28 March 1996

Mr David Hawker MP Federal Member for Wannon 97 Thompson Street Hamilton 3300 101

Telecommunications Industry Ombudsman

John Pinnock Ombudsman

Dear Mr Hawker

Re: Alan Smith

I refer to Mr Alan Smith's facsimile to you of 11 February 1996. In that letter Mr Smith makes a number of allegations with respect to his Fast Track Arbitration Procedure. Whilst I am unable to make specific comments on that completed Arbitration or the result, I would like to respond to those allegations which relate to my office.

On page 1 of his letter, Mr Smith contends that the TIO knew of "massive incorrect charging for the supply of Telstra services to small businesses and the general public, but turned a blind eye (or closed eyes)..." This broad and generalised statement is entirely unfounded. My office handles many complaints about Telstra's charges and responds to those complaints on a case by case basis. It does so in a thorough and conscientious manner which provides fairness to both complainants and the carriers.

My office does not have the power to make general findings on Telstra's charging practices. Investigations of systemic over-charging are properly handled by AUSTEL which, I understand, has an established working party looking into the issue. It is incorrect for Mr Smith to assert that the TIO has avoided dealing with over-charging practices. My office refers questions of general charging practices to AUSTEL and deals with particular problems itself. Mr Smith's allegations of over-charging for his service formed part of the claim submitted to the Arbitrator. Consequently, this matter was dealt with in his Arbitration.

Mr Smith alleges (also on page 1) that the independent Arbitration process was "faulty" and "high jacked by a section of Telstra management". Again these allegations are without foundation. The Arbitration was subject to a set of rules agreed between the parties, was heard by an Arbitrator whose independence and integrity was accepted by Mr Smith and was properly administered by my office. At no stage was the procedure directed or driven by Telstra, much less "high jacked."

Mr Smith also asserts at the bottom of page 1 that the law firm of which the Arbitrator is a partner was awarded a \$4,000,000 Telstra contract during the period of his Arbitration. This is completely incorrect. The firm was named on a panel of 45 firms eligible for Telstra work. The Arbitrator has informed me that the Melbourne office of

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1-A

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the firm has declined undertaking any work for Telstra during the course of the Arbitrations and has 'run off' the work which was being conducted for Telstra prior to his appointment.

The Arbitrator has stated that the Sydney office of the firm has also been 'running off files on which it was acting for Telstra prior to the Arbitrator's appointment. As at November 1995 the office had billed \$19,000, with only \$5,000 worth of unbilled work in progress. Finally, the Arbitrator has informed me that the firm's Brisbane office, which is financially separate from the Melbourne and Sydney offices and does not share profits, was involved in an information technology project for Telstra Atlas in 1995. I am informed that the firm had billed approximately \$147,000 for this work as at November 1995.

A the top of page 2 Mr Smith asserts that "written evidence shows that the Arbitrator was pressured by Telstra to support their position". I do not know to what "written evidence" Mr Smith is referring. In the past Mr Smith has made similar references to written evidence of proof of a particular allegation he has made. Invariably he chooses not to produce this evidence or proof when requested to do so, or produces material which does not, in fact, support his allegations at all.

On page 3, Mr Smith states that the Financial and Technical Resource Unit was improperly instructed by the Arbitrator and omitted vital evidence from their report. Mr Smith appears to misunderstand the role of the Resource Unit. The Unit is required by the terms of the Fast Track Arbitration Procedure to work in conjunction with and advise the Arbitrator. Both the Arbitrator and the Resource Unit are independent of either Telstra or a claimant. All evidence and submissions placed before the Arbitrator and the Resource Unit would have been considered, even if not specifically referred to in a final report.

It is obvious that Mr Smith is unsatisfied with the result of the arbitration of his dispute with Telstra. Whilst his frustration is understandable, I will not allow unfounded and incorrect allegations about my office or the Arbitration procedure to go unanswered. Mr Smith's Arbitration was conducted under a fair and equitable procedure, before an experienced Arbitrator of independence and integrity and administered by an office which was in no way compromised or influenced.

I trust this response is of assistance to you.

