

**CAV
CHRONOLOGY
LGE**

Exhibit 1 to 88

**Golden Messenger - Mr Graeme Schorer
Melbourne**

1. Summary

Mr Graeme Schorer has had an ongoing dispute with Telecom for the past six years. The issues have been represented to, and negotiated with all levels of Telecom management.

The customer purchased a two Flexitel Systems from Telecom to replace their existing Multicom Telephone System in July 1987 when Telecom had a monopoly on the supply of Key Systems. After installation it was claimed that the Flexitel Systems failed to provide the features as defined at the time of sale. Call Queuing was viewed as a major feature that the system did not provide, which was overcome by the addition of two additional call sequencers. The response time of the system was also seen as excessive, causing mis-operation by the operators. As a result of extensive complaints regarding the system, payment was never made and court action was initiated by the customer in 1990.

The initial installation comprised; five PBX Groups - a total of 37 lines connected to the Flexitel System. The first correspondence was early November 1987 where the installation was reported as being incomplete and line faults existed. The faults reported included; Not Receiving Ring, Busy When Free and Call Cut Offs. Local staff responded to these faults but were unable to detect any fault and/or cause.

National Network Investigation were contacted and an exhaustive test program was conducted between 3 October 1988 and 20 October 1988. Several Network faults were located and rectified which would have effected the customers level of service, all of these faults were repaired by 25 October 1988.

Golden Messengers had a PABX privately supplied and installed during September / October 1992. The actual switching arrangement of the PABX and the two Flexitels is determined by the customer. The switching arrangement is frequently reviewed and altered by the private company without consultation with Telecom. Their current configuration is unknown to Telecom personnel.

A commercial resolution relating to the Flexitel was achieved in a March 1993 through a payment into court based on a commercial judgement. Mr Schorer chose to accept to the offered amount without further negotiation or legal action.

TELECOM IN CONFIDENCE DRAFT

Mr Schorer is now claiming his business is being further affected by Telecom Exchange Equipment failing to properly switch calls to his business. He asserts that clients calling his business fail to register and his phones do not receive the ring signal.

1.1 Date of Commencement

Mr Schorer's difficulties began with purchase of two Flexitel Systems with first reports being made on 5 November 1987

1.2 Allegations

Initial fault reports included "not receiving ring" complaints, callers getting false busy tone and calls cut off. Local staff responded to these complaints but were unable to locate any problems.

1.3 Telecom Response

Telecom has continually worked in conjunction with Mr Schorer to resolve all issues of concern. The initial problems regarding the installation and line faults were acted upon immediately with several faults being located.

The shortcomings of the Flexitel System (no call queuing facility) were overcome by the provision of three (3) Voca sequencers and a replacement Flexitel System with a new configuration to overcome problems.

On 30 March 1993 after a claim under Trade Practices Telecom made a payment of goodwill to Golden messengers upon legal advice. Although the settled amount was less than that claimed by Mr Schorer it was accepted without further negotiation.

1.4 Current Status

Mr Schorer is an active member and spokesperson for "The Casualties of Telecom" group of customers. He is in regular contact with the other members and plays an active role in their ongoing plight with Telecom.

Golden Messengers is still reporting faults on their services on an infrequent basis. The provision of ISDN with dual node working and PSTN back up continues to be of major concern for Mr Schorer. He is reluctant to operate his telecommunication services using ISDN facilities without these features.

Mr Schorer is currently not reporting suspected faults or service difficulties until 3 to 4 days after the event occurs. He claims this is due to him being too busy at the time, making our task of investigating and giving a detailed explanation more difficult.

2. Chronology of Events

5 November 1987 Customer first reported difficulties with the Flexitel installation being incomplete and exchange line faults. All issues were acted upon rectified.

13 to 20 October 1988 Exhaustive testing program conducted by Network Investigations. Various network faults found which would have influenced the customers services. All faults rectified by **25 October 1988**.

21 October 1992 Letter from Doug Campbell to Mr Schorer outlying program of testing CoT customers services as agreed at recent joint Austel, Telecom meeting with CoT representatives.

12 November 1992 Visit by Bruce Pendlebury to Golden Messengers to analyse PABX "Split " reports due to high number of suspected abandoned calls. Meeting with PABX supplier to be arranged.

11 December 1992 Letter from General Manager Vic/Tas Commercial to Mr Schorer clarifying the reliability and inter working of ISDN switching.

8 January 1993 Letter to Mr Shorer confirming that Nth Melbourne ISDN node is fully intermeshed with the other Melbourne CBD ISDN nodes.

30 March 1993 Commercial settlement agreed to with Mr Schorer of Golden Messengers for Flexitel dispute.

26 April 1993 Exchange fault located (faulty LSS relay) affecting nine (9) of customers lines. As two (2) Markers were in use only 50% of calls would be effected.

31 May 1993 Lines staff changed three (3) cable pairs due to loud induction.

15 July 1993 Common channel signalling monitor connected at Nth Melbourne exchange.

16 July 1993 SMART 10 monitoring equipment connected across three rotary groups (329 0055, 329 7355, 329 7255) at customer's premises by NNI.

3. Analysis of Allegations

Initial allegations were concerning the "suitability" of the Flexitel System for Mr Schorer's messenger delivery business.

3.1 Technical

TELECOM IN CONFIDENCE DRAFT

Testing that has been undertaken.

12 November 1992 200 Test calls from Nth Melbourne "AXE", no failures.

13 November 1992 200 Test calls from Port Melbourne "AXE" with no failures.

22 April 1993 120 Test calls to Nth Melbourne from Footscray with no recorded failures.

23 April 1993 200 Test calls from Queensland to Nth Melbourne with one (1) failure. (0.5 % Failure)

30 April 1993 200 Test calls from Windsor to Nth Melbourne with no failures being recorded.

30 April 1993 78 Test calls from Richmond AXE and in excess of 100 calls from the ARE section of the same exchange to a Portable Telephone Answering Relay Set (PTARS) located at the customers premises. No failures were recorded.

28 May 1993 200 Test calls from Windsor exchange with no failures

2 June 1993 800 Test calls from St Alban to Nth Melbourne with no failures.

11 June 1993 200 Test calls from Moreland "ARE" exchange with no failures. A further 200 calls from Batman "ARE" exchange with ten (10) switching failures (5%), further investigation followed to find cause.

15 June 1993 200 Test calls from Batman exchange and a further 30 manual calls conducted with no failures in each case.

18 June 1993 300 Manual test calls from Chelsea exchange with no failures.

21 June 1993 200 Test calls from Dear Park "ARE" exchange with four (4) failures (2%). An additional 200 calls from Ringwood "AXE" with one (1) failure.

25 June 1993 265 Test calls from Hawthorn exchange with 129 failures due to TCARS Base reset time. Additional 910 test calls to

28 June 1993 440 Test calls from Richmond exchange with 220 failures due to TCARS Base being busy.

3.2 Operational

All services provided to Golden Messengers are provided from Nth Melbourne AXE Exchange which has had a Common Channel Signalling Monitor connected since 15 July 1993. This has not highlighted any exchange based problems with these services or any others.

A comprehensive program of testing has been undertaken over the time that this complaint has been active. Network Investigations have had a "SMART 10" monitoring device connected across the customers three PBX Groups since 15 July 1993. This monitoring has been undertaken with the approval of the Mr Schorer but has failed to highlight any further faults with his service.

A Portable Telephone Answering Relay Set (PTARS) has been connected to the services to which numerous test calls have been generated. Between November last year and June 1993 in excess of 3300 test calls have been generated with 15 switching failures. (0.45% Failure)

The most recent faults found were in April 1993 and include an exchange line circuit board in the customer's PABX and a fault in Nth Melbourne exchange affecting incoming calls on nine (9) exchange lines. The duration and effect on total service of both faults is unknown.

Since the customer's initial complaint in 1987 the Exchange equipment has not been upgraded and remains as ARE 11 technology for the service numbers in dispute. There has been "software revisions" in that time and re-routing of the network switching arrangements all of which should have had a positive affect on Golden Messengers services.

3.3 Commercial

Mr Schorer claims, that in spite of the settlement already agreed to, his business is still suffering the effects of a substandard telephone service. His loss of incoming calls is causing customers to take their business elsewhere. These losses are unsubstantiated at this stage.

Mr Schorer has generated a great deal of publicity both on television and in newspaper articles as to his plight with service and Telecom in general.

He has personally rallied support from other businesses who feel have incurred similar difficulties with their telephone services. Mr Schorer was the driving force behind the formation of the "Casualties of Telecom" Group (CoT) and continues to act as the spokesperson.

Despite a goodwill settlement of considerable value he still remains dissatisfied.

3.4 Deceptive/Misleading Behaviour

There have been no statements or claims of this nature made by Mr Schorer as to regards his current service difficulties.

He did however claim that he was misled by Telecom when purchasing the Flexitel system in 1987, the matter of which has now been settled.

TELECOM IN CONFIDENCE DRAFT

3.5 Negligence

There is no evidence to suggest that Mr Schorer has made claims of negligence against Telecom or its staff in relation to this matter.

3.6 Corruption

Mr Schorer has not discussed corruption in relation to this matter at any time.

4. Recommendations for Improvements

4.1 Recommendations

Resolution of Golden Messengers service problems are possible with Mr Schorer's cooperation and agreement on the process employed.

* Appointment of a dedicated "case manager" to work with Mr Schorer in resolving the issues.

* Mr Schorer to report any service difficulties to a nominated contact point at all times. This may be the Business Service Centre (132999), Fault Diagnostic Group or the case manager concerned.

* All results of fault reports must be fed back to Mr Schorer individually at the completion of the investigation. Detailed explanations should be given where possible of the reasons behind the cause of customer dissatisfaction.

* Details of all test calls and exchange analysis undertaken should be feedback back to the customer on completion. Periodically a formal written submission that covers our investigation and progress should be discussed with the customer. This will provide the basis on which our achievement in resolving this complaint can be established.

* Results of test call programs should be graphed and provided to the customer to demonstrate all improvements and indicate the level of complaint.



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File MTC 31/1

Subject TRAINING - FLEXICOM SYSTEM

Phone 697 1353

From G. MURPHY - ENGINEERING TRAINING

To GENERAL MANAGER - COMMERCIAL SERVICES

Attention: M. Kassanis
SBS Division

Reference to Flexicom product co-ordination meeting of 2 April 1986 in respect to technical training for qualified installation and maintenance staff.

Engineering Training expresses concern that Flexicom training models due to arrive in NSW and Vic by 14 March have not yet been delivered. Engineering Training NSW and Vic had allotted time during March and early April to prepare an installation/maintenance course, the first of which was to be conducted during May 1986.

As a result of the delayed delivery of flexicom models, Engineering Training propose the following:

- Development of the Flexicom course to be suspended.
- The training schedule as outlined in our Minute of 19 March 1986 to SBS, Engineering Branch will need to be reviewed.
- Following delivery of training systems, Engineering Training will re-negotiate a preparation and training schedule with NSW and Vic.
- If it is proposed to launch the Flexicom system on the dates as indicated, consideration must be given by SBS Division to the purchase of additional Company courses for relevant field staff and possibly a 'Train the Trainers' course for staff from Engineering Training Qld, SA, WA and Tas.

As outlined in the training strategy demand training is the preferred option rather than saturation training. Accordingly State Engineering Training centres will require one month's minimum notice of impending installation of the Flexicom system. This will enable relevant staff to be programmed to attend an appropriate course to ensure that they are adequately trained prior to installation of the system.

Queries regarding the training schedule for Flexicom to be directed to Mr Geoff Murphy, telephone 697 1353.

P. Franklin

P. Franklin
for GENERAL MANAGER - NETWORK ENGINEERING

9 April 1986

R29237
MK WEE

*S. Morrison
to make check on delivery
11/4/86*

*follow
binding
from P
bill board. Topics not mentioned*

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TELEX MESSAGE TELEX MESSAGE TELEX MESSAGE

BRUCE
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PHILIND AA20165
CSDHQ AA139725

TLX REF JMSBS.5267T

TO: PHILIPS COMMUNICATIONS SYSTEMS
ATTENTION MR. I HYDE

FROM: COMMERCIAL SERVICES DEPT.
DATE: 9 SEP 86 9:16

SUBJECT: FLEXITEL - SYSTEM CONSTRAINTS

[REDACTED]

MAR ETING AND TECHNICAL INFORMATION SO FAR
PUBLISHED INDICATES THIS STANCE WAS TAKEN ON THE BASIS OF:-

- (A) TENDER RESPONSE
- (B) ONGOING PRODUCT INTERACTION
- (C) COMPANY PRESENTATIONS

[REDACTED]

ON. EEPROM USAGE AS DESCRIBED IN TMC/PHILIPS
PRODUCT MANUAL 3513 300 05430 PAGES 4 - 11, INDICATES TWO TABLES
(DEVICES AND EEPROM USAGE) TO CLARIFY PERMISSABLE CONFIGURATION.

WOULD YOU PROVIDE INFORMATION TO THIS OFFICE INDICATING TYPICAL
EXAMPLES WITH MAXIMUM FOR LINE/STATIONS.

[REDACTED]

CONSIDERATION TO CONSTRAINTS. AN APPENDIX FOR I + M
MANUAL IS ALSO REQUIRED.

OUR REFERENCE CBCS 191 TELEPHONE NO. 606 5109

REGARDS
B. HEPRURN FOR GENERAL MANAGER COMMERCIAL SERVICES
SBS ENGINEERING
7/518 LT. B.

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CSDHQ AA139725+
PHILIND AA20165
CENT JMSBS 5267T TO 20165

PHILIPS



Using 4A or 4B will result of
a timed break to line of 300ms.

5. Jeff Chong (the Flexitel Software Engineer at Moorebank) is currently looking into the problem.

6. The problem has been flagged to TMC UK as requiring immediate attention.

7. The "Manual 3 Second Ring Bridge" of Signalling Parameters 7 and 8 can be used if:-
i) Steps 4A or 4B (above) are taken.

ii) The Signalling Parameter 7 or 8 are modified in FDS Phase for Earth Recall.

8. I will keep you apprised of future developments.

Regards

Ray Shenton.

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PHILIPS



FLEXITEL RECALL PROBLEM.

1. Only occurs when Signalling Parameter 7 or 8 (Long Timed - Break Recall) is allocated.
2. Only occurs on incoming calls.
3. The majority of PABX's will accept Earth Recall (parameters 1-4) or Short Timed Break (parameters 5 and 6) and will therefore not be affected if one of these options is taken. (See attached list of PABX's.)
4. In the short term the problem can be overcome for PABX's requiring Long Timed - Break Recall by :-
 - A. 2 circuit Exchange Card
 - i/ Program for Signalling Parameter 1 to 4 (Earth Recall)
 - ii/ Position the LINK on the circuit card into the B (for Break) position
 - B. 4 circuit Exchange Card.
 - i/ Program as above.
 - ii/ Connect the B wire of the line to the B(T) position on the connect box (See I&M manual page 2-31)

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9/1/87
GME

Australian Telecommunications Commission



Telecom Australia

Telephone 606 8549 Area Code 03
Telex AA 37393
Our Reference CBS 205
Your Reference

FACSIMILE Transmission from: SBS Division

Facsimile No: (03) 606 5107

| | |
|---|---|
| TO: Mr. R. Tan Tel No: (02) 600 5574 | ADDRESS: Voice Products Engineering Commercial Dept. NSW. Fax: (02) 261 2171 |
| FROM: Mr. C. Lai | SBS Division, 7th Floor, 518 Lt. Bourke St., MELBOURNE, VIC., 3000. |
| DATE SENT: 6.1.87 | No. OF PAGES: 2 |

↑

SUBJECT: Flexitel

This refers to the numerous questions that you had raised with HQ. over the last 2 months.

1. Signalling Parameters 7 & 8

Philips advised that the software bug in signalling parameters 7 & 8 will be fixed in software revision 9.1B and is expected to be available in April 1987.

2. Krone Modules

SBS is waiting on a reply from Technical Operations Section regarding the Krone Modules. The final results of tests which Technical Operations has been conducting on the Krone modules are expected very soon. A concession on the Krone Modules has not been granted to Philips but, they have been informally advised that a problem may exist.

3. Installation & Maintenance Strategy

An all states minute referring to I & M policy was sent on 14.12.86.

4. Interworking with Philips D1200 PABX and Commanders

The problems of the Flexitel interworking with the D1200 PABX

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and Commanders are expected to be overcome when the software bug associated with signalling parameters 7 & 8 are fixed in 9.1B (April 1987).

5. Dial Tone Detector

Philips advised that Dial Tone Detector problem will be fixed in software revision V9.2 to be released in September 1987.

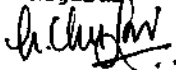
6. Headset Adapter

Philips advised that the circuitry of the headset adapter will be contained in a blank DSS module. A sample of the headset adapter is expected in January/February 1987.

7. Wall Mounting Kit

SBS is currently evaluating a pre-production sample of a wall mounting bracket. SBS will be advised when the wall mounting kit will be available when the sample has been approved.

Regards



C. LAI
For General Manager
Commercial Services.

FBOW

(including advice)
DATE NO. 8762

DATE

SUBJECT

TELEPHONE

CONTRACT

TELEPHONE

TELEPHONE

TELEPHONE

PRODUCTS ENGINEERING NSW

P.2

MESSAGE TELEX MESSAGE TELEX MESSAGE

GA
37393
TEPROD AA37393
DAPROD AA71722

TLX 874 9/1/87 12:00

MANAGER
SBS DIVISION

ATTN: MR CHU LAI

SUBJECT: FLEXITEL - 'HOLD' FUNCTION

*Philips initial response
- if using as a queuing
system (i.e. no line keys)
only 2 calls can be held.
Chin's advice of 12/1/87.*

A SOFTWARE FAULT HAS BEEN DISCOVERED IN ONE OF OUR CUSTOMER'S SYSTEM
I.E. LOGICAL SOLUTIONS I.E.

ON THE MAIN OPERATOR'S KEYSTATION, THERE IS ONLY AN 'ANSWER EXTERNAL'
KEY USED FOR ANSWERING 8 EXTERNAL LINES. THE 'HOLD' KEY IS USED FOR
HOLDING CALLS AND IT APPEARS THAT ONLY TWO CALLS CAN BE SUCCESSFULLY
HELD BY THIS METHOD.

IF A THIRD AND FOURTH CALL COMES IN AND HELD SUBSEQUENTLY BOTH THE
THIRD AND FOURTH CALLS WILL DROP OUT, ETC. I.E. ONLY TWO CALLS CAN BE
HELD BY THIS PROCEDURE.

INTERIM SOLUTION: USE INDIVIDUAL LINE KEYS FOR HOLDING CALLS.

FIX REQUIRED PLEASE (POSSIBLE TO BE INCORPORATED INTO V9.1B?)

REGARDS
R TAN
FOR MANAGER
VOICE PRODUCTS ENG
(02)265-1818

REGARDS
23334

TEPROD AA37393
DAPROD AA71722

-D*03:05-S120A-W:12P05.....-ERA

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FILE NOTE
JANUARY 87

GOLDEN MESSENGERS

Customer had maintenance problems with multicom.

↙ January 87

↘ Rick Richards visited Golden Messengers with John Searle CPM Footsray to discuss problems with existing equipment and necessity for a new system.

Initial discussions revolved around providing a Trade Centre but when customer insisted on lines appearing behind one answer button, a Flexitel system as proposed.

Bob Ryan (Golden Messenger) produced document setting out their requirement for a telephone system. (see (A))

Document approve by Graham Scorer and then passed to Telecom.

Verbal discussions between Rick Richards and Bob Ryan indicating that certain requirements (namely system answering calls, indication of call times) could not be met by Flexitel system.

The document was an initial starting point for discussions between Golden Messengers and Telecom.

Telecom produced a number of quotations to customer due to configuration changes. (see (B))

29th May 87

Letter of intent (dated 29th May) received from Golden Messengers. (see (C))

17th July 87

Golden Messengers signed for Flexitel System for \$40,270.00. Installation charges were waived due to multicom being under ROSS. (see (E))

18th July 87

Flexitel System Installed.

22nd July 87

Letter from Golden Messengers indicating three problems requiring attention. Otherwise they indicated that the system was doing what was expected. (see (H))

5th Nov 87

Letter from Golden Messengers indicating
Music-on-hold, Headsets and Volume control for
handsets and headsets not yet provided. (see ①)

Verbal advice given that headsets were expected to be
available by the end of November 1987.



File CE/EI7/4/1 Subject FLEXITEL RECALL PROBLEM

Phone [redacted] from [redacted]

To MANAGER
SMALL BUSINESS SYSTEMS DIVISION

Attention: [redacted]

The following problem has been found on the Flexitel.

[redacted] Qld T.O. Flexitel (07 335 8641) should be contacted if any further information is required.

It has been recorded previously that a problem exists with using exchange line parameters 7 and 8 with timed loop break recall.

[redacted] has now tested the timed loop break recall on parameters 2, 4 and 6 on which give much the same results as that on paramters 7 and 8. Rod has not tested parameters 1, 3 and 5 set for TLB but would expect the same results as for 2, 4 and 6.

The following is the sequence of events and results that occur using TLB.

1. INCOMING CALL (ON EXCHANGE LINE)
 2. ANSWER CALL
 3. PRESS RECALL :- Timed loop break is sent to the parent PABX and dial tone is returned.
 4. DIAL THE REQUIRED PABX EXTENSION :- No dialling information is sent to the parent PABX.
- NOTE: If a Flexitel station number is dialled after pushing recall, the exchange line goes onto internal hold and the dialled extension is rung.
5. The original incoming call can be retrieved by taking the line off internal hold and pressing the recall button.
 6. Any further attempts to transfer the call are similarly unsuccessful.

It therefore appears that timed loop break recall does not work as it was intended.

The problem can be circumvented by programming the line for earth recall and setting either the links on the 2 circuit exchange card to TLB or wiring the SDF on the 4 circuit card for timed loop break.

This method while it does produce a timed loop break does not allow the timing of the break to be altered to suit the parent PABX.

R25946

It is also noted that the timing of the break with this method is not constant. On tests conducted, the timing of the break varied from approximately 300 to 600 msec.

If the true timed loop break setting is used, the break is consistent with the set timing every time i.e. 70 ms., 300, 750 etc.



for SUPERINTENDING ENGINEER
BUSINESS SYSTEMS ENGINEERING BRANCH
QUEENSLAND

10 April 1987

Very much appreciated if you could advise me of the status of the work on the above mentioned project. I am sure that you will be able to advise me of the progress of the work and any problems that may arise.

ALL your work should be done in accordance with the instructions given in the manual. If you have any queries, please refer to the manual or contact me. I will be glad to help you in any way I can.

The original incoming call can be received by taking the line off internal and pressing the recall button.

Any further work on the above mentioned project should be done in accordance with the instructions given in the manual. I will be glad to help you in any way I can.

3100

R25947

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29th. May 1987

B

Mr. Geoff Gamble,
Telecom Australia,
Operations Department,
13th. floor,
35 Collins Street,
MELBOURNE, VIC. 3000
~~Golden Messenger~~
493-495 Queensberry Street.
North Melbourne Victoria 3051 PO Box 313 North Melbourne
Telephone 329 7355

Dear Geoff,

RE: FLEXITEL TELEPHONE SYSTEM

LETTER OF INTENT

We hereby confirm our intentions to purchase a Flexitel System on the following basis :

The system, being as specified by Bob Ryan, to include :

1. 10 head sets
2. Battery back-up
3. Installation
4. Programmed to suit our requirements
5. Successful system demonstration, programmed to our requirements.
6. Installation by 26th. June 1987
7. Total purchase price, including all of the above \$37,000.00.
8. Payment - 90 days after commissioning of the system.

Yours faithfully,


Graham Schorer
Managing Director

GJS:rah

R29464

//

AGREEMENT BETWEEN TELECOM AUSTRALIA AND

GOLDEN MESSENGERS PTY LTD

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Telecom Australia (TELECOM) and Golden Messengers Pty Ltd, (GOLDEN MESSENGERS) agree to the following terms and conditions for the supply and installation of telephone equipment for Golden Messengers at 493 Queensberry Street, North Melbourne.

1. EQUIPMENT

- 1.1 TELECOM will supply GOLDEN MESSENGERS with a Philips D1200 PABX with UCD equipped for 44 exchange lines 12 extensions and battery back-up. This PABX and UCD will replace the existing TELECOM Flexitel system.
- 1.2 GOLDEN MESSENGERS will supply
- . accommodation required for the PABX, UCD and Batteries
 - . Multi-line Answering System
 - . Headsets
 - . Source of Music for Music-on-hold.

2. PRICE

- 2.1 The purchase price plus installation of the Philips PABX and UCD will be \$40,270 (being the price quoted for the TELECOM Flexitel currently installed).
- 2.2 Maintenance shall be charged for at the prevailing rate prescribed by TELECOM under Section 11 of the Telecommunications Act 1975.

3. OWNERSHIP

TELECOM will own the equipment until such time as GOLDEN MESSENGERS pays TELECOM the full price for the equipment.

4. PAYMENT

Payment for the equipment shall be made as follows :-

10% within 7 days of the signing of this agreement
60% on delivery of the equipment to GOLDEN MESSENGERS
30% within 7 days of cutover of the equipment into service

5. DELIVERY AND STORAGE OF EQUIPMENT, PASSING OF RISK - FORCE MAJEURE

- 5.1 TELECOM shall deliver or arrange delivery of the equipment as soon as it is practicable to do so and delivery shall be made to 493 Queensberry Street, North Melbourne.
- 5.2 GOLDEN MESSENGERS shall provide, at no expense to TELECOM adequate and suitable storage for the equipment prior to its installation.
- 5.3 The equipment shall be at the GOLDEN MESSENGERS risk from the time of delivery.

5.4 In the event of force majeure, TELECOM shall be entitled to suspend delivery or extend delivery time for the duration of such force majeure. The expression "force majeure" shall mean any future happening beyond Telecom's absolute or responsible control and in consequence of which TELECOM cannot execute or cannot reasonably be required to execute its obligations under the contract, and the expression shall, without prejudice to the generality of the foregoing, including strikes, lockouts, out breaks of war, acts of hostility, import and export restrictions of raw materials and/or components concerned. Disabling exchange control regulations and Acts of God.

5.5 Force majeure occurring in respect of Telecom's suppliers shall be construed as force majeure occurring to TELECOM.

6. INSTALLATION AND MAINTENANCE

TELECOM shall install the equipment, connect it to the telephone service at 493 Queensberry Street, North Melbourne.

Installation shall commence as soon as it is practicable for TELECOM to do so.

The equipment shall be maintained by TELECOM and Maintenance charges are payable as demanded by TELECOM from time to time.

7. IMPLIED WARRANTIES

Any liability of TELECOM under the provisions of Division 2 of part V of the Trade Practices Act 1974, in relation to implied Warranties and conditions shall be limited to the repair or replacement of the equipment, as the case requires.

8. CANCELLATION OF APPLICATION

If, for any reason, it is not possible to deliver the equipment within 12 months from the date hereof, this application shall be deemed to have been cancelled and any deposit lodged under paragraph 4 shall be refunded.

