



MEDIA STATEMENT

30 June, 2011

Amendments to Telecommunications Act passed into law

A range of amendments to the Telecommunications Act have today been passed into law.

The legislative changes are designed to enable several Government policies, such as Ultra-fast Broadband (UFB), the Rural Broadband Initiative (RBI) and changes to the Telecommunications Service Obligations (TSO).

In addition, the amendments provide the legal framework to facilitate the proposed demerger of Telecom, along with updating the regulatory environment that would prevail should Telecom demerge.

Subject to shareholder approval, Telecom will demerge into two separately-listed companies in order to allow Chorus, its fixed line access business, to partner with the Crown to deliver the majority of the UFB initiative.

Telecom has said that it is aiming to complete the demerger by the end of this calendar year.

The amendments to the Telecommunications Act can be found at <http://www.legislation.govt.nz/bill/government/2010/0250/latest/versions.aspx>

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