Yours sincerely

<del>John Pinnock</del> Ombudsman



DEPARTMENT OF COMMUNICATIONS AND THE ARTS

2.3 JAN 1998

Our Reference

## **FACSIMILE**

To:

Mr John Pinnock

Telecommunications Industry Ombudsman

Phone number:

1800-062-058

Facsimile number:

1800-630-614

From:

Toni Ahkin

Phone number:

(02) 6271 1509

Facsimile number:

(02) 6271 1850

Date:

23 January 1998

Number of pages:

Cover + 3

GPO Box 2154 Canberra ACT 2601 Australia. Telephone (02) 6271 1000 Facsimile (02) 6271 1901 Email dea@dea.gov.au

Mr Pinnock

Alan SMITH - Proposed replies for Senator Alston's signature

l am forwarding copies of our proposed replies (that will be sent to the Minister's office today) to David Hawker and Alan Smith in response to recent Min Rep's concerning the arbitration process and overcharging on Mr Smith's 1800 number.

Sont seen de want specifie comment from To.





DEPARTMENT OF
COMMUNICATIONS
AND THE ARTS

Our Reference

## **FACSIMILE**

To:

Mr John Pinnock

Telecommunications Industry Ombudsman

Phone number:

1800-062-058

Facsimile number:

1800-630-614

From:

Toni Ahkin

Phone number:

(02) 6271 1509

Facsimile number:

(02) 6271 1850

Date:

19 January 1998

Number of pages:

GPO Box 2154 Canberra ACT 2601 Australia. Telephone (02) 6271 1000 Facsimile (02) 6271 1901 Email dea@dea.gov.au

#### Mr Pinnock

Further to this morning's discussion concerning Alan Smith I am forwarding you 8 pages of a 40 odd page Min Rep - 97120258 for your information; coupled with 3 pages from Telstra on Mr Smith's allegations that he was overcharged on 1800 numbers. Min Rep 97090972 has been marked for response.

Telstra has undertaken to provide a transcript of the 14 January meeting with Mr Smith. This information is needed in order to respond to Min Rep 97090972 and I will forward a copy to you on receipt of this information.

To Smith File.

1-C

# FILE NOTE Legal and Professional Privilege Applica - Telecom Confidential

FILE:

MR ALAN SMITH

FROM:

LYN CHISHOLM

SUBJECT:

BILLING DISPUTE 1800 TELEPHONE SERVICE

DATE:

16 JANUARY, 1998

On 14 January, 1998, Lyn Chisholm and Phil Carless of Telstra's Customer Response Unit met with Mr Smith to examine documentation in relation to his complaints lodged with the Minister's Office and the Telecommunications Industry Ombudsman regarding his 1800 telephone service.

Mr Smith in these complaints had made general allegations with regard to overcharging of the 1800 telephone service, however, Telstra had not received any supporting documentation along with his complaints.

In telephone discussions with Mr Smith, I advised him that in order for Telstra to address his claims, documentation supporting his complaints would need to be forwarded to allow Telstra to fully investigate the matter.

Mr Smith raised concerns with regard to the matter and the Arbitration and I advised that I would be investigating any instances he put forward since the conclusion of the Arbitration. Mr Smith stated that he had evidence of instances that spanned through the Arbitration and that the problem was not addressed in the Arbitration and further that the same instances continued after the Arbitration.

I suggested that we meet so that Telstra could view the documents he was referring to and work at resolving the matter from there.

Meeting Notes 14 January, 1998

Present at Meeting

Lyn Chisholm - Telstra

Alan Smith - Cape Bridgewater Holiday Camp

Phil Carless - Telstra

Ray Whitworth - Observer

Alan Smith explained that he had attempted to have this matter addressed in his Arbitration and via Austel and the Ministers office for quite some time. He believes that this issue was not addressed in his Arbitration although Telstra had given an undertaking to Austel in November, 1994.

I explained to Alan that it was my understanding that at the time Austel wrote to Telstra, the Arbitration was in process and that Telstra had written back to Austel and the Arbitrator that it believed the matter would be addressed in the Arbitration.

1.E

I then explained to Alan that Telstra had replied to the letter from Austel dated 4 October, 1994 and to further letters from Austel on this matter dated 1 December, 1994 and 3 October, 1995 and in this provided a response to his complaints of charging discrepancies and short duration calls on the 1800 telephone number.

Mr Smith put forward two copies of the Lanes Resource Unit reports. One that had been forwarded to him as part of the Arbitration and one that had been obtained from Dr Hughes's office by mistake when he collected his Arbitration documents.

