

ANNEX 5

ARTIFICIAL INFLATION OF TRAFFIC

1. Definitions

In this Annex, a reference to a paragraph or Appendix, unless stated otherwise, is to a paragraph or Appendix of this Annex. Words and expressions have the meaning given in the main body of the Agreement, except as shown below:

"Originating Network Operator"	the party from whose System the Call to a Revenue Share Service is handed over to the System of the other party who acts as Terminating Network Operator or as Transit Operator;
"Partial CLI"	sufficient initial digits of the telephone number of the Calling Party to identify the operator holding the Number Range;
"Terminating Network Operator"	the party operating the Revenue Share Service to whom a Call is handed over from the Originating Network Operator or the Transit Operator;
"Third Party Originating Network Operator"	for transit, a Third Party on whose system a Call to a Revenue Share Service is originated, and whose system hands over such Call to a party acting as Transit Operator for conveyance to the Terminating Network Operator;
"Third Party Terminating Network Operator"	for transit, a Third Party Operator operating a Revenue Share Service to whom a Call is handed over from a party acting as Transit Operator, which Call is handed over from the System of the other party as Originating Network Operator;
"Transit Operator"	the party who either receives Calls from the other party to hand over to a Third Party Terminating Network Operator, or who hands over Calls to the other party which have been received from a Third Party Originating Network Operator.

2. General

- 2.1 The parties shall use reasonable endeavours to detect, identify, notify and prevent AIT, both singly and co-operatively, in accordance with Clause 14 of the main body of this Agreement and this Annex.
- 2.2 If a party undertakes technical development in relation to Revenue Share Services, the party shall reasonably enhance the facilities for the prevention and detection of AIT.

- 2.3 Where information is passed between the parties under this Annex 5 it shall be delivered on a Working Day between the hours of 09.00 and 17.00, or it shall be deemed to have been delivered on the succeeding Working Day.

3. Operational Liaison – Terminating Network Operator (Non-Transit)

- 3.1 If a Terminating Network Operator suspects AIT taking into account, but not limited to, the criteria specified in Appendix 5.1 it shall as soon as reasonably practicable pass to the Originating Network Operator the following information:
- 3.1.1 the estimated total duration of the relevant Calls;
 - 3.1.2 the dates when the relevant Calls were made;
 - 3.1.3 the telephone number/s of the relevant Revenue Share Service, and the Partial CLI, if available, of the Calling Centre;
 - 3.1.4 such other information as the Terminating Network Operator considers relevant; and
 - 3.1.5 such other information reasonably requested by the Originating Network Operator.
- 3.2 If requested in writing by the Originating Network Operator in accordance with the procedures in the AIT Manual, the Terminating Network Operator may provide to the Originating Network Operator information relating to the identity of the Calling Centre and/or the identity of the Revenue Share Service concerned.

4. Operational Liaison – Terminating Network Operator (Transit)

- 4.1 For transit, if a Transit Operator receives Calls from a Third Party Originating Network Operator and hands over such Calls to the Terminating Network Operator:
- 4.1.1 the Terminating Network Operator shall pass any relevant information referred to under paragraph 3.1 relating to Calls originating from a Third Party Originating Network Operator as soon as reasonably practicable to the Transit Operator, and shall use reasonable endeavours to pass such information as soon as reasonably practicable direct to the Third Party Originating Network Operator;
 - 4.1.2 the Transit Operator shall pass information received pursuant to paragraph 4.1.1 as soon as reasonably practicable to the Third Party Originating Network Operator;
 - 4.1.3 if requested in writing by the Third Party Originating Network Operator in accordance with the procedures in the AIT Manual, the Terminating Network Operator may provide to the Third Party Originating Network Operator information relating to the identity of the Calling Centre and/or the identity of the calling Customer concerned.

