1. INTERPRETATION

In this Agreement the following terms have the following meanings:

1.1 "Access Code" means any code (from the standard series of access codes established by TCNZ for alternative networks and STD toll by-pass) allocated to the Service Operator's Network by TCNZ in accordance with the provisions of Item 5 of Schedule C (and amended from time to time pursuant to the provisions of Clauses 8.2 and 8.4) which is used by the Service Operator's End Users to prefix Calls intended for delivery from a Telecom ROC's Network to the Service Operator's Network.

1.2 "Agreement" means this agreement entitled "Interconnection Agreement" as amended from time to time.

1.3 "All ROCs" shall be read as referring collectively to all companies listed in Item 1 of Schedule A.

1.4 "ANI Charge" means the charge calculated in accordance with Item 3 of Schedule J as amended from time to time.

1.5 "Bill Rate" means the average 3 month bank bill mid rate as quoted on Reuters Screen page BKBM (known as at the date of this Agreement as the "FRA" rate) at or about 10.45 a.m. as at the relevant date PROVIDED THAT if on or about that time for any reason the Reuters Screen page BKBM is not then available then the appropriate rate shall be the average of the rates (determined after excluding the highest and lowest rates) for funding for a tenor of 3 months quoted to the party entitled to receive interest for the purposes of which the Bill Rate is to be calculated, at or about 11.00 a.m. on that day by ANZ Banking Group (New Zealand) Limited, Bank of New Zealand, National Australia Bank (NZ) Limited, The National Bank of New Zealand Limited and Westpac Banking Corporation ("the Banks") and if less than four of the Banks shall quote rates, then:

1.5.1 in the case where a Telecom ROC is entitled to receive the interest, such rate as TCNZ may reasonably determine to be the nearest practicable equivalent; or

1.5.2 in the case where the Service Operator is entitled to receive the interest, such rate as the Service Operator may reasonably determine to be the nearest practicable equivalent.

1.6 "Call" means a signal or series of signals intended by the Service Operator's End User to be conveyed from a Telecom ROC's Network to the Service Operator's Network or from the Service Operator's Network to a Telecom ROC's Network whether or not that signal or series of signals is so conveyed to effect actual communication between the Service Operator's End User and the intended recipient of the signal or signals; but does not include line signals including (without limitation) any seize and release signal or signals, or information signals including (without limitation) any number identification information.

1.7 "Call Charges" means the charges calculated in accordance with Item 2 of Schedule J as amended from time to time.

1.8 "Chargeable Call" means any Call:

1.8.1 delivered or (in a case where no free Link in the Service Operator's Network is available) offered to be delivered from a Telecom ROC's Network to the Service Operator's Network; or

1.8.2 delivered from the Service Operator's Network to a Telecom ROC's Network which gives rise to the transmission of an answer line signal (as referred to in Item 3 of Schedule E) from the Telecom ROC's Network;

whether or not actual communication takes place between the originator of the Call and the intended recipient of the Call. For the purposes of Clause 1.8.1, a Call is "delivered" where there is a seizure of a free Link terminating in the Service Operator's Network.

1.9 "CCITT" means the International Telegraph and Telephone Consultative Committee.