



COMMERCE COMMISSION

**STANDARD TERMS DETERMINATION FOR
TELECOM'S UNBUNDLED COPPER LOCAL LOOP
NETWORK SERVICE**

**SCHEDULE 3
UCLL SERVICE LEVEL TERMS
PUBLIC VERSION**

7 November 2007

Updated to incorporate Commerce Commission clarifications up to 23 December 2009

Table of contents

1	Introduction.....	1
2	Scope.....	3
3	Service Levels.....	3
4	Exclusions.....	4
5	Access Seeker Forecasts	4
6	Reporting on Service Levels	4
7	Service Levels Defaults.....	5
8	Performance Penalties	5
9	Reconciliation of Performance Penalties	5
Appendix 1.....		7
	Provision of UCLL Service.....	7
	Fault Management for UCLL Service.....	11
	Telecom Forecasting for UCLL Service	12
Appendix 2.....		13
	Operational Support System SLAs for UCLL Service	13
Appendix 3.....		14
	Performance Penalties	14
Appendix 4.....		17
	Standard Lead-Times	17

1 Introduction

1.1 These Service Level Terms (**SLA**) are part of the UCLL Terms, which set out the rights and obligations of Telecom and Access Seekers in relation to Telecom's unbundled copper local loop network service (**UCLL Service**).

1.2 The operational requirements for the UCLL Service are set out in the UCLL Operations Manual.

1.3 References to clauses or sections are references to clauses and sections of this SLA unless stated otherwise. The definitions set out in the UCLL General Terms and the UCLL Operations Manual apply to the extent that they are not expressly modified by or inconsistent with the context of this SLA. The definitions set out in clause 1.4 apply to this SLA.

1.4 Definitions

In this SLA:

Appendix 2 Deliverables	means those deliverables set out in Appendix 2.
Appendix 2 Service Levels	means those Service Levels set out in Appendix 2.
BAU Forecast	has the meaning given to it in the UCLL Operations Manual.
Business Hours	means 8.00am to 5.00pm on any Working Day.
Cabinetisation Forecast	means the cabinetisation forecasts required to be provided by Telecom to Access Seekers under the UCLL General Terms.
Charge	means any amounts payable under the UCLL Terms.
Consecutive Business Hours	means a number of consecutive hours (including fractions of hours) within Business Hours (where the first Consecutive Business Hour in a Working Day is consecutive to the last Consecutive Business Hour in the preceding Working Day).
Core UCLL Transaction Service	includes a MPF New Connection Order, MPF Transfer Order, Other Service to MPF Transfer Order, MPF Move Address Order, and a MPF Relinquishment.
Deemed Acceptance Time	means the time which is four Consecutive Business Hours after the Receipt Time of a valid Order. To avoid doubt, an Order may still be rejected notwithstanding a deemed acceptance.
Deliverable	means a Level A Deliverable or a Level B Deliverable.
Determination Date	means the date on which the UCLL Standard Terms Determination relating to the UCLL Service comes into force.
Fault Restoration Hours	means 7:00am to 7:00pm, seven days a week and Fault Restoration Hour means one hour within this period.
Future Service Level Deliverable	means any deliverable that is added to this SLA in accordance with the change mechanism set out in section 10 of the UCLL General Terms.
Future Service Levels	is the means by which Telecom's performance of a Future

Service Level Deliverable will be measured.

