

**TRAFALGAR  
COMMUNICATIONS  
LIMITED**

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Mr. D. Smith  
ABC Client Limited,  
Hemel Hempstead

7<sup>th</sup>. March, 2006

Dear David,

Further to our recent meeting and subsequent telephone conversations, I have pleasure in presenting details of our proposal for your consideration.

I trust that you will be pleased with our proposals which will provide your company with the following benefits:-

- ❖ **Estimated Annual Savings of up to £16,000 in respect of your mobile communications.**
- ❖ **Cash Backs &/or Kit Accounts of up to £11,000**
- ❖ **Free Upgraded Handsets: (Orange & T-Mobile only)**
  - 44 Nokia 6021

Besides being able to offer you competitive deals for your fixed line and mobile communications, our customer care department supports our function in line with customer expectations by way of Single Point of Contact, which in turn, delivers a level of service that is unrivalled within the industry. Some our services have been listed within our proposal but I would be happy to discuss with you any specific requirements that your company may have.

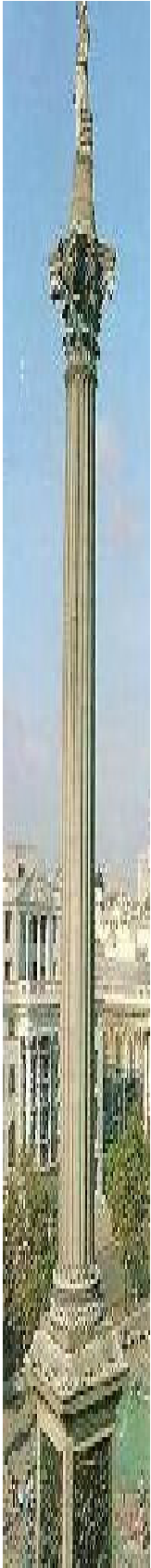
The attached proposals are subject to availability and in any event not valid beyond 27<sup>th</sup>. March, 2006, by which time we would need to have received completed Airtime Agreements and PAC (where appropriate). Trafalgar Communications are obliged to limit the validity of proposals, because the UK network providers change the available packages regularly.

Yours sincerely,

Paul Murkoff

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*TRAFALGAR*  
*COMMUNICATIONS*  
*LIMITED*

TELECOMMUNICATIONS PROPOSAL FOR

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ABC CLIENT LIMITED

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Please note this document is private and confidential and may not be shown or distributed nor the contents herein revealed to anyone outside your organisation without our written authority

Report Prepared by P. Murkoff  
7<sup>th</sup>. March, 2006

All prices quoted in our proposals are exclusive of VAT

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**MANAGEMENT SUMMARY**

**Major Proposals**

We are pleased to summarise the offers we have received on your behalf from each of the mobile networks for Mobile Communications

Network	Minutes	Texts	Term	Estimated Annual Saving	Cash Back or Kit Account	Savings Plus Cash Back	Handsets to be Supplied
Vodafone	24,000	1,500	12m	£178 .38%	£10,000	£10,178	None
O2	25,000	1,000	12m	£4,664 8.50%	£8,000	£12,664	None
Orange	25,000	1,000	12m	£8,636 18.34%	£6,500	£15,136	44 x Nokia 6021
T-Mobile	25,000	1,000	18m	£16,001 33.79%	£11,000	£27,001	44 x Nokia 6021

The above savings calculations have been estimated based on your Vodafone Bill for February, 2006 Please refer to appendices for detailed calculations

**Overview Comparison of Monthly Costs (Based on Bill for Feb. 2006)**

	Current	Vodafone	O2	Orange	T-Mobile
Fixed Monthly	£2,308	£2,410	£2,278	£2,014	£1,265
Call Costs	£1,638	£1,521	£1,279	£1,212	£1,348
<b>Total</b>	<b>£3,946</b>	<b>£3,931</b>	<b>£3,557</b>	<b>£3,226</b>	<b>£2,613</b>