In what appeared to be a "Draft" of the Lancs report, a paragraph appears relating to Mr Smith's billing complaints, that an addendum report was to be provided at a later date otherwise the report is complete.

Mr Smith stated that the issued report did not include the addendum report nor did it make any reference to his 1800 complaints.

Further Mr Smith produced various printouts of CCAS data in comparison with his Telatra accounts. In many instances the calls add up however, in some cases there appeared to be differences in the duration of the call times.

Mr Smith also provided Telstra accounts that showed an overlap in the time of calls.

Mr Smith stated that there were also discrepancies in details taken by the Commonwealth Ombudsman. He advised that he had asked the Commonwealth Ombudsman to only use the 1800 telephone number when contacting Mr Smith. In the Assessment Documentation for Mr Smith's claim for compensation for FOI matters, Mr Smith states that there is a large discrepancy between the number of calls listed by the CO as being made to Mr Smith and the number of calls he had been charged for on the 1800 account.

I note that the examples given by Mr Smith at the meeting spanned the period of the Arbitration and after the conclusion of the Arbitration.

I advised that Telstra had not seen copies of his examples and had not been able to clearly respond to his complaints without being able to examine the documentation he had put forward at the meeting.

Mr Smith advised that he had provided all details to the TIO office, I responded that we may not have seen all the documentation he had put forward and that the TIO at this point had not raised a formal dispute or complaint regarding the matter.

I advised Mr Smith that I would seek copies of any additional information that they may have with regard to his complaint.

Mr Smith advised that he would provide me copies of all documentation that he had with regard to the 1800 number and copies of the documentation he had produced at the meeting. Mr Smith advised that he would provide this material to me during the week beginning 19 January, 1998.

1-E

2

I advised that once Teletra had received the information, further investigation could be carried out in the matter.

Mr Smith again enquired about the matter of the Arbitration. I again advised that I would be examining the documents with regard to complaints after the Arbitration, and that a further response with regard to the Arbitration would be provided.



21May 1998

Telecommunications Industry Ombudsman

John Pinnock Ombudsman

Mr David Hawker MP Federal Member for Wannon Electorate Office 190 Gray Street HAMILTON 3300

Facsimile 03 5572 1141

Dear Mr Hawker

Mr Alan Smith

I refer to your letter of 14 May 1998.

As you may be aware, Mr Smith has written to this office on numerous occasions concerning aspects of his Arbitration which was completed in May 1995.

The vast majority of Mr Smith's complaints seek, in effect, to review the conduct of the Arbitrator, or the Resource Unit or both, as well as the Arbitrator's Award. I advised Mr Smith from the outset that these matters which can properly be raised only by way of an appeal against the Arbitrator's Award. Mr Smith has not accepted this advice and has sought to reopen the Arbitration through other venues.

Recently, Mr Smith has raised a question as to whether the Arbitrator's Award dealt with his complaint that he had been overcharged on his 800 (now 1800) freecall service. As this is a matter which I can properly consider, I have made preliminary enquiries of Telstra and have also sought advice from Mr Peter Bartlett, Special Counsel, Minter Ellison.

I have also decided to discuss this issue with the former Arbitrator, Dr Hughes.

Yours sincerely

OHN PINNOCK OMBUDSMAN

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Telecommunications Industry Ombudsman Ltd ACN 057 634 787

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281 3 8277 8797



10 February, 1999

Telecommunications Industry Ombudsman

Mr David Hawker MP Federal Member for Wannon 190 Gray Street HAMILTON 3300 John Pinnock Ombudsman

Facsimile 03 5572 1141

Dear Mr Hawker

Mr Alan Smith

I refer to your letter of 11 December 1998 and apologise for the delay in replying.

You will be aware from previous correspondence that Mr Smith has made numerous and varied accusations about the conduct of his Arbitration, which was completed in May 1995, by the TIO, the Arbitrator and the Resource Unit which provided expert assistance to the Arbitrator.

His most recent complaint concerning the transmission of facsimiles is, in my opinion, without substance. First, there is no evidence that his facsimile service has been, at any time, intercepted by Telstra or anyone else. Second, with certain minor exceptions I can say that all documents relevant to his Arbitration were forwarded to Telstra and the Special Counsel.