Half Contract Year	means a six month period ending on 31 March and a six month period ending on 30 September.
Level A Deliverables	means those deliverables performed by Telecom pursuant to this SLA for which failure by Telecom may cause the Access Seeker diminished service quality in providing services to its End Users, as set out in Appendix 1 and Appendix 2.
Level A Service Level	is the means by which Telecom's performance of a Level A Deliverable is measured (except as may be otherwise provided) on a calendar monthly basis, as set out in Appendix 1 and Appendix 2. A Level A Service Level is subject to any exclusions specified in this SLA.
Level A Service Level Default	means a failure by Telecom to meet the Level A Service Level corresponding to a particular Level A Deliverable.
Level B Deliverables	means those deliverables performed by Telecom pursuant to this SLA which failure by Telecom is unlikely to cause the Access Seeker diminished service quality in providing services to its End Users, as set out in Appendix 1 and Appendix 2.
Level B Service Level	is the means by which Telecom's performance of a Level B Deliverable is measured (except as may be otherwise provided) on a calendar monthly basis, as set out in Appendix 1 and Appendix 2. A Level B Service Level is subject to any exclusions specified in this SLA.
Level B Service Level Default	means a failure by Telecom to meet the Level B Service Level corresponding to a particular Level B Deliverable.
Penalty Rate	means the percentage used in the calculation of Performance Penalties, as described under the "Calculation of Penalty Rate" section set out in Appendix 3.
Performance Penalty	means the amount that an Access Seeker is entitled to claim in the event of a Level A Service Level Default, calculated in accordance with section 8 and Appendix 3.
Receipt Time	means: (a) for Orders that are made using the OO&T system, the time that the electronic communication containing the Order enters the OO&T system; or (b) for Orders that are made by email, the time that a Order is received in the Telecom designated inbox for receipt of such Orders, provided that where an Order is received outside Business Hours, the Receipt Time will be the start of the first Business Hour of the following Working Day.
RFS Date	means the date advised by Telecom in accordance with clause 8.2.10 of the UCLL Operations Manual.

Service Levels	means, collectively, Level A Service Levels and Level B Service Levels.
Service Level Default	means a Level A Service Level Default or a Level B Service Level Default.
Specified Date	means, in respect of Future Service Levels, the date agreed under the change mechanism set out in section 10 of the UCLL General Terms.
Standard Lead-Time	means the time period that it will take Telecom to provision a Core UCLL Transaction Service. Refer to Appendix 4 for a list of Standard Lead-Times.
Tolerance Level	means minimum acceptable levels of performance of a Service Level for a Deliverable, expressed as a percentage, in Appendix 1 and Appendix 2.

2 Scope

- 2.1 This SLA:
- 2.1.1 sets out the quality and performance of the Service Level commitments of Telecom to the Access Seeker for the delivery of the UCLL Service; and
 - 2.1.2 provides for a penalty mechanism where Telecom fails to meet its Service Levels.
- 2.2 This SLA may be changed in accordance with the change mechanism set out in section 10 of the UCLL General Terms.
- 2.3 Telecom will initially review the SLA 12 months after the Determination Date and thereafter every second year, with each biennial review commencing on the anniversary of the Determination Date (or earlier if requested by the Access Seeker and an earlier review is agreed to by Telecom). The change mechanism set out in section 10 of the UCLL General Terms will apply to any changes proposed by Telecom as a result of any review.

3 Service Levels

- 3.1 Telecom will provide the Deliverables in accordance with this SLA.
- 3.2 Service Levels are classified as either Level A Service Levels or Level B Service Levels.
- 3.3 The Service Levels set out in Appendix 1 apply from the Determination Date.
- 3.4 The Service Levels set out in Appendix 2 apply 20 Working Days from the Determination Date.
- 3.5 Any Future Service Levels will apply from the Specified Date.
- 3.6 The nature of any Future Service Levels, including their respective Tolerance Levels, will be set via the change mechanism process under section 10 of the UCLL General Terms.
- 3.7 If the Access Seeker updates or changes an Order under clause 8.2.12 of the UCLL Operations Manual, the Service Levels applicable to that Order (as updated or changed) will be measured from the date that update or change was made by Telecom.

