

Interconnection Agreement

between

Solomon Telekom Company Limited

and

Bmobile Solomon Islands Limited

Date ~~13th May 2010~~

16th APRIL 2010

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This Agreement is made on 1st April 2010

between (1) **Solomon Telekom Company Limited**, at Honiara (together with its successors and permitted assigns and transferees **STL**)

and (2) **Bmobile Solomon Islands Limited**, at Honiara (together with its successors and permitted assigns and transferees **BSIL**)

It is agreed

1. Definitions and interpretation

1.1 Unless the context otherwise requires, the following terms have the following meanings when used in this Agreement:

- (a) **Act** means the Telecommunications Act 2009;
- (b) **Agreement** means this agreement (including the schedules) as amended from time to time;
- (c) **Bill Rate** means the most recent 90 day Treasury Bill rate published by the Central Bank of Solomon Islands prior to the relevant date;
- (d) **Billing Error** means a Manifest Error or an error in an invoice which is not a Manifest Error;
- (e) **Call Origination Service** means the handing over of, or offering to hand over to the other party's network at the Fixed Handover Point, calls that originate in the first party's network to toll free numbers allocated to the other party;
- (f) **Call Termination Service** means the acceptance of all calls handed over from the other party's network (whether or not it originates in that network) to the first party's network at the Mobile Handover Point (in the case of calls to and from STL's mobile numbers) or the Fixed Handover Point (in the case of calls to and from STL's geographic numbers) for which the first party's geographic number or the first party's mobile number is provided, and delivery or offer of delivery of each such call to the designated destination in respect of that call;
- (g) **Confidential Customer Information** means all information which one party (the **first party**) provides to the other party on a confidential basis or which the other party otherwise holds or obtains, concerning any particular customer of the first party or any particular person who intends to become a customer of the first party, and includes Numbering Information, but does not include any such information:
 - (i) which is obtained from sources independent of the first party's Group, including (for the avoidance of doubt and without limitation) information obtained from the relevant customer of the first party;

- (ii) which was known to the other party at the time of receipt or which is or becomes publicly available, in each case otherwise than as a result of a breach of an obligation of confidence; and
 - (iii) which is both contained in and generated from the other party's own billing records related to the other party's customers, other than billing records relating to the provision of Interconnection Services;
- (h) **Confidential Information** means all information which is confidential or proprietary to a party (the **first party**) or any member of the first party's Group, but does not include any such information:
 - (i) which is independently developed by the other party, or any member of the other party's Group, outside the scope of this Agreement;
 - (ii) which is other confidential or proprietary information obtained from sources independent of either party and their respective Groups;
 - (iii) which was publicly available at the time of receipt or the date of this Agreement;
 - (iv) which was known to the other party at the time of receipt or becomes publicly available after the execution of this Agreement, in each case otherwise than as a result of a breach of an obligation of confidence; or
 - (v) required to be released under any applicable law, or order of any court, governmental agency or body having legal power to compel disclosure;
- (i) **Directory Assistance Service** means the acceptance by STL of all calls handed over from the BSIL network to the STL network at the Fixed Handover Point for which STL's national directory assistance service number is provided, and the provision by STL of its national directory assistance services to the calling party BSIL customer (at no lesser quality than it provides to its own customers);
- (j) **Due Date** means:
 - (i) where an invoice is received by the Paying Party no more than 5 Working Days following the last day of the period covered by the invoice, the 20th day of the month following the last day of the period covered by the invoice; or
 - (ii) in any other case, the 20th day of the month following the month in which the invoice is received by the Paying Party;
- (k) **Emergency Call Service** means the acceptance by STL of all calls handed over from the BSIL network to the STL network at the Fixed Handover Point for which an emergency service number is provided, and delivery by STL of that call to the emergency service provider to which that call is directed (at no lesser quality than it provides to its own customers);
- (l) **Expiry Date** means the date that is 12 months after the New Entrant Launch Date;