**Major Differences between Tariffs**

	Vodafone	O2	Orange	T-Mobile
Voice Mail	Within Inclusive Minutes	Free	Free	Free
Calls between Sharers	Free	Within Inclusive Minutes	Free	Free
0870 & 0845 Numbers	Chargeable	Within Inclusive Minutes	Within Inclusive Minutes	Chargeable
Excess Minutes	Standard Charges	Standard Charges	Standard Charges	25% Discount
UK Calls to Europe & N. America	Chargeable	Chargeable	Chargeable	Within Inclusive Minutes
Roaming Calls	As per Feb Bill	19.53% Saving on Feb Bill	25.52% Saving on Feb Bill	(1.62%) Saving on Feb Bill

Please refer to appendices for calculations of Savings on Roaming Calls

**Trafalgar Communications Account Management**

- ❖ Our Changeover Procedures ensure that there is no disruption to your business and that naturally includes retaining your existing numbers.
- ❖ We will also check your first bills to ensure the tariff as been set by the network as agreed.
- ❖ Technical Assistance when required
- ❖ Loan Phones
- ❖ Out of Hours Support & Help Line
- ❖ Regular account reviews with your Account Manager, which will include a mid-term tariff analysis

**PROPOSAL FOR MOBILE COMMUNICATIONS**

**Vodafone**

**Vodafone Sharetime 24,000 + 1,500 Texts Add-on**

<b>PROPOSED TARIFF STRUCTURE</b>	
<b>Network</b>	Vodafone
<b>Provider</b>	Vodafone
<b>Connections</b>	44
<b>Tariff</b>	Sharetime
<b>Inclusive Minutes</b>	24,000
<b>Inclusive Texts</b>	1,500
<b>Term</b>	12 months

<b>BENEFITS</b>	
<b>Est. Annual Savings</b>	£178 (see Appendix I)
<b>Cash Back or Kit Account</b>	£10,000
<b>EQUIPMENT</b>	
None	

<b>LINE RENTALS &amp; USAGE COSTS</b>		
<b>Connections</b>	<b>Pe</b>	<b>Monthly</b>
1 Lead User	£1,950.00	£1,950.00
43 Sharers	£15.00	£645.00
1,500 Text Add-on	£75.00	£75.00
Discount	10.00%	(£259.50)
<b>Net Monthly Line Rentals</b>		<b>£2,410.50</b>

<b>CALL CHARGES WITHIN UK</b>	
<b>Type</b>	<b>Gross</b>
Standard UK	8.00
Same Network	8.00
Cross Network	29.79
Between Sharers	FREE
Voice Mail	8.00
Texts	10.20

**Notes:**

1. Call Charges within the UK shown above apply to excess minutes and texts.
2. The 10% Discount does not apply to the 1,500 Text Add-On
3. The Cash Back is paid in 2 instalments of £5,000, the first due 90 days after upgrading and the second due 180 days after upgrading.
4. All or part of the Cash Back may be used as a kit account. Any handsets or accessories purchased from the Kit Account are sold at trade prices plus an admin fee of £25.00 per order.
5. The above offer is subject to the Lead User being a new connection with a new mobile number.

**PROPOSAL FOR MOBILE COMMUNICATIONS**

**O2**

**O2 Best for Business 10,000 + 3 X 5,000 minute bolt-ons**

<b>PROPOSED TARIFF STRUCTURE</b>	
<b>Network</b>	O2
<b>Provider</b>	O2
<b>Connections</b>	44
<b>Tariff</b>	Best For Business
<b>Inclusive Minutes</b>	25,000
<b>Inclusive Texts</b>	1,000
<b>Term</b>	12 months

<b>BENEFITS</b>	
<b>Est. Annual Savings</b>	£4,664 (8.5%) (see Appendix I)
<b>Cash Back or Kit Account</b>	£8,000
<b>EQUIPMENT</b>	
None	

<b>LINE RENTALS &amp; USAGE COSTS</b>		
<b>Connections</b>	<b>Pe</b>	<b>Monthly</b>
1 Lead User	£680.85	£680.85
43 Sharers	£11.91	£512.13
3 X 5,000 Minute Bolt-on	£361.71	£1085.13
<b>Net Monthly Line Rentals</b>		<b>£2,278.11</b>

