing is MT (Mobile Terminated) only, so the mobile user is billed when you send them a Premium SMS. Mobile users must 'opt-in' by sending a text to your Dedicated Shortcode. Texts sent to the Shortcode by the mobile user will be billed at their networks standard rate.

Lead Time

8-12 weeks for a Dedicated Charity Shortcode service. Please inform your Account Manager if you will need the service live for a specific date.

Minimum Term

12 Months.

Cancellation

Once you have exceeded the minimum term for your service, the cancellation period is 1 full calendar month. For example, if you wanted April to be your last billing period you must inform us by 31st March.

Revenue Payment

The first payment of revenue will be issued within 8 weeks. We will send you a statement (on or around the 15th of the month) for the previous month, and you may then invoice us for the amount. Invoices will be paid within 30 days by BAC's or cheque.

PhonepayPlus

This is the industry-funded regulatory body for all Premium Rate telecommunications services and all services must meet their requirements. Please visit www.phonepayplus.org.uk for details. You must be fully aware of all regulations applicable to your service/s before proceeding with an order application. We reserve the right to refuse service if we feel that regulations are not being met.

Out-Payment rates/service charges, set-up and monthly charges may be amended with prior notification.

GLOSSARY

BACS: Is an acronym for the **Bankers' Automated Clearing Services**, taking up to three working days.

Invoices: Refer to your *payment of revenue*, for which you can invoice Kapow once you have received your statement.

Lead time: Is a term used to indicate the set-up time for one's Kapow Premium SMS Service.

Minimum term: Is the minimum length of time needed to commit oneself to the Kapow Premium SMS service.

Network Provider: Refers to the different network Providers that you and the mobile users may use with the Kapow Premium SMS service.

Out-Payment: Refers to the remaining amount of revenue which you will receive per message.

PhonepayPlus: Is the regulatory body responsible for all premium rate telecommunication services.

Premium SMS: Is a service offered by Kapow enabling a Company to generate revenue by charging the recipients of SMS messages sent through the Kapow SMS Gateway.