



Mr John Edwards
National Infrastructure Manager
iiNet Limited
john.edwards@staff.iinet.net.au

Dear Mr Edwards,

**INVITATION TO NEGOTIATE
REQUEST FOR PROPOSAL NO: 2013.2179.210
FREE PUBLIC WI-FI CAPABILITIES**

I refer my recent letter to you dated 7 January 2014, advising that the Territory had selected iiNet Limited as the Preferred Respondent to enter into contract negotiations for the delivery of free public Wi-Fi services in public spaces around Canberra.

As advised in my telephone call last Thursday, the Territory is now in a position to commence negotiations with iiNet and wishes to invite iiNet's representatives to Canberra on Friday, 17 January 2013 to commence the first negotiation meeting – the negotiation meeting is expected to be conducted during 0930-1230 hrs.

You would recall in my earlier letter to you, the Territory had identified seven preliminary negotiation issues which were for either clarification/discovery or formal negotiation. The Territory has developed its position on these and other matters and you will receive advice on these issues by no later than close of business on Tuesday 14 January 2014.

In relation to the logistics for the negotiation meeting on 17 January, Mr Mark Lightfoot, the Project Manager, will be in contact with you early next week to coordinate.

The Territory wishes to take this opportunity to congratulate iiNet again on its success in being selected as the Preferred Respondent and looks forward to commencing its negotiations with your organisation.

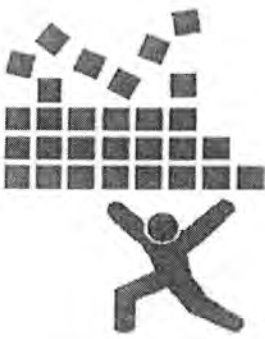
If you wish to discuss any matters related to the overall procurement or evaluation processes, please contact Hannah Gill on (02) 6207 0171 or at hannah.gill@act.gov.au

Yours sincerely

Peter DeGraaff
Senior Manager ICT Procurement
Goods & Services Procurement and Policy Group
Shared Services Procurement

11 January 2014

Kingsway Financial Assessments PTY LTD



ABN: 43 074 731 374

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Date: 06-March-2014
Report No: 26178
Code: IINELIMI

PRIVATE AND CONFIDENTIAL

SUBJECT:
IINET LIMITED

ABN 48 068 628 937

TENDER ASSESSMENT REPORT

Detailed

PREPARED FOR:
ACT COMMERCE & WORKS DIRECTORATE

Attention Noel Bradfield Phone: (02) 6207 7154

Work Description /
Contract Name Free Public Wi-Fi Capabilities for the ACT
Location
Job Ref.

ACT text goes here

Accuracy of information: This report prepared by Kingsway Financial Assessments Pty Ltd (Kingsway) is based on information provided to Kingsway which may include audited or unaudited financial statements and reports. Kingsway makes no representation as to the accuracy, completeness, reasonableness or assumptions of the information provided to it and is not responsible for any errors, omissions or misrepresentations contained therein. Kingsway is not liable for any loss or damage arising out of any information provided in this report.

1. Executive Summary

Report

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Subject	linet Limited	Incorporation	14-Mar-1995
ABN	48 068 628 937	State	N/A
Entity Type	Australian Public Company	Paid up Capital	\$251,068,597
Entity Class	Limited by shares		
Entity Status	Registered	Currency	\$
Financial Statements Status / Level	linet Limited-Consolidated Final	31-Dec-13 Consolidated	

Key Items	30-Jun-13	31-Dec-13	% Change	Criteria	Rating
Sales Revenue	940,990,000	493,150,000	4%	Excess (Shortfall)	
Profit After Tax	60,938,000	29,101,000	(5%)		
Net Tangible Assets	(206,666,000)	(250,119,000)	(21%)	(250,145,000)	Unsatisfactory
Working Capital	(70,577,000)	(79,090,000)	(12%)	(79,116,000)	Unsatisfactory
Current Ratio	0.6	0.6	(2%)	(0.4)	Unsatisfactory
Rating	Contract Free Public Wi-Fi Capabilities for the ACT,				
27%	Contract Value	\$ 1,300,000			
Unsatisfactory	Adjusted Value	\$ 2,660,000			

Financial data used: Noel Bradfield of ACT Commerce & Works Directorate instructed the rating in this report to be based upon the consolidated financial statements of iiNet Limited. Hence, the final financial statements of iiNet Limited-Consolidated ("the Group") as at 31 December 2013 have been used for this financial assessment. Comparatives to previous periods were provided.

Revenue & profitability: For the period ended 31 December 2013, the Group recorded revenue from ordinary activities of \$493,150,000 resulting in a net profit after tax of \$29,101,000. The annualised project value to average sales revenue was 0.03%.

Key financial indicators: As at 31 December 2013, net assets were \$335,924,000 which included intangible assets of \$586,043,000. Net tangible assets were negative \$250,119,000. Working capital was negative \$79,090,000. The current ratio was 0.6.

Adjustments to project value: The project value for the assessment, \$1,300,000 has been adjusted to \$ 2,660,000. Please refer to the adjustments overleaf for details.

Criteria: The Financial Capacity Scorecard and table above show the extent to which the Company has met the required criteria (See criteria - excess / shortfall above).

Rating: The Company has been assigned with an "Unsatisfactory" rating with respect to the Free Public Wi-Fi Capabilities for the ACT project valued at \$1,300,000 and adjusted to \$ 2,660,000.

Concerns: Further to the Assessment Criteria, please note the following concerns below. Where considered appropriate you may wish to implement risk management strategies. Please contact our office if clarification or assistance is required.

1. Executive Summary

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1. **Key financial indicators:** The Group did not meet the minimum financial criteria with respect to 1) Working capital, 2) Net tangible assets 3) The current ratio.

The Group recorded Intangible assets of \$586,043,000 as at 31 December 2013, which contributed to the negative net tangible assets.

2. **Trade debtors:** As at 31 December 2013, the Group recorded trade debtors in the amount of \$69,991,000. This amount was material in the context of the Group's working capital. This indicated that the Group's working capital is influenced by how readily trade debtors can be converted into cash.
3. **Inventories:** As at 31 December 2013, the Group recorded inventories in the amount of \$15,583,000. This amount was material in the context of the Group's working capital. This indicated that the Group's ability to maintain its working capital position is reliant on how readily inventories can be converted into cash.
4. **Gearing:** The debt to equity ratio was 105.0% representing the proportion of total non-current liabilities to total equity. The debt ratio was 63.0% which gives an indication of the percentage of the entity's assets that are financed via debt. The interest cover ratio was 5 indicating that profit before income tax & interest covered interest payments 5 times.

Notes: We also note the following:

1. **Collections & payments:** As at 31 December 2013, days receivable stood at 26 days. This represents an improvement in the ratio. Days creditors could not be calculated as information related to the Cost of Sales is not available.
2. **Other projects:** The Company commenced 1 project in the 6 weeks prior to the date of this assessment. The impact of the above on its working capital and net tangible asset requirements has been incorporated into the rating assigned. Please refer to adjustments page and section 17 of this report. It should be noted that when considered on a stand-alone basis (before adjustments to the contract value), the Company did not meet the criteria for the project. The timing and details of the other current projects may be considered further.
3. **Contracting Entity:** As this assessment has been based on financial information relating to the Consolidated Group, its findings relate solely to the Consolidated Group. As the financial analysis does not relate specifically to "The Company" legal advice should be sought to ensure that appropriate measures are put in place.
4. **PPSR:** A search of the Personal Property Securities Register revealed 112 securities over some assets of the Company. A security holder is generally a secured creditor in the case of insolvency. Please refer to the attached PPSR Grantor Search against the Company's ACN.
5. **Defaults and court writs:** 2 Court Actions and 1 Court Writ, in the amount of \$964 and \$463 respectively, were recorded against the Company as at 04 March 2014. The details of these are outlined in Section 21 of this report.

1. Executive Summary

Report

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1. Executive Summary - Adjustments

Adjusted Contract Value

Contract Value	\$ 1,300,000
- (A) Effect if contract duration is more than 12 months	\$ 1,040,000
+ (B) Effect of other contracts to be considered simultaneously	\$ -
+ (C) Effect of recently commenced projects	\$ 2,400,000
Adjusted Contract Value	\$ 2,660,000

Adjustment Details

(A) Effect if contract duration is more than 12 months

	Duration	Contract Value
Contract Under Review	260 weeks	\$1,300,000
Annualised over 52 weeks	52 weeks	\$260,000

(B) Effect of other contracts to be considered simultaneously

Contracts	Start Date	Value
Total other new contracts		\$0

(C) Effect of recently commenced projects

Commenced within 6 weeks from assessment date	Value	Start Date	% Complete	Unexecuted value
Project 5	\$ 2,400,000	1/2/2014		\$2,400,000
Total unexecuted value of recently commenced projects				\$2,400,000

2. Financial Assessment Rating

linet Limited

ABN

48 068 628 937

Tender Assessment Report

Work Description	/	Contract No.	0
Location	0		
Contract Value	\$1,300,000	Adjusted Value	\$2,660,000

Financial Data Used

	Date	Status	Level	Used in rating
linet Limited-Consolidated	30-Jun-12	Audited	Consolidated	
linet Limited-Consolidated	30-Jun-13	Audited	Consolidated	
linet Limited-Consolidated	31-Dec-13	Final	Consolidated	Yes

Financial Capacity Scorecard

Rated items	unsatisfactory	acceptable	good	superior	n/a
Financial Statements	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ratio Analysis	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Working Capital	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Current Ratio	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Net Tangible Assets	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Banking Facilities	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Contractors Declaration	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Supplier Payments	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Subcontractor Payments	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Defaults / Legal Actions	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Project Value to Sales Revenue	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Analyst's Assessment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Overall Assessment

	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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Financial capacity has not met the required criteria

27%

Unsatisfactory

Main Financial Criteria Applied

	Value		Denominator
1	Net Tangible Assets	10.0%	of Contract Value
2	Working Capital	10.0%	of Contract Value
3	Current Ratio	1.00	
4	Project_value_to_ave_revenue_p	0%	
	Ratios used:	Balance Sheet Ratios	

3. Financial Statements

Financial statements for: linet Limited-Consolidated ABN:	Consolidated Audited 30-Jun 2012 \$	Consolidated Audited 30-Jun 2013 \$	Consolidated Final 31-Dec 2013 \$
PROFIT AND LOSS SUMMARY			
Revenue from ordinary activities	831,225,000	940,990,000	493,150,000
Cost of sales	0	0	0
Gross profit	831,225,000	940,990,000	493,150,000
Other income	8,061,000	1,081,000	851,000
Net profit/(loss) before income tax & interest	80,571,000	105,970,000	51,295,000
Interest expense	17,562,000	22,729,000	11,363,000
Depreciation expense	64,458,000	82,045,000	41,379,000
Income tax expense	25,955,000	22,303,000	10,831,000
Net profit/(loss) after income tax expense	37,054,000	60,938,000	29,101,000
Dividends paid	20,312,000	25,777,000	17,736,000
BALANCE SHEET SUMMARY			
Cash & cash equivalents	6,606,000	12,369,000	29,882,000
Trade debtors	61,627,000	71,214,000	69,991,000
Inventories	7,579,000	18,469,000	15,583,000
Related entity loans / receivables	0	0	0
Other current assets	14,437,000	20,616,000	14,758,000
Total current assets	90,249,000	122,668,000	130,214,000
Net fixed assets	179,364,000	164,413,000	171,701,000
Intangible assets	486,622,000	531,008,000	586,043,000
Related entity loans / receivables	0	0	0
Other non current assets	275,000	8,004,000	11,268,000
Total non-current assets	666,261,000	703,425,000	769,012,000
Total assets	756,510,000	826,093,000	899,226,000
Short term debt	15,552,000	17,039,000	18,561,000
Trade creditors	80,440,000	89,213,000	94,964,000
Provisions	484,000	377,000	1,208,000
Related entity loans / payables	0	0	0
Other current liabilities	77,134,000	86,616,000	94,571,000
Total current liabilities	173,610,000	193,245,000	209,304,000
Long term debt	287,066,000	303,819,000	348,869,000
Related entity loans / payables	0	0	0
Other non-current liabilities	9,185,000	4,687,000	5,129,000
Total non-current liabilities	296,251,000	308,506,000	353,998,000
Total liabilities	469,861,000	501,751,000	563,302,000
Contributed equity	250,528,000	251,069,000	251,069,000
Retained profits (losses)	31,777,000	66,938,000	78,303,000
Other reserves	4,344,000	6,335,000	6,552,000
Total equity	286,649,000	324,342,000	335,924,000
Total equity and liabilities	756,510,000	826,093,000	899,226,000

4. Ratio Analysis

Financial statements for:	Consolidated	Consolidated	Consolidated
linet Limited-Consolidated	Audited	Audited	Final
ABN:	30-Jun	30-Jun	31-Dec
	2012	2013	2013
	\$	\$	\$

BALANCE SHEET RATIOS

Net tangible assets	(199,973,000)	(206,666,000)	(250,119,000)
Working capital	(83,361,000)	(70,577,000)	(79,090,000)
Net assets	286,649,000	324,342,000	335,924,000
Net tangible assets to project value	(76913%)	(79487%)	(96200%)
Working capital to project value	(32062%)	(27145%)	(30419%)
Total assets turnover	1.1	1.1	0.5
Fixed assets turnover	4.6	5.7	2.9

LIQUIDITY RATIOS

Current ratio	0.5	0.6	0.6
Quick ratio	0.5	0.5	0.5
Days receivable	27	28	26
Days creditors	N/A	N/A	N/A
Inventory turnover ratio	0	0	0

RISK RATIOS

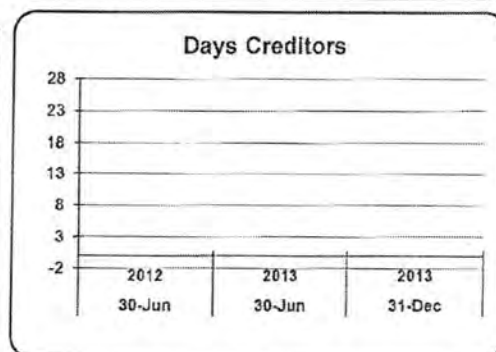
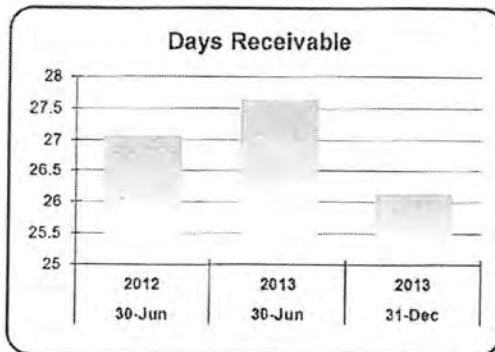
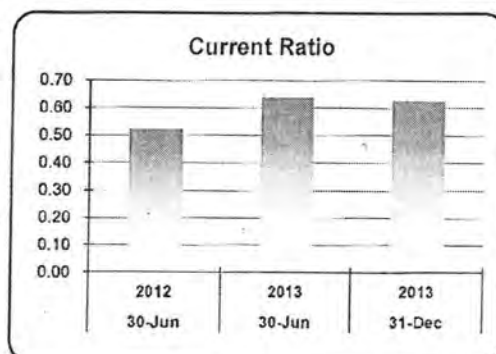
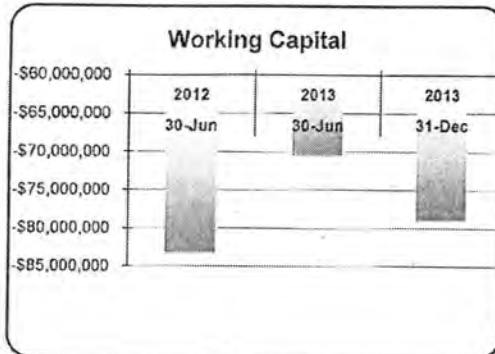
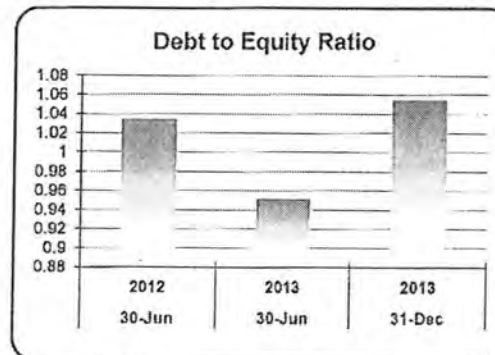
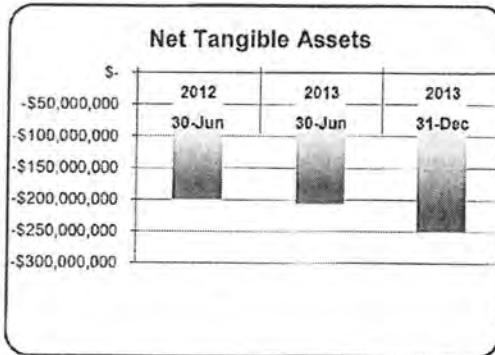
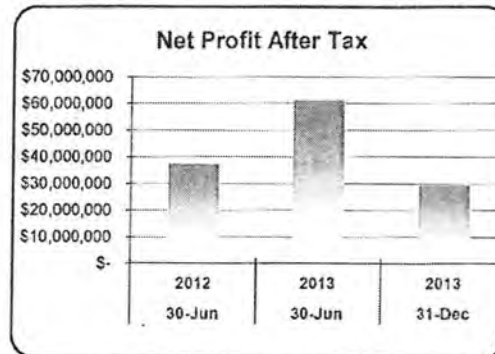
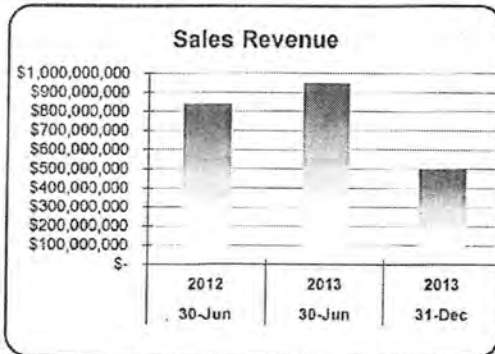
Debt to equity ratio	103%	95%	105%
Debt ratio	62%	61%	63%
Interest cover (times interest earned)	5	5	5
Total equity to total assets	38%	39%	37%
Total equity to total liabilities	61%	65%	60%
Project value to average sales revenue	0.0%	0.0%	0.0%

PROFITABILITY RATIOS

Gross profit margin	100.0%	100.0%	100.0%
Net profit margin	4.5%	6.5%	5.9%
Return on equity	N/A	20%	9%
Return on total assets	5%	7%	3%

5. Graphical Overview

Financial statements for:
 linet Limited-Consolidated
 ABN:



7. Banking Facilities

Bank Details

Bank Name: Various banks

Branch:

Banking Facilities

As at: 31-Dec-13

Facility Description	Where applicable Facility Limit	Where applicable Amount Drawn	Available Balance
Various cash accounts			\$ 29,727,501
Syndicated facility	\$ 330,000,000	\$ 237,000,000	\$ 93,000,000
Term deposits			\$ 470,469

Additional notes regarding banking facilities

Banker's Letter

A banker's letter supporting the above was provided with the following date

Status of bank letter if not provided

8. Debtors & Creditors

Trade Creditors

(owed by company)

As at: 31-Dec-13

Ageing	Value	Percent	Cumulative %
30 days and under	\$ 53,434,376	80.5%	80.5%
31 to 60 days	\$ 9,789,493	14.7%	95.2%
61 to 90 days	\$ 1,020,733	1.5%	96.8%
91 to 120 days	-\$ 13,109	0.0%	96.8%
Over 120 days	\$ 2,150,376	3.2%	100.0%
Total	\$ 66,381,869	100.0%	