5. Operational Liaison – Originating Network Operator (Non-Transit)

- 5.1 If an Originating Network Operator suspects AIT taking into account, but not limited to, the criteria specified in Appendix 5.1 it shall as soon as reasonably practicable pass to the Terminating Network Operator the following information:
- 5.1.1 the estimated total duration of the relevant Calls;

- 5.1.2 the dates when the relevant Calls were made;
- 5.1.3 the telephone number/s of the relevant Revenue Share Service, and the Partial CLI, if available, of the Calling Centre;
- 5.1.4 such other information as the Originating Network Operator considers relevant; and
- 5.1.5 such other information reasonably requested by the Terminating Network Operator.
- 5.2 If requested in writing by the Terminating Network Operator in accordance with the procedures in the AIT Manual, the Originating Network Operator may provide to the Terminating Network Operator information relating to the identity of the Calling Centre and/or the identity of the calling Customer concerned.

6. Operational Liaison – Originating Network Operator (Transit)

- 6.1 For transit, if a Transit Operator receives Calls from the Originating Network Operator and hands over such Calls to a Third Party Terminating Network Operator:
 - 6.1.1 the Originating Network Operator shall pass the relevant information per paragraph 5.1 relating to Calls to a Revenue Share Service of the Third Party Terminating Network Operator as soon as reasonably practicable to the Transit Operator, and shall use reasonable endeavours to pass such information as soon as reasonably practicable direct to the Third Party Terminating Network Operator;
 - 6.1.2 the Transit Operator shall pass information received pursuant to paragraph 6.1.1 as soon as reasonably practicable to the Third Party Terminating Network Operator;
 - 6.1.3 if requested in writing by the Third Party Terminating Network Operator in accordance with the procedures in the AIT Manual, the Originating Network Operator may provide to the Third Party Terminating Network Operator information relating to the identity of the Calling Centre and/or the identity of the calling Customer concerned.

7. Restriction on Use of Information

- 7.1 Any information passed between the parties in accordance with paragraphs 3 through 6 shall only be used for the following purposes:
 - 7.1.1 to monitor, prevent or detect AIT;
 - 7.1.2 to assist the investigation of AIT and to undertake any associated criminal prosecutions;
 - 7.1.3 to undertake civil proceedings to effect recovery of losses resulting from AIT.
- 7.2 In a transit situation the party who acts as a Transit Operator shall ensure that information from the other party as Originating Network Operator or Terminating Network Operator is only passed on to a Third Party Originating Network Operator or Third Party Terminating Network Operator under provisions which are equivalent to this paragraph 7.

8. Nominated Parties

- 8.1 Any information required to be passed between the parties in accordance with paragraphs 3 through 6 shall be collated by the nominated representative of one

party and sent to the nominated representative of the other party in accordance with the AIT Manual.

- 8.2 The parties shall nominate representatives in respect of operational liaison under paragraphs 3 through 6 and to deal with the withholding of payments under paragraphs 9 through 11. Each party shall immediately notify the other of any changes to such representatives in accordance with the AIT Manual.

9. Withholding of Payment – Non-Transit

- 9.1 If an Originating Network Operator:

- 9.1.1 having passed information to, or received information from, the Terminating Network Operator in accordance with paragraphs 3 and/or 5, and

- 9.1.2 having reasonable grounds to suspect AIT in the case of the identified Calls,

gives written notification to the Terminating Network Operator of the intention to withhold payment relating to the current Billing Period in accordance with the AIT Manual, then subject to such notification having been passed to the Terminating Network Operator not later than 14 calendar days from the end of such Billing Period, the Originating Network Operator may withhold payment for the identified Calls.

- 9.2 The Originating Network Operator shall take all reasonable steps to recover any outstanding charges for the origination of Calls affected by such withheld payment. If the Originating Network Operator receives payment from its Customer at any time in respect of the identified Calls, it shall immediately pass the appropriate termination element of any payment it receives to the Terminating Network Operator.

- 9.2.1 If an agent or sub-agent of the Originating Network Operator has received bona fide payment for the origination of Calls affected by such withheld payment, for the purposes of this paragraph 9, the Originating Network Operator shall be deemed to have received appropriate payment for those Calls unless an AIT situation exists concerning such Calls.

