We wish to advise you of some important changes to your managed disconnection arrangements, in response to NBN Co's recent announcements regarding unconnected HFC locations. These changes to the managed disconnection arrangements for legacy copper (and legacy HFC) services, reflect an in-principle agreement with NBN Co, in the interests of helping to promote service continuity for Retail Service Providers (RSPs) and their end-users, and minimising disruption to existing legacy services to the extent possible.

On 1 February 2021, NBN Co advised RSPs they will not be taking new nbn orders for HFC services at unconnected locations from 7pm (AEDT) Tuesday 2 February 2021. Further, NBN Co would facilitate this step by making impacted unconnected HFC locations (Service Class 21, 22, 23) unserviceable (Service Class 20), unless there was an in-place nbn order for the location. On 2 February 2021, NBN Co issued an Operations Bulletin, advising of some exemption groups where they will continue to accept orders for nbn HFC locations.

An overview of the changes to managed disconnection arrangements is as follows:

• Rollout Regions containing nbn HFC premises within Waves 80 to 83

Telstra and NBN Co have in-principal agreement to extend the Disconnection Dates (DDs) for Rollout Regions that contain nbn HFC premises with Rollout Region DDs currently scheduled to occur between 12 February 2021 to 9 April 2021 (currently Waves 80 through 83). These Rollout Regions will now have a DD of 9 July 2021 (as aligns to Wave 86). This movement of the Rollout Regions to align with Wave 86, is informed by the overall volumes of nbn HFC premises currently within Waves 80 to 83, which we expect will be manageable for RSPs.

| nbn HFC Rollout Region existing Disconnection Date (and Wave): | nbn HFC Rollout Region revised Disconnection Date (and Wave): |
|--|---|
| DD 12-Mar-2021 Wave 82 | DD 9-Jul-2021 |
| DD 9-Apr-2021 Wave 83 | Aligned to Wave 86 |

On 22 January 2021, we advised you that all nbn HFC locations within Waves 80 (DD 12-Feb-2021) and 81 (DD 26-Feb-2021) would be granted extensions equivalent to the maximum In-Train Order (ITO) period. Following our subsequent agreement with NBN Co to instead defer the DDs for any Rollout Regions that contain nbn HFC premises within these waves, those ITO extension arrangements are now being **replaced**. We consider these amended arrangements will provide a better outcome for RSPs and their end-users.

| nbn HFC Rollout Region existing Disconnection Date (and Wave): | Previous protection advised 22 January) | nbn HFC Rollout Region revised Disconnection Date (and Wave): |
|--|--|--|
| DD 12-Feb-2021 Wave 80 | DAL – 16/09/2021 | DD 9-Jul-2021 |
| DD 26-Feb-2021 Wave 81 | DAL – 1/10/2021 | Aligned to Wave 86 |

For clarification, there is no change to arrangements for any Rollout Regions within Waves 80 to 83 that do not contain any nbn HFC premises.

• nbn HFC premises within Wave 79

The arrangements we communicated to you on 22 January 2021 will continue to apply for all premises at nbn HFC locations within Wave 79 (DD 15-Jan-2021). Therefore, all nbn HFC premises within Wave 79 will be granted an extension from the commencement of managed disconnection, equivalent to the maximum ITO Period timeframes (i.e. DD + 150 business days (BDs).

• nbn HFC premises within Wave 78

The arrangements we communicated to you on 2 February 2021 will also continue to apply in respect of premises at nbn HFC premises in Wave 78 (DD 13-Nov-20) that have been rolled back to Service Class 20 by NBN Co. As these premises are now not nbn-serviceable, they will be managed under the Complex Ready to Connect (RTC) Premises arrangements Telstra and NBN Co agreed in September 2020 (and communicated to you).

• nbn HFC premises within Waves prior to Wave 78

Legacy services at these premises are still in existence where separate extensions to managed disconnection arrangements have previously been provided (e.g. COVID-19). nbn HFC premises with legacy services that have been rolled back to Service Class 20 in waves prior to Wave 78 will also now be managed under the Complex RTC Premises arrangements Telstra and NBN Co agreed in September 2020 (and communicated to you). Once NBN Co provide confirm the list of premises to Telstra, we will update the impacted services on your Service Profile with "EDD – TBA" added to the Comments column where applicable. When these premises are made nbn-serviceable, we will update the Service Profile with "EDD – dd/mm/yyyy" in the Comments column. We will not commence service disconnections for HFC premises in locations prior to Wave 78 until the list of premises has been received and updates made to your Service Profile.

An overview of the status of legacy service restriction obligations is as follows:

• Current status of Telstra's legacy service restriction obligations for Waves 80 to 83

The deferral of above DDs for Rollout Regions that contain nbn HFC premises will support the continuity objective by effectively also deferring the commencement of the Order Stability Period (OSP) for legacy services under our Migration Plan (i.e. from 5 BDs following region DD). While the legacy service cease sale restriction will still be place (prior to the region DD), an exception to cease sale already applies for premises that are not nbn-serviceable. Accordingly, with NBN Co performing its roll back of nbn HFC premises to Service Class 20, those premises are now (or will shortly become) not nbn-serviceable.

• Current status of Telstra's legacy service restriction obligations for Waves 79 and prior

The OSP will continue to operate to prevent any new connections on legacy, or changes to existing services (unless an exception applies) for disconnection Waves 79 and prior. We note that NBN Co, in its follow-up communication to RSPs on 2 February 2021, advised of Exemption Group scenarios where orders for nbn HFC premises may continue to be placed. These include where the region DD had passed and there is no legacy service. As per NBN Co's advice, RSPs should therefore seek to raise a service request to NBN Co in such circumstances and follow its BAU processes.

Telstra will therefore continue to monitor feedback regarding the continued operation of the OSP (and the additional reconnections obligations which also apply). We note that these service restriction obligations are governed by our Migration Plan.

Next Steps:

We will continue to monitor risks to service continuity in association with NBN Co's pause on accepting new orders for nbn HFC services at unconnected locations. Any additional material changes to approach outlined above, including as a result of our interaction with the ACCC under the Migration Plan, will be advised to you as soon as possible.

If you have any questions relating to the NBN Co HFC ordering processes, we suggest you contact your nbn Service Provider. For any further information regarding arrangements for legacy copper services, please contact your Service Manager.

| nbn HFC Rollout Region existing Disconnection Date (and Wave): | Previous protection advised on 22 January | Previous protection advised on 2 February | New arrangements |
|---|--|--|---------------------|
| DD's prior to Wave 78 | | | EDD – TBA* |
| DD 13-Nov-2020 Wave 78 | | EDD – TBA* | EDD – TBA* |
| DD 15-Jan-2021 Wave 79 | DAL – 20/8/2021* | | DAL – 20/8/2021 |
| DD 12-Feb-2021 Wave 80 | DAL – 16/09/2021* | | DD 9-Jul-2021 |
| DD 26-Feb-2021 Wave 81 | DAL – 1/10/2021* | | Aligned to Wave 86* |
| DD 12-Mar-2021 Wave 82 | | | DD 9-Jul-2021 |
| DD 9-Apr-2021 Wave 83 | | | Aligned to Wave 86 |

Appendix 1 – Summary table of changes as will appear in your Service Profile:

* For services rolled back to Service Class 20.