More importantly documents supplied to the TIO were forwarded to the Arbitrator as required under the Fast Track Arbitration Procedure.

The only matter outstanding which the TIO is considering is whether the Arbitrator considered Mr Smith's claim for overcharging on his then 800 service when he made his Award. I shall be writing to Mr Smith on that matter in the next week.

Yours sincerely

JOHN PINNOCK OMBUDSMAN

1-G

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Att/plainant/1058

Telecommunications Industry Ombudsman Ltd

ACN 057 634 787

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10 February, 1999

Telecommunications Industry Ombudsman

Mr Mark Dunstone Department of Communications Information Technology and the Arts GPO Box 2154 CANBERRA 2601 John Pinnock Ombudsman

Facsimile 02 6271 1901

Dear Mr Dunstone

Mr Alan Smith

I refer to your letter of 29 January 1999.

You would be aware from a perusal of departmental files that there has been extensive correspondence between the Department and the TIO concerning the COT Cases, including Mr Smith.

Mr Smith's most recent letter of 2 November 1998 is but one of many in a steady stream of complaints concerning the administration by the TIO of his Arbitration and the Award of the Arbitrator. Much of this correspondence contains allegations of impropriety on the part of the TIO, the Arbitrator and the Technical Resource Unit. I no longer have patience nor, I believe, the obligation to continue to respond to these repeated and unfounded complaints.

Mr Smith, however, raised issues in 1998 which I considered merited investigation, viz. whether the Arbitrator had, in his Award dealt with Mr Smith's claim that he had been overcharged on his 800 (now 1800) telephone service as well as complaints concerning his fax line. The TIO has carried out some preliminary, if protracted, investigation of the former claim and I will be writing to Mr Smith in the next week concerning this issue. In relation to the latter claim, Mr Smith wrote to me on 5 February 1999 requesting the return of all correspondence so that he could discuss the matter with the Commonwealth Ombudsman because, Mr Smith claimed, the TIO had not properly investigated the matters.

Yours sincerely

JOHN PINNOCK OMBUDSMAN

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Att/plainant/1058

Telecommunications Industry Ombudsman Ltd

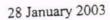
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Fax Freecall 1800 630 614







Telecommunications Industry Ombudsman

John Pinnock Ombudsman

Total Pages: 19

Dear

LEVEL 3 COMPLAINT

TIO reference: 02/101638-1 - Mc Kenzie

The Telecommunications Industry Ombudsman (TIO) has received a complaint against Telstra Corporation from Mr & Mrs Darren & Jenny Lewis regarding telephone number 0355267267.

The TIO has raised this complaint at level 3 because of the complexity of the complaint and likelihood that extensive testing may be required. Mr & Mrs Lewis have advised the TIO that they have an ongoing complaint with Telstra Corporation in relation to their telephone service and have as yet been unable to resolve this matter. The TIO has invested time assessing Mr & Mrs Lewis' correspondence and believes that further investigation is warranted.

Mr & Mrs Lewis claim in their correspondence attached:

- K
- That they purchased the Cape Bridgewater Coastal Camp in December 2001, but since that time have experienced a number of issues in relation to their telephone service, many of which remain unresolved.
- That a Telstra technician "Mr Tony Watson" is currently assigned to his case, but appears
  unwilling to discuss the issues with Mr Lewis due to his contact with the previous Camp
  Owner, Mr Alan Smith.
- That on 27 September 2002 "Ian" advised him that an EMG was causing the faults at the local exchange and that a technician would be sent out to fix this.
- That on 28 September 2002 "Renea" advised him that the local exchange could only
  handle a certain amount of traffic, that there was nothing that Telstra Corporation could do
  about the problem and that this problem was not new to Cape Bridgewater.
- That Telstra Corporation advised him on 26 November 2002 that the phone extension wiring
  was laid too shallow and was not installed correctly, thus it believed that Telstra Corporation
  had not installed that wiring. Mr Lewis also claims that it was suggested that the line had
  been tampered with.
- That Mr Alan Smith had provided him with documents confirming that Telstra Corporation did all the cabling and wiring in question.
- That the phone problems have decreased dramatically since Telstra Corporation rewired the business on 9 December 2002 and disconnected the phone alarm bell, however he is still

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experiencing intermittent problems with receiving calls, and continued to have problems with his fax line.

