



Proposed legal restructure – Frequently Asked Questions

General FAQs

1. What is the proposed legal restructure?

The proposed legal restructure involves a scheme of arrangement to establish a new holding company for the Telstra group, with three main separate legal entities sitting directly beneath it:

- **Telstra Limited**, which would continue to focus on how we create and innovate products and services for our customers and deliver the best possible customer experience, including maintaining our significant network leadership. Telstra Limited would also own the active parts of our network, including the mobile network and spectrum assets.
- **InfraCo Fixed**, which would own and operate Telstra's passive or physical infrastructure assets: the ducts, fibre, data centres, and exchanges that underpin Telstra's fixed telecommunications network.
- **Amplitel** (previously known as InfraCo Towers), which owns and operates Telstra's passive or physical mobile tower assets. On 30 June 2021, Telstra announced it had entered into a strategic partnership with a consortium to unlock the value in these assets. Telstra retains 51 per cent majority ownership. Learn more about the towers monetisation and Amplitel [here](#).

Following the implementation of the legal restructure, we also intend to establish our **international business** under a separate subsidiary, which would own and operate our international passive and active infrastructure assets, including subsea cables.

2. What is the purpose of the restructure?

The proposed legal restructure is an important milestone in Telstra's T22 strategy, perhaps the biggest change since our privatisation. It will enable Telstra to better realise the value of its infrastructure assets, take advantage of potential monetisation opportunities and create additional value for shareholders.

3. Why are you making these changes now?

The challenges and disruptions of the last 12 months have reinforced three things. Firstly, the increasing value of infrastructure assets globally; secondly, the importance of the digital economy, not only to business but to the whole of Australia and its economic recovery; and thirdly, the dependence of the digital economy on telecommunications infrastructure.

As businesses and homes become increasingly digitised, our dependency on connectivity is only going to increase. Our proposed new legal structure reflects this and will help us support the foundation for it – one that is in the interests of our shareholders, our employees, our customers, and the country overall.

4. When will the restructure take place?

We expect the restructure to be completed by the end of June 2022. We'll publish further updates on the restructure timeline here in this document and on telstra.com/legalrestructure as the restructure progresses.

We originally planned to complete the restructure on 1 January 2022, however we've had to move the scheme meeting to early 2022 because of a number of external factors that need to occur ahead of a shareholder vote, some of which are beyond our control, and the

sequencing of this around the holiday season. This change has had a flow on effect to the completion date.

5. When will the Court approval hearing occur?

The Court hearing to consider, and if appropriate, approve the legal restructure is likely to be held in early 2022.

Telstra will publish a notice of that Court hearing on its website, and in newspapers in advance of the hearing.

6. Will the financial standing or credit rating of the new entity differ to Telstra's current standing?

Our intention is for Telstra Group Ltd (our holding company) to have and maintain our A band credit rating. Coupled with new intragroup arrangements to ensure continuity of services within the group, customers / partners / suppliers / landlords of Telstra Limited can be assured of the continued financial strength and capacity of our organisation as a whole and ability of entities within the group to fulfil our contractual arrangements once the restructure has been completed.

7. Why don't we need a formal novation or variation to transfer our contract?

There's no need for a formal novation or variation because Telstra is seeking to transfer your contract using a completely different mechanism: a legislative scheme of arrangement under section 413 of the *Corporations Act 2001*.

This section 413 allows a court to order the transfer of all or part of a company's undertaking, property and liabilities (including its contracts) to another company as part of an approved corporate restructure. Once the court makes the order, then 'by virtue of the order', the relevant property and liabilities (including contracts) are transferred to the relevant company (s 413(2) of the *Corporations Act 2001*).

8. I received a notice that the restructure would happen on 1 January 2022, but now I've now heard and/or received another notice that the restructure will happen by the end of June 2022. Which is correct?

We originally planned for our restructure to complete on 1 January 2022. However, given the number of external factors that need to occur ahead of a shareholder vote (some of which are beyond our control) and the sequencing of this around the holiday season, we now expect the restructure to complete by the end of June 2022. That's why we've updated our notices to reflect this and will be in touch to confirm the completion date.

9. There was recently legislation about the legal restructure considered in parliament. Why was this Bill necessary?

On 1 December 2021, the legislation relating to our legal restructure was passed by Parliament. This means that once our legal restructure is complete, the various pieces of legislation that relate to Telstra Corporation will be amended to reflect our new structure.

