

VODAFONE

SCHEDULE 5

Part 1

**The Licence Commencement Date with respect to
Third Generation Mobile Telephony is
the 16th day of October 2002.**

SCHEDULE

Part 2

THE LICENSED MOBILE SERVICES

1. The Licensed Mobile Services

The Licensed Mobile Service is a Third Generation Mobile and wireless communications Service based on a standard within the IMT-2000 system capable of supporting innovative multimedia services beyond the capability of second generation systems such as GSM, and capable of supporting the characteristics referred to in Annex 1 of the CEPT ECC Decision ERC/DEC/(99)25 on UMTS –

- (1) Provided in the bands 1900 - 1980 MHz, 2010 - 2025 MHz and 2110 – 2170 MHz (to be known as the 1900 MHz, 2000 MHz and 2100 MHz bands respectively) in accordance with the Wireless Telegraphy Acts 1926 – 1988, as amended.
- (2) Providing the services and conforming to the standards referred to in parts 3 – 8 of this schedule.

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Part 3

ACCESS TO THE EMERGENCY SERVICES

1. General

The Licensee shall provide ready access for customers through the Licensed Mobile Services to the emergency services (within the meaning of this Part 3 of the Schedule).

2. Calls to an Emergency Service

In this part an “emergency service” means the Garda Síochána, the fire brigade services, the ambulance services, the boat and coastal rescue services (including the rescue services provided by the Air Corps) or the mountain and cave rescue services.

3. Directions by the Commission

The Commission may give directions in writing to the Licensee in relation to the handling of calls to and from customers relating to an emergency service (“emergency calls”), and the Licensee shall comply with any such directions.

4. Acceptance of Emergency Calls

Emergency access codes such as 999 and 112 and any other codes subsequently designated for use as emergency access codes, exclusively for calls to the emergency services shall be open to all terminal equipment equipped with a valid SIM Card (or equivalent), where technically necessary.

5. Routing of Emergency Calls

The Licensee shall ensure that an emergency call is routed at the expense of the Licensee, to a collection centre for emergency calls. The Licensee shall provide not less than two routes with physical diversity between each mobile switching centre and a collection centre as described.

6. Emergency Calls Free of Charge

- (a) The Licensee shall not impose a charge on the customer in respect of an emergency call.
- (b) The Licensee shall not list on a customer's itemised bill any emergency call.

7. Identification of Emergency Calls

When an emergency call is made to an emergency service from terminal equipment of a customer, the Licensee shall, where technically possible, transmit the customer's number to a collection centre for emergency calls in the form of a calling line identification message.

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Part 4

QUALITY OF SERVICE AND GRADE OF SERVICE

1. Maps and Data

For the purposes of carrying out service quality surveys, the Licensee shall provide, on request, to the Commission the following:-

- (a) Maps showing Coverage for 3G service, Coverage means that an area, A, shall be covered where the field strength - measured on the pilot signal (from the Common Pilot Channel/downlink) from the base station, outdoor at a height of 1.7 meters – is maintained equal to or above 58 dB μ V/m over 95% of the area A during 95% of the time;
- (b) An up to date list of the locations of the base transceiver stations;
- (c) A mechanism for identifying the base station that is handling a call at any given time;
- (d) An adequate number of test numbers.

2. Network Log

- 2.1 The Licensee shall keep a log (the “network log”) for the purposes of recording and tracking all periods of system unavailability. The Licensee shall maintain this network log in a manner that will demonstrate, to the satisfaction of the Commission that such a network log is an adequate means of assessing whether the Licensee is complying with its system availability obligations under this licence.
- 2.2 The network log, or as may be the appropriate part thereof, shall be made available on request to the Commission.
- 2.3 The Licensee shall calculate the service unavailability for the Licensed Mobile Services for any period specified by the Commission from the information recorded in the network log, and shall upon request and within such time as may be specified by the Commission, provide the Commission with the results of the calculation.

3 Billing

3.1 Mandatory Service Standards

In relation to billing, the Licensee shall, unless agreed otherwise with individual customers, comply with the appropriate standard requirements specified in the following Table:

Billing Aspects	Standard Requirements	Options and Alternatives
Billing Frequency	Monthly	Alternative frequency or flexible frequency subject to agreement with customer
Billing Itemisation	All billable calls and services	Customised bill layouts with or without summary itemisation subject to agreement with customer
Billing Medium	Paper	Delivery of bills on computer media or on-line subject to agreement with customer

3.2 Billing Accuracy and Fraud Detection

The Licensee shall incorporate in its billing system:

- i) measures to ensure that each call record is an accurate record of the actual call and that the correct accumulated call records are applied to generate each customer's bill, and
- ii) measures to detect cases of possible fraud including measures to identify rapidly abnormal calling patterns.

3.3 Performance Standards and Objectives

The Commission may, by direction in writing given to the Licensee, specify performance standards and obligations with respect to service quality or modify existing performance standards and obligations and the Licensee shall comply with any such directions.

4. Service Speeds

The Licensee shall guarantee the following 3G data services speeds:

Data speed	Requirements
UDD limited mobility (outdoor) 384kbps geographical Coverage at the time of commercial launch of service	At commercial launch, the Licensee shall provide UDD limited mobility (outdoor) 384kbps geographical Coverage of 450 kilometres squared (which equates to 0.6% of total landmass).
UDD limited mobility (outdoor) 384kbps geographical Coverage at the time of reaching 33% demographic Coverage at 144kbps	At the time of reaching demographic coverage of 33% at 144kbps, the Licensee shall provide UDD limited mobility (outdoor) 384kbps geographical Coverage of 450 kilometres squared (which equates to 0.6% of total landmass).
UDD limited mobility (outdoor) 384kbps geographical Coverage at the time of reaching 53% demographic Coverage at 144kbps	At the time of reaching demographic coverage of 53% at 144kbps, the Licensee shall provide UDD limited mobility (outdoor) 384kbps geographical Coverage of 3,800 kilometres squared (which equates to 5.4% of the total landmass).
Max speed (Applies to both Uplink and downlink) – UDD full mobility (outdoor), Rural Coverage at year end 2007	At year end 2007, the Licensee shall provide a max speed – UDD full mobility (outdoor) Rural Coverage of 144kbps within an area of 41,300 kilometres squared (which equates to 59% of the Rural landmass).
Max speed (Applies to both Uplink and downlink) – UDD limited mobility (outdoor), Rural Coverage at year end 2007	At year end 2007, the Licensee shall provide a max speed – UDD limited mobility (outdoor) Coverage of 384kbps within an area of 6,400 kilometres squared (which equates to 9% of the rural landmass).