4 Exclusions

- 4.1 The Service Levels will not apply where:
- 4.1.1 a Service Level Default is due to a Force Majeure Event;
 - 4.1.2 a Service Level Default is a direct result of an Access Seeker failing to comply with an express obligation under the UCLL Terms;
 - 4.1.3 expressly stated in the UCLL Operations Manual;
 - 4.1.4 a Service Level Default is a direct result of:
 - (a) a fault that is the Access Seeker's responsibility under the UCLL General Terms; or
 - (b) anything (including any fault) caused by the telecommunications network or equipment of any third party or the Access Seeker's Network or the Access Seeker's Equipment;
 - 4.1.5 a fault is reported and no fault for which Telecom is responsible is detected when the service is tested from end to end;
 - 4.1.6 a Service Level Default is due to a failure by the Access Seeker or its End-User to allow access to the premises or equipment when reasonably requested;
 - 4.1.7 remedying a Service Level Default would result in a material health and safety risk for a Telecom employee or agent, the avoidance of which could not have been realistically predicted by Telecom; or
 - 4.1.8 agreed between Telecom and the Access Seeker.
- 4.2 Further exclusions or limitations to Telecom's liability in respect of specific Service Levels are set out in Appendix 1 and Appendix 2. The exclusions and limitations provided in Appendix 1 and Appendix 2 are in addition to the general exclusions set out in this clause 4 and in no way limit the exclusions set out in this clause 4.
- 4.3 Where Telecom makes a decision that a Service Level Default has not occurred because one or more of the exclusions apply, the details of the exclusion are to be recorded and reported in Telecom's monthly performance report provided in accordance with clause 6.1.

5 Access Seeker Forecasts

- 5.1 The Access Seeker will provide BAU Forecasts to Telecom in accordance with the procedures and time frames set out in the UCLL Operations Manual. The consequences of the Access Seeker failing to provide a BAU Forecast or failing to provide an accurate BAU Forecast will be as set out in clauses 6.1.4, 6.1.32, 6.1.33 and 6.1.34 of the UCLL Operations Manual.

6 Reporting on Service Levels

- 6.1 Telecom will provide the Access Seeker with a performance report each month. The report will be delivered or made available to the Access Seeker within 10 Working Days of the end of each calendar month in electronic format. The report will detail Telecom's performance and compliance with each of the Service Levels over the preceding month. The format and content of the

performance report will be proposed by Telecom within 10 Working Days of the Determination Date for approval by the Commission.

6.2 Telecom will provide the Access Seeker and the Commission with an electronic copy of a consolidated performance report within 10 Working Days of the end of each calendar month. The report will detail Telecom's performance and compliance with each of the Service Levels over the preceding month for all Access Seekers. The format and content of the performance report will be proposed by Telecom within 10 Working Days of the Determination Date for approval by the Commission.

6.3 The consolidated version of the performance report provided in accordance with clause 6.2 must be made publicly available on a Telecom website at the same time as it is provided to the Access Seeker and the Commission.

7 Service Levels Defaults

7.1 In the event of a Service Level Default, Telecom will provide a report to the Access Seeker and the Commission detailing:

7.1.1 the cause of and procedure for correcting such Service Level Default;

7.1.2 the steps taken by Telecom to remedy the Service Level Default and the effectiveness of those steps; and

7.1.3 any previous Service Level Defaults in respect of that Deliverable occurring during the current and preceding Half Contract Year.

The report will be provided each month until the Service Level Default is remedied, at the same time as Telecom provides its report under clause 6.1.

7.2 The report provided in accordance with clause 7.1 will be made publicly available on the Telecom website (publicly accessible website) at the same time as it is provided to the Access Seeker and Commission.

8 Performance Penalties

8.1 Subject to section 4, in the event of a Level A Service Level Default, the Access Seeker will receive a Performance Penalty from Telecom. The Performance Penalty is as set out in Appendix 3.

8.2 Notwithstanding clause 8.1, the Access Seeker will not be entitled to receive any Performance Penalties for the period of 105 Working Days immediately following the Determination Date.

9 Reconciliation of Performance Penalties

9.1 Within 10 Working Days after the end of each calendar month, Telecom will provide a summary report to the Access Seeker that will detail the total amount of Performance Penalties imposed for Service Level Defaults in accordance with section 8 during the preceding calendar month, detailed by Service Level.