The Bill was necessary because there are a number of pieces of legislation that set regulations and obligations on Telstra as a company and, as our legal restructure will see the creation of a new holding company for the Telstra Group, the legislation needs to be amended so it reflects our new structure.

We were not asking for changes to the underlying regulations or obligations as this occurs. It is simply a procedural process to update the legislation to ensure it points to the right business within the Telstra Group.

10. Were there major changes to Telstra operations contained in the Bill?

There are no changes to our business outlined in the Bill. Our proposed corporate restructure is legal in nature and will not impact on the products, plans or services we offer to our customers, our ability and commitment to meet our existing regulatory and security obligations, our infrastructure investments (including our commitments to regional), or on jobs.

11. Does the Bill facilitate you selling off more of Telstra? How does the Bill protect the interests of all Australians and ensure critical assets stay under the oversight of govt?

The Bill does not facilitate the sale of assets, but it does ensure key aspects of our service obligations, foreign ownership provisions and management requirements continue to apply once we have restructured.

Our legal restructure does provide us with more options and potential to realise additional value from our infrastructure assets.

12. Does the Bill change telecommunications regulations?

The Bill largely ensures that existing regulation continue to apply following Telstra's legal restructure. There are some changes to the Facilities Access Regime that will apply across the industry. The same foreign ownership limits that apply to Telstra as the listed company will apply to New Telstra Corp as the new listed holding company. Those foreign ownership limits will also apply to InfraCo Fixed, Telstra Limited and Amplitel.

13. Which contracts will be exempt and not transferring to Telstra Limited?

Exempt Contracts that will not be transferred from Telstra Corporation Limited to Telstra Limited as part of the restructure include contracts solely relating to:

- Telstra's passive or physical infrastructure assets supporting our fixed line telecommunications network (including ducts, fibre, data centres and exchanges);
- Telstra's passive or physical mobile tower assets; and
- Telstra's international business and assets.

[Shareholder FAQs](#)

More information is available on our [investor presentations page](#) including a video message from our Chairman and [shareholder FAQs](#):

<https://www.telstra.com.au/content/dam/tcom/about-us/investors/pdf-g/160921-Telstra-proposed-legal-corporate-restructure-shareholder-Q%26A.pdf>

[Enterprise Customer FAQs](#)**14. How will the legal restructure affect Telstra Enterprise customers who have a contract directly with Telstra Corporation Limited??**

As a Telstra Enterprise customer, the restructure will have no impact on the products, pricing, services or support you currently receive from us. You'll continue to interact with Telstra as you always have.

The only change for you will be that the customer contract you have with Telstra Corporation Limited will be transferred to a different legal entity within our group structure.

15. How will the restructure benefit customers?

For our customers, we will continue to focus on investing in the networks that enable our customers to thrive in a digital economy, and creating the best possible service experience. We understand that customers should not have to think about what telecommunications technology enables them; they just want it to work when they need it, to suit their needs and to be affordable.

To enable this, we need all telecommunications technologies to work together to meet the growing demand for data and to support our digital interactions. Having InfraCo Fixed and Amplitel, businesses solely focussed on optimising every single aspect of our networks infrastructure, and a business (through Telstra Limited) using the latest software, radio technology, electronics and network smarts to bring it to life and provide the best coverage and customer experience in the industry, will help us achieve this.

16. Why have I received more than one notice about the legal restructure from Telstra?

Because of the change in the expected completion date (see General FAQs, Questions 4 and 9), we have had to send more than one notice of the restructure. You may also have received more than one notice from Telstra about the legal restructure because your organisation may have a number of different relationships with Telstra or its subsidiaries (for example, both as a supplier and a customer).

If you do not believe that to be the case please email TelstraRestructure@team.telstra.com.

17. What happens if my contract is currently with a different Telstra group entity - that is, not Telstra Corporation Limited?

If your contract is with a different Telstra group entity, nothing changes and there's nothing you need to do. Your contract will not move at this time.

We will contact you directly if there are any other impacts on your contract that we need to discuss with you.

18. Does this change who my account manager is/who I deal with?

There is no change to how you interact with Telstra Enterprise. You'll continue to work with the same people as you do today.

19. Does my contract automatically get transferred to the new entity?

If your contract is with Telstra Corporation Limited - yes, your contract will be automatically transferred to the new entity once the restructure is complete (expected to be by the end of June 2022).