Note: Rural is defined for the purpose of this schedule in the following manner:

Definition of Rural:

In geographic terms rural areas are defined, as spatial units consisting of small towns and villages, with populations of less than 3,000 inhabitants, and their hinterlands.

Note: Coverage is defined for the purpose of this schedule in the following manner:

Definition of Coverage

Radio coverage is established from base station sites. Coverage around a site is accomplished using one (omni-directional) or several sectors. A sector is served by dedicated antenna/transceivers. Coverage is defined in terms of a minimum bearer data rate for UDD packet transmission of 144 kbps.

The sector coverage area is the area served by one dedicated set of antenna/transceivers.

The site coverage area is the total area covered from the base station equipment located at that site (i.e. the sum of sector coverage areas).

5. Customer Service

5.1 Before the commencement of the provision of 3G Licensed Mobile Services, the Licensee shall implement a customer care system whereby the quality of service offerings are capable of being independently verified and this system shall be agreed by the Commission.

5.2 The Licensee's obligations with respect to grade of service to end users are as follows:

Grade of service to end users	Requirements
Customer Service Centre	<p>Customer service centre commitments:</p> <p>24 hours a day / 365 days a year service centre access to all Licensee's customers (pre-pay and post-pay) from date of commercial launch.</p> <p>The Licensee's Customer Service Centre will deal with enquiries from all customers relating to:</p> <ul style="list-style-type: none">New subscriptions and order completionFaultsComplaintsAccount enquiriesGeneral enquiries. <p>The Licensee shall ensure that 85% of all customer telephone calls made to the Licensee Customer Service Centre are answered within 20 seconds in each consecutive 12 month period following commercial launch.</p>

Grade of service to end users	Requirements
Order completion	<p>In each consecutive 12 month period following commercial launch, the Licensee shall ensure completion of 95% of all SIM, handset and device connections made to the Licensee network by customers (pre-pay and post-pay) in that 12 month period in less than one hour.</p>
Complaint handling	<p>From commercial launch, the Licensee shall ensure that 3G customer complaints made by telephone call to the Licensee Customer Service Centre are dealt with in accordance with the Licensee's updated Customer Charter.</p> <p>In each consecutive 12 month period following commercial launch, the Licensee shall ensure that:-</p> <ul style="list-style-type: none"> a) complaints during the initial telephone call are resolved or, if this is not possible, b) the customer within three hours of his or her initial call is advised as to how the Licensee intends to progress the complaint <p>in 95% of all customer complaints made by telephone and received by Licensee's Customer Service Centre in that 12 month period.</p> <p>The Licensee shall also ensure that systems and processes are developed to support resolution of 3G customer complaints through the first point of contact.</p>
Fault repair	<p>In each consecutive 12 month period following commercial launch, the Licensee shall ensure that 98% of customers who report Licensee network faults to the Licensee's Customer Service Centre in that 12 month period are responded to within one hour.</p> <p>In each consecutive 12 month period following commercial launch, the Licensee shall ensure that 98% of Licensee network faults which are reported to the Licensee's Customer Service Centre in that 12 month period, and which are within the Licensee's control, are repaired within 5 hours.</p>
Customer Charter	<p>The Licensee shall ensure that its Customer Charter is updated prior to commercial launch, to ensure that, as a minimum, the Licensee's 3G customers are provided the same level of customer commitments as the Licensee's 2G customers. The updated Customer Charter shall also address additional quality of service commitments which are relevant to 3G customers only.</p>

Grade of service to end users	Requirements
Call Set-Up Time	The Licensee shall ensure that 99% of all 2G and 3G calls made on the Licensee network in each consecutive 12 month period following commercial launch will have a Call Set-Up Time of 6 seconds or less.
Dropped Calls	The Licensee shall ensure that it has a Dropped Call percentage of less than or equal to 1.4% across all 2G and 3G calls made on the Licensee network in each consecutive 12 month period following commercial launch.
Customer compensation scheme	Within 12 months of commercial launch, the Licensee shall establish a customer Dropped Call compensation scheme (for 2G and 3G calls) which provides an automatic credit to the value of a one minute call (of the type of the Dropped Call) to the customer's account.
Customer satisfaction	The Licensee shall achieve a customer satisfaction rating of at least 70% in each of the first two consecutive 12 month periods following commercial launch and of at least 75% in each subsequent and consecutive 12 month period. The customer satisfaction surveys shall be based on the Licensee's global benchmarking approach using TRI*M Index and shall be conducted by an external independent agency. Key measures of satisfaction will include billing accuracy, service desk operation, sales and service support, network and coverage quality and data applications quality.

Notes: "Call Set-Up Time" applies to 2G or 3G circuit switched calls only and is defined as the time between request for a connection by the mobile calling party and the mobile network permitting the request, allocating a radio channel and opening the circuit for communications.

"Dropped Call" is a 2G or 3G circuit switched call of at least a two minute duration that has unintentionally disconnected due to a system problem or lack of channel availability.

"TRI*M Index" stands for Measuring, Managing and Monitoring Index, has been applied in more than 2000 stakeholder management programmes worldwide, including over 400 in the IT/Telecoms arena. Crucially, the system is designed to focus on customer retention intensity as an outcome of both satisfaction and loyalty levels. It is a strategic management tool for the monitoring of customer retention levels, the identification and prioritisation of improvement opportunities that provide an invaluable input for the planning of improvement actions and implementation management.

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Part 5

ROLL-OUT AND COVERAGE REQUIREMENTS

The Licensee shall ensure that roll-out and coverage shall not be less than the requirements set out in the following Table:-

Rollout and Coverage	Requirements
Time of commercial launch of 3G services	The Licensee shall ensure a commercial launch of 3G services on or before 1 May 2003.
UDD full mobility (outdoor) 144kbps demographic Coverage at commercial launch	At the time of commercial launch, the Licensee shall reach UDD full mobility (outdoor) 144kbps demographic Coverage of 33%.
Time to reach UDD full mobility (outdoor) 144kbps Coverage 33% demographically	The Licensee shall reach UDD full mobility (outdoor) 144kbps Coverage of 33% demographically on or before 1 May 2003.
Time to reach UDD full mobility (outdoor) 144kbps Coverage 53% demographically	The Licensee shall reach UDD full mobility (outdoor) 144kbps Coverage of 53% demographically on or before 30 September 2004.
UDD full mobility (outdoor) 144kbps demographic Coverage at year end 2007 in excess of the minimum requirements	The Licensee shall reach UDD full mobility (outdoor) 144kbps demographic Coverage of 85% by year end 2007.

