



**THE TELECOMMUNICATIONS (DISCLOSURE) REGULATIONS
1990**

PAUL REEVES, Governor-General

ORDER IN COUNCIL

At Wellington this 28th day of May 1990

Present:

HIS EXCELLENCY THE GOVERNOR-GENERAL IN COUNCIL

PURSUANT to section 5c of the Telecommunications Act 1987, His Excellency the Governor-General, acting by and with the advice and consent of the Executive Council, hereby makes the following regulations.

REGULATIONS

1. Title and commencement—(1) These regulations may be cited as the Telecommunications (Disclosure) Regulations 1990.

(2) These regulations shall come into force on the 1st day of July 1990.

2. Interpretation—In these regulations, unless the context otherwise requires,—

“Company secretary” means the person holding office as secretary of the company under section 181 of the Companies Act 1955; and includes, if that office is vacant or there is no secretary capable of acting, an assistant or deputy secretary, or if there is no assistant or deputy secretary capable of acting, an officer of the company authorised for that purpose by the directors:

“Corporation” means Telecom Corporation of New Zealand Limited; and includes any subsidiary (within the meaning of section 158 of the Companies Act 1955) of that company:

“Discount” means a reduction in the price charged for the supply of a service under the standard contract for the supply of that service; and includes, in the case where a service is supplied on terms and conditions that vary from the standard contract terms and conditions of supply for that service, the difference between—

(a) The cost of supplying the service on the standard terms and conditions; and

(b) The cost of supplying the service on the standard terms and conditions as varied:

“Financial statements” means a profit and loss account and balance sheet and a statement of accounting principles:

“Leased circuit” means the whole or part of the capacity of a telecommunication link, or, as the case may be, a part of the capacity in 2 or more telecommunication links where that capacity is connected, provided by the Corporation and that is dedicated, pursuant to an agreement with the Corporation, for the use of a particular person:

“Prescribed services” means—

(a) Access to the public switched network operated by the Corporation; and

(b) Interconnection to a network owned and operated by the Corporation for the purposes of operating any other network, whether or not owned or operated by the Corporation; and

(c) Leased circuits; and

(d) Telecommunication links that enable the making of—

(i) Telephone calls within the Corporation’s free calling area; and

(ii) Telephone calls to places outside the Corporation’s free calling area; including national and international toll calls:

“Secretary” means the Secretary of Commerce:

“Standard contract” means a contract that contains the prices and terms and conditions on which a prescribed service is most usually offered for supply:

“The Act” means the Telecommunications Act 1987.

3. Publication of financial statements—(1) Within 3 months after the end of each financial year the Corporation shall publish in the *Gazette* financial statements for that financial year for each of the following subsidiaries:

(a) Telecom Auckland Limited:

(b) Telecom Central Limited:

(c) Telecom Wellington Limited:

(d) Telecom South Limited.

(2) Within 3 months after the first half of each financial year the Corporation shall publish in the *Gazette* financial statements for that half of the financial year for each of the following subsidiaries:

(a) Telecom Auckland Limited:

(b) Telecom Central Limited:

- (c) Telecom Wellington Limited;
- (d) Telecom South Limited.
- (3) The financial statements shall—
 - (a) Be audited; and
 - (b) Follow generally accepted accounting principles; and
 - (c) Comply with the Eighth Schedule to the Companies Act 1955 in so far as it is applicable; and
 - (d) Be prepared as if the subsidiaries referred to in subclause (1) and subclause (2) of this regulation were independent and unrelated companies.
- (4) As soon as practicable after the financial statements are published in the *Gazette*, the Corporation shall make copies of them available on request at the principal offices of the Corporation and the subsidiaries to which they relate.

4. Publication of information about prescribed services—

- (1) Within 30 days after the end of each quarter ending on the close of the 31st day of March, the 30th day of June, the 30th day of September, and the 31st day of December in each year, the Corporation shall publish in the *Gazette* the following information relating to every prescribed service offered by the Corporation and its subsidiaries, including prescribed services offered by a subsidiary of the Corporation to another subsidiary of the Corporation:
 - (a) The standard contract prices and terms and conditions on which the prescribed service was offered for supply at the end of that quarter; and
 - (b) The principles or guidelines applied by the Corporation in determining whether or not to allow a discount, and the maximum discount available to a customer; and
 - (c) If a discount was allowed for the supply of a prescribed service of 10 percent or more of the standard contract price for the supply of that prescribed service—
 - (i) The principles or guidelines applied by the Corporation in allowing that discount; and
 - (ii) The actual discount allowed; and
 - (iii) If the discount represents a variation in the standard terms and conditions on which the prescribed service was offered, those terms and conditions as varied.
- (2) Notwithstanding subclause (1) of this regulation but subject to subclause (3) of this regulation, the Corporation is not required to publish the standard prices and terms and conditions of supply relating to a prescribed service if those prices and terms and conditions are identical in all material respects to those applying at the end of the immediately preceding quarter.
- (3) The Corporation shall publish the prices and terms and conditions of supply relating to a prescribed service applying at the end of the quarter ending on the 30th day of September 1990 and at the end of the quarter ending on the 30th day of September in each alternate year thereafter.
- (4) If, pursuant to an agreement with any person, a number of telecommunications services have been supplied to that person, and—
 - (a) The services supplied include a prescribed service and other services; and

(b) A discount of 10 percent or more was applied in relation to the aggregate price of all the services—
the information to be published under this regulation shall also state that those services were supplied at a discount, the amount of the discount, and that the discount applied to services other than prescribed services.

