

LICENCE TO PROVIDE
FACILITIES-BASED OPERATIONS
GRANTED BY THE INFO-COMMUNICATIONS DEVELOPMENT
AUTHORITY OF SINGAPORE TO
CITYNET INFRASTRUCTURE MANAGEMENT PTE LTD
(IN ITS CAPACITY AS TRUSTEE-MANAGER OF NETLINK TRUST)
UNDER SECTION 5 OF THE
TELECOMMUNICATIONS ACT (CHAPTER 323)
ON 22 SEPTEMBER 2011
AMENDED ON 1 OCTOBER 2014

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PART I: THE LICENCE

- (A) On 1 April 2009, the Info-communications Development Authority of Singapore (hereinafter referred to as “IDA”), in exercise of its powers under Section 5 of the Telecommunications Act (Cap. 323) (hereinafter referred to as “the Act”) granted OpenNet Pte Ltd, (designated by IDA on 1 April 2009 as a Public Telecommunication Licensee under Section 6 of the Act and hereinafter referred to as the “First Licensee”) a licence to establish, install and maintain an island-wide passive network and provide telecommunication services over the said network.
- (B) On 22 September 2011, IDA, in exercise of its powers under Section 5 of the Act granted CityNet Infrastructure Management Pte Ltd, in its capacity as the trustee-manager of the NetLink Trust, (designated by IDA on 22 September 2011 as a Public Telecommunication Licensee under Section 6 of the Act and hereinafter referred to as “the Public Telecommunication Licensee” or “the Licensee” for short) a licence (the “Licence”) to establish, install and maintain the system of ducts, manholes and central offices that are transferred or leased to the Licensee (as the case may be), acting in its capacity as the trustee-manager of the NetLink Trust and to operate and provide telecommunication services over the said telecommunication system.
- (C) On 22 August 2013, the First Licensee and the Licensee, amongst others, submitted a joint application to IDA for the acquisition by the Licensee of 100% of the issued and paid-up share capital in the First Licensee.

- (D) On 21 November 2013, IDA granted its approval to the proposed acquisition, subject to the terms therein. Upon completion of the acquisition, the assets and business of the First Licensee will be transferred to and integrated into the NetLink Trust.
- (E) On 24 July 2014, the Licensee submitted its request to amend the Licence to enable it to install, operate and maintain the systems and provide the services previously undertaken by the First Licensee on top of the Licensee's existing suite of systems and services. The First Licensee also requested to terminate its licence upon the Licence being modified in the manner described above.
- (F) On 1 October 2014, the IDA, in exercise of its powers under Section 7 of the Act, duly directed the Licensee of the modifications to be made to the terms and conditions of the Licence. On top of the Licensee's existing suite of systems and services, these modifications are primarily intended to reflect the Licensee taking over and being responsible for the systems and services previously undertaken by the First Licensee, including any changes and/or updates to the description of the systems and services under the First Licensee's licence, and all associated matters and obligations.

1. Period of Licence

- 1.1 The Licence shall come into force on the date hereof and shall be valid until 31 March 2034, unless suspended or cancelled by IDA in accordance with Condition 39 or terminated by the Licensee in accordance with Condition 40 of this Licence.
- 1.2 The Licence may be further renewed for such period as IDA thinks fit and subject to such terms and conditions as may be specified by IDA under Section 5 of the Act.

2. Payment of Licence Fee

- 2.1 The Licensee shall pay to IDA an annual fee which is based on the audited annual gross turnover ("AGTO") for the provision of the services during the Licensee's financial year. The annual fee payable shall be the total of –

- (a) a minimum sum of \$200,000;
 - (b) 0.8% of such amount of the Licensee's audited AGTO for the provision of the services during the Licensee's financial year that is more than \$50 million up to \$100 million; and
 - (c) 1% of such amount of the Licensee's audited AGTO for the provision of the services during the Licensee's financial year that is more than \$100 million.
- 2.2 The licence fees payable under Condition 2.1 shall be forfeited if the Licence is terminated or cancelled at any time during the term of the Licence.
- 2.3 For the first year of operation, the minimum annual licence fee of \$200,000 shall be payable by the Licensee within 2 weeks of the grant of the Licence and shall be adjusted at the end of the Licensee's financial year based on the Licensee's audited accounts submitted to IDA.
- 2.4 For the subsequent years, the annual licence fee based on the last available audited accounts, shall be paid in advance on the first day of the Licensee's financial year, subject to the minimum fee of \$200,000 and subject to adjustment when more recent audited accounts are available.
- 2.5 In the event of a default by the Licensee in the payment of any fee when due under the Licence, the Licensee shall pay to IDA interest on the amount from time to time outstanding in respect of the overdue sum for the period beginning on (and including) its due date and ending on (and excluding) the date of its receipt in full by IDA, which interest shall accrue from day to day and shall be calculated on the basis of the actual number of days elapsed and a 365 day year. The applicable rate of interest shall be the average of the prevailing prime lending rates of the banks and finance companies quoted and published by the Monetary Authority of Singapore. For the avoidance of doubt, the Licensee shall continue to be subject to its obligations under the Licence and shall not be released from such obligations by reason of any late payment of licence fee.
- 2.6 The Licensee shall submit to IDA an audited AGTO statement, not later than 6 months after the end of each financial year.

2.7 In the event that the Licensee fails to submit its audited AGTO statement within the timeframe stipulated in Condition 2.6, the Licensee shall be under a continuing obligation to submit the same immediately notwithstanding any penalties imposed by IDA for breach of Condition 2.6 or this Condition 2.7.

3. Licence is not Transferable

3.1 The Licensee shall not assign, transfer, sublet or otherwise dispose of its rights, duties, liabilities, obligations and privileges under this Licence to any person or persons except with the prior approval of IDA.

3.2 Any such approval shall be given subject to terms and conditions, which IDA at its discretion may impose.

4. Description of Systems and Services

4.1 The Licensee shall maintain and operate the Systems as described in Schedule A for the provision of the Services as described in Schedule B subject to the specific terms and conditions set out in Schedule C. The Licensee shall not operate or provide any system or service not described in Schedules A and B except with the prior written approval of IDA.

4.2 Where the Licensee wishes to introduce a new system and/or service or makes changes to any system and/or service, the Licensee shall provide IDA such technical and/or non-technical information as may be required by IDA within such period as may be specified by IDA.

5. Licence Application Proposals

5.1 Without prejudice to any of the Licensee's obligations under this Licence, the Licensee shall abide by the proposals of the First Licensee as well as its proposals on network rollout, range of services, quality of service standards, pricing and service provisioning schemes and any other commitments as submitted to IDA in the respective licence applications.

PART II: BASIC OBLIGATIONS OF PUBLIC TELECOMMUNICATION LICENSEE

6. Basic Obligation to Support Public Telecommunication Licensees

6.1 The Licensee shall establish, install, maintain and operate the Systems and shall:

- (a) where the Licensee has available ducts and associated manholes, provide access to and use of such ducts and manholes; and
- (b) where the Licensee has no available ducts and associated manholes, procure or deploy such ducts and manholes and provide access to and use thereof,

to any Public Telecommunication Licensee designated by IDA under Section 6 of the Act that requests the Licensee for such ducts and associated manholes (as the case may be).

7. Universal Service Obligation

7.1 The Licensee shall establish, install, maintain and operate the Systems and shall provide, through or with the use of the Systems, the Mandated Services to any Qualifying Person in Singapore who requests the provision of such services to any of the following locations in mainland Singapore and connected Singapore islands:

- (a) all Physical Addresses; and
- (b) all other locations as may be reasonably requested

on and from 1 January 2013.