Trade Debtors

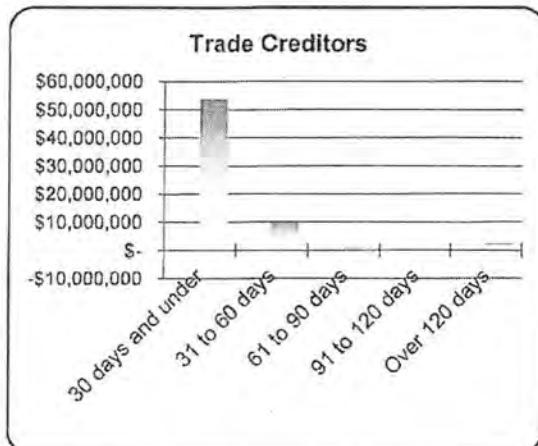
(owed to company)

As at: 31-Dec-13

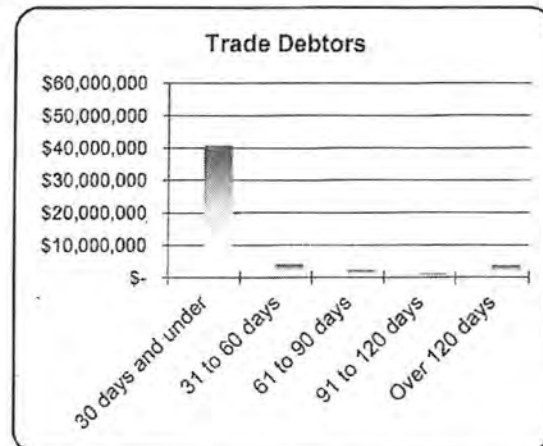
Ageing	Value	Percent	Cumulative %
30 days and under	\$ 40,615,021	78.6%	78.6%
31 to 60 days	\$ 4,071,261	7.9%	86.5%
61 to 90 days	\$ 2,248,999	4.4%	90.8%
91 to 120 days	\$ 1,137,693	2.2%	93.0%
Over 120 days	\$ 3,604,571	7.0%	100.0%
Total	\$ 51,677,545	100.0%	

Comments on Creditors

Comments on Debtors



Trade Creditors / Payables



Trade Debtors / Receivables

9. Guarantees & Retentions

As at: 30-Jun-13

Bank Guarantees provided by contractor

Total Number of Bank Guarantees	31
Total Value of Bank Guarantees Outstanding	\$24,056,366
Guarantees Secured by Personal Assets	\$0
Guarantees Secured by Cash Deposit	\$250,000

Retentions held by contractor

Cash Retentions

No of Retentions Held	0
Value of Retentions Held	\$0

Bank Guarantee

No of Retentions Held	0
Value of Retentions Held	\$0

Retentions held by Clients

No of retentions Held	0
Value of Retentions Held	\$0

10. Declaration by Contractor

- 1 **Prior insolvency:** Are any of the proprietors, directors, trustees, managers or their spouses currently in, or have in the past, been a bankrupt or a director or manager of a company that has entered into a Deed of Company Arrangement, placed into External Administration or into Liquidation? If so please advise.
- 2 **Tax Matters:** Are there any relevant financial matters that you are aware of (including outstanding liabilities to the Australian Tax Office) that are not contained in the financial statements? If yes, please advise
- 3 **Related party transactions:** Are there any related party (1) transactions or assets included in the financial statements? If yes, please advise of the details
- 4 **Contingent liabilities:** Are there any contingent liabilities(2) or commitments not included in the financial statements, for example, legal issues pending, guarantees. If so, please explain the nature and the estimated amount of the liability
- 5 **Creditors:** Are all creditors included in the financial statements? If no, please advise the details and the amounts
- 6 **Recoverability of WIP:** Do you believe that your work in progress is fully recoverable? If not, please advise of the amount considered not recoverable
- 7a **Debtors:** (a) Do you expect all debtors to be fully recoverable? If no, to what extent?
To the extent that the recoverability of debtors is provided for in the allowance for impairment losses (see financial statements). Fully provided for and not considered material.
- 7b **Bad Debts:** (b) Have any bad debts been written off since the preparation of the financial statements. If yes, to what extent?
Less than 1% of total debtors balance.
- 8 **Post Balance Date Events:** Have any events occurred since the balance (reporting) date of the most recent financial statements which have, or may have, a significant impact on the operations of the business, including financial and solvency issues. If yes, please advise.
- 9 **Guarantees for related parties:** Do any of the assets of the business secure or guarantee related party borrowings. If so, to what extent?

I certify that, to the best of my knowledge and belief, the above information is true and correct in all respects.

Ben Jenkins (Company Secretary)
Name of Director

25-Feb-14
Date

11. Statutory Information

Report date: 04-Mar-2014

Name : IINET LIMITED Document Number: 5E0429356

Status : Registered

Type : Australian Public Company

Class : Limited By Shares

Subclass : Listed Public Company

Australian Company Number: 068628937

Australian Business Number: 48068628937

Registration Date: 14-Mar-1995

Incorporated in:

Registered Office LEVEL 1, 502 HAY STREET SUBIACO WA 6008

Principal Place of Business LEVEL 1, 502 HAY STREET SUBIACO WA 6008

Directors

JAMES, PETER RICHARD
25 BOGOTA AVENUE NEUTRAL BAY NSW 2089
Born: 06-May-1950 in CANBERRA, ACT 29280272
Appointment date: 27-Nov-2003

GRANT, DAVID CAMPBELL
14 SILKWOOD TURN CHURCHLANDS WA 6018
Born: 18-Jul-1964 in SYDNEY, NSW 373413975
Appointment date: 12-Oct-2006

SMITH, MICHAEL JOHN
8 DAVIES ROAD DALKEITH WA 6009
Born: 14-Nov-1953 in PERTH, WA 49913805
Appointment date: 19-Sep-2007

MALONE, MICHAEL MARTIN
9 PARR CLOSE PADBURY WA 6025
Born: 08-Jul-1969 in ENNIS, IRELAND 98065082
Appointment date: 14-Mar-1995

MCCANN, LOUISE
D SILK UNIT 6, 2 DISTILLERY DRIVE PYRMONT NSW 2009
Born: 07-Apr-1961 in KINGSTON, UNITED KINGDOM 300193
Appointment date: 14-Apr-2011

Secretary

JENKINS, BEN ANDREW
480 CARINYA DRIVE STONEVILLE WA 6081
Born: 07-Jul-1982 in BRIDGETOWN, WA 435219763
Appointment date: 27-Nov-2013

11. Statutory Information

Ultimate Holding Company

N/A

Share Structure

Class:

ORDINARY SHARES

Number of Shares Issued :

161,238,847

Total Paid on Shares Issued :

\$251,068,597

Paid up capital :

\$251,068,597

Shareholder

ASIC document: 1F0470094

Address

Adverse information

Instance

Instance

Other relevant information

Environment: p7prd1

13. Trading Details & Structure

Contact Details

Entity Name:	inet Limited
Trading Name:	
ABN:	48 068 628 937
Main Trading Address:	Level 1, 502 Hay Street, Subiaco, WA, AUSTRALIA, 6008
Postal Address:	Locked Bag 16, Cloisters Square, WA, AUSTRALIA, 6850
Contact:	
Telephone:	(08) 9213 1358
Facsimile:	(08) 9221 8473
Mobile:	
Email:	cosec@staff.iinet.net.au
Website:	www.iinet.net.au

Corporate Structure

Parent Entity:	iiNet Limited
Ultimate Parent:	iiNet Limited
Subsidiaries:	iHug Pty Ltd Connect West Pty Ltd Chime Communications Pty Ltd iiNet Labs Pty Ltd iiNet (Ozemail) Pty Ltd Westnet Pty Ltd iiNet New Zealand AKL Ltd Netspace Online Systems Pty Ltd Trimar Unit Trust Aspry Unit Trust Netspace Networks Pty Ltd Jiva Pty Ltd Aspry Pty Ltd Netspace Communications Pty Ltd TransACT Communications Pty Ltd TransACT Victoria Holdings Pty Ltd TransACT Broadcasting Pty Ltd TransACT Capital Communications Pty Ltd Transflicks Pty Ltd ACN 088 889 230 Pty Ltd Cable Licence Holdings Pty Ltd TransACT Victoria Communications Pty Ltd Neighbourhood Cable Unit Trust Internode Pty Ltd Agile Pty Ltd Adam Internet Holdings Pty Ltd Adam Internet Pty Ltd
Other Related Entities:	None
Other Corporate Details:	
No. of Employees:	More than 2,000 employees.
Other Corporate Details:	

14. Operations & Activities

Description of Organisation's Activities

Telecommunications Services

We maintain our own super-fast broadband network and support over 1.7 million broadband, telephony and Internet Protocol TV (IPTV) services nationwide.

15. History

Major events in the organisation's history

Year	Significant event or milestone
1993	iiNet commences business. iiNet becomes the first organisation in WA to offer dialup Internet access to the public. The initial modems are a combination of 2,400 and 14,400 bps and the price is \$25/month flat rate.
1995	iiNet hires its first paid employee and iiNet WA moves to premises at 105 St Georges Terrace in the Perth CBD.
1996	iiNet expands into regional WA, with its first regional service centre opened in Bunbury.
1999	iiNet Limited becomes a public company and lists on the Australian Stock Exchange. The Prospectus closes early due to huge demand for the shares.
2000	iiNet introduced broadband. iiNet launched various broadband services: Cable Internet Access, Cityspan Wireless Internet Access and ADSL Internet Access. The company announces its first-half profit for 1999-2000 at \$0.91million and decides to pay the GST for all its current dialup, ISDN and cable Internet products, without on-charging it to users
2002	iiNet achieves ISO9001 and becomes a fully accredited, quality endorsed company. iiNet is committed to providing excellent Internet products and access and customer service in Australia.
2003	iiNet expands by over 200,000 subscribers by acquiring ISPs Country Netlink, Origin Internet, RuralNet, TasAccess, WebOne, Octa4 and ihug. iiNet opts to retain the Sydney and Auckland iHug offices and adds 130,000 customers throughout Eastern Australia and New Zealand.
2004	iiNet begins deployment of its own infrastructure called DSLAMs. By 2005 iiNet expects over half of its customers will be connected to its own network - the iiNetwork.
2005	iiNet becomes the first Australian company to provide a large-scale, premium-grade Voice Over Internet Protocol (VoIP) service. VoIP enables customers to save money by making and receiving calls via the Internet instead of over the traditional copper telephone network.
2005	iiNet flips the switch to provide ADSL2+ speeds of up to 24000 kbps. iiNet is the first ISP to offer the super fast broadband speeds on a national scale in Australia.

15. History

Major events in the organisation's history

Year	Significant event or milestone
2006	iiNet finishes the implementation of world-class contact centre technology, establishing a single virtual contact centre (VCC) spread across three centres in Perth, Sydney and Auckland. The VCC system allows more sophisticated reporting techniques and control over the entire customer service experience. By April, the investment has produced major improvements. In July, iiNet wins the ATA Call Centre of the Year, evidence of the rapid turnaround.
2007	iiNet wins its LSS (line sharing service) dispute with Telstra. The ACCC (Australian Competition and Consumer Commission) finalises its decision in July, resulting in the issue of one very large (\$17,590,386.94 inc. GST) cheque made in iiNet's name. The lump sum covers refunds to iiNet for the over charge of LSS backdated from June 2004. Moving forward, the decision means iiNet will save millions in LSS charges
2008	iiNet announces an \$81 million deal to acquire industry neighbours, Westnet. With Westnet on board, iiNet cements its position as the third largest ISP in the country and its status as a serious telecommunications competitor.
2009	iiNet launches its first lightning-fast Fibre-to-the-Home (FTTH) broadband services with partner OptiComm. The residents of Point Cook's Alamanda Estate in Victoria are the first to be offered this new product.
2010	Copyright trial judgement handed down, with Justice Cowdroy announcing that "iiNet did not authorise the infringements of copyright of the iiNet users" as part of iiNet's Copyright Case.
2010	To help Australian businesses run more efficiently, iiNet launches a series of industry first Business Packs that combine broadband and telephony solutions.
2010	iiNet partners with fetchtv to launch the country's first true national IPTV service. Fetchtv gives customers access to the best of digital free-to-air and subscription television over their existing broadband connection.
2010	To cap off the year, iiNet releases mighty competitive mobile phone plans, all packed with generous call allowances and minus the contracts.
2011	To celebrate iiNet's position as the clear number two DSL broadband service provider in Australia, the company kicks off its New No.2 campaign.

15. History

Major events in the organisation's history

Year	Significant event or milestone
2011	<p>After winning the first court case brought against iiNet by the Hollywood studios in 2010, the Full Federal Court dismisses an appeal lodged by Roadshow Films & others against iiNet.</p> <p>This is the second court decision that rejects the assertion that iiNet had ever supported unauthorised sharing or file downloading by its customers.</p>
2011	<p>iiNet introduces its Follow the Sun strategy and officially launches its fourth customer service centre in Cape Town. Now with operations across four time zones in three countries, the approach ensures that customer service levels are consistent and seamless, regardless of time of day.</p>
2011	<p>iiNet announces its National Broadband Network (NBN) plans, designed to offer customers flexibility and value for money.</p>
2011	<p>iiNet acquires Canberra based brand TransACT bringing on board relationships with over 50 federal and state government agencies, 140 000 subscribers and 5000 small to medium enterprises.</p>
2011	<p>iiNet acquires national broadband company, Internode based out of Adelaide. The acquisition sees iiNet gain approximately 260000 active internet & phone services as well as approximately 190000 broadband subscribers.</p>
2012	<p>iiNet launch mix and match mobile plans giving customers the freedom to choose a separate mobile plan and handset according to their personal needs.</p>
2012	<p>The High Court of Australia dismisses an appeal lodged by Roadshow Films & Others against iiNet.</p>
2012	<p>iiNet opens the first ever iiStore located under our Subiaco headquarters.</p>
2012	<p>iiNet enters the S&P/ ASX 200 iiNet Limited's shares officially enter the S&P/ASX 200 on December 21 2012 reflecting the significant increase in market value of iiNet's shares in the year.</p>
2013	<p>iiNet launched a new set top box, iiNet TV with Fetch. The new units are available in either black or white and offer the same intuitive interface and rich choice of content as the original Fetch TV Set-Top.</p>
2013	<p>iiNet entered into a binding agreement to acquire Adam Internet Holdings Pty Ltd and associated companies for \$60m cash consideration.</p>
2013	<p>iiNet reached an agreement with NBN Co for the sale of TransACT's fibre-to-the-premises (FTTP) network in the ACT region.</p>

15. History

Major events in the organisation's history

Year	Significant event or milestone
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16. Director's Profiles

Director 1:	David Grant
Position:	Non-executive Director
Qualifications:	B.Comm, ACA, GAICD
Profile:	<p>David is a Chartered Accountant with significant public company experience spanning a range of corporate and divisional financial roles with Goodman Fielder Limited and Iluka Resources Limited, where he was Chief Financial Officer until February 2007. David is currently a director of Amalgamated Holdings Limited, an ASX listed cinema, resort and hotel business. David was formerly a director of Consolidated Rutile Limited and was a founding director of Trans-Tasman Resources Ltd, a private equity backed iron ore exploration company based in New Zealand.</p>
Director 2:	Louise McCann
Position:	Non-executive Director
Qualifications:	Master of Management (MGSM), FAICD, FAIM, FRSA
Profile:	<p>Louise has former experience as the Chief Executive Officer for Asia and Managing Partner for Australia for Hall & Partners, a specialist brand and communications market research agency. She also was Chairman and Chief Executive Officer at Research International (ANZ), Chief Executive Officer of OzTAM Pty Ltd and has served as the Industry President and Vice President for The Association of Market and Social Research Organisations. She is also a Non-Executive Director of The Brain Bank, a Non-Executive Director of the Australian Physiotherapy Association and has also served as Director for the International Advertising Associations Australian Chapter.</p> <p>Louise has also held executive positions with the Ten Network, Dawson Magazine and senior production positions with the Australian Broadcasting Corporation.</p>

16. Director's Profiles

Director 3:	Michael Malone
Position:	Managing Director
Qualifications:	B.Sc, DipEd, FAIM, FAICD, FACS
Profile:	<p>Back in 1993, fresh from university, Michael Malone founded WA's first Internet Service Provider (ISP), iiNet, in the garage of his family home. Since then Michael has led the rapid growth which has seen iiNet grow from its humble beginnings, into the second largest broadband DSL ISP in Australia.</p> <p>Having been involved in the Internet industry since inception, Michael has been a founding board member of various industry and consumer bodies. From residing as President of the WA Internet Association from 1996 to 2002, to sitting as a board member and Chairman of the .au Domain Administration, to being one of the founders of Electronic Frontiers Australia (EFA).</p> <p>Michael is currently on the board of Scitech in Perth and was previously the Deputy Chairman of Autism West.</p>

Director 4:	Michael Smith
Position:	Chairman and Non-executive Director
Qualifications:	FAICD, FAMI, CMC, FAIM
Profile:	<p>Michael began his career with TVW Limited, after which he joined Perth advertising agency, McAuliffe & Goff. In 1979, he formed The Marketing Centre where he sat as Managing Director for over 30 years, providing strategic marketing advice to leading Australian and international companies. Michael is the current Managing Director of strategic marketing consultancy firm Black House.</p> <p>Michael currently chairs Synergy and Verve, the Australian Institute of Company Directors and the Lionel Samson Sadleirs Group. He holds a Deputy Chairman post with Automotive Holdings Group and is a non-executive director of 7-Eleven Australia PL, a chain of 600 convenience stores on Australia's east coast. Prior to his appointment as Chairman he was the WA President of the Australian Institute of Company Directors and a member of the national board. He has been made a fellow of the Australian Marketing Institute, Australian Institute of Management and the Institute of Management Consultants. He is also a Board member of Giving West and Creative Partnerships Australia, an executive member of the American Marketing Association, a chartered management consultant and member of the Institute of Management Consultants.</p> <p>Michael was formerly Chairman and Director of the West Coast Eagles, Scotch College and The Perth International Arts Festival. He steered Indian Pacific Ltd as a director and has presided previously as WA State President of the Australian Marketing Institute and a member on its Federal Board. Other past board positions included Chairman of the Pearling Industry Advisory Committee and of Barking Gecko Theatre Company.</p>

16. Director's Profiles

Director 5:	Peter James
Position:	Non-executive Director
Qualifications:	BA, FAICD
Profile:	<p>Peter's experience includes 21 years as a board member and a range of Australian publicly listed companies. In addition, Peter has 16 years experience in Chief Executive Officer roles, including Computer Power Group Limited, Ainsworth Game Technology Limited, and Adcorp Australia Limited, a publicly listed media and communications company.</p> <p>Peter is a Non-Executive Director of Macquarie Telecom Ltd and has played a leading role in launching Ninefold, an Australian Cloud Technology business where he is currently Chairman. Peter is also a successful investor in a number of Australian Technology and Social Media businesses, including the leading Australian group buying site JumpOnIt which was sold to US based LivingSocial in January 2012.</p> <p>Peter has a particular interest in building high performance teams and is one of the judges for the annual Aon Hewitt Best Employers program.</p>

17. Projects & Contracts

Current Projects

As at: 31-Dec-13

Project Name	Client	Value*	Start Date	% Complete
Project 2 - ongoing	inhouse	\$ 5,000,000	01-Jun-13	
Project 5		\$ 2,400,000	01-Feb-14	
Project 3 - ongoing		\$ 8,300,000	01-Mar-13	25%
Adam Integration		\$ 743,000	01-Oct-13	50%
Canberra Wifi		\$ 438,000	01-Dec-13	50%
Project 4 - Ongoing		\$ 1,100,000	01-Mar-13	50%
Project 1	inhouse	\$ 5,600,000	01-Apr-13	70%
Additional NBN Builds		\$ 1,054,000	01-Nov-13	80%
Adelaide Wifi		\$ 843,000	01-Jul-13	80%
ADSL & DSLAM expansion		\$ 1,167,000	01-Jul-13	80%
DEECD Bandwidth Growth		\$ 331,000	01-Jul-13	90%
Hosted Lync Solution/Hosted exchange		\$ 1,100,000	01-Oct-13	90%
Metro Alignment		\$ 380,000	01-Oct-13	90%
Perth Wifi		\$ 502,000	01-Nov-13	90%
Expansion of on-net SHDSL Footprint		\$ 519,000	01-Aug-13	95%

*Value represents the estimated value for the first 12 months of the project.