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Part 6

NATIONAL ROAMING

The Commission shall nominate those who have a duty to provide National Roaming and also those who are entitled to benefit from this Part of the schedule under the proviso that they hold a Mobile Telephony Licence issued by the Commission and are designated New Market Entrants.*

A. National Roaming

- 1.1 If and for so long as the Licensee or any member of its Group is authorised under the Postal and Telecommunications Services Act, 1983, as amended*, and the Wireless Telegraphy Acts 1926 to 1988 to use radio spectrum within the 3G radio bands for the transmission of signals and for so long as it is authorised to use spectrum within the 900 MHz and/or 1800 MHz bands under the Postal and Telecommunications Services Act, 1983, as amended, and the Wireless Telegraphy Acts 1926 to 1988, the Licensee shall negotiate an agreement with a New market entrant or negotiate an amendment to such an agreement, as the case may be, within a reasonable period, if that New market entrant requires it to provide such National Roaming as may be reasonable. Where the authorisation to use radio spectrum is not held by the Licensee but by a member of its Group, the Licensee shall ensure that the holder of the authorisation complies with the terms of this condition. Any National Roaming Agreement negotiated under this Condition shall take effect at the latest from the date on which the New market entrant has rolled out its 3G network to cover 20% of the population of Ireland and shall have effect for a period of 5 (five) years from the date of grant of licence to the New market entrant. For the avoidance of doubt, the period of 5 years referred to above is calculated from the date of grant of licence to the New market entrant, regardless of how long the New market entrant takes to roll out its 3G network. Any such National Roaming

* Please see below for the status of references to Licences issued under the 1983 after the transposition of the European Communities Electronic Services Directives.

* Under Regulation 22(1) of the European Communities (Electronic Communications Networks and Services)(Authorisation) Regulations, 2003 S.I. 306 of 2003 the licensee is deemed to be Authorised under Regulation 4 of those Regulations from the commencement of those Regulations. As such all references to licences issued under the Postal and Telecommunications Services Act 1983 shall now read as references to Authorisations under Regulation 4.

Agreement negotiated under this Condition shall cover at least Teleservices, Bearer services and Standard Supplementary Services supported over the Licensee's or a member of its Group's GSM network.

2. (1) The Commission may, if requested by either party, make a direction in order
 - (a) to specify issues which must be covered in a National Roaming Agreement; and/or to lay down specific conditions to be observed by one or more parties to a National Roaming Agreement; or
 - (b) if it thinks fit, to set time limits within which negotiations of a National Roaming Agreement are to be completed. Any such direction shall also set out the steps to be taken if agreement is not reached within these time limits.
- (2) Paragraph 2(1) shall not apply where the parties have concluded the first National Roaming Agreement under paragraph 1(1).
3. The Licensee shall ensure that a National Roaming Agreement entered into or an amendment made under paragraph 1(1) contains terms and conditions which are reasonable. In the event of a dispute as to the reasonableness of any term or condition under this paragraph 3, either party may refer the dispute to the Commission for determination. The provisions of paragraph 6 of this Condition shall apply to such a determination.
4. (1) The Licensee shall comply with:
 - (a) the requirements of any direction made by the Commission under paragraph 2 or any determination under paragraph 3 in relation to any National Roaming Agreement, and
 - (b) the requirements of any determination made by the Commission under paragraph 6 in relation to any dispute over the terms of a National Roaming Agreement under paragraph 1(1).
5. (1) For the avoidance of doubt:
 - (a) any question as to whether any term or condition (including a charge) of a National Roaming Agreement is reasonable, shall be decided by the Commission having regard to paragraph 6 and any directions or guidelines on the Application of this Condition issued from time to time by the Commission; and
 - (b) in considering whether a term or condition (including a charge) of a National Roaming Agreement is reasonable, the Commission may take into account, inter alia, the effective date of the term or condition and the period during which that term or condition may already have been in effect; the Commission may conclude that a reasonable charge is one which is offered or agreed, as the case may be, on terms that it takes effect in the National Roaming Agreements made under paragraph 1(1) from the date of a complaint or the date on which the term was first offered or accepted by the

Licensee or a New market entrant or from any other date which is considered by the Commission to be appropriate in the circumstances.

6. (1) Where there is a dispute concerning National Roaming the Commission shall, at the request of either party,

take steps to resolve the dispute within three months of the date of the request. The determination that the Commission makes to resolve the dispute shall represent a fair balance between the legitimate interests of both parties. In so doing, the Commission shall take into account, inter alia:

- (a) the interests of users;
- (b) regulatory obligations or constraints imposed on the Licensee or the New market entrant;
- (c) the desirability of stimulating innovative market offerings, and of providing users with a wider range of telecommunications services within Ireland and the European Union;
- (d) the need to maintain the integrity of the public telecommunications network and the interoperability of services;
- (e) the nature of the request in relation to the resources available to meet the request;
- (f) the relative market positions of the Licensee and the New market entrant
- (g) the need for the Licensee to maintain quality of service and for the New market entrant to provide accurate and timely information in order to facilitate network planning;
- (h) the public interest, such as the protection of the environment;
- (i) the promotion of competition; and
- (j) the provision of National Roaming to New market entrants at a price based on Retail minus avoidable costs, as defined in this condition and any guidelines issued by the Commission from time to time.

(2) For the avoidance of doubt, the list at paragraph 6(1) is not exhaustive.

(3) The determination shall be published in accordance with Paragraph 7 and shall be binding on the parties.

(4) The Commission shall not be required to take steps to resolve any dispute referred to it under this paragraph in respect of a New market entrant, where any other dispute has been referred to it under this paragraph or where it has previously resolved a dispute relating to a National Roaming Agreement involving that New market entrant in circumstances where that National Roaming Agreement is:

- i) still valid and in existence; and

ii) remains in substantially the same form.

7. Any determination made by the Commission under paragraph 6 shall automatically lapse upon the entry into force of any subsequent National Roaming Agreement to which the same New market entrant is a party.
8. The Commission shall ensure that up to date and specific information in accordance with paragraph 6 is made available on request to interested parties, free of charge, during normal working hours.
9. (1) In this Condition:

“Mobile Terminal” shall mean a telecommunications terminal intended to be able to register with as well as make and receive calls with one or more public mobile communications networks.

“Visited Network” shall mean a public mobile communications network in which a Mobile Terminal can work without the Mobile Terminal or an inserted identification module (SIM card) being associated therewith via a subscription or a similar customer relationship.