7.2 In this Condition, “Mandated Services”, “Physical Addresses” and “Qualifying Person” shall have the meaning set out in Schedule C.

8. Provision of International Services

8.1 The Licensee shall take all reasonable steps to provide to any person to whom it provides telecommunication services, full connection by means of the Systems to international telecommunication services, unless IDA is

satisfied that for any of the reasons set out in Condition 42 it would be unreasonable for the Licensee to do so.

9. Public Emergency Call Services

9.1 The Licensee shall ensure that:

- (a) any person through customer premises equipment; and
- (b) any person through its public payphones

may at any time and without charge, contact the relevant police service (namely 999 or its substitute number), the fire and ambulance services (namely 995 or its substitute number) and any other national emergency services which the Minister may from time to time designate, for the purpose of notifying them of any emergency.

10. Public Maritime Emergency Services

10.1 The Licensee shall ensure that it is possible for any person to contact at any time and without charge, distress, urgency and safety services for shipping for the purpose of notifying them of an emergency and shall, subject to fair and proper payment by the relevant Government ministry, department, statutory board or official agency, provide the necessary facilities for distress, urgency and safety services in accordance with the Radio Regulations of the International Telecommunications Union.

11. Co-operation with Civil/Public Bodies

11.1 The Licensee shall co-operate with the relevant Government ministries, departments, statutory boards or official agencies in all possible ways for the provision of national security and emergency services.

PART III: TECHNICAL OBLIGATIONS

12. Use of Telecommunication Equipment in the Systems

- 12.1 Prior to the operation of the Systems, the Licensee shall in accordance with Section 9 of the Act, submit for IDA's approval all telecommunication infrastructure, technology and any telecommunication equipment which is part of the Systems or which is to be connected to the Systems.
- 12.2 The Licensee shall seek IDA's prior approval from time to time for any other telecommunication equipment to be used in the operation of the Systems for which the approval has not been granted under Section 9 of the Act, whether such other equipment is in addition to or intended to replace the existing equipment or part thereof.

13. Operation of Radio-communication Stations

- 13.1 The Licensee shall apply for all necessary licences under the Telecommunications (Radio-communication) Regulations for the operation of any radio-communication stations comprised in the Systems and shall abide by any conditions imposed thereunder, including the payment of station licence fees and frequency fees for the allocation and management of frequencies by IDA.
- 13.2 Any change to the location, equipment, frequencies, emissions, power, polarisation, aerial characteristics and other technical parameters of any radio-communication station comprised in the Systems shall be submitted in writing for IDA's prior approval.
- 13.3 The height of the antenna of any radio-communication station comprised in the Systems shall not exceed 50 metres above mean sea level (AMSL). Where necessary however, IDA may grant conditional approval for the Licensee to exceed the prescribed height level provided that the Licensee shall take all necessary steps, at its own cost, to ensure that the Systems will not cause interference to or receive interference from other authorised networks.

14. Use of Radio Frequencies

- 14.1 The Licensee shall, in its application to IDA, justify the use of radio frequencies and shall, subject to payment of the required frequency fees, be

provided with the necessary frequencies to enable the effective and efficient operation of the Systems and the provision of the Services by the Licensee.

- 14.2 The Licensee shall take all necessary steps to ensure that the use of its Systems is safe and does not cause interference to other existing radio-communication networks operating in the same band or in other bands. The Licensee shall also take appropriate measures to ensure that its Systems are adequately protected from interference that may be caused by networks operating in the same band or in other bands.

15. Assignment of Numbers

- 15.1 The Licensee shall comply with IDA's National Numbering Plan and IDA's Framework and Guidelines on the usage, allocation and assignment of numbers. The Licensee shall, in its submission to IDA, justify the use of numbers and shall, subject to payment of the required fees for Golden Numbers, be provided with the necessary numbers to enable the effective and efficient operation of the Systems and provision of Services. The Licensee shall take all necessary steps to ensure that the numbers allocated are efficiently utilised.
- 15.2 Any telephone number(s) assigned to the Licensee is the property of IDA and the Licensee shall have no proprietary right to the telephone number(s) assigned.
- 15.3 IDA reserves the right to alter and/or reallocate any telephone number(s) given to the Licensee at any time, upon written notice, without being liable for any loss or inconvenience directly or indirectly attributable to the alteration or reallocation of such telephone number(s).

PART IV: ACCESS AND INTERCONNECTION OBLIGATIONS

16. Requirement to Provide Access

- 16.1 The Licensee shall provide to any persons licensed by IDA to provide facilities-based operations means of access to the Systems.
- 16.2 The Licensee may, with the prior approval of IDA, impose an access charge upon persons licensed by IDA to provide facilities-based operations.
- 16.3 The Licensee shall comply with IDA's prevailing interconnection & access framework, arrangements and requirements, including all relevant Codes of Practice, directions and notifications which IDA may issue from time to time.

17. Connection to Other Systems

- 17.1 The Licensee shall connect to the Systems on request and at appropriate connection points, which it shall provide for this purpose:
- (a) any equipment approved or exempted from approval by IDA for connection to the Systems; and
 - (b) any telecommunication systems approved or licensed by IDA.
- 17.2 Notwithstanding Condition 17.1, the Licensee shall cease to connect or refuse to connect to the System any equipment or system that:
- (a) has not been approved, licensed or exempted from approval or licensing by IDA; or
 - (b) no longer meets the requirements for approval or licensing by IDA, in respect of which IDA has issued a notice to that effect to the person who has under his control such equipment or system.
- 17.3 The terms and conditions for the connection of equipment or systems to the Systems of the Licensee shall be determined by agreement between the Licensee and the owner or operator of the equipment or system except in so far as the conditions are prescribed in the Act or in this Licence. In the event that the parties cannot reach an agreement, the matter shall be determined by IDA whose decision shall be final.

18. Arrangements for Connection to Systems

- 18.1 The Licensee shall not impose technical or other conditions or employ any arrangements for the connection of equipment or systems to the Systems other than those set by IDA. In particular, the Licensee shall not, except where IDA is satisfied that it is reasonable, exercise any Intellectual Property Rights which it owns or is licensed to use in a manner which prevents or inhibits the connection of approved equipment or systems to the Systems.
- 18.2 In this Condition, “Intellectual Property Rights” means, without prejudice to its generality, the rights to patents, trade marks, designs, know-how and copyright.
- 18.3 The Licensee is required to comply with the following technical requirements and safeguards:
- (a) The Licensee shall not manipulate the Calling Line Identity of the original calling party and the original calling party Calling Line Identity shall be passed on in the conveyance of a call accordingly.
 - (b) The Licensee shall not, in the handling of outgoing traffic, manipulate the access code dialled by the calling party.
 - (c) The A-bit of the Forward Call Indicator of the Initial Access Message on the ITU-T Signalling System Number 7 ISDN User Part signalling should be set to the value “1” to identify an international incoming call for systems inter-working. Where the Licensee operates a system which does not support ITU-T Signalling System Number 7 signalling, then the Licensee shall route such international incoming calls on specified circuits.

19. Changes to Systems

- 19.1 The Licensee shall give notice in writing to IDA and shall notify all parties affected of any changes it intends to implement in the specification or performance of the Systems which would require changes to any equipment or systems connected to the Systems or which would have the effect of making such connections inoperable. The period of notice given shall be appropriate to the likely impact on the parties affected and on

connected equipment or systems and shall be decided in consultation with IDA.