<b>CALL CHARGES WITHIN UK</b>	
<b>Type</b>	<b>Gross</b>
Standard UK	6.81
Same Network	6.81
Cross Network	25.53
Between Sharers	6.81
Voice Mail	FREE
Texts	10.21

**Notes:**

1. Call Charges within the UK shown above apply to excess minutes and texts.
2. The Cash Back is paid in 2 instalments of £4,000, the first due 90 days after connection and the second due 180 days after connection
3. All or part of the Cash Back may be used as a kit account. Any handsets or accessories purchased from the Kit Account are sold at trade prices plus an admin fee of £25.00 per order.

**PROPOSAL FOR MOBILE COMMUNICATIONS**

**Orange**

**Orange Business Plus 25,000 + 1,000 Text Add-on**

<b>PROPOSED TARIFF STRUCTURE</b>	
<b>Network</b>	Orange
<b>Provider</b>	Orange
<b>Connections</b>	44
<b>Tariff</b>	Business Plus
<b>Inclusive Minutes</b>	25,000
<b>Inclusive Texts</b>	1,000
<b>Term</b>	12 months

<b>BENEFITS</b>	
<b>Est. Annual Savings</b>	£8,636 (18.24%) (see Appendix I)
<b>Cash Back or Kit Account</b>	£6,500
<b>EQUIPMENT</b>	
44 Nokia 6021	FREE

<b>LINE RENTALS &amp; USAGE COSTS</b>		
<b>Connections</b>	<b>Pe</b>	<b>Monthly</b>
1 Lead User	£1,835.00	£1,835.00
43 Sharers	£14.50	£623.50
1,000 Text Add-on	£50.21	£50.21
Sharer Discount	12.50%	(77.94)
Airtime Credit	£416.67	(£416.67)
<b>Net Monthly Line Rentals</b>		<b>£2,014.11</b>

<b>CALL CHARGES WITHIN UK</b>	
<b>Type</b>	<b>Gross</b>
Standard UK	8.50
Same Network	7.00
Cross Network	25.00
Between Sharers	FREE
Voice Mail	FREE
Texts	10.00

**Notes:**

1. Call Charges within the UK shown above apply to excess minutes and texts.
2. Sharer Discount is 25% for 6 months. The amount show above is the average per month.
3. Air Time Credit is £5,000 credited in one amount during the first three months after connection. The amount show above is the average per month.
4. The Cash Back is paid in 2 instalments of £3,250, the first due 90 days after connection and the second due 180 days after connection
5. All or part of the Cash Back may be used as a kit account. Any handsets or accessories purchased from the Kit Account are sold at trade prices plus an admin fee of £25.00 per order.

**PROPOSAL FOR MOBILE COMMUNICATIONS**

**T-Mobile**

**T-Mobile Business 1-Plan 25,000 + 1,000 Texts Add-on**

PROPOSED TARIFF STRUCTURE	
<b>Network</b>	T-Mobile
<b>Provider</b>	T-Mobile
<b>Connections</b>	44
<b>Tariff</b>	Business 1-Plan
<b>Inclusive Minutes</b>	25,000
<b>Inclusive Texts</b>	1,000
<b>Term</b>	18 months

BENEFITS	
<b>Est. Annual Savings</b>	£16,001 (33.79%) (see Appendix I)
<b>Cash Back or Kit Account</b>	£11,000
EQUIPMENT	
44 Nokia 6021	FREE

LINE RENTALS & USAGE COSTS		
Connections	Pe	Monthly
1 Lead User	£1,015.00	£1,015.00
43 Sharers	£15.00	£645.00
1,000 Texts Add-on	£27.00	£27.00
Discount	25.00%	(£421.75)
<b>Net Monthly Line Rentals</b>		<b>£1,265.2!</b>

CALL CHARGES WITHIN UK	
Type	Gross
Standard UK	7.6575
Same Network	6.3825
Cross Network	22.3425
Between Sharers	FREE
Voice Mail	FREE
Texts	7.6575

**Notes:**

1. Call Charges within the UK shown above apply to excess minutes and texts and include a 25% discount.
2. International Calls from the UK to Europe and North America are included within inclusive minutes.
3. The Cash Back is paid in 2 instalments of £5,500, the first due 90 days after connection and the second due 180 days after connection
4. All or part of the Cash Back may be used as a kit account. Any handsets or accessories purchased from the Kit Account are sold at trade prices plus an admin fee of £25.00 per order.