9.2 Where Performance Penalties are due to the Access Seeker, Telecom will set off the total amount of the Performance Penalties from the Charges due in the next invoice issued by Telecom to the Access Seeker in relation to the UCLL Service. If the Performance Penalties exceed the Charges due, then Telecom must pay the amount equivalent to the Performance Penalty, or that part of the Performance Penalty not so set off, to the Access Seeker within 20 Working Days.

- 9.3 Within 10 Working Days after each Half Contract Year, Telecom will provide a summary report to the Access Seeker that will include the following:
- 9.3.1 with respect to each Deliverable for which there was a Service Level Default during the preceding Half Contract Year:
- (a) statistics on Telecom's average monthly performance of that Deliverable, detailed by calendar month, during that Half Contract Year; and
 - (b) the average of Telecom's average monthly performance of that Deliverable during that Half Contract Year;
- 9.3.2 the total amount of Performance Penalties imposed for Service Level Defaults in accordance with section 8, detailed by calendar month, during the preceding Half Contract Year;
- 9.4 Any Performance Penalty imposed under the provisions of this SLA is credited on the basis that there is:
- 9.4.1 no admission of liability by Telecom or the Access Seeker; and
- 9.4.2 that any amount credited will be credited without prejudice to any right of either Telecom or the Access Seeker to claim for additional loss resulting from the Service Level Default.

Appendix 1

Provision of UCLL Service

Item No.	Level A / Level B	Services to which Service Level relates	Service Attribute	Deliverable	Service Level	Tolerance Level	Exclusions
1.	Level B	MPF New Connection Order MPF Transfer Order Other Service to MPF Transfer Order MPF Move Address Order MPF Relinquishment	Order acknowledgement ¹	Telecom will acknowledge receipt of each Order	Provide acknowledgment of receipt of each Order to the Access Seeker within 4 Consecutive Business Hours following the Receipt Time	99% (per relevant Core UCLL Transaction Service)	
2.	Level B	MPF New Connection Order MPF Transfer Order Other Service to MPF Transfer Order MPF Move Address Order MPF Relinquishment	Notification of rejection	Telecom will reject invalid Orders by returning the appropriate code to the Access Seeker	Provide notification of the rejection to the Access Seeker within 4 Consecutive Business Hours following the Receipt Time	90% (per relevant Core UCLL Transaction Service)	
3.	Level B	MPF Transfer Order Other Service to MPF	Notification of expected RFS Date ²	Telecom will notify the Access Seeker of expected RFS Date of the Order ³	Provide notification of the expected RFS Date to the Access Seeker within 6 Consecutive Business	90% (per relevant Core UCLL	

¹ Commission's notice refers to this as "Request acknowledgement".

² Commission's notice refers to this as "Notification of expected completion date".

Item No.	Level A / Level B	Services to which Service Level relates	Service Attribute	Deliverable	Service Level	Tolerance Level	Exclusions
		Transfer Order MPF Relinquishment MPF Move Address Order MPF New Connection Order			Hours of the Deemed Acceptance Time	Transaction Service)	
4.	Level A	MPF New Connection Order MPF Transfer Order Other Service to MPF Transfer Order MPF Move Address Order MPF Relinquishment Order	Order is completed right first time	Telecom will complete the Order without fault	No faults in work carried out to provision the Order to occur within 5 Working Days	90% (per relevant Core UCLL Transaction Service)	The fault must be a fault: (a) for which Telecom is responsible; and (b) that has been reported to Telecom within 5 Working Days of confirmation by Telecom of completion of the Order; and (c) that is found and required to be fixed. (it is not a "No Fault Found")
5.	Level A	MPF Move Address Order MPF New Connection Order MPF Transfer Order Other Service to MPF	Meet expected RFS Date for the relevant Core UCLL Transaction Service ⁴	Telecom will complete the Order by the notified expected RFS Date	Complete the Order by the notified expected RFS Date	90% (per relevant Core UCLL Transaction Service)	Where Telecom extends a previously notified RFS Date (other than as a result of an Access Seeker's or an Access Seeker's Customer's request to do so), this is considered a failure of this Service Level