- (m) **Force Majeure Event** means any event beyond the reasonable control of a party which includes, but is not limited to, an act of God, confiscation or expropriation, embargo, fire, flood or storm, explosion or nuclear accident, requirement or restriction of governmental authorities, sabotage, revolution, riot, terrorism, act of war (whether declared or not) or warlike operations, earthquake, land slide or volcanic eruption, interference in respect of customary land, industrial action such as strike, lockout, work stoppage or other labour hindrance, but does not include:
 - (i) any event which the party relying on the Force Majeure Event could have avoided or overcome by exercising a standard of reasonable care at a reasonable cost; or
 - (ii) a lack of funds for any reason or any other inability to pay;
- (n) **Group** means, in relation to any party, that party and any affiliate (as that term is defined in the Act) of that party;
- (o) **Handover Point** means an electrical and physical interface point between the STL network and the BSIL network at which calls or text messages are, or are to be, handed over from the STL network to the BSIL network, and vice versa, and **Mobile Handover Point** is defined in clause 3.1(a) and **Fixed Handover Point** is defined in clause 3.1(b);
- (p) **Intellectual Property** includes trade marks, service marks, inventions, patents, designs, copyrights, know how, trade secrets and all rights and interests or licences to use any of them;
- (q) **Interconnection Services** means those telecommunications services set out in clauses 4.1(a) to (e) (inclusive);
- (r) **Invoicing Party** means, in relation to any invoice in respect of any payment due under this Agreement, the party which renders the invoice;
- (s) **Liaison Committee** means the operational liaison committee established pursuant to clause 13.2;
- (t) **Licensee** has the meaning given to it in the Act;
- (u) **Manifest Error** means:
 - (i) any erroneous duplication of the items charged in;
 - (ii) any error in a calculation shown on;
 - (iii) any error in the total of the amounts shown on;
 - (iv) any erroneous calculation of discounts shown on;
 - (v) any erroneous calculation of the sales tax shown on;

- (vi) any erroneous inclusion of services not to be provided under this Agreement in; or
- (vii) any erroneous application of an incorrect price to a call or text message, where the parties are in agreement on the price which should apply to that call or text message in,

an invoice rendered by the Invoicing Party, which is apparent on the face of the invoice, or where the Paying Party's CDR records for call minutes show a discrepancy of 10% or more as compared to the call minutes set out in the invoice;

- (v) **New Entrant Launch Date** has the meaning given to it in the Act;
- (w) **Numbering Information** means the A-number of the calling party end user subscriber that originated that traffic:
 - (i) provided in the form of the national significant number as defined by CCITT/ITU Recommendations, including (where the traffic originates outside of the Solomon Islands) the country code for non-Solomon Islands numbers; and
 - (ii) including any CLIR Flags (an indicator provided together with an A-number for the purposes of calling line presentation information which indicates that the A-number is not to be forwarded to the called party) and any other numbering information relating to that traffic, but not including billing name and address,

provided that, where an international network has not provided the A-number for that traffic, the party handing over that traffic under this Agreement shall use reasonable endeavours to provide the digits "0000" (or such other digits agreed to by the parties) to identify that the traffic has come from an international network;

- (x) **Operational Procedures** means the operational procedures set out in schedule 1, as amended from time to time in accordance with this Agreement;
- (y) **Outage** means the failure by a party (the **first party**) to provide, in whole or in part, an Interconnection Service to the other party (the **second party**) in accordance with this Agreement due to:
 - (i) any health and safety matter which, in the first party's reasonable opinion, requires the first party not to supply the Interconnection Service;
 - (ii) any suspension, restriction, fault or other disruption of the provision of an Interconnection Service by the second party which, in the first party's reasonable opinion, makes the provision, in whole or in part, of the Interconnection Service by the first party impossible or impracticable;
 - (iii) any suspension, restriction, fault or other disruption to the network of a third party Licensee which, in the first party's reasonable opinion, makes the provision, in whole or in part, of the Interconnection Service by the first party impossible or impracticable;

- (iv) any technical or operational matter, or any other circumstance which, in the first party's reasonable opinion, requires the first party not to supply the Interconnection Service in order to manage or protect its network, including (without limitation):
 - (A) a change to either party's network;
 - (B) the testing, repair or maintenance of the first party's network;
 - (C) the testing, repair or maintenance of the second party's network which gives rise to interference in, or disruption to, the first party's network;
 - (D) any instability, congestion or other operational problems in the first party's network in circumstances where attempts by the first party to eliminate the effects by using call management procedures, such as call gapping or selective make-busy, have failed;
 - (E) any emergency situation, such as:
 - i. immediate danger to the safety of any person;
 - ii. immediate interference with, disruption to, and/or threat to:
 - a. either party's network;
 - b. the network of a third party Licensee;
 - c. the provision of Interconnection Services and/or end user services by a party; and/or
 - d. the provision of interconnection services and/or end user service by a Licensee,
- including the protection and/or integrity of a network, interconnection services and/or end user service; or
- (F) any event giving rise to danger, interference, disruption and/or a threat of the kind described in clause 1.1(y)(iv)(E);
- (z) **Paying Party** means, in relation to any invoice in respect of any payment due under this Agreement, the party to whom the invoice is addressed;
- (aa) **Technical Specifications** means the technical specifications set out in schedule 2, as amended from time to time in accordance with this Agreement;
- (bb) **Telecommunications Commission** means the entity established under section 7 of the Act;

- (cc) **Text Message Termination Service** means the acceptance of all text messages handed over from the other party's network (whether or not it originates in that network) to the first party's mobile telecommunications network at the Mobile Handover Point for which a first party's mobile number is provided and delivery or offer of delivery of each such text message to the designated destination in respect of that text message; and
- (dd) **Working Day** means a day other than a Saturday, a Sunday, a statutory holiday in Honiara or a day that the Government of the Solomon Islands has declared is a holiday in Honiara.