- That Telstra Corporation have checked his fax machine and confirmed that it is working correctly.
- That he believes that as the same problem has been experienced when attempting to send or
  receive faxes from a number of locations, it is unlikely that the fault is with the other party's
  fax machine.
- That the problems experienced resulted in the frustration of his clients being unable to contact
  him to make bookings for his camp and are affecting the profitability of his business.

Mr Lewis has outlined a number of these problems on page 3 of his correspondence attached. In particular, Mr Lewis has identified the following concerns:

- That he has been contacted by a number of people advising that the telephone had not been answered when ringing previously, despite Mr Lewis' assertion that someone was there at the time.
- That many faxes sent to his potential clients have not been received at the intended
  destinations, despite his fax transmission records confirming that the fax had been
  successfully sent. Furthermore, Mr Lewis claims that he has been charged for each of these
  calls.
- · That he has experienced problems receiving faxes from his clients.
- That when he uses \*10# to retrieve missed phone calls, he is sometimes given numbers from days before which had not registered earlier.
- That people had reported that when attempting to call Mr Lewis' business they first hear a
  message that the telephone has been disconnected, but when trying again are connected
  through on the same number.
- That when picking up the receiver to make a call, he had intermittently heard another person's conversation quite clearly.
- That on 25 October 2002 a caller reported that when trying to contact Mr Lewis earlier, he
  heard only clicking noises on the telephone line, but the call did not connect.
- That a caller reported that they had called and heard an engaged signal, despite Mr Lewis having call waiting activated on the service to prevent missed calls.
- That another caller reported that every time he called he received a fax connection tone.
- That on 13 November 2002 he picked up the receiver and heard a deep breathing sound but no dial tone.

The TIO asks Telstra Corporation to present its perspective on the complaint.

If Telstra Corporation decides that the complainant's claims have merit after reviewing the complaint, how does Telstra Corporation propose resolving the complaint?

If Telstra Corporation is of the view that there is no merit to some or all aspects of this complaint, please provide reasons for its view, identifying any facts in dispute. In addition, please supply all documentation relevant to the complaint. In particular, please provide:

- · All Customer Care Notes for the account
- All Fault Reports for the account
- Telstra Corporation's assessment of whether Mr Lewis is entitled to compensation under the Customer Service Guarantee in relation to any of the faults reported above. Please include its reasons for the assessment for each fault reported.

The TIO has forwarded a copy of this letter to the complainant and asked them to pay any undisputed charges. While this complaint is under consideration, the TIO expects that Telstra Corporation will suspend credit management on any disputed charges.

The TIO may also forward Telstra Corporation's response to the complainant. For this reason, please ensure that it is written in plain English.

Please forward your reply to this letter within the next 28 days. The TIO may escalate the complaint to Level 4 status if Telstra Corporation does not respond to the TIO within this time frame or provide information requested.

Please contact me if you would like to discuss any aspect of this complaint.

Yours sincerely

Gillian Mc Kenzie
Investigations Officer

Darren & Jenny Lewis
Cape Bridgewater Coastal Camp
RMB 4408
Portland 3305
Phone 55 267 267

4

David Hawker MP Federal Member for Wannon Hamilton 3300

Dear Sir

In January 2002 we purchased the Cape Bridgewater Holiday Camp from Alan Smith, whom he has advised us you know of some of the problems he experienced with his phone service lines.

Alan as asked me to advise you that I do not intend writing to you every time there appears to be a fault on our service but thought you would be interested to know we are also experiencing some phone type of faults.

Yesterday, we were advised clients and family members were unable to contact us at will during the day experiencing engaged signal as though the line was busy when it certainly was not. At approximately 7.50pm last night we spoke with Telstra who gave us a fault number saying in words to the fact that there were problems with our service. This morning we phoned Telstra using the phone complaint number given last night and was told the problem was a cable fault.

Since we purchased the Camp in January both Jenny and I have experienced the following type of faults:

- phone will ring two or three times and no one appears to be on the line with us then pressing 'star ten hash' which then informs us no calls were not answered;
- clients and family state they have rung us and the phone has dialed out without us answering the call when we know we were in the office or adjoining residence
- the management of the Portland Bay Conference Centre Dutton Way, has advised us that people have contacted their venue because they have been unable to contact us at will.