- 9.3 If at any time during the period of six months commencing on the date of the first invoice following the end of the Billing Period referred to in paragraph 9.1 the Originating Network Operator ceases to have reasonable grounds to believe that the Calls are the result of AIT, the Originating Network Operator shall immediately pay the amount of such withheld payment to the Terminating Network Operator. If the Originating Network Operator fails to pay such withheld payment within five Working Days, the Terminating Network Operator shall be entitled to interest at the Default Interest Rate with effect from the date such reasonable grounds cease.

- 9.4 If after the period of 6 months specified in paragraph 9.3 (or such lesser period agreed by the parties) the Originating Network Operator has not received payment from its Customer and the Originating Network Operator continues to have reasonable grounds to believe that the Calls are the result of AIT, the Originating Network Operator shall so notify the Terminating Network Operator, and:

- 9.4.1 the Terminating Network Operator shall immediately release the Originating Network Operator from the obligation to pay such withheld payment; and

- 9.4.2 the Originating Network Operator shall, at the option of the Terminating Network Operator, assign (at no cost) to the Terminating Network Operator the indebtedness of the relevant Customer.

10. Withholding of Payment – Originating Network Operator and Transit Operator

10.1 If an Originating Network Operator:

10.1.1 having passed information to, or received information from, the Transit Operator in accordance with paragraphs 4 and/or 6, and

10.1.2 having reasonable grounds to suspect AIT in the case of the identified Calls, gives written notification to the Transit Operator of the intention to withhold payment relating to the current Billing Period in accordance with the AIT Manual, then subject to such notification having been passed to the Transit Operator not later than 14 calendar days from the end of such Billing Period, the Originating Network Operator may withhold payment for the identified Calls.

10.2 The Originating Network Operator shall take all reasonable steps to recover any outstanding charges for the origination of Calls affected by such withheld payment. If the Originating Network Operator receives payment from its Customer at any time in respect of the identified Calls, it shall as soon as reasonably practicable pass the appropriate transit and termination elements of any payment it receives to the Transit Operator.

10.2.1 If an agent or sub-agent of the Originating Network Operator has received bona fide payment for the origination of Calls affected by such withheld payment, for the purposes of this paragraph 10, the Originating Network Operator shall be deemed to have received appropriate payment for those Calls unless an AIT situation exists concerning such Calls.

10.3 If at any time during the period of six months commencing on the date of the first invoice following the end of the Billing Period referred to in paragraph 10.1 the Originating Network Operator ceases to have reasonable grounds to believe that the Calls are the result of AIT, the Originating Network Operator shall immediately pay the amount of such withheld payment to the Transit Operator. If the Originating Network Operator fails to pay such withheld payment within five Working Days, the Transit Operator shall be entitled to interest at the Default Interest Rate with effect from the date such reasonable grounds cease.

10.4 If after the period of 6 months specified in paragraph 10.3 (or such lesser period agreed by the parties), the Transit Operator has not received payment from the Originating Network Operator and the Originating Network Operator continues to have reasonable grounds to believe that the Calls are the result of AIT, the Originating Network Operator shall so notify the Transit Operator, and:

10.4.1 the Transit Operator shall release the Originating Network Operator from its obligation to pay such withheld payment to the Transit Operator, subject to the Transit Operator having been released from the associated obligation to pay the Third Party Terminating Network Operator; and

10.4.2 the Originating Network Operator shall, if so directed by the Transit Operator, assign (at no cost) to a Third Party Terminating Network Operator nominated by the Transit Operator the indebtedness of the Originating Network Operator Customer.

11. Withholding of Payment – Terminating Network Operator and Transit Operator

11.1 If a Transit Operator:

11.1.1 having passed information to, or received information from, the Terminating Network Operator in accordance with paragraphs 4 and/or 6, and