³ The notified expected RFS date must be within the Standard Lead-Time, except where otherwise agreed between Telecom and the Access Seeker, however, where the expected RFS date agreed between Telecom and the Access Seeker is outside the Standard Lead-Time, this does not qualify as a breach of this Service Level.

⁴ The notified expected RFS date must be within the Standard Lead-Time, except where otherwise agreed between Telecom and the Access Seeker

Item No.	Level A / Level B	Services to which Service Level relates	Service Attribute	Deliverable	Service Level	Tolerance Level	Exclusions
		Transfer					
6.	Level B	MPF Relinquishment	Meet expected RFS Date ⁵	Telecom will complete the Order by the notified expected RFS Date	Complete the Order by the notified expected RFS Date	90%	Where Telecom extends a previously notified RFS Date (other than as a result of an Access Seeker's or an Access Seeker's Customer's request to do so), this is considered a failure of this Service Level
7.	Level B	MPF New Connection Order MPF Transfer Order Other Service to MPF Transfer Order MPF Move Address Order MPF Relinquishment	Pre-qualification Acknowledgement	Telecom will acknowledge receipt of Pre-qualification Order	Complete the acknowledgement of receipt within 4 Consecutive Business Hours following the receipt of the Order	90%	
8.	Level B	MPF New Connection Order MPF Transfer Order Other Service to MPF Transfer Order MPF Move Address Order MPF Relinquishment	Pre-qualification Order Completion	Telecom will complete the Pre-qualification Order and return the appropriate information	Complete the Pre-qualification Order and return the appropriate information to the Access Seeker within: <ul style="list-style-type: none"> for authorised and unauthorised automatic pre-qualification, 4 Consecutive Business Hours following receipt of the Order for a special manual pre-qualification investigation or a manual line test, 6 Working 	90%	

⁵ The notified expected RFS date must be within the Standard Lead-Time, except where otherwise agreed between Telecom and the Access Seeker

Item No.	Level A / Level B	Services to which Service Level relates	Service Attribute	Deliverable	Service Level	Tolerance Level	Exclusions
					Days following receipt of the Order		
9.	Level B	MPF New Connection Order MPF Transfer Order Other Service to MPF Transfer Order MPF Move Address Order MPF Relinquishment	Change to RFS Date	Telecom will provide notification of RFS Date change	Provide notification of the change of RFS Date to the Access Seeker within 6 Consecutive Business Hours of receipt of the request to change an existing Order (provided that the request is received at least 1 Working Day prior to the notified RFS Date	90% (per relevant Core UCLL Transaction Service)	
10.	Level B	MPF New Connection Order MPF Transfer Order Other Service to MPF Transfer Order MPF Move Address Order MPF Relinquishment	Confirmation of completion	Telecom will provide the Access Seeker with confirmation of completion of the Order	Provide confirmation of completion of the Order to the Access Seeker within 4 Consecutive Business Hours after the Order has been completed	90% (per relevant Core UCLL Transaction Service)	
11.	Level B	UCLL Service	Notification of Planned Outages	Telecom will advise of Planned Outages	Advise at least 5 Working Days before Planned Outage occurs	90%	Telecom will use its all reasonable endeavours to schedule Planned Outages between the hours of 11:00pm and 6:00am
12.	Level B	UCLL Service	Notification of Unplanned Outages	Telecom will advise of Unplanned Outages	Advise within 2 hours, on a 24x7 basis, of Telecom discovering or receiving notification of the Unplanned Outage	90%	