9. WITHDRAWAL OF APPLICATION

If for any reason other than item 8 above, GOLDEN MESSENGERS does not want to proceed with this Application, the refund of the deposit amount, referred to in item 4 in part or full, is solely at the discretion of TELECOM and will depend upon the surrounding circumstances and any work already undertaken by TELECOM.

SIGNED _____

Graham SCORER

DATE _____

GOLDEN MESSENGERS PTY LTD

SIGNED _____

COLIN PASK

DATE _____

TELECOM AUSTRALIA



22nd. July 1987

Telecom Australia,
214 Nicholson Street,
FOOTSCRAY. VIC. 3011

ATTENTION: KAYE MEEK

Golden Messenger
493-495 Queensberry Street,
North Melbourne Victoria 3051 PO Box 313 North Melbourne
Telephone 329 7355

Dear Kaye,

Thank you for your assistance in the installation of our new Flexitell telephone system.

There appears to be a couple of problems still in existence as listed and your suggestions or assistance on how to solve them would be greatly appreciated.

- 1. On my station, unable to programme direct dial numbers
- 2. On Sales stations, having trouble obtaining an external line
- 3. On Rocci's station, having difficulty in programming a direct dial number

Other wise, the system appears to be working as required, although we are still waiting for our music on hold facility.

A further requirement has become apparent, namely a second line on sales rotary 329 7255. Your suggestion on how to do this would be greatly appreciated.

We assume that all lines removed during the installation have been cancelled on your records, and we would also like to cancel service no 328 3114.

Looking forward to working with you again when we extend our Flexitell system to include all of our departments.

Yours sincerely,


R.A. Ryan
Operations Manager

RAR:rah

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R25812

ATTEN
Golden Messenger
493-495 Queensberry
North Melbourne V.
Telephone 329 7355

(1)

14th November, 1987.

Telecom Australia,
District Office,
P.O. BOX 272,
FOOTSCRAY, VIC. 3011.

Golden Messenger
493-495 Queensberry Street,
North Melbourne Victoria 3051 - PO Box 313 North Melbourne
Telephone 329 7355

Dear Sir, Madam,

Recently we purchased a new telecom flexitel system through your office, but as yet it is not installed in its entirety.

The features not yet in place are:-

Music on hold,
Headsets,
Volume control on handsets and headsets.

In addition to these features not being installed, we are experiencing problems in having some service problems rectified, this despite contacting a direct number (602-1374) as advised by Ms. Meek of your office.

Kindly advise of the situation in regard to the above mentioned features, and any suggestions you can make to alleviate our service problems will be greatly appreciated.

Yours faithfully,
GOLDEN MESSENGER



R. A. RYAN
OPERATIONS MANAGER

RAR/dw

Presented

14

R25813

Telecom Australia

Telephone 606 5622 Area Code 03
Telex 154431
Our Reference
Your Reference

Headquarters
7/518 Lt. Bourke Street
Melbourne Vic 3000

18 November 1987

Philips Communication Systems
2 Greenhills Ave
MOOREBANK NSW

Attention : Mr Rob Jones

Further to our discussions, Telecom now requires your assistance in paying prizes for the sales competition for Flexitel.

The prizes being offered are gift vouches from Myers stores (also redeemable at Grace Bros. and Bone Bros.) or Safeway Stores (also redeemable at Woolsworth and Big W). We expect the value of prizes to be approximately \$30,000 over the next 12 months.

Telecom will provide payment to Philips on receipt of our invoice claiming payment for "Product Support Material relating to Flexitel" pursuant to clause 25 of section A of Schedule CS1121. Telecom is, of course, willing to pay Philips' standard administration fee.

The first payment, required immediately, is to the value of \$1800 to be paid to Mr Stephen Johnson. Mr Johnson has selected vouches from Myers (Grace Bros.) as his prize.

The vouchers are to be sent to me for on-forwarding to the Sales Representatives.

Please advise me when these first vouchers will be available.

Regards



P. Nicolopoulos
for CHIEF GENERAL MANAGER

15

838

PHILIPS COMMUNICATION SYSTEMS
2 GREENHILLS AVENUE,
MOOREBANK N.S.W. 2170
AUSTRALIA

FACSIMILE MESSAGE

P.O. BOX 269,
LIVERPOOL N.S.W. 2170

TELEPHONE (02) 602-2000
TELEX AA20165 (AUSMOPE+)
FACSIMILE (02) 601-5449

TO: (03) 600 0489
ATTENTION: PETER NICOLOPOULOS
FROM: JULIAN JAMES
CC: R. JONES
DATE: ..19/12/87.
SUBJECT: FLEXITEL SYSTEM MEMORY CAPACITY

Peter,

There have been reports from Telecom field staff in Canberra stating that they are unable to programme all of the 231 EEROM memory units of the Key/Ring Address Maps and Rep.Dial Blocks when using TD8003.

The TD8003 EEROM has been modified to prevent system oversizing during configuration and now limits the EEROM capacity to a maximum of 221 units for Key/Ring Address Maps and Rep. Dial Blocks.

Please would you inform your technical staff and sales people of this change.

Regards,
Julian James.

.....!... PAGE/S FOLLOWING

16

(m)

Command? R35

dated: Thu Jan 28, 1988 2:58 PM EST

Msg: MJII-1681-2192

From: PABX PRICING

To: [REDACTED] T
Subject: SYSTEM 2000

BUDGETARY PRICES FOR PROVISION AND INSTALLATION OF SYSTEM 2000 PABX FOR
"OLDEN MESSENGERS - MELBOURNE"

Ref: 8801/64/1

RIGHT PURCHASE \$ 95,075.00
INSTALLATION COST \$ 7,934.00

- REQUIREMENTS:
- 5 ANALOGUE XTNS
 - 5 DIGITAL XTNS (VOICE ONLY)
 - 2 ACCESS 500 H/F S.I.T.'S
 - 2 TOWTHWAY EXCHANGE LINES
 - 1 OPERATOR'S CONSOLE (WITH HANDSET & HEADSET)
 - 1 "4DAT" CARD
 - 1 48VOLT/240VOLT POWER SUPPLY
 - 3 RE12.388 GELL CELL BATTERIES
 - 1 BATTERY CABINET

- NOTES (1) ACCESS 500 CANNOT SUPPORT A HEADSET (AND COLLINGWOOD HAVE, IN THE PAST, REFUSED TO MODIFY THEM) - TO THE BEST OF MY KNOWLEDGE.
 (2) SMDR HAS NOT BEEN INCLUDED ABOVE. COST IS \$ 4,500.00 APPROX..
 (3) I HAVE NOT HAD CONFIRMATION THAT "U.C.D." WILL WORK ON A S2000, EVEN WITH A 4DAT CARD.

PRICES INCLUDE DUTY AND TAX. PRICES ARE BUDGETARY ONLY.

From: [REDACTED] T
PABX PRICING OFFICER, B.T.B.(VIC.)

Question?

R30157

17



REF. 853

PHILIPS

2 GREENHILLS AVENUE,
MOOREBANK. NSW. 2170.
P.O. BOX 269,
LIVERPOOL. NSW. 2170.
PHONE: (02) 602-2000
TELEX: AA20165 AUSMOPE+

FACSIMILE NO. (02) 601-5449

FACSIMILE MESSAGE

LEAD SHEET

TO (NUMBER:): 03 600 0489
ATTENTION: PETER NICOLOPOULOS
FROM: JULIAN JAMES
CC: ROB JONES
SUBJECT: FLEXITEL 'CALLS FOR' & CALL WAITING TONE
DATE: 12 FEB 88

MESSAGE:

Peter,
1. 'CALLS FOR' NOT Flashing on K/S+DSS
When tested the 'calls for' lamp flashed correctly
therefore no fault found.
2. When an incoming call is transferred to a busy
keystation +DSS no call waiting tone is heard.
however if the keystation is not associated with a DSS
module call waiting tone is heard. This fault has been
noted & faxed to the UK for a solution.

Regards Julian James

..... PAGE/S FOLLOWING

F30172

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Manager
Product Management Group
Business Communications.
PHILIPS

[REDACTED] cc

FLEXITEL - [REDACTED] cc

As discussed with your [REDACTED] the [REDACTED] System has suffered from intermittent Call drop-outs on transfers for some months now.

All relevant PBAs in this System have been replaced including a total re-programming which was carried out prior to last Christmas. Apparently, the problems still exist.

We have just discovered that the Reception was actually placed in a 'HOLD' condition when the Extension answers during a Call transfer procedure. The called Extension can recover the connection to the Receptionist by hitting the 'HOLD' key. Previously, it was thought that the connection was just lost.

Note : The above fault can occur to any extension in the System.

In the light of this latest symptom, your urgent assistance is requested in pursuing a cause for this fault and subsequent solution please.

Regards,



R. Tan
Senior Product Engineer
SBS Group,
Business Systems Development Branch.
15/2/88

R25934

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Dear Mr. Sinclair/Mr. Loch,

RE: SYSTEM HOLD TIME FOR FLEXITEL

We have contacted Mr. Rob Jones regarding the possibility of having no time out for system hold time for the Flexitel (KBX 100C version 9.1 software). Mr. Jones has indicated that he has conveyed the question to Philips TMC and is awaiting a response. Unfortunately Mr. Jones will not be back in his office until this Friday and the urgency of the matter is such that we have to contact you for an indication whether the requested change is feasible.

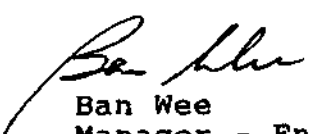
[REDACTED] key
[REDACTED] operating on that assumption.

s. Many calls have been lost because of the relatively short system (common) hold time. The operators usually have to wait for quite a while before someone else can provide the answer to the customers' enquiries and meanwhile the customers are kept on system hold while the operators answer other calls.

The ideal solution is to be able to provide infinite system hold time either by hardware or software modifications. The next preferred solution is to extend the system hold time well beyond the current limit of 255 seconds.

Please provide the cost and time implications for each of the possible solution. Your prompt reply would be most appreciated as the market for Flexitel do need this feature, and please send your response to FAX no. 0011-43-3-6000489.

Yours sincerely,



Ban Wee
Manager - Engineering Support
SBS Division

29/2/88

File NT-NT 10/114

Subject GOLDEN MESSENGERS

Phone 428-8933

From

P. M. Killeen 000096

To STATE MANAGER.

Network investigation received a request from Mr. P. Acker
Customer Terminals, Commercial Dept. on 23-3-88.

Only preliminary investigations to date have been carried out.
These are detailed as follows:

1. Discussion with OR Nth Melbourne exchange and the
connection of an MFC analyzer to the SE stages
concerned. This only revealed no busy condition
experienced when subscribers were calling the respective
number groups. Hence as far as MFC signalling was
concerned, all calls could be set up to establish ringtone
and current. This does not answer whether ring current is
received at the Flexitell system.
2. Therefore results of traffic readings taken by PAX traffic
measurements were obtained to determine if calls were reaching
the Flexitell but not being answered (either no-one to answer them
or still not aware the call is there to be answered or staff
unable to answer the call due to Flexitell limitations).
This has shown that between 5 and 6% of all incoming calls
are not answered. The calling customers can be waiting for
between 1 to 27 rings before hanging up, timing out or being cut
off.
3. CCAS results have also been obtained and these confirm the results
in 2. These also show that the quantity of unanswered calls
remains relatively constant over the first 6 auxiliaries while
the answered calls drop from 1700 to less than 400.

The results of 2 and 3 suggest that the six operators may
not be an adequate quantity to cater for the terminating
traffic level. Further the characteristics of the Flexitell

Golden Melchior

14
19/3/88

NTAMSUB #

1. CCA'S HAS BEEN PERFORMED
ON SOME HOT LINES AND SOME BOOKING
LINES. (RECENT AV). Noted

2. THE ORDER THAT THE LINES
APPEAR ON THE CONSOLE IS A
PROBLEM & SHOULD BE SORTED
OUT. ? CYCLIC ALLOCATION?

3. ONLY 3 HOLD LINES AVAIL WITH CH
IS NOT SUITABLE. (?)

4. POTENTIAL SYSTEM WAS SHOW MOVING
STOCK !!! Noted

? 5. CALLS ON HOLD CAN REAPPEAR
? AS BUSY LINE TILL OP CLEARS

? 6. FLICKS ON LINE RELAYS NOTED*²

7. OUTGOING CALLS ARE BEING MADE
FROM 7000 EXT (SEE CCA) WHICH
IS HOT LINE (VANS ON JOBS CALLING IN
THIS COULD BE CAUSING SOME CONC.

8. [REDACTED] SUGGESTED MAKING SOME
OF 0 THOUSAND (BOOKING) LINES O/G OUT
AS THEY DON'T USE ALL 20 OF THEM

9. SOME CALLS O/G TO
(THOUGH INDICATORS DID)
RECENT RTE TO FOURCRAV

22



264

File NT 10/114

Subject GOLDEN MESSENGER
PROGRESS REPORT 2

Phone 428 8933

From [REDACTED]

To CHIEF ENGINEER - NETWORK AND SUPPORT SYSTEMS

As of 17 May 1988, our investigation has shown that;

1. Grade of Service

1.1 Manual test calls totalling 3994 into junction FIR's shows that the switching and congestion loss received by North Melbourne exchange subscribers on junction calls is better than standard grade of service. These tests do not take into account losses experienced in calls getting to North Melbourne.

1.2 While not all customers will uniformly complain or request technical assistance, TA statistics are still useful indicators of trends in customer dissatisfaction throughout the network and over the last 26 periods COS and NOP complaints have been stable and within control limits.

1.3 One can therefore assume that of the few calls being lost due to abnormal network conditions before reaching North Melbourne Exchange, their effect on any one individual service would be still within standard grades of service.

1.4 Further testing is continuing at North Melbourne.

2. The Flexitell System

2.1 The major problem still appears to be the slow response time of the Flexitell. This combined with the high call throughput results in operators misusing the system resulting in adverse service to their customers.

2.2 An independant assessment at Golden Messenger by a Telecom Customer Trainer confirmed that delays of upto 12 seconds are experienced between a call being requested and finally offered to an operator. Upto 15 seconds delay was also experienced in waiting for the Flexitell to respond to putting a call on hold. A report is being forwarded to this office on the results. Since the time of this assessment the system has been reconfigured to improve response time.

2.3 Operators complain that if one call is presented to the Flexitell and two operators successively attempt to answer the call, it is not always offered to the operator who requested it first.

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- 2.4 Operators complain that during conversation they are cutoff and after continuing with the next call they were able to go back and find the previous customer who advises that they received music, supposedly on hold. There is no visual indication via a lighted led that the call is being held.
- 2.5 ~~Customers~~^{Operators} complain that they are dropped back to network dial tone during conversation. This is believed to be a Flexitell problem as our testing has not shown the problem to be exchange based. Further testing is to be conducted. To date Commercial Engineering, Voice Products area are unconvinced that it could be a Flexitell problem.
- 2.6 The LCD displays of the system work intermittently and only show peripheral information and not call handling information. With the system deconfigured to determine if HQ philosophy on loading of the system and its effect on response time is correct, it is essential that the LCD displays are working. This is a critical problem.
- 2.7 It is not clear how tolerant the Flexitell is of mains borne interference. A monitor on the mains has revealed voltage spikes as high as 200Volts.
- 2.8 The inclusion of the Voca call sequencers has dropped the unanswered call quantity from 5.8% down to 2.0%.
- 2.9 The rectification of the Flexitell problems is being coordinated by Mr P. Arkle, STO3, Voice Products, Commercial Engineering Section, Commercial Department, 605 6955.

3. Other Customers Problems.

- 3.1 Johns Perry Lifts. One operator is required to handle calls on an 11 line PBX group. Callers have been witnessed to hang up on not being answered after periods of upto 30 ring cycles. Coincident with these busy periods are the reported cutoffs and dropping back to exchange dial tone. It has been demonstrated that if the calling party clears before being answered the ring release time of the Plessey CDSS 60/120 Office System holds the switch connection between the operators console and the exchange line. The subsequent attempt by the operator to answer the previous call which has now cleared, results in a loop being placed on the line. The exchange interprets this as an outgoing call attempt, feeds KMK dial tone and times out after out 10 seconds when no digits have been dialled. The customer then receives line lockout tone.

Parked calls being lost and ring no answer complaints no longer appear to be a problem.

One other fault is being handled between Plessey Australia and England.

3.2 Action Couriers. A complaint of incoming but no outgoing calls on one line was isolated to a burnt out LR coil at North Melbourne exchange.

Another complaint of no incoming or outgoing calls on one line was found to be a legitimate cancellation of the line on 12/2/87.

A faulty switch was found on one console making call seizure difficult.

One fault still to be addressed is the breaking in of one operator on a call already answered. It is believed to be a Commander system problem.

3.3 Lewis Construction. Follow up with this customer on 17/5/88 indicated that they are now satisfied with the service. Mr P Ashworth claims the letter of complaint must have got their problem solved promptly. No one in Telecom to our knowledge is aware of any work being done on their problem. Mr Ashworth has sent a letter of thanks to Telecom.


4. Summary

4.1 The service being received by Golden Messenger in terms of network loss is better than grade of service and the few faults he experiences of a network nature are small in comparison to the 3000 odd calls received each week.

4.2 Of the 7 customers sited by Golden Messengers as experiencing the same network problems, visits to 2 businesses has to date shown faults only relating to customer equipment problems.

4.3 The slow response time, lack of visual LCD information and miscellaneous unexplained events occurring with Golden Messengers Flexitell remain the critical factors impinging on the customers acceptance of his telephone system.

4.4 This section is continuing with tests at North Melbourne exchange and the remaining customers are to be visited to determine the cause and extent of the problems they are reported to be experiencing.

[Handwritten signature]

17/5/88
for SUPERVISING ENGINEER - NETWORK INVESTIGATIONS

871-085=TLXCFAUS

/5054-36400903=COMCDU

/88-05-23-12:41/014-001

TELEX 154431

TO: SBS DIVISION - HQ

ATTN: CHU LAI.

FROM: COMMERCIAL ENGINEERING - CUSTOMER TERMINALS - VIC.

RE: FLEXITEL SYSTEM - GOLDEN MESSENGERS.

CHU

AS YOU ARE AWARE WE ARE HAVING REAL PROBLEMS WITH THIS SYSTEM. WE APPEAR TO HAVE THE SPEED UP TO WHAT WE HOPE IS AN ACCEPTABLE LEVEL BY THE DODGY EXPEDIENT OF REMOVING SOME OF THE DSS MODULES. THIS MAY OR MAY NOT BE ACCEPTABLE TO THE CUSTOMER (BLESS HIM) IN THE LONGER TERM.

THE MOST PRESSING PROBLEM NOW IS THE INTERMITTENT FAILURE OF THE STATION DISPLAYS. THE DISPLAYS DO NOT FAIL COMPLETELY, REMAINING ABLE TO SHOW 'UNOBTAINABLE' AT THE CORRECT TIMES AS REQUIRED, BUT NOTHING ELSE. NO CDR CARD IS FITTED. WE INTEND TO TRY AND FIT ONE BUT THIS MAY NOT BE POSSIBLE GIVEN THE ~~LARGE SIZE OF THE SYSTEM.~~

THE MAINS SUPPLY HAS BEEN LOOKED AT IN GREAT DETAIL, AS IT WAS VERY NOISY. IT IS NOW FITTED WITH A 2 KVA MAINS FILTER AND THE ATTACHED DRAINERTZ MAINS MONITOR SHOWS THE SUPPLY TO THE FLEXITEL IS NOW AS SMOOTH AS A BABYS BOTTOM. STILL THE DISPLAYS FAIL.

ALL OTHER STATION FUNCTIONS APPEAR NORMAL. THIS APPEARS TO RULE OUT RFI OR THE LIKE ON THE ACTUAL STATION WIRING, AS DOES THE SPONTANEOUS 'RECOVERY' OF THE DISPLAYS. THIS GENERALLY OCCURS OVERNIGHT (WE DONT KNOW EXACTLY WHEN, BUT IT CERTAINLY DOES NOT HAPPEN BETWEEN COB (SAY 5:30 PM OR SO) AND AROUND 8:00 PM).

ALL EXCHANGE LINE FUNCTIONS APPEAR NORMAL. AND THE LINES ARE NOISE FREE, LEADING US TO DOUBT VERY MUCH THAT THE BUGS ARE ENTERING VIA THIS ROUTE. WE HAVE ALSO RUN THE SYSTEM FOR AROUND THREE-QUARTERS OF AN HOUR ON ITS BATTERY SUPPLY WITH THE MAINS REMOVED (WE DONT REALLY KNOW WHAT WE WERE HOPING TO ACHIEVE) BUT THE DISPLAYS DID NOT RETURN. AS A MATTER OF INTEREST THE CONTROL CARD HAS BEEN CHANGED THREE TIMES TO NO AVAIL.

WE THANK YOU FOR THE ASSISTANCE YOU HAVE GIVEN US IN THE PAST WITH THIS CUSTOMER, BUT THE TIME APPEARS TO HAVE COME TO POSSIBLY CALL IN THE MANUFACTURER AS ~~WE ARE RUNNING AROUND IN CIRCLES.~~

REGARDS

PHIL ARKLE 605 6955

23/5/88

W. Arke
25

+ 324 9271 - Dead level but get ring.

K25185

WEDNESDAY 29 JUN 1988

Visit N. Mell ~~*~~

- (complaint of BWF) Congestion problem. ⁶⁸⁷ ⁶⁸⁰ from Footscray Node to N. Mell. problem in hand with Metro Network Design.
- ECC installed during week. 20-24th. TBS fault caused CD's to lock up - collected all 000's, 6000 codes showed up possibly due to heavier traffic levels at the time.
- No PVA on dead levels 324 9271 - get ring tone. 328 4
- o potential NRR/BWF complaints. Fault cleared when jack was hammered home on Recoded voice base
- Level 3 at NMEs but GIV is monitored by ANA ^{is not by stats meters} equipment. Can't tell congestion level but can get information on timeouts
- 4 TANDEN has KME readings read fortnightly.
- Insufficient ~~progs~~ (special timestats) may be causing busy fore problems also

PC: Rocky. - Told him of fault.



N/P - Overloaded routes. File to identify real problem.
 but needs a years study to determine how much can be gained
 - Additional cut have been 57-80
 put in on MELLC → NOW carry but still
 massive congestion.

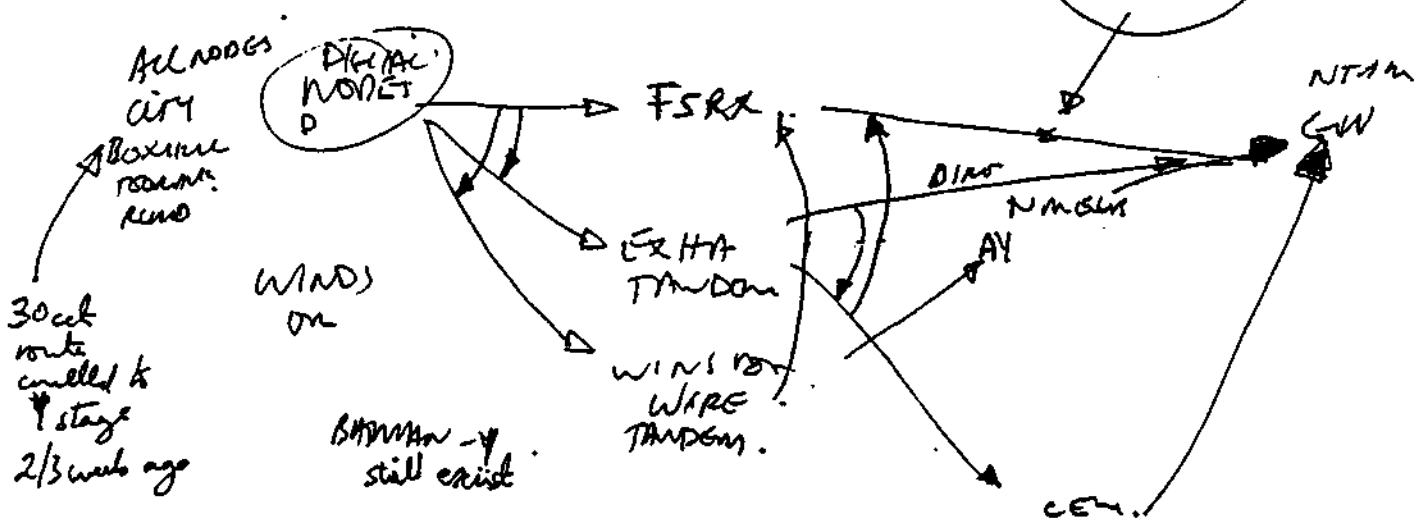
PCT - ~~XXXXXXXXXXXXXXXXXXXX~~ MNE

EXHA
 WIRE TANDEN

~~XXXXXXXXXXXX~~ T
 should check route

all digital origin only
 oblow → Digital Tandem.Y

NOW STOUND BE OUT OF CONGR RELIABOD



some Y congestion but not albiting 329/388 termndy tlb. NME ~~XXXXXXXXXXXX~~ G

TRK study done for Lons Y → FSRY.

Not sure of internal congestion

Monday AAE

[Redacted]

T

[Redacted]

T

on [Redacted] @ 6621067

3:00 calls attempted 3pm. → cally 328-0611
248 successful.

52 FAIL (17:30)

THAT RUN DONE VIA NODE 00 1st and
have been over using via Tandem.

• Busy tone will allow calls to be made

• Congestion Tone always dropped back to internal comm

• get local congestion tone.

OUR TEST WAS

• register PA

• prints from Tandem.

congestion into 41 code only
all via LON H CENTY.

• busy tone
30-50%

congestion CENT 7 → Callinger

calls failing to get the End of selection

now during peak load. (Test system program has a high go
load - will cause call throughout
to be affected.)

| | | | | |
|----|----------|------|------|--------------|
| us | Per dual | Long | busy | sub |
| | 0 | 1701 | 61 | 0259 2029 |

cally Callinger

FOR STREAM
of 90 from st.

UDO GROUPS 606 706 5
Want help with it



245

1. NTM/TPM:

In order to determine future directions in regard to application of NTM techniques in the analogue network, it is proposed that a review be undertaken of the current monitoring/control situation throughout Metro and Country areas and the proposed penetration of NTM throughout the network.

[REDACTED] - SE - Network Management has issued a discussion paper on NMC Facilities inviting comments from all NNO Offices, prior to determining our requirements and preparing a user specification.

Mr Tony New - Network Management - Melbourne, is pursuing the TPM Working Party Action Items with a view to commencing a user specification early in 1989.

2. DSPN:

Mr Clive Green advised the NMC Committee of the latest development at the last Working Party meeting held in Brisbane on 8 November 1988.

3. Relations with State Government Emergency Service Groups:

A review is being undertaken by Mr Alan Bramfit, of the Melbourne Office, of the current role of each NNO office. This is expected to lead to proposals on how we could improve our counter disaster role.

