

From: Andy Matthews [mailto:Andy.Matthews@minterellison.co.nz]
Sent: Friday, 20 November 2009 8:19 p.m.
To: Shane Kinley
Cc: Hayden Glass (hayden.glass@vodafone.com); 'Simon Haines'; Andrew Davis; Bill McCabe (Bill.McCabe@2degreesmobile.co.nz)
Subject: Report on discussions on undertakings
Importance: High

Dear Shane

This email is to confirm 2degrees view of progress in discussions this week (Telecom, Vodafone, 2degrees):

1. There were two meetings between the 3 parties to discuss price and non-price terms. 2degrees acknowledges the efforts of the negotiating teams.
2. There is apparently a willingness by Telecom and Vodafone to align (ie have comparable prices). But no progress has been made on price terms.
3. It appears that all parties are prepared to be pragmatic about non-price terms. Assuming that acceptable price terms could have been reached, the parties are either prepared to amend undertakings or treat them as non-material. From 2degrees perspective that is unsurprising, and it has consistently signalled that the price terms are by far the most significant issue.

Given the lack of progress on the core issue - price - 2degrees sees no further benefit in these discussions. It requests the Commission proceed to make its recommendation.

Kind regards
Andy

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