“Retail minus avoidable cost” means the retail price charged by the Licensee for the provision of a service to end-users less any elements of costs that are not incurred in providing the same service to the New market entrant plus any elements of cost reasonably incurred solely to provide National Roaming services.

“Bearer services” shall mean as defined in current and future versions of the ETSI GSM Technical Specifications (and their future 3G equivalents).

“Group” means, in relation to the Licensee:

- (a) any parent undertaking of the Licensee;
- (b) any subsidiary undertaking of the Licensee;
- (c) any subsidiary undertaking of any parent undertaking referred to in a);
- (d) a shareholder or partner in the Licensee which beneficially owns (directly or indirectly) shares in the Licensee in circumstances where there is one other shareholder or partner in the Licensee which beneficially owns (directly or indirectly) the remaining shares in circumstances where neither shareholder or partner has control;
- (e) any undertaking of which the Licensee beneficially owns (directly or indirectly) shares in circumstances where there is one other shareholder or partner in that undertaking which beneficially owns (directly or indirectly) the remaining shares in circumstances where neither shareholder nor partner has control;
- (f) any undertaking in circumstances where two or more of its shareholders or partners which acting in concert together beneficially own (directly or indirectly) more than 50% of the shares or voting rights in that undertaking, acting in concert together beneficially own (directly or indirectly) more than 50% of the shares, or voting rights of the Licensee; and

(g)any undertaking of which the Licensee beneficially owns (directly or indirectly) together with one or more undertakings acting in concert more than 50% of the shares or voting rights of that undertaking.

A Person shall be deemed to control a body corporate if –

(a)he has a controlling interest in it;

(b)he has a controlling interest in a body corporate which has a controlling interest in the body corporate; or

(c)although he does not have such an interest in the body corporate, or in any body corporate with a controlling interest in the body corporate, it is reasonable, having regard to all the circumstances, to expect that he will be able, by whatever means and whether directly or indirectly, to achieve the result that the affairs of the body corporate are conducted in accordance with his wishes;

and for this purpose a Person has a controlling interest in a body if he holds, or is beneficially entitled to, 50% or more of the equity share capital in the body corporate, or possesses 50% or more of the voting power in it and a Person shall be deemed to control a body corporate where that Person controls another Person which controls that body corporate.

“National Roaming” shall mean a service which enables a Mobile Terminal to register with as well as make and receive calls on a Visited Network in Ireland.

“National Roaming Agreement” shall mean an agreement that provides for National Roaming.

“New market entrant” means a Person who was not licensed to provide mobile telecommunications services and networks in Ireland on or before 27 March 2002 and who did not have control of and was not controlled by a body corporate which was so licensed on or before that date.

“Supplementary services” shall have the meanings attached by the relevant ETSI/GSM standards (or equivalent standards).

“Standard Supplementary Services” shall mean those Supplementary services which are most widely used by mobile retail customers (subscribers).

“Teleservices” shall mean as defined in current and future versions of the ETSI GSM Technical Specifications (and their future 3G equivalents).

“2G spectrum” means, for the purposes of this Condition spectrum within the 900 MHz and/or 1800 MHz bands.

“3G spectrum” means, for the purposes of this Condition spectrum within the 1900 MHz, 2000 MHz and 2100 MHz bands.

10. The Licensee shall not (whether in respect of the charges or other terms or conditions applied or otherwise) show undue preference to, or exercise undue discrimination against, particular Persons or

Persons of any class or description with respect to the provision of the service to which the Licensee is obliged by this Condition to provide.

This Condition, shall cease to have effect 5 (five) years after the issue of a licence to provide 3G mobile services to any party entitled to benefit from the provisions of paragraph 1(1) of this Condition.

B. International Roaming:

1. The Licensee shall establish and maintain as part of its Mobile Service an international roaming capability for its customers that is as wide and comprehensive as is practicable.
2. Where requested to do so, the Licensee shall provide to members of the public, maps from other 2G and 3G operators with whom it has international Roaming Agreements showing the Coverage provided by them.

SCHEDULE

Part 7

PERFORMANCE AND FINANCIAL GUARANTEES (1)

1. Performance and Financial Guarantees on Part 4: Quality of Service, Grade of Service
Text considered confidential and subject to the protection of confidentiality has been deleted

- 1.2 The Licensee shall, before the licence commencement date, put in place a programme to measure and monitor compliance with the performance targets set out in Part 4. The programme shall include the reporting procedures to the Commission and shall be in such form as agreed with the Commission or as may be specified by the Commission from time to time.
- 1.3 The Licensee shall as a minimum implement the following programme to measure and monitor compliance with performance targets relating to Quality and Grade of Service:
- 1.3 (i) Order completion monitoring and measurement shall be accomplished via the Licensees order provisioning system which shall log the request for connection by the customer and track the time elapsed between customer contact and successful order completion. An annual summary will be presented to the Commission no later than 31 days after the calendar year end.
- (ii) All complaints received by the Licensee will be logged onto its customer database system. The Licensee will generate monthly reports that shall show the time taken to respond to and resolve such complaints. An annual summary will be presented to the Commission no later than 31 days after the calendar year end.
- (iii) Monthly statistics on the time taken to respond to and subsequently to clear faults shall be compiled. An annual summary will presented to the Commission no later than 31 days after the calendar year end.
- (iv) The Licensee through its network management centre shall collect network statistics on the average call set up time and number of dropped calls and deliver annual reports, no later than 31 days after the calendar year end to the Commission detailing its performance levels against the obligations set-out herein.
- (v) The Licensee shall publish the 3G Customer Charter on its website, as well as all retail outlets and agents. A copy of the charter will be submitted to the Commission no later than 31 days after the committed target date.

1.4 The Licensee shall, within 31 days of each relevant performance target notify the Commission that the Licensee has either (a) met the said performance target, or (b) that the Licensee has failed to meet the said performance target. Failure by the Licensee to so notify the Commission shall be deemed to indicate non-compliance with the relevant performance target.

Table 1: Performance Targets and Financial Guarantees
with respect to Service Quality and Grade of Service

Text considered confidential and subject to the protection of confidentiality has been deleted

Type of performance target	Performance target
1.a UDD limited mobility (outdoor) 384kbps geographical Coverage at the time of commercial launch of service	At commercial launch, the Licensee shall provide UDD limited mobility (outdoor) 384kbps geographical Coverage of 450 kilometres squared (which equates to 0.6% of the total landmass).