4. TNE:

Congestion being experienced in AXE exchanges due to shortage of CL, PD and RE "individuals" has been brought to the attention of TNE so that designers can be made aware of the problems.

GOLDSON
MESSAGES

3. AXE Congestion:

A request has been made to National Network Maintenance to issue procedures for AXE maintenance staff with regard to the monitoring of the number of CL, PD and RE "individuals" which could cause significant congestion if underprovided.

TNE have also been alerted to the problems of insufficient number of CL, PD and RE "individuals" at a number of AXE exchanges and the need for designers to be aware of the problem.

4. Administration:

Following the re-organisation of the administration in the Melbourne Office, which now covers Operations, Maintenance and Design Groups, Mr Stan Dipple has produced a proposal for the integration of the Clerical staff in accordance with agreement between Staff Associations and Telecom. [REDACTED] and [REDACTED] on this current activity.

5. Network Management Centres - Traffic Controls and Benefi

Information on the controls and benefits derived for Peri
6 are given in the attached paper.

28 B

CL RECORD insufficiencies

During the setting up of a call each call attempt is allocated a CL record which is in part equivalent to the Register in XBAR but also contains other information such as details of the hardware being used on this call and how it is linked together in the GSD. When the call is completed the call linking information is transferred to a CL record for call and clearing supervision i.e. timing of time throwout before answer, b party restoration etc. In short for every call set up there should be a CL record.

* If there are insufficient CL records then the AXE will send congestion to the A party.

A case has recently occurred where this in fact did happen. A particularly nasty situation can occur when the B party is a XBAR or SxS subscriber as the AXE has completely set up the call and ringing conditions have been set up at the B subscriber in the FIR or FS such that depending on the ring phase ring will be going to the B party line however the AXE will send congestion tone to the A party. This is made worse in some cases where the modern substation equipment such as commanders actually send out several bursts of ring and light the call indication lamp before the clearford by virtue of no longer receiving forward ring is detected. The B party answers but alas no voice.

This has occurred we suspect on some 008 calls all of which now switch via AXE digital tandams, where the B parties, whom are obviously financially motivated, are extremely annoyed.

We are currently trying to find out the who, what when and where of measuring CL occupancy and augmentation but a very common response up to now has been "What are CL records?"

Lee de Vries

SE NIS Vic.
NNO Melb.

PD (Pulse Distribution Devices.) also are not dimensioned.

A TELSTRA minute written on 2 July 1992 to NETWORK OPERATIONS and the FAULT BUREAU VIC/TAS, and obtained under the F.O.I.



Telecom Australia

Minute

File WA-AC 4/1/18 Subject GRADE OF SERVICE COMPLAINT
MR ALAN SMITH 055-26 7267

Phone 055-73 0200

From MARK ROSS
CUSTOMER SERVICES MANAGER
HAMILTON - VIC/TAS REGION

To [REDACTED] - NETWORK OPERATIONS
[REDACTED] - FAULT BUREAU VIC/TAS

Please find enclosed documentation in regard to a Grade of Service Complaint from Mr Alan Smith of Cape Bridgewater.

Our local technicians believe that Mr Smith is correct in raising complaints about incoming callers to his number receiving a Recorded Voice Announcement saying that the number is disconnected.

They believe that it is a problem that is occurring in increasing numbers as more and more customers are connected to AXE.

Can you please investigate this problem and provide me with a written reply so as I can forward this to Mr Smith and our local Federal Member, before what is already a difficult situation, gets right out of hand.

MR
Mark Ross
Customer Services Manager - Hamilton

2/7/92

mr1981b3

280

Internal Memo



To Harvey Parker
Grp. Managing Director, Commercial &
Consumer

Network Investigation SA&NT
Networks & Interconnect
Network Operations Division
Network Products Business Unit
Australia

From [Redacted] T
PTT02

Telephone [Redacted] T
Facsimile [Redacted]

Subject Fault Management

Date 29 November 1993

File

Attention

Harvey

I trust the previous correspondence sent early in November has been received. ✓ 10/11 to Ian Campbell see Ian's note attached

There is so much opportunity for real improvement in Telecom; the difficulty is knowing where to start and how to best achieve genuine improvement. Certainly change for the best is unlikely to be realised if there is not a complete and intimate knowledge of the industry by those formulating the changes.

The attached report mainly relates to to the Fault Management process; its deficiencies, and concerns about the direction it it is heading. My interest is not recent nor opportunism; it would be easier to back off but that would kill work interest. My research and reading has been largely in my own time but is of reasonable breadth. The undertaking of the Associate Diploma in Accounting was motivated by the perception this knowledge was wanting in the Telecom engineering discipline at least. It also became obvious, if I was ever to make a real contribution, then knowledge in finance, particularly with respect to financial decision making and management, was required. It is also clear if this contribution is ever to be realised, then I must act now; hence the above quasi job application.

As the performance quality of the network is directly translated to customer satisfaction and cost and quality of Fault Management, caution is also expressed about the decision on which switch should be used for FMO. I have long held the view the AXE switch provides an inadequate and crude Fault Analysis & Diagnostic tools. Attempts to have

R12219

28E

↓
improvements incorporated have been acknowledged, but nothing has changed. I consider the minimum additional AXE requirements for effective fault investigation are:

- The capability to monitor detail of incoming traffic to customers connected to AXE eg. time of call, duration of ring and conversation, identification of calling party.
- The option to remove the need for switch hook flash or call time out with the Malicious Call Trace facility.
- The capability to dump to file, on a needs basis, information relating to call establishment in the switch.
- The inbuilt capability to log CCS7 signalling without the need to purchase costly add on test equipment. The importance of this function cannot be emphasised enough; it should be an obligatory requirement in the specification for the selection and purchase of any switch from this time on. - refer pg.5 of the Draft Report previously sent "Telephone Service:- False Fault Reports."

Adding emphasis to this need for the employment of these tools is the large current level of outstanding network faults Phantom Rings, Not Receiving Ring, and RVAs indicating the called customer is no longer connected. It is not possible with present fault analysis tools to easily and quickly determine what are genuine network faults and what is inadvertent customer misoperation, wrong numbers, not listening for dial tone etc.

At present actual network failures as opposed to misoperation cannot be quantified but instances have been confirmed eg. the called party received only a couple of rings, the calling party was traced and queried, they received an RVA indicating the number was no longer connected.

FMO must proceed, but service provision must not be compromised by an unacceptable fault incidence or shortcomings in diagnostic tools if the customer is to be satisfied and costs contained.

T
[REDACTED] (PTT02)
National Network Investigation
Networks & Interconnect
28th November 1993

R12220

28E

30/10/88

10/114 SUBJECT: GOLDEN MESSENGER

PHONE: 428 8933 FROM: P. Killeen

To
MANAGER - BCS NORTH (VICTORIA)
Attention: Mr T. Hoskins

Regarding the service received by customers off North Melbourne exchange, the following information is provided.

At the last meeting between Telecom and Golden Messenger (G.M.) resolved that Network Investigations would assist with problems where customers could not reach G.M. , and that G.M. would provide a list of such customers.

We have only ever obtained one list of customers names and numbers on the 27/7/88. This highlighted that 10 of the 12 customers were served by AXE exchanges, the remaining 2 by ARE. All customers reported that they had experienced "engaged tone" with 11 of the 12 reporting the cases on or before 6/7/88. It is presumed by NI that this may be busy tone or congestion tone as customers can generally not discern the difference.

It was found that at or before this time there were changes made in the trunking of IDN originated traffic to North Melbourne, and Footscray DSC realizing that the IDN exit route from Footscray Node to North Melbourne was severely congested initiated action to increase the number of circuits. This route has subsequently been increased from 37 circuits to 57 at 5/7/88 and then to 81 approximately one week later.

No further complaints have been received by this office from G.M. since that time.

More recently the route has been increased to a total of 111 circuits. Metro Network Engineering advise that this route is designed to be 180 circuits for the 8th Axe Bulk Order. Current traffic readings show that the 111 circuits are carrying a TCBH traffic of 86 Erlangs which means it would be offering a grade of service of better than the designed level of 0.002. However the traffic is increasing and discussions between this section and MNE has resolved that the route will be increased by a further 10 to 15 circuits, depending on GV inlets and MUX availability at North Melbourne.

R30014



PHILIPS

Gary Massie
02 805 4155

34 Waterloo Road,
PO Box 377
North Ryde, NSW 2113
Telephone (02) 805 4444
Facsimile (02) 805 4566
Telex AA20165 (Aussynco)

Telecom Australia,
10/190 Queen Street,
MELBOURNE VIC 3000

Your ref.

Our Ref: GM:pb:5421

ATTN: Mr C. Hamilton

Dear Sir,

13/06/89

RE: FLEXITEL

I am writing to confirm the actions resulting from our meeting 7 June 1989 at 45 Jones St, Ultimo NSW.

1. Philips will investigate the reported failure rate of Control PBA's. Telecom estimate a MTBF of 0.833 years.
Action: G.I. Massie (PHILIPS)
2. Philips will investigate the suspected high failure rate of the PSU assembly.
Action: G.I. Massie (PHILIPS)
3. Telecom will investigate the actual failure rate of the PSU assembly and report it to G. Massie.
Action: TELECOM
4. Philips will advise Telecom of the cost and availability of a software engineer to assist with diagnosis of a possible software difficulty being experienced by Telecom maintenance staff.
Action: G.I. Massie (PHILIPS)
5. Philips will provide to Telecom monthly reporting for all returns from 30th June 1989.
Action: R. Li (PHILIPS)

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1
UIC
4

Date 14 JUL 39 (Faxed to TBS Gen mgr)

6. Telecom will pay all outstanding invoices in full (as detailed below) immediately.

| <u>STATE</u> | <u>INV. NO.</u> | <u>VALUE</u> |
|--------------|-----------------|--------------|
| QLD | 117243 | \$10036.86 |
| | 117242 | \$15055.29 |
| | 117407 | \$15055.29 |
| TAS | 117238 | \$1638.79 |
| | 117239 | \$2458.18 |
| | 117396 | \$2458.18 |
| VIC | 117239 | \$31145.15 |
| | 117400 | \$31145.15 |
| | 117240 | \$20763.43 |
| NSW | 117234 | \$40605.36 |
| | 117235 | \$27070.24 |
| | 117392 | \$40605.36 |
| S.A. | 117245 | \$3874.19 |
| | 117244 | \$5811.29 |
| | 117411 | \$5811.29 |
| W.A. | 117418 | \$6647.52 |
| | 117246 | \$6642.52 |
| | 117247 | \$4431.68 |

Action: C. Hamilton (TELECOM)

7. Philips will resume the activity of accepting orders and carrying out repairs on Flexitel equipment upon receipt of the monies detailed in point 6 above.

Action: G. I. Massie (PHILIPS)

8. Philips will immediately present invoices to Telecom for the first and second quarters 1989 under contract CS16330 as follows:

1st Quarter 1989

| | |
|------|------------|
| QLD | \$15055.29 |
| TAS | \$2458.18 |
| VIC | \$31145.15 |
| NSW | \$40605.36 |
| S.A. | \$5811.29 |
| W.A. | \$6647.52 |

Philips

2nd Quarter 1989 *Philips*

| | Contract Value | Less delivery defaults | Actual Invoice Value |
|------|----------------|------------------------|----------------------|
| QLD | \$15055.29 | \$3645.00 | \$11410.29 |
| TAS | \$2458.18 | \$607.50 | \$1850.68 |
| VIC | \$31145.15 | \$5062.00 | \$26083.15 |
| NSW | \$40605.36 | \$8100.00 | \$32505.36 |
| S.A. | \$5811.29 | \$1417.50 | \$4393.79 |
| W.A. | \$6647.52 | \$1012.50 | \$5635.02 |

The deductions to be made from the 2nd Quarter 1989 invoices will be the total penalties under this contract for the period May 1988 - June 30 1989.
Action: G.I. Massie (PHILIPS)

9. Telecom will pay the invoices in point 8 within thirty days of receipt.
Action: C. Hamilton (TELECOM)

It is our belief that the above action points are complete and correct however, should there be any errors or omissions, please reply to the undersigned on behalf of Philips.

Yours faithfully,
PHILIPS TELECOMMUNICATION & DATA SYSTEMS

P. Beasley

for G.I. MASSIE
Customer Support Marketing

**Telecom Australia**

Area Code (03)
Telephone 605 7038
Telex 37568
Our Reference
Your Reference

Corporate Customer Division
Service Assurance Branch,
6th Floor, 219 Elizabeth Street,
Melbourne, Vic. 3000

Mr L Muthu
Business Terminals
Telecom Business Services

**RE: OUTSTANDING INVOICES FOR FLEXITEL SPARES
SUPPLY FROM PHILIPS**

Dear Les,

I refer to our conversation earlier today regarding the above subject.

As discussed, would you please arrange for the respective T.B.S. Regions in Victoria to pay the outstanding invoices.

As Philips are withholding supply of spares our ability to provide quality Service to Flexitel Customers is being impeded. Therefore I would appreciate urgent advice as to when these invoices will be paid.

Yours sincerely,


John Kelly
COMMERCIAL MANAGER
SERVICE ASSURANCE BRANCH

4/8/89

3

20.3.87 -

31


Telecom Australia

Area Code (03)
Phone 605 7000

Corporate Customer Division
Service Assurance Branch
6th Floor, 219 Elizabeth Street,
Melbourne, Vic. 3000

Telex 37588
Our Reference
Your Reference

Mr Ed Blake
Manager Business Terminals
Telecom Business Services
10/190 Queen Street
MELBOURNE 3000

*Mr Gellards
this seems to be unending.
what's the problem?*

RE: PAYMENT OF INVOICES FOR FLEXITEL SUPPORT FROM PHILIPS

Dear Ed,

Early in 1988 Ken Sharrock from National PABX Service, at the request of TBS, assisted in negotiation of a Service and Training contract with Philips to provide spares for Flexitel Systems.

Since that time Philips have issued a number of invoices under that agreement to each state. In Victoria's case the invoices were sent to Business Terminals Branch, Corporate Customer Operations. (Now Service Assurance Branch). These invoices were passed to Craig Hamilton from TBS for payment by the respective product group.

Since that time responsibility for payment has been passed from "pillar to post". It would appear the funding for this contract had not been considered by the product group hence the delay in payment. Several discussions with Les Muthu from your office have also proved fruitless.

Philips have now stopped providing spares because of the unpaid bills. This is severely affecting our ability to provide a quality service to Flexitel customers.

I ask your urgent assistance in arranging payment.

Yours sincerely,

Geoff Read

Geoff Read
MANAGER - SERVICE ASSURANCE BRANCH
17-8-89

c.c. L Parnham
N Cook

Enc.

32A

29th. May 1987

Mr. Geoff Gamble,
Telecom Australia,
Operations Department,
13th. floor,
35 Collins Street,
MELBOURNE, VIC. 3000
~~Golden Messenger~~
493-495 Queensberry Street.
North Melbourne Victoria 3051 PO Box 313 North Melbourne
Telephone 329 7355

Dear Geoff,

RE: FLEXITEL TELEPHONE SYSTEM

LETTER OF INTENT

We hereby confirm our intentions to purchase a Flexitel System on the following basis :

The system, being as specified by Bob Ryan, to include :

1. 10 head sets
2. Battery back-up
3. Installation
4. Programmed to suit our requirements
5. Successful system demonstration, programmed to our requirements.
6. Installation by 26th. June 1987
7. Total purchase price, including all of the above \$37,000.00.
8. Payment - 90 days after commissioning of the system.

Yours faithfully,


Graham Schorer
Managing Director

GJS:rah

AGP/BSW

32B



Telecom Australia

Telephone

605-7000 Area Code

Corporate Customer Division
Operations Unit
4/287 Elizabeth Street
SYDNEY 2000

Telex
Our Reference
Your Reference

John Harrison
National General Manager
Telecom Business Services

Recently my Melbourne Region has been experiencing difficulties with the supply of spare parts and support for the F-120 and Flexitel products.

The issue with Flexitel is centred on a disputed account with Philips and no spare parts have been available for some time.

The problem with F-120 is reported as being that there is no service/training/spares agreement in place with Fujitsu.

Naturally this is having an adverse effect on the customers of both TBS and CCD. We have already experienced major difficulties and the matter must be addressed promptly.

As both these products are (or were) in the Commander range I believe your Division should take a lead house role. Although the F-120 is a Fujitsu 9600 family product and ACS might be interested in a cooperative approach to the Joint Venture Company.

I would appreciate it if you could arrange for your representatives to contact Noel Cook 606-6119 and Barry Kelly 605-7000, to determine a way to resolve these issues.

Whilst I am happy to leave these officers to take responsibility please do not hesitate to contact me if there are any issues which require my assistance or input.


L Joliffe
NATIONAL GENERAL MANAGER
CORPORATE CUSTOMER DIVISION OPERATIONS

8 November 1989

693 7208

Doc Id: gr03-3.doc

*** END OF DOCUMENT ***

33



Telecom Australia

Telephone 606 7862 Area Code 03

Telex
Reference

Office of the
Corporate Secretary

199 William Street
Melbourne Vic. 3000

21 JUN 1990

Mr G Schorer
Managing Director
GOLDEN MESSENGER
PO Box 313
NORTH MELBOURNE VIC 3051

Dear Mr Schorer

I have been asked to acknowledge receipt of your letter of 19 June 1990 to the Managing Director concerning difficulties you are experiencing with your Flexitel telephone system.

The matter you have raised is being examined and the Corporate Secretary will respond to you as soon as practicable.

Yours sincerely

Nola Webb
for CORPORATE SECRETARY

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Telecom Business Services

000248

Our Reference HC5/3 Your Reference

Victoria North Region

Originator M OATES Telephone 657 3601

10/35 Collins Street
Melbourne 3000To: Office of the Corporate Secretary
Attention: Mr B Smith

Dear Brian,

Some further information regarding the draft response to representation from Mr Graham Schorer of Golden Messengers.

You need to be aware that I have had some sixty hours in face to face negotiations with Mr Schorer on this matter as well as other complaints about the Network. The whole issue is a complex one. Despite our position on the issue of compensation, the Flexitel product has been a difficult product to market, install and maintain and we have already removed many from service due to service difficulties. However it is our view that the Flexitel provided for Golden Messengers is operating satisfactorily.

It is also clear that the Network has not been kind to Mr Schorer as there was a period of about six months when the congestion on North Melbourne Exchange was such that it could have adversely effected his courier service.

I am taking all of these things into account in trying to find a satisfactory outcome regarding the Flexitel without accepting any liability in respect of compensation for loss of business. Our legal advice has been that we are not liable for compensation and this is the position we have held to date.

This information may assist the Corporate Secretary in deciding whether our response is adequate.

Regards,

M. Oates
Regional Sales Manager
Telecom Business Service
North Victoria Region

29th June, 1990

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Telecom Australia

Telephone 606 6431 Area Code 03

Telex
Reference 342/22/1088

Office of the
Corporate Secretary

199 William Street
Melbourne Vic. 3000

06 JUL 1990

Mr G Schorer
Managing Director
Golden Messenger
PO Box 313
NORTH MELBOURNE VIC 3051

Dear Mr Schorer

I refer to your letter of 19 June 1990 to the Managing Director about difficulties experienced with your company's Flexitel telephone system.

My enquiries have revealed that following the installation of the Flexitel system in July 1987 a number of difficulties were experienced with the operation of the system. These were due either to incorrect operation of equipment by your staff or incorrect programming and dimensioning of the system. In order to overcome these difficulties Telecom provided customer training and upgraded the facilities of the Flexitel system.

In the circumstances, Telecom considers that it has met its obligations in regard to the provision and maintenance of the Flexitel system and accordingly does not believe that compensation is warranted.

However, in the interests of customer satisfaction, I understand that the Regional Manager of Telecom Business Services, North Victoria Region, Mr M Oates, has offered to negotiate a mutually satisfactory solution in respect of your concerns and is awaiting your further advice in this regard.

Yours sincerely

S C Moon
CORPORATE SECRETARY

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WPCORP1479

**Telecom Australia****Minute**Our Reference:
Your Reference:

Subject

Phone

From

Mr. R. Boughton

To
Australian Government Solicitor
Level 14
200 Queen Street
MELBOURNE VIC 3000

Dear Sir

Re: Telecom ats G.M. (Melbourne) Holdings Pty. Ltd.

I refer to this matter and to the requirement to make discovery by 18 September, 1990.

Please find herewith a copy minute and report from the Network Investigations Section - National Network Operations Melbourne - Network and Consumer Services Metropolitan Division - entitled "Golden Messenger (North Melbourne) Not Receiving Ring, Cut offs. Busy When Free - Final Report (Abridged) N.I. - N.T 10/114". The minute and report may have been included in the documents forwarded to you under cover of my letter dated 31 August, 1990. This report, in my opinion, is not discoverable as it does not relate to the matters in dispute in this action. It relates to an investigation into the network (ie. the North Melbourne Exchange).

A handwritten signature in cursive script, appearing to read 'Janet Buzza'.

JANET BUZZA
Principal Legal Officer

14 September, 1990

46061/56

R25900

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Telecom Australia

Minute

Our Reference:
Your Reference:

Subject

Golden Messenger (North Melbourne)
- NRR, COS, BWF, Final Report
(Abridged).

Phone

From

JANET BUZZA

To

K07254

Mr. P. M. Killeen
Facsimile No: 429 6318
Network Investigations Section

Solicitors acting for Golden Messenger have issued an application in the Federal Court of Australia claiming that Telecom in 1987 engaged in misleading and deceptive conduct in respect to the supply of the Flexitel System.

Telecom is required to produce all documents relating to the matter. Mr. Max Oates has supplied me with a copy of a report entitled "Golden Messenger (North Melbourne) Not Receiving Ring, Cutoffs Busy, When Free - Final Report (Abridged) NI - NT 10/1145". Telecom is required to produce the unabridged report in addition to the abridged version. Would you please forward the same as a matter of urgency.

JANET BUZZA
Principal Legal Officer

19 September, 1990

Minute

Refer. ce:
Reference: Subject

GOLDEN MESSENGER FINAL REPORT

Phone 606 6950
From

JANET BUZZA

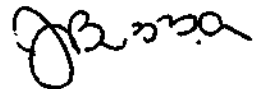
C04586

To **MR P. KILLEEN
NETWORK INVESTIGATIONS SECTIONS**

Further to our conference with Mr C. Maxwell of Counsel on 4 October, 1990, please advise if you wish to seek confidentiality orders in respect of any of the material that you have supplied.

In seeking such an order Telecom would attempt to limit disclosure of the contents of the reports and other material to Golden Messengers legal advisers only. Matters such as the 14% fault rate may be one area.

Please provide me with your instructions as a matter of urgency.



**JANET BUZZA
Principal Legal Officer**

October 5, 1990



Telecom Australia

Minute

Our Reference:
Your Reference: NI-NT 10/114

Subject GOLDEN MESSENGER FINAL REPORT

Phone (03) 428 8933 From P. M. Killen
(03) 429 6318 (FAX)

000226

To CORPORATE COMMUNICATIONS DIRECTORATE
NATIONAL MANAGER - COMMUNITY RELATIONS
Attention: Mr J. Madigan

In relation to our discussions on 11/10/90 could you please peruse the attached report and indicate what aspects may be sensitive issues as regards release to the general public. This information will be forwarded to the Corporate Solicitors Office in response to the copy of the minute attached.

Whilst some matters are sensitive, the report as prepared is a "warts and all" account of our findings into network conditions which impinged on the service provided to Golden Messenger.

Your comments are appreciated.

Paul Killen
Paul Killen

Paul Killen
NETWORK INVESTIGATIONS (Melb.)
11/10/90

Toula please make up a NT10/114 part 4 and put there away

Paul Killen

40



MBF 168

GOLDEN MESSENGER LITIGATION

606 8771

F.W. Jones

000506

EXECUTIVE GENERAL MANAGER, TELECOM RESIDENTIAL & NETWORK SERVICES
(Mr L.A. Tyrrell)

As discussed, enclosed is the Network Investigations Report concerning Golden Messenger.

Counsel for Golden Messenger has sought a copy of this report from Telecom. Initial advice from the Telecom Solicitor's office is that the report should be made available.

TBS is concerned that some data in the report is open to misinterpretation, and therefore would appreciate your advice:

- As to whether or not Telecom should object to making the report available; or alternatively
- What defence Telecom should prepare if we have no option, in law, but to make the report available.


You might also like to consider what the implications would be if North Melbourne Exchange receives widespread bad publicity, or if an unfavourable judgment is made in this case.


EXECUTIVE GENERAL MANAGER
TELECOM BUSINESS SERVICES

23.10.90

Peter Gamble

Could I have your urgent advice pls. The matter is re-listed for hearing on 5/11/90


23/10

41



Telecom Australia

Minute

File NMNE AZ3/2

Subject GOLDEN MESSENGER LITIGATION

Phone 657 2783

From W. Goudie

To GENERAL MANAGER - TNE METROPOLITAN
Mr P.L. Reilly

W. Goudie
29/10/90

Whilst the report can be used against Telecom, I can see no reason eg security, confidentiality, why it should not be made available.

The report indicates that Telecom did contribute to the poor service experienced by Golden Messenger. What this means in a court of law is open to question; in no way can it be implied from the report that Telecom was negligent.

TNE would be willing to provide expertise to the Solicitor's Office regarding any technical issues.

MR Jones

W. Goudie
W. Goudie
CHIEF ENGR
29 Oct 1990

I have noted the comments from TNE. Original returned for your use.

Peter Goudie
1.11.90

To TNE
Mr P. Reilly

*Referring to the two points in last week's minute,
• We cannot see grounds for withholding the report
• In defence, there is no implied negligence and our expertise is available if specific issues need information*

P.L. Reilly
29/10/90

R20783

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Telecom Business Services Minute

File Subject GOLDEN MESSENGER LITIGATION
Phone 606 8437 From Peter Gamble

001801

To: Executive General Manager, Telecom Business Services
Mr F. Jones

CC: TBS Regional General Manager, Victoria North
Mr N. Hamilton

Attached please see a briefing note from Trevor Hill of the Corporate Solicitors Office, giving an update on the Golden Messenger situation. The hearing which was expected to be on Monday 5th November was in fact held on Friday 2nd November.

In a separate conversation with Trevor, he emphasised the importance of the Corporate Solicitors Office being involved in the final negotiations and preparation of any agreement to be signed between Telecom and Golden Messenger.

It would appear that any concerns over the disclosure of the adverse report on the North Melbourne Exchange can now be set to rest as it will not be released until point (5) has been complied with.



Peter Gamble
Manager, Business Network Planning
7th November 1990

These copies Received for Peter Gamble

~~on~~ 7 September 1992.