Largest Recently Completed Projects

Project Name	Client	Value	Date Completed
RC Project 5		\$ 550,000	01-Jan-14
RC Project 2	inhouse	\$ 1,700,000	01-Dec-13
RC Project 6		\$ 200,000	01-Aug-13
RC Project 3 - Multiple		\$ 10,600,000	01-Feb-13
RC Project 8 - Multiple		\$ 4,300,000	01-Feb-13
RC Project 1	inhouse	\$ 6,500,000	01-Jan-13
RC Project 4		\$ 1,200,000	01-Jun-12
RC Project 7	inhouse	\$ 2,700,000	01-Sep-10

Notes relating to projects

Some project names/clients not listed to comply with project confidentiality requirements.

18. Supplier References

Recent References

Supplier Type	Purchases per month	Credit Limit	Terms of trade (days)	Payment pattern (days)	Account held since	Comment
1 Advertising / Branding	varies \$50,000-\$250,000	N/A	30 days	30 days	2006	

Historical References

Supplier Type	Purchases per month	Credit Limit	Terms of trade (days)	Payment pattern (days)	Account held since	Comment

19. Subcontractor References

Recent References

Subcontractor Type	Contract value	Contract period (weeks)	Terms of trade (days)	Payment pattern (days)	Account held since	Comment
1 Suppliers of Work Installations			30		2000	

Historical References

Subcontractor Type	Contract value	Contract period (weeks)	Terms of trade (days)	Payment pattern (days)	Account held since	Comment

21. Defaults & Court Actions

The following is the result of a **Default Search** conducted on the database of **Veda Advantage Limited**.

Note that court actions shown in the Veda database reflect only court judgements from selected courts. Court actions included in the database are from the Local Courts in NSW and NT, County Court in VIC, Magistrates Courts in QLD, VIC, TAS, District Courts in QLD & SA and Supreme Courts in QLD, WA and TAS.

Summary Information

Search Date:

Defaults	0	Petitions	0
Mercantile	0	Judgements	0
Enquiries	N/A	Court Writs	0

22. SUPPLEMENTARY DATA 1

Entered on:

Age of Financial Statements

Where the latest finalised Financial Statements are more than 9 months old, I confirm that I have attached Management Accounts not more than 3 months old

Related Entity Loans

(date should match the date of the most recent financials) as at date

Name of Related Party	Amount \$	Repayment Intention *
Current Assets	-	
Name of related party		
Name of related party		
Name of related party		
Name of related party		
Name of related party		
Non Current Assets	-	
Name of related party		
Name of related party		
Name of related party		
Name of related party		
Name of related party		
Current Liabilities	-	
Name of related party		
Name of related party		
Name of related party		
Name of related party		
Name of related party		
Non Current Liabilities	-	
Name of related party		
Name of related party		
Name of related party		
Name of related party		
Name of related party		

Statement of assurance

The financial information provided for this assessment is to the best of my knowledge true and accurate.

Name of Director

Date

Appendix 1.

Ratio Definitions

Net tangible assets	= Total assets - Intangible assets - Total liabilities
Working capital	= Total current assets - Total current liabilities
Net assets	= Total assets - Total liabilities
Net tangible assets to Project Value	= Net tangible assets / Project or prequalification value
Working capital to Project Value	= Working capital / Project or prequalification value
Total assets turnover	= Revenue from ordinary activities / Total assets
Fixed assets turnover	= Revenue from ordinary activities / Fixed assets
Current ratio	= Total current assets / Total current liabilities
Quick ratio	= (Total current assets - Inventory) / Total current liabilities
Days receivable	= (Debtors / Revenue from ordinary activities) x 365
Days creditors	= (Creditors / Cost of goods sold) x 365
Inventory turnover ratio	= (Cost goods sold / Average Inventory)
Debt to equity ratio	= Total non current liabilities / Total equity
Debt ratio	= Total liabilities / Total assets
Total equity to total assets	= (Total equity / Total assets) x 100
Total equity to total liabilities	= (Total equity / Total liabilities) x 100
Interest cover / Times interest earned	= Net operating profit before tax and interest / Interest expense
Project value to Revenue	= Project value / Average revenue from ordinary activities
Gross profit margin	= (Gross profit / Revenue from ordinary activities) x 100
Net profit margin (Return on Revenue)	= (Net profit/(loss) after income tax expense / Revenue) x 100
Return on equity	= (Net profit/(loss) after income tax expense / Average Equity) x 100
Return on total assets	= (Net profit/(loss) after income tax expense / Total assets) x 100

Rating Scale

Rating	Score	Description
Superior	85-100	Financial capacity well above the required criteria
Good	63-84	Financial capacity often exceeds the required criteria
Acceptable	50-62	Financial capacity meets the required criteria
Unsatisfactory	0-49	Financial capacity has not met the required criteria
Not Rated	NR	Not rated due to insufficient information
Cancelled	C	Cancelled

Grantor Search results for ACN 068628937

IINET LIMITED (Found)

PPSR Search Number: 511008741282 Customer Reference 1:
 PPSR Search Date: 04-03-2014 15:51:49 Customer Reference 2:
 Request ID: 140304-PP1JC-005DH

This Veda PPSR search report reflects the data contained in the PPS Register at 04-03-2014 15:51:49. A Search certificate must be used if a PPS Act section 174 compliant written search result is required.

All times in this report are described as per Canberra time

Summary

Registrations found (112)	Tangible property (81)	Intangible property (11)	Financial property (2)
held by your SPGs (N/A)	Motor vehicle (3)	Account	Chattel paper
held by other SPGs (N/A)	Watercraft	Intellectual property (10)	Currency
PMSI recorded (38)	Aircraft	Circuit layout	Document of title (1)
Security interests (112)	Aircraft	Intellectual property	Intermediated security
Last year (112)	Aircraft engine	Copyright	Investment instrument (1)
	Aircraft frame	Design	Negotiable instrument
Transitional	Helicopter	Patent	
Transitional (46)	Small aircraft	Plant breeder's right	Miscellaneous (0)
Migrated (7)	Agriculture	Trade mark (10)	Unknown
Not migrated (39)	Agriculture	General intangible (1)	Unsupported
Non transitional (66)	Crops		
	Livestock	AllPAAP (18)	
	Other goods (78)	AllPAAP no exceptions (7)	
		Migrated Fixed (4)	
		Migrated Floating	
		Migrated Fixed&Floating (3)	
		Other AllPAAPs	
		AllPAAP with exceptions (11)	

PPSR Registrations List (112 of 112)

Filters:

Registration number	Start date	Migration	Collateral	PMSI	Secured parties
201112161030122	30-01-2012 00:00:00	Yes - FIXED & FLOATING	All Pap No Except		WESTPAC BANKING CORPORATION
201112180216355	30-01-2012 00:00:00	Yes - FIXED & FLOATING	All Pap No Except		WESTPAC BANKING CORPORATION
201112190491853	30-01-2012 00:00:00	Yes - FIXED	All Pap No Except		WESTPAC BANKING CORPORATION
201112211989707	30-01-2012 00:00:00	Yes - FIXED & FLOATING	All Pap No Except		WESTPAC BANKING CORPORATION
201112211989748	30-01-2012 00:00:00	Yes - FIXED	All Pap No Except		WESTPAC BANKING CORPORATION
201112211989822	30-01-2012 00:00:00	Yes - FIXED	All Pap No Except		WESTPAC BANKING CORPORATION
201112280091219	30-01-2012 00:00:00	No	All Pap With Except		WESTPAC BANKING CORPORATION

<u>201112280091261</u>	30-01-2012 00:00:00	No	All Pap With Except		WESTPAC BANKING CORPORATION
<u>201112280091290</u>	30-01-2012 00:00:00	No	All Pap With Except		WESTPAC BANKING CORPORATION
<u>201112280138282</u>	30-01-2012 00:00:00	No	All Pap With Except		WESTPAC BANKING CORPORATION
<u>201112280136333</u>	30-01-2012 00:00:00	No	All Pap With Except		WESTPAC BANKING CORPORATION
<u>201112280201599</u>	30-01-2012 00:00:00	No	All Pap With Except		WESTPAC BANKING CORPORATION
<u>201112280508025</u>	30-01-2012 00:00:00	No	All Pap With Except		WESTPAC BANKING CORPORATION
<u>201112280597174</u>	30-01-2012 00:00:00	No	All Pap With Except		WESTPAC BANKING CORPORATION
<u>201112281008157</u>	30-01-2012 00:00:00	No	All Pap With Except		WESTPAC BANKING CORPORATION
<u>201201020023438</u>	30-01-2012 00:00:00	Yes - FIXED	All Pap No Except		WESTPAC BANKING CORPORATION
<u>201201080159969</u>	30-01-2012 00:00:00	No	Other Goods	Yes	SYNNEX AUSTRALIA PTY. LTD.
<u>201201300316140</u>	30-01-2012 18:44:57	No	General Intangible	Yes	WESTPAC BANKING CORPORATION
<u>201201300316155</u>	30-01-2012 18:44:57	No	Document Of Title	Yes	WESTPAC BANKING CORPORATION
<u>201201300316164</u>	30-01-2012 18:44:57	No	Investment Instrument		WESTPAC BANKING CORPORATION
<u>201202200071803</u>	20-02-2012 10:47:32	No	Other Goods	Yes	MTU DETROIT DIESEL AUSTRALIA PTY LIMITED
<u>201202280058582</u>	28-02-2012 13:10:50	No	Other Goods	Yes	IBM AUSTRALIA LTD
<u>201203150068476</u>	15-03-2012 14:00:15	No	Other Goods	Yes	OPTUS MOBILE PTY LIMITED
<u>201203190046390</u>	19-03-2012 12:50:21	No	Other Goods	Yes	IBM AUSTRALIA LTD
<u>201203190046771</u>	19-03-2012 12:59:37	No	Other Goods	Yes	IBM AUSTRALIA LTD
<u>201203190054274</u>	19-03-2012 14:10:33	No	Other Goods	Yes	IBM AUSTRALIA LTD
<u>201203210143150</u>	21-03-2012 18:20:14	No	Other Goods	Yes	S & H INVESTMENTS PTY. LTD.
<u>201203220041992</u>	22-03-2012 14:02:24	No	Other Goods	Yes	IBM AUSTRALIA LTD
<u>201203260129252</u>	26-03-2012 18:29:40	No	Other Goods	Yes	IBM AUSTRALIA LTD
<u>201204020025402</u>	02-04-2012 10:04:32	No	Other Goods	Yes	MACQUARIE EQUIPMENT RENTALS PTY LIMITED
<u>201204020026543</u>	02-04-2012 10:10:11	No	Other Goods	Yes	ALLIANCE EQUIPMENT FINANCE PTY LIMITED
<u>201204050053191</u>	05-04-2012 14:42:11	No	Motor Vehicle	Yes	COMMONWEALTH BANK OF AUSTRALIA
<u>201204130091633</u>	13-04-2012 17:54:19	No	Other Goods	Yes	IBM AUSTRALIA LTD
<u>201204240023155</u>	24-04-2012 08:20:03	No	Other Goods	Yes	EXPRESS DATA HOLDINGS PTY LIMITED

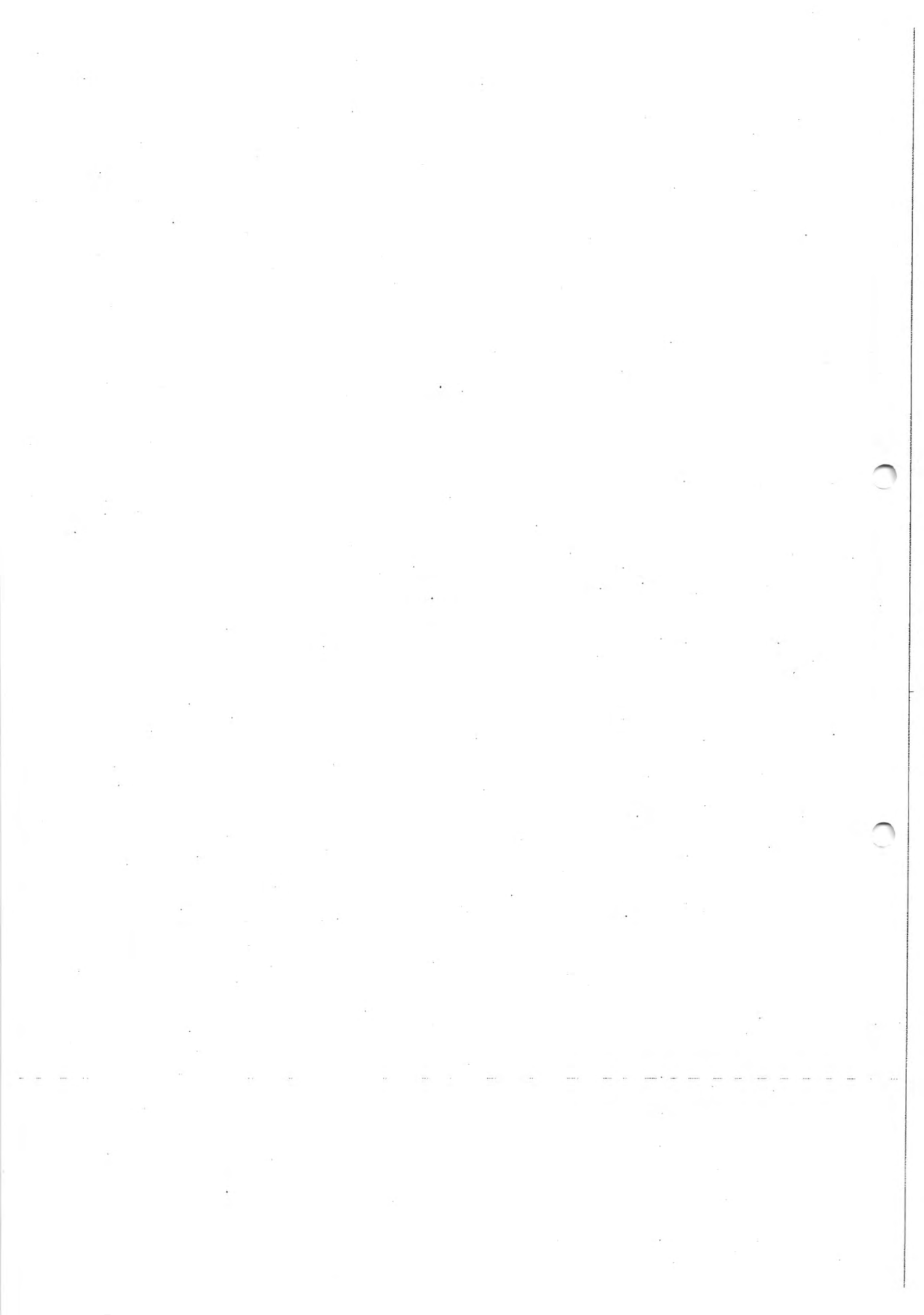
<u>201205180023243</u>	18-05-2012 10:25:02	No	Other Goods	Yes	DISTRIBUTION CENTRAL PTY LIMITED
<u>201205240018927</u>	24-05-2012 10:15:01	No	Other Goods	Yes	IBM AUSTRALIA LTD
<u>201206210020328</u>	21-06-2012 09:47:00	No	All Pap With Except		WESTPAC BANKING CORPORATION
<u>201206210021078</u>	21-06-2012 09:53:50	No	All Pap With Except		WESTPAC BANKING CORPORATION
<u>201207020020630</u>	02-07-2012 10:26:09	No	Other Goods	Yes	IBM AUSTRALIA LTD
<u>201207230014922</u>	23-07-2012 09:35:22	No	Other Goods	No	IBM AUSTRALIA LTD
<u>201208200020287</u>	20-08-2012 10:19:51	No	Other Goods	No	IBM AUSTRALIA LTD
<u>201208280046773</u>	28-08-2012 12:06:32	No	Other Goods	No	IBM AUSTRALIA LTD
<u>201208280046955</u>	28-08-2012 12:09:30	No	Other Goods	No	IBM AUSTRALIA LTD
<u>201208300025658</u>	30-08-2012 10:09:25	No	Other Goods	Yes	IBM AUSTRALIA LTD
<u>201209030024974</u>	03-09-2012 11:02:36	No	Other Goods	No	IBM AUSTRALIA LTD
<u>201209030026755</u>	03-09-2012 11:15:27	No	Other Goods	No	IBM AUSTRALIA LTD
<u>201209130035323</u>	13-09-2012 13:10:03	No	Other Goods	No	IBM AUSTRALIA LTD
<u>201209240035799</u>	24-09-2012 13:51:56	No	Other Goods	No	IBM AUSTRALIA LTD
<u>201210250081481</u>	25-10-2012 19:19:08	No	Other Goods	No	IBM AUSTRALIA LTD
<u>201210310211728</u>	31-10-2012 23:05:31	No	Trade Mark	No	WESTPAC BANKING CORPORATION
<u>201210310211962</u>	31-10-2012 23:06:13	No	Trade Mark	No	WESTPAC BANKING CORPORATION
<u>201210310212220</u>	31-10-2012 23:06:48	No	Trade Mark	No	WESTPAC BANKING CORPORATION
<u>201210310212518</u>	31-10-2012 23:07:26	No	Trade Mark	No	WESTPAC BANKING CORPORATION
<u>201210310212600</u>	31-10-2012 23:07:59	No	Trade Mark	No	WESTPAC BANKING CORPORATION
<u>201211090077051</u>	09-11-2012 17:49:40	No	Trade Mark	No	WESTPAC BANKING CORPORATION
<u>201211090077108</u>	09-11-2012 17:50:51	No	Trade Mark	No	WESTPAC BANKING CORPORATION
<u>201211090077165</u>	09-11-2012 17:51:41	No	Trade Mark	No	WESTPAC BANKING CORPORATION
<u>201211090077226</u>	09-11-2012 17:52:46	No	Trade Mark	No	WESTPAC BANKING CORPORATION
<u>201211090077261</u>	09-11-2012 17:53:46	No	Trade Mark	No	WESTPAC BANKING CORPORATION
<u>201211130073886</u>	13-11-2012 19:32:18	No	Other Goods	No	IBM AUSTRALIA LTD
<u>201211190029291</u>	19-11-2012 11:46:55	No	Other Goods	Yes	WESTCON GROUP PTY LIMITED
<u>201212030100266</u>	03-12-2012 18:24:53	No	Other Goods	No	IBM AUSTRALIA LTD