1.2 For the purposes of this Agreement, unless the context otherwise requires:

- (a) headings and sub headings are for convenience only and do not form part of, or affect the meaning of, this Agreement;
- (b) references in this Agreement to clause numbers are references to clause numbers in the main body of this Agreement, unless otherwise specified;
- (c) references in this Agreement to schedules are references to schedules to this Agreement, unless otherwise specified;
- (d) singular includes the plural, and vice versa;
- (e) reference to any legislation or regulation is a reference to that legislation or those regulations as amended or replaced; and
- (f) any reference to a party includes that party's successors and permitted assignees (as the case may be); and
- (g) all references to SBD or dollars mean Solomon Islands dollars unless expressed otherwise.

2. Term

- 2.1 This Agreement commences on the date of this Agreement and expires at midnight on the Expiry Date, unless the term of this Agreement is extended under clause 2.3 or unless this Agreement is terminated earlier by law or under the terms of clause 9.
- 2.2 The parties shall, by not later than three months prior to the Expiry Date, commence negotiations for a new interconnection agreement to replace this Agreement, in accordance with section 69 of the Act. If the parties fail to reach agreement on the terms and conditions of the new interconnection agreement by one month prior to the Expiry Date, then either party may apply to the Telecommunications Commission for dispute resolution in accordance with section 102 of the Act.
- 2.3 If either party applies to the Telecommunications Commission for dispute resolution in accordance with section 102 of the Act prior to the Expiry Date, the term of this Agreement shall be extended for 3 months. If the dispute resolution process is still continuing at the expiry of that 3 month

period, this Agreement would expire at the end of that 3 month period, unless the parties otherwise agree.

- 2.4 If the Telecommunications Commission determines the price for any Interconnection Service that will apply following expiry or earlier termination of this Agreement, that determined price (or, if there is an appeal under sections 109 or 112 of the Act, the determined price on appeal) shall apply with effect from midnight on the date of expiry (disregarding any extension under clause 2.3) or earlier termination of this Agreement. This clause 2.4 shall not apply to any subsequent determinations of prices of Interconnection Services by the Commissioner.

3. Obligation to interconnect

- 3.1 Each party (the **first party**) will, within 20 Working Days of written request to the first party by the other party (the **other party**), connect its network to the other party's network at trunkside (inter-switch or inter-exchange) level at:
- (a) in the case of calls and text messages between the STL mobile network and the BSIL network, at the interconnection room at STL's exchange at Mud Alley/Hibiscus Avenue or such other STL premises as may be agreed between the parties (the **Mobile Handover Point**); and
 - (b) in the case of calls between the STL fixed network and the BSIL network, at the interconnection room at STL's exchange at Ranadi or such other STL premises as may be agreed between the parties (the **Fixed Handover Point**),

in each case for the purposes of the making available and provision of Interconnection Services to each other. Each party will bear its own costs of providing interconnect links from its network that connect to a Handover Point and all other costs incurred by that party associated with providing Interconnection Services to the other party.

- 3.2 The parties shall connect their networks in accordance with the Technical Specifications.
- 3.3 The relevant parties shall, by the relevant dates, perform the actions set out below:

ITEM	DESCRIPTION	DUE DATE FOR COMPLETION	RESPONSIBILITY
1	Provision of details of STL's fibre network in the greater Honiara area for linking STL locations	Within 10 Working Days of request by BSIL	STL
2	Provision of details of layout of each Handover Point	Within 10 Working Days of request by BSIL	STL
3	BSIL interconnect traffic forecast	Within 10 Working Days of request by STL	BSIL

4	STL interconnect traffic forecast	Within 10 Working Days of request by BSIL	STL
5	Interconnect testing plan proposal	Within 15 Working Days of request by STL	BSIL
6.	Comments on interconnect testing plan proposal	Within 5 Working Days of receipt by STL	STL
7.	Meeting to finalise testing plan	Within 5 Working Days of receipt of STL's comments by BSIL	STL and BSIL
6	Complete Interconnect testing in accordance with testing plan	Within 10 Working Days of finalisation of testing plan	STL
7	Complete Interconnect testing in accordance with testing plan	Within 10 Working Days of finalisation of testing plan	BSIL