We are restructuring through a legal procedure called a "scheme of arrangement". As part of this, we intend to seek court orders to transfer your contract from Telstra Corporation Limited to Telstra Limited. If the Court makes these orders you will not need to do anything further, the Court's order will be sufficient to move the contract.

20. What happens next? Do I need to do anything?

There's nothing you need to do. We'll aim to confirm the transfer of your service or plan on the day it occurs.

We will contact you directly if there are any other impacts on your contract that we need to discuss with you.

If you can't find the answers you're looking for or have any concerns, please complete the [enquiry form](#) on this page and we'll get back to you.

Partner & Supplier FAQs

21. How will the legal restructure affect Telstra's partners and suppliers that have a contract directly with Telstra Corporation Limited?

As a Telstra partner or supplier, the restructure will have no impact on the partnership you have with us, or the products or services you currently supply to us. You'll continue to interact with Telstra as you always have.

The only change for you will be that the contract you have with us will be transferred to a different legal entity within our group structure, which means we will issue purchase orders with (and require invoices containing) the new name and ABN. Members of Telstra group may continue to buy and use the products and services you currently supply to us under your contract, which may include Telstra Limited procuring your products and services for other Telstra group members.

22. What happens if after the restructure, more than one Telstra group member buys or uses your products or services?

We will work with you on a case-by-case basis to ensure supply continuity of your products or services across the Telstra group.

23. Does my contract automatically get transferred to the new entity?

Yes, your contract will be automatically transferred to the new entity once the restructure is complete.

We are restructuring through a legal procedure called a "scheme of arrangement". As part of this, we intend to seek court orders to transfer your contract from its Telstra Corporation Limited, to Telstra Limited. If the Court makes these orders you will not need to do anything further, the Court's order will be sufficient to move the contract.

This transfer is expected to complete by the end of June 2022.

We'll contact you if our position changes and your contract will stay with the current Telstra Corporation (ABN 33 051 775 556) entity.

24. What happens if my contract is currently with a different Telstra group entity - that is, not Telstra Corporation Limited?

If your contract is with a different Telstra group entity, nothing changes and there's nothing you need to do. Your contract will not move at this time.

We will contact you directly if there are any other impacts on your contract that we need to discuss with you.

25. What happens next? Do I need to do anything?

There's nothing you need to do. Your contract will be automatically transferred to the new entity once the restructure is complete.

We will contact you directly if there are any other impacts on your contract that we need to discuss with you.

26. Who do I contact if I have concerns about the transfer of my contract to Telstra Limited?

If you have any other questions or concerns, please contact our ! Telstra Legal Restructure Supplier Communications email address on: F1802128@team.telstra.com

27. Will there be any change to how we do billing?

The system for eInvoicing will remain the same for our suppliers with the only change relating to referencing the new company name, ABN and purchase order details.

28. Will anything change with the current supplier support arrangements, such as the supplier portals or the assistance centre?

There is no change to these arrangements and the assistance centre will still provide support for all suppliers. Additional hypercare support will be provided post go-live to support our suppliers through this period.

If you can't find the answers you're looking for or have any concerns, please complete the [enquiry form](#) on this page and we'll get back to you.

Property FAQs**29. How will the legal restructure affect Telstra's arrangements with its landlords?**

As a property owner, the restructure will have no impact on the property arrangements you currently have with us. You'll continue to interact with Telstra as you always have.

The only change for you will be that the lease you have with us will be transferred to a different legal entity within our group structure.

30. Will my lease agreement automatically get transferred to the new entity?

Yes, your lease will be automatically transferred to the new entity once the restructure is complete.

We are restructuring through a legal procedure called a "scheme of arrangement". As part of this, we intend to seek court orders to transfer your lease from its current Telstra entity, to Telstra Limited. If the Court makes these orders you will not need to do anything further, the Court's order will be sufficient to move the lease.

This is expected to be by the end of June 2022.

31. What happens if my lease is currently with a different Telstra group entity - that is, not Telstra Corporation Limited?

If your lease is with a different Telstra group entity, nothing changes and there's nothing you need to do. Your lease will not move at this time.

We will contact you directly if there are any other impacts on your lease that we need to discuss with you.

