



Telkom Fibre Network for Raptor's View Wildlife Estate Additional Notes (after questions received from Owners)

The resolution to enter a contract with Telkom for the installation and maintenance of a fibre network system on Raptor's View Wildlife Estate includes:

- a fibre connection to the houses that request this service; and
- the value added service of an intercom system for communication between houses, the main gate and the contractor's gate – again for houses that request this service.

It does not include any of the other value added services on offer in Telkom's proposal such as:

- fibre outlay and cameras along the perimeter fence for CCTV Security;
- smart metering; or
- digital advertising boards.

The resolution also includes approval for the capital expenditure for a structure that will house the Telkom fibre network equipment.

The terms of the Telkom contract commit the estate to using Telkom as the fibre service provider for a duration of 10 years. It is unlikely that other fibre network providers would be enthusiastic about deploying long-distance fibre loops to small and remote rural towns like Hoedspruit. One of the reasons Telkom is able to offer the service, is that they have an existing fibre network already in place to support their telecommunications network.

Any fibre services – the intercom, landline and broadband connection to individual houses – require a port of entry (POE). Houses that already have Telkom services have this POE (the sleeve that currently holds the copper cable from the Telkom manhole on the main road to the individual house) but it may require some additional work. Should this resolution be approved by Owners, the RVHOA will do its utmost to have costs for new POEs, and repairs to existing POEs, covered by Telkom as part of the contract, but this cannot be guaranteed.

The intercom system handset will be provided by Telkom and is a totally separate physical instrument to existing Telkom landline handset. This will be used for internal communication between houses and the gates only; these calls are at no cost. It cannot be used to make outside calls.

Costs & Procedures

We have investigated Telkom's proposed costings and they are comparable to those charged to other gated communities that have installed Telkom fibre networks.

All stands would be required to pay the monthly fee of R53.37 (plus VAT).

Thereafter, stands with completed houses would be charged the additional monthly cost of R52 (plus VAT). Subscribers to the fibre service would also be charged a monthly Active Port Fee of R 179 (plus VAT). This fee would only be charged once – covering both landline and/or broadband connections.

If only the intercom service were chosen, the Active Port Fee of R179 would not be charged.

If this resolution is approved by Owners, and once a contract is signed, Telkom will hold an information session to further explain the finer details applicable to individual residents: including the migration process for existing clients, and the choice of voice and broadband packages available to new and existing clients.

Residents with no Telkom account wishing to make use of these new services will need to open an account with Telkom.

The free 2-months promotional service of 100Mbps broadband line with 200GB of data is for residents to experience the full speed of the fibre network, and for Telkom to fully test the system before they sign off on the network and activate billing.

Telkom will provide a fibre broadband router as part of the promotion. However, the router remains the property of Telkom and will be recovered after the promotional period, unless the resident signs up for a Telkom contract which includes a router – these are normally 2-year contracts. Of course, residents may use their existing router if it is compatible, or purchase their own compatible router outright.

Voice services will also be available during the trial but will be charged for at standard rates.

By default, after the free 2-month-period, the service will switch to a billable 10Mbps / 100GB package. However, residents will be free to choose their own voice and data packages and Telkom undertake to make contact with the resident prior to the end of the free period, to confirm their choice of package going forward. This could include a choice of:

- voice package;
- broadband line speed; and
- data package (provided either by Telkom or the resident's choice of ISP).

For existing Telkom clients:

Attached is a document showing a series of price comparisons between various residents' current Telkom accounts for voice and internet services, and similar new options on the proposed fibre network. Also included, is a cost comparison between non-Telkom wireless internet providers and similar broadband options on the proposed fibre network.

It is important to note that any existing Telkom voice services will be migrated to the fibre network. Furthermore, should a resident's existing voice plan pricing be cheaper than the fibre voice packages on offer, Telkom will honour and retain the pricing of the existing plan.

Existing landline handsets will continue to function on the fibre network via an adaptor that will be provided free of charge by Telkom.

Residents' existing Telkom accounts will be amended to reflect the options chosen.