<u>201212070036426</u>	07-12-2012 11:52:43	No	Other Goods	No	IBM AUSTRALIA LTD
<u>201212190034743</u>	19-12-2012 10:39:39	No	Other Goods	Yes	BRIGHTPOINT AUSTRALIA PTY LTD
<u>201301220073704</u>	22-01-2013 18:05:21	No	Other Goods	No	IBM AUSTRALIA LTD
<u>201302040044441</u>	04-02-2013 14:28:35	No	Other Goods	No	IBM AUSTRALIA LTD
<u>201302050021512</u>	05-02-2013 10:09:37	No	Other Goods	No	IBM AUSTRALIA LTD
<u>201302270102978</u>	27-02-2013 23:13:39	No	Other Goods	Yes	DATA#3 LIMITED.
<u>201302270103120</u>	27-02-2013 23:14:16	No	Other Goods	Yes	DATA#3 LIMITED.
<u>201305140016312</u>	14-05-2013 10:25:32	No	Other Goods	Yes	BRIGHTSTAR LOGISTICS PTY LTD
<u>201307050061540</u>	05-07-2013 15:44:18	No	Other Goods	Yes	ROADHOUND ELECTRONICS PTY LTD
<u>201307190036856</u>	19-07-2013 12:34:43	No	Other Goods	No	IBM AUSTRALIA LTD
<u>201307190041160</u>	19-07-2013 13:00:26	No	Other Goods	No	IBM AUSTRALIA LTD
<u>201307310084362</u>	31-07-2013 15:51:38	No	Other Goods	No	IBM AUSTRALIA LTD
<u>201308020029393</u>	02-08-2013 11:54:09	No	Other Goods	No	IBM AUSTRALIA LTD
<u>201308080056459</u>	08-08-2013 15:07:34	No	Other Goods	No	IBM AUSTRALIA LTD
<u>201308130090624</u>	13-08-2013 18:58:56	No	Other Goods	No	IBM AUSTRALIA LTD
<u>201308220032840</u>	22-08-2013 12:57:19	No	Other Goods	No	IBM AUSTRALIA LTD
<u>201309110031497</u>	11-09-2013 11:51:46	No	Other Goods	No	IBM AUSTRALIA LTD
<u>201309250097235</u>	25-09-2013 20:45:58	No	Other Goods	No	IBM AUSTRALIA LTD
<u>201309300043983</u>	30-09-2013 13:03:49	No	Other Goods	No	IBM AUSTRALIA LTD
<u>201310020000035</u>	02-10-2013 00:40:45	No	Other Goods	No	IBM AUSTRALIA LTD
<u>201310020061535</u>	02-10-2013 16:27:50	No	Other Goods	No	CANON FINANCE AUSTRALIA PTY LTD
<u>201310030000578</u>	03-10-2013 02:45:14	No	Other Goods	No	IBM AUSTRALIA LTD
<u>201310090023338</u>	09-10-2013 11:38:01	No	Other Goods	No	IBM AUSTRALIA LTD
<u>201310090024295</u>	09-10-2013 11:48:46	No	Other Goods	No	IBM AUSTRALIA LTD
<u>201310150000029</u>	15-10-2013 01:12:11	No	Other Goods	No	IBM AUSTRALIA LTD
<u>201310150000038</u>	15-10-2013 01:19:17	No	Other Goods	No	IBM AUSTRALIA LTD
<u>201310150000064</u>	15-10-2013 01:49:01	No	Other Goods	No	IBM AUSTRALIA LTD

<u>201310210073333</u>	21-10-2013 23:08:56	No	Other Goods	No	IBM AUSTRALIA LTD
<u>201310310038222</u>	31-10-2013 10:46:07	No	Other Goods	Yes	FETCHTV PTY LTD
<u>201310310041961</u>	31-10-2013 10:59:02	No	Other Goods	Yes	FETCHTV PTY LTD
<u>201311170001431</u>	17-11-2013 20:02:38	No	Other Goods	No	IBM AUSTRALIA LTD
<u>201311170001449</u>	17-11-2013 20:05:29	No	Other Goods	No	IBM AUSTRALIA LTD
<u>201311170001465</u>	17-11-2013 20:07:54	No	Other Goods	No	IBM AUSTRALIA LTD
<u>201311170001505</u>	17-11-2013 20:17:52	No	Other Goods	No	IBM AUSTRALIA LTD
<u>201311170001676</u>	17-11-2013 21:57:46	No	Other Goods	No	IBM AUSTRALIA LTD
<u>201311190000059</u>	19-11-2013 00:59:50	No	Other Goods	No	IBM AUSTRALIA LTD
<u>201312070039369</u>	07-12-2013 14:59:22	No	Motor Vehicle	Yes	GCS SECURITY SCAFFOLDING PTY LTD COASTAL HIRE PTY LTD GCS RAPID ACCESS PTY LTD ...
<u>201312070039705</u>	07-12-2013 14:59:24	No	Other Goods	Yes	GCS SECURITY SCAFFOLDING PTY LTD COASTAL HIRE PTY LTD GCS RAPID ACCESS PTY LTD ...
<u>201312070040379</u>	07-12-2013 14:59:28	No	Other Goods	Yes	GCS SECURITY SCAFFOLDING PTY LTD COASTAL HIRE PTY LTD GCS RAPID ACCESS PTY LTD ...
<u>201312070040754</u>	07-12-2013 14:59:29	No	Motor Vehicle	Yes	GCS SECURITY SCAFFOLDING PTY LTD COASTAL HIRE PTY LTD GCS RAPID ACCESS PTY LTD ...
<u>201312190135822</u>	19-12-2013 15:48:07	No	Other Goods	Yes	METAL MANUFACTURES LIMITED
<u>201312270039909</u>	27-12-2013 16:23:44	No	Other Goods	No	IBM AUSTRALIA LTD
<u>201401090119934</u>	09-01-2014 17:53:34	No	Other Goods	Yes	INGRAM MICRO PTY LTD
<u>201401140064116</u>	14-01-2014 13:59:08	No	Other Goods	Yes	AFC GROUP PTY. LTD.
<u>201401140064589</u>	14-01-2014 13:59:10	No	Other Goods	Yes	AFC GROUP PTY. LTD.

<u>201401300408010</u>	30-01-2014 16:51:22	No	Other Goods	Yes	OPTUS ADMINISTRATION PTY LTD OPTUS MOBILE PTY LIMITED OPTUS NETWORKS PTY LIMITED
<u>201402030017311</u>	03-02-2014 10:55:57	No	Other Goods	No	IBM AUSTRALIA LTD
<u>201403030028733</u>	03-03-2014 11:47:05	No	Other Goods	No	IBM AUSTRALIA LTD
<u>201403030030248</u>	03-03-2014 11:59:55	No	Other Goods	No	IBM AUSTRALIA LTD
<u>201403030030529</u>	03-03-2014 12:03:04	No	Other Goods	No	IBM AUSTRALIA LTD

END OF REPORT



CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Consolidated

	Note	2013 \$'000	2012 \$'000
Assets			
Current assets			
Cash and cash equivalents	22(a)	12,369	6,606
Trade and other receivables	7	74,962	70,836
Prepayments	8	6,409	5,228
Inventory	33	18,469	7,579
Non-current assets held for sale	29	9,288	-
Derivative financial instruments		1,171	-
Total current assets		122,668	90,249
Non-current assets			
Plant and equipment	9	164,413	179,364
Intangible assets and goodwill	10	531,008	486,622
Derivative financial instruments	29	7,291	-
Deferred tax assets	6(d)	702	235
Other Assets		11	40
Total non-current assets		703,425	666,261
Total assets		826,093	756,510
Liabilities			
Current liabilities			
Trade and other payables	11	96,660	84,498
Unearned revenue		54,451	51,929
Interest bearing loans and borrowings	12	2,017	2,355
Indefeasible right of use lease liability	13	14,621	12,565
Income tax payable		12,755	9,034
Provisions	14	377	484
Employee benefit liability	26	11,963	12,113
Derivative financial instruments	29	401	632
Total current liabilities		193,245	173,610
Non-current Liabilities			
Interest bearing loans and borrowings	15	184,475	225,931
Indefeasible right of use lease liability	16	119,344	61,135
Deferred tax liabilities	6(d)	3,333	7,473
Provisions	17	524	525
Employee benefit liability	26	830	1,187
Total non-current liabilities		308,506	296,251
Total liabilities		501,751	469,861
Net assets		324,342	286,649
Equity			
Issued capital	18	251,069	250,528
Retained earnings	19(a)	66,938	31,777
Other reserves	19(b)	6,335	4,344
Total equity		324,342	286,649

Lease ROV lease 1.2/with out

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS

	Consolidated		
	Note	2013 \$'000	2012 \$'000
Cash flows from operating activities			
Receipts from customers		1,030,823	949,917
Payments to suppliers and employees		(851,367)	(818,317)
Interest received		1,006	1,230
Interest and other costs of finance paid		(20,135)	(16,124)
Income tax paid		(22,057)	(13,144)
Costs incurred on acquisition of subsidiary		-	(2,650)
Net cash inflows from operating activities	22(c)	138,270	100,912
Cash flows from investing activities			
Payment for the establishment of exchange space		-	(2,118)
Payment for subscriber acquisition costs		(4,927)	(4,651)
Purchase of plant and equipment		(31,651)	(40,927)
Payment of project development and other intangible costs		(12,682)	(8,513)
Proceeds from sale of plant and equipment		-	5,380
Payment for acquisition of subscriber bases		-	(826)
Acquisition of subsidiary, net of cash acquired		-	(129,005)
Net cash flows used in investing activities		(49,260)	(180,660)
Cash flows from financing activities			
Proceeds from issue of shares		541	103
Proceeds from borrowings		5,000	158,100
Payment for share buy-back		-	(9,350)
Repayment of borrowings		(45,000)	(37,053)
Payment for transaction costs related to borrowings		(2,870)	(592)
Payment of IRU and finance lease liabilities		(15,141)	(10,040)
Equity dividends paid		(25,777)	(20,312)
Net cash flows from/(used in) financing activities		(83,247)	80,856
Net increase in cash		5,763	1,108
Cash and cash equivalents at the beginning of year		6,606	5,498
Cash and cash equivalents at the end of the year	22(a)	12,369	6,606

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

10. NON-CURRENT ASSETS – INTANGIBLE ASSETS AND GOODWILL

(a) Reconciliation of carrying amounts at the beginning and end of the period

(i) At 30 June 2013

	Subscriber Acquisition Cost #	Development Costs ^	Subscriber Bases #	Goodwill #	IRU Asset*	Software, Licenses & Other Assets #	Total
Consolidated	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Cost							
Balance at 1 July 2012	24,632	19,066	111,977	344,374	94,505	22,556	617,110
Additions	4,927	5,218	-	138	62,356	8,981	81,620
Reallocations	-	433	-	-	-	2,514	2,947
Balance at 30 June 2013	29,559	24,717	111,977	344,512	156,861	34,051	701,677
Accumulated Amortisation							
Balance at 1 July 2012	(19,658)	(8,388)	(81,508)	-	(6,936)	(13,998)	(130,488)
Amortisation	(4,674)	(4,084)	(11,363)	-	(12,388)	(7,672)	(40,181)
Balance at 30 June 2013	(24,332)	(12,472)	(92,871)	-	(19,324)	(21,670)	(170,669)
Net Book Value							
At 30 June 2013	5,227	12,245	19,106	344,512	137,537	12,381	531,008
At 30 June 2012	4,974	10,678	30,469	344,374	87,569	8,558	486,622

^ Internally generated

Acquired externally or purchased as part of a business combination

* IRU Assets are under a finance lease

10. Non-current assets - Intangible assets and goodwill - continued

(ii) At 30 June 2012

	Subscriber Acquisition Cost #	Development Costs ^	Subscriber Bases #	Goodwill #	IRU Asset*	Software, Licenses & Other Assets #	Total
Consolidated	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Cost							
Balance at 1 July 2011	20,494	11,175	104,651	257,185	-	12,410	405,915
Acquisitions	-	2,310	6,500	87,189	23,414	1,678	121,091
Reallocations	-	-	-	-	12,798	-	12,798
Additions	4,138	5,710	826	-	58,293	8,528	77,495
Disposals	-	(129)	-	-	-	(60)	(189)
Balance at 30 June 2012	24,632	19,066	111,977	344,374	94,505	22,556	617,110
Accumulated Amortisation							
Balance at 1 July 2011	(14,670)	(6,613)	(70,520)	-	-	(8,580)	(100,383)
Amortisation	(4,988)	(1,762)	(10,988)	-	(6,936)	(5,447)	(30,121)
Disposal	-	(13)	-	-	-	29	16
Balance at 30 June 2012	(19,658)	(8,388)	(81,508)	-	(6,936)	(13,998)	(130,488)
Net Book Value							
At 30 June 2012	4,974	10,678	30,469	344,374	87,569	8,558	486,622
At 30 June 2011	5,824	4,562	34,131	257,185	-	3,830	305,532

^ Internally generated

Acquired externally or purchased as part of a business combination

* IRU Assets are under a finance lease

Software, licenses and other intangible assets includes software licenses held under finance leases with a net book value totalling \$1,823k (2012: \$2,378k).

70 Non-current assets – Intangible assets and goodwill – continue

(b) Goodwill impairment tests

(i) Description of the cash generating unit and other information

Goodwill acquired through business combinations has been allocated to three cash generating units (CGUs) for impairment testing. In the 2012 financial year, iiNet, Netspace and AAPT have been aggregated into one CGU, the iiNet CGU, as they no longer generate independent cash flows.

The aggregate carrying amounts of goodwill allocated to CGUs are as follows:

	Consolidated	
	2013 \$'000	2012 \$'000
iiNet	257,185	257,185
Internode	87,327	87,189
Total	344,512	344,374

The annual impairment test undertaken at 31 May 2013 involved determining the recoverable amount of each CGU based on their fair value less cost to sell and comparing it to the CGU's carrying amount. Fair value reflects the best estimate of the amount that an independent third party would pay to purchase the CGUs, less related selling costs. Carrying value reflects goodwill and the other identifiable assets and liabilities that can be allocated to each CGU and that generate the CGU's cash flows.

Fair value has been calculated using discounted future cash flows which includes a terminal value calculated in accordance with the Gordon Growth model using a long-term perpetuity growth rate of 0%. The valuation is based on cash flow projections over a five year period using assumptions that represent management's best estimate of the range of business and economic conditions at this time. The valuations have been reviewed and approved by the Board of iiNet Limited.

Discount rates are calculated using a weighted average cost of capital method which is based on market data, reflects the time value of money and includes a risk premium to account for current economic conditions.

The pre-tax discount rates applied to the undiscounted cash flows were 12.5% (2012: 14%) for all CGUs. Management consider that, as all CGUs

operate in the Telecommunications Industry in Australia and provide equivalent products and services in the same markets, the risk specific to each unit are comparable and therefore a discount rate of 12.5% is applicable to all CGUs.

Based on the results of the tests undertaken no impairment losses have been recognised in relation to goodwill in the 2013 or 2012 financial years.

(ii) Key assumptions used in the fair value less cost to sell for the CGUs for the year ended 30 June 2013

The models used in the calculation of fair value less cost to sell for the CGUs are sensitive to the following key assumptions:

- Subscriber growth rates;
- Gross margins; and
- Discount rates.

Subscriber numbers are trends from historical data and are adjusted for churn and growth estimates based on the respective products life cycle, market trends and the expected future product mix. Subscriber growth is anticipated to be generated by organic growth calculated using historical trends from past experience and market trends from external industry information.

Gross margins are based on historical and projected future average revenue per user (ARPU) and average cost per user (ACPU) and the current and projected future product mix. ARPUs are forecasted to remain at their current levels or change depending on expected product pricing and or service offered. ACPUs are forecasted to inflate at a forecast CPI rate or adjusted for variations to supplier contracts and market pricing. Overall gross margins for each CGU are forecasted to remain largely stable, in line with the market forecasts.

(iii) Sensitivity to changes in assumptions for the CGUs

With regard to the assessment of the fair value less cost to sell of the CGUs, management consider that no reasonably possible change in any of the key assumptions in (ii) above would significantly erode the headroom calculated and cause the carrying value of any CGU to exceed its recoverable amount. This assurance has been obtained by the analysis performed in the fair value less cost to sell model whereby management assessed the results of the Group not meeting subscriber growth targets, applying the highest reasonable possible discount rates and lowest reasonable possible gross margins.

Strong operating cash flows

Reported operating cash flow up to \$72m

- Capex investment \$24.3m in 1H14 to drive growth and integrations
- Improved gearing
 - Net bank debt / equity of 62% post acquisitions
 - Targeting 1.5x debt / EBITDA (including IRU leases)

\$m	1H14	1H13
Operating cash flows	72.1	71.7
Subscriber acquisition costs	(4.0)	(3.6)
Capital expenditure	(24.3)	(27.1)
Acquisition of Adam Internet	(59.1)	0.0
Proceeds from sale of FTTP network in ACT to NBNC	9.0	0.0
Net cash flows before financing	(6.3)	41.0
Net bank debt	207.4	201.3
Shareholder's equity	335.9	305.2
Gearing	62%	66%

McCrostie, Jossee

From: Bradfield, Noel
Sent: Friday, 14 March 2014 3:14 PM
To: Gill, Hannah
Cc: Aldwell, Lee-Anne
Subject: Tender Assessment for linet Limitedfor Project in the name of Free Public Wi-Fi Capabilities for the ACT
Attachments: 20140314130655273.pdf; 20140314140349074.pdf

Good afternoon Hannah

I have attached the Financial assessment for linet Limited as a tender assessment for the above project.

Points of note from the assessment:

- You have requested an assessment on linet Limited.
- The overall rating is Unsatisfactory for the \$1,300,000 project for this company. This amount has been adjusted to \$2,660,000 as per Section 1 of the Executive Summary of the Report.

PLEASE NOTE: Whilst the assessment has returned an Unsatisfactory rating, actual data from their accountant and from their published Annual Report will change this rating to Strong.

This is explained as follows:

Working Capital held is negative \$70,577,000(30/6/2013)

Financial statements include un earned revenue of \$54,451 – which reflects how the company bill their clients. Essentially they bill their clients upfront on a monthly basis, and then provide services during that month. Whilst this is the correct was for Accounting Unearned income, for financial assessment purposes, it would be prudent to extract this from Current Liabilities.

As detailed in the iiNet Limited 1st Half of the 2014 reporting period (published) the company has had a positive cash flow of \$72.1m.

The working capital requirement for this project is \$266,000. The company would have \$126.6m to meet this cost – rating Strong

Net Tangible Assets

Normally, the ACT Government assesses Net Tangible Assets. Periodically, for specialised and or Public Companies, we will accept an assessment against Net Assets. We will accept this type of assessment for iiNet Limited due to:

- The majority of the Goodwill is from acquisitions. Given the Annual Report , published on the public domain, has been audited and the acquisitions have been correctly valued and accounted for, it is prudent that the Good will is assessed as Assets.
- Approx \$130m of the intangible asset recorded relates to “Indefeasible Right of Use (IRU)”

Definition of IRU - Indefeasible right of use (IRU) is a contractual agreement between the operators of a communications cable, such as submarine communications cable or a fiber optic network and a client. The IRU shall mean the exclusive, unrestricted, and indefeasible right to use the relevant capacity (including equipment, fibers or capacity) for any legal purpose.

They are classified as Intangible rather than tangible is that iiNet does not own the fibre, they own the virtual circuit and one colour of light used to send their "1s" and "0s" down. As you can't hold that, it is classed as intangible.

However, as it has actual value to the company we will include that asset for assessment purposes.

The total value of intangible assets and Goodwill as at 30 June 2013 is \$701,677,000.

Total Net assets as at 30 June 2013 is calculated at: \$324,342,000.

The required Asset value for this project is \$266,000. The Net Asset assessment is considered Strong.

Profitability levels at around 6% of revenue as at 31 December 2013 has remained stable with increasing revenues.

Equity have increased by 17.19% to \$335,924,000 over the last 2 and a half years .

Both Profitability and Equity trends indicate that the business has sustainable and strong growth.

Recommendation

Based on the above assumptions, I have rated the Financial assessment for a contract of 2,660,000 as strong.

Please do not hesitate to contact me should you have any further questions.

Thanks

PS. I have also attached excerpts of iiNet Limited's published Annual Report for further clarification if required.