Fault Management for UCLL Service

Item No.	Level A / Level B	Services to which Service Level relates	Service Attribute	Deliverable	Service Level	Tolerance Level	Exclusions
13.	Level B	UCLL Service	Fault report receipt acknowledgement	Telecom will acknowledge receipt of each fault report	Provide fault report receipt acknowledgement within half a Fault Restoration Hour of the fault being reported ⁶	90%	This Service level does not apply where an invalid fault report has been submitted.
14.	Level B	UCLL Service	Notification of expected restoration time	Telecom will provide notification of the expected restoration time ⁷	Provide notification of the expected restoration time within 8 Fault Restoration Hours of the fault being reported	90%	
15.	Level A	UCLL Service	Meet notified expected restoration time	Telecom will restore the fault within the expected restoration time	Restore fault within notified expected restoration time	90%	

⁶ If a fault is logged outside Fault Restoration Hours, for the purposes of this Service Level, the report will be deemed to have been received from 7.00am the following day.

⁷ The expected restoration time will be provided in accordance with Telecom's fault prioritisation systems.

Telecom Forecasting for UCLL Service

Item No.	Level A/ Level B	Services to which Service Level relates	Service Attribute	Deliverable	Service Level	Tolerance Level	Exclusions
16.	Level B	UCLL Service	Cabinetisation Forecast	Telecom will provide Access Seekers with a written rolling 3-year Cabinetisation Forecast every 6 months	Within 10 Working Days of each 6 month anniversary of the Determination Date, Telecom will provide a written rolling 3-year forecast report	100%	

Appendix 2

Operational Support System SLAs for UCLL Service

Item No.	Level A / Level B	Services to which Service Level relates	Service Attribute	Deliverable	Service Level	Tolerance Level	Exclusions
17.	Level B	UCLL Service	Availability of OO&T	Telecom will make OO&T available to the Access Seeker	OO&T is available to the Access Seeker 24 hours a day, 7 days a week.	99.8%	Availability to be measured 24x7 over a calendar month, excluding any periods of Permitted Maintenance.
18.	Level B	UCLL Service	Availability of OFM	Telecom will make OFM available to the Access Seeker	OFM is available to the Access Seeker 24 hours a day, 7 days a week	99.8%	Availability to be measured 24x7 over a calendar month, excluding any periods of Permitted Maintenance.

Notes:

Where availability measured

In respect of Items 17 and 18, availability is measured from the point at which the public internet meets the OO&T or the OFM (as the case may be).

Permitted Maintenance

The OO&T and OFM systems may be taken out of service for routine maintenance, testing, configuration changes, software upgrades or updating facilities. Telecom will, where practicable, carry out such work between 10:00pm and 7:00am. In such cases, Telecom shall advise Access Seekers not less than 5 Working Days prior to the event.

Telecom may, at such other times as Telecom considers reasonably necessary, take the OO&T and OFM systems out of service, taking into account the need to minimise any disruption caused to the Access Seekers. Telecom will advise of such outages not less than 10 Working Days prior to the planned event.

Unplanned Outages

If the OO&T or OFM systems must be taken out of service to resolve a fault affecting the system, where reasonably practicable, Telecom shall give notice to the Access Seeker of any such unscheduled outages and the Access Seeker will be kept regularly updated regarding the resolution of the fault.