Type of performance target	Performance target
1.b UDD limited mobility (outdoor) 384kbps geographical Coverage at the time of reaching 33% demographic Coverage at 144kbps	At the time of reaching demographic Coverage of 33% at 144kbps, the Licensee shall provide UDD limited mobility (outdoor) 384kbps geographical Coverage of 450 kilometres squared (which equates to 0.6% of the total landmass).
1.c UDD limited mobility (outdoor) 384kbps geographical Coverage at the time of reaching 53% demographic Coverage at 144kbps	At the time of reaching demographic Coverage of 53% at 144kbps, the Licensee shall provide UDD limited mobility (outdoor) 384kbps geographical Coverage of 3,800 kilometres squared (which equates to 5.4% of the total landmass).
1.d Max speed – UDD full mobility (outdoor), Rural Coverage at year end 2007	At year end 2007, the Licensee shall provide a max speed – UDD full mobility (outdoor), Rural Coverage of 144kbps within a Rural area of 41,300 kilometres squared (which equates to 59% of the Rural landmass).

Type of performance target	Performance target
1.e Max speed – UDD limited mobility (outdoor) Rural Coverage at year end 2007	At year end 2007, the Licensee shall provide a max speed – UDD limited mobility (outdoor) Rural Coverage of 384kbps within a Rural area of 6,400 kilometres squared (which equates to 9% of the total Rural landmass).
1.f Grade of service to end users (Order completion)	Order completion: In each of the first five consecutive 12 month periods following commercial launch, the Licensee shall ensure that 95% of all SIM, handset and device connections made to the Licensee network by customers (pre-pay and post-pay) in that 12 month period are completed in less than one hour.

Type of performance target	Performance target
<p>1.g Grade of service to end users (Customer complaint handling):</p>	<p>Customer complaint handling: In respect of customer complaints made by telephone and received by the Licensee’s Customer Service Centre in any of the first five consecutive 12 month periods following commercial launch, the Licensee shall ensure that either :-</p> <ul style="list-style-type: none"> a) such complaints are resolved during the initial telephone call or, if this is not possible, b) the customer is advised within three hours of his or her initial call as to how the Licensee intends to progress the complaint; <p>in 95% of all customer complaints made by telephone and received by the Licensee’s Customer Service Centre in that 12 month period.</p>

Type of performance target	Performance target
1.h Grade of service to end users (Fault repair)	<p>Fault repair:</p> <p>In each of the first five consecutive 12 month periods following commercial launch, the Licensee shall ensure that 98% of customers who report network faults to the Licensee Customer Service Centre in that 12 month period are responded to within one hour.</p> <p>In each of the first five consecutive 12 month periods following commercial launch, the Licensee shall repair 98% of the Licensee’s network faults which are reported to the Licensee Customer Service Centre in that 12 month period, and which are within the Licensee’s control, within 5 hours.</p>

Type of performance target	Performance target
1.i Grade of service to end users (Call Set-Up Time)	<p>Call Set-Up Time</p> <p>The Licensee shall ensure that 99% of all 2G and 3G calls made on the Licensee’s network in each of the first five consecutive 12 month periods following commercial launch shall have a Call Set-Up Time of 6 seconds or less.</p>

Type of performance target	Performance target
1.j Grade of service to end users (Dropped Calls)	<p>Dropped Calls:</p> <p>The Licensee shall ensure that it has a Dropped Call percentage of less than or equal to 1.4% across all 2G and 3G calls made on the Licensee’s network in each of the first five consecutive 12 month periods following commercial launch.</p> <p>Within 12 months of commercial launch, the Licensee shall establish a customer Dropped Call compensation scheme (for 2G and 3G calls) which provides an automatic credit to the value of a one minute call (of the type of the Dropped Call) to the customer’s account.</p>

Type of performance target	Performance target
<p>1.k</p> <p>Grade of service to end users 3G Customer Charter</p>	<p>3G Customer Charter:</p> <p>The Licensee shall update its Customer Charter by commercial launch, to ensure that as a minimum, the Licensee’s 3G customers are provided the same level of customer commitments as the Licensee’s 2G customers. The updated Customer Charter shall also address additional quality of service commitments which are relevant to 3G customers only.</p>

Type of performance target	Performance target
1.L Grade of service to end users Customer Satisfaction	Customer Satisfaction: The Licensee shall achieve a customer satisfaction rating (as judged by an external independent agency and based on the Licensee’s global benchmarking approach using the TRI*M Index) of at least 70% in each of the first two consecutive 12 month periods following commercial launch and of at least 75% in each of the next three subsequent and consecutive 12 month periods.
LICENSEE’S TOTAL MAXIMUM AGGREGATE FINANCIAL UNDERTAKING IN RESPECT OF SERVICE QUALITY AND –GRADE OF SERVICE	

Notes: “Call Set-Up Time” applies to 2G or 3G circuit switched calls only and is defined as the time between request for a connection by the mobile calling party and the mobile network permitting the request, allocating a radio channel and opening the circuit for communications.

“Dropped Call” is a 2G or 3G circuit switched call of at least a two minute duration that has unintentionally disconnected due to a system problem or lack of channel availability.

“TRI*M Index” stands for Measuring, Managing and Monitoring Index, has been applied in more than 2000 stakeholder management programmes worldwide, including over 400 in the IT/Telecoms arena. Crucially, the system is designed to focus on customer retention intensity as an outcome of both satisfaction and loyalty levels. It is a strategic management tool for the monitoring of customer retention levels, the identification and prioritisation of improvement opportunities that provide an invaluable input for the planning of improvement actions and implementation management.

SCHEDULE

Part 7

Performance and Financial Guarantees (2)

1. Performance and Financial Guarantees on Part 5 and Part 8: Coverage, Roll-out and Site sharing targets

Text considered confidential and subject to the protection of confidentiality has been deleted

- 1.2 The Licensee shall, before the licence commencement date, put in place a programme to measure and monitor compliance with the performance targets set out. The programme shall include the reporting procedures to the Commission and shall be in such form as agreed with the Commission or as may be specified by the Commission from time to time.
- 1.3 The Licensee shall supply call handling statistics for base stations on-air to demonstrate that they are fully operations. The Licensee shall take measurements from their 3G radio planning tool to measure the coverage footprint of its 3G network. The Licensee shall submit the result of this analysis to the Commission no later than 31 days after the performance target date.
- 1.4 The programme to measure and monitor compliance with performance targets relating to site sharing shall at a minimum be as follows:
 - (i) The licensee shall keep a detailed log of all sites under its control, the capacity already occupied and the remaining available capacity. This log will be shown to operators requesting access to sites under the Licensee's control who, at cost, will be given an assessment of tower capacity within 30 days of requesting this. In addition, the Licensee will provide a copy of this log every year to the Commission no later than 31 days after the year end. The Licensee will provide the Commission with complete visibility of site sharing contract under negotiation and signed between themselves and tenants on their sites to ensure that they are in compliance with the LRAIC charging basis.
 - (ii) The Licensee shall, within 31 days of each relevant performance target notify the Commission that the Licensee has either (a) met the said performance target, or (b) that the Licensee has failed to meet the said performance target. Failure by the Licensee to so notify the Commission shall be deemed to indicate non-compliance with the relevant performance target.