Noel Bradfield | Senior Prequalification Officer
Phone: 02 6207 7154 | Fax: 02 6207 5574

Shared Services | Commerce and Works Directorate | **ACT Government**
Level 3 Annex, Macarthur House, 12 Wattle Street Lyneham ACT 2602 |
GPO Box 818 Dickson ACT 2602 | www.act.gov.au





ACT
Government

Chief Minister and Treasury

MINUTE

COMMERCIAL IN CONFIDENCE

Date 12 May 2014 TRIM No: M2014/01397
File No: 2014/290

To Chief Minister

- Kathy Leigh - Director-General
- Dave Peffer - Deputy Director-General *D.P.* 12-5-14

From Director – Government Reform *BO.*

Subject Digital Canberra Fund: free public Wi-Fi contract update

Critical date and reason

16 May – as this is the earliest date that the letter of offer can be sent to iiNet.

Background

Policy and Cabinet has been conducting detailed negotiations with iiNet concerning the free public Wi-Fi project since January 2014, after iiNet were assessed to be the preferred respondent as part of a Request for Proposal procurement process, which commenced 7 November 2013. Negotiations have been robust, focused on value for money, and informed by expert advice and lessons learnt from other jurisdictions.

Issues

A deal has been struck with iiNet, who are currently providing final 'marked-up' comments on the draft contract (see *draft* contract at [Attachment A](#)). Negotiations agreed that a letter of offer and final contract be sent to iiNet after internal consultation.

Coverage

Free public Wi-Fi network coverage will include public spaces in Civic East/West, Braddon, Dickson, Belconnen/Bruce, Gungahlin, Parkes/NCA, Manuka, Weston, Woden, Tuggeranong and on five 'research and development' buses.

Quality of service

The Wi-Fi contract will deliver 745 access points (400 indoor and 345 outdoor Access Points) for \$3.1 million (GST inclusive) funding, with the following quality of service:

- free public Wi-Fi service, unlimited sessions (users re-connect every 45 minutes);
- minimum download speeds of 2 to 10Mbps, at least 90 per cent of the time (similar experience to 3G wireless network and faster on modern handsets);
- 3 Gigabyte of monthly download (equalling a 100MB daily download limit), allowing for sending emails, web search, watching video (e.g. Youtube).

COMMERCIAL IN CONFIDENCE

Download limit

The 3 Gigabyte download limit more than covers the average user's current activity on mobile networks (ABS 2013). Note that the average daily download per user on the similar AdelaideFREE Wi-Fi network is 11 MB – well below the agreed download limit.

The six year contract is future proofed and includes a mechanism for ensuring the limit is increased, over the term of the contract, commensurate with increased demand.

Next steps and timelines

Subject to internal consultation, a letter of offer and final contract will be provided to iiNet for signature, which the Fund delegate will execute. Project timelines:

- Final Design submitted to Territory - within 1 week of execution
- Territory grants to iiNet a licence to install access points – within 1 week
- Project Plan submitted for approval - within 8 weeks of execution.
- Satisfactory deployment of Stage 1 (Civic East) – within 16 weeks of execution.
- Deployment of entire network within 12 months of execution.

Consultation

GSO, Shared Services and the National Capital Authority.

Financial

The project involves a total one-off payment under this contract of \$2,537,407 (split into milestone payments for 80 per cent deployment in a coverage area), with an annual service fee of \$129,420 (for meeting contracted service levels).

Risks/ Sensitivities

Risks are being mitigated by the use of performance and quality of service clauses, and by legal advice. Sensitivities include iiNet's request for all commercial-in-confidence details to be redacted, details of which will be confirmed with the Head of Service.

Media

Upon contract execution (expected in six to seven business days from 12 May), Policy and Cabinet will work with your office and iiNet to organise an appropriate launch event.

Recommendations

That you note the update on the free public Wi-Fi contract.

Action Officer: Roger Rooney

Phone: x550327

would this deliver largest public
 wifi in country?
 Katy Gallagher MLA 15/5/14

NOTED/PLEASE DISCUSS

also, what will be response from
 local businesses?



Date 19 May 2014 TRIM No: G2014/00836
File No: 2014/290

To Deputy Director-General

- Director Government Reform *Ho.*

From Mark Lightfoot – Project Manager Free Public Wi-Fi

Subject Free Public Wi-Fi Services Agreement

Critical date and reason

21 May 2014

To ensure the preferred supplier will receive the contract for signature by 23 May 2014.

Background

Policy and Cabinet has been conducting detailed negotiations with iiNet concerning the free public Wi-Fi project since January 2014. Negotiations have been robust, focused on value for money, and informed by expert advice and lessons learnt from other jurisdictions.

Issues

The attached contract represents and wholly covers the position the parties reached at the final negotiation meeting (Attachment A).

Coverage

Free public Wi-Fi network coverage with include public spaces in Civic East/West, Braddon, Dickson, Belconnen/Bruce, Gungahlin, Parkes/NCA, Manuka, Weston, Woden, Tuggeranong and on five 'research and development' buses.

Quality of service

The Wi-Fi contract will deliver 745 access points (400 indoor and 345 outdoor Access Points) for \$3.1 million (GST inclusive) funding, with the following quality of service:

- free public Wi-Fi service, unlimited sessions (users re-connect every 45 minutes);
- minimum download speeds of 2 to 10Mbps, at least 90 per cent of the time (similar experience to 3G wireless network and faster on modern handsets);
- 3 Gigabyte of monthly download (equalling a 100MB daily download limit), allowing for sending emails, web search, watching video (e.g. YouTube).

Download limit

The 3 Gigabyte download limit more than covers the average user's current activity on mobile networks (ABS 2013). Note that the average daily download per user on the similar *AdelaideFREE* Wi-Fi network is 32 MB – well below the agreed download limit.

The six year contract is future proofed and includes a mechanism for ensuring the limit is increased, over the term of the contract, commensurate with increased demand.

Next steps and timelines

Subject to internal consultation, a letter of offer and final contract will be provided to iiNet for signature, which the Fund delegate will execute. Project timelines:

- Final Design submitted to Territory - within 1 week of execution
- Territory grants to iiNet a licence to install access points – within 1 week
- Project Plan submitted for approval - within 8 weeks of execution.
- Satisfactory deployment of Stage 1 (Civic East) – within 16 weeks of execution.
- Deployment of entire network within 12 months of execution.

Consultation

GSO, Shared Services, the Canberra business community, the general public and the National Capital Authority.

Financial

The project involves a total one-off payment under this contract of \$2,537,407 (split into milestone payments for 80 per cent deployment in a coverage area), with an annual service fee of \$129,420 (for meeting contracted service levels).

Risks/ Sensitivities

Risks are being mitigated by the use of performance and quality of service clauses, and by legal advice. Sensitivities include iiNet's request for all commercial-in-confidence details to be redacted, details of which are included at Attachment B.

Media

Upon contract execution (expected 23 May 2014), Policy and Cabinet will work with the Chief Minister's office and iiNet to organise an appropriate launch event. It is currently anticipated that an event will occur on the morning of 29 May 2014 subject to Chief Minister availability, to announce the Digital Canberra Website.

Recommendations

It is recommended that you:

- APPROVE release of the Public Wi-Fi Services Agreement at Attachment A, including the *Letter of Offer*;

APPROVED/NOT APPROVED

- AGREE to signing the Services Agreement of behalf of the Territory once iiNet Limited returns the signed Agreement to the Territory; and

AGREED/NOT AGREED

- Seek APPROVAL from Kathy Leigh, Head of Service and Director-General, CMTD, for the redaction of Confidential Text; refer to Director-General Approval of Confidential Text Minute at Attachment B.

NOTED/PLEASE DISCUSS

Contact Officer:
Mark Lightfoot
52735

Dave Peffer.....*[Signature]*.....21/5/14



Commercial in Confidence

Mr David Parkes
General Manager – Business Government and Wholesale
iiNet Limited
TransACT House, 470 Northbourne Avenue
Dickson, ACT, 2602
David.Parkes@transact.com.au

Dear Mr Parkes,

PROVISION OF FREE PUBLIC WI-FI SERVICES – CONTRACT NUMBER 2013.23179.220

Please find enclosed the abovementioned Agreement which has been agreed between the parties. Please print and sign the Agreement in accordance with the notes at the foot of the Instrument of Agreement. The notes are located on the last page of the document.

Please return the signed document by no later than close of business Monday, 26 May 2014 to me, whereupon I will arrange execution by the Territory and return a fully executed document to you.

Please note that there will be no legally enforceable relationship between the parties or payments made until the execution of the Agreement by a duly authorised officer of the Territory. Also note that the party who signs the Agreement last is the party that dates the Agreement, **do not** date the Agreement when signing.

The return address is:

Attention: Hannah Gill
Procurement Officer – Shared Services Procurement (ICT)
ICT.Tenders@act.gov.au

The Territory wishes to thank iiNet Limited for its efforts in ensuring this Agreement was finalised in a timely fashion.

If you require further information, please contact Hannah Gill on (02) 6207 0171 or via email to ICT.Tenders@act.gov.au.

Yours sincerely,

Peter DeGraaff
Senior Manager – ICT Procurement
Goods and Services Procurement
Shared Services, Commerce and Works Directorate
22 May 2014

Commercial in Confidence



ACT
Government

WiFi SERVICES AGREEMENT



CONFIDENTIAL TEXT VERSION

Date

.....2014

Parties

AUSTRALIAN CAPITAL TERRITORY

IINET LIMITED
ACN 068 628 937

**PROVISION OF FREE PUBLIC WIFI
SERVICE**

Contract No.

2013.23179.220

Prepared by

Chief Minister and Treasury Directorate
Level 4, Canberra Nara Centre
1 Constitution Avenue
Canberra City ACT 2601
Ph: 6205 2735
Ref: 624890

Version

Final

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PARTIES: **AUSTRALIAN CAPITAL TERRITORY**, the body politic established by section 7 of the *Australian Capital Territory (Self-Government) Act 1988* (Cth) (**Territory**) represented by the Chief Minister and Treasury Directorate.

IINET LIMITED ACN 068 628 937 of Level 1, 502 Hay Street, Subiaco WA 6008 (**iiNet**).

BACKGROUND

- A. The Territory has undertaken a procurement process and has selected iiNet to provide the Services.
 - B. The Territory has agreed to purchase and iiNet has agreed to provide the Services in accordance with the provisions of this Agreement.
-

IT IS AGREED by the parties as follows.

1. Interpretation

1.1 Definitions

The following definitions apply in this Agreement, unless the context otherwise requires.

Acceptable Use Terms	the terms at Schedule 6 as amended from time to time by the Territory.
Access Licence	the terms and conditions on which iiNet is to be granted, in accordance with this Agreement, access to agreed Territory infrastructure for the purpose of installing and maintaining Access Points and connecting them to its network for the purpose providing the Free WiFi Service.
Access Point or AP	the last hardware device on the endpoint of iiNet's Network by which End Users connect their devices to iiNet's Network to access the Free WiFi Service.
Backhaul	the portion of the iiNet network that comprises the intermediate telecommunications links between the Access Points and the iiNet core network infrastructure.
Business Day	a day which is not a Saturday, Sunday or public holiday in the Australian Capital Territory.
Carrier Licence	has the same meaning as in the <i>Telecommunications Act 1997</i> (Cth).
Commencement Date	the date the last party to do so, executes this

	Agreement.
Completion Date	for a Coverage Area, means the date upon which the Territory gives its Acceptance, in accordance with this Agreement, that the final Milestone for implementation of the Free WiFi Service in a Coverage Area has been successfully completed.
Confidential Text	any text of this Agreement that, for the purposes of the Procurement Act, either party proposes should not be published and which is specified in Item 5 Schedule 1 .
Contract Material	all material created, written or otherwise brought into existence by iiNet as part of, or for the purpose of performing the Services and which iiNet is required under this Agreement to provide to the Territory, including all designs, reports, documents, information and data stored by any means and whether in draft or final form.
Contract Officers	in relation to each party, the representatives whose names and contact details are specified in Item 1 Schedule 1 , or as notified from time to time by one party to the other.
Contract Price	the total amount which the Territory is liable to pay iiNet for the Services consisting of: <ol style="list-style-type: none">(1) the Implementation Fees; and(2) the Service Fees less any Service Level Rebates.
Coverage Area	means the areas designated as such in the Coverage Area Maps set out in Schedule 6.
Coverage Area Maps	the maps of that name set out in Schedule 6.
End User	A person or device that accesses, or attempts to access, the Free WiFi Service
Expiration Date	the expiration of 5 years from the Completion Date for the final Coverage Area, or the date on which this Agreement is terminated, whichever occurs first.
Free WiFi Service	the free public WiFi service to be provided by iiNet in accordance with the terms of this Agreement as described in Part A Schedule 2 and having the Specifications set out in Part B Schedule 2 .
Force Majeure Event	means a natural disaster such as flood, fire, damage caused by lightning, storm or tempest, revolutions, acts of war, civil disturbance, or enactments of a governmental agency.

GST	has the same meaning as in the <i>A New Tax System (Goods and Services Tax) Act 1999</i> (Cth).
iiNet Material	all material used by iiNet for the purpose of providing the Services and which is provided to the Territory under this Agreement but which is not Contract Material.
iiNet Personnel	includes all employees, contractors, agents, directors and officers of iiNet.
Implementation Fees	the fees described as such, and calculated in accordance with Schedule 5 .
Insolvency Event	<p>(1) in respect of a natural person:</p> <ul style="list-style-type: none">(a) any orders, agreements or arrangements are made in respect of the affairs of the person in accordance with the <i>Bankruptcy Act 1966</i> (Cth); or(b) in the reasonable opinion of the Territory the person is likely to be declared bankrupt or lose control of the management of their financial affairs; or <p>(2) in respect of all other entities:</p> <ul style="list-style-type: none">(a) any of the events listed in sub-sections 459C(2)(a) to (f) of the <i>Corporations Act 2001</i> (Cth) occur in respect of the entity; or(b) any other event occurs which, in the reasonable opinion of the Territory is likely to result, or has resulted, in the:<ul style="list-style-type: none">(i) insolvency;(ii) winding up; or(iii) appointment of a controller (as that term is defined in the <i>Corporations Act 2001</i> (Cth)) in respect of part or all of the property, of the entity. <p>(3) For the purpose of subparagraph (2)(b), subsections 459C(2)(a) to (f) <i>Corporations Act 2001</i>(Cth) are to be read as if applying to all incorporated entities.</p>

Invoice	<p>an invoice that:</p> <ol style="list-style-type: none">(1) if GST is payable in respect of the provision of the Services, is a valid tax invoice for the purposes of the <i>A New Tax System (Goods and Services Tax) Act 1999</i> (Cth);(2) clearly sets out details of the Services provided and of the amount that is due for payment, is correctly calculated and is in respect of Services that have been performed in accordance with this Agreement;(3) is accompanied by any other details or reports required under this Agreement; and(4) is rendered at the times permitted by this Agreement and addressed to the Territory's Contract Officer.
Milestone	a milestone described in Schedule 4 .
Personal Information	information or an opinion (including information or an opinion forming part of a database), whether true or not, and whether recorded in a material form or not, about an individual whose identity is apparent, or can reasonably be ascertained, from the information or opinion.
Prescribed Insurer	an insurer that is authorised by the Australian Prudential Regulation Authority to conduct new or renewal insurance business in Australia and rated at AA or better by Standard & Poor's.
Procurement Act	the <i>Government Procurement Act 2001</i> (ACT).
Service Fees	the Fees described as such, and calculated in accordance with Schedule 5 .
Services	the services described in Schedule 2 , required to be provided by iiNet under this Agreement, including the establishment, operation and maintenance of the Free WiFi Service and the reporting and management services incidental to delivering the Free WiFi Service.
Special Condition	any provision set out in Schedule 3 .
Specifications	the specifications for the Free WiFi Service described in Part B Schedule 2 .

- Territory**
- (1) when used in a geographical sense, the Australian Capital Territory; and
 - (2) in any other sense, the body politic established by section 7 of the *Australian Capital Territory (Self-Government) Act 1988* (Cth).

Territory Information the kind of information that:

- (1) is or relates to documents, submissions, consultations, policies, strategies, practices and procedures of the Territory which are by their nature confidential;
- (2) is notified (whether in writing or not) by the Territory to iiNet as being confidential;
- (3) is specified in **Item 6 Schedule 1**; or
- (4) is Personal Information,

but does not include information that:

- (5) is or becomes public knowledge other than by breach of this Agreement;
 - (6) has been independently developed or acquired by iiNet; or
 - (7) has been notified by the Territory to iiNet as not being confidential.
- (3) when used in a geographical sense, the Australian Capital Territory; and
 - (4) in any other sense, the body politic established by section 7 of the *Australian Capital Territory (Self-Government) Act 1988* (Cth).

Territory Material any material provided by the Territory to iiNet for the purposes of this Agreement including documents, equipment, information and data stored by any means.

1.2 General

In this Agreement, unless a contrary intention is expressed:

- (1) references to "iiNet" include any employees, agents or subcontractors of iiNet;
- (2) references to legislation or to provisions in legislation include references to amendments or re-enactments of them and to all regulations and instruments issued under the legislation;

- (3) words in the singular include the plural and vice versa;
- (4) headings are for convenience only and do not affect the construction or interpretation of this Agreement;
- (5) an obligation imposed on more than one person binds them jointly and severally;
- (6) the word “include” and any derivation is not to be construed as a word of limitation; and
- (7) no rule of construction applies in the interpretation of this Agreement to the disadvantage of one party on the basis that that party put forward or drafted this Agreement or any provisions of this Agreement.

2. Services

2.1 General

iiNet must perform the Services:

- (1) in accordance with the terms and conditions of this Agreement;
- (2) in accordance with the Specifications;
- (3) to a standard of care, skill and diligence expected of a person who regularly acts in the capacity in which iiNet is engaged; and
- (4) so as to achieve the Milestones within the timeframes prescribed by this Agreement.

2.2 Reports

iiNet must comply with the reporting obligations set out in **Schedule 2**.

3. Timeframes

3.1 Establishment of the Free WiFi Service

- (1) Subject to the Territory meeting its obligations under this Agreement, including in respect of any timeframes prescribed by this Agreement, iiNet must have established and be successfully providing the Free WiFi Service in accordance with the Specifications within all Coverage Areas within 12 months of the Commencement Date.
- (2) To the extent that a delay by iiNet in meeting an obligation is caused by:
 - a. the Territory's failure to meet an obligation under this Agreement;
 - b. Or
 - c. by the NCA not granting its approval, where required, to iiNet to install the Network;

then the timeframe within which iiNet must meet the obligation is extended by the amount of such delay;

3.2 Term of the Free WiFi Service

- (1) iiNet must provide the Free WiFi Service in each Coverage Area in accordance with the Specifications, 24 hours per day commencing from the Completion Date for the final Coverage Area until the Expiration Date.
- (2) Reference to the Coverage Area in this Agreement mean any area that is outdoors within a Coverage Area.

4. Contract Price

In consideration of iiNet providing the Services, the Territory will pay to iiNet the Contract Price, in accordance with this Agreement.

4.1 Implementation Fees

- (1) Upon completion of a Milestone and acceptance by the Territory that iiNet has satisfactorily completed a Milestone, and upon receipt of an Invoice issued by iiNet in accordance with this Agreement, the Territory must pay to iiNet the instalment of Implementation Fees for that Milestone specified in **Schedule 5**.
- (2) iiNet may only issue invoices for Implementation Fees in accordance with this **clause 4.1**.
- (3) The Territory's acceptance under subclause (1) will be given in accordance with this **clause 4.1**.
- (4) Invoices for Implementation Fees may only be issued by iiNet upon the successful completion of each Milestone set out in **Schedule 5**. Each invoice must be delivered with documentary evidence in support of completion and a written notice that the Milestone has been achieved (**Completion Notice**).
- (5) The Territory may undertake reasonable acceptance testing to satisfy itself that a Milestone has been satisfactorily achieved.
- (6) In the event that the Territory is not satisfied as to the completion of a Milestone following receipt of a Completion Notice, the Territory must within ten Business Days of receipt of the Completion Notice, or such further period that applies because of subclause (9) below, issue to iiNet a notice specifying matters for remedy or completion (**Remedy Notice**). The Remedy Notice may specify a reasonable timeframe in which matters must be completed.
- (7) iiNet must upon receipt of a Remedy Notice from the Territory remedy or complete those matters specified in the notice, within any timeframe specified in the notice, and resubmit a Completion Notice to the Territory.
- (8) In the event that a Remedy Notice is not issued within ten Business

Days of receipt of a Completion Notice, or such further period of time that applies because of subclause (9) below, the Invoice will be deemed to be accepted by the Territory and the Territory must pay iiNet the relevant instalment of the Implementation Fees in accordance with this Agreement.