- 19.2 Where IDA considers that a change in the Systems referred to in Condition 19.1 would cause another person licensed to provide telecommunication services in Singapore to make major changes in its own systems in order to connect its systems to the Systems, and notifies the Licensee thereof, the Licensee shall obtain the prior approval of IDA before implementing such a change.

20. Infrastructure Sharing and Deployment

- 20.1 The Licensee shall comply with IDA's framework for facilities sharing and deployment, including all relevant Codes of Practice, directions and notifications which IDA may issue from time to time.
- 20.2 Where IDA considers it necessary for the Licensee to share infrastructure with other telecommunication licensees in designated areas in the national and/or public interest or otherwise, IDA shall inform the licensees accordingly so that licensees can make the necessary arrangements before submitting their infrastructure sharing plans to IDA for approval. The Licensee shall share infrastructure whenever and wherever mandated by IDA in accordance with the framework for facilities sharing and deployment, including Codes of Practice.

PART V: SERVICE OBLIGATIONS

21. Price Control/Tariffing Arrangements/Quality of Service Standards

- 21.1 IDA reserves the right to establish price control arrangements and Quality of Service Standards for the Services provided by the Licensee with which the Licensee shall comply.
- 21.2 IDA reserves the right to require the Licensee to maintain separate financial data and accounts for the Services and shall submit on request these data and accounts to IDA for inspection.
- 21.3 IDA reserves the right to require the Licensee to file its schemes of service, including non-price terms and conditions for the provisioning of the Services and price schemes with IDA before commercial launch or announcement of such Services.

22. Publication of Charges, Terms and Conditions

- 22.1 The Licensee shall publish information about the Services it provides, covering inter alia, descriptions and pricing of the services available, the terms and conditions thereof, and the provision of fault repair and any other commercial and technical services and such other information as IDA may require the Licensee to publish in relation to the Services.

23. Confidentiality of Subscriber Information

- 23.1 The Licensee shall respect and ensure the confidentiality of subscriber information, especially for ex-directory numbers except under the following circumstances:
- (a) where sharing of information with other licensee is necessary to detect, prevent or investigate into fraud;
 - (b) where disclosure is deemed necessary by IDA or the relevant law enforcement or security agencies to carry out their functions or duties.

PART VI: OTHER OBLIGATIONS

24. Codes of Practice

24.1 The Licensee shall comply with the Codes of Practice issued by IDA as well as any additional or supplemental guidelines, which IDA may issue from time to time to the Licensee.

25. Number Portability

25.1 The Licensee shall implement number portability from commencement of service subject to IDA's number portability requirements and charging principles.

25.2 The Licensee shall comply, at its own cost, with any requirements and guidelines established by IDA on number portability to be implemented by the Licensee.

26. Accounting Separation

26.1 The Licensee shall comply with the practices, principles and requirements set out in the Accounting Separation Guidelines established by IDA, and any additional or supplemental guidelines issued by IDA from time to time.

27. Restriction on Undue Preference and Undue Discrimination

27.1 The Licensee shall not show undue preference towards, or exercise undue discrimination against any person or class of persons in, inter alia, the price and performance characteristics of the Services provided or the terms and conditions under which the Services are provided. In particular, the Licensee shall not give any undue preference to, or receive an unfair advantage from, a business carried on by it or an associated or affiliated company, service or person, if IDA is of the opinion that the Licensee's competitor could be placed at a significant competitive disadvantage or that competition would be prevented or substantially restricted.

28. Restriction Against Anti-Competitive Arrangements

28.1 The Licensee shall not enter into any agreement or arrangement, whether legally enforceable or not, which shall in any way prevent or restrict competition in relation to the operation of the Systems or provision of

Services by the Licensee or any other telecommunication system and/or services licensed by IDA.

29. Restriction on Exclusive Arrangement for International Services

29.1 The Licensee shall not enter into any agreement or arrangement with a person running an Authorised Overseas System on terms or conditions which unfairly preclude or restrict, to the detriment of the national and/or public interest, the provision of any international telecommunication services by any person licensed by IDA to provide those services.

29.2 In this Condition, “Authorised Overseas System” means a system, which is recognised by the Government of any competent authority of a foreign country as authorised to provide telecommunication services by or through that system.

29.3 The Licensee shall comply with IDA’s requirements on the international settlement regime and seek IDA’s endorsement and/or approval to the arrangements reached with other licensees, before implementation.

30. Contracts with Third Parties to Operate or Provide Licensed Systems or Services

30.1 Where the Licensee intends to enter into any joint venture, association, contract or arrangement with a third party, the effect or purported effect of which would be to permit a person who is not originally a party to this Licence to share in the benefits of, or otherwise gain any rights or privileges under this Licence, or which would otherwise result in a breach or circumvention of Condition 3.1, the Licensee shall seek IDA’s approval for the joint venture, association, contract or arrangement in question.

30.2 IDA may direct at any time the Licensee to effect any changes it deems necessary in the terms and conditions of the joint venture, association, contract or arrangement referred to above.

30.3 If the Licensee fails to effect the necessary changes referred to in Condition 30.2, IDA may direct the Licensee to terminate any such joint venture, association, contract or arrangement.

30.4 Nothing in Condition 30.1 shall be construed as requiring the Licensee to obtain the approval of IDA for the appointment of agents or for the

employment of independent contractors or sub-contractors to carry out any works or provide any services which enable the Licensee to discharge its duties and obligations under this Licence provided that the Licensee shall be liable to IDA for any act, omission, default, neglect or otherwise of the agents and independent contractors or sub-contractors in carrying out any such works or providing any such services.

31. Management Arrangements

31.1 The Licensee shall seek IDA's written approval at least one (1) month in advance of any change in the appointment of its Chairman, Board of Directors or Chief Executive Officer and shall for this purpose provide IDA with details of any such change and any further information requested by IDA.

32. Direction by IDA

32.1 The Licensee shall strictly and without any undue delay comply with any directions, which IDA may from time to time issue in exercise of its powers, functions or duties under the Act, or in this Licence.

32.2 IDA may, by notice in writing to the Licensee amend, vary or revoke wholly or in part any directions given by it pursuant to Condition 32.1.

32.3 Unless otherwise expressly specified, the Licensee shall safeguard the secrecy of all directions given by IDA. The Licensee shall not during the currency and after the expiry, termination or cancellation of the Licence disclose or permit the disclosure of any of the said directions to any person not authorised to receive the same without the prior written consent of the Chief Executive Officer of IDA. The Licensee shall further take all reasonable precautions in dealing with the said directions so as to prevent any unauthorised person from having access to the same.

33. Dispute Resolution

33.1 In the event that the Licensee fails to reach an agreement with other telecommunication licensees on matters relating to the requirements of this Licence or the Act, the matter shall be determined by IDA whose decision shall be binding on all parties concerned.

33.2 IDA reserves the right to levy a fee for work undertaken in this respect.

34. Provision of Information to IDA

- 34.1 The Licensee shall provide IDA with any document or information within its knowledge, custody or control, which IDA may, by notice or direction require. The Licensee undertakes to IDA that any such document and information provided to IDA shall be true, accurate and complete.
- 34.2 For the purposes of ensuring the Licensee's compliance with the conditions of the Licence, IDA may from time to time require the Licensee to arrange at its own expense, for a separate and independent audit of its activities. The Licensee shall, at IDA's request, submit the audited accounts and reports prepared under this Condition 34.2 to IDA for inspection and verification.
- 34.3 The Licensee shall keep in strict confidence any document and information furnished to or so required by IDA pursuant to Condition 34.1, as well as the fact that IDA has requested such document or information.
- 34.4 IDA may use and disclose any such document or information provided to IDA pursuant to Condition 34.1 as IDA deems fit.
- 34.5 Where IDA proposes to disclose any document or information obtained pursuant to Condition 34.1 and IDA considers that the disclosure would result in the release of information concerning the business, commercial or financial affairs of the Licensee or which disclosure would or could reasonably be expected to adversely affect the Licensee's lawful business, commercial or financial affairs, IDA will give the Licensee a reasonable opportunity to make representations on the proposed disclosure before IDA makes a final decision whether to disclose the information.