Table 2: Performance Targets and Financial Guarantees in respect of Coverage, Rollout and Site Sharing

Text considered confidential and subject to the protection of confidentiality has been deleted

Time of commercial launch

Type of performance target	Performance target
2.a Time of commercial launch of 3G services	The Licensee shall ensure a commercial launch of 3G services on or before 1 May 2003.

Coverage and Roll out

Type of performance target	Performance target
2.b UDD full mobility (outdoor) 144kbps demographic Coverage at commercial launch	At the time of commercial launch, the Licensee shall reach UDD full mobility (outdoor) 144kbps demographic Coverage of 33%.

Type of performance target	Performance target
2.c Time to reach UDD full mobility (outdoor) 144kbps Coverage 33% demographically	The Licensee shall reach UDD full mobility (outdoor) 144kbps Coverage 33% demographically on or before 1 May 2003.
2.d Time to reach UDD full mobility (outdoor) 144kbps Coverage 53% demographically	The Licensee shall reach UDD full mobility (outdoor) 144kbps Coverage 53% demographically on or before 30 September 2004.
2.e UDD full mobility (outdoor) 144kbps demographic Coverage at year end 2007 in excess of the minimum requirements	The Licensee shall provide UDD full mobility (outdoor) 144kbps demographic Coverage of 85% by year end 2007.

Site sharing

Type of performance target	Performance target
2.f Access to Radio Transmission Sites under the Licensee's Control	In each of the first five consecutive 12 month periods from the date of the award of a 3G Licence to the Licensee, the Licensee shall provide access for site sharing purposes to 96% of the Radio Transmission Sites under the Licensee's Control to any other licensed 3G network operator with whom it has entered into a Site Sharing Agreement (which contains as a minimum the provisions set out in Part 8, Paragraph 3 of this Schedule) subject to and in accordance with the provisions of that Site Sharing Agreement.
2.g Charging basis for site sharing access	In each of the first five consecutive 12 month periods from the date of the award of a 3G Licence to the Licensee, the Licensee shall provide other licensed 3G network operators with whom it has entered into a Site Sharing Agreement with access to Radio Transmission Sites under the Licensee's Control for site sharing on an LRAIC cost basis (as illustrated in the

Type of performance target	Performance target
	appendix to this Schedule 7) in accordance with the provisions of that Site Sharing Agreement.
2.h Commitment to participate in a future code of practice	The Licensee shall participate in a future code of practice concerning sharing of radio transmission sites.
LICENSEE'S TOTAL MAXIMUM AGGREGAT E FINANCIAL UNDERTAK- ING IN RESPECT OF COVERAGE, ROLLOUT AND SITE SHARING TARGETS	

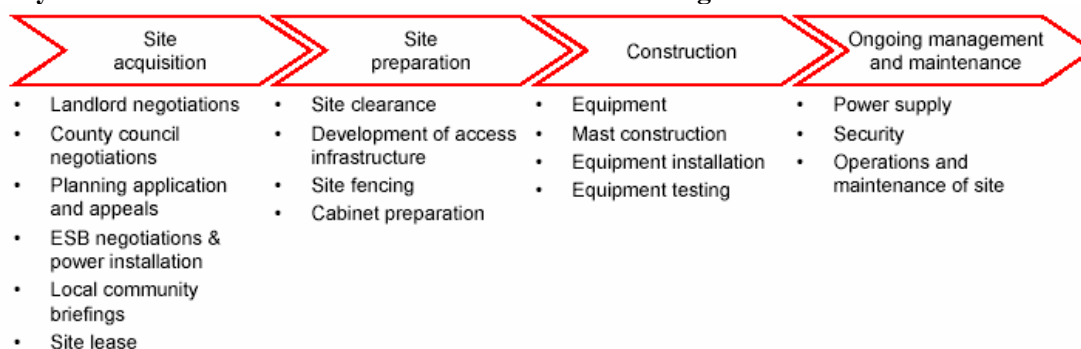
Appendix to Schedule 7
Charging basis for Site Sharing

The Licensee's charging basis is defined below:

- The Licensee will charge for site sharing on an LRAIC (Long run average incremental cost) basis. LRAIC is defined as the average forward looking average cost over a period sufficiently long so that the organisation can increase or decrease its inputs and size of each input to meet an increase or decrease in the volume of production. It is the most appropriate costing methodology reflecting the current and future cost of providing network facilities
- Costs that will be taken into account will include the key activities detailed in the exhibit below, as well as common costs relating to site acquisition and maintenance. The Licensee's calculation will also include a return based on the Licensee's Weighted Average Cost of Capital (WACC)
- The total cost to be borne by a tenant on the Licensee's sites will be apportioned according to the number of operators sharing the site

Below the Licensee details the activities / costs that will form the basis for calculating the cost of site sharing.

Key activities to be included in calculation of site sharing costs



The basis on which the Licensee shall charge for these activities is described in the next exhibit.

Basis of charging for site related activities (per site)

Activity	Basis of charging	Period of apportionment
Landlord negotiations	Hourly labour costs relating to landlord negotiations multiplied by the number of hours required to secure a new site	10 years
County council negotiations	Hourly labour costs relating to county council negotiations multiplied by the number of hours required to conduct negotiations relating to one new site	10 years
Planning application and appeals	Hourly cost of labour relating to planning application preparation (including appeals), multiplied by the number of hours relating to planning activity per new site	10 years
ESB negotiations & power installation	Total hours of work spent on ESB negotiations per site multiplied by labour cost per hour	10 years
Local community briefings	Total hours of work spent on local community briefings per new site multiplied by average cost per hour	10 years

Site leasing	Annual site leasing costs per type of site (e.g. urban, suburban, rural) In the case of freehold sites, annual market rent of site by site type (e.g. urban, suburban, rural)	1 year
Site preparation	Labour costs (in-house and sub-contracted) per site constructed	10 years
Construction	Labour costs relating to site construction per site constructed	10 years
Ongoing management and maintenance	Total annual labour and materials costs by site type (urban, suburban, rural) and site size	1 year

In terms of common costs, the Licensee will pass on a portion of company overheads based on an allocation of costs prorated on an equi-proportionate mark-up basis.