- (9) If iiNet submits a Completion Notice for more than one Milestone within any period of 10 Business Days, then the Territory will have 10 additional Business Days for each additional Milestone and Completion Notice issued by iiNet within which to issue a Remedy Notice before the Territory will be deemed to have accepted the Invoice under subclause (8) above.
- (10) iiNet may use a wholly owned subsidiary company to issue Invoices on its behalf.

4.2 Service Fees

In consideration of iiNet delivering the Free WiFi Service to the public in a Coverage Area, the Territory will pay to iiNet from the Completion Date for that Coverage Area, in monthly instalments in arrears, the Service Fees calculated in accordance with **Schedule 5** less any Service Level Rebates for the month.

4.3 Incorrect payments

If, after payment, an invoice is found to have been incorrectly rendered, any underpayment or overpayment will be recoverable by or from iiNet, as the case may be, and, without limiting recourse to other available remedies, may be offset against any amount subsequently due by the Territory to iiNet under this Agreement.

5. Ownership and use of material

5.1 Ownership of material

Ownership of:

- (1) all Contract Material and the intellectual property rights in that material, vests on its creation in iiNet;
- (2) all Territory Material, and the intellectual property rights in that material, remains with the Territory; and
- (3) all iiNet Material, and the intellectual property rights in that material, remains with iiNet.

5.2 Licence of material

- (1) iiNet grants to the Territory a royalty-free, perpetual, unlimited licence to use the Contract Material and iiNet Material provided to the Territory under this Agreement to obtain the fullest possible benefit of the Services. Such licence includes, without limitation, the right of the

Territory to publish the whole or part of any reports and data sets provided by iiNet under this Agreement to the Territory.

- (2) The Territory grants to iiNet a royalty-free licence until the Expiration Date to use the Territory Material. Subject to its obligations of confidentiality under this Agreement, for such purposes as are reasonably necessary for iiNet to undertake the Services or as otherwise agreed by the Territory.
- (3) For the purposes of this clause the term use includes, without limitation, to supply, reproduce, publish, put online, communicate to the public, broadcast, modify, adapt and copy.

5.3 Third party rights

iiNet must ensure:

- (1) the use of any Contract Material or iiNet Material by the Territory, or its agents, in accordance with the licence given under **clause 5.2** above will not infringe the intellectual property rights of any third party; and
- (2) no fees, royalties or other payments are payable in respect of any third party rights as a result of the Territory's, or its agents' use of any Contract Material or iiNet Material in accordance with the licence given under **clause 5.2** above.

5.4 Moral rights

iiNet must, in relation to the authors of any work that comprises or forms part of the Contract Material:

- (1) use its best endeavours to include in the Contract Material an attribution of those authors; and
- (2) procure from those authors their genuine written consent for the Territory to:
 - (a) attribute the authorship of the work to the Territory or a third party where that attribution was inadvertent;
 - (b) not attribute the authorship of the author when using the work (including exhibiting or performing the work in or to the public); and/or
 - (c) materially alter the work in any way.

5.5 Safekeeping and preservation of material

iiNet must ensure the safe-keeping and proper preservation of Territory Material in its possession or control and deliver to the Territory all Territory Material on the expiration or termination of this Agreement (other than copies of material that the Territory has authorised iiNet to retain).

6. iiNet Personnel

iiNet must:

- (1) ensure that iiNet Personnel who perform the Services have the skills, training and expertise appropriate for the Services;
- (2) ensure that all iiNet Personnel who perform the Services have any accreditation, licence, authorisation or other approval required to have the lawful right to undertake the Services.
- (3) comply with all reasonable requirements notified by the Territory regarding the suitability and fitness of persons engaged by iiNet for the performance of Services;
- (4) if the Territory requires, ensure that each person engaged in the performance of the Services executes a deed of confidentiality in a form acceptable to the Territory (including with respect to not accessing or otherwise safeguarding Personal Information as applicable), and provide those executed deeds to the Territory in accordance with any requirements that the Territory notifies.

7. Non-disclosure of Territory Information

7.1 iiNet's use of Territory Information

iiNet must:

- (1) use Territory Information held in connection with this Agreement only for the purposes of fulfilling its obligations under this Agreement;
- (2) comply with the "Information Privacy Principles" set out in the *Privacy Act 1988* (Cth) as it applies to the Territory (**Privacy Act**) as if they were provisions of this Agreement and iiNet was a collector and/or record-keeper of the Personal Information as defined in the Privacy Act;
- (3) not transfer Territory Information held in connection with this Agreement outside the Territory, or allow any person (other than its authorised personnel) outside the Territory to have access to it, without the prior approval of the Territory; and
- (4) notify the Territory immediately if iiNet becomes aware that a disclosure of Territory Information is required by law, or an unauthorised disclosure of Territory Information has occurred.

7.2 iiNet to protect Territory Information

- (1) Except as provided in this Agreement, iiNet must not disclose Territory Information to any person, nor deal with the Information in any way except for the purpose of this Agreement, without the prior written consent of the Territory except to the extent that the Territory Information is:

- (a) required or authorised to be disclosed by law;
 - (b) disclosed to iiNet's solicitors, auditors, insurers or advisers;
 - (c) generally available to the public; or
 - (d) in the possession of iiNet without restriction in relation to disclosure before the date of receipt from the Territory.
- (2) iiNet must take all reasonable measures to ensure that Territory Information accessed or held by it in connection with this Agreement is protected against loss, unauthorised access, use, modification, disclosure or other misuse in accordance with reasonable procedures for that purpose and that only its authorised personnel have access to Territory Information.
- (3) iiNet must do all things necessary to ensure that Territory Information accessible to iiNet and iiNet's personnel by virtue of the performance of this Agreement is not accessed, published or communicated in any way, including imposing upon iiNet's personnel obligations of confidentiality with respect to Territory Information.

7.3 Acknowledgement of effect of Crimes Act

iiNet acknowledges that the publication or communication of any fact or document by a person which has come to its knowledge or into its possession or custody by virtue of the performance of this Agreement (other than to a person to whom iiNet is authorised to publish or disclose the fact or document) may be an offence under section 153 of the *Crimes Act 1900* (ACT).

8. Confidential Text under Procurement Act

8.1 Territory may make Agreement publicly available

In giving effect to the principles of open and accountable government, the Territory may disclose documents and information unless it has otherwise agreed, or is otherwise required under law, to keep the information confidential. In accordance with those principles, this Agreement may be a notifiable contract under the Procurement Act and, if so, the Territory will be required to make the text of this Agreement available to the public, including by publication on a public contracts register.

8.2 Confidential Text

If **Item 5 Schedule 1** states that this Agreement is a notifiable contract under the Procurement Act and specifies Confidential Text, the grounds on which the text is confidential are set out in **Item 6 Schedule 1**, and **clause 8.3** applies.

8.3 Territory must not disclose Confidential Text

Except as provided in this Agreement, the Territory must not disclose Confidential Text to any person without the prior written consent of iiNet

(which consent will not be unreasonably withheld) except to the extent that Confidential Text:

- (1) is required or authorised to be disclosed under law;
- (2) is reasonably necessary for the enforcement of the criminal law;
- (3) is disclosed to the Territory's solicitors, auditors, insurers or advisers;
- (4) is generally available to the public;
- (5) is in the possession of the Territory without restriction in relation to disclosure before the date of receipt from iiNet;
- (6) is disclosed by the responsible Minister in reporting to the Legislative Assembly or its committees; or
- (7) is disclosed to the ombudsman or for a purpose in relation to the protection of public revenue.

9. Insurance and indemnity

9.1 iiNet's insurance

iiNet must effect and maintain for the Term all insurance coverage required to be effected by it by law, public liability insurance and professional indemnity insurance in amounts not less than the amounts (if any) specified by **Item 5 Schedule 1**, and any other insurance specified in **Item 5 Schedule 1** with a Prescribed Insurer.

9.2 Indemnity

iiNet indemnifies the Territory, its employees and agents against liability in respect of all claims, costs and expenses in relation to all loss, damage, injury or death to persons or property caused by iiNet, in connection with the provision of the Services, except to the extent that the Territory caused the relevant loss, damage or injury.

9.3 Claims to be made good

iiNet must, at its expense, make good the amount of all claims, loss, damage, costs and expenses the subject of the indemnity in **clause 9.2** and the Territory may deduct the amount, or any part of it, from any moneys due or becoming due to iiNet under this Agreement.

9.4 Limitation of liability of iiNet

- (1) To the maximum extent permitted by law, iiNet's liability for all claims, actions, charges, costs expenses, losses, damages and other liabilities arising out of this Agreement whether in contract or in tort including negligence, will, subject to subclause (2) and (3) of this **clause 9.4**, be limited to \$3 million (**Liability Cap**).

- (2) The Liability Cap does not apply to liability for:
 - (a) personal injury, including sickness and death;
 - (b) loss of, or damage to, tangible property;
 - (c) an indemnity in respect of third party claims; or
 - (d) infringement of Intellectual Property Rights or Moral Rights.
- (3) iiNet's liability for loss or damage sustained by the Territory will be reduced proportionately to the extent that such loss or damage has been caused by the Territory's failure to comply with its obligations and responsibilities under this Agreement and/or to the extent that the negligence of the Territory has contributed to such loss or damage, regardless of whether a claim is made by the Territory for breach of contract or for negligence.
- (4) Under no circumstances shall iiNet become liable to the Territory for any indirect, consequential, incidental, special or exemplary damages (including without limitation damages for loss of business profits, loss of revenue, or any other indirect or consequential loss) arising from any provision of this Agreement or failure to perform any obligation under this Agreement.

10. Termination

10.1 Default

The Territory may terminate this Agreement, at any time by notice to iiNet, if iiNet:

- (1) is the subject of an Insolvency Event;
- (2) fails to hold a Carrier Licence;
- (3) fails to commence timely provision of the Services or to meet any timeframes specified in this Agreement, or if **clause 4.1** applies, fails to remedy or complete the matters specified in a Remedy Notice, within any timeframe specified in the notice; or
- (4) is in breach of a provision of this Agreement, where that breach:
 - (a) if capable of being remedied, is not remedied within the period specified in an notice of intended termination by the Territory; or
 - (b) is not capable of being remedied.

10.2 Termination for any reason or reduction of Services

The Territory may, at any time by notice to iiNet, terminate this Agreement or reduce the Services for any reason, and in that event:

- (1) the Territory will be liable only for:
 - (a) payments under this Agreement for Services rendered before the date of termination; and
 - (b) subject to **clauses 10.2(2)**, any reasonable costs incurred by iiNet and directly attributable to the termination or reduction of Services, but not in respect of loss of prospective profits or loss of opportunity; and
- (2) in the event of a reduction of the Services, the Territory's liability to pay the Contract Price will, in the absence of agreement to the contrary, abate proportionately to the reduction in the Services.

10.3 Consequences of reduction or termination

- (1) On receipt of a notice of reduction, iiNet must continue to perform any part of the Services not affected by the notice.
- (2) On receipt of a notice of termination:
 - (a) all licences, leases and other arrangements in place as to the installation, attachment or use of Installed Equipment on Territory Infrastructure will terminate in accordance with the Access Licence;
 - (b) iiNet must stop work as specified in the notice; and
 - (c) iiNet must take all available steps to minimise loss resulting from that termination of Services.

10.4 No prejudice

Nothing in this **clause 10** prejudices any other rights or remedies of the Territory in respect of any breach of this Agreement.

11. Dispute resolution

- (1) If a difference or dispute (**Dispute**) arises in relation to this Agreement either party may give notice to the other that a Dispute exists, which specifies details of the Dispute, and the parties agree that they will endeavour to resolve the Dispute by negotiations or if the Dispute has not been resolved by negotiations within 20 Business Days of the issue of the notice, undertake mediation with an independent mediator, with the mediator's costs to be shared equally by the parties unless otherwise agreed.
- (2) Nothing in this **clause 11** will prejudice the rights of either party to institute proceedings to enforce this Agreement or to seek injunctive or urgent declaratory relief in respect of any Dispute.

12. General

12.1 Cooperation and good faith

Each party will:

- (1) fully cooperate with each other to ensure timely progress and fulfilment of this Agreement; and
- (2) act reasonably and in good faith with respect to matters that relate to this Agreement.

12.2 Conflict of interest

- (1) iiNet warrants that no conflict of interest exists or is likely to arise in the performance of the Services and its other obligations under this Agreement and must, if a conflict or risk of conflict arises, notify the Territory and comply with any requirement of the Territory to eliminate or deal with that conflict or risk.

12.3 No employment, partnership or agency relationship

- (1) Nothing in this Agreement constitutes iiNet, or its employees, agents or subcontractors as employees, partners or agents of the Territory or creates any employment, partnership or agency for any purpose and iiNet must not represent itself, and must ensure its employees, agents and subcontractors do not represent themselves, as being employees, partners or agents of the Territory.
- (2) Each party will bear its own costs in relation to the preparation of any consents, approvals or licences required to support the undertaking of the Services.

12.4 No assignment or subcontracting

- (1) iiNet must not subcontract the performance of the Services or assign the whole or part of this Agreement without the prior written consent of the Territory, such consent not to be unreasonably withheld. If the Territory gives its consent, the Territory may impose any conditions and in any event, iiNet remains fully responsible for the performance of obligations performed by subcontractors to the same extent as if such obligations were performed by iiNet.
- (2) A change in the control of iiNet or a company that controls iiNet (except a company listed on an Australian stock exchange) is taken to be an assignment, the term "control" including the direct or indirect holding of more than 50% of the share capital of a corporation.
- (3) If iiNet breaches **clause 12.4(1)**, the Territory reserves its rights, including requiring iiNet to provide information regarding the proposed subcontractor's or assignee's capability to continue performing this Agreement or to provide security to ensure the proper performance of this Agreement.

12.5 Entire agreement

This Agreement comprises the entire agreement between the parties in relation to the Services and supersedes any prior representations, negotiations, writings, memoranda and agreements.

12.6 Force majeure

- (1) A party will not be liable for any delay in or failure to perform its obligations under this Agreement to the extent caused by a Force Majeure Event.
- (2) A party claiming that it is not liable for any delay or failure to perform its obligations due to a Force Majeure Event must:
 - (a) first give the other party notice, describing the Force Majeure Event that has occurred; and
 - (b) use all reasonable endeavours to abate or otherwise minimise the effects of the Force Majeure Event and to resume compliance of its obligations under this Agreement as soon as reasonably practicable.

12.7 Severability

Any provision of this Agreement that is illegal, void or unenforceable will not form part of this Agreement to the extent of that illegality, voidness or unenforceability. The remaining provisions of this Agreement will not be invalidated by an illegal, void or unenforceable provision.

12.8 Variation

This Agreement may be varied or the Term extended only by the written agreement of the parties prior to the expiration of this Agreement.

12.9 No waiver

Failure or omission by the Territory at any time to enforce or require strict or timely compliance with any provision of this Agreement will not affect or impair that provision in any way or the rights and remedies that the Territory may have in respect of that provision.

12.10 Governing law and compliance with the law

This Agreement is governed by and construed in accordance with the law for the time being in force in the Territory and the parties submit to the non-exclusive jurisdiction of the courts of the Territory. iiNet must comply with the laws from time to time in force in the Territory in performing the Services.

12.11 Notices

Any notice, including any other communication, required to be given or sent to either party under this Agreement must be in writing and given to the relevant Contract Officer. A notice will be deemed to have been given:

- (1) if delivered by hand, on delivery;
- (2) if sent by prepaid mail, on the expiration of two Business Days after the date on which it was sent;
- (3) if sent by electronic mail, on whichever of the following occurs first:
 - (a) the other party's acknowledgement of receipt by any means;
 - (b) the sender's electronic mail device recording that the electronic mail has been successfully transmitted to the recipient's address; or
 - (c) the expiration of two Business Days after the date on which it was sent without receipt of a notification that the delivery failed,

and if given in two or more ways, on the first of paragraphs (1) to (4) occurring.

12.12 Special Conditions

In the event of any inconsistency between any Special Condition and any other provision of this Agreement then, to the extent of any inconsistency, the Special Condition will prevail.

12.13 Survival of clauses

Clauses 7, 9.2 and 9.3 will survive the expiration or earlier termination of this Agreement.

12.14 Precedence of documents

To the extent of any inconsistency between **clauses 1 to 12** of these terms and conditions, and any **Schedule** or **Attachment** to this Agreement, or any other document incorporated into this Agreement by reference, these terms and conditions will take precedence.

12.15 Compliance with laws

- (1) In undertaking the Services, iiNet must comply with all relevant laws.
- (2) iiNet and its Personnel must at all times ensure that it complies with the *Telecommunications Act 1997* (Cth) and all other laws and codes (whether voluntary or not) applicable to the delivery of the Services, including as to compliance matters such as the maintenance of licences, approvals and authorisations required under statute.

SCHEDULE 1

CONTRACT DETAILS

Item 1. Contract Officers

See clauses 1.1 and 12.10

For the Territory:

Mark Lightfoot
Project Manager, Digital Canberra

Chief Minister and Treasury Directorate
Level 4 Nara House, 1 Constitution Avenue
Canberra ACT 2601

Email: mark.lightfoot@act.gov.au

For iiNet:

Stuart Adam, Manager Government Business
Manager Government Business

Level 3 TransACT House
470 Northbourne Avenue
Dickson ACT 2602

Postal address: PO Box 1006, Civic Square ACT 2608

Email: s.adam@staff.iinet.net.au

Item 2. Contract Price

See clauses 1.1 and 4

- (1) The Contract Price is payable by instalments.
- (2) Except if otherwise stated in this Agreement, the Contract Price is:
 - (a) payable within 30 Business Days of acceptance by the Territory of an Invoice;
 - (b) inclusive of GST and all other taxes, duties and charges; and
 - (c) inclusive of all disbursements, including out-of-pocket expenses incurred by iiNet.

Item 3. Other amounts and insurance

See clause 9.1

- (1) Public liability insurance: \$50 million (in respect of each claim).
- (2) Professional indemnity insurance: \$10 million (in respect of each claim).
- (3) Product liability insurance: \$20 million (in respect of each claim).

- Item 4. Territory Information**
See clauses 1.1 and 7
- Not used.
- Item 5.**
- This Agreement is a “notifiable contract” under the Procurement Act and the following is Confidential Text:
- (1) Schedule 2 Item 9 clause 2
 - (2) Schedule 4 The columns labelled “Deployed Unit Price” and “Bank \$”
 - (3) Schedule 5 Table 1 Implementation Fees the columns labelled “% of Funds” and “Payment GST Inc.”, the equation table in its entirety “A B C” and Table 3 column labelled “Payment GST Inc”
 - (4) Schedule 8 all design diagrams, noting that release and publication of a stylised version of these diagrams that does not disclose the Network as built information, but supplies indicative coverage areas is not confidential.
- Item 6. Grounds for confidentiality of Confidential Text**
See clause 8
- The Procurement Act, Part 3 (Notifiable Contracts) applies to this Agreement.
- The Territory is satisfied that the Confidential Text is “confidential information” for the purposes of that Act because disclosure of the text would be an unreasonable disclosure of information about the business affairs of iiNet.

