

SCHEDULE 1

**PROCESS FOR REVIEWING TELECOM'S ADJUSTED BITSTREAM PRICE
UNDER DECISION 582, THE DETERMINATION IN RESPECT OF THE
DESIGNATED ACCESS SERVICE OF "ACCESS TO, AND INTERCONNECTION
WITH, TELECOM'S FIXED PDN"**

DEED OF UNDERTAKING AS TO CONFIDENTIALITY

1. This Deed of Undertaking ("Deed") is made in relation to an Order ("Order") issued by the Commerce Commission (the "Commission") pursuant to section 15(i) of the Telecommunications Act 2001 ("Act") and section 100 of the Commerce Act 1986 ("Commerce Act") on 6 October 2006, to which this Deed is annexed as Schedule 1. This Deed adopts the terms defined in the Order.
2. I, Debra Blauett
of, Telecom New Zealand Limited
hereby irrevocably undertake to the Commission and to every person supplying the Restricted Information to the Commission as follows:
 - (a) to comply with the Order in carrying out the functions of the Party for whom I act and otherwise so far as its terms apply to me;
 - (b) not to use or refer to the Restricted Information in any way except in relation to the Proceeding and in compliance with the Order; and
 - (c) not to disclose the Restricted Information or any part thereof to, or discuss it with, any person other than a person who has been provided with the Restricted Information and has given an undertaking to the Commission in the same terms as this undertaking (a list of whom is attached in Schedule 2 to the Order); and
 - (d) not to make notes, summaries, copies, or records in any other form, of the Restricted Information except as is necessary for me to prepare for and present submissions to the Commission in respect of the Proceeding; and
 - (e) to notify the Commission, as soon as reasonably practicable, of any change in my employment circumstances or role that may be relevant to my continuing access to Restricted Information pursuant to the Order.
3. I understand that the list of people set out in Schedule 2 to the Order may be varied from time to time and that the Commission will endeavour to update me of changes to this list where practicable.
4. Subject to clause 6 of this Deed, I undertake to the Commission and to every person supplying the Restricted Information to the Commission to return or destroy all copies of the Restricted Information obtained from the Commission, including any notes,

records, summaries, or recordings in any other form which I may have made of the Restricted Information, except:

- (a) Restricted Information which belongs to me or my employer or client and which I am specifically authorised to retain; and
- (b) electronic back-up copies of Restricted Information which are stored on tape or mass storage unit and not readily accessible on a live server,

before the expiry of the Order.

5. Subject to clause 6 of this Deed, I undertake to the Commission and to every person supplying the Restricted Information to the Commission to provide the Commission with written confirmation that I have:

- (a) destroyed, in a secure and confidential manner, all Restricted Information; or
- (b) returned all Restricted Information except for Restricted Information I am authorised to retain,

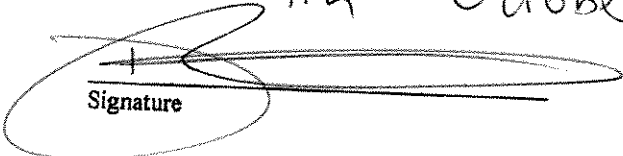
within 20 working days of expiry of the Order.

6. Clauses 4 and 5 of this Deed shall not apply if I am notified in writing of waiver of the obligation to comply with those provisions by:

- (a) the Commission; and
- (b) every person supplying the Restricted Information to the Commission.

7. I acknowledge and understand that a failure to comply with clause 11 of the Order is a criminal offence under s 100(4) of the Commerce Act 1986. In addition to the specific covenants above, the matters stated in the Order are, to the extent permitted by law, deemed set out in this Deed as if they were covenants in, and of, this Deed binding on me and also binding upon my employer or that person whose interest I represent in this proceeding (as the case may be) and any failure to comply with the terms and conditions of the Order shall be construed by this Deed as a breach of this Deed. After the Order ceases to have effect I acknowledge that I continue to be bound by this Deed unless expressly released by the Commission.


DATED this 9th day of October 2006



Signature

Debra Blauett
Name

Assistant General Counsel, Gray Campbell & Robertson
Position

Signed and dated in the presence of: 
[Justice of the Peace] [Solicitor of the High Court of New Zealand] [Notary Public]

Michelle Mary Balasigamany
Solicitor
Wellington