The Licensee provides below two examples on actual prices that would arise from the Licensee's LRAIC costing methodology. These examples are for site sharing offered for:

- An urban tower site located on an existing building
- A rural tower based site

The table below sets out the Licensee's key inputs in arriving at an appropriate LRAIC based price.

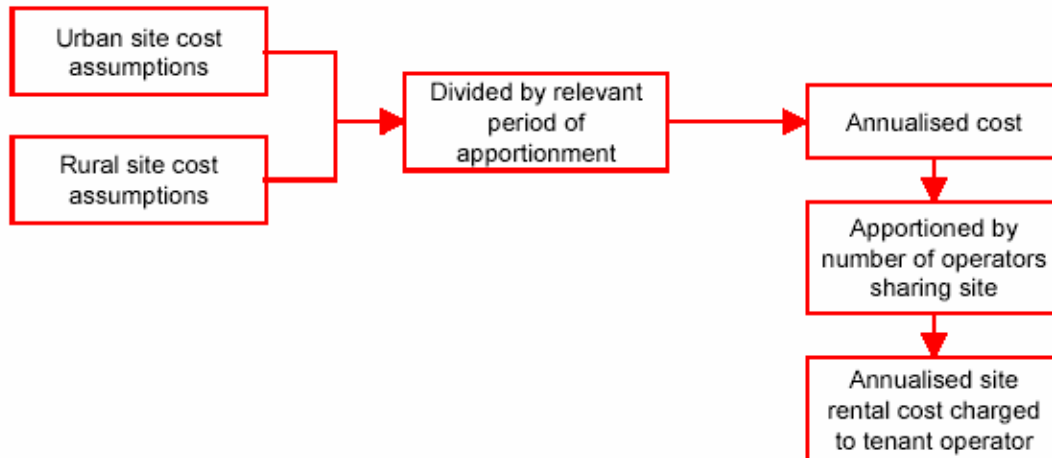
Cost inputs applied to calculation of price for site sharing

Activity	Key cost driver	Period of apportionment	Cost assumptions (urban site) ⁽¹⁾	Cost assumptions (rural site) ⁽¹⁾
Landlord negotiations	Hourly labour costs relating to landlord negotiations multiplied by the number of hours required to secure a new site	10 years	Radio property department – 40 hours @ €66.15 per hour Legal department – 10 hours at €94.50 per hour	Radio property department – 40 hours @ €66.15 per hour Legal department – 10 hours at €94.50 per hour
County council negotiations	Hourly labour costs relating to county council negotiations multiplied by the number of hours required to conduct negotiations relating to one new site	10 years	20 hours @ €66.15 per hour	20 hours @ €66.15 per hour
Planning application and appeals	Hourly cost of labour relating to planning application preparation (including appeals), multiplied by the number of hours relating to planning activity per new site	10 years	Radio property department – 2 hours @ €66.15 per hour Site consulting charge (per site) - €6,348	Radio property department – 2 hours @ €66.15 per hour Site consulting charge (per site) - €6,348
ESB negotiations & power installation	Total hours of work spent on ESB negotiations per site multiplied by labour cost per hour	10 years	Civil engineers – 15 hours @ €66.15 per hour	Civil engineers – 15 hours @ €66.15 per hour
Local community briefings	Total hours of work spent on local community briefings per new site multiplied by average cost per hour	10 years	20 hours @ €106.30 per hour	20 hours @ €106.30 per hour
Site leasing	Annual site leasing costs per type of site (e.g. urban, suburban, rural) In the case of freehold sites, annual market rent of site by site type (e.g. urban, suburban, rural)	1 year	€12,000 per site pa	€8,000 per site pa
Site preparation and construction	Labour costs (in-house and sub-contracted) per site constructed	10 years	€60,000 per site	€139,000 per site
Ongoing management and maintenance	Total labour and materials costs by site type (urban, suburban, rural) and site size	1 year	€1,000 per site	€1,000 per site
Share of common costs	Total common costs per site	1 year	€1,000 per site	€1,000 per site

(1) At current prices, reflects overall total cost (not annualised)

To arrive at an annual cost of site sharing, the Licensee would apply the calculation detailed below.

Calculation for assessing site sharing costs



The next exhibit shows the total annual costs per site type (urban versus rural).

Total annual costs per site type

Activity	Total annual costs (urban sites)	Total annual costs (rural sites)
Landlord negotiations	€359	€359
County council negotiations	€132	€132
Planning application and appeals	€648	€648
ESB negotiations & power installation	€99	€99
Local community briefings	€213	€213
Site leasing	€12,000	€8,000
Site preparation and construction	€6,000	€13,900
Ongoing management and maintenance	€1,000	€1,000
Share of common costs	€1,000	€1,000
WACC	18%	18%
Total cost plus WACC	25,312	29,914

If, for example, the Licensee had one other operator sharing a site with us, the annual cost to be passed onto the other operator would be €12,656 in respect of an urban site and €14,957 in respect of a rural site.

SCHEDULE

Part 8

SITE SHARING

A. General

1. If and for so long as the Licensee or any member of its Group is authorised under the Postal and Telecommunications Services Act, 1983, as amended, and the Wireless Telegraphy Acts 1926 to 1988 to use radio spectrum within the radio spectrum bands for the transmission of signals, it shall, within a reasonable period, negotiate in good faith and conclude a framework contract (hereinafter the 'Site Sharing Agreement') with any other licensed 3G mobile network operator or negotiate and conclude an amendment to such an agreement, as the case may be, upon reasonable request from any such operator for access to radio transmission sites under the Licensee's control (3G or otherwise).
2. The Licensee shall ensure that the Site Sharing Agreement concluded pursuant to this Condition provides access to 96% of the radio transmission sites (3G or otherwise) under the control of the Licensee for site sharing purposes. Where the authorisation to use radio spectrum is not held by the Licensee but by a member of its Group, the Licensee shall ensure that the holder of the authorisation complies with the terms of this Condition.
3. The Licensee shall ensure that any Site Sharing Agreement contains as a minimum the following provisions:
 - i) Requests for access and reaction: once a request for access for a specific site has been made, the agreement must set a reasonable time within which the operator controlling the site must formally respond to the request.
 - ii) Non-exclusivity: an operator controlling a site shared or offered for sharing to any 3G licensee must agree to offer access to the same site to any other 3G licensee on a non-discriminatory basis, subject to capacity constraints.
 - iii) Price: the Site Sharing Agreement must include a method of determining a reasonable level of compensation for use of the site.
 - iv) Access: the Site Sharing Agreement must set out the rights of both operators to enter the site and to carry out work on it, in particular any charges associated with site entry and any constraints relating to when the site may be accessed. The licensee offering site sharing should endeavour to provide or ensure the party in control of the site provides unescorted access options that meet reasonable demand.
 - v) Repairs and maintenance: the Site Sharing Agreement must set out the responsibilities of both parties.