SCHEDULE 2

SERVICES AND SPECIFICATIONS

PART A: SERVICES

Item 1: Network design services

- (1) Prior to the expiration of five Business Days from the Commencement Date, iiNet must prepare a detailed network design plan (**Network Design**) and submit it for approval by the Territory.
- (2) The Network Design must include:
 - (a) Location and type of outdoor Access Points;
 - (b) Location of Territory owned or controlled infrastructure required for the Network;
 - (c) Without limiting iiNet's obligations under this Agreement to provide the Free WiFi Service within the Coverage Areas, the indicative network coverage.
- (3) Within 10 Business Days of receipt of the Network Design or the Commencement Date, whichever is later, the Territory will notify iiNet in writing as to whether it approves all or part of the Network Design.
- (4) In the event that amendments are required to gain the Territory's approval the parties must enter into good faith negotiations to agree upon the Network Design and must endeavour to do so no later than 10 Business Days of notification by the Territory that the Network Design requires amendment.
- (5) In the event that the Network Design is not accepted, the Territory may approve elements of the Network Design.
- (6) Subject to subclause (7) and (8) below, iiNet must implement the Network in accordance with the approved Network Design.
- (7) iiNet may vary the approved Network Design during the rollout or the lifetime of the Free WiFi Service only if the variation will result in:
 - (a) improved coverage;
 - (b) a reduction of installation time;
 - (c) improved network performance;
 - (d) increased network capacity;
 - (e) improved reliability; or
 - (f) increased compatibility with other networks.

- (8) If iiNet wishes to vary the approved Network Design in a way which requires the use of Territory Infrastructure or other infrastructure for which it does not have an access licence already in place, it remains iiNet's responsibility to obtain the necessary licence(s).

Item 2: Project services and planning

- (1) iiNet will provide a detailed project plan (**Project Plan**), for the Territory's approval no later than 20 Business Days after the Commencement Date that includes but is not limited to:

(a) Project Initiation:

- i. Project charter;
- ii. Project purpose;
- iii. Measurable project objective and success criteria;
- iv. High level requirements, assumptions, constraints and project boundaries;
- v. High level risk;
- vi. Summary budget and milestone schedule;
- vii. List of stakeholders; and
- viii. Project governance and management structure;

(b) Project Planning:

- i. Project scope;
- ii. Scope definition, validation and baselines; and
- iii. Scope management;

(c) Project Time Management:

- i. Definition, sequencing and duration estimation of activities, which must include notice of at least 20 Business Days of intended dates of installation of Access Points;
- ii. Definition of deployment stages;
- iii. Identification of dependencies;
- iv. Project schedule baseline; and
- v. Schedule management plan;

(d) Project Cost Management:

- i. Project budget;
- ii. Project cost estimates and cost baseline; and
- iii. Cost management plan;

(e) Project Quality Management:

- i. Quality management plan;
 - (f) Project Human Resource Management:
 - i. Human resource management plan;
 - (g) Project Communications Management:
 - ix. Communications management plan;
 - x. Progress reporting;
 - xi. Exception reporting; and
 - xii. Meeting schedules;
 - (h) Project Risk Management:
 - i. Risk identification and qualitative and quantitative risk analysis (as applicable); and
 - ii. Risk response and risk management plan;
 - (i) Project Procurement Management:
 - i. Procurement management plan.
 - (j) Project Stakeholder Management:
 - i. A stakeholder management plan.
 - (k) Project Execution:
 - i. Execution will be in accordance with the various management plans developed included under the 'project planning' section above.
 - (l) Project Monitoring and Control:
 - i. Monitoring, controlling and change control will be in accordance with the various management plans included under the 'project planning' section above.
 - (m) Project Close:
 - i. High level structure of project completion documentation; and
 - ii. Final acceptance documentation.
- (2) No later than 20 Business Days after receiving the draft Project Plan the Territory will advise iiNet in writing if the Territory approves all or part of the Project Plan.
- (3) In the event that amendments are required to gain the Territory's

approval the parties must enter into good faith negotiations to agree upon the Project Plan and must do so within 10 Business Days of notification by the Territory that the Project Plan requires amendment.

- (4) Variations to the Project Plan may be agreed in writing by the parties and at any stage during the Term of this Agreement.

Item 3: Maintenance services and planning

- (1) iiNet must maintain the Network to ensure delivery of the free WiFi service to End Users.
- (2) iiNet must within 45 Business Days of the Commencement Date provide to the Territory a Maintenance and Support Plan, detailing how the Free WiFi Service will be maintained including how network outages will be managed.

Item 4: Support services and planning

- (1) iiNet must provide a reasonable level of support to End Users of the Free WiFi Service, including but not limited to telephone support 9am to 5pm every day except Christmas Day, Easter Monday and Good Friday. iiNet must within 45 Business Days of the Commencement Date provide to the Territory:
 - (a) an End User support plan for the support of the Free WiFi Service, including details of the complaint handling framework that iiNet will implement to support those Users;
 - (b) the access number and reasonable operating hours;
- (2) iiNet must comply with the End User support plan;
- (3) iiNet will use its reasonable endeavours to conduct User satisfaction surveys on a Net Promoter Score "NPS" metric and make those results available to the Territory quarterly, in a format to the satisfaction of the Territory.

Item 5: Free WiFi Service

- (1) iiNet must provide a Free WiFi Service in the Coverage Areas in accordance with the Specifications.

Item 6: Trial of WiFi on ACTION buses

- (1) iiNet will provide a Free Bus WiFi Service to End Users on five ACTION buses as nominated by the Territory, for a period of 12 months.
- (2) The Free Bus WiFi Service will conform to the following minimum specifications and conditions:
 - (a) 2.4Ghz Wi-Fi;
 - (b) operating on DC power;
 - (c) data usage per month of 20GB per bus;
 - (d) support free usage only;
 - (e) will not be integrated to the fixed Network;
 - (f) each bus access point will represent a stand-alone network containing a single access point;
 - (g) not subject to any service levels agreements;
 - (h) will use a different SSID to the Free WiFi Service;
 - (i) iiNet will not apply its brand to the Bus WiFi service;
 - (j) a usage limit of 10MB per day will apply to End Users of the Free Bus WiFi Service, to allow fair access to all bus users;
 - (k) the Territory will be responsible for all electrical supply and antenna cabling for the Free Bus WiFi Service; and
 - (l) the service will stop working once the allocated 20 GB of data per month per bus is consumed for that bus for that month. However, the Territory may purchase more data as per the Additional Services table in Schedule 5.
- (3) The WiFi service on buses must be established and operating in accordance with the above specifications within 12 months of the Commencement Date.
- (4) To enable the WiFi service on buses, the Territory will:
 - (a) identify the five buses on which the WiFi service is to operate;
 - (b) ensure that scheduling of bus availability is arranged with at least seven business days notice for the performance of installation or maintenance;
 - (c) supply, install and maintain all cabling associated with the bus solution;

- (d) be responsible for all costs of relocating a bus access point if a bus is taken out of service;
 - (e) be responsible for all insurances in relation to the provision of free WiFi services on buses; and
 - (f) allow iiNet to present alternative solutions for the bus service and if agreed conduct testing and R & D of alternative WiFi solutions on territory buses with Territories reasonable assistance.
- (5) iiNet will provide the following reports to the Territory in relation to the free WiFi service on buses, at the following times:
- (a) A monthly report of the aggregate data used, per bus;
 - (b) A monthly report of the number of sessions per bus; and
 - (c) A monthly report on the peak number of users.

Note: The bus service may be incapable of utilising the fixed WiFi networks filtering solution. iiNet will use its best endeavours to facilitate use of the filtering service.

Item 7: Reports

- (1) iiNet will provide the following reports to the Territory every three months, in relation to the Free WiFi Service and Network.
- (2) Delivery of reports specifying the following minimum information:
 - (a) Number of active APs;
 - (b) Any new AP locations;
 - (c) Aggregate bandwidth utilisation;
 - (d) The average Users' daily usage in megabytes;
 - (e) The median Users daily usage in megabytes; and
 - (f) The number of Access Points that did not achieve 95% uptime in the previous three months.

- (3) Delivery of the following data as aggregate statistics, for the Territory's use, including publication and dissemination for public use, and in a format to the satisfaction of the Territory:
 - (g) Counts of users, both unique and total, using the Free WiFi Service by time of day;
 - (h) Geo-locations of Access Points;
 - (i) Ranking of Access Points, by user count and data consumption; and
 - (j) Statistics showing percentage fractions of device type and protocol used to access the Free WiFi Service.
- (4) Data must be aggregated to conceal personal information by a minimum of five data points.
- (5) Data must be sanitised as tabular data and suitable for publication under open data schemes, such as data.gov.au.

Item 8: WiFi events

- (1) For three nominated events each year, iiNet will deploy up to 10 mobile WiFi base stations and integrate those mobile base stations to the wider Free WiFi Service.
- (2) The deployment of the mobile base stations is contingent on suitable backhaul services being available at the event for the mobile base stations. For the avoidance of doubt a suitable backhaul service is not a mobile data service.
- (3) iiNet must provide to these events the same types and levels of support provided to the Free Wifi Service.
- (4) The Territory will provide at least 90 Calendar Days, notice in respect of each such event.

Item 9: Commercial access for Smart City WiFi

Provision of a WiFi service for Smart City projects.

- (1) iiNet must allow the Territory access to the Free WiFi Service for the purposes of 'Smart City' projects, that is, projects which will use the Free WiFi Service as a platform to deliver Territory services.
- (2) CONFIDENTIAL TEXT WITHHELD

- (3) The Territory may specify additional bandwidth be made available to the Smart City projects at the rates specified in Schedule 5 Additional Services, otherwise Smart City services will rely on the aggregate bandwidth provisioned for the Free WiFi Service.
- (4) The Supplier must provide to these events the same types and levels of support provided to the Free Wifi Service.
- (5) 'Smart City' projects will be considered those which are machine to machine based:
 - (a) representing solutions described as:
 - (i) Smart Parking;
 - (ii) Smart Traffic;
 - (iii) Smart Lighting;
 - (iv) Smart Waste;
 - (v) Smart Public Transport;
 - (vi) Smart Water; and
 - (vii) any combination of the above; or
 - (b) are otherwise for the purposes of providing to the public a Smart City.
- (6) iiNet may notify the Territory if, in its reasonable opinion, the data usage of a Smart City project, will impact the Free Wifi Service or the Network.
- (7) If iiNet notifies the Territory in accordance with (6) above, iiNet and the Territory will meet within 10 Business Days to review the potential impact of the project on the Network and Free Wi-Fi Service and discuss alternatives or modifications to the Network for the purposes of supporting the Smart City project. iiNet must use its best endeavours to solve, deliver or provide an alternative to a rejected Smart City projects.
- (8) The parties may agree additional funding or charging mechanisms for Smart City projects.

PART B: SPECIFICATIONS

- (1) The Territory recognises that the Network and the Free WiFi Service:
 - (a) are not fault free;
 - (b) are not a substitute for a cellular mobile network;
 - (c) are not contiguous in a Coverage Area;
 - (d) performance will vary in terms of reach, range and speed in a particular access point and Coverage Area due to factors outside of iiNet's control. Factors include (but are not limited to), the number of concurrent subscribers, weather, new building works, third party radio sources and environmental considerations (e.g. trees and other obstructions and/or interference);
 - (e) Coverage Area Maps are indicative and do not represent the actual Coverage Area, which may vary from time to time due to a number of factors outside the control of iiNet; and
 - (f) are subject to the approval of either the National Capital Authority or the ACT Planning Authority or in some cases both organisations.

- (2) The Free WiFi Service must conform to the following Specifications:

The Free WiFi Service must support:

 - (a) web (including streaming sites such as YouTube) and DNS (HTTP, HTTPS, in-app communications and software updates) functionality; and
 - (b) email receiving and email sending, subject to user authentication.

- (3) The following applications will be explicitly prevented at iiNet's absolute discretion for the Free WiFi Service:
 - (a) anonymous peer-to-peer file sharing (i.e. bittorrent);
 - (b) television re-streaming;
 - (c) hosting of internet servers;
 - (d) unauthenticated email sending (anti-spam measure); and
 - (e) unauthorised access to the control systems.

- (4) All use of the Free WiFi Service by Users will be subject to the Acceptable Use Terms and that access to the Free WiFi Service will require users to click on an agreement to abide by the terms;

- (5) As the Free WiFi Service is a free public internet service, it is not suitable for supporting any application which requires connectivity that is at a guaranteed speed, uninterrupted, fault-free or secure;
- (6) Users are responsible for the security, privacy and backing up of information transmitted using the Free WiFi Service and for the security of their devices;
- (7) Sessions may be terminated without notice at the absolute discretion of iiNet, subject to these Specifications;
- (8) iiNet at its sole discretion may bar any device or User reasonably suspected by iiNet to be utilising the Free WiFi Service as a substitute for a commercial or residential Internet connection.
 - (a) iiNet must notify the Territory by the next Business Day of any device or End User barred under (8).
 - (b) iiNet must within 48 hours (excluding weekends and public holidays) provide the Territory with the reason and evidence for the barring.
 - (c) The barring of an End User or device under (8) must not exceed 24 hours unless approval is granted by the Territory under (15), with the exception of End Users or devices that may cause damage to the Network.
- (9) Within a given 24 hour period the following session time and download limits may be applied to Users of the Free WiFi Service:
 - (a) 45 minute maximum session before the End User must re-authenticate to the Free WiFi Service;
 - (b) 100 MB per day; and
 - (c) For persons, accessing the Free WiFi Service within the National Capital Authority's tourist zones, (Parkes, Anzac Parade, New Acton, Commonwealth Park, Regatta point) and who have not been detected on the Free WiFi Service within the previous three months, unlimited sessions.
- (10) In relation to the limit at (9)(b) above, the parties agree to review with a view to increasing the daily User limit on a quarterly basis. The End User cap will be 10 times the median daily usage calculated over the previous quarter, but not less than 100MB per day.
- (11) iiNet may place a static 'Powered by iiNet' with a hyperlink to the iiNet paid service or similar logo onto the splashpage associated with the Free WiFi Service, provided that the presence of this logo does not substantially degrade the User experience and occupies no more than 10% of screen space;
- (12) iiNet reserves the right to inject advertising into the Free WiFi splash page subject to the advertising not substantially degrade the End User experience, occupying no more than 10% of screen space, and being

approved as appropriate advertising content by the Territory.

- (13) With the exception of point (11 and 12) the content of the splash page for the Free WiFi Service will be determined by the Territory at its absolute discretion.
- (14) The Territory may specify the SSID of the Free WiFi Service;
- (15) Users must not be barred from using the Free WiFi Service, either permanently, or for a period exceeding 24 hours, without Territory approval, unless it is for the protection of the Network;
- (16) iiNet will use its best endeavours to ensure the Free WiFi Service is capable of providing a minimum data throughput to an End User device, subject to that devices capability of 2 Mbps download and 1 Mbps upload in 90% of locations within the Coverage Area for 90% of the time (averaged over a monthly period), subject to (1) d. above and (17) below.
- (17) In consideration of the Services Fees, iiNet will provide 400Mbps of aggregate upstream Internet capacity to the Free WiFi Service. The Territory may purchase additional bandwidth for the Free WiFi Service as specified in the Additional Services Table in **Schedule 5**.

SCHEDULE 3

SPECIAL CONDITIONS

Item 1: Conditions precedent

- (1) This Agreement is subject to the following conditions precedent being met:
 - (a) The approval of the Project Plan by the Territory according to the process set out in **Schedule 2**; and
 - (b) The parties obtaining all necessary approvals required under statute to meet their obligations under this Agreement, including from the National Capital Authority and the ACT Planning Authority;
- (2) If the condition precedent specified in Item 1, **clause (1)(a)** of this Schedule 3 is not satisfied within 60 Business Days of the Commencement Date (or such other time frame as has been agreed in writing by the parties), then the Territory may terminate this Agreement by written notice to iiNet; and
- (3) If the condition precedent specified in Item 1, **clause (1)(b)** of this Schedule 3 is not satisfied within 60 Business Days of the Commencement Date (or such other time frame as has been agreed in writing by the parties), then:
 - (a) iiNet must within a further seven Business Days prepare a revised Project Plan (**Revised Project Plan**), which addresses any matters identified by the Territory as requiring revision, and submit it for approval by the Territory;
 - (b) The Revised Project Plan must be consistent with any Project Plan previously approved by the Territory except where it is necessary to amend that Project Plan to address any failures to obtain any necessary approvals;
 - (c) The Territory must within five Business Days of the submission of the Revised Project Plan notify iiNet in writing whether the Revised Project Plan has been accepted or whether it requires further amendment;
 - (d) The Territory must approve the Revised Project Plan if it delivers coverage that is substantially similar to that in any Project Plan previously agreed by the Territory under this Agreement; and
 - (e) In the event that further amendments are required to gain the Territory's acceptance the parties must enter into good faith negotiations to agree upon a Revised Project Plan within five Business Days of notification by the Territory that the Revised Project Plan requires amendment. If the Parties are unable to reach agreement within this timeframe, then the Territory may terminate this Agreement by written notice to iiNet.

Item 2: Audit

- (1) Without limiting the powers of the Territory's Auditor-General under the Auditor-General Act 1996 (ACT) the Territory (or its nominated representative,

which may be an external consultant) may inspect records kept by iiNet and conduct audits and other checks, to monitor iiNet's delivery of the Services and compliance with this Agreement;

- (2) iiNet must cooperate with all persons conducting those audits or checks; and
- (3) The Territory is not liable for the cost (if any) incurred by iiNet associated with audits and other checks.

Item 3: Delay

- (1) iiNet must take all reasonable steps to minimise delay in completion of the Services;
- (2) If iiNet become aware that it will be delayed in progressing or completing the Services in accordance with this Agreement, iiNet must immediately notify the Territory in writing of the cause and nature of the delay. iiNet are to detail in the notice the steps iiNet will take to contain the delay;
- (3) On receipt of a notice of delay, the Territory may at its option:
 - (a) notify iiNet in writing of a period of extension to complete the Services and vary this Agreement accordingly;
 - (b) notify iiNet in writing of reduction in the scope of the Services and any adjustment to the Contract Price for iiNet to complete the reduced Services and vary this Agreement accordingly; or
 - (c) take such other steps as are available under this Agreement;
- (4) Unless the Territory takes action under (3) above, iiNet is required to comply with the time frame for progressing and completing the Services as set out in this Agreement;
- (5) Nothing in this Special Condition **Item 3 of Schedule 3** is to be taken to limit the Territory's rights against iiNet in relation to the performance by iiNet of its obligations within the timeframes specified in this Agreement; and
- (6) Except to the extent that another provision of this Agreement specifically provides otherwise, iiNet shall be responsible for arranging and will bear all costs associated with obtaining any approvals, licences or authorisations required to establish the Free WiFi Service.

Item 3: Work health and safety

- (1) For the purposes of this special condition, 'WHS Legislation' means:
 - (a) the *Work Health and Safety Act 2011 (ACT)*;
 - (b) the *Work Health and Safety Regulation 2011 (ACT)*;
 - (c) all laws that replace the above laws; and
 - (d) all other laws applicable in the Australian Capital Territory dealing with work health and safety matters.

- (2) iiNet must comply with the WHS Legislation and ensure all Services are carried out safely and in a manner that does not put the health and safety of persons at risk.
- (3) iiNet must comply with its duty under the WHS Legislation to consult, cooperate and coordinate activities with all persons who have a work health and safety duty in relation to the same matter.
- (4) iiNet must exercise a duty of utmost good faith to the Territory in carrying out the Services to enable the Territory to discharge the Territory's duties under the WHS Legislation.
- (5) The obligations set out in this Agreement do not detract from iiNet's obligations under the WHS Legislation. If there is an inconsistency between this Agreement and the WHS Legislation, iiNet must comply with the WHS Legislation.

Item 4: Availability of Free WiFi Service in emergencies

- (1) In the event that the Territory, or another Government authority, declares an emergency within, or that materially affects the Territory, and for the duration of that emergency, iiNet must remove any upload speed, download speed/bandwidth or session time restrictions on the Free WiFi Service.
- (2) The Territory may direct iiNet that additional aggregate bandwidth be urgently deployed to the Network, in which event the Territory will pay for the additional bandwidth in accordance with **Schedule 5** for the greater of one month or the duration of the emergency.
- (3) Subclauses (1) and (2) of this Item 4 are subject to any obligations of the parties under statute.

