

- (a) The customer agrees to take a minimum period of either 3 or 5 years;
- (b) The discount is either 5% or 10% as the case may be;
- (c) the standard terms and conditions for this service apply (i.e., no variation)

11.3 OTHER SERVICES

The Corporation's policy in respect of all other prescribed services is that it does not allow discounts.

11.4 MAXIMUM DISCOUNTS

The maximum discount which was allowed by the Corporation as at the end of the quarter was 10% in respect of prescribed services.

11.5 DISCOUNTS OF OR EXCEEDING 10%

A discount of 10 % is offered to customers taking International Private Leased services digital links for 5 years.

11.6 CRITERIA FOR VOLUNTARY WELFARE ORGANISATIONS REQUESTING TELEPHONE CONCESSIONS

Telecom invites applications from organisations of a purely charitable or welfare nature for a reduction of their business tariff rate to the residential tariff rate for telephone services.

In order to qualify for this concession the organisation shall as a minimum meet the following criteria.

1. The organisation has been exempted from liability to pay income tax by the New Zealand Inland Revenue Department because of its charitable purpose and in the course of its activities there shall be no provision for the organisation to distribute money or assets to its members;
2. Any telephone service subscribed for by the organisation shall be used only for its charitable or welfare purposes;
3. If the telephone number is advertised it must only be for the purpose of informing the public about the organisation's charitable or welfare services;
4. The organisation shall not be involved in any commercial or trading activity as its primary function and any such activity shall be incidental to its charitable or welfare purposes;
5. The organisation shall not be, or be under the authority of:
 - a department or branch of central government
 - a regional or local authority (such as a school, hospital or library)

Note:

- a. Upon request from Telecom, the organisation shall supply a statement certifying that the above criteria continue to be met together with supporting information as requested.
- b. If granted by Telecom, the concession will apply for an initial period of one year. It may be terminated at any time if Telecom is not satisfied on reasonable grounds that the above criteria are being met.
- c. The line(s) for which the concession is sought shall be only used for telephone voice transmission, unless the organisation operates one telephone line only and uses it for both voice and fax transmissions.
- d. Data or fax transmissions shall be charged at business rate.

11.7 COMMERCIAL TERMS

In the course of commercial negotiations, principally with network operators, Telecom may agree to terms which could fall within the definition of discount in the regulations. For example, Telecom may agree to price stability arrangements for part or all of the Telecom's network services over certain periods of time. The value of price stability arrangements are not readily quantifiable at the time they are agreed, since they relate to possible price changes which have not yet occurred.