- 11.1.2 having reasonable grounds to suspect AIT in the case of the identified Calls,
- gives written notification to the Terminating Network Operator of the intention to withhold payment relating to the current Billing Period, then subject to such notification having been passed to the Terminating Network Operator not later than 14 calendar days from the end of such Billing Period, the Transit Operator may withhold payment for the identified Calls.
- 11.2 The Transit Operator shall take all reasonable steps to recover any outstanding charges for the origination of Calls affected by such withheld payment. If the Transit Operator receives payment from the Third Party Originating Network Operator at any time in respect of the identified Calls, it shall as soon as reasonably practicable pass the appropriate termination element of any payment it receives to the Terminating Network Operator.
- 11.2.1 If an agent or sub-agent of the Transit Operator has received bona fide payment for the origination of Calls affected by such withheld payment, for the purposes of this paragraph 11, the Transit Operator shall be deemed to have received appropriate payment for those Calls unless an AIT situation exists concerning such Calls.
- 11.3 If after the period of six months commencing on the date of the first invoice following the end of the Billing Period referred to in paragraph 11.1 (or such lesser period agreed by the parties), the Transit Operator has not received payment from the Third Party Originating Network Operator, the Transit Party shall so notify the Terminating Network Operator, and:
- 11.3.1 the Terminating Network Operator shall immediately release the Transit Operator from its obligation to pay such withheld payment to the Terminating Network Operator;
- 11.3.2 the Transit Operator shall, at the option of the Terminating Network Operator, direct the Third Party Originating Network Operator to assign (at no cost) the indebtedness of the Third Party Originating Network Operator's Customer to the Terminating Network Operator.
- 11.4 Notwithstanding the provisions herein, the Terminating Network Operator shall pay the Transit Operator for the transit element of transit Calls in the ordinary course of business.

12. Arbitration

- 12.1 If any dispute arises relating to the operation of paragraphs 9, 10 or 11 either party may serve a notice on the other requiring any matters in dispute to be referred to arbitration in London by a single arbitrator appointed by agreement between the parties or in default of agreement upon the application of either party by the President for the time being of the Law Society of England and Wales in accordance with and subject to the Arbitration Act 1996.

APPENDIX 5.1

The following are indicators of AIT in relation to any Revenue Share Service and Calling Party:

REVENUE SHARE SERVICE

1. For each of the first 3 months after commencement of service the number of Calls delivered to any new Revenue Share Service exceed by 25% (or such other percentage as the parties may agree in writing) or more the average number of Calls to similar Revenue Share Services ascertained after the first month and monthly thereafter.
2. After the first 3 months the number of Calls delivered to any Revenue Share Service increases at a rate of 25% or more from any one month to the next.
3. A high proportion of Calls delivered to any Revenue Share Service originate at a small number of Calling Centres whether or not limited in geographical location.
4. The average duration of Calls delivered to any Revenue Share Service differs significantly from that of Calls to similar Revenue Share Services or there are repeated Calls of similar duration.
5. Calls delivered to any Revenue Share Service appear to originate without promotion of the Revenue Share Service.
6. A significant proportion of Calls delivered to any Revenue Share Service originate at payphones or use payment systems other than a standard telephone bill.
7. Calls made by or on behalf of the Revenue Share Service to itself excessively.
8. Operating a Revenue Share Service in breach of the law, where such breach can reasonably be regarded as causing AIT.
9. Operating a Revenue Share Service in breach of the ICSTIS Code of Practice, where such breach is of a financial nature and/or can reasonably be regarded as causing AIT.

CALLING PARTIES

1. A high proportion of Calls delivered to any Revenue Share Service are generated at a small number of Calling Centres whether or not limited in geographical location.
2. A small number of Calling Centres generate a high volume of Calls for delivery to any Revenue Share Service.
3. The average duration of Calls delivered to any Revenue Share Service differs significantly from that of Calls to similar Revenue Share Services or there are repeated Calls of similar duration.
4. Calls delivered to any Revenue Share Service appear to originate without promotion of the Revenue Share Service.
5. A significant proportion of Calls delivered to any Revenue Share Service originate at payphones or use payment systems other than a standard telephone bill.

6. Calls made by or on behalf of the Revenue Share Service to itself excessively.
7. Calls made fraudulently.
8. Calls made at a charge to the Calling Party which is less than the outpayment to the Revenue Share Service in circumstances which reasonably indicate that the Revenue Share Service was involved in making such Calls.
9. Calls which last for an excessive duration or result in lockups.
10. For Calls to PRS, Calls originating overseas.