- vi) Liability for accidents etc. on the site: the Site Sharing Agreement must set out the responsibilities of both parties.
 - vii) Technical standards for site sharing must be set in terms of a minimum requirement acceptable to all sharers and conforming to appropriate legislation, such as health and safety and planning regulations.
 - viii) Obtaining permission etc.: the Site Sharing Agreement must set out whose responsibility it is to obtain any permission necessary to use the site for 3G mobile telecommunications.
 - ix) The Site Sharing Agreement should require the burden of proof of the unavailability of access to a particular site should fall on the licensee offering site sharing.
 - x) Disputes: the Site Sharing Agreement must define a method of settling disputes by involving the nomination of a neutral third party (e.g. an arbitrator).
 - xi) Oversight by Commission: the Site Sharing Agreement must provide a right for the Commission to inspect any correspondence or documents covered by the agreement.
4. The provisions of this Condition are without prejudice to the rights and obligations relating to facility sharing granted or imposed by the European Communities (Interconnection in Telecommunications) Regulations, 1998, as amended, or otherwise.
 5. The Licensee shall provide at the Commission's request a list of the locations of the sites covered by this Part. In response to a request by the Commission, the Licensee shall identify the locations of the Radio transmission sites under its control to which other 3G licensees can have access.
 6. The Licensee shall provide the Commission with the location of sites covered by this condition in the event that such information is reasonably requested by the Commission.

B. Site Sharing Requirements

From the date of the award of a 3G Licence to the Licensee and in each consecutive 12 month period thereafter, the Licensee shall provide access for site sharing purposes to 96% of the Radio Transmission Sites under the Licensee's Control to any other licensed 3G network operator with whom it has entered into a Site Sharing Agreement (which contains as a minimum the provisions set out in Part 8, Section B, Paragraph 3 of this Schedule) subject to and in accordance with the provisions of that Site Sharing Agreement.

For the avoidance of doubt, the Licensee confirms that it shall:

- (a) at any time provide access to at least one third of all Radio Transmission Sites under the Licensee's Control to other licensed 3G network operators, excluding those sites to which access cannot be offered due to capacity constraints;

- (b) provide access on a reasonable transparent and non-discriminatory basis in the form of a framework agreement covering as a minimum the 11 elements specified in Part 8, Section B, Paragraph 3 of this Schedule.

7. The Licensee's conditions with respect to site sharing are as follows:-

7.1 Site sharing

From the date of the award of a 3G Licence to the Licensee and in each consecutive 12 month period thereafter, the Licensee shall provide access for site sharing purposes to 96% of the Radio Transmission Sites under the Licensee's Control to any other licensed 3G network operator with whom it has entered into a Site Sharing Agreement (which contains as a minimum the provisions set out in Part 9, Paragraph 3 of this Schedule) subject to and in accordance with the provisions of that Site Sharing Agreement.

For the avoidance of doubt, the Licensee confirms that as part of its above obligation it shall:

- at any time provide access to at least one third of all Radio Transmission Sites under the Licensee's Control to other licensed 3G network operators, excluding those sites to which access cannot be offered due to capacity constraints;
- provide access on a reasonable transparent and non-discriminatory basis in the form of a framework agreement covering as a minimum the 11 elements specified in Part 8, Paragraph 3 of this Schedule.

Note: "Radio Transmission Sites under the Licensee's Control" are for the purposes of this Schedule defined as secured locations and/or antennae support structures used for radio communications services which are held by the Licensee either
–as Freehold Sites (under a freehold title); or
–as Leasehold Sites (under a leasehold title).

"Freehold Sites" are sites where the legal ownership is vested in the Licensee in perpetuity and which may be Subject to Planning Permission.

"Leasehold Sites" are sites where the site is held under a lease with a relationship of Landlord and Tenant between the site owner and the Licensee and

–which may be Subject to Planning Permission; and

–which are subject to the landlord's consent to the proposed site share arrangements (such consent not to

be unreasonably withheld).

Freehold Sites and Leasehold Sites are further described in Part 4.6 of the Licensee's Application for a 'B' Licence to Provide 3G Services in Ireland.

At the date of the Licensee's Application for a 'B' Licence to Provide 3G Services in Ireland], the total number of Radio Transmission Sites under the Licensee's Control amounts to 300. These are listed in the Licensee's Application for a 'B' Licence to Provide 3G Services in Ireland. Of this total number:

126 Freehold or Leasehold Sites would be Subject to Planning Permission; and

174 Leasehold Sites are subject to the landlord's consent to the proposed site share arrangements (such consent not to be unreasonably withheld).

C. Charging Basis for Site Sharing

From the date of the award of a 3G Licence to the Licensee and in each consecutive 12 month period thereafter, the Licensee shall provide other licensed 3G network operators with whom it has entered into a Site Sharing Agreement with access to Radio Transmission Sites under the Licensee's Control for site sharing on a LRAIC cost basis as detailed in Part 4.6 of the Licensee's Application for an 'B' Licence to Provide 3G Services in Ireland in accordance with the provisions of that Site Sharing Agreement.

LRAIC (long run average incremental cost) is defined as the average forward looking average cost over a period sufficiently long so that the organisation can increase or decrease its inputs and size of each input to meet an increase or decrease in the volume of production. Costs that will be taken into account will include the key activities involved in building and operating a radio site, as well as common costs relating to site acquisition and maintenance. The calculation will also include a return based on our Weighted Average Cost of Capital (WACC). (For illustration please see the appendix to part 7 of this schedule. The total cost to be borne by a site sharing partner in respect of any Radio Transmission Site under the Licensee's Control will be proportionate to the number of licensed 3G network operators using that site.

D. Future Code of Practice concerning Sharing of Radio Transmission Sites

The Licensee shall participate in any future code of practice concerning sharing of radio transmission sites.