R M

Fax: 650 2391

43



Our Reference HC5/3.1 Your Reference

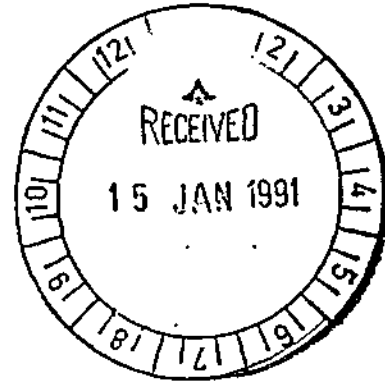
Originator M. Oates Telephone 657 3601

Victoria North Region

10/35 Collins Street
MELBOURNE VIC 3000

26-2-1996

Mr G Schorer
Managing Director
G.M. (Melbourne) Holdings Pty Ltd
493 Queensberry Street
NORTH MELBOURNE VIC 3051



Dear Graham,

RE: ISDN LINK

I confirm that Telecom Australia is prepared to offer your group of companies telephone services on the ISDN Network on the lines of your choice.

I also confirm this letter and offers are being made on the condition that they will not be used in any litigation involving Telecom, or in any way against Telecom in respect of any matters arising prior to the date of this letter. The offers are made without prejudice to any matters between the parties.

I confirm that Telecom will provide a new telephone network service, ("the new service"), at no cost to the group, if in the reasonable opinion of the Managing Director of the group, Mr Graham Schorer, that the telephone network service, (the service), provided by Telecom to the group shows evidence of inadequacy at any time after the expiry of 28 days from the installation date.

Evidence of inadequacy would include amongst other things;

1. Clients on dialling the group's number(s) and hearing a prerecorded message, that the telephone number dialled has been disconnected or no longer available.

44A

2. Clients on dialling the group's number(s) and hearing ringing tones as if there is no one in attendance when the group's records show that there were telephonists available and/or waiting to take incoming calls.
3. Clients on dialling the group's number(s) and obtaining an engaged signal therefore giving the ringing client the impression that all of the group's lines were busy and/or giving the impression that the group does not have enough lines to receive the group's clients incoming calls when the group's records show that not all its lines were being utilised.
4. Clients dialling the group's number(s) after completing their dialling obtain a congested signal, (that is very difficult for the uniformed to distinguish from an engaged signal), again giving the clients the impression that the group does not have enough lines connected to their system and/or giving the impression that the group are extremely busy or overloaded when in fact the group's records show that there are vacant lines available to take incoming calls.

Finally, the new service will in turn be subject to the same conditions imposed in relation to the services.

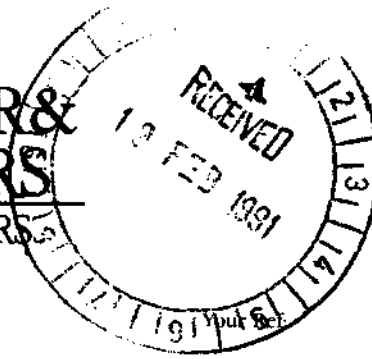
Yours sincerely,

Max Oates
Max Oates
Regional Sales Manager
Telecom Business Services
Victoria North Region

11-1-91

44A

**LANDER &
ROGERS**
SOLICITORS



February 15, 1991

Our Ref. MC:ML:TB

Mr G. Schorer
Director
G.M. (North Melbourne) Holdings Pty Ltd
493 Queensberry Street
NORTH MELBOURNE 3051

Dear Sir,

Telecom Australia

We enclose, for your information, a copy of our letter of
11 February, 1991 to the Australian Government Solicitor.

Yours faithfully,

Z of Ry.

encl.

Harry Curtis
Michael Butcher
Peter Atkinson
Gordon Hughes
David Fitch
Michael Landvogt
Alexandra Macmillan
David Dallas
Rick Horsley
Simon Fraser
Brett Macgillivray
Craig Henderson

114 William Street
Melbourne, 3000, Australia
GPO Box 1842 Q
Melbourne, 3001
Telephone: (03) 602 5355 Telex: AA35307
Fax: (03) 670 2723 Ausdoc: DX370

AFFILIATED OFFICES IN ALL STATES

Consultant:
Hartwell Lander, A.M.

Senior Associates:
Jo-Anne Wormald
Michael Champion
Genevieve Howard
Gregory McKenzie
Geraldine Vaughan
Kate Clark
Richard de Gille

44 B

February 11, 1991

90500457/7117

MC:ML:NK

The Australian Government Solicitor
DX 50
Melbourne

ATTENTION: Richard Boughton

Dear Sir,

G M (Melbourne) Holdings Pty Ltd v Telecom

We refer to the most recent list of documents provided to us.

That document has the following defects:

1. The verifying affidavit has still yet to be sworn.
2. The affidavit fails to include a number of documents which are or have been in the possession custody or power of your client. Such documents include:
 - (a) the files of Messrs P Arckle, N Walker, C Pask, P Nicopoulos, Bob Cupid, Max Oates and ~~Mr~~ ^{SAJ} Kruger relating to our client, the difficulties experienced by our client and to the "flexitel" system;
 - (b) the files of Chris Day, and in particular the report that he was to prepare in early 1988 as to the nature and causes of our client's difficulties with its telephone system;

44C

- (c) the files and other documents relating to the investigations made by Telecom as to the complaints made by our client;
- (d) the files relating to complaints (and investigation of complaints) made by other customers relating to the flexitel system;
- (e) the tender specifications and tender documents received in relation to your client's request for tenders (this material is referred to in files numbered 41 & 42);
- (f) all files relating to the generation of "ringing" tone, "engaged" signals and recorded messages to the effect that the number dialed was either not available or was temporarily out of service.

3. → The claims for privilege in respect of appearing in paragraphs 2, 3 and 4 of the second part of the first schedule is, in the main unsupported and totally unacceptable. We will not dispute claim in respect of the following document:

| <u>Paragraph</u> | <u>Document</u> |
|------------------|-----------------|
| 2(a) | (xviii) |

In respect of the balance of the material we require that your client either:

- (i) swear an affidavit abandoning the claim; or
- (ii) provide a detailed account of the basis for the claim.

Unless these matters are rectified by 4.00 p.m. on 18th February, 1991 we will make the appropriate application.

We add that:

- 1. It is not clear whether the objection to production of the file referred to in paragraph 3 of the first part of the first schedule is based upon legal professional

48C

privilege, "absolute commercial confidentiality" or both. If, as we suspect, the basis is the latter we anticipate our client will respond favourably to any reasonable request for undertakings as to confidentiality.

2. Upon our reading of the Telecommunication Interceptions Act 1979 there is no provision which prohibits production of the documentation referred to in paragraph 4 of the second part of the first schedule. If you have a particular provision in mind please let us know.

Finally, as we have indicated previously, we have tagged those documents inspected by us in respect of which we would like to obtain copies with yellow "post it" notes. We would be pleased if you would provide copies of those documents as soon as possible. We would ask that the "post it" notes not be removed at present as we may need to inspect some of the original documents in the future.

Yours faithfully,

44C

Our Reference:
Your Reference:

Subject **Golden Messengers**

Phone **869-0520**

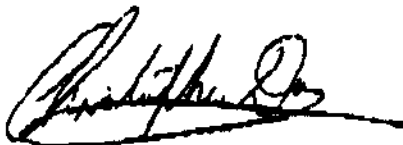
From **Chris Day**

To **Melinda Hughes**

Following receipt of your Fax 20/2/92 I have spent sometime considering a response to the comments attributed to myself in relation to this issue. I cannot unequivocally state these are a correct narrative of my comments or not, the context in which I may have made such comments is also at question.

I was requested to attend Mr. Schorer, following a complaint he lodged, to determine his requirements and investigate what could be done to resolve his concerns. From my initial contact with Mr Schorer it was obvious that he required more of the system than it was technically capable of, he indicated that this was a result of how the Telecom salesman presented its capabilities to him.

To the best of my knowledge discussion did take place on what could be done to the Flexitel system to achieve the required level of operation and included the issue of a VOCA Call Sequencer. A number of alternative methods of operating the system were suggested but none of these met with his approval, following this Telecom undertook further technical investigation and some changes to the system were made to satisfy his needs. At this stage my involvement ceased and I was under the impression that agreement had been reached and the customer was happy with the outcome.



Chris Day
25 February, 1992

R20494

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File JB5M4/10 Subject Golden Messenger

Phone 606 6950 From Janet Buzza

000213

To Mr K. Clapperton
Telecom Business Services

I refer to our telephone conversation on 2 April, 1992 concerning further testing by Telecom of exchange equipment, lines and the Flexitel system installed at Golden Messenger's premises.

Mr Ken Torr and I conferred with Mr Richard Boughton, Australian Government Solicitor's Office, on 6 April, 1992 for the purpose of discussing the proposal.

Mr Torr outlined to Mr Boughton the form of the testing at the exchange and on the lines, and advised that a computer printout of the data obtained, would be produced. Mr Paul Killeen would assist in analysing the information obtained. All things being equal, the testing should confirm whether the alleged problems of which Mr Schorer complains of are:

1. at the exchange;
2. with the telephone lines;
3. in the Flexitel system; or
4. with the operators employed by Mr Schorer.

The risk for both parties with the proposal is that the testing will show that at the current time, the problem lies with the operators (that will be a problem for Mr Schorer in his current litigation against Telecom) or with the exchange, the lines or the Flexitel system (that will be a problem for Telecom). If it is shown to be an operator problem, then this will assist Telecom in the litigation. I imagine if the testing does prove the same, Mr Schorer will contend that it is only relevant to the time the testing was carried out. This is correct although I understand from Mr Torr that Telecom has, on previous occasions, offered to carry out such testing but Telecom's offer has been declined by Mr Schorer.

In the event that the testing shows that the problem lies with the exchange or the lines, Telecom could deny liability for alleged loss and damage suffered by Golden Messenger based on provisions which have been variously contained in s.101 of the Telecommunications Act 1975, s.30 of the Australian Telecommunications Corporation Act 1989, the Standard

000214

Conditions and Charges and the General Conditions Applicable to the Tariff of Basic Carriage Service. The strategy in adopting this position will have to be carefully considered before proceeding.

If the problem is identified as being with the Flexitel system, then similarly, Telecom's position will need to be considered.

I would only agree to Telecom proceeding with the testing if the same is conducted on the exchange, the lines and the Flexitel system. There is little benefit for Telecom if the Flexitel system is not tested simultaneously.

On balance, if you wish to proceed with the testing, I have no difficulties with the same. You must appreciate that some risk for Telecom exists, however, if it is shown that there are problems with the Flexitel system. If that be the case, and Telecom is liable for the same, then it is proper that Telecom should compensate Golden Messenger to the extent of its liability.

Please telephone me if you wish to discuss this matter further.


Janet Buzza
Principal Legal Officer

7 April, 1992

cc: Mr A. Cook
Divisional Secretary
Telecom Business Services

46

Facsimile Message

Telecom Australia..

To: [REDACTED] T

Fax No.: [REDACTED] T

Company: Telecom Technologies

Division:

Date: 09.04.92

No. of Pages 2

From: [REDACTED] T

Secretary, Commercial

Telecom Australia

Phone: [REDACTED]

Fax: [REDACTED] T

K05797

David,

The attached minute from [REDACTED] of the Corporate Solicitor's Office concerns a legal issue which has been running for some two or three years.

In summary, it involves a customer, Golden Messenger, alleging that faults associated with a Flexitel System purchased from Telecom, had contained shortcomings which it is claimed damaged the business.

Counsel for the AGS, who are handling the case for Telecom, has now raised the issue of whether Phillips should be joined to this action. [REDACTED] would like to have some initial discussion on this in relation to the issues outlined in her note. Ed Blake has suggested I refer the matter to you.

Would you please let me know who I should refer [REDACTED] to. If you do not consider that Telecom Technologies is appropriate, could you please suggest the appropriate area.

[REDACTED]

[REDACTED]

[REDACTED] T

CC: [REDACTED]

47

3

[redacted] T 22/6/82 Fi. [redacted] T

system had problems before mid 1987

1st Flexibel installed - national mutual
memory limitation - didn't fit capacity

original system wd have done what
rep. wd it used - eg music on hdd
instead of having 4 line circuit card
needed 22 circuits per card
that caused a prob K05826

DSS console - station limitations.

sales rep didn't understand customers require.

Flexibel system doesn't satisfy all of
customers requirements.

T knew limitations of systems before this
down arose - experts came at them
Scotland

T didn't think.

of
CS22 1121.

offer against variable - 108 parts - no
of the limitation no of
Phillips didn't know
in the case that is not the problem.

key capacity well wh limits 2x key
relations dc - music on hdd DSS console.

July 1, 1992

Telecom Technologies
Pty Ltd

A.C.N. 006 841 345

Ms. Janet Buzza
Principal Legal Officer
AOTC
7/470 Collins Street
Melbourne, Victoria 3000.

1st Floor The Atrium
Luton Lane
Hawthorn 3122
Victoria Australia

Telephone (61-3) 818 3888
Facsimile (61-3) 818 3731

Dear Janet,

RE: GOLDEN MESSENGER - v - TELECOM

Further to our telephone conversation on 22/6/92 and in response to your questions outlined in your letter to Mr. A. Cooke, JB5M3/62 of 31/3/92, the following is provided:

1. While I do not have a copy of the contract with Philips for the Flexitel product, it is likely Philips did comply with the contract.
2. The Flexitel system did have shortcomings in terms of, the number of keystations and DSS consoles which could be connected to the system and a noticeable slow down in operation on large capacity systems with medium traffic. Philips were notified of these shortcomings when they were identified, in mid to late 1986, in writing and verbally at various meetings. Philip's response was to arrange for engineers from the UK to visit Australia. The limitations of the system were confirmed after investigations by Philips and Telecom engineers. Attachment 1 identifies the Flexitel application procedure and system capacities based on limitations.

R20430

49

RS-0254

Commander D
is here

3. Based on the Statement of Claim filed by Golden Messenger, it appears that the Telecom sales person misunderstood the customers requirements, or those requirements (as listed in S of C) were not communicated to the salesperson. The system can handle most of the listed requirements, at least partially. The shortcomings of the system listed in 2. above did not in this case cause the problem.

If you have any questions on the above please give me a call.

Yours faithfully,
Telecom Technologies
Pty Ltd



R. F. Smith
Product Development Manager

R20431

49

: - DOES NOT EXIST
:CUS - CUSTOMER

SOLUTION = 10/05/94 CSR: ZV333FIELD EMPLOYEE: E767 TONY WATSON
IN HAND TONY WATSON
10/05/94 I reported this incident in LEOPARD on 055217777
and notified Chris Doody. We were able to duplicate the
incident during testing; 217777 was diverted to 236101 with
easycall and when 236101 was busy, a call to 217777 would
return one burst of ring then busy.
11/05/94 Chris Doody called me this morning and said the
incident is caused by AXE104 system limitation, that is the
incident is normal and the customer is aware of that.
11/05/94 09:25, Mr Alan Smith was notified of the result.
Tony Watson.....

SOLUTION = 11/05/94 10:33 ZV333
Chris Doody is sending a report on the incident.
Tony Watson.....


DATE START END SYMPT CAUSE ACT'N EMP
10/05/94 13.47 13.48 NF WJ YT E767
***** NO PART DETAIL *****

ORDER = S6701981 STATUS = CL
CUSTOMER = 259289 TELEPHONE = 055 267267
CAPE BRIDGEWATER HOL. CAMP ALAN SMITH
BLOWHOLE RD
CAPE BDWTR VIC 3306

CALLER IN = 04/05/94 14.03
CLOSED = 04/05/94 14.04
DESCRIPTION = 27/04/94 13:30 Visit to Alan Smith by Ross Anderson.....
NARRATIVE = 4/05/94 13:48 ZV333
27/04/94 13:30 Apointment for Ross Anderson to visit Alan
Smith to investigate the report of 267230 possibly holding
up, after the phone was hung up.
:BNU - BUSY NOT IN USE
: - DOES NOT EXIST
:CUS - CUSTOMER

SOLUTION = 4/05/94 CSR: ZV333FIELD EMPLOYEE: E767 TONY WATSON
This fault report was initiated by Peter Gamble. Peter was
doing some testing with Alan Smith and apparently they were
able to hang up Smith's phone and while Peter was still
listening at his phone he could hear Mr Smith talking in his
office. In fact Mr Smith counted to 10 then picked up his
phone again and Peter had been able to hear the count to 10.
On the 27/04/94 at 13:30 Ross Anderson visited the premises
to investigate these claims. Ross called Peter Raphael on
03 5507309 and made 10 test calls, Ross was hanging up then
counting to 10 and picking the phone up again, each test
call was released (that is line was heard to drop out) at
5/05/94 9:10 ZV333

SOLUTION = within 1 second of hanging up. Peter was able to hear Ross
count 1 then the line released.
I spoke to Ross whilst he was on site and we made further
test call (18 calls of which 2 were from 267267), during
these test calls we obtained the same result as previous,
that is the line released within 1 second. We also tried the
T200 from 267267 on 267230 and it released immediately on
hanging up. We then tested the suspect T200 on 267267 and it
displayed the same symptom on this different line. This T200
is an EXICOM and the other T200 is an ALCATEL, we thought
that this may be a design "fault???" with the EXICOM so Ross

SOLUTION = 5/05/94 9:27 ZV333
tried a new EXICOM from his car and it worked perfectly,
that is, released the line immediately on hanging up. We
decided to leave the new phone and the old phone was marked
and tagged, Ross forwarded the phone to FM&D. 
I was speaking to Mr Smith the next day (28/04/94) and he
said he has witnesses to prove that his phone used to hold
up for over 10 seconds. He wants a letter to say nothing
else has been fixed prior to the visit by Ross that could

49

R37911

EXICOM TELEPHONES.

With the onset of the "wet" season in Northern Australia it has become apparent that we are having a significantly higher fault rate with T 200 telephones that would have been normally expected. The problem was first apparent in Darwin but it has been closely followed by Cairns and Townsville. Over the past weeks the problem has reached Southern Queensland.

The most common fault is line looping which can either be permanent or intermittent. A related problem is that the phone loops the line after a single burst of ring. The called party has not answered but the phone is off the hook and sometimes the calling party can hear all activity at the called end. In this case the call would also appear on the billing record as a short duration call. Breakthrough Billing have been informed of this possibility.

Tests were carried out by TRL and the problem isolated to the Exicom flexible keypad circuit layers which were manufactured after week 7 of 1993. Exicom are the sole supplier of Serial 550/141 "tropicalised" telephones which are treated with conformal coating and these phones are deployed in areas of high humidity. High humidity is the specific condition most likely to bring about the fault. Therefore in areas of high humidity we have a potential major fault problem.

DEPLOYMENT.

Whilst I do not have the total deployment of Exicom phones available it has been assessed that there is approximately 450,000 phones with potential faults. Of these there are 325,000 Serial 550/141 phones deployed in areas of high moisture. Approximate deployment of the Serial 550/141 phones since April 1993 is:

| | |
|-------------------|--------|
| Queensland | 225000 |
| Darwin | 6000 |
| Western Australia | 90000 |

In these areas virtually all T200's installed or used as replacements during maintenance have a potential problem. In addition there are some 125000 in other areas.

IMPACT.

Darwin.

The problems in Darwin have been addressed. Since December no more Exicom phones have been used. All supplies have been sourced from Alcatel and whilst these do not have the conformal coating tests indicate that they are performing satisfactorily. Whilst there are still phones in-situ with potential defects the situation is considered manageable.

Queensland.

The Queensland situation is very serious. The situation has progressively worsened as the wet has moved south. It has significantly worsened over the past two weeks as cyclone Rewa has moved off the Queensland Coast and brought with it very heavy storm activity and high moisture conditions. The effect in Queensland is that in January we are experiencing the need to replace phones at the rate of 12000 a month compared to the expected 6500. Under the present Union agreements each of these replacements require a visit by field staff.

In Queensland we have taken the following actions:

1. Following the success of the trial of the Alcatel phone in Darwin, supplies of Exicom phones to Queensland have ceased and all further phones used will be sourced from Alcatel. Because of the supply problems Exicom phones will still have to be deployed in areas of lower moisture risk.
2. We still have a heavy backlog of work due to the impact of Cyclone Rewa. Staff have been recalled on duty and over the weekend we have loaned all available staff from C & G, Pay phones, CED to work with the SDU to replace telephones. Whilst this may overcome the present problem it does not offer a sustainable long term solution.

3. We have set up discussions with the CWU with the view of implementing any of the following:

- Use of Fixed Term employees for three months
- Use of Couriers to deliver phones where the fault is diagnosed as being in the phone.
- Use of contract labour.

All these actions are costly in terms of SDU expenses . The recently completed Mercer Study estimates that the cost of a visit is \$237. No allowance has been made for this activity in the SDU budget.

With the Ballot due in March we must address the problem as aggressively as possible. Consideration should also be given to seeking compensation from TT or Exicom.

Western Australia.

The heavy population areas in WA are in the South and traditionally the weather is not expected to effect these areas until February or March. We are arranging for Alcatel phones to be supplied to northern areas.

001027

50

Telecom Australia

Minute

Reference
Your Reference

Subject DIRECTORS' QUESTIONNAIRE
30 JUNE 1992

Phone 03 634 5132 From [REDACTED]
FAX 03 670 4565

K05886

To Managing Director Commercial
(Mr. D. Oertle)

In a meeting this afternoon the question of legal action by a firm called G. M. (Melbourne) Holdings Pty. Ltd., trading as Golden Messenger, was considered. Ms. Rosanne Pittard will shortly be in touch with you on this issue.

A claim has been made in the Federal Court by the company that Telecom engaged in misleading and deceptive conduct in contravention of sub-section 52(1) of the Trade Practices Act 1974 and Section 11 of the Fair Trading Act 1985 in or about April, 1987.

The issue of the recent Directors' Questionnaire was raised with [REDACTED] Principal Legal Officer, AOTC.

She advised that Question 7 which reads "Did you engage in misleading; deceptive or unconscionable conduct, or make false representations regarding your products?" does not warrant a yes answer on the basis of the Golden Messenger claim because AOTC is disputing the Golden Messenger position.

[REDACTED] T

General Manager Finance and Control

Rosanne Pittard
R. Pittard
General Manager Commercial Victoria/Tasmania

29 June 1992

cc: [REDACTED] T
Principal Legal Officer, AOTC

51A

Customer Problems and Observations

3.8 Comment (cont'd.)

Related to the headsets, Mr. Schorer argued that Telecom indicated that the key station volume control would control the headset volume. However, this function was not possible nor could the offer be confirmed.

3.9 Problem ✓

Flexitel didn't have the capacity to integrate Golden Messenger's total business requirements on a single Flexitel system. It cannot accommodate 108 lines as Telecom indicated it could.

Comment

Golden Messenger as indicated above currently has two systems installed.

The Flexitel system has the capacity of up to 116 ports depending upon the application and the facilities required. At Golden Messenger to satisfy the MOH requirement the total system capacity was significantly reduced, and when combined with the additional requirement for DSS consoles, to overcome the hold limitation, a single system could not accommodate Golden Messenger's total requirements.

3.10 Problem

The Flexitel is a blocking system because it only has 20 speech paths and therefore by implication, it contributed to the call problems indicated in 3.1.

Comment

This issue was raised by Mr. Schorer however, when questioned about it he indicated that he didn't recall specifying the system had to be non-blocking. Equally Telecom didn't indicate Flexitel was a blocking system, i.e. no more than twenty conversations can be in progress at any one point of time. In the Golden Messenger application the fact that Flexitel is a blocking system should not have contributed to the problems experienced.

4. Conclusion

The Flexitel system as observed is not ideally suited to the application at Golden Messenger and it in all probability contributed to the loss of calls referred to in Section 3.1. The major limitations with Flexitel in this application are:

- (i) slow response time of Flexitel to key station key presses which can result in mis-operation and lost calls (refer 3.5 and 3.6)
- (ii) the display fault which reduced the functionality of the common hold facility
- (iii) system capacity with full facility exchange line cards installed

C05385

51B
8

Change your telephone system as you change your organisation.

↙ The system you've been used to was designed to serve a rigid format of lines and extensions. Change was costly and inconvenient.

↘ Telecom Flexitel is much more flexible. You can have almost any combination of lines and extensions up to a sum total of 116. And this configuration can change as your needs change, economically and simply.

You can program the system so that people in your sales department have many lines and people in administration share lines.

You can give each department the facilities most suited to the work the people do.

And you can give people who have limited phone use only limited phone facilities while assigning the sophisticated ones to those who need them most.

And if the requirements of the people change, or if they change jobs, the press of a few buttons changes the facilities available to meet their new needs.

000081

5/16

52

000081

No matter how you c Flexitel can change with i

Most telephone systems are designed to serve a specific number of lines and extensions, often in very specific ways. This builds in a certain rigidity.

However, Telecom Flexitel™ serves any combination of up to 116 lines and extensions. (We call them 'ports.')

And Flexitel's modularity lets you start with as few as two lines and four extensions (that is 6 ports) and then expand your capacity as your needs change, to a total of 116 ports.

How Flexitel serves these is entirely your decision.

Flexitel is flexible enough for all sorts of applications - from a sales department, which needs many more lines than extensions, to a senior management team which needs rapid, single-button communications with other senior executives.

With all this modularity, you can combine what would otherwise be separate applications into one solution. A system that can adapt to change as rapidly as your organisation itself.

There's a choice of three sophisticated Flexitel extensions, each having programmable keys to tailor the extension to the user's specific needs: with 8 programmable keys, with 16 programmable keys, or with 16 programmable keys plus liquid crystal display and hands-free operation. For more programmable functions, more lines or system facilities, or for single-button access to more people, there's a 24-programmable key console. (When this is combined with two others and a Flexitel extension, you can access as many as 88 programmable keys.)

For example, if you form a project group, its members can program their own extensions' keys to:

Ring other group members with the push of just one button.

Convene instant telephone conferences of three to six people.

Call the rest of the group by intercom or built-in telephone speaker.

Let group members' calls follow them when they're working away from their offices. Or, if they can't be disturbed, to a back-up person who will know at a glance exactly whose call is being forwarded.

As the group's size and composition changes, or when the group finishes its project and its members move on to new groups - or back to their regular departments - they can re-program their telephones accordingly.

For still more flexibility, you can choose any telephones from Telecom's range, for as many extensions as you want.

Flexitel is perfectly compatible with your PABX and with most telephone systems. So the only limitations on its flexibility are those you choose to impose.

R25964

53

Flexitel is as flexible as must become.

As more and more decisions become based on rapidly changing information - and as fewer tasks are routine or standardised in nature - the race for success will go not to the biggest or richest organisation, but to the most flexible.



While your organisation continually re-shapes itself, adapting its structure to cope with new tasks, problems, and decisions, Telecom Flexitel has the flexibility to let your telephone system evolve as rapidly as your organisation must, with these facilities:

Access to Tie Lines, Exchange Lines and PABX Lines, up to 108 Lines
Answer External
Answer Groups
Answer Internal
Buzz
Call Details Recording

Call Forwarding
Call Hold
Call Transfer
Call Waiting Tone
"Calls For" Display
Cancel
Data Transmission Capabilities
Direct Station Selection Console
Enquiry Calls
Extension User Programming
Group Ringing
Group Supervisor Programming
Hands-free Operation
Individual Repertory Dialling
Intercom Call Back
Last Number Redial
Music-on-Hold
Named Intercom
Networking with other Flexitels or with a PABX
Night Switching
On Hook Dialling
PABX Recall
Paging
Priority Break-in
Service Levels for Cost Control
Sounder On/Off
Speech Synthesis
System Abbreviated Dialling
Three to Six-Party Conferencing
Tie Lines
Visual Display

For details of these and more information, see the Flexitel Features List.