35. National Emergency and Security

- 35.1 The Licensee shall, where directed by IDA, participate in any emergency activities or preparations thereof in collaboration with other relevant agencies, organisations and Government ministries and departments, in accordance with the written law in Singapore.
- 35.2 The Licensee shall, unless expressly notified, keep in strict confidence any information or document pertaining to Condition 35.1 as well as the fact

that IDA has requested the Licensee to participate in such emergency activities and preparations.

35.3 IDA may, from time to time, require the Licensee to submit to IDA for approval any changes to any telecommunication system, installation or plant and any service plans, together with such technical and non-technical information as may be required by IDA, at least one month before such change is intended to be implemented.

36. International Obligations

36.1 The Licensee shall exercise its rights and powers and perform its duties and obligations under this Licence in a manner, which is consistent with the Government's obligations under any Convention, Agreement, Arrangement or Treaty to which Singapore is or shall become a party.

36.2 IDA shall notify the Licensee from time to time of any such Convention, Agreement, Arrangement or Treaty to which Condition 36.1 applies for its compliance.

PART VII: SUSPENSION, VARIATION AND TERMINATION

37. Penalty Framework for Breach of Licence Conditions

37.1 Where the Licensee breaches any licence condition, IDA may impose a financial penalty on the Licensee in accordance with Section 8 of the Act.

38. Variation of Terms of Licence

38.1 Pursuant to Section 7(1) of the Act, IDA may vary or amend any of the terms of this Licence by giving the Licensee at least one month's notice in writing.

39. Suspension/Cancellation

39.1 IDA may, in any of the events specified in Section 8 of the Act, by notice in writing given to the Licensee, suspend or cancel the Licence in whole or in part, or impose a financial penalty in such amounts as IDA thinks fit.

40. Termination of Licence

40.1 In the event that the Licensee desires to terminate this Licence or cease its operation of the Systems or the provision of any of the Services, the Licensee shall seek IDA's approval in writing at least one year in advance.

40.2 No termination shall take place effect until IDA's approval has been obtained under Condition 40.1.

41. Rights upon Termination, Suspension or Cancellation

41.1 Any termination, suspension or cancellation of the Licence shall be without prejudice to the rights and remedies which may accrue to the Licensee or IDA under the Licence or any written law as at the date of termination except that the Licensee shall not have the right to seek a refund of the licence fee or any other fee paid in advance.

42. Exceptions and Limitations on Obligations

42.1 The Licensee shall not be held to have failed to comply with its obligations in this Licence if and to the extent that IDA is satisfied that it is prevented from complying with those obligations for the following reasons:

- (a) malfunction or failure of any equipment where IDA determines that reasonable measures were taken beforehand;
- (b) the act or omission of any national authority, local authority or international organisation; or
- (c) any other factor, which, in the opinion of IDA is beyond the Licensee's reasonable control and which notwithstanding the exercise by it of reasonable diligence and foresight, the Licensee was unable to prevent or overcome,

provided that the Licensee shall use all reasonable endeavors to resolve with all reasonable speed the factor(s) preventing the carrying out of its obligations and shall resume the performance of its obligations as soon as the factor(s) which prevented the performance thereof is resolved.

43. Compliance with the Law

43.1 The Licensee shall observe and comply with all local laws, including but not limited to the Act, the Telecommunications (Radio-communication) Regulations, the International Telecommunication Convention and any other treaty or convention to which Singapore is a party.

43.2 Nothing in this Licence shall be taken as discharging the Licensee from its obligations to obtain any other licences, permits or approvals that may be required under any written law in force in Singapore.

44. Governing Law

44.1 This Licence shall be governed by and construed according to the law of Singapore.

45. Service of Notices

45.1 All notices under this Licence shall be in writing and shall be deemed to have been given if sent by hand or pre-paid post or by facsimile to the

Licensee's registered address as lodged with the Accounting and Corporate Regulatory Authority.

46. Severability

- 46.1 Every condition and part thereof shall be construed as a separate and severable provision so that if any Condition and part thereof is held invalid, unenforceable or illegal for any reason, the remainder of the Licence shall remain in full force in every respect.

Issued on 22 September 2011

Amended on 1 October 2014



DIRECTOR-GENERAL (TELECOMS & POST)
INFO-COMMUNICATIONS DEVELOPMENT AUTHORITY OF
SINGAPORE

SCHEDULE OF INTERPRETATION

In this Licence, unless the context otherwise requires:

- (a) Words importing the singular or plural shall be deemed to include the plural or singular respectively;
- (b) The titles to the provisions of this Licence are for convenience of reference only and are not part of this Licence and shall not in any way affect the interpretation thereof;
- (c) Any word or expression used in this Licence shall have the same meaning as it has in the Act;
- (d) Any reference in this Licence to the Act shall include any regulations made thereunder;
- (e) Any reference in this Licence to any regulations made under the Act shall include any regulations made under the Act until such regulations are revoked or repealed by subsidiary legislation made under the Act;
- (f) Any reference in this Licence to a person shall be deemed to include natural and legal persons;
- (g) Any reference to monetary amounts in this Licence shall be deemed to be denominated in Singapore Dollars;
- (h) Any reference to any Guidelines, Codes or Framework or other rules or documents promulgated by IDA shall be read as reference to such as may be amended from time to time; and
- (i) In the event of any conflict or inconsistency between any Condition of this Licence and the terms of Schedule C, the terms of Schedule C shall prevail.

SCHEDULE A
DESCRIPTION OF THE SYSTEMS TO BE ESTABLISHED BY
CITYNET INFRASTRUCTURE MANAGEMENT PTE LTD

[Removed]

SCHEDULE B
DESCRIPTION OF THE SERVICES TO BE PROVIDED BY
CITYNET INFRASTRUCTURE MANAGEMENT PTE LTD

[Removed]

SCHEDULE C
SPECIFIC TERMS AND CONDITIONS

1. Definitions

1.1. For the purposes of this Schedule the words and expressions listed below shall have the meanings assigned to them except where the context otherwise requires:

- (a) “**Ancillary Mandated Services**” means any services ancillary to and reasonably required for the provision of any service (including without limitation any Basic Mandated Service) that is provided using the Fibre Network including without limitation the services listed in paragraph 4.2 of this Schedule;
- (b) “**Ancillary Mandated Services Qualifying Person**” means any person licensed by IDA to provide facilities-based operations or service-based operations or any broadcasting licensees excluding persons licensed under a class licence pursuant to section 9 of the *Broadcasting Act* (Cap. 28) who intends to acquire or has acquired the provision of any service (including without limitation any Basic Mandated Service) that is provided using the Fibre Network;
- (c) “**Assets**” has the meaning given to that term in paragraph 10.2(a) of this Schedule;
- (d) “**Associate**” has the meaning given to that term in paragraph 2.2(b) of this Schedule;
- (e) “**Basic Mandated Services**” means the services listed in paragraph 4.1 of this Schedule;
- (f) “**Basic Mandated Services Qualifying Persons**” means persons licensed by IDA to provide facilities-based operations;
- (g) “**broadcasting licensee**” means any holder of a licence granted under the *Broadcasting Act* (Cap. 28) but excludes class licensees;
- (h) “**Building**” means a building or development which has an assigned six-digit postal code by Singapore Post Limited;
- (i) “**Business Continuity Plan**” or “**BCP**” means the business continuity plan approved pursuant to paragraph 10 of this Schedule;