32. What happens next? Do I need to respond or confirm acceptance of the new entity?

There's nothing you need to do. Your lease will be automatically transferred to the new entity once the restructure is complete.

We will contact you directly if there are any other impacts on your leases that we need to discuss with you.

If you can't find the answers you're looking for or have any concerns, please complete the [enquiry form](#) on this page and we'll get back to you.

Consumer & Small Business Customers FAQs

33. Why is Telstra doing this restructure?

The legal restructure is designed to help us create additional value for shareholders. The way we'll do this is by increasing the focus on each business in the Telstra group individually. This is to enable us to better realise the value of our infrastructure assets, take advantage of potential monetisation opportunities and create additional value for our shareholders.

We will still be the same Telstra that has been connecting Australians for more than 100 years, except we will be structured in a way that will deliver the best outcomes for the Telstra Group as a whole.

34. How will the legal restructure affect Telstra's consumer and small business customers?

As a Telstra consumer or small business customer, the restructure will have no impact on the products, pricing, services or support you currently receive from us. You'll continue to interact with Telstra as you always have.

The only change for you will be that the customer contract you have with us will be transferred to a different legal entity within our group structure.

35. How will the restructure benefit customers?

For our customers, we will continue to focus on investing in the networks that enable our customers to thrive in a digital economy, and creating the best possible service experience. We understand that customers should not have to think about what telecommunications technology enables them; they just want it to work when they need it, to suit their needs and to be affordable.

To enable this, we need all telecommunications technologies to work together to meet the growing demand for data and to support our digital interactions. Having InfraCo Fixed and Amplitel businesses solely focussed on optimising every single aspect of our networks infrastructure, and Telstra Limited, a business using the latest software, radio technology, electronics and network smarts to bring it to life and provide the best coverage and customer experience in the industry, will help us achieve this.

36. Why have I received this email/text/note on the back of my bill about Telstra transferring my account?

To complete the restructure we need Federal Court approval. To help with the federal court approval, we need to formally notify all of our customers about the proposed change and we also need to give you the opportunity to provide feedback and raise any concerns. So this note you've received is just us letting you know the internal transfer will be taking place by the end of June 2022. We'll aim to confirm this change on the day it occurs. We will also place notices in newspapers confirming details of the Court hearing where we will seek approval. We'll also publish further updates on the restructure timeline here in this FAQ document (see General FAQs Q4) and on the webpage: telstra.com/legalrestructure

37. Why does the message talk about my personal information? Is my personal information still safe?

The personal information we hold about you will be transferred internally within the Telstra Group and will continue to be handled in accordance with the Telstra Privacy Statement which is available at telstra.com.au/privacy

38. Why does the message say it's from both Telstra Corporation Limited and Telstra limited?

This is a legal requirement. We need to let you know on behalf of both companies within the Telstra Group that the change is taking place, so the message is from both Telstra Corporation Limited (where your account currently sits) and from Telstra Limited (where your account will sit when we complete the internal transfer).

39. Will there be any change to how I pay for my Telstra services?

No. The only change is that if you have a direct debit service agreement with us, the name of our bank account will change from Telstra Corporation Limited to Telstra Limited (but the bank account BSB and number will not change).

40. Will there be any change to my Foxtel from Telstra service?

If you have a Foxtel From Telstra service, this will continue to be provided by Telstra Pay TV Pty Ltd and included on your Telstra bill.

41. Will there be any change to my streaming services such as Netflix, Foxtel Now, Binge, Kayo and others?

If you have a third party streaming service that you've agreed to have billed on your Telstra bill, this will continue to be the case. However your Telstra bill will be issued by Telstra Limited following implementation of the restructure.

42. Does the restructure mean Telstra will stop supporting regional and rural customers?

No. Our commitment to providing improved and expanded mobile coverage to regional, rural and remote Australia remains unchanged.

Our focus will continue to be on creating innovative products and services, supporting customers, and delivering the best possible customer experience – regardless of whether our customers are in metropolitan or regional Australia, or international.

43. What happens next? Do I need to do anything?

There's nothing you need to do. This change will take place by the end of June 2022. We'll aim to confirm this change on the day it occurs.

We will publish further updates on the restructure timeline here in this FAQ document (see General FAQs Q4) and on the webpage: telstra.com/telstralegalrestructure.

If you are a Consumer or Small Business customer and can't find the answers you're looking for or you have any concerns, please contact us on 1800 086 229.