Flexitel is a Trade Mark of the Australian Telecommunications Commission (trading as Telecom Australia).

R25970

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TLX

4

[Redacted]

replied 27/7/87

T

* SDAMP AA176657
INSALE AA61738 ✓

CC

TELECOM CANBERRA...COMMERCIAL SALES....21 JULY 1987...MESSAGE NO: 96

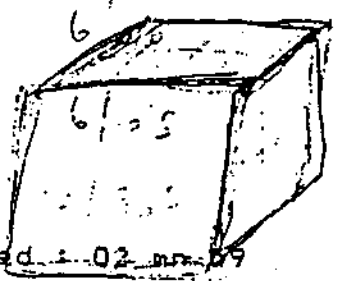
ADDRESS : PMO FLEXITEL
COMMERCIAL MARKETING BRANCH
ATTENTION : [Redacted]
SUBJECT : FLEXITEL
=====

THE FOLLOWING ISSUES ARE STILL OUTSTANDING WITH FLEXITEL FIELD TRIALS.

- NO? - IS OFF HOOK SIGNALLING AVAILABLE ON INCOMING CALLS
- LNR DOES NOT WORK ON PABX EXTNS. NO PAUSE IS TRANSMITTED.
- fixed - SURVEY OFFICE CANT TRANSFER TWICE ONTO THE SIEMENS PABX EXTN.
- IF A CALL IS ANSWERED ON "CALL PICKUP" - HOW DO YOU TRANSFER IT BACK TO THE ORIGINAL STATION.
at the moment you send it back to the originator & you get busy to
- ON A LARGE SYSTEM REQUIRING ABBREVIATED CODE CALLING, HOW DO YOU ALLOCATE 15 LINE GROUPS SO THAT EACH STATION ONLY SEIZES THEIR OWN LINE. IF THERE ARE MORE THAN 15 STATIONS.

COULD YOU PLEASE RESPOND TO THESE ISSUES BY 27.7.87. THANKYOU.

VPE [Redacted] T
SENIOR SALES IMPLEMENTOR
FEDERAL GOVT. BRANCH
[Redacted] T



* SDAMP AA176657
INSALE AA61738
Message: *** -** received
Disconnect code : 13

On 21/07/87 at 09 h 39 Elapsed : 02 mn 09

RECEIVED FROM

7.28.1987 10:22

P. 2

R30135

55

AOTC

Minute

See Distribution List

John Stanton
AUGUST
 26 September 1992

(02) 287 5760

Meeting with C.O.T. - 26/8

**Australian and Overseas
 Telecommunications Corporation**
 199 William Street
 Melbourne, Vic 3000
 Australia

To:
 Doug Campbell
 Chris Vonwiller
 David Oertle
 Ian Row
 Jim Holmes
 Deanne Weir

Copies:
 Andrew Lockwood
 Alan Brand
 Don Pinel
 Deirdre Mason
 Ted Benjamin
 Dennis Hambleton
 Keith Anderson
 Don Wood
 P Riddle

Today, Don Pinel, Ted Benjamin and I had two meetings with representatives of the newly-formed group C.O.T. (Casualties of Telecom) at their invitation. Those present from C.O.T. at the first meeting (9.30am) were:

Graham Schorer (Chairman & spokesperson)
 Ann Garms
 Alan Smith
 Bruce Dowding (representing Sheila Hawkins)

Amanda Davis and Frances Wood from Austel were also present, at C.O.T.'s invitation, as 'observers'.

56

- 2 -

Graham Schorer said that, from C.O.T.'s perspective the purpose of the meeting was to put two questions to Telecom, which C.O.T. "required" to be answered by 2.15pm the same day. The questions are shown at attachment 1, but in essence asked Telecom to guarantee that the service of the five foundation members would be rendered fault-free within 28 days and that Telecom would resolve any questions of compensation to said members within the same period.

Mr Schorer also distributed copies of press advertisements which he said C.O.T. was considering placing in the media (see attachment 2). We know that C.O.T. members were involved in the recent "A Current Affairs" program and that they are presently talking to a researcher from "Four Corner".

Mr Smith referred during the meeting to further information received by C.O.T. on 25 August which he claimed was "very damaging" to Telecom, but refused to elaborate.

Don Pinel's record of the 9.30am meeting is at attachment 3.

Between the morning and afternoon meetings Telecom developed responses to the two questions, along with a suggested approach for pursuing and attempting to resolve the outstanding complaints of the five members. These are also shown at attachment 1.

At the 2.15pm meeting I stressed that Telecom wished to work with the five members in good faith to achieve a speedy resolution to their complaints and that the issue had 'ownership' at very high level in Telecom, through Doug Campbell.

After reading our responses and proposals, Mr Schorer said they were not acceptable to C.O.T., principally because we were not able to give a commitment to correct any perceived deficiency within 28 days at no cost to the C.O.T. member.

We pointed out, of course, that we wished to pursue and quickly correct any residual service difficulty through the project manager approach and that it was not possible to give a blanket guarantee of particular network corrections or modifications (if such were necessary) within a period of 28 days.

Mr Schorer said that he considered Telecom's responses to C.O.T.'s questions to be "no" and said that our proposed approach was not acceptable. He said he would circulate our responses and proposed approach to other C.O.T. members. C.O.T. would consider scheduling another meeting in the event that Telecom came back to C.O.T. with a "Yes" response to the two questions.

I said that we remained hopeful that C.O.T. would agree to work with Telecom to resolve the issues, that Telecom wished to continue a dialogue with C.O.T. and that Telecom's offer remained open.

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- 3 -

Mr Schorer said that Telecom should not contact individual C.O.T. members, but rather should correspond only by way of a P.O. Box which he supplied. We did not agree to abide by this restriction. The meeting then adjourned.

Later in the day I spoke to Amanda Davis. She said that Austel has received written complaints from Ann Garms and Sheila Hawkins and would consider looking at the appropriateness of the responses by Telecom to the alleged problems.

Ms Davis said that Austel was also looking at the degree of congestion being experienced in the 055 code area following a previous complaint by a resident of that area (Alan Smith is also in the 055 area). She said Austel had also sought information from Telecom on what incidence of congestion Telecom considered to be the maximum acceptable.

She said Austel was also concerned about a letter dated 13/3/92 from Telecom to Sheila Hawkins, which it appeared might misrepresent Telecom's liability under the present Act (see attachment 4). Austel would consider whether the issue should be referred to the TPC, but "might decide not to refer it".

In response to my question, Ms Davis said she was not planning to make any public comment on these matters.

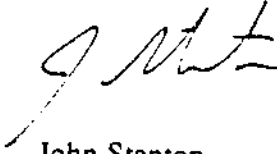
Proposed Next Steps

Following yesterday's events, the following steps would seem to be appropriate:

1. Reiterate to C.O.T. that Telecom's offer remains open, that we wish to continue a dialogue and that we cannot accept a directive from C.O.T. to refrain from talking to our customers.
2. Establish (through Keith Anderson) whether Four Corners is planning a program on C.O.T. and Telecom and take steps to ensure communication of relevant facts.
3. Consider what Telecom response, if any, is appropriate in the event that C.O.T. begins placing advertisements, of the nature foreshadowed, in the media. (Perhaps we need to look at a direct approach of our own - or an initiative through a body such as TSEPP - to make further contact with disgruntled small business customers who might otherwise be recruited by C.O.T.)
4. Discuss further with Austel (through Corporate Secretariat) the question of the 12 March letter and determine whether fresh communication with Mrs Hawkins is appropriate.
5. Determine responses (through Corporate Secretariat) to Austel queries on 055 area congestion and Telecom's view on maximum acceptable incidence of network congestion.

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Ted, Don and I would welcome further views/suggestions on the steps proposed.
above and on the direction being taken.



John Stanton
Group Manager, Corporate Relations



AUSTEL

AUSTRALIAN TELECOMMUNICATIONS AUTHORITY

92/596

13 October 1992

Mr D Hambleton
Director, Regulatory
AOTC

Facsimile 634 8842

Dear Dennis

SERVICE LEVELS - NORTH MELBOURNE, MITCHELTON AND FORTITUDE VALLEY EXCHANGES

A number of consumers have made representations to AUSTEL regarding the quality of service they are receiving from AOTC. Their customer equipment is accepted by AOTC as being adequate and not the cause of the faults they have reported.

AUSTEL's inquiries so far have led us to believe that the faults may have arisen because of the age and type of exchange to which these customers are connected. To help us resolve this matter, would you please arrange to provide AUSTEL with exchange upgrade information for the exchanges listed below, or those parts of the exchanges which provide service to the specified number groups.

In particular, AUSTEL needs to know the type and age of the exchange equipment servicing the groups; upgrade, enhancement or modernisation of that equipment since 1985 and whether there are plans to upgrade, enhance or modernise the equipment within the next three years.

- North Melbourne (Vic) exchange servicing 329 0000-9999 and 329 7000-7999
- Fortitude Valley (Qld) exchange servicing 252 3000-999 and 252 8000-8999 (or the equivalent 52 prefix where the numbers changed from six to seven digits)
- Mitchelton (Qld) exchange servicing 354 0000-9999

R02229


57

Mr. Kivlinga
Mr. Hill
You have thought!
JH
19/10/92

**CONFIRMATION
OF EARLIER FAX**

Would you please ring me as soon as you have some idea how long this will take. As I said on the phone yesterday, the North Melbourne information would be useful for a brief I have been asked to provide as background for a meeting between the Minister for Transport and Communications and the Member for Melbourne this Thursday.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Amanda E Davis', with a stylized flourish at the end.

Amanda E Davis
General Manager
Consumer Affairs

R02230

57



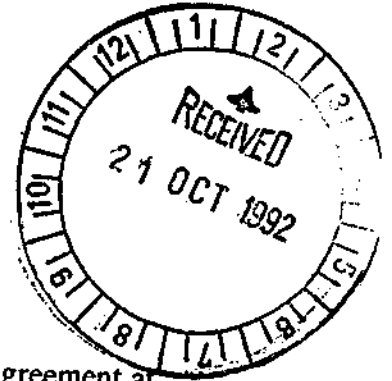
Telecom Australia

D.C. Campbell
Group Managing Director
Commercial and Consumer

Level 18, 518 Little Bourke Street
Melbourne Vic 3000
Australia

Telephone: (03) 634 6454
International: +61 3 634 6454
Facsimile: (03) 634 4587

Mr. G. Schorer
Spokesperson
COT
c/- Golden Messenger
493 Queensberry Street
NORTH MELBOURNE VIC 3051



Dear Graeme

The following confirms my understanding of our discussions and agreement at Austel today.

1. It is agreed that Telecom under my personal direction will proceed with comprehensive testing along the lines suggested in my letter of 16 September to identify in a methodical way the problems being expressed by your members and their cause.
2. I will instruct the Commercial Business Unit to draw up a proposed schedule and description of the testing to be undertaken for each member and forward a copy to you by Wednesday 28 October 1992.
3. It is understood that all testing will be on the existing or "old" lines as opposed to any newly installed lines which may have been put in place over the past weeks.
4. All testing will be completed and a report prepared for review with you by 30 November 1992.
5. It is agreed that if any member experiences current difficulties with services they will contact the regular fault repair number to report the problem but I have also agreed to advise you by Wednesday 28 October the name of the local manager with whom your members can communicate on the subject of current problems. On the subject of past problems and in discussions relating to settlement it was agreed that your members would work through you and that you will communicate with me or my delegate. I advise that my delegate for this purpose is Mr. David Oertle, Managing Director, Commercial Business Unit, Telephone No. 634 6671.

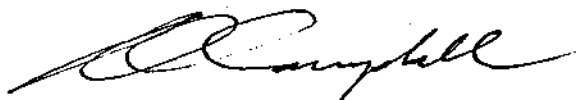
2.

6. If early testing of any member proves that there are no problems at this time and the COT member agrees that the services are performing to an acceptable standard I will instruct the Regional Manager of the Commercial Business Unit to undertake immediate discussions towards resolving any settlement claims. It is agreed that you will get back to me as soon as possible to confirm that your members are comfortable with this approach.
7. For the other cases the test information which will be available no later than 30 November will enable the Regional Manager of the Commercial Business Units to proceed with settlement discussions and I will request that these be undertaken with a view to finalisation before Christmas.
8. At the completion of testing Telecom will consult with each member on the processes for settling the claims.
9. If settlement discussions have not been concluded for any member before 20 December it is agreed that at the request of both parties we will proceed to arbitration to effect an early settlement.
10. It was requested and I agreed that we would forward advice to the bankers of three members advising that negotiations are under way. The three are:
 - Japanese Spare Parts
 - Cape Bridgewater Holiday Camp
 - Tivoli Restaurant
11. You agreed to get back to me immediately to advise me of the name and address of the banks involved and I agreed that a copy of our letters will be sent to you, Austel. and of course, the member involved.

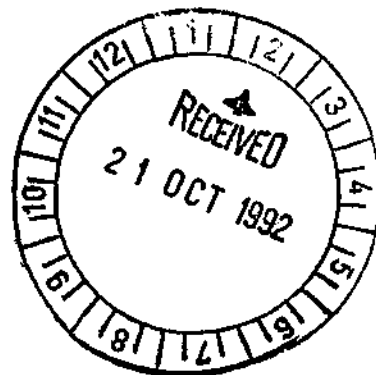
Please advise me immediately if any of the above understanding and agreement is either incomplete or does not correspond to your understanding of our discussions.

I look forward to hearing from you shortly on those items which you are to get back to me on.

Yours sincerely



D.C. CAMPBELL
21 October 1992



0 0

Document Number : R26401 - R26485

Table A

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INTERNAL REVIEW DECISION: SCHORER

Internal Review Decision
New Table Exemption
Claimed

Primary Decision
Table Exemption
Claimed

Description

Document
date

Document
number

File number



LPP

A

ADV

A

letter from AGS to Equity
Adjusters

30.10.92

R28431 -
R28432

Golden Messenger
Correspondence file for AGS
R28401 - R28845

LPP

A

LPP

A

Letter from AOTC, Corporate
Solicitors Officeto AGS

2.10.92

R28439

Golden Messenger
Correspondence file for AGS
R28401 - R28845

LPP

A

LPP

A

Letter from AOTC, Corporate
Solicitors Office to AGS

2.10.92

R28440 -
R28441

Golden Messenger
Correspondence file for AGS
R28401 - R28845

LPP

A

LPP

A

Letter from Telecom,
commercial to Janet Buzza

2.10.92

R28442 -
R28443

Golden Messenger
Correspondence file for AGS
R28401 - R28845

LPP

A

LPP

A

Compliments slip and letter to
Janet Buzza from Telecom,
Commercial
(Duplicate of 28442 - 443)

29.9.92

R28445 -
R28447

Golden Messenger
Correspondence file for AGS
R28401 - R28845

LPP

A

LPP

A

Facsimile transmission to
Telecom, Technologies from
AGS

8.10.92

R28450 -
R28452

Golden Messenger
Correspondence file for AGS
R28401 - R28845

LPP

A

LPP

A

Notes of Attendance

7.10.92

R28491 -
R28496

Golden Messenger
Correspondence file for AGS
R28401 - R28845

LPP

A

LPP

A

Original notes of attendance

7.10.92

R28497 -
R28503

Golden Messenger
Correspondence file for AGS
R28401 - R28845

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INTERNAL REVIEW DECISION: SCHORER

Primary Decision
Table Exemption
Claimed

Internal Review Decision
New Table Exemption
Claimed

| Applicant | File number | Document number | Document class | Description | Primary Decision Table Exemption Claimed | Internal Review Decision New Table Exemption Claimed |
|-----------|---|--------------------|----------------|--|--|--|
| Schorer | Golden Messenger Correspondence file for AGS R26401 - R26845 | R26504 | 5.10.92 | Handwritten note | A LPP | A LPP |
| Schorer | Golden Messenger Correspondence file for AGS R26401 - R26845 | R26539 - R26541 | 5.10.92 | Facsimile transmission to Housley Communications from AGS | A LPP | A LPP |
| Schorer | Golden Messenger Correspondence file for AGS R26401 - R26845 | R26543 - R26545 | 5.10.92 | Letter from AGS to Housley Communications (Duplicate of R26538 - R26541) | A LPP | A LPP |
| Schorer | Golden Messenger Correspondence file for AGS R26401 - R26845 | R26546 - R26547 | 1.8.92 | Draft letter from AGS to Housley Communications | A LPP | A LPP |
| Schorer | Golden Messenger Correspondence file for AGS R26401 - R26845 | R26558 - R26563 | 9.9.92 | Facsimile transmission to AOTC from AGS | A LPP | A LPP |
| Schorer | Golden Messenger Correspondence file for AGS R26401 - R26845 | R26568 | 25.8.92 | Letter from AOTC to AGS | A LPP | A LPP |
| Schorer | Golden Messenger Correspondence file for AGS R26401 - R26845 | R26577 | 19.8.92 | Letter from AOTC to Telecom Technologies | A LPP | A LPP |
| Schorer | Golden Messenger Correspondence file for AGS R26401 - R26845 | R26591 - R26592 | 9.9.99 | Brief to counsel and memorandum to counsel | A LPP | A LPP |

LEGEND: TABLE A - WHOLLY EXEMPT TABLE B - RELEASED WITH DELETIONS TABLE C - RELEASED IN FULL TABLE D - IRRELEVANT MATERIAL

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INTERNAL REVIEW DECISION: SCHORER

Internal Review Decision
New Table Exemption Claimed

Primary Decision
Table Exemption Claimed

Applicant File number Document number Document date Description

| Applicant | File number | Document number | Document date | Description | Primary Decision Table Exemption Claimed | Internal Review Decision New Table Exemption Claimed |
|-----------|---|-----------------|---------------|--|--|--|
| Schorer | Golden Messenger Correspondence file for AGS R26401 - R26845 | R26697 - R26699 | 20.7.92 | Facsimile transmission from AOTC to AGS | A LPP | A LPP |
| Schorer | Golden Messenger Correspondence file for AGS R26401 - R26845 | R26804 | 16.7.92 | Facsimile transmission from AOTC to AGS | A LPP | A LPP |
| Schorer | Golden Messenger Correspondence file for AGS R26401 - R26845 | R26607 | 9.9.99 | Note | A LPP | A LPP |
| Schorer | Golden Messenger Correspondence file for AGS R26401 - R26845 | R26608 | 14.7.92 | Various file notes | A LPP | A LPP |
| Schorer | Golden Messenger Correspondence file for AGS R26401 - R26845 | R26609- R26613 | 15.7.92 | Handwritten notes | A LPP | A LPP |
| Schorer | Golden Messenger Correspondence file for AGS R26401 - R26845 | R26614 - R26618 | 7.7.92 | Record of conversation | A LPP | A LPP |
| Schorer | Golden Messenger Correspondence file for AGS R26401 - R26845 | R26619 - R26620 | 1.7.92 | Letter from Telecom, Technologies to Janet Buzza | A LPP | A LPP |
| Schorer | Golden Messenger Correspondence file for AGS R26401 - R26845 | R26624 - R26626 | 18.6.92 | Damages Claim for Loss of Business (Duplicate) | A LPP | A LPP |

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INTERNAL REVIEW DECISION: SCHORER

Primary Decision
Table Exemption
Claimed

Internal Review Decision
New Table Exemption
Claimed

Applicant: File number: Document: Description: Primary Decision Table Exemption Claimed Internal Review Decision New Table Exemption Claimed

| Applicant | File number | Document number | Document date | Description | Primary Decision Table Exemption Claimed | Internal Review Decision New Table Exemption Claimed |
|-----------|---|--------------------|---------------|-------------------------------------|--|--|
| Schorer | Golden Messenger Correspondence file for AGS R26401 - R26845 | R26627 - R26635 | 9.9.99 | Handwritten notes | A LPP | A LPP |
| Schorer | Golden Messenger Correspondence file for AGS R26401 - R26845 | R26636 - R26637 | 25.6.92 | Letter from AOTC to AGS, (2 copies) | A LPP | A LPP |
| Schorer | Golden Messenger Correspondence file for AGS R26401 - R26845 | R26638 | 22.6.92 | Letter from AOTC to AGS | A LPP | A LPP |
| Schorer | Golden Messenger Correspondence file for AGS R26401 - R26845 | R26640 - R26641 | 29.6.92 | Memorandum to counsel | A LPP | A LPP |
| Schorer | Golden Messenger Correspondence file for AGS R26401 - R26845 | R26648 - R26648 | 9.9.99 | Solicitors handwritten notes | A LPP | A LPP |
| Schorer | Golden Messenger Correspondence file for AGS R26401 - R26845 | R26654 - R26656 | 18.5.92 | Solicitors hand written note | A LPP | A LPP |
| Schorer | Golden Messenger Correspondence file for AGS R26401 - R26845 | R26662 - R26663 | 4.5.92 | Letter from AOTC to AGS | A LPP | A LPP |
| Schorer | Golden Messenger Correspondence file for AGS R26401 - R26845 | R26665 - R26666 | 15.4.92 | Solicitors handwritten note | A LPP | A LPP |

LEGEND: TABLE A - WHOLLY EXEMPT TABLE B - RELEASED WITH DELETIONS TABLE C - RELEASED IN FULL TABLE D - IRRELEVANT MATERIAL

59

INTERNAL REVIEW DECISION: SCHORER

Primary Decision
Table Exemption
Claimed

Internal Review Decision
New Table Exemption
Claimed

| Document Date | Description | Primary Decision Table Exemption Claimed | Internal Review Decision New Table Exemption Claimed |
|----------------------------|---|--|--|
| R26670 7/1/92 | Letter from Telecom to AGS | A LPP | A LPP |
| R26673 - R26675 2/4/92 | Solicitors handwritten note | A LPP | A LPP |
| R26677 1/4/92 | Facsimile transmission from AGTC to AGS | A LPP | A LPP |
| R26690 - R26697 9/9/99 | Solicitors handwritten note | A LPP | A LPP |
| R26699 - R26702 9/9/99 | Handwritten notes and fax messages | A LPP | A LPP |
| R26705 - R26732 4/3/92 | Solicitors handwritten note of conference | A LPP | A LPP |
| R26734 27/2/92 | Memorandum to counsel | A LPP | A LPP |
| R26736 - R26737 18/2/92 | Letter from Equity Adjustors to AGS | A LPP | A LPP |

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INTERNAL REVIEW DECISION: SCHORER

S Primary Decision Table Exemption Claimed
 Internal Review Decision New Table Exemption Claimed

| Applicant | File number | Document number | Document date | Description | Primary Decision Table Exemption Claimed | Internal Review Decision New Table Exemption Claimed |
|-----------|---|--------------------|---------------|---|--|--|
| Schorer | Golden Messenger Correspondence file for AGS F26401 - F26845 | F26738- F26741 | 20.2.92 | AGS letter seeking instructions for answers to interrogatories | A LPP | A LPP |
| Schorer | Golden Messenger Correspondence file for AGS F26401 - F26845 | F26742- F26743 | 19.2.92 | Handwritten note and letter from AGS | A LPP | A LPP |
| Schorer | Golden Messenger Correspondence file for AGS F26401 - F26845 | F26747- F26750 | 19.9.99 | Answers to Interrogatories <small>Table for AGS to Call Messages</small> | A LPP | A LPP |
| Schorer | Golden Messenger Correspondence file for AGS F26401 - F26845 | F26751 F26773 | 9.8.99 | Draft answers to Interrogatories <small>AGS Request Book</small> | A LPP | A LPP |
| Schorer | Golden Messenger Correspondence file for AGS F26401 - F26845 | F26777 - F26780 | 13.2.92 | Letters from AGS seeking instructions | A LPP | A LPP |
| Schorer | Golden Messenger Correspondence file for AGS F26401 - F26845 | F26782 - F26786 | 10.2.92 | Handwritten notes | A LPP | A LPP R26785 missing |
| Schorer | Golden Messenger Correspondence file for AGS F26401 - F26845 | F26789 | 3.2.92 | Letter from AGS to Equity Adjustors | A LPP | A LPP |
| Schorer | Golden Messenger Correspondence file for AGS F26401 - F26845 | F26792- F26795 | 30.1.92 | Handwritten notes <small>AGS to Equity</small> | A LPP | A LPP |

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/66 Conference Call Minutes - Meeting #1FAX OPERATOR : please distribute to each officer listed against your FAX number.TUESDAY 22nd DECEMBER 2.00pm ESTParticipants:-

| | | | |
|---------------------------------------|---------------------------|---------------|---------------|
| Greg Earl, Ian Brent, Mike Hattersley | NSS Adelaide | F 08 231 2102 | P 08 230 6396 |
| Ray Toulet | NASS Melbourne | F 03 650 1285 | P 03 657 3377 |
| Maher Mansour, Amy Ng, | NASS Sydney | F 02 261 2910 | P 02 267 9066 |
| David Conolly, Brett Hamilton | | | |
| | <u>Ericsson Australia</u> | F 03 301 4 | P 03 301 1 |
| Les Brooks | Parramatta EMG | F 02 891 5459 | P 02 689 3222 |
| Martin Power | City EMG | F 03 602 2020 | P 03 602 1199 |
| Colin Campbell | S & DM | F 08 410 1638 | P 08 230 5760 |
| Bob Paton | TNE | F 03 634 6606 | P 03 634 6811 |

CC:-

| | | | |
|-------------|----------------|---------------|---------------|
| Rob Morris | Peninsula EMG | F 03 770 1156 | P 03 784 2290 |
| Sue Moorhen | NASS Melbourne | F 03 650 1285 | P 03 650 7777 |

1. Introduction

Conference calls for /66 will be planned to take place fortnightly, chaired by NSS Adelaide, similar to arrangements for /36.

Contact: Ian Brent 08 230 5328
Colin Gray 08 230 5498 (Mike Hattersley A/g until 14/1/93)

2. Roles & ResponsibilitiesContractual Obligations

- although many modified working procedures do not become mandatory until /66 Package 2, the intention is to begin following the new procedures immediately, for an advanced indication of any problem areas.

eg. Outage Notification - Ericsson to be advised within 24 hours, or by COB next working day if event occurs on weekend or public holiday.

Major Outages - Ericsson to be placed on standby immediately following detection of major outage, even if Telecom staff expect to recover exchange unassisted within 30 minutes.

- Financial penalties can result from delayed reporting of performance related issues post /66 package 2.

TR Handling & NASM requirements

- MELH has NASM access and training
- Install staff have used NASM at SYYH, handover to operations staff is pending.

ACTION POINT: NASS Sydney and SYYH Operations to arrange for improved NASM access and training for operations staff.