- (j) **“Business Support System”** or **“BSS”** means the electronic system used to run a party’s business operations and which is typically linked to an OSS in support of end-to-end services;
- (k) **“Central Office”** or **“CO”** means a location or building where the Licensee provides access to the passive infrastructure and co-location facilities;
- (l) **“Co-location Services”** means the provision of co-location space and services within a CO as specified in the Network Specifications used or to be used for the purposes of connecting to the Fibre Network and the provisioning of services over the Fibre Network to a significant portion of the End-User base;
- (m) **“Connection”** means the wired component of the Fibre Network to a Physical Address or a Non-Building Address Point;
- (n) **“Connectivity Point”** means a point, at a Physical Address or at any Non-Building Address Point, which is used as a distribution point at which Wirelines are terminated and/or cross-connected, including without limitation:
 - (i) MDFs in COs, TERs, MDF Rooms, DFs in Outdoor Cabinets, manholes;
 - (ii) Termination Points in Residential Premises and Non-Residential Premises;
 - (iii) Termination Points in Non-Building Address Points e.g. bus-stops, lamp posts; and
 - (iv) Distribution Points;
- (o) **“Contract”** means the contract between IDA and the First Licensee dated 20 October 2008 entered into pursuant to the RFP, which would be replaced by a Deed of Undertaking to be provided by the Licensee to IDA on 1 October 2014. Any references to the Contract on or after 1 October 2014 would be to the Deed of Undertaking as appropriate;
- (p) **“Controlled Entity”** means the entity under the Effective Control of a Controlling Entity;
- (q) **“Controlling Entity”** means the entity or entities having the ability to exercise Effective Control over a Controlled Entity;

- (r) **“Customised Agreement”** means an agreement for the provision of Mandated Services on prices, terms and conditions that differ from the prices, terms and/or conditions of the ICO;
- (s) **“Distribution Frame”** or **“DF”** means a frame at which Wirelines are terminated and where interconnections of such Wirelines are made;
- (t) **“Distribution Point”** or **“DP”** means the intermediate point at each floor in a Building where Wirelines from the nearest MDF Room must pass or terminate, en route to the premises on that floor;
- (u) **“Duct Systems”** refers to the system of ducts and manholes as described in Schedule A;
- (v) **“Effective Control”** means the ability of a Controlling Entity to cause a Controlled Entity to take, or prevent the Controlled Entity from taking, a decision regarding the management and major operating decisions of the Controlled Entity, and without limitation, includes the situation where such ability –
 - (i) is exercisable by the Controlling Entity through direct or indirect voting power in the Controlled Entity; or
 - (ii) is exercisable on the basis of rights acquired via contracts, agreements or any other arrangements entered into between the Controlling Entity and the Controlled Entity;
- (w) **“End-User”** means a business or residential subscriber of any retail telecommunication service in Singapore;
- (x) **“End-User Premise”** means a Residential Premise or Non-Residential Premise situated in Singapore and connected islands;
- (y) **“Fair Market Value”** means the amount at which an asset or liability could be exchanged in any arms length transaction between informed and willing parties, other than in a forced or liquidation sale;
- (z) **“Fibre Network”** means the nationwide fibre network as described in Schedule A;
- (aa) **“First Termination Point”** or **“1st TP”** means the network point within an End-User Premise, at which the Fibre Network is terminated, that is nearest to the point of entry of that End-User Premise;
- (bb) **“Geographic Information System”** or **“GIS”** means a system of computer hardware, software and processes designed to efficiently

capture, store, update, manipulate, analyse and display geographically referenced information;

- (cc) **“ICO”** means the standard interconnection offer submitted by the Licensee and approved by IDA;
- (dd) **“Layer 1 Redundancy”** means the Layer 1 connectivity which provides redundant Connection or connection between two Connectivity Points;
- (ee) **“Layer 1 Services”** means Layer 1 connectivity services as specified in the Network Specifications other than that provided as part of Layer 1 Redundancy;
- (ff) **“Management”** means the persons occupying the following positions or their equivalent thereof:
 - (i) Chief Executive Officer;
 - (ii) Chief Operating Officer;
 - (iii) Chief Financial Officer;
 - (iv) Managing Director;
 - (v) Company Secretary; and
 - (vi) all executives directly reporting to the Chief Executive Officer;
- (gg) **“Mandated Services”** means the Basic Mandated Services, the Ancillary Mandated Services and such other services that IDA may specify;
- (hh) **“Main Distribution Frame”** or **“MDF”** means a frame which is used as the main distribution point for all Wirelines within a Building or building development on which incoming main Wirelines and the local distribution Wirelines are terminated and cross-connected;
- (ii) **“Main Distribution Frame Room”** or **“MDF Room”** means a room within a Building or building development which is used to house the Main Distribution Frame and associated Plant, or its equivalent;
- (jj) **“NBAP Distribution Point”** or **“NBAP DP”** means a termination point at an NBAP whereby Layer 1 Services can be obtained on a per-segment basis, usually served by a dedicated Wireline from the CO to that point, or means a point between a CO and one or more NBAP TP(s) whereby splitting occurs for the purpose of serving this/these NBAP TP(s);
- (kk) **“NBAP Termination Point”** or **“NBAP TP”** means a termination point at an NBAP whereby Layer 1 Services can be obtained;

- (ll) “**NetCo Interconnection Code**” means the Code of Practice for Next Generation National Broadband Network NetCo Interconnection;
- (mm) “**Network Sites**” means all the sites on which any part of the Fibre Network is installed;
- (nn) “**Network Specifications**” means the technical requirements specified in the Contract;
- (oo) “**Non-Building Address Point**” or “**NBAP**” means a location in mainland Singapore or connected islands other than a Physical Address;
- (pp) “**Non-Residential Premise**” means any premise other than a Residential Premise;
- (qq) “**Operations Support System**” or “**OSS**” means the operations support system used in the maintenance of network inventory, provisioning of services and management of faults;
- (rr) “**OSS/BSS Connection Service**” means a service offered by the Licensee in which the OSS/BSS of a Qualifying Person is interconnected with the Licensee’s OSS/BSS, for the direct, fully electronic interchange of data relating or relevant to the Qualifying Person;
- (ss) “**Outdoor Cabinet**” means any outside enclosure or equivalent for terminating and patching Wirelines;
- (tt) “**Patching Services**” means patching, splitting and splicing services as specified in the Network Specifications;
- (uu) “**Physical Addresses**” means Residential Premises and Non-Residential Premises located in mainland Singapore or connected islands;
- (vv) “**Plant**” means any installation, facility or system used or intended for use in connection with telecommunications, including machinery, equipment, ducts, pipes and Wirelines;
- (ww) “**Platform**” has the meaning given to that term in section 7.1(b) of the NetCo Interconnection Code;
- (xx) “**Proposed BCP**” means the business continuity plan submitted by the Licensee under paragraph 10.1 of this Schedule;
- (yy) “**Qualifying Persons**” means the Basic Mandated Services Qualifying Persons and the Ancillary Mandated Services Qualifying Persons and a