## ACCOUNT MANAGEMENT

### Change Over Procedure for Mobiles

- You **Retain your existing numbers** (unless otherwise agreed).
- You are **advised well in advance of the change over date** so that you are able to plan a smooth internal implementation.
- **Sim Cards and other new equipment** that we are providing is delivered to you **as soon as possible**.
- Where necessary any **handsets are unlocked**.

### Change Over Procedure for Fixed Lines

- There is **no interruption to your service**.
- Where necessary we will liaise with your Maintenance Company to arrange for any de-programming of your switchboard.
- You are advised well in advance of the change over date.

### Change Over Procedure for Mobiles and Fixed Lines

- A **courtesy call** is made to you **both before and during the change over date**.
- **We will check your first bill** to ensure that the correct tariff has been set up.

### Regular Account Reviews:

- **Meeting with your Account Manager** to ensure that your Account is being serviced in accordance with your requirements and to discuss ways in which we may be able to assist with any of your company needs that are likely to arise in the future.
- **Tariff Analysis** to ensure that your deal remains competitive and your expenses kept to a minimum.

### Direct Access to your Account Manager

- There is never a need to wait in long queues at call centres as you will have direct access to your Account Manager who will always be your one point of contact.
- Our Account Managers take personally responsibility for ensuring your needs are met and will follow the strict progress chasing procedures that we have put in place.

### Other Services.

- **Technical Assistance**, particularly important in today's changing technological world.
- **Loan Phones** can be delivered to you the next working day
- We provided a special '**out of hours**' support number.
- Where deals include line **rental subsidies**, these will be **credited direct to your Bank Account** on a Monthly Basis

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APPENDICES

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**APPENDIX I**  
**MOBILE ANALYSIS AND NETWORK COMPARIONS**  
**FEBRUARY, 2006**