(5) As soon as practicable after the publication in the *Gazette* of the information referred to in this regulation, the Corporation shall make the information available on request at the principal offices of the Corporation and those subsidiaries in relation to which the Corporation is required to publish financial statements.

(6) The Corporation is not required under this regulation to publish or make available information relating to the supply of a prescribed service to an employee of the Corporation or a subsidiary of the Corporation if the service is supplied as part of the terms and conditions of that person's employment.

5. Form of statutory declaration—For the purposes of section 5D of the Act,—

(a) All statements, reports, agreements, particulars, and information supplied to the Secretary under paragraph (b) and paragraph (c) of subsection (1) of that section shall be verified by statutory declaration in the form set out in the Schedule to these regulations:

(b) The statutory declaration referred to in paragraph (a) of this subclause shall be made,—

(i) In the case of financial statements made available pursuant to regulation 3 of these regulations, by the person holding office as company secretary of the subsidiary to which the financial statements relate:

(ii) In the case of information made available pursuant to regulation 4 of these regulations, by the company secretary of the Corporation:

(iii) In the case of statements, reports, agreements, particulars, and other information requested in writing by the Secretary pursuant to section 5D (1) (c) of the Act, by the company secretary of the Corporation.

SCHEDULE

Reg. 5

FORM OF STATUTORY DECLARATION

I, [Insert full name], [Insert address and position, i.e., company secretary or other office held] of [Insert name of company] solemnly and sincerely declare that having made all reasonable enquiry, to the best of my knowledge,—

- (a) The financial statements attached to this declaration are true copies of financial statements of the company that—
 - (i) Comply with the requirements of regulation 3 of the Telecommunications (Disclosure) Regulations 1990; and
 - (ii) Have been made available to the public by Telecom Corporation of New Zealand Limited in accordance with that regulation*:
- (b) The information attached to this declaration is a true copy of information that—
 - (i) Complies with the requirements of regulation 4 of the Telecommunications (Disclosure) Regulations 1990; and
 - (ii) Has been made available to the public by Telecom Corporation of New Zealand Limited in accordance with that regulation*:
- (c) The statement(s), report(s), agreement(s), particular(s), information [Specify] attached to this declaration is/are the statement(s), report(s), agreement(s), particular(s), information [Specify] requested to be supplied by the Secretary of Commerce pursuant to section 5D (c) of the Telecommunications Act 1987*.

*Delete as appropriate.

And I make this solemn declaration conscientiously believing the same to be true and by virtue of the Oaths and Declarations Act 1957.

.....
Declared at this day of 19 .

.....
Justice of the Peace (or Solicitor or other person authorised to take a statutory declaration).

MARIE SHROFF,
Clerk of the Executive Council.



EXPLANATORY NOTE

This note is not part of the regulations, but is intended to indicate their general effect.

These regulations, which come into force on 1 July 1990, prescribe—

- (a) The financial statements that Telecom Corporation of New Zealand Limited is required to make publicly available:
- (b) The information relating to telecommunications services that the Corporation is required to make publicly available:
- (c) The manner in which those statements and that information is to be made available:
- (d) The form of statutory declaration that must be made verifying—
 - (i) Those financial statements and that information when they are supplied to the Secretary of Commerce pursuant to section 5*b* of the Telecommunications Act 1987; and
 - (ii) Other statements, reports, agreements, particulars, and information supplied to the Secretary of Commerce pursuant to that section.

Regulation 3 requires the Corporation to publish in the *Gazette* audited annual and half-yearly financial statements for the following subsidiaries:

- Telecom Auckland Limited:
- Telecom Central Limited:
- Telecom Wellington Limited:
- Telecom South Limited.

These statements must be made available on request at the principal business offices of the Corporation and those subsidiaries.

Regulation 4 requires the Corporation to publish in the *Gazette* for each quarter ending on 31 March, 30 June, 30 September, and 31 December, the following information relating to prescribed services offered by the Corporation and its subsidiaries:

- (a) The standard prices and terms and conditions of supply for the prescribed services; and
- (b) The principles used to determine whether or not to supply the services at a discount and the amount of the maximum discount allowed; and
- (c) If a discount of 10 percent or more has been allowed—
 - (i) The principles used in allowing it; and
 - (ii) The amount of the discount; and
 - (iii) If the discount represents a variation in the standard terms and conditions of supply, the terms and conditions as varied.

If multiple telecommunications services have been supplied and those services included a prescribed service as well as any other service and a discount of 10 percent or more was applied to the aggregate price of all the services, the fact that those services were supplied at a discount must be disclosed together with the fact that the discount applied to services other than prescribed services.

This information must also be made available on request at the principal offices of the Corporation and the subsidiaries in relation to which financial statements must be published.

Regulation 5 prescribes the form of statutory declaration that is required for the purpose of verifying statements and information supplied to the Secretary of Commerce under section 5*b* of the Telecommunications Act 1987.

Issued under the authority of the Acts and Regulations Publication Act 1989.

Date of notification in *Gazette*: 31 May 1990.

These regulations are administered in the Ministry of Commerce.