- “**Qualifying Person**” means any one of the Basic Mandated Services Qualifying Persons or Ancillary Mandated Services Qualifying Persons;
- (zz) “**Residential Premise**” means a premise designed or adapted or used for human habitation of a residential nature. In the event of any doubt as to whether a premise is of residential nature, the classification which the Inland Revenue Authority of Singapore applies to that premise for tax purposes shall be final and conclusive;
- (aaa) “**RFP**” means the Request for Proposal for Singapore’s Next Generation National Broadband Network – Network Company (NetCo) issued by IDA on 11 December 2007, including all subsequent addenda and amendments thereto;
- (bbb) “**Systems Sites**” has the meaning given to that term in paragraph 10.2(b) of this Schedule;
- (ccc) “**Telecommunication Equipment Room**” or “**TER**” means the room within a Building or building development that is used to house Plant for the provision of telecommunication services;
- (ddd) “**telecommunication licensee**” means any holder of a licence granted under the Act for the provision of facilities-based operations and/or services-based operations;
- (eee) “**Termination Date**” means the final day of any notice to terminate this Licence given by IDA;
- (fff) “**Termination Point**” or “**TP**” means any network point within an End-User Premise at which the Fibre Network is terminated;
- (ggg) “**Third Party Contracts**” has the meaning given to that term in paragraph 12.3(a) of this Schedule;
- (hhh) “**Website**” has the meaning given to that term in section 7.1(a) of the NetCo Interconnection Code; and
- (iii) “**Wireline**” means the physical media used to transmit digital or analogue signals, e.g. optical fibre.

2. Control and Ownership Restrictions

2.1. The Licensee shall ensure that it:

- (a) acting alone or in concert with its Associates, has no Effective Control over any other telecommunication licensee or broadcasting licensee;
- (b) is not under the Effective Control of any other telecommunication licensee or broadcasting licensee, whether acting alone or in concert with its Associates; and
- (c) is not under the Effective Control of the same Controlling Entity, acting alone or in concert with its Associates, as any other telecommunication licensee or broadcasting licensee.

2.2 For the purposes of paragraph 2.1 above,

- (a) An entity and its Associate are presumed to be “acting in concert” with each other unless the contrary is established. An entity is “acting in concert with its Associate” where, pursuant to an agreement or understanding (whether formal or informal), the parties co-operate through any means to hold or exercise Effective Control over another entity;
- (b) An Entity A, is an “**Associate**” of another Entity B, if:
 - (i) A is the spouse or a parent, remoter lineal ancestor or step-parent or a son, daughter, remoter issue, step-son or step-daughter or a brother or sister, of B;
 - (ii) A is a corporation whose directors are accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of B or, where B is a corporation, of the directors of B;
 - (iii) B is a corporation whose directors are accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of A or, where A is a corporation, of the directors of A;
 - (iv) A is a person who is accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of B or, where B is a corporation, of the directors of B;
 - (v) B is a person who is accustomed or under an obligation, whether formal or informal, to act in accordance with the directions,

instructions or wishes of A or, where A is a corporation, of the directors of A;

- (vi) A is a related corporation of B;
- (vii) A is a corporation in which B, alone or together with other associates of B as described in sub-paragraphs (ii) to (vi), is in a position to control not less than 30%, as the case may be, of the voting power in A;
- (viii) B is a corporation in which A, alone or together with other associates of A as described in sub-paragraphs (ii) to (vi), is in a position to control not less than 30%, as the case may be, of the voting power in B; or
- (ix) A is a person with whom B has an agreement or arrangement, whether oral or in writing and whether express or implied, to act together with respect to the acquisition, holding or disposal of shares or other interests in, or with respect to the exercise of their voting power in relation to, the telecommunication licensee or holder of a broadcasting licence (as the case may be).

2.3 The Licensee must obtain IDA's prior approval for:

- (a) any change in the direct or indirect shareholding in the Licensee;
- (b) any change in the legal or beneficial ownership in the shares of the Licensee;
- (c) any change in the voting power in the Licensee, whether in relation to shareholding or unit holding;
- (d) where the Licensee operates under a business trust, any change in the direct or indirect unit holding in the business trust; or
- (e) where the Licensee operates under a business trust, any change in the legal or beneficial ownership in the units of the business trust.

2.4 The Licensee's Board of Directors:

- (a) shall consist of no more than 5 Directors, of which not more than 25% of its Directors or 1 Director shall be appointed by Singapore Telecommunications Limited ("SingTel") (the "SingTel Director") as the 100% unitholder in the NetLink Trust, with the remaining 75% or more comprising independent Directors (which for the avoidance of

doubt shall include the Director not having responsibilities for, or within, any telecommunication licensee or broadcasting licensee);

- (b) shall be chaired by a person who does not have responsibilities for, or within, any telecommunication licensee or broadcasting licensee; and
- (c) shall direct the Licensee in a way designed to secure compliance with the Control and Ownership Restrictions.

2.5 The Licensee's Management shall:

- (a) be wholly independent and separate from the Management of any other telecommunication licensee or broadcasting licensee;
- (b) work solely on matters pertaining to the Licensee and shall not have responsibilities for, or within, any other telecommunication licensee or broadcasting licensee; and
- (c) manage the Licensee in a way designed to secure compliance with the Control and Ownership Restrictions.

2.6 The Licensee shall:

- (a) ensure that its employees do not work for any telecommunication licensee or broadcasting licensee in any capacity whatsoever; and
- (b) ensure that the employees of other telecommunication licensee or broadcasting licensee do not work for the Licensee in any capacity whatsoever.

2.7 Save as permitted under paragraph 2.4, the Licensee shall not enter into any formal or informal arrangements with any telecommunication licensee or broadcasting licensee pertaining to the transfer, sharing, attachment or secondment of any of their respective Directors, Management or employees amongst themselves. For the avoidance of doubt, nothing herein shall preclude the Licensee from employing a person who was previously employed by a telecommunication licensee or broadcasting licensee so long as there is no reasonable likelihood of such person continuing to act under the control, direction or influence of such other telecommunication licensee or broadcasting licensee in any way.

2.8 All remuneration schemes and incentive schemes for the Licensee's Board of Directors, Management and employees shall be aligned solely with the Licensee's business and must reflect solely the objectives and performance of the Licensee. Such remuneration and incentive schemes must not comprise any

incentives that are directly or indirectly linked to the performance of any telecommunication licensee or broadcasting licensee.

- 2.9 The Licensee shall put in place policies which shall minimally include the imposition of limits on the total financial interest that its employees may have at any one time in any telecommunication licensee or broadcasting licensee other than (including interest held in shares or share options from their previous employment with such telecommunication licensee or broadcasting licensee or otherwise), and the processes and procedures to address the retention, acquisition and/or the disposal of shares (which reference shall include share options) in such telecommunication licensee or broadcasting licensee above the imposed limits. For the avoidance of doubt, such limits must be reasonably adequate to ensure that its employees have no incentive to discriminate in favour of any telecommunication licensee or broadcasting licensee. The Licensee shall inform IDA of the details of such policies (including but not limited to the financial interest limits) once they are established by the Licensee. In the event that there is any subsequent change to the policies (including but not limited to the financial interest limits), the Licensee shall inform IDA 14 days before such change takes effect.
- 2.10 The Licensee shall ensure that its employees, agents and contractors are aware of and comply with the Control and Ownership Restrictions. Without limitation, the Licensee shall:
- (a) ensure that its employees, agents and contractors, when making any decisions in relation to the supply of services, act in good faith and in what they believe to be in the best interests of the Licensee;
 - (b) ensure that its employees, agents and contractors, in doing or omitting to do anything in relation to the provision of services, act in a way that does not discriminate in favour of any telecommunication licensee or broadcasting licensee;
 - (c) carry out regular training programmes to educate its employees, agents and contractors on the Control and Ownership Restrictions; and
 - (d) implement a robust disciplinary regime to address any non-compliance by its employees, agents and contractors.