I have notified you of these strange events because of Alan's past problems with this business and our own concerns regarding these matters.

Sincerely

Darren Lewis

September 23, 2002

# Commonwealth of Australia STATUTORY DECLARATION Statutory Declarations Act 1959

1, Darren Lewis DARREW William Lewis
OF 1721 Blowhole rd Cafe Bridgeweder vic
Make the following declaration under the Statutory Declarations Act 1959

The following chronology can be supported by documentation which I have on file.

### PHONE & FAX PROBLEMS

 I purchased the Cape Bridgewater Holiday Camp (now Cape Bridgewater Coastal Camp) December 2001.

Within a week or so of taking over the business from Alan Smith, friends and new clients were stating they could not get through to us on successfully on the phone.

 By mid 2002, my wife Jenny and I realised we were having major problems with in-coming calls and our out-going faxes were a major problem.

From discussions with the previous owners Jenny and I now fully understood
that we had inherited some of the phone and fax faults Mr Smith had been
reporting for some time.

 Letters from us to our local Federal Member of Parliament, the Hon David Hawker, Speaker in the House of Representatives, led to Telstra visiting our business to investigate these continuing problems.

6. In November 2002, after Telstra realised there was in fact a Telstra related problem and not (customer related equipment) they informed us that the new wiring they were installing was worth thousands of dollars but not to worry as Telstra would pick-up the cost.

 After Teistra rewired the business including disconnecting a Teistra installed faulty phone alarm bell, we were informed Teistra had found other problems and believed who ever had installed the wiring had done an unprofessional job.

 Internal Telstra documentation provided to me by Allan Smith confirmed Telstra themselves had done the wiring.

 Jenny and I noticed that although our incoming-call rate had more than doubled once this rewiring had taken place Telstra was still unable to provide a satisfactory reason as to why we were still having problems.

 Telstra connected fault finding equipment called Customer Access Call Analysis (CCAS) to 55-267267 business line.

11. This CCAS data recorded numerous faults that could not be explained by the (Level Three) Telstra fault managers. Hand written notations on some of these CCAS data sheets, confirm even the Telstra technicians themselves were aware of the ongoing problems.

12. By 2004, with the problems not resolved I again sought help through the Hon David hawker.

13. Correspondence from Mr Hawker in August 2004, confirms Telstra had advised him that the local un-manned exchange was soon to be upgraded.

14. From 2004 until most recently still no upgrades.

15. In August this year we contacted Mr Hawker's office regarding the ongoing problems and advised his staff we have no real alternative but to sell the business.

16. Because we were with AAPT and it appeared they had no control over the faults being experienced we changed back to Telstra.

Deiro

1-K

- 17. From Tuesday to Thursday evening (August 2006), Telstra technicians were present at the Holiday Camp and surrounding area attempting to locate and fix the problems they had experienced themselves.
- 18. During this three day period even Telstra's own technicians couldn't understand why their own fault testing equipment was malfunctioning.
- 19. Telstra informed us we had what is commonly known in technical words as (a line in line lock-up rendering our business phone useless until the fault is

The technicians then in hook up consultation with outside office guru's did a fault graph reading on our 55 267267 line with the outcome that their office technical staff stated words to the affect the reading was impossible (couldn't be correct). It was then that the local technician became quite annoyed when the technical guru insinuated that the equipment the local tech was using must be faulty. The local tech then informed the technical guru that there was nothing wrong with the equipment at all.

It was then that the local technician informed me that as strange as it might seem he believed that because our business was on optical fibre and was so close to the Beach Kiosk (junction box) this could very well be part of the problem. Apparently either under powering over powering was also an issue He realised that after testing all the other optical fibre outlets with his testing equipment and still reached this impossible reading (according to the technical guru), he would have to move us off the fibre.

It was on this note that the technician informed me that although it was a back ward step he was going to investigate the possibility of moving the business off the optical fibre and back on to the 'old copper wiring'.

After investigating this possibility our business was then moved back onto the 'old copper wiring'. The above is more evidence of the continuation of the phone and fax problems my wife and I inherited when we purchased our business.

AND I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of an Act of the Parliament of Victoria rendering persons

making a false declaration for wilful and corrupt perjury. DECLARED at Tolina

State of Victoria this

two thousand }

Before me