COST ANALYSIS AND COMPARISON												
O2			Vodafone			Orange			T_Mobile			
<b>Tariff Structure</b>												
Inclusive Minutes	25000		24000			25000			25000			
Inclusive Texts	1000		0			0			0			
<b>Fixed Costs</b>												
Lead User	1	£ 1,765.98	£ 1,765.98	1	£ 1,950.00	£ 1,950.00	1	£ 1,835.00	£ 1,835.00	1	£ 1,015.00	£ 1,015.00
Subsidiary Users	43	£ 11.91	£ 512.13	43	£ 15.00	£ 645.00	43	£ 14.50	£ 623.50	43	£ 15.00	£ 645.00
Bundled Texts	0	£ -	£ -	1	£ 75.00	£ 75.00	1	£ 75.00	£ 50.21	1	£ 27.00	£ 27.00
GROSS MONTHLY FIXED COSTS			£ 2,278.11			£ 2,670.00			£ 2,508.71			£ 1,687.00
Less Discount				10%		£ 259.50	£ 494.60		£ 494.60	25%		£ 421.75
Less Monthly Subsidy			£ -			£ -	£ -		£ -			£ -
<b>MONTHLY FIXED COSTS</b>			<b>£ 2,278.11</b>			<b>£ 2,410.50</b>			<b>£ 2,014.11</b>			<b>£ 1,265.25</b>
<b>Exclusive Minutes</b>												
			<b>Cost</b>				<b>Costs</b>				<b>Costs</b>	
Non Geographic						£ 15.09			£ -			£ 15.09
Other UK Calls			£ 33.56			£ 55.10			£ 33.56			£ 33.56
International (Europe & N.America)			£ 64.72			£ 64.72			£ 64.72			£ 64.72
International (Other)			£ 180.32			£ 180.32			£ 180.32			£ 180.32
International Roaming			£ 899.53			£ 1,117.86			£ 832.59			£ 1,136.02
Unanalysed			£ 49.46			£ 49.46			£ 49.46			£ 49.46
Text			£ 51.87			£ 38.37			£ 51.87			£ 48.71
<b>TOTAL EXCLUSIVE COSTS</b>			<b>£ 1,279.46</b>			<b>£ 1,520.92</b>			<b>£ 1,212.52</b>			<b>£ 1,347.56</b>
<b>TOTAL UK COSTS</b>			<b>£ 3,557.57</b>			<b>£ 3,931.42</b>			<b>£ 3,226.62</b>			<b>£ 2,612.81</b>
<b>TOTAL VODAFONE CALL COSTS FOR FEB 2006</b>			<b>£ 1,637.79</b>			<b>£ 1,637.79</b>			<b>£ 1,637.79</b>			<b>£ 1,637.79</b>
<b>LINE RENTALS</b>			<b>£ 2,308.50</b>			<b>£ 2,308.50</b>			<b>£ 2,308.50</b>			<b>£ 2,308.50</b>
<b>TOTAL COST</b>			<b>£ 3,946.29</b>			<b>£ 3,946.29</b>			<b>£ 3,946.29</b>			<b>£ 3,946.29</b>
<b>SAVINGS FOR MONTH</b>			<b>£ 388.72</b>			<b>£ 14.87</b>			<b>£ 719.67</b>			<b>£ 1,333.48</b>
			<b>9.85%</b>			<b>0.38%</b>			<b>18.24%</b>			<b>33.79%</b>
<b>ANNUAL SAVINGS</b>			<b>£ 4,664.69</b>			<b>£ 178.44</b>			<b>£ 8,636.00</b>			<b>£ 16,001.78</b>

Report Prepared by P. Murkoff  
7<sup>th</sup>. March, 2006

All prices quoted in our proposals are exclusive of VAT

**APPENDIX II  
INTERNATIONAL ROAMING ANALYSIS AND NETWORK COMPARIONS  
FEBRUARY, 2006**

	Orange		Vodafone		O2		T-Mobile		Vodafone Passport	
	Called	Received	Called	Received	Called	Received	Called	Received	Called	Received
Australia	£ 44.20	£ 7.99	£ 28.95	£ 8.00	£ 30.45	£ 6.87	£ 39.00	£ 4.80	£ 9.00	£ 6.75
Bermuda	£ 13.48	£ 0.13	£ 15.75	£ 0.18	£ 15.25	£ 0.16	£ 14.70	£ 0.18	£ 15.75	£ 0.18
France	£ 14.75	£ 0.43	£ 11.52	£ 0.47	£ 12.25	£ 0.42	£ 18.75	£ 0.35	£ 6.75	£ 2.25
Germany	£ 7.11	£ 1.12	£ 4.94	£ 1.16	£ 5.25	£ 1.08	£ 7.88	£ 0.90	£ 4.50	£ 3.75
Ireland	£ 124.28	£ 25.61	£ 92.88	£ 30.44	£ 60.17	£ 22.77	£ 143.50	£ 21.34	£ 81.75	£ 42.00
Italy	£ 16.37	£ 1.46	£ 14.63	£ 1.56	£ 14.63	£ 1.40	£ 22.50	£ 1.17	£ 12.00	£ 6.75
Jamaica	£ 4.13	£ -	£ 3.75	£ -	£ 4.48	£ -	£ 3.50	£ -	£ 3.75	£ -
Maldives	£ 74.58	£ 53.85	£ 119.25	£ 76.37	£ 93.00	£ 65.39	£ 109.90	£ 76.93	£ 119.25	£ 76.37
Netherlands	£ 2.81	£ 0.58	£ 2.35	£ 0.59	£ 2.38	£ 0.55	£ 3.75	£ 0.46	£ 3.00	£ 1.50
Norway	£ 4.43	£ -	£ 5.10	£ -	£ 3.75	£ -	£ 5.63	£ -	£ 5.10	£ -
Thailand	£ 15.00	£ 2.29	£ 18.00	£ 2.29	£ 24.00	£ 3.90	£ 28.00	£ 4.58	£ 18.00	£ 2.29
UAE	£ 349.68	£ 38.37	£ 572.94	£ 76.82	£ 436.21	£ 65.22	£ 521.52	£ 76.73	£ 572.94	£ 76.82
<b>Totals</b>	£ 670.79	£ 131.83	£ 890.06	£ 197.88	£ 701.81	£ 167.75	£ 918.62	£ 187.44	£ 851.79	£ 218.66
<b>Net Totals</b>		£ 802.63		£ 1,087.94		£ 869.57		£ 1,106.06		£ 1,070.45
<b>Roaming Texts</b>		£ 29.94		£ 29.94		£ 29.94		£ 29.94		£ 29.94
<b>GRAND TOTALS</b>		£ 832.57		£ 1,117.88		£ 899.51		£ 1,136.00		£ 1,100.39