3. Restrictions on services offered by the Licensee

- 3.1 The Licensee shall not offer for sale, sell or otherwise provide retail telecommunication systems and/or services to any End-User without IDA's prior written approval.
- 3.2 The Licensee shall not offer for sale, sell or otherwise provide wholesale transmission services through the Systems or other networks in Singapore without IDA's prior written approval.
- 3.3 The Licensee shall not offer for sale or sell any broadcasting services.
- 3.4 Without prejudice to paragraphs 3.1, 3.2 and 3.3 of this Schedule, if the Licensee wishes to carry on any business or provide any services other than that licensed under the terms of this Licence in respect of the Systems, the Licensee shall notify the IDA and, to the satisfaction of IDA:
- (a) maintain a separate set of accounts in respect of each other business or service; and
 - (b) not offset any amounts stated in one set of accounts against the amounts stated in another set of accounts.

4. Mandated Services

- 4.1 The Licensee shall offer the following Basic Mandated Services to Basic Mandated Services Qualifying Persons:
- (a) Layer 1 Services:
 - (i) between any Connectivity Points within the Fibre Network deployed by the Licensee, such as:
 - A) from an MDF in a CO to the 1st TP of a Residential Premise or a Non-Residential Premise;
 - B) from an MDF in a CO to an NBAP TP;
 - C) from an MDF in a CO to an MDF in an MDF Room;
 - D) from an MDF in a CO to an MDF in an Outdoor Cabinet;
 - E) from an MDF in an MDF Room to the 1st TP of a Residential Premise or a Non-Residential Premise;
 - F) from an MDF in an Outdoor Cabinet to the 1st TP of a Residential Premise or a Non-Residential Premise;

- G) from an MDF in a CO to an MDF in another CO;
 - H) from an MDF in an MDF Room to a fibre-to-the-building node at a TER Room/void deck;
 - I) from a fibre-to-the-building node to a DP;
 - J) from an MDF in a CO to an NBAP DP serving an NBAP TP;
 - K) from an NBAP DP to an NBAP TP; and
- (ii) on such other basis as may be approved by IDA; and
- (b) any other services that IDA may determine to be Basic Mandated Services.
- 4.2 The Licensee shall offer the Ancillary Mandated Services to the Ancillary Mandated Services Qualifying Persons including without limitation:
- (a) Co-location Services;
 - (b) OSS/BSS Connection Services;
 - (c) Patching Services;
 - (d) Layer 1 Redundancy; and
 - (e) any other services that IDA may determine to be Ancillary Mandated Services.
- 4.3 The Licensee may not offer the Mandated Services to any person other than a Qualifying Person or such other person on such terms and conditions as IDA may require.

5. The ICO

- 5.1 At the Qualifying Person's option, the Licensee shall and shall only offer the Mandated Services to Qualifying Persons:
- (a) on the terms of the ICO;
 - (b) on the terms of a Customised Agreement negotiated with the Licensee and approved by IDA in accordance with the terms set out in the NetCo Interconnection Code; or
 - (c) on the same terms as an existing Customised Agreement, between the Licensee and a similarly situated Qualifying Person that has been previously approved by IDA in accordance with the terms set out in the NetCo Interconnection Code. For the purposes of this paragraph, a person

licensed to provide facilities-based operations, a person licensed to provide services-based operations and a person licensed to provide broadcasting services will not be deemed to be similarly situated.

- 5.2 Failure by the Licensee to specify the prices, terms and conditions of any requirements necessary to ensure end-to-end connectivity to the Fibre Network of any Mandated Service shall not affect the Licensee's obligation to provide or fulfill such requirements and the costs of providing or fulfilling such requirements shall be borne by the Licensee unless expressly accounted for in the ICO. Unless otherwise approved by IDA, the Licensee shall not require any additional terms and conditions which the Licensee has not expressly accounted for in the ICO.

6. IDA's Right to Regulate Prices, Terms and Conditions

- 6.1 IDA reserves the right to require the Licensee to offer any service related to or in connection with the Systems at regulated prices, terms and conditions.

7. Network Resiliency and Outage Reporting Requirements

- 7.1 The Licensee shall use its best endeavours to either repair a fault on the Systems or replace any part of the Systems on which the fault occurred with a part equivalent to the affected part before the occurrence of the fault within the shortest possible timeframe. IDA reserves the right to establish network resiliency requirements and outage reporting requirements on the Licensee with which the Licensee shall comply. For the avoidance of doubt, the Licensee shall comply with the Codes of Practice and guidelines issued by IDA.

8. Discontinuation of Operations

- 8.1 The Licensee shall not hand over the Systems or any part thereof or any of its records to any other party unless prior written approval has been obtained from IDA.

9. Disposal of Systems

- 9.1 The Licensee shall notify IDA at least 30 days in advance of its intended disposal of more than 5% of the Fibre Network, Duct Systems and/or Central Offices, by value, or its intended disposal of any assets, which would result in more than 5% of the Fibre Network, Duct Systems and/or Central Offices, by value, being disposed of, and obtain IDA's written approval prior to proceeding with such disposal.
- 9.2 The Licensee shall provide IDA with a description of the Fibre Network, Duct Systems and/or Central Offices intended to be disposed of, the potential effects of the disposal on the ability of the Licensee to continue to operate the Systems and Services, and the terms of any lease back of such Fibre Network, Duct Systems and/or Central Offices if relevant.

10. Business Continuity

- 10.1 The Licensee shall, within 6 months of IDA's direction to do so or by no later than 36 months prior to the expiry of this Licence, produce and submit to IDA for IDA's review and approval a business continuity plan (the "**Proposed BCP**") for the orderly transition of the Systems and Services from the Licensee to IDA or to such other person(s) as may be designated by IDA ("**IDA's Nominee**") to continue the operation of the Systems and Services, in any of the following circumstances:
- (a) termination of this Licence by either the Licensee or IDA; and
 - (b) expiration of this Licence.
- 10.2 The Proposed BCP shall:
- (a) Identify all assets and rights used by the Licensee to operate the Systems and Services in accordance with this Licence (the "**Assets**");
 - (b) Identify all the sites on which the Systems are installed or situated (the "**Systems Sites**");
 - (c) Include a mechanism for the valuation of the Assets by an independent expert to be mutually agreed between the Licensee and IDA, which valuation shall apply in relation to any acquisition of the Assets or any parts thereof by IDA or IDA's Nominee;

- (d) Specify the measures and processes that the Licensee will implement to ensure that IDA or IDA's Nominee shall have all rights to acquire and use the Assets as may be necessary for IDA or IDA's Nominee to continue to operate the Systems and Services in substantially the same manner as was provided by the Licensee during the most recent 12 month period, including without limitation:
- (i) the contractual measures put in place in any third party contracts entered into by the Licensee to ensure that the rights of IDA or IDA's Nominee to acquire and use the Assets for the purposes of business continuity will not be prejudiced by the exercise of any rights by such third parties;
 - (ii) the process for effecting novation of any third party contracts relating to the Assets and the operation of the Systems and Services, as may be necessary to ensure business continuity;
 - (iii) the transitional assistance to be provided by the Licensee to IDA or IDA's Nominee to ensure the smooth transfer of the Systems to IDA or IDA's Nominee and the continued operation of the Systems and Services;
 - (iv) the process for ensuring that IDA or IDA's Nominee will have the right to use all intellectual property rights and data used by the Licensee to operate the Systems and Services, including without limitation, any software and know-how that is used to run the GIS, the Website and the Platform; and
 - (v) Specify the process for the orderly removal from the Systems Sites of any property or Assets not acquired by IDA or IDA's Nominee.