- A /66 World's Best Practices (WBP) committee is arranging for the additional 60 Package 2 sites to be given priority for NASM access.
(Modification Handling Group - chaired by Colin Campbell)
- TR Handling: (FAR situation)
 - SE created by local operations and/or NSS region and sent to NSS /66 Coordinator
 - SE then sent to AXE Technology (Bob Paton) for TR creation if necessary
 - TR Answer to be returned to AXE Technology

Software updates

Software flow:

Ericsson to AXE-T for testing, then to S & DM for distribution via NSS regions.
All FAR packages to be loaded in all FAR sites within 5 working days from receipt of authorisation to load advice.

Note: AXE-T & EA staff may be required on site for the initial software load into a commissioned site.

Daily & Weekly Reports

The importance of daily reports should be emphasised, and reports must be returned via fax every working day from the FAR site with all faults listed. A SYRIP printout should also be returned once per week.

The benefits of an additional weekly report from the local NSS region will also be investigated.

Performance Reporting

A brief summary of the general performance and significant events concerning /66 sites will be distributed to all involved at least once per month.

3. Ericsson Support

Ericsson 24 hour Emergency Support (ie. significant outages)

- contact "Emergency Response One" pager: 03 506 [REDACTED]

General Enquiries

- contact "/66 Support" pager: 03 506 [REDACTED]

[REDACTED], & [REDACTED] have been assigned to the /66 project at Ericsson.

ACTION POINT: [REDACTED] to provide formal advice concerning Ericsson /66 support arrangements and expectations from Telecom.

4. Outstanding Faults

Parramatta Trunk (SYYH)

- SYYH is not currently handling traffic, cutover anticipated 23/12/92.
- Some RVA problems persist, although data changes have resolved several faults.
- F/C 8 Restart in block SC occurred during testing of RVA's. (SE 6566)
- GSD command lockups can occur when testing or deblocking TSM's while other TSM's are in ABL state, also a fault in /36. (Refer SE 6447, IOP 2.48, TA-S384-0144)
- F/C 8 restart after EXROI for TCALT route (Refer IOP 2.49, SE 6593)
- F/C 4 restart when EXDUI command used on CCDSNT devices (SE 6559)

- Slow clock times have been experienced following initial load & switchover during outage recovery training at system stop. Cannot be reproduced in AXE-T model.

ACTION POINT: NASS Sydney & SYHH operations to collect more information on slow clock times prior to exchange cutover

- EOS case > 1024 can cause F/C 4 NEPR restart as in /36. (SE 6553)

ACTION POINT: EA to arrange /66 translation of "variable CCS#7 deblocking rate" patch

ACTION POINT: EA to arrange for /66 translation of TR335-0269 in block LOAS.

(Note: this patch has recently stopped working in /36)

Lonsdale Trunk (MELH)

- F/C 4 and F/C 8 restarts pending following COI lockup and TCTTP command. Refer SE 6572, SE 6574 and IOP 3.28

ACTION POINT: EA to ensure that patch in block SEQSL to stop F/C 201 restarts in CJ is provided in /66. (Recently supplied in /36 by [REDACTED])

ACTION POINT: EA to ensure that a /66 equivalent to 112Z010 is released to avoid future EMG recovery problems.

ACTION POINT: AXE-T to finish /112 and /110 APZ software comparison and advise of any discrepancies.

Frankston (ERTB)

- SULTD tone problems (SE 5749)
- loss of conversation for local traffic (1 - 4 seconds) during small restart, this fault can be reproduced in model. (SE 6483)
- LI lockups with CAW or enquiry calls, after B number analysis changes. (SE 6551 & SE 6567)

Model

- F/C 8 Restarts in block Job - several occurrences during traffic handling

5. Documentation

IOP's to be distributed via the standard (current) system. Copies will be sent to EA. Periodic Maintenance Binder updates will be available by mid January.

ACTION POINT: EA to follow up missing E module block: RPF.D.

ACTION POINT: NASS Melbourne to advise on status of TP477 with regard to /66.

6. Other Issues

EOS correction has been supplied in ITU 103. Signal H'1A in block RA to be traced.

ACTION POINT: NSS CW to investigate status of Ozterm /66 B Module Help Files

Next Conference Call: 12/1/93 2.00pm EDT

I BRENT

DATE: 07/01/93
TIME: 12:26 PM

CC: [REDACTED]

SUBJECT: COT
PRIORITY: R
ATTACHMENTS:

YOU ARE AWARE THAT THE COT ISSUE IS HOTTING UP AGAIN.

[REDACTED] HAS DIRECTED THAT ONLY [REDACTED] AND ROSANNE PITTARD ARE TO DEAL WITH THE MEDIA/POLITICIANS ON THIS SUBJECT. I WILL BE DEALING WITH AUSTEL AS NECESSARY.

WOULD YOU PLEASE ENSURE THAT ALL OTHER PARTIES IN YOUR STATE ARE AWARE OF THIS SO THAT WE DONT TRIP UP.

IN PARTICULAR, YOUR STATE CBO'S REP, GMS OF OTHER BUSINESSES AND MEDIA RELATIONS GROUPS SHOULD BE INFORMED IN CASE THE MEDIA APPROACH THEM.

DOM



Surely, if no-one has anything to hide,
there is no reason
to be concerned about tripping up?

*COT file
A. Doe*

*a - Rosanne. DR's
please.*

*Please pass to
Legal Dept
[REDACTED]
8/1/92*

(7)

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AUSTEL
AUSTRALIAN TELECOMMUNICATIONS AUTHORITY

40

92/596

2 February 1993

Mr J. R. Holmes
Corporate Secretary
Telecom Australia
Level 41
242 Exhibition Street
Melbourne 3000

Fax 632 3215

Dear Mr Holmes

**DRAFT TERMS OF REFERENCE FOR AN INDEPENDENT
ASSESSMENT OF THE CLAIMS OF MRS A GARMS
AND**

Thank you for faxing the draft terms of reference to me on Friday 29 January 1993. I trust you received my fax requesting that you postpone sending them to Mrs Garms and I until AUSTEL has had a chance to comment.

AUSTEL was investing considerable hopes in this process as offering the best chance of resolution that has emerged in the long course of these disputes. We had requested the COT Cases to hold off taking other steps because of our belief that Telecom was going to allow an independent assessment of these claims in a way that would have a real hope of producing outcomes acceptable to both sides.

A more detailed examination has deepened the initial impression that the draft terms of reference do not represent an effort to resolve the claims of Mrs Garms and I in good faith. "Good faith" is ultimately a subjective judgement, but most observers would agree that it requires at least -

- preparedness to reach a settlement that would be perceived by a disinterested outsider as fair to both parties
- willingness to put all the facts of the case on the table.

Neither element is apparent in the draft terms of reference supplied to AUSTEL on 29 January. In particular, the draft terms of reference are open to criticism on the following grounds -

5 QUEENS ROAD, MELBOURNE, VICTORIA
POSTAL: PO BOX 7443, ST KILDA RD, MELBOURNE, VICTORIA, 3004
TELEPHONE: (03) 828 7300 FACSIMILE: (03) 820 3021

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1. These draft terms of reference call for an assessment of Telecom's legal liability, which is essentially irrelevant to an attempt to resolve a dispute without recourse to the courts.
2. The draft terms of reference rule out the assessor considering the history of these claimants' telephone service. That is, they would make impossible a full and informed examination of the facts of the case.

To elaborate on these points -

1. Legal liability

The most basic content analysis of the draft terms of reference provided show that Telecom's concern is with limiting its liability rather than assessing the facts of the case. This is in spite of references in prior correspondence to an independent assessment of "past claims" [J.R. Holmes to G Schorer, 9 November 1992], and "a resolution of all past matters" [J.R. Holmes to [redacted], 9 November 1992].

Further, there appears to be an inconsistency in the draft terms of reference. Despite this concern with legal liability, as reflected in the basic description of the task of the assessor, -

the inquiry shall produce findings in relation to the legal liability of Telecom in relation to each claim, and the quantum of such liability, if any.

the draft terms of reference also say that -

any acceptance by a claimant ... shall be without any admission of liability whatsoever on the part of Telecom.

Given that it has been agreed between Mr Davey and Mr Campbell, that ex gratia payments are on the table, notwithstanding questions of legal liability, the primary emphasis in these draft terms of reference on legal liability is a major bar to resolution and does not suggest good faith.

2. Assessment of past claims

There is no point in having an independent assessor appointed if that assessor is not to examine all the facts of both cases. That is an essential requirement of this process, and one that was expected to take place. For example, in a conversation I had with Mr Holmes on 25 January 1993, he said, according to my file note,

the assessor's job would be mainly working out what the quantum of loss was, whether it was due to Telecom or to other causes or a mixture, and if the latter, in what proportions.

It was AUSTEL's understanding - and that of the COT Cases - that the reason there was emphasis placed on an independent assessment instead of an arbitration was exactly so that business losses could be assessed and relative causation estimated.

These draft terms of reference do not give the assessor that task. Quite the contrary: he or she is charged to look at points such as -

- the duty of each claimant to mitigate any loss
- any efforts of Telecom directed at minimising the alleged loss of the Claimant.

It is surprising that Telecom should have thought these terms of reference would be acceptable to Mrs Gerns, or that they would be perceived as "in good faith" by a third party.

Acceptable terms of reference

While understanding that AUSTEL is not in a position to direct the terms of reference (unless it proceeds to appoint an assessor itself and to direct Telecom to cooperate with the investigation of such an assessor), it is clear that there are some elements that need to be in these terms of reference for this process to offer any hope of resolution. These elements are -

- that the assessor should reach a judgement as to -
 - the adequacy of the complainants' telephone service
 - the business losses of the two claimants since establishing their businesses at their present locations
 - the causes of these losses (including the general economic environment, and local circumstances, and the effects of the telephone service).
- that the assessor shall make a recommendation as to the amount of compensation, if any, that should be paid.
- that findings as to fact and compensation shall be binding upon both sides.

As stated at the outset, these draft terms of reference do not fulfil the promise of good faith. Unless terms of reference showing there is good faith in the process are provided by Thursday 4 February, it is AUSTEL's intention to report to the Minister under the terms of section 36 (c) of the *Telecommunications Act 1991*

that it believes, according to the information currently available to it, in these cases that Telecom has treated these customers unfairly and continues to do so, and that AUSTEL's best efforts at resolving the issues have failed. This will be done on Friday 5 February.

Yours sincerely

Frances Wood

Frances Wood
Manager, Quality of Service

/66 Conference Call Minutes - Meeting #3TUESDAY 3rd FEBRUARY 2.00pm EDT

| | | | |
|----------------------------------|---------------------------|----------------------|----------------------|
| Ian Brent, Greg Earl, Colin Gray | NSS Adelaide | F 08 231 2102 | P 08 230 5328 |
| Tony Rayner, | NASS Melbourne | F 03 650 1285 | P 03 657 3377 |
| Maher Mansour, Amy Ng, | NASS Sydney | F 02 261 2910 | P 02 267 9066 |
| ██████████ | <u>Ericsson Australia</u> | F 03 301 4██████████ | P 03 301 1██████████ |
| Bob Lumsden | ↑ Parramatta EMG | F 02 891 5459 | P 02 689 3222 |
| Martin Power | City EMG | F 03 602 2020 | P 03 602 1199 |
| Bob Paton | AXE Technology | F 03 634 6606 | P 03 634 7039 |
| Don Blaby | Peninsula EMG | F 03 770 1156 | P 03 784 2290 |

CC:

| | | | |
|---------------------------|----------------|---------------|---------------|
| Sue Moorhen, Neil Spencer | NASS Melbourne | F 03 650 1285 | P 03 657 3377 |
| Alex Kindler | | F 03 654 7252 | |

1. Review of Previous Action PointsACTION POINT: NASS Sydney to prioritise APZ faults at future meetings

Ongoing Action Point, however two additional faults were raised for inclusion on the APZ Top Ten:

CP Error at 7 day test (SE 6702 , TR S110-0104)

- CP halted without alarm

Call Limit too slow after restart (SE 6734 , TR S335-0676)

- previously raised as an action point on Ericsson, to be included on fault list

↑

ACTION POINT: EA to follow up missing E module block: RPFID.

No response as yet, refer SE 6522, TR TA-S110-0103

ACTION POINT: EA to advise on the status of the following corrections in /110:

SEC10 - BT1P149 SEC9 - K12W187 FIT - K12W156

JOB - Z22PA0491 BUO - EPAKEY243

The following answers were provided:

SEC10 - BT1P149: has been replaced by another correction, which was subsequently cancelled. It should be removed from the /112 package.

SEC9 - K12W189: has been replaced by K12W226, already in /110 package.

FIT - K12W156: not applicable in /110, as the FID block is not present.

BUO - EPAKEY243: outstanding, to be delivered in next IZU. (Package 106)

JOB - Z22PA0491: replaced by Z22PA0680, already in /110 package.

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ACTION POINT: *Ericsson to provide formal advice regarding minimum Size Alteration Event values*

Action Completed. The advice has been appended to these minutes.

ACTION POINT: *Martin Power to advise Brian Jackson to update Software Management Binder regarding new philosophy with MT dumps in /66.*

Action Completed.

ACTION POINT: *Ian Brent to supply /66 IOP's to [REDACTED]*

Action Completed.

ACTION POINT: *Alex Kindler to verify with [REDACTED] that the Charge Check facility is now operating according to Telecom specifications.*

Outstanding action point due to Alex Kindler's absence. [REDACTED] will provide his copy of Telecom's specifications to Alex to clarify what has been provided.

ACTION POINT: *AXE-T to provide a "Release Binder" for /66 Package 1, including SCP's, for NSS CW (Adelaide), NASS Sydney, NASS Melbourne & S & DM.*

AXE Technology have received a release binder from Ericsson. The appropriate sections will be forwarded to NSS as indicated above. Action outstanding.

2. Progress on existing "top ten" faults

EA report on priority faults

63

/66 APT TOP TEN

| No | APT Fault Description. | SE/TR | Status at EPA | Comments | Correction identity | EPA Package | FAR Package | GAR Package |
|----|------------------------------------|---------------|---------------|---|---------------------|-------------|-------------|-------------|
| 1 | Loss of conversation | 6483/384-0212 | FO | Solution provided in package 105 | | | | |
| 2 | Incorrect ACM message & overmeter | 4993/384-0139 | MA | Suggested solution forwarded to NPI - Richard Fone to accept suggestion | | | | |
| 3 | LI lockup & loss of traffic in EMG | 6033/384-0194 | FO | Solution provided in package 105 | | | | |
| 4 | GSBLI lockup and GS stop | 5191/384-0144 | AN | Trap patch released in /36 - waiting for results | | | | |
| 5 | LI lockups | 6551/384-0219 | FI | More information reqd - see TRA | | | | |
| 6 | LI lockup to EasyCall | 6567/384-0216 | FI | More information reqd - see TRA | | | | |
| 7 | F/C 201 after SNCPI | 6245/384-0201 | FI | Solution in Pkg 2 - new block CPTGS (CNI APT 21008 8949) | | | | |
| 8 | F/C 4 restart in NEPR | 6553/384-0214 | FI | Solution provided in package 105 | | | | |
| 9 | | | | | | | | |
| 10 | | | | | | | | |

"Status at EPA" field.

- AN Analysis State
- RE Registered State.
- FI Finished Analysis.
- FO Follow up State
- TA Technical Answer
- MA Market Answer

63

/66 APZ TOP TEN

| No | APZ Fault Description. | SE/TA | Status at EPA | Comments | Correction identity | EPA Package | FAR Package | GAR Package |
|----|--------------------------------|---------------|---------------|---------------------------------|---------------------|-------------|-------------|-------------|
| 1 | Loss of EMG traffic | 5821/110-0071 | FI | Solution in Package 105 | | | | |
| 2 | Loss of IO communication | 6317/110-0080 | FI | More information reqd - see TRA | | | | |
| 3 | Corruption of RELFSW0 | 6084/110-0085 | AN | Initial answer rejected | | | | |
| 4 | F/C 8 restart in JOB | 6081/110-0084 | AN | Investigation with designer | | | | |
| 5 | F/C 9000 restart | 5861/110-0074 | AN | More information reqd - see TRA | | | | |
| 6 | Alarm list lockup | 5788/110-0069 | FI | More information reqd - see TRA | | | | |
| 7 | CP Error at 7 day test | 6702/110-0104 | AN | Not fixed by hardware upgrade | | | | |
| 8 | Call limit too slow at restart | 6734/335-0676 | FI | Solution in Package 105 | | | | |
| 9 | | | | | | | | |
| 10 | | | | | | | | |

"Status at EPA" field.

AN Analysis State
 RE Registered State.
 FI Finished Analysis.
 FO Follow up State
 TA Technical Answer
 MA Market Answer

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3. Discussion of recent faults

- SYH** ITU-104 has been loaded and should address the restarts seen recently.
Recent CP faults have been fixed by hardware change.
- MELH** TCTTI command caused restarts, prior to loading ITU-104. Refer SE 6814
Recent CP faults have been fixed by hardware change.
- ERTB** Final test is underway, exchange acceptance date anticipated as 8/2/93.
Customers will be connected 2 weeks later. No faults to report.
- Model** Package 2 Acceptance Testing has begun, and no further Pkg 1 TRs are expected.

4. Other Issues**Restart Duration Testing**

Testing aimed at reducing restart times has been performed at Frankston. Refer report attached to these minutes.

Updated PMB has been issued

An early release draft PMB update has been released to all FAR sites and their NASS sections.

Acceptance Testing document for /66

The acceptance testing document is being updated to allow for /66. Note that a H Module will be supplied for compact P86 mechanics.

CDR Congestion Alarm

Due to the shortage of correction area in CDR, a proposal has been made to use the ROLS function with the LEROC command to monitor CDR congestion, instead of an equivalent to the large CDR correction currently used in /36.

ACTION POINT: *Alex Kindler to advise if the ROLS function can be effectively used with test system printouts to replace the CDR correction.*

Documentation

The /66 Pkg 1 sites all appear to have CNA-0 B modules, and the availability of CNA-1 updates, if they exist, must be determined. The new 'Job Procedures', which will replace the B modules, will not apply until Pkg 2 is loaded. The Job Procedures will be supplied on paper for the first 8 /66 Pkg 2 sites. Eventually all /66 sites will be supplied CD-ROM Job Procedures.

ACTION POINT: *Ericsson to determine if a CNA-1 update to /66 B modules exists.*

5. Software

Next ITU/IZUs - Packages 104 & 105 have been released.

NEXT MEETING THURSDAY 18th FEBRUARY 2.00pm EDT

I BRENT

63

AOTC

Jim Holmes
Corporate Secretary

10 February 1993

Mr G. Schorer
C.O.T. Cases Australia
P.O. Box 313
NORTH MELBOURNE VIC 3051
Fax: 03 328 4462

Australian and Overseas
Telecommunications Corporation
Level 20, 199 William Street
Melbourne, Vic. 3000
AUSTRALIA
Telephone: (03) 634 6431
International: + 61 3 634 6431
Facsimile: (03) 670 4302

Dear Mr Schorer,

Thank you for your letter of 8 February 1993 in response to mine of 5 February, in relation to suggested terms of reference for assessment of claims by Mrs Garms and Mrs Gillan.

I agree with you that in our previous discussions we talked of settlement without any admissions of legal liability. I adhere to that view which is reflected in the draft terms which I forwarded to you. A consequence of this is that payments to secure a settlement will be on an ex gratia type basis.

I note your position that the terms are not acceptable in their present form, and that this is also the position of Mrs Gillan and Mrs Garms.

On 9 February I received letters from both Mrs Gillan and Mrs Garms stating that you will be acting on their behalf in relation to settling agreeable terms of reference. Of course we shall continue to deal on that basis. The only problem is that your letter has not proposed specific amendment to the draft terms or suggested a next step.

Given that you do not see any point in further discussions with Doug Campbell or myself at this stage, I have asked our Corporate Solicitor, Ian Row (tel 03 632 3300) to contact you to see if, between you, agreeable terms might be developed. It might, however, assist the further development of these terms if you were prepared to draft an alternative set of terms, perhaps in language with less of a legal flavour. Both documents could then be compared and views exchanged between yourself and Ian Row.

Yours sincerely


J.R. Holmes
CORPORATE SECRETARY

oct.let.46j

41/242 Exhibition Street
Melbourne Vic 3000
Fax: 03 632 3215

P 17155

Australian and Overseas
Telecommunications Corporation
Limited

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TELECOM AUSTRALIA
Telecom Australia

Corporate Solicitor's Office
Level 41
242 Exhibition Street
Melbourne

Tel: (03) 632 3300

15 February, 1993

Mr G. Schorer
Spokesperson COT claims
C/o Golden Messengers
493 Queensberry Street
NORTH MELBOURNE VIC. 3051

BY FACSIMILE: 328 4462

Dear Graham

I refer to our telephone conversation this morning.

You have my assurance that I will do everything within my power to endeavour to reach agreement on the terms of reference, hopefully, by the end of today.

At the outset, I am instructed to advise that the terms of reference must oblige the independent assessor, when assessing loss, to have regard to all relevant circumstances, legal and factual. One such circumstance must be the applicability (if any) of Telecom's statutory immunity.

↙ Further, the findings of the assessor are to be recommendatory only. This protects both parties in that either party may be dissatisfied as to the application of legal principles by the assessor. In the case of a COT member that person then has the ability to pursue the claim through the courts, in which event, you again have my assurance, that Telecom would support any application by the member for an expedited hearing. As much of the relevant material will already have been assembled there is not likely to be any delay to a court hearing the claim.

In the event that an agreement cannot be reached between the parties having regard to the independent assessor's recommendation then there is to be no further negotiations between the parties. If the matter is to be pursued further, by a COT member, then it will be necessary for that member to seek relief in the court.

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I am also instructed to advise that Telecom has no difficulty in accepting your recommendation that Mr Gordon Hughes, current President of Law Institute Victoria be appointed as the independent assessor.

I look forward to you getting back to me later today.

Yours sincerely

Ian Row
CORPORATE SOLICITOR

AOTC

16 February 1993

Mr G. Schorer
Spokesperson
COT Cases Australia
C/- Golden Messengers
493 Queensberry Street
NORTH MELBOURNE VIC 3051
Fax: 328 4462

Jim Holmes
Corporate Secretary

Australian and Overseas
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Level 20, 100 Collins Street
Melbourne, Vic 3000
Australia
Telephone: (03) (R1) 6431
International: + 61 3 634 6431
~~Facsimile: (03) 634 6432~~

Dear Graham,

Further to Ian Row's letter to you yesterday and to your several telephone conversations with both Ian and I, enclosed is a further draft of terms of reference which we believe accommodates, to the extent to which we feel able, your comments and suggestions into our original draft.

I would appreciate your consideration of the draft and your agreement, if possible.

Importantly you will note that Telecom has included a reference to the possible use of Mr Archibald QC's services. Separately we have agreed to Gordon Hughes to be the Independent Assessor (if available and willing).

Yours sincerely

J. Holmes
J.R. Holmes
CORPORATE SEC

Copy to K Beattie

dave 1/2 PH

*Dear
Then "COT"*

schorer2.let.nlj

41/242 Exhibition Street
Melbourne Vic 3000
Fax 03 632 3215

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Limbaq
A.C.N. 051775 684

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/66 Conference Call Minutes - Meeting #4THURSDAY 18th FEBRUARY 2.00pm EDT

| | | | |
|-------------------------------------|---------------------------|----------------------|----------------------|
| Ian Brent, Greg Earl, Harry Burden | NSS CW | F 08 231 2102 | P 08 230 5328 |
| Tony Rayner | NASS Melbourne | F 03 650 1285 | P 03 657 3377 |
| Alex Kindler, Michael Miltiadou | NASS Melbourne | F 03 654 7252 | P 03 657 4908 |
| David Conolly, Maher Mansour, Amy | NASS Sydney | F 02 261 2910 | P 02 267 9066 |
| Mal McDonald | NSS | F 03 632 2985 | P 03 634 6285 |
| Colin Campbell | NSS - S & DM ↙ | F 08 410 1638 | P 08 230 5760 |
| ██████████, ██████████ | <u>Ericsson Australia</u> | F 03 301 4██████████ | P 03 301 1██████████ |
| Les Brooks | Parramatta EMG | F 02 891 5459 | P 02 689 3222 |
| Martin Power | City EMG | F 03 602 2020 | P 03 602 1199 |
| Bob Paton, Martin Spear, Edwin Khaw | AXE Technology | F 03 634 6606 | P 03 634 7039 |
| Trevor Peak | Central EMG | F 08 269 9555 | P 08 269 9515 |
| Don Blaby | Peninsula EMG | F 03 770 1156 | P 03 784 2290 |

1. Review of Previous Action Points

ACTION POINT: Alex Kindler to verify with ██████████ that the Charge Check facility is now operating according to Telecom specifications.

Charging Check does not operate according to specifications, the interim solution still applies, and Edwin Khaw is raising the issue with Ericsson in order to achieve the final solution. ACTION COMPLETED. ↗

****ACTION POINT:** AXE-T (Edwin Khaw) to raise Charging Check issue with Ericsson, and advise when the final solution will become available. ↗

ACTION POINT: Alex Kindler to advise if the ROLS function can be effectively used with test system printouts to replace the CDR correction.

The CDR correction can be removed, provided that advice is received detailing which software variables contain the CDR congestion alarm fault code information. ██████████ has prepared the required information, and will determine its location. ACTION COMPLETED.

****ACTION POINT:** Ericsson to supply the required information on CDR congestion to Alex Kindler.

****ACTION POINT:** NASS Melbourne to determine the supervision parameters for the ROLS function, and include them in TP1157.

ACTION POINT: AXE-T to provide a "Release Binder" for /66 Package 1, including SCP's, for NSS CW (Adelaide), NASS Sydney, NASS Melbourne & S & DM.

The binders have been put together by Bob Paton, and will be distributed in the week beginning 22/2/93. ONGOING ↘

ACTION POINT: Ericsson to determine if a CNA-1 update to the /66 B Module exists.

There was no CNA-1 update to the B Modules, and the CNA-0 versions are still current. ACTION COMPLETED.

2. Progress on existing "top ten" faults

67

/66 APT TOP TEN

| No | APT Fault Description. | SE/TR | Status at EPA | Comments | Correction identity | EPA Package | FAR Package | GAR Package |
|----|------------------------------------|---------------|---------------|---|---------------------|-------------|-------------|-------------|
| 1 | Incorrect ACM message & overmeter | 4993/384-0139 | MA | Suggested solution forwarded to NPI - Richard Fone to accept suggestion | | | | |
| 2 | GSBLI lockup and GS stop | 5191/384-0144 | AN | Trap patch released in /36 - waiting for results | | | | |
| 3 | LI lockups | 6551/384-0219 | FI | More information reqd - see TRA | | | | |
| 4 | LI lockup to Easycall | 6567/384-0216 | FI | More information reqd - see TRA | | | | |
| 5 | F/C 201 after SNCPI | 6245/384-0201 | FI | Solution in Pkg 2 - new block CPTGS (CNI APT 21008 8949) | | | | |
| 6 | | | | | | | | |
| 7 | | | | | | | | |
| 8 | F/C 4 restart in NEPR | 6553/384-0214 | FI | Solution provided in package 105 | | | | |
| 9 | Loss of conversation | 6483/384-0212 | FI | Solution provided in package 105 | | | | |
| 10 | LI lockup & loss of traffic in EMG | 6033/384-0194 | FI | Solution provided in package 105 | | | | |

"Status at EPA" field.