Report Prepared by P. Murkoff  
7<sup>th</sup>. March, 2006

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**APPENDIX III**  
**INTERNATIONAL ROAMING RATES COMPARISON**

		UAE				Netherlands				Australia				
Destination	T-Mobile	Voda Pr	O2	Orange	Destination	T-Mobile	Voda Pr	O2	Orange	Destination	T-Mobile	Voda Pr	O2	Orange
UK	140	150	120	95	UK	75	47	50	59	UK	75	55	60	85
Received	100	100	85	50	Received	20	30	24	25	Received	30	50	43	50
Within Country	140	150	120	55	Within Country	75	47	50	45	Within Country	75	55	60	45
Within Zone	140	150	179	145	Within Zone	75	47	50	85	Within Zone	75	150	60	145
Out of Zone	140	150	179	145	Out of Zone	75	95	79	85	Out of Zone	75	150	179	145
		Ireland				France				Thailand				
Destination	T-Mobile	Voda Pr	O2	Orange	Destination	T-Mobile	Voda Pr	O2	Orange	Destination	T-Mobile	Voda Pr	O2	Orange
UK	50	30	21.3	45	UK	75	47	50	59	UK	140	90	120	85
Received	15	25	16	18	Received	20	30	24	25	Received	100	50	85	50
Within Country	50	30	21.3	30	Within Country	75	47	50	45	Within Country	140	90	120	45
Within Zone	50	30	30	65	Within Zone	75	47	50	85	Within Zone	140	150	179	145
Out of Zone	50	95	79	65	Out of Zone	75	95	79	85	Out of Zone	140	150	179	145
		Bermuda				Jamaica				Germany				
Destination	T-Mobile	Voda Pr	O2	Orange	Destination	T-Mobile	Voda Pr	O2	Orange	Destination	T-Mobile	Voda Pr	O2	Orange
UK	140	150	120	95	UK	140	150	120	95	UK	75	47	50	59
Received	100	100	85	70	Received	100	100	85	70	Received	20	30	24	25
Within Country	140	150	120	95	Within Country	140	150	120	95	Within Country	75	47	50	45
Within Zone	140	150	179	165	Within Zone	140	150	179	165	Within Zone	75	47	50	85
Out of Zone	140	150	179	165	Out of Zone	140	150	179	165	Out of Zone	75	95	79	85
		Italy				Norway				Maldives				
Destination	T-Mobile	Voda Pr	O2	Orange	Destination	T-Mobile	Voda Pr	O2	Orange	Destination	T-Mobile	Voda Pr	O2	Orange
UK	75	47	50	59	UK	75	68	50	59	UK	140	150	120	59
Received	20	30	24	25	Received	20	30	24	25	Received	100	100	85	25
Within Country	75	47	50	45	Within Country	75	68	50	45	Within Country	140	150	120	45
Within Zone	75	47	50	85	Within Zone	75	68	50	85	Within Zone	140	150	179	85
Out of Zone	75	95	79	85	Out of Zone	75	95	79	85	Out of Zone	140	150	179	85

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7<sup>th</sup>. March, 2006

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