10.3 IDA shall notify the Licensee of any portions of the Proposed BCP that are rejected and provide the Licensee with a written explanation of the basis for the rejection and the modifications required to bring the Proposed BCP into compliance with IDA's requirements.

10.4 The Licensee shall have 30 days from the date on which IDA provides any written explanation under paragraph 10.3 of this Schedule to submit a revised Proposed BCP that incorporates the modifications required by IDA.

10.5 IDA may approve the Proposed BCP or require the Licensee to incorporate specific provisions.

- 10.6 The Licensee shall update the BCP not less than once each year to reflect any changes in the Assets and the operation of the Systems and Services (including making any consequential changes to the BCP in relation to the matters stated in paragraphs 10.2(a) to (e) as may be necessary) and shall keep the BCP under continuous review. Following each update, the Licensee shall submit the revised BCP to IDA for review in accordance with the requirements and procedures under paragraphs 10.2 to 10.5, which shall apply *mutatis mutandis*.
- 10.7 If the Licensee fails to provide IDA with a Proposed BCP or revised BCP (as the case may be) that complies with IDA's requirements 12 months before the Termination Date, IDA shall be entitled to exercise its rights under paragraph 12 of this Schedule.

11. Execution of the Business Continuity Plan

- 11.1 Within 30 days after IDA approves termination of this Licence in accordance with the terms of this Licence, the Licensee shall submit to IDA a revised BCP that could be implemented immediately for review and approval.
- 11.2 The Licensee shall make any changes to the contents of the BCP as reasonably required by IDA. Upon IDA's approval of the revised BCP, the Licensee shall implement the BCP and provide transitional assistance in accordance with the BCP for such period as required.
- 11.3 Until IDA's approval of the BCP, the Licensee shall provide the transitional assistance in accordance with the last approved version of the BCP (insofar as it still applies) in good faith to IDA or IDA's Nominee. Subject to paragraph 11.1 of this Schedule, the Licensee shall ensure that it is able to implement the BCP at any time.

12. Cancellation of the Licence for Breach by the Licensee

- 12.1 Upon approval by IDA of the BCP under paragraph 11:
- (a) the Licensee shall implement the approved BCP as specified in paragraph 11; or
 - (b) where there is no BCP in place or the Licensee fails to satisfactorily implement the approved BCP, IDA shall be entitled in its sole and absolute discretion to either:
 - (i) retender the provision of the Mandated Services; or

(ii) undertake, or procure that IDA's Nominee undertakes, the provision of the Mandated Services.

12.2 IDA shall be entitled to exercise its rights under more than one of the subparagraphs 12.1(b)(i) or 12.1(b)(ii) above in the event that IDA is unsuccessful in completing the necessary acts constituting each option. For example, IDA shall be entitled to undertake, or procure that IDA's Nominee undertakes, the provision of the Mandated Services if IDA tries but fails to successfully retender the provision of the Mandated Services.

12.3 In the event that IDA exercises its rights under paragraphs 12.1(b)(i) or 12.1(b)(i):

(a) the Licensee shall, where any Third Party Contracts that have been identified in the BCP as to be novated and that relate exclusively to the element of the Mandated Services being transferred to IDA or IDA's Nominee, procure the novation of the Third Party Contracts to IDA or IDA's Nominee, in each case, if and as directed by IDA on the basis set out in the BCP; and

(b) IDA or IDA's Nominee shall be entitled to acquire at its option, and the Licensee shall, where the Assets relate exclusively to the element of the Mandated Services being transferred to IDA or IDA's Nominee, if so requested by IDA, sell to IDA or IDA's Nominee, all of the Assets.

12.4 In the case of a transfer to a person appointed by way of a retender pursuant to paragraph 12.1(b)(i) or a transfer to IDA or IDA's Nominee pursuant to paragraph 12.1(b)(ii), the price of the Assets shall be the Fair Market Value of the Assets as determined by a market valuation conducted by an independent expert mutually agreed between IDA and the Licensee.

12.5 The Licensee shall ensure that provision is made in all contracts of any description whatsoever to ensure that the Licensee will be in a position to enable IDA to exercise its rights, and the Licensee will be in a position to comply with its obligations under this paragraph 12.

13. Transitional Arrangements

13.1 In the event that IDA exercises its rights to require the Licensee to implement the BCP:

- (a) the Licensee shall, where any third party contracts that have been identified in the BCP as to be novated and that relate exclusively to the elements of the Systems and Services being transferred to IDA or IDA's Nominee, procure the novation of such third party contracts to IDA or IDA's Nominee, in each case, if and as directed by IDA on the basis set out in the BCP;
- (b) IDA or IDA's Nominee shall be entitled to acquire at its option, and the Licensee shall, where the Assets relate exclusively to the elements of the Systems and Services being transferred to IDA or IDA's Nominee, if so requested by IDA, sell to IDA or IDA's Nominee, all or any part of the Assets. The price of the Assets shall be the Fair Market Value of the Assets as determined by a market valuation conducted by an independent expert mutually agreed between the IDA and the Licensee;
- (c) the Licensee shall co-operate fully with IDA and IDA's Nominee in order to achieve a smooth transfer of the Systems and Services to IDA or IDA's Nominee and to avoid or mitigate insofar as reasonably practicable any inconvenience or any risk to the health and safety of the employees of IDA, IDA's Nominee and members of the public;
- (d) the Licensee shall, as soon as practicable after the Termination Date or earlier if requested to do so by IDA, remove from the Systems Sites all property not acquired by IDA or IDA's Nominee and if it has not done so within 40 days after any notice from IDA requiring it to do so IDA may (without being responsible for any loss, damage, costs or expenses) remove and sell any such property and shall hold any proceeds less all costs incurred to the credit of the Licensee; and
- (e) the Licensee shall, as soon as practicable after the Termination Date or earlier if requested to do so by IDA, vacate the Systems Sites and shall leave the Systems Sites in a safe, clean and orderly condition.

13.2 The Licensee shall provide the assistance above at its own cost and expense.

- 13.3 The Licensee shall ensure that provision is made in all contracts of any description whatsoever to ensure that the Licensee will be in a position to enable IDA to exercise its rights, and the Licensee will be in a position to comply with its obligations under this paragraph 13.
- 13.4 If IDA elects to retender the provision of the Mandated Services, the Licensee shall co-operate with IDA fully in such retendering process, including but not limited to the following:
- (a) subject to IDA providing any undertakings reasonably requested of it in this regard, the Licensee shall provide any information which IDA may reasonably require to conduct such competition but, to avoid doubt, information which is commercially sensitive to the Licensee shall not be provided (and, for the purpose of this sub-paragraph, commercially sensitive shall mean information which would if disclosed to a competitor of the Licensee, give that competitor a competitive advantage over the Licensee, and thereby prejudice the business of the Licensee); and
 - (b) the Licensee shall provide all (or any) participants in such competition process with access to the Network Sites.

The Licensee shall provide the assistance above at its own cost and expense.