AN Analysis State
 RE Registered State.
 FI Finished Analysis.
 FO Follow up State
 TA Technical Answer
 MA Market Answer

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/66 APZ TOP TEN

| No | APZ Fault Description. | SE/TA | Status at EPA | Comments | Correction identity | EPA Package | FAR Package | GAR Package |
|----|--------------------------------|---------------|---------------|---------------------------------|---------------------|-------------|-------------|-------------|
| 1 | IOG-11B outage | 6891/110-0117 | AN | | | | | |
| 2 | Loss of IO communication | 6317/110-0080 | FI | More information reqd - see TRA | | | | |
| 3 | Corruption of RELFSW0 | 6084/110-0085 | AN | More information reqd - see TRA | | | | |
| 4 | F/C 8 restart in JOB | 6081/110-0084 | TA | Correction with designer | | | | |
| 5 | F/C 9000 restart | 5861/110-0074 | AN | Information with designer | | | | |
| 6 | Alarm list lockup | 5788/110-0069 | FI | More information reqd - see TRA | | | | |
| 7 | CP Error at 7 day test | 6702/110-0104 | AN | Not fixed by hardware upgrade | | | | |
| 8 | | | | | | | | |
| 9 | Call limit too slow at restart | 6734/335-0676 | FI | Solution in Package 105 | | | | |
| 10 | Loss of EMG traffic | 5821/110-0071 | FI | Solution in Package 105 | | | | |

"Status at EPA" field.

AN Analysis State
 RE Registered State.
 FI Finished Analysis.
 FO Follow up State
 TA Technical Answer
 MA Market Answer

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3. Discussion of recent faults

MELH

IOG-11B EX-A node restarted and remained in isolated blocked state. Attempts to recover the node by reloading and deblocking node A were unsuccessful. All I/O communication was lost (including CPT) when node A was powered down. The EX-B node was restarted to recover the I/O communication. Refer SE 6891, TR 110-0117.

NASS SE have prepared an IOP on recovering IO faults in IOG-11B, to be distributed via normal channels.

CCR Corruption - Ian McCallum has reported corrupted B number in CCR. The relevant route has since been blocked out.

ACTION POINT: NASS SE (Michael Miltiadou) to investigate fault. If it is not a data fault then an SE must be raised and sent to /66 coordinator.

ERTB

Frankston node was commissioned on 15/2/93, although no customers have been connected. No faults to report.

SYXH

No faults to report.

4. Other Issues

SAE Values - Colin Attenborough has advised that DCNs have been sent to the three commissioned /66 sites to ensure that there are no SAE values set to zero, as advised by Ericsson. National Standard Data has also been updated.

PBA Strapping Details - The Network Engineering 'Methods & Practices' document should be updated to cover the changes resulting from /66 package 2. This document should then be made available to O & M staff, given that paper copies of the H Module will not be supported.

****ACTION POINT:** AXE T (Edwin Khaw) to follow up with Frank Chai to ensure PBA strapping details are updated and supplied to O & M staff.

5. Package 2 Outstanding Issues

There are several outstanding issues which must be resolved before approval can be given to implement package 2 in commissioned sites.

Data

- The new national standard data structure for /66 must be documented and the changes from /36 highlighted. This information must then be widely distributed to all affected staff. Ideally the data changes should be covered in the /66 training courses, although initial indications are that this is not so.

****ACTION POINT:** AXE-T (Edwin Khaw) to ensure that the /66 data structure is documented and disseminated prior to any implementation of package 2.

ACTION POINT: AXE-T (Edwin Khaw) to ensure that the 4 initial /66 sites conform to the /66 national standard data.

↘
- The variations in data in different regions across the country raise concerns about the repeatability and consistency of the data regeneration program (ELISA). Martin Spear advised that a conversion prerequisite is that data is checked to be at a defined /36 standard. This standard exists and work has been initiated for South Melbourne (SMEX).

- The problems experienced when taking the AX62 model to /66 has reduced confidence in the ELISA data regeneration program. Martin Spear advised that a CNA-3 APZ 212 10 dump from Blacktown exchange will be used to check the ability of ELISA in accurately regenerating data. Another attempt must also be made to convert AX62 by Ericsson. ↗

****ACTION POINT:** AXE-T (Martin Spear) to advise on results of ELISA testing, and confirm the requirement for /36 standard data prior to conversions.

- I/O configuration has not been standardised at /66. Tony Rayner has already planned for an update to TP1157.

****ACTION POINT:** NASS Melbourne to update TP1157 for IOG-11B, and to advise on the recommended standards.

- The correct RVA configuration after the data transcript is in doubt.

ACTION POINT: AXE-T (Bob Paton) to check that testing of RVA routes after the next AX62 conversion is performed.

Outstanding Faults

- A large number of outstanding package 2 faults have been detected from model testing, and although only 2 or 3 have currently been classified as priority A, it is likely that NSS would raise the priority on several others.

****ACTION POINT:** AXE-T (Bob Paton) to supply NSS CW with a list of outstanding package 2 faults, in order to reach agreement on those which must be solved prior to first implementation.

- The EMG recovery corrections (APT & APZ) recently written for /36 must be translated and provided in /66.

****ACTION POINT:** Ericsson to ensure that the corresponding EMG recovery corrections are supplied in /66. ↗

- Outstanding package 1 faults should also be taken into account before pkg 2 implementations are attempted, particularly the IOG faults.

- As mentioned above, the Charging Check issue should also be resolved before going to pkg 2.

Organisational Issues

- The Telecom Pkg 2 Project Management Structure has not been confirmed, nor have personnel appointments been made for coordinators or conversion team members. Mal McDonald advised that the Steering Committee and the WBP Conversion Sub-committee have been assigned action points to determine the necessary arrangements. It was suggested that either an NSS or very experienced EMG officer should be included on the conversion team, especially at the first 8 FAR sites.

ACTION POINT: NSS CW (Greg Earl) to advise Brian Chung of NSS concerns relating to Pkg 2 prior to the steering committee meeting.

- Martin Spear advised that plans have been made for pre-conversion meeting to take place, ideally 4 four weeks prior to the conversion. A pre-conversion checklist covering spares, memory requirements, documentation etc will be tabled at these meetings. A meeting has been called for South Melbourne conversion on 23/2/93.

- Details on the training on the conversion teams are very sketchy.

ACTION POINT: *Ericsson to advise details on what the training course will cover, and who (ie individual names) will be trained.*

- The customer advice leadtimes, resulting from the planned outage guidelines, must be confirmed, and the relevant contact points must be established. Martin Spear advised that this will be done in each case as part of the pre-conversion meetings.

- The electronic B Module help files for Ozterm are still to be provided.

****ACTION POINT:** *AXE-T (Edwin Khaw) to ensure that /66 electronic B Module help files are made available prior to pkg 2 implementation.*

- Initial reports from NEPR phase 2 model tests indicate that the function is NOT an acceptable replacement for EOS tracings. A detailed report is being prepared. A requirement to keep the EOS correction may be blocked by limited correction area in block RE (81% full).

ACTION POINT: *NSS CW (Greg Earl) to formally advise on the suitability of NEPR phase 2 as a replacement for EOS tracing, and inform the steering committee.*

- Updates to NSS documentation should be completed by the end of February, 1993.

****ACTION POINT:** *NASS Sydney (Dave Conolly) to ensure that the /110 ORB is updated for pkg 2 by end of February.*

****ACTION POINT:** *NASS Melbourne (Tony Rayner) to ensure that TP00477 is updated for /66 Pkg 2 by end of February.*

ACTION POINT: *NSS CW (Greg Earl) to ensure that the PMB is updated for /66 Pkg 2 by end of February.*

Technical Issues

- Pre and post conversion checks have been considered by the WBP Conversion Subcommittee, and are currently being reviewed.

- Information on the Ericsson Support Structure for /66 Pkg 2 sites must be defined and distributed.

****ACTION POINT:** *NSS (Mal McDonald) to determine and provide details of the Ericsson support arrangements.*

- The number of software blocks with used correction area greater than 75% is a continuing concern. Colin Campbell advised of an upcoming CNA which will address some of the critical blocks.

ACTION POINT: *AXE-T (Bob Paton)/Ericsson () to advise which blocks have a correction area problem at pkg 2.*

ACTION POINT: *S & DM (Colin Campbell) to advise content and timing details of the CNA which will address blocks with critical correction areas.*

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- The Method of Procedure for /36 to /66 Pkg 2 conversion has been divided into 3 parts: non-CCR sites, small CCR sites and large CCR sites. Martin Spear advised that trials of the procedures are ongoing.

- The Method of Procedure for /66 Pkg 1 (CNA-1) to Pkg 2 (CNA-3) has been successfully model trialled by Bob Paton, although the CCS#7 data component has not been tested as yet.

Other Pkg 2 Issues

- MELH is planned as the first Pkg 2 site, with SMEX following around 6/3/93. Note SMEX has about 7000 customer lines. Then there will be a two week gap before another site is taken to Pkg 2.

- The programs CAT & AXESUB will require updating for Pkg 2.
- The AXE sorter does not appear to have any problem with /66 software at this stage.
- The pre conversion site audit does not appear to cover RSS equipment.

ACTION POINT: Ericsson to advise the reasons why RSS equipment is not included in the site audit. ↑

- NSS must ensure that the appropriate resources have been approved to support the /66 trial nationally.

****ACTION POINT: NSS (Mal McDonald) to recommend what arrangements should be made for operational data support within NSS.**

NEXT MEETING: THURSDAY 25th February, 1993 2.00pm EDT.

I BRENT

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04
Facsimile Message



Telecom Australia

Corporate Solicitors Office
7/470 Collins Street
Melbourne, Vic. 3000

| | | | |
|-----------|----------------------------|-----------|------------------------------|
| To | Rosanne Pittard | From | Denise McBurnie Solicitor |
| Fax No. | 562 1926 | | |
| Company | Telecom | Telephone | (03) 606 6950 |
| Division | GM - Vic/Tas Commercial | Fax | (03) 629 1748 |
| Date | 4 March 1993 | | |
| No. pages | 23 (including cover sheet) | | |

Re : *GM (Melbourne) Holdings Pty Ltd -v- AOTC*

Rosanne,

I refer to our recent telephone discussions on this matter and confirm our meeting at the offices of Freehill Hollingdale & Page is to be held at 10.00 a.m. on Tuesday, 9 March 1993. The address is 47th floor, 101 Collins Street, Melbourne.

Ian Row will also be attending the meeting.

To assist you in preparing for the meeting I attach copies of the following letters:

1. Facsimile from FHP to Duesburys dated 2 March 1993 outlining particular aspects of the brief given to Duesbury's to assist in this matter.
2. Letter from Duesburys to FHP including initial and preliminary report.

As discussed, FHP have also prepared a chronology of the events which have taken place on this matter. I am to receive an updated version of this chronology by tomorrow and as requested, I will fax it to your home facsimile number.

Please don't hesitate to contact me if you have queries about the attached documents.

Kind regards,

A handwritten signature in cursive script that reads "Denise McBurnie".

Denise McBurnie
Solicitor

R20297

68



Telecom Australia

Commercial
Vic/Tas Region
540 Springvale Road
Glen Waverley Vic 3150

28

File: VSC/28 **Subject:** GM Holdings **C04263**
Phone: (03) 550 7500 **From:** Rosanne Pittard
Fax: (03) 562 1926 **Date:** 10 March, 1993
To: Managing Director
Telecom Commercial
Mr David Oertle

I seek your approval for payment of a sum of money as part of the resolution process for one of my customers who is a member of COT.

Briefly, Mr Graham Schorer of GM Holdings trading as Golden or Golden Messenger initiated legal action against Telecom regarding misrepresentation under the Trade Practices Act for the sale of a Flexitel in 1987. The Flexitel is a key-system/PABX hybrid which subsequently proved to be unpopular with limited application. Mr Schorer's firm also experienced some network faults and congestion. The extent of GM's claim is currently some \$2m plus costs plus statutory interest.

Some time ago you approved an offer to GM Holdings of as a resolution of the matter between Telecom and the customer. Unfortunately, this offer has been rejected by Graham Schorer and the Court hearing is set down for 14th April 1993.

I have briefed solicitors on the following strategy:

- New solicitors appointed (Freehill, Hollingdale and Page) and work schedule agreed
- Many documents to be discovered from GM Holdings
- Accounting firm appointed to assess the damages claim (Duesbury's);
- Payment into court to be made. This effectively limits our liability for legal costs should we lose. The amount to be paid into Court ultimately will depend upon the Duesbury's assessment of the damages claim and legal advice. However I wish to make an initial payment into Court equivalent to the amount I have already offered to the customer


69

- Consideration to appointing a QC to represent Telecom is being given

I will still do everything in my power to avoid this matter going to Court without making irresponsible payment.

Your approval is therefore sought for the payment of ^{250,000} to the Federal Court of Australia in the knowledge that other payments may follow. For any subsequent payments, I would also seek your and your successor's approval.

Rosanne Pittard
Rosanne Pittard
General Manager
Telecom Commercial Vic/Tas



(Approved)
David Oertle
Managing Director
Telecom Commercial

69

Facsimile Message



Telecom Australia

Corporate Solicitors Office
71470 Collins Street
Melbourne, Vic. 3000

| | | | |
|-----------|------------------------------|-----------|------------------------------|
| To | Rosanne Pittard | From | Denise McBurnie Solicitor |
| Fax No. | 562 1926 | | |
| Company | Telecom - Commercial Vic/Tas | Telephone | (03) 606 6950 |
| Division | General Manager | Fax | (03) 629 1748 |
| Date | 15 March 1993 | | |
| No. pages | 15 (including cover sheet) | | |

Re : **AOTC ats GM (Melbourne) Holdings Pty Ltd**

Dear Rosanne,

I refer to our telephone conversation of 12 March 1993 and advise that I have received the following reports from Freehill Hollingdale & Page for our consideration:

1. Investigator's Report and enclosing letter from Equity Investigators.
2. Report from Duesburys concerning a preliminary assessment to be used in the calculation of the amount which AOTC proposes to pay into court.

Freehills have suggested that we meet today to discuss the amount to be paid into court. Could you please contact me if you are available for such a meeting?

I apologise for the state of the handwritten statement in the Investigator's Report. However, I only have a facsimile copy to send to you at this time. I will request a better copy from Freehills for our future consideration.

Kind regards,

Denise McBurnie

Denise McBurnie
Solicitor

Folwell - Escher

- No adjournment
 - Neil Hamilton
 - Phil A / Neville W.
 - Max Dubs - Inker & Paul Miro
 - Neil Hamilton
 - Louise Now

C05313

70

W/proprietor - What does he want to do with it

DMPAXJ1

*including gross
keep the item - ? Reliability - 1SDN letters & advice
Date to A Freehill*



Telecom Australia

Commercial Vic/Tas

FACSIMILE TRANSMISSION

Location: 540 Springvale Road, Glen Waverley, 3150

Postal Address: PO Box 356, Glen Waverley, 3150

To: Russell Berry

Of: Freehill Hollingdale & Page

Fax No: 288 1567

Date: 16 March, 1993

From: Ann Law

Fax No: (03) 562 1926

Contact No: (03) 550 7626

Number of Pages (including cover): 6

Russell

Please find attached list of last known contact addresses/phone numbers of "Cast List" involved in the GM dispute. Those that are marked with "?" are "best guesses".

I have also attached a copy of a letter forwarded to Denise McBurnie on 11 March. Some of these names are already on your list and the rest should probably be added.

Ann

C05306

71

E-3
Apr 23

TERMS OF REFERENCE FOR AN INDEPENDENT ASSESSMENT

In order to seek resolution in the matter of complaints by two individual members of Casualties of Telecom (C.O.T), being Mrs Ganns and Mrs Gillian ("the Claimants"), AOTC and the Claimants have agreed to refer the complaints to an Independent Assessor for consideration. The Claimant's allegations shall be treated on an individual basis.

The Independent Assessor to be appointed shall be a person who is acceptable to both AOTC and the Claimants. In this respect, the parties agree to approach the President of the Law Society of Queensland, or another mutually agreed person, and the parties shall at all times during the assessment process refrain from making any public statement, and further, from disclosing either directly or indirectly to the Independent Assessor any offers previously made by either party in an attempt to settle the claims.

The Terms of Reference for the independent assessment are as follows:

- The Independent Assessor shall initially establish whether faults existed in the telephone services provided to the Claimants and whether such faults resulted in losses to their individual businesses, the financial damage (if any) to the businesses caused by those faults and a reasonable amount of compensation for such damage.
- In establishing whether faults existed, the Independent Assessor must also establish the relevant dates at which certain faults are alleged to have occurred.
- The Independent Assessor shall determine the business losses of the Claimants since first reporting telephone faults in their respective businesses in their present locations.
- The Independent Assessor shall then establish what proportion of that business loss is attributable to problems with the telephone service, as distinct from other possible causes of business loss, not otherwise attributable to any act or omission on the part of AOTC.
- In assessing loss and damage, the Independent Assessor must have regard to all relevant circumstances, including factual and legal circumstances. On such circumstance which must be considered is the applicability (if any) of AOTC's statutory immunity and the extent of Telecom's obligations in relation to the operation of the public switched network. Bearing in mind any AOTC statutory immunity, the Independent Assessor shall determine AOTC's legal liability for any part of the compensation which he or she determines as being attributable to network faults prior to 1 July 1991.
- The assessment should be completed as soon as reasonably practicable as determined by the Independent Assessor. In order to assist in the timely conduct of the assessment, the Independent Assessor may engage, at the cost of AOTC, whatever consultants or other experts are reasonably necessary. However, any consultants or experts shall only be appointed with the approval of the claimants and AOTC.

- The Independent Assessor shall have access to all relevant records upon request, and for this purpose, the Claimants authorise AOTC to make available all information held by AOTC relating to the Claimants. Each party shall comply with all requests by the Independent Assessor with regard to all records and each party shall have the right to put before the Independent Assessor any relevant records, further each party shall have the right to call for relevant records from any other party or third parties. If at any time during the assessment process the Independent Assessor forms the opinion that either party is being disadvantaged in the presentation of its case by the failure of the other party to provide access to documents or information in the possession of that party or in the possession of a person over whom the party has control, the Independent Assessor shall be entitled to immediately terminate the assessment process, with the costs of the assessment to that date to be borne by the party whose failure to co-operate results in the termination of the assessment process.
- The costs in relation to the assessment shall be borne by AOTC, however in the event that the Independent Assessor finds that AOTC is liable to pay an amount of money to the Claimants, not greater than or equal to any sum previously offered by AOTC to the Claimants before 31 January 1993, those amounts shall be applied to the cost of the assessment and not paid to the Claimants. In no circumstances shall the Claimants be required to contribute to the costs of the assessment.
- The Independent Assessor must provide full reasons for his/her findings in writing. Such reasons and any subsequent settlement between the parties shall remain confidential between the Independent Assessor and the parties.
- The findings of the Independent Assessor shall be recommendatory only so far as they relate to matters of law, or so far as they involve a mixture of fact and law, and shall be binding on the parties as to issues of fact.
- In the event that the parties adopt the findings of the Independent Assessor for the purpose of resolving their dispute, such adoption shall be without any admission of liability whatsoever, and payment of any monies to the Claimants shall be on an ex gratia basis and shall be in full discharge of all claims which the Claimants may have against AOTC.
- In the event that the parties cannot reach an agreement based on the findings of the Independent Assessor, there shall be no further negotiations between the parties. However in relation to the findings of fact, and in so far as they may be admissible in evidence, there shall be no impediment to the Claimants using those findings of fact in any subsequent legal proceedings.

ACCEPTED BY A. GARMS

ACCEPTED ON BEHALF OF AOTC BY

on April 1993

on April 1993

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Telecom Australia

Corporate Solicitors Office
7/470 Collins Street
Melbourne, Vic. 3000

| | | | |
|-----------|-----------------------------|-----------|------------------------------|
| To | Andrew Moyle | From | Denise McBurnie Solicitor |
| Fax No. | 288 1567 | | |
| Company | Freehill Hollingdale & Page | Telephone | (03) 606 6950 |
| Division | | Fax | (03) 629 1748 |
| Date | 6 April 1993 | | |
| No. pages | 4 (including cover sheet) | | 001901 |

Re : Golden Messenger - ISDN Service

Andrew,

I refer to our telephone conversation this afternoon. As discussed, I attach for your consideration and comment, the draft letter prepared for Rosanne Pittard's signature in relation to the ISDN Service being offered to Golden Messenger.

Could you please review the letter in light of our discussions with Rosanne and Ann Law at our meeting last Thursday. Rosanne is keen to send this letter to Mr Schorer as soon as possible and would appreciate your comments by tomorrow, if possible.

Please call me if you need any further information.

Kind regards,

A handwritten signature in cursive script that reads "Denise McBurnie".

Denise McBurnie
Solicitor

Date:

Wednesday, 21 April 1993 1:40PM

GREG,

I ACCEPT YOUR ARGUMENT. I GUESS I REACT FROM FRUSTRATION.

DON

From: Newbold, Greg
To: Piniel, Don
Cc: Wood, Don; Campbell, Ian; Pittard, Rosanne
Subject: RE: COT cases latest
Date: Wednesday, 21 April 1993 1:39PM

Don, thank you for your swift and eloquent reply. I disagree with raising the issue of the courts. That carries an implied threat not only to COT cases but to all customers that they'll end up as lawyer fodder. Certainly that can be a message to give face to face with customers and to hold in reserve if the complainants remain vexacious.

Other than that, I've got no probs with your suggestion except that to say we're happy to co-operate for a speedy resolution is not borne out by the COT case history and will be deriding mercilessly by the media. The briefer we are, the more likely we are to get a run on our own terms. However, the wording is clearly something for you guys to agree to with Ian Campbell. My main concern is about the overall strategy ie: not actively pushing the matter in the media.

Hindsight tells me that with Graeme Schorer we should have negotiated an agreed media statement with him as part of the settlement. It may be something to consider for future settlements. That way, we can go positively into the media with a resolution agreed to by all parties. This will make it very hard for COT case members to revisit the matter once a settlement has been reached and publicised.

Regards,

Greg.

From: Piniel, Don
To: Beattie, Ken; Wood, Don; Pittard, Rosanne; Newbold, Greg
Cc: Campbell, Ian; Anderson, Keith; Benjamin, Ted
Subject: RE: COT cases latest
Date: Wed, Apr 21, 1993 1:13PM
Priority: High

C04094

75

GREG,

THANKS FOR THE NOTES. I FEEL THE MEDIA RESPONSE IS A BIT TOO ABRUPT AND DEFENSIVE. CANT WE INCLUDE THAT:

THIS IS A DISPUTE BETWEEN BUSINESSES AND THE APPROPRIATE PLACE TO HAVE IT RESOLVED IS IN THE COURTS. WE ARE HAPPY TO COOPERATE TO ENSURE A SPEEDY RESOLUTION. IN ADDITION TELECOM HAS OFFERED AN ALTERNATIVE PROCESS TO RESOLVE USING AN INDEPENDANT ASSESSOR (AS SUGGESTED BY AUSTEL) BUT THIS PROCESS HAS NOT BEEN ACCEPTED BY THE OTHER PARTIES.

THERE MAY BE OTHER POSITIVE MESSAGES THAT WE CAN INCLUDE.

DON

/66 Conference Call Minutes - Meeting #8FAX OPERATOR : please distribute to each officer listed against your FAX number.TUESDAY 27th April 2.00pm EST

| | | | |
|--|--------------------|-----------------------|-----------------------|
| Ian Brent, Colin Gray, Mike Hattersley | NSS CW | F 08 231 2102 | P 08 230 5328 |
| Tony Rayner, Sue Moorhen, | NASS Melbourne | F 03 650 1285 | P 03 657 3377 |
| Alex Kindler, Michael Miltiadou | NASS Melbourne | F 03 654 7252 | P 03 657 4908 |
| Amy Ng | NASS Sydney | F 02 261 2910 | P 02 267 9066 |
| Greg Parker | NSS CW Perth | F 09 481 2274 | P 09 491 5828 |
| Dene Slape | NSS - S & DM | F 08 410 1638 | P 08 230 5760 |
| [REDACTED] | Ericsson Australia | F 03 301 4 [REDACTED] | P 03 301 1 [REDACTED] |
| Les Brooks | Parramatta EMG | F 02 891 5459 | P 02 689 3222 |
| Paul Galea | City EMG | F 03 602 2020 | P 03 602 1199 |
| Kirk Read, Bob Paton | AXE Technology | F 03 634 6606 | P 03 634 6811 |
| Rob Morris | Peninsula EMG | F 03 770 1156 | P 03 784 2290 |

CC:

| | | | |
|--------------|-----|---------------|---------------|
| Mal McDonald | NSS | F 03 632 2985 | P 03 634 6285 |
|--------------|-----|---------------|---------------|

1. Review of Previous Action Points

***ACTION POINT:** AXE T (Edwin Khaw) to follow up with Frank Chai to ensure PBA strapping details are updated and supplied to O & M staff. ONGOING - transferred to Kirk Read.*

***ACTION POINT:** NASS Melbourne to determine the supervision parameters for the ROLS function, and include them in TP1157. Michael Miltiadou advised that this action point will be completed by the end of the week.*

***ACTION POINT:** Ericsson to ensure that the corresponding EMG recovery corrections are supplied in /66. ONGOING - The original corrections have been supplied, although some recent additions are about to be delivered in /36.*

***ACTION POINT:** NASS Melbourne (Tony Rayner) to ensure that TP00477 is updated for /66 Pkg 2. ONGOING - awaiting remote loading flowcharts from S & DM.*

***ACTION POINT:** NASS Melbourne (Tony Rayner) in conjunction with Sydney to resolve issues of EVENTLOG. A new process will be included with the updated TP00477.*

***ACTION POINT:** NSS CW (Greg Earl) to ensure that the PMB is updated for /66 Pkg 2 by end of February. Action completed - document currently being trialled at FRTB.*

***ACTION POINT:** NSS S/E to discuss with Andrew Rawlings distribution process for documentation. INHAND - Andrew has been working with Tony Saul in updating the NSIS site distribution database.*

Note that Tony Saul has the overall responsibility for /66 documentation, while Andrew Rawlings has had a major role in the establishment and updating of the NSIS documentation distribution lists for all application systems.

ACTION POINT: D. Hawe to update process document for /66 after hours EA support INHAND - David Hawe is looking at this independantly from this meeting.

ACTION POINT: Mal McDonald to provide process for data support. ONGOING

ACTION POINT: Michael Miltiadou to discuss INVOP command printout with EA. INHAND - the new format will be provided in the PIB consolidation package, with /66 CNA-4.

ACTION POINT: Kirk Read to follow up availability of memory PBAs with Bob Paton. ONGOING

2. Progress on existing Priority Faults

↳ The list of outstanding /66 faults was discussed and prioritised with the result being the new "Top Ten" lists.