Appendix 3

Performance Penalties

Item No.	Level A / Level B	Services to which Service Level relates	Service Attribute	Deliverable	Tolerance Level	Performance Penalty
4	Level A	MPF New Connection Order MPF Transfer Order Other Service to MPF Transfer Order MPF Move Address Order MPF Relinquishment Order	Order is completed right first time	Telecom will complete Order without fault	90% (per relevant Core UCLL Transaction Service)	The Performance Penalty is to be calculated on a per calendar month basis in respect of each UCLL Core Transaction Service Order where Telecom's performance falls below the specified Tolerance Level; and is to be calculated as follows: Performance Penalty = 7% of the provisioning Charge for the relevant Core UCLL Transaction Service
5	Level A	MPF New Connection Order MPF Transfer Order Other Service to MPF Transfer Order MPF Move Address Order	Meet expected RFS Date for the relevant Core UCLL Transaction Service	Telecom will complete the Order by the notified expected RFS Date	90% (per relevant Core UCLL Transaction Service)	The Performance Penalty is to be calculated on a per calendar month basis in respect of each UCLL Core Transaction Service Order where Telecom's performance falls below the specified Tolerance Level; and is to be calculated as follows: Performance Penalty = A x B Where: A = the applicable Penalty Rate B = the provisioning Charge for the relevant Core UCLL Transaction Service
15	Level A	UCLL Service	Meet notified expected restoration time	Telecom will restore the fault within the expected restoration time	90%	The Performance Penalty is to be calculated on a per calendar month basis in respect of <i>each</i> fault not restored within the notified restoration time and falling below the specified Tolerance Level; and is required to be calculated in accordance with the following formula: Performance Penalty = A x B Where:

						<p>A = the applicable Penalty Rate x the MPF Service Monthly Charge⁸.</p> <p>B = the number of MPF Services detrimentally affected by the fault.</p>
--	--	--	--	--	--	---

Calculation of Penalty Rate

Where any Core UCLL Transaction Service Order or fault report has not been completed or restored (as the case may be) within the period required by the relevant Service Level (taking into account the Tolerance Level), the Penalty Rate for the initial Service Level Default will be 7%. For:

- (a) every 9 Consecutive Business Hours (that is, the equivalent of a full Working Day) that the Service Level Default continues to not be resolved, if the Service Level Default relates to a Core UCLL Transaction Service Order (that is, item 5); or
- (b) every 12 Fault Restoration Hours that the Service Level Default continues to not be resolved, if the Service Level Default relates to fault restoration (that is, item 15),

the Penalty Rate will increase by one percentage point.

If the Service Level Default relates to a Service Level that is not time based (that is, item 4 "Order is completed right first time"), the escalating Penalty Rate will not apply.

Example

The following is an example which illustrates how Performance Penalties for item 5 ("Meet expected RFS Date") will be calculated.

Telecom is required to complete 10 MPF New Connection Orders during the calendar month. For three of these Orders Telecom failed to complete the Order within the notified expected RFS Date, but due to the Tolerance Level (90%) will not be penalised financially for the first of these three defaults. Default number 1 exceeded the expected RFS Date by 45 Consecutive Business Hours (that is, the equivalent of five Working Days), so the applicable Penalty Rate is 12%. Default number 2 exceeded the expected RFS Date by 27 Consecutive Business Hours (that is, the equivalent of three Working Days), so the applicable Penalty Rate is 10%. Default number 3 exceeded the expected RFS Date by 9 Consecutive Business Hours (that is, the equivalent of one Working Day), so the applicable Penalty Rate is 8%. The Performance Penalties will be calculated as follows:

Default number 2:

A = the applicable Penalty Rate = 10%; B = the provisioning Charge for the relevant Core UCLL Transaction Service = \$225 (with site visit required)

⁸ See Service Component 2.1 of the UCLL Price List. The applicable MPF Service Monthly Charge will depend on whether the fault relates to an urban or non-urban exchange.

Performance Penalty = A x B = 10% x \$225 = \$22.50

Default number 3:

A = the applicable Penalty Rate = 8%; B = the provisioning Charge for the relevant Core UCLL Transaction Service = \$225

Performance Penalty = A x B = 8% x \$225 = \$18

Appendix 4

Standard Lead-Times

Core UCLL Transaction Service	Standard Lead-Time (calculated from the Working Day immediately following the Deemed Acceptance Time)
MPF Move Address Order	7 Working Days
MPF New Connection Order	7 Working Days
MPF Transfer Order	3 Working Days
MPF Relinquishment	2 Working Days
MPF Other Service to MPF Transfer Order	3 Working Days