SCHEDULE 4

IMPLEMENTATION PROCESS

The parties agree that the implementation process for the rollout of the Free WiFi Service in the Coverage Areas will be undertaken in accordance with the following:

- (1) Licence to access specified Territory infrastructure:
 - (a) Following the approval of the Network Design by the Territory, the Territory will upon an application being made by iiNet to the Director General of the ACT Territory and Municipal Services Directorate for a public unleased land permit pursuant to Part 3 of the *Public Unleased Land Act 2013 (ACT) (PUL Act)*, ensure that iiNet is granted a permit to access all light-poles owned or controlled by the Territory within each Coverage Area on substantially the terms of the Access Licence.
 - (b) An application under subclause (a) above must meet the requirements for an application for a permit under part 3 of the PUL Act.
 - (c) Within 5 Business Days of installing any device or component of a device on a light-pole in accordance with an Access Licence (including in the event of any re-location of an Access Point), iiNet must notify the Territory of the precise location and type of device installed.
 - (d) Following the approval of the Network Design by the Territory, the Territory will, within 5 Business days of a request being made by iiNet, grant to iiNet a licence to install and maintain Access Points on the buildings owned or controlled by the Territory within the Coverage Areas as specified in the Coverage Area Maps in substantially the terms of the Access Licence.
 - (e) A request under (d) must specify the precise location for the installation of the Access Point, and the type of device to be installed.
 - (f) This subclause (1) operates subject to the requirements of the PUL Act.
- (2) Power Supply:
 - (a) The Territory will be responsible for arranging any necessary approvals for the power supply to be connected to Access Points for which licences have been granted under subclause (1) of this Schedule 4.
 - (b) The Territory will be responsible for all costs, fees and charges for electricity supplied to all Access Points for which licences have been granted under subclause (1) of this Schedule 4.
 - (c) The Territory will be responsible for engaging the services of the supplier and distributor of the electricity.

- (d) The Territory will be responsible for all costs in the provision of electricity to the Access Point demarcation point as specified in Annexure 1.
- (e) iiNet will be responsible for undertaking or paying for the costs of, connecting and maintaining connection of the power supply from the demarcation point to the Access Point.
- (3) Total number of Access Points:
- (a) In consideration of the Implementation Fees, iiNet will install the external APs, internal APs and bus APs in accordance with the Table of Access Points below:

Table of Access Points

Access Point Type	Total
Outdoor (Mesh)	200
Outdoor (Fibre / VDSL2)	140
Indoor (xDSL)	400
Bus Access Points	5
Grand Totals	745

- (4) Bank:
- (a) The parties agree to reserve a number of Access Points for deployment to the Network following Final Acceptance. For the efficacy of deployment this will be referred to as the "Bank".
- (b) The Bank is expressed as a dollar figure. The type of Access Point deployed from the Bank may vary from the total number of access points in item (4) above.

Bank Table

Access Point Type	AP deployed in Initial Design	Bank	Number of APs to be deployed	TEXT WITHHELD	TEXT WITHHELD
Outdoor (Mesh)	141	59	200	TEXT WITHHELD	TEXT WITHHELD
Outdoor (Fibre/VDSL2)	127	13	140	TEXT WITHHELD	TEXT WITHHELD
Indoor (xDSL)	315	85	400	TEXT WITHHELD	TEXT WITHHELD
Bus Access Points	5	0	5	TEXT WITHHELD	TEXT WITHHELD
Grand Totals	588	157	745	TEXT WITHHELD	TEXT WITHHELD

- (c) The parties agree that the Bank may have been diminished or consumed prior to Final Acceptance and subject to the Final Design, or used pursuant to the parties' agreement in writing to release Access Points from the Bank.

- (5) Deployment of the Bank:
- (a) Following Final Acceptance the Territory may request the deployment of Access Points from the Bank for the purpose of improving the coverage or density of access in a Coverage Area.
 - (b) Or with iiNet's agreement deploy Access Points into a new Coverage Area, subject to iiNet being able to access backhaul from its telecommunications network.
 - (c) The Territory must nominate the locations for the remaining Access Points of the Bank within 60 Business days of the Completion Date of the final Coverage Area.
 - (d) If the Territory does not specify the locations for the remaining Access Points of the Bank, iiNet in its sole discretion may deploy the remaining Access Points to the Network and invoice the Territory for those Access Points in accordance with Schedule 5.
- (6) Territory Indoor Access Points:
- (a) The Parties agree that the Territory may instruct iiNet to deploy 63 indoor Access Points at the Territories discretion, the "Priority Indoor Tranche". The deployment of the Priority Indoor Tranche is subject to the site selected by the Territory having suitable backhaul for the access point (as determined by iiNet in its sole discretion).
 - (b) As the installation of the Priority Indoor Tranche is outside of the scope of the Project Plan, iiNet will use its reasonable endeavours to deploy the Priority Indoor Tranche within 60 Business Days of receiving the Territory's preferred locations.
 - (c) Deployment of the Indoor Access Points is included in the Contract Price.
- (7) Indoor Access Points:
- (a) With the exception of the Priority Indoor Tranche, iiNet in its sole discretion will determine the locations for the indoor Access Points.
 - (b) The total number of indoor Access Points will be 400 minus any indoor Access Points consumed by the Bank.
 - (c) The total number of operational indoor Access Points at any one time from the date of Final Acceptance will not be less than 90% of the total indoor Access Points deployed.
- (8) General:
- (a) Unless otherwise specifically provided for by this Agreement, iiNet must meet all costs associated with rolling out the network infrastructure including the Access Points and the costs of any required backhaul.

- (b) Connection and installation of the Network by iiNet must be implemented in accordance with the Project Plan.
- (c) iiNet must locate Access Points and provide the Network in accordance with the Coverage Area Maps and Project Plan.
- (d) iiNet must complete the milestones in accordance with Schedule 5 and the Project Plan.
- (e) The final Design differentiates between different Access Point technologies (i.e. fibre optical media, meshed or VDSL 2). iiNet may substitute backhaul technologies at a site where the costs of delivering backhaul to a site exceeds the pricing in Schedule 5, for example licensed or unlicensed radio backhaul for fibre or VDSL2.

SCHEDULE 5

CONTRACT PRICE AND PAYMENT SCHEDULE

- (1) The Contract Price consists of the Implementation Fees plus the Service Fees.

Total Implementation Fees payable under this Agreement: \$2,537,407.00 (GST Inclusive).

Total Service Fees per annum payable under this Agreement are:
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with the exception of any Additional Services ordered by the Territory.

- (2) Implementation Fees.
The Implementation Fees will be paid in accordance with Table 1.

Table 1 Implementation Fees

Milestone	Description	Expected Date	TEXT WITHHELD	TEXT WITHHELD
1.	Acceptance of Wi-Fi network Final Design.	Within 30 days of Execution	TEXT WITHHELD	TEXT WITHHELD
2.	Satisfactory deployment of Stage 1	Within 90 days of Acceptance of the Final Design by the Territory	TEXT WITHHELD	TEXT WITHHELD
3.	Satisfactory deployment of Stage 2	Within 120 days of Acceptance of the Final Design by the Territory	TEXT WITHHELD	TEXT WITHHELD
4.	Satisfactory deployment of Stage 3	(TBA)	TEXT WITHHELD	TEXT WITHHELD
5.	Satisfactory deployment of Stage 4	(TBA)	TEXT WITHHELD	TEXT WITHHELD
6.	Satisfactory deployment of Stage 5	(TBA)	TEXT WITHHELD	TEXT WITHHELD
7.	Satisfactory deployment of Stage 6	(TBA)	TEXT WITHHELD	TEXT WITHHELD
8.	Satisfactory deployment of Stage 7	(TBA)	TEXT WITHHELD	TEXT WITHHELD
9.	Satisfactory deployment of Stage 8	(TBA)	TEXT WITHHELD	TEXT WITHHELD
10.	Satisfactory deployment of Stage 9	(TBA)	TEXT WITHHELD	TEXT WITHHELD
11.	Satisfactory deployment of Stage 10	(TBA)	TEXT WITHHELD	TEXT WITHHELD
12.	Satisfactory deployment of Stage 11	(TBA)	TEXT WITHHELD	TEXT WITHHELD
13.	Satisfactory deployment of Stage 12	(TBA)	TEXT WITHHELD	TEXT WITHHELD

14.	Final Acceptance of fixed Wi-Fi Network	(TBA)	TEXT WITHHELD	TEXT WITHHELD
15.	Payment of deployed fixed Wi-Fi Bank	Within 90 Days of Acceptance	TEXT WITHHELD	TEXT WITHHELD
16.	Installation of Bus Trial	(TBA)	TEXT WITHHELD	TEXT WITHHELD

* The calculation for a Stage milestone is calculated as follows:

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Where:

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Satisfactory deployment is deemed to have been achieved when 80% of Access Points in a stage are operational and have passed Acceptance.

For the avoidance of doubt regardless of the calculations for a Stage Milestone, the Funds invoiced by iiNet to the Territory under the milestone payments for the delivery of the Services based on the Final Design cannot exceed \$2,537,407.00 (GST Inclusive). Unless expressly agreed in writing between the parties.

The Territory may order Additional Services beyond this level.

(3) Services Fees.

The Services Fees will be paid in accordance with Table 2.

Table 2 Services Fees

Service	Description	Commencement Date	TEXT WITHHELD	TEXT WITHHELD
1.	Monthly payment for Bus mobile backhaul services 20GBytes per Bus service	On installation of the Bus Trial	TEXT WITHHELD	TEXT WITHHELD
2.	Stage 1 services fee.	On the commencement date of the Stage 1 network as agreed between the parties.	TEXT WITHHELD	TEXT WITHHELD
3.	Stage 4 services fee.	On the commencement date of the Stage 4 network or earlier as agreed between the parties.	TEXT WITHHELD	TEXT WITHHELD

4.	Stage 8 services fee for the remainder of the Term.	On the commencement date of the Stage 8 network or earlier as agreed between the parties.	TEXT WITHHELD	TEXT WITHHELD
5.	Other Services as agreed in writing		TEXT WITHHELD	TEXT WITHHELD

(4) Additional Services Fees

Any additional services will be paid in accordance with Table 3.

Table 3 Additional Services

Service	Description	TEXT WITHHELD
1.	Additional IP and Backhaul services / Mbps > 400Mbps	TEXT WITHHELD
2.	Additional Fibre / VDSL2 external AP Install beyond the scope of works documented in the Final Design (subject to agreement)	TEXT WITHHELD
3.	Additional Mesh external AP Install beyond the Scope of Works documented in the Final Design (subject to agreement)	TEXT WITHHELD
4.	Additional internal AP Install beyond the Scope of Works documented in the Final Design (subject to agreement)	TEXT WITHHELD
5.	Replacement of an External Access Point where the Territory is liable for the replacement.	TEXT WITHHELD
6.	Ad-hoc reports – by quotation and acceptance	TEXT WITHHELD
7.	Additional Bus mobile bandwidth and backhaul per 20GB block	TEXT WITHHELD

SCHEDULE 6

ACCEPTABLE USE TERMS AND CONDITIONS

FREE PUBLIC WIFI SERVICE

Welcome to the ACT Government's Free Public WiFi Service. This service is made available to you as part of the ACT Government's continuing commitment to the highest level of service to the community, equitable access and service policies, intellectual and recreational freedom and the freedom of access to information. To ensure that all users can access the wealth of information on the internet, we ask that you observe the following acceptable use terms (**Acceptable Use Terms**), as amended from time to time.

Clicking 'accept' as to these Acceptable Use Terms is evidence of the fact that you have read, understood and unconditionally accept these conditions and will abide by the ACT Government's terms. Once you click 'accept' and continue to use the Free Public WiFi Service, you are bound and expressly and irrevocably agree to the terms, acknowledgements, prohibitions and indemnity set out below.

ACCEPTABLE USE TERMS

The Acceptable Use Terms must be strictly adhered to. In the event of any breach of these Conditions the ACT Government reserves the right to immediately terminate your use of the facility and to maintain that restriction for as long as the ACT Government chooses. Legal prosecution may result from a breach of these Acceptable Use Terms. Satisfactory proof of your age and identity may be required and must be provided if requested.

For the purpose of these Acceptable Use Terms the word 'Material' includes any content, data, information, text, graphics, animations, speech, videos, and music or other sounds, accessible electronically - including any combination or selection of any of these.

ACKNOWLEDGEMENTS AND INDEMNITY

You expressly acknowledge and agree that your use of the Free Public WiFi Service is entirely at your own risk, and your access to and creation of all material via the Free Public WiFi Service remains your responsibility. You acknowledge that:

- (a) the ACT Government is not responsible for the content of third party sites and information;
- (b) the internet is not necessarily a secure or confidential method of communication and you therefore transmit any data at your own risk;
- (c) the internet contains viruses and other programs capable of causing damage to your systems. The ACT Government is not liable for any such viruses and programs, or any damage caused by same, including any unauthorised usage of your system, personal information or otherwise;
- (d) to the extent permitted by law, the Free WiFi Service is provided without warranties of any kind, including as to service continuity; and

- (e) the ACT Government may, in its absolute discretion, and without notice to you, log you off from, limit your access to or impose any condition as to your use of the Free WiFi Service, including as necessary for operational reasons.

You indemnify the ACT Government against all liabilities, claims, actions, proceedings, charges, costs and expenses arising out of or in any way connected to your use of the Free Public WiFi Service, including as to any loss of data or information, personal or otherwise.

USE OF ELECTRONIC RESOURCES

Much of the Material on the internet is protected by Australian and international intellectual property rights. Intellectual property represents the property of someone's mind or intellect and owners of this property have the exclusive right to determine who may use the property and on what terms and conditions. Many of the terms are referred to on the internet. If there is no specific reference the law will prevail and implied licences and other conditions or restrictions may apply.

You are only permitted to use this technology in accordance with:

- (a) the laws that protect the property; and
- (b) the laws that govern the technology; and
- (c) these Acceptable Use Terms.

You should not assume that you can reproduce, print, transmit, or download all Material to which you have access. You have rights to use Material consistently with the technology or the rights of the owner of the Material. You may reproduce Material only where it is expressly stated that you may, or where it is a normal function of that technology (for example accessing Material on a bulletin board which can only be read if it is downloaded).

PROHIBITED AND UNLAWFUL USE

The Free WiFi Service must not be used for any activities of an illegal or fraudulent nature, including such activities as defined under the *Telecommunications Act 1989* (Cth), or other applicable Territory and Commonwealth laws. Some activities are unlawful and therefore absolutely prohibited. Unlawful activities include - but are not limited to:

- (a) gaining access to any material that is pornographic, offensive or objectionable;
- (b) engaging in any conduct that offends Federal or Territory laws and regulations;
- (c) bullying or harassment (sexually or otherwise) of another person;
- (d) engaging in any defamatory message - including reading and then forwarding a message of which you are not the author;
- (e) sending or forwarding any material that is abusive, sexist, racist, pornographic, offensive or otherwise illegal; and
- (f) engaging in activities of an illegal or fraudulent nature.

Additionally, you must not:

- (a) use the Free WiFi Service for anonymous peer to peer file sharing, television restreaming, hosting of internet services or services, unauthenticated email

- sending, unauthorised access to the any control system associated with the Free WiFi Service;
- (b) excessively use the Free WiFi Service;
- (c) use the Free WiFi Service in a manner that may interfere with the quiet enjoyment of any other users of the Free WiFi Service;
- (d) do anything that may interfere with the provision of the Free WiFi Service itself;
- (e) do anything that would reasonably breach accepted etiquette for use of internet services.

COPYRIGHT WARNING

In using the ACT Government's technology or equipment the ACT Government does not authorise you to infringe property rights of any Material. It is entirely your obligation to ensure that you operate within the legal system.

Check for a copyright notice or other information to determine what you can do with the Material. If it is not clear that you are allowed to use the Material the way you may want to, you must contact the copyright owner.

Copyright law is designed to protect and reward creativity and intellectual endeavour. Copyright protection is available automatically when the works are committed to writing that may be on paper, on disk, on tape and any other medium including any electronic form of the Material.

A copyright owner has the right to control the use of their Material: to prevent use and to negotiate payment for copying, reproducing, using and so on. If you infringe the owner's rights in the Material the owner may take legal action against you.

If you reproduce protected Material without the permission of the copyright owner you may infringe (unlawfully interfere with) copyright and other rights such as trade marks and business name rights.

Reproducing even a part of the work may amount to an infringement of rights if the part you have reproduced is important - it need not be a large part.

Users should note section 40 of the Copyright Act 1968, which refers to fair dealing.

SCHEDULE 7

ACCESS LICENCE

Permit to use Territory Infrastructure Agreement refers.

SCHEDULE 8

COVERAGE AREA MAPS AND INDICATIVE APS PER COVERAGE AREA

Table 4 Indicative APs per Coverage Area

Region	Outdoor APs		
	Mesh	Fibre/VDSL2	Sub-total
Civic East Detailed Design (incl. Braddon)	27	22	49
Civic West Detailed Design (incl. New Acton)	30	24	54
Parkes, Kingston and the Foreshore (Initial Design)	2	5	7
Belconnen Detailed Design	21	16	37
Dickson Detailed Design	14	14	28
Woden Detailed Design	13	13	26
Tuggeranong Detailed Design	11	11	22
Gungahlin Detailed Design	9	7	16
Anzac Parade (Initial Design)	4	2	6
Bruce Detailed Design	4	3	7
Manuka Detailed Design	4	7	11
Weston Creek Detailed Design	2	3	5
Grand Totals	141	127	268

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EXECUTED AS AN AGREEMENT.

DATE OF THIS AGREEMENT:.....2014

SIGNED for and on behalf of the)
AUSTRALIAN CAPITAL TERRITORY)
in the presence of:) Signature of Territory delegate

.....
Signature of witness) Print name

.....
Print name

EXECUTED by)
IINET LIMITED)
ACN 068 628 937) Signature of director
in accordance with section 126 of the
Corporations Act 2001 (Cth):

.....
Print name

.....
Signature of director/ secretary

.....
Print name



Date	20 May 2014	TRIM No: G2014/00841 File No: 2014/290
To	Director-General	
From	Deputy Director-General	
Subject	Free Public Wi-Fi Services – Approval of Confidential Text in a Notifiable Contract	

Critical date and reason

21 May 2014

To ensure the preferred supplier will receive the contract for signature by 23 May 2014.

Background

Policy and Cabinet Division are ready to contract iiNet to provide Digital Canberra’s free public Wi-Fi project. This contract is valued at \$3.1 million inclusive of GST and as such, the Government Procurement Act 2001 requires the text of this contract to be publicly available.

The Act also requires that, within 21 days after a notifiable contract is made, the public text of the contract must be published on the *Government Contracts Register*.

Issues

iiNet Limited is requesting that the following information be redacted from the contract prior to publication. This request is detailed at **Attachment A**.

The Territory may redact this information on the basis that public release of the information would be an unreasonable disclosure of information about the business affairs of a person or entity. I am satisfied that this information meets this criteria for redacting the requested material.

Consultation

iiNet Limited, Government Solicitors Officer, Shared Services Procurement.

Financial

N/A

Risks/ Sensitivities

Releasing of this information presents an unreasonable advantage to iiNet’s competitors as Melbourne has recently requested proposals on free public Wi-Fi.

Media

N/A

Recommendations

1. That you:

a. NOTE the requested Confidential Text at Attachment A;

NOTED/PLEASE DISCUSS

b. NOTE the requested Confidential Text of network design at Attachment B;

NOTED/PLEASE DISCUSS

c. NOTE the relevant section of the Government Procurement Act 2001 at Attachment C; and

NOTED/PLEASE DISCUSS

d. APPROVE the redaction of Confidential Text in accordance with the *Government Procurement Act 2001*.

APPROVED/NOT APPROVED


Dave Peffer

Deputy Director-General

6207 6136

Kathy Leigh.......... 23/5/14

APPROVED/NOT APPROVED