3. Site Reports & Discussion of recent faults

Parramatta Trunk SYYH

PARJ was converted to /66 package 2 on 23/4/93. AOM link problems were experienced after the conversion. Changes to the modem strapping and AOM data were required to restore the link, after consultation with Greg Burgess.

ACTION POINT: Alex Kindler to investigate and document the changes required to re-establish AOM link communications from IOG-11B after /66 conversions, and inform regional AOM staff of the details and the /66 conversion schedule.

Problems have also been experienced with the small alarm panel at PARJ, and the lack of audible alarms. Brett Hamilton will follow up with the conversion team.

ACTION POINT: NASS Sydney to resolve outstanding alarm problems at PARJ with the conversion team.

Lonsdale Trunk MELH

↳ IOG node F/C 280 restarts have been a problem (ref SE 7643, TR S110-0139). Alex Kindler reported that an IOG software module has been discovered to be at an old revision state. This has been raised with Ericsson.

Frankston FRTB

The updated PMB is currently being trialled at FRTB.

4. Pending ISU Releases

Several additional packages have been prepared in order to answer faults that had potential to delay conversions to /66.

ITUs 384T315 (update "P"), 384T314 (Update "Q"), 384T318 (update "R"), 384T317 (update "S") & 384T316C (update "T"), have been sent to site and/or NASS.

IZU 110Z007 and Trap ISU 110X001 have been delivered to AXE-T.

5. Other Issues

XDCN replacement for SI parameter changes.

ACTION POINT: Kirk Read to investigate the status of the XDCN required to modify SI values (refer SE 7762).

XDCN Audit

Bill Missiha of NASS SE is currently auditing the status of XDCNs required for /66.

ACTION POINT: Sue Moorhen to advise the results of the XDCN audit.

Logging of /66 Outages

A comparison of SYRIP:LOG printouts with NSIS showed that not all outages are being recorded.

ACTION POINT: NASS SE to follow up with FRTB & MELH staff to ensure that outage details are being logged into NASM & NSIS.

ACTION POINT: NASS Sydney to follow up with SYYH & NCLG staff to ensure that outage details are being logged into NASM & NSIS.

Restart Time Test Block

Block LAI-21 will be reintroduced into FRTB. This block is a "testing" block which will provide information used to reduce restart times. It is likely to be introduced at other sites as an APZ CNA, probably in June or July.

New Facilities in /66 Package 2

There are several new facilities that are provided in package 2, which may not have been tested due to the tight schedule for FAR of the package. Most of these facilities are activated by data, and have not been released yet. Some of the facilities in question include: SSI, internal RSS switching and indialling off LI2. Kirk Read advised that the initial AXE-T acceptance test of the package was only intended to ensure that existing /36 facilities still functioned correctly.

ACTION POINT: Kirk Read to advise which facilities provided in package 2 have not been tested and/or released, and the anticipated timetable for such action.

NEXT MEETING 11th May 2.00pm EST

I BRENT

**AUSTEL**

AUSTRALIAN TELECOMMUNICATIONS AUTHORITY

9 June 1993

Mr Dennis Hambleton
Director, Regulatory
Telstra

Facsimile No: (03) 634 8880

Dear Mr Hambleton

You are probably aware of the case of Mr Alan Smith, one of the "COT cases" and proprietor of the Cape Bridgewater Holiday Camp. Mr Smith last year agreed to settle his claims against Telecom on the basis that a service of normal network standards would be guaranteed.

Since that time Mr Smith claims to have been constantly plagued by faults ranging from no ring, short ring, ringing out, engaged, recorded message and now claims to be subject to charging anomalies. He has had very frequent contact with AUSTEL on these matters.

In addition, he alleges that he was misinformed at the time of settlement (and subsequently) and led to believe that the problems he was experiencing were unique in the area. He now claims to have copies of Telecom network investigation working documents which clearly indicate that these problems in the network were far more widespread in the area. He claims that he was also advised that the problem whereby callers had been confronted with a recorded voice had occurred only over a period of two days - later said to be no more than three weeks. He now claims that Telecom records show this to be six weeks and possibly much longer.

Further, he claims that the Telecom documents contain network investigation findings which are distinctly different from the advice which Telecom has given to the customers concerned.

In summary, these allegations, if true, would suggest that in the context of the settlement Mr Smith was provided with a misleading description of the situation as the basis for making his decision. They would also suggest that the other complainants identified in the folders have knowingly been provided with inaccurate information.

I ask for your urgent comment on these allegations. You are asked to immediately provide AUSTEL with a copy of all the documentation which was apparently inadvertently left at Mr Smith's premises for its inspection. This, together with your comment, will enable me to arrive at an appropriate recommendation for AUSTEL's consideration of any action it should take.

09 JUN '93 17:19 AUSTEL MELB 61 3 8203021

P.3-3

As to Mr Smith's claimed continuing service difficulties, please provide a statement as to whether Telecom believes that Mr Smith has been provided with a telephone service of normal network standard since the settlement. If not, you are asked to detail the problems which Telecom knows to exist, indicate how far beyond network standards they are and identify the cause/causes of these problems.

In light of Mr Smith's claims of continuing service difficulties, I will be seeking to determine with you a mechanism which will allow an objective measurement of any such difficulties to be made.

Yours sincerely



John MacMahon
General Manager
Consumer Affairs

024 P01

CAPE-BRIDGEMATER

93-06-09 17:34 055 267230



AUSTRALIAN TELECOMMUNICATIONS AUTHORITY

16 June 1993

Mr G Schorer
Golden Messenger
P O Box 313
North Melbourne Vic 3051

Facsimile No: (03) 328 4462

Dear Mr Schorer

Attached is a draft letter which I intend to send to Telecom concerning the issues you have put to me.

I would appreciate your filling in the details of your current complaints and suggesting any other correction or omissions which you believe should be in the letter.

Yours sincerely

John MacMahon
General Manager
Consumer Affairs

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DRAFT

16 June 1993

Mr Dennis Hambleton
Director, Regulatory
Telstra

Facsimile No: (03) 634 8880

Dear Mr Hambleton

COT CASES - MR G SCHORER

You may recall that Mr Schorer sought compensation from Telecom for what he claimed were business losses arising from inadequacies in the phone service. The matter was finalised earlier this year in an out-of-court settlement.

Since then Mr Schorer has been in periodic contact with AUSTEL in relation to a number of concerns.

He currently alleges that when he purchased ISDN equipment he was assured (orally) by Telecom that should the system fail at any time he would be provided with a back-up service via a rotary system. Mr Schorer advises that the officer who made the commitment on behalf of Telecom is willing to confirm the matter. He states, however, that Telecom now advises him that it is unwilling to honour that undertaking and provide that service. Your comment on the matter is sought.

Mr Schorer maintains that he continues to experience a range of significant problems with his telephone system - see paragraph below. One ^{new} problem which has recently emerged is that upon calling his business, some callers now experience an initial burst of data noise. Other Telecom clients he understands experience the same problem are Lovey's Restaurant and Cape Bridgewater Holiday Camp. As the three parties have each voiced public criticism of Telecom, Mr Schorer questions whether this might be a form of retribution. Your comment on this concern is sought. Additionally please explain how this fault might have entered his system at this time.

Finally, Mr Schorer maintains that his telephone service continues to be affected by the following faults -

-
-
-

In the light of there continuing claims, I will be seeking to determine with you a mechanism that will allow an objective measurement of the claimed difficulties to be made.

Your response by 25 June 1993 is sought.

Yours sincerely

John MacMahon
General Manager
Consumer Affairs

Internal Memo



To David Shepherd
Manager
Network Investigations

From Rosanne Pittard
General Manager

Telecom Commercial Vic/Tas

Subject Cape Bridgewater Holiday
Camp

File VSC/14

540 Springvale Road
Glen Waverley
Victoria 3150
Australia

Date 17 June, 1993

Telephone 03-560 7500
Message Bank
Facsimile 03-562 1928

Distrib.

I refer to our telephone conversations regarding the material contained in Mr Macintosh's brief case.

Please find attached a letter from Austel requesting information regarding that incident. Whilst I can respond to the details regarding the information provided to him at the time of settlement I cannot comment on the variation between what Mr Smith was told and the contents of the Network Investigations files. I need your assistance for this. Can we discuss as soon as possible please?

Rosanne Pittard
Rosanne Pittard
General Manager
Commercial Vic/Tas

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K03281



AUSTRALIAN TELECOMMUNICATIONS AUTHORITY

22 136/5

17 June 1993

Mr Dennis Hambleton
Director, Regulatory
Telstra

Facsimile No: (03) 634 8880

Dear Mr Hambleton

COT CASES - MR G SCHORER

You may recall that Mr Schorer sought compensation from Telecom for what he claimed were business losses arising from inadequacies in his phone service since 1986. The matter was finalised earlier this year in an out-of-court settlement.

Since then Mr Schorer has been in periodic contact with AUSTEL in relation to a number of concerns.

He currently alleges that prior to his purchase of ISDN equipment enabling connection to the ISDN network, he was assured orally by Telecom that should his ISDN exchange fail and or the line bearers fail at any time, then all incoming calls made to the Golden ISDN would be automatically rerouted to the Golden PSTN numbers connected to an AXE exchange. Had that not been the case he maintains that he would not have proceeded with the purchase. He states that Telecom has now advised that this facility is not technically feasible and available but Mr Schorer is aware of a current ISDN Telecom customer who has been provided with that facility. He has not been given permission to name that party to Telecom.

Mr Schorer advises that the officer who made the commitment on behalf of Telecom is willing to confirm the matter. He also states that he has spoken with a former Telecom major account manager who confirmed that such an offer was being made to customers to induce them to connect to the ISDN network. Mr Schorer states, however, that Telecom now advises him that it is unwilling to honour the original undertaking and provide that service. Your comment on each of these points is sought.

Finally, Mr Schorer maintains that his telephone service continues to be affected by the following faults -

- caller receives a recorded voice stating that the number has been disconnected
- caller receives engaged signal when all or most lines are free

135
5

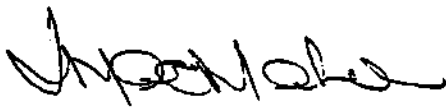
- caller receives a ring tone when no ring is heard by the operator and all phones are manned
- line drops out when call is answered.

Please give a detailed response as to whether Telecom is aware of such faults at Mr Schorer's business, their incidence and the means by which such complaints have been checked.

In the light of these continuing claims, I will also be seeking to determine with you a mechanism that will allow an objective measurement of the claimed difficulties to be made.

Your response by 25 June 1993 is sought.

Yours sincerely



John MacMahon
General Manager
Consumer Affairs

Pittard, Rosanne

From: Newbold, Greg
To: Fuery, Patrick; Beattie, Ken; Pinel, Don; Campbell, Ian; Pittard, Rosanne; Parker, Harvey; Holmes, Jim; Benjamin, Ted; Marshall, Ross
Cc: Vonwiller, Chris
Subject: 5pm COT wrap-up
Date: Wednesday, 7 July 1993 5:28PM
Priority: High

At around 5pm today, Senator Boswell released another news statement saying broadly that Telecom cannot hide behind the secrecy clauses in the settlements it has made.

Rumble has contacted the Senator's office and left a message that we are prepared to provide a briefing to him to put the Telecom side of the story. We should therefore prepare materials on the understanding that we may be called upon at short notice.

The confidentiality arrangements can be defended in terms of the settlements being commercial arrangements and that Telecom makes similar arrangements with all sorts of customers for commercial reasons on a daily basis.

The total follow-on media interest in the Boswell inquiry story has amounted to three calls. One from Exchange newsletter, one from AAP and one from Clinton Porteous of the Herald-Sun.

I advise that Clinton be targetted for some decent telecomms exclusive stories to get his mind out of the gutter. He will write a nasty piece in tomorrow's (thursday) paper. He will certainly mention the confidentiality clauses and I fully expect a call from him at home tonight.

Ross, can you and I caucus on maybe showing Clinton around an exchange and showing him the efforts we've gone to. Even on a confidential basis, it might stop him taking the Graeme Schorer line every time.

I think it should be acknowledged that these customers are not going to become delighted. We are dealing with the long-term aggrieved and they will not lie down. Even if we were to weaken and give them a fist full of dollars, they would, in my view (and Don's, Ken's and Rosanne's) simply crow of a victory and then continue to complain about our allegedly poor service.

Further, I propose that we consider immediately targetting key reporters in the major papers and turn them on to some sexy "look at superbly built and maintained network" stories.

Regards,

Greg.



C04054

TELECOM IN CONFIDENCE



Facsimile

To J.R.Holmes
Corporate Secretary

From Trevor Hill
Manager Co-ordination &
Performance Reporting

Corporate Strategy
Regulatory

Locked Bag No. 4350
Melbourne Vic 8100

Facsimile 632 3215

Australia

Company

File HRR 066

Telephone (03) 634 8898

Location

Date 30 July, 1993

Message Bank

Facsimile (03) 634 8842

Distrib.

Total Pages 1

Cot Cases

John MacMahon's letter of 28.7.93 re rumours of large scale settlement action on the part of Telecom refers.

John MacMahon verbally raised this issue with me last night. I advised him that this office has no knowledge of any special Telecom action as described.

I have some concerns re Austel eagerness to accept rumours on face value without any evidence of due diligence on their part. Surely, one of the "alleged" 100 cases could have been contacted to verify this rumour.

Don Kerwin, Consumer National Office, advised me this morning that they are experiencing a sudden increase in customer claims. We both attributed this to increased customer awareness as a result of Cot Cases, Service Guarantees, TIO etc. Upon receipt of your fax, this afternoon, I confirmed with Don that he is not aware of any large scale settlement action. Don will double-check with Consumer Regional Offices.

↘ In relation to Cot Cases, Austel appear to now making a number of separate, but related, approaches to Telecom - viz - Regulatory, Your Office and Ken Beattie in Queensland. It is difficult, and potentially dangerous, arrangement in which to control the flow of information to Austel. Can you please advise whether all Cot Case related issues should be co-ordinated via your office.

For your information, I have prepared the attached list of customer complaints identified by Austel in correspondence from them since 30 June 1993 together with a description of Austel's information requirements.


Trevor Hill

R00660

The information contained in this facsimile message may be confidential information. If you are not the intended recipient, any use, disclosure or copying of this document is unauthorised. If you have received this document in error, please telephone (03) 634 8870.

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AUSTEL

AUSTRALIAN TELECOMMUNICATIONS AUTHORITY

3 August 1993

Mr G Schorer
Golden Messenger
493 Queensberry Street
North Melbourne Vic 3051

Dear Mr Schorer

In conversations with you I have mentioned the measures we have taken to ascertain the level of phone service you are receiving. This note will formally advise you of the situation. We have sought from Telecom -

- details of the performance standards set for the exchange to which you are connected and the actual performance over the past ~~12~~ *7 years* months
- a copy of the fault record for the past 12 months and for the 50 consumers with numbers both above and below yours
- a description of the supervisory/monitoring equipment used in the most recent 12 months to monitor the standard of service, when it operated and relevant conclusions
- a program of test calls to be generated at locations remote from your exchange for your number and other numbers in the hundred range
- month long monitoring of your number at the exchange and at your premises with weekly print-outs being made available to AUSTEL. You had advised that you were agreeable to this - Telecom has been asked to have those arrangements in place by 4 August.

As discussed, you will be presenting additional material to AUSTEL this week regarding your service. I would stress the necessity to bring forward all relevant documentation at the one time rather than present it piecemeal over a period.

Yours sincerely

John MacMahon
General Manager
Consumer Affairs

RECORD OF MEETING - 4 AUGUST 1993

Present: Chairman, G Schorer, M Elsegood, J MacMahon

Meeting commenced at 10.30 am.

1. Mr Schorer had sought the meeting to present documentation he had which he alleged supported his view that Telecom had acted in a misleading and deceptive manner.

2. He commenced by drawing attention to a range of Telecom documents he had obtained through the court process. He undertook to give a copy of all those and other relevant documents to AUSTEL.

3. The meeting then moved to wider issues of what Mr Schorer believed AUSTEL should do on those issues with the Chairman stressing his determination to get to the bottom of the matter underlying the COT case problems and being prepared to consider any suggestion Mr Schorer may have on the matter. He said he thought part of the problem with Telecom's approach was that they had looked at each case individually whereas they should have been analysed as a whole. AUSTEL would do this by looking at all the material in chronological order. This will show up gaps in documentation. It will then go on to produce a public report. (The Chairman stressed that at this stage he wanted that intention kept absolutely confidential.)

4. Mr Schorer said he had some problems with AUSTEL's approach involving testing - he had a particular concern that it did not address the possibility of calls not reaching the exchange.

Action: The Chairman asked Mike Elsegood to devise relevant tests to cover this aspect.

5. He also raised the issue of maintenance procedures in the exchanges. The complications and possible inaccuracy of records led to suggesting an initial AUSTEL position of proposing to seek records relating to the maintenance of power supply; from there additional records could be sought if necessary and if relevant given the findings of the "first level" inquiries.

6. Mr Schorer mentioned that reporting faults to 1100 elicits the response that it can only respond where AXE equipment is involved.

Action: AUSTEL to follow up this issue as well as the requirement to pay call charges to report faults to specially nominated numbers.

7. Mr Schorer suggested convening a meeting of consumers in Fortitude Valley. The Chairman agreed that this would be done, with AUSTEL reporting what it is doing, hearing what consumers have to say, identifying problems and giving the matter publicity.

Action: John MacMahon to organise in the next fortnight or so. Mrs Garms' survey respondents to be contacted and invited and general publicity given shortly beforehand. Telecom to be invited to have a representative there to respond.

8. He also mentioned that fact that Channel 9 have problems but don't wish to report.

Action: AUSTEL to contact Communication Manager to ascertain any problem and whether it wants AUSTEL involved.

9. Other items raised included Telecom's general "bullying" approach, for example via secrecy agreements and the lack of commitment to settle issues at other than the highest levels of management.

10. The issue of short duration call costs was raised. Following AUSTEL's inquiry Telecom is putting into effect a range of recommendations which are to be audited on a random basis.

Action: AUSTEL to contact Councillor Summers to see how this meets his concerns.

11. Also the question of "masking" congestion as a busy signal was raised - Mr Schorer suggested that a distinct signal or a RVA should occur where congestion is concerned.

Action: AUSTEL undertook to investigate this possibility including technical aspects, costs, benefits, etc.

12. The Chairman noted that in going down the public report path, Telecom would be given the opportunity to comment on the draft.

13. Mr Schorer referred to AUSTEL's role in the settlement of the cases and said he believed it should have power to step in early, appoint an independent loss assessor who could quantify compensation and require it to be paid. The Chairman said AUSTEL had all those powers except the latter which was essentially a judicial power and one which the Constitution meant could not be given to an administrative agency. Nevertheless, such a recommendation would carry a deal of weight as moral persuasion or in a court of law.

14. The Chairman stressed that he wanted Mr Schorer to feel that he had been fully heard, had all his ideas considered and either accepted or understood the reason why they were not or why an immediate response was not possible and was agreeable to the plan of action proposed.

15. Mr Schorer said he was astounded at the time he had been given and was very pleased with the meeting and its outcome.

16. The Chairman asked that contact be though John MacMahon but that if he was not happy with AUSTEL's performance he was to contact the Chairman.

Meeting ended at 1.30 pm.

John MacMahon
General Manager
Consumer Affairs

5 August 1993

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- i) matters which may involve anti-competitive behaviour or restrictive practices potentially in breach of the Trade Practices Act 1974; and
 j) complaints which are specifically under consideration by AUSTEL, the Trade Practices Commission or any court or tribunal, or which have been considered by any of those bodies previously.

Appendix B

Council Attendance

| | | | | | | | |
|-----------------|---|---|---|---|---|---|---|
| 22/06/93 | . | . | . | . | . | . | . |
| 30/06/93 | . | . | . | . | . | . | . |
| 21/07/93 | . | . | . | . | . | . | . |
| 26/07/93 | . | . | . | . | . | . | . |
| 03/09/93 | . | . | . | . | . | . | . |
| 12/10/93 | . | . | . | . | . | . | . |
| 30/11/93 | . | . | . | . | . | . | . |
| 10/02/94 | . | ▲ | . | . | . | . | . |
| 21/04/94 | . | . | . | . | . | . | . |
| 10/06/94 | . | . | . | . | . | . | . |
| 27/07/94 | . | ■ | . | . | . | . | . |
| 28/09/94 | . | ■ | . | . | . | . | . |
| Hon. L. Bowen | ↑ | ↑ | ↑ | ↑ | ↑ | ↑ | ↑ |
| Andrew Bailey | — | — | — | — | — | — | — |
| Ted Benjamin | — | — | — | — | — | — | — |
| John Rohan | — | — | — | — | — | — | — |
| Elizabeth Moley | — | — | — | — | — | — | — |
| Ewan Brown | — | — | — | — | — | — | — |
| Robert Morillo | — | — | — | — | — | — | — |

▲ Represented by David Foster
 ■ Represented by Andrew Bedogni

Board Attendance

| | | | | | |
|---|---|---|---|---|---|
| 16/06/93 | . | . | . | . | . |
| 19/07/93 | . | . | . | . | . |
| 06/08/93 | . | . | . | . | . |
| 12/10/93 | . | . | . | . | . |
| 30/11/93 | . | . | . | . | . |
| 15/02/94 | . | . | . | . | . |
| 24/05/94 | . | . | . | . | . |
| 23/08/94 | . | . | . | . | . |
| Ross Ramsey | ↑ | ↑ | ↑ | ↑ | ↑ |
| Rod Simpson | — | — | — | — | — |
| Jim Holmes (resigned 6/10/94) | — | — | — | — | — |
| John Rohan (resigned 5/10/93) | — | — | — | — | — |
| John Files (appointed 5/10/93) | — | — | — | — | — |
| Chris Vorwiller (resigned 4/8/94) | — | — | — | — | — |
| Graeme Ward (appointed 6/10/94 replacing Jim Holmes) | — | — | — | — | — |
| Gillian Welshe (appointed 4/8/94 replacing Chris Vorwiller) | — | — | — | — | — |

Pinel, Don

From: Pittard, Rosanne
To: Hambleton, Dennis V
Cc: Pinel, Don; Campbell, Ian; Marshall, Ross
Subject: AUSTEL DIRECTIONS REGARDING COT CASES
Date: Thursday, 19 August 1993 5:02PM

I believe the directions from Austel regarding COT cases have a number of shortcomings and misunderstandings and believe these need to be addressed.

1. The requests for files and other documents are onerous. How far back do we go? Some of these cases go from before Austel had any jurisdiction (even existed). How much do they want? A warehouseful is not out of the question. Who will copy these? I don't have resources or money for agency people to spend time photocopying. Will Austel pay? (The last question was a joke - I know the answer.)
2. Some of the documents on the files are Telecom Secret, some are Legal professional privilege. Some have been used in a court case (settled out of court); some are still with the lawyers. Some papers relate to settlements with non-disclosure clauses. Where do we stand with these? I believe we should quarantine any papers associated with legal action, refuse to supply papers associated with settlements and refuse to supply any papers marked Legal professional privilege - but we should seek legal advice on same.
3. The results of the tests are a concern to me. What confidentiality will be guaranteed? Austel has had close contact with these customers - what will ensure they don't pass test results on? What are the legal implications if they do?
4. What is Austel's capability to interpret the results and reports? What standards will they compare them with? (There are none) What will their reaction be to a failed call? Within acceptable limits or not?
5. What conclusions will they dare to draw? If they conclude that Telecom was in some way negligent or at fault, there are serious implications for our liability; we could be vulnerable to some form of action by the COTS - would the Austel report be admissible as evidence?
6. What promises have been made to the COTS as a result of the testing? None I hope.
7. The testing at customers premises causes great difficulties for us. Test equipment of this sort is very expensive; NNI informs we do not have enough to do this testing for all these customers at the one time. In addition it would tie up a valuable resource which is required in other cases where we consider customers have a legitimate condition which requires monitoring.
8. In addition these machines do not work well at customers premises because of power supply conditions; these power supply conditions can actually cause incorrect readouts.
9. There have been instances with some of the customers at issue, where the customer has interfered with the machine - eg., switching the machine off, tearing off the printout and sticking it back together with parts that don't appear to match.

I know I have raised many questions, but they are all important. The most critical is what happens with the results and how can they be used in resolving these cases.

I know your interim reply to John Macmahon addresses some of these, but I am concerned that we will be locked into something with no way forward.

Rosanne Pittard

Graeme Schorer - COT

1. Reports just in - confusing/contradicts strong efforts - unsatisfactory results.
2. Most cases need more investigation.
3. First must resolve and identify problems.
4. Settlement discussions cannot proceed until problems identified.
5. Problems have some similarity but are all different - need separate and individual consideration.
6. Brisbane

Anne Garms - Tivoli put Telecom Rep in restaurant for up to ten days to monitor, record experience ^{ERS} but records on all lines.

Maureen Gillan - Jap Spare Parts - same.

Graeme Schorer - Golden Messenger - Flexitel is separate issue - not for my conclusion as under court action.

-Due loss of calls, need to ^{RE} institute recording of all lines.

-If all problems identified and resolved, settlement (possibly incl. Flexitel) can be progressed.

RELEASED UNDER FOI

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A58983



Internal Memo

To

[REDACTED]
[REDACTED]
[REDACTED]

From HARVEY PARKER

Group Managing Director
Commercial & Consumer40/242 Exhibition Street
MELBOURNE VIC 3000
AustraliaSubject COT CASES AND
AUSTEL

File PRMIN001.doc

Date 19 August, 1993

Telephone 03 634 6454
Facsimile 03 634 4587

Distrib.

Dial,

I refer to the COT cases and Austel's related direction to Telecom (refer Dennis Hambleton's letter of 13.8.93). I have been fully briefed by Commercial management on this issue. As you may be aware, Ian Campbell and Jim Holmes have previously been the senior managers with carriage of these cases. It is my intention that Ian Campbell remain the representative for Commercial and Consumer dealing with these cases, and it may be appropriate that he lead the team on behalf of Telecom. I seek your views on this issue and the nomination of the Corporate representative, who would work with Ian.

Austel's direction has enormous workload implications (notwithstanding technical constraints and misunderstandings) and also has significant legal complications. Some of the material sought is under Legal Professional privilege. There could be a difficult situation regarding legal liability for both Telecom and Austel were Austel to determine some fault on Telecom's part. Were Austel to determine no fault, the direction gives no clear way forward. For these reasons, it may be appropriate for Ian Campbell and your nominee to meet with Robyn Davey of Austel, at the earliest possible date to develop a way forward.

In addition, it would appear that Austel has not been abiding by established rules for interacting with Telecom and have sought information direct from many levels in Telecom including arriving unannounced at a meeting with Telecom technicians and one of its customers. Austel should be reminded of the appropriate procedures and an assurance sought as to their commitment to these procedures. This reminder should properly be issue via the Company Secretary.

Harvey Parker
GMD Commercial and Consumer

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