3.4 Any testing by BSIL under clause 3.3 shall be in accordance with section 129(5) of the Act.

4. Provision of Interconnection Services

4.1 Each party (the **first party**) will provide the following interconnection services to the other party (the **other party**):

- (a) the Call Termination Service;
- (b) the Call Origination Service; and
- (c) the Text Message Termination Service,

and STL will provide to BSIL:

- (d) the Directory Assistance Service; and
- (e) the Emergency Call Service.

For the avoidance of doubt, other than in relation to testing or trials in accordance with section 129(5) of the Act or this Agreement, neither party has an obligation to provide Interconnection Services to the other party on a date prior to the New Entrant Launch Date.

- 4.2 Neither party is responsible for the conveyance of any call or text message in the network of the other party.
- 4.3 A party (the **first party**) shall be required to provide Interconnection Services under this Agreement to the other party, whether or not:
- (a) the other party has both geographic numbers and mobile numbers allocated to it; or
 - (b) the other party has toll free numbers allocated to it.
- 4.4 A party (the **first party**) shall be required to provide Interconnection Services under this Agreement to the other party, even if the first party has:
- (a) only geographic numbers or mobile numbers allocated to it; or
 - (b) toll free numbers allocated to it,
- where the first party has its own access network in Solomon Islands.
- 4.5 Neither party is responsible for the conveyance of any call or text message where a charge for the conveyance of the call or text message by that party is not specified in, or has not been agreed or determined pursuant to, this Agreement.
- 4.6 Except as expressly provided in this Agreement, neither party is responsible for the conveyance of calls or text messages to another network if it does not have an agreement to do so with the operator of that network.
- 4.7 Each party shall make available and provide Interconnection Services to the other party with the intention that, as far as is reasonably practicable, the Interconnection Services will be continuously available and, when in use, continuous and fault-free.
- 4.8 Each party acknowledges that the other party does not guarantee that the Interconnection Services will be continuously available or that, when it is in use, it will be continuous and fault-free.
- 4.9 Neither party (the **first party**) is obliged to provide or continue to provide Interconnection Services to the other party (the **second party**) unless:
- (a) the first party has received evidence reasonably satisfactory to the first party that the second party has a valid telecommunications licence that permits it to provide and operate a telecommunications network and to interconnect with the first party; and
 - (b) the first party has received evidence reasonably satisfactory to the first party that the second party has made its network operational and performed its obligations under any testing procedure relating to its network or to the Interconnection Services.

4.10 Except where the parties otherwise agree:

- (a) neither party will transit in-bound international calls or text messages to the other party during the term of this Agreement; and
- (b) the termination of any transited in-bound international calls or text messages shall not be an Interconnection Service under this Agreement.

The parties acknowledge that this clause 4.10 is intended to have no precedential effect in any future negotiations and shall be disregarded completely by the Commissioner in any subsequent investigations or determinations relating to the provision of interconnection services. Unless the parties otherwise agree, either party may request the issue of whether a party should be required to terminate transited in-bound international calls or text messages to be reviewed by the Commissioner following the expiry or earlier termination of this Agreement and the other party shall co-operate in any such review. Nothing in this clause 4.10 shall prevent either party from making a submission that transiting in-bound international calls or text messages should be prohibited or allowed following the Expiry Date.

4.11 Each party shall, for all calls and text messages that are handed over by one party to the other party under this Agreement, provide to the other party free of charge, the Numbering Information with respect to that traffic.

4.12 Neither party (the **first party**) shall delete or change, or permit or procure any other person to delete or change, any Numbering Information in respect of any call or text message provided to (or otherwise received by) the other party with the objective or effect that:

- (c) the definition of any call or text message or applicable charges that would not otherwise apply but for the deletion or change, does apply (based on the Numbering Information provided to or otherwise received by the other party);
- (d) the definition of any call or text message or applicable charges that would otherwise apply but for the deletion or change, does not apply (based on the Numbering Information provided to or otherwise received by the other party); or
- (e) it is no longer possible for the other party to accurately determine whether a call or text message is or is not any particular type of call or text message.

4.13 A party shall only use Numbering Information for the following purposes:

- (a) routing calls or messages;
- (b) compilation of inter party invoices;
- (c) compilation of end user bills (provided that numbering information is disclosed on the end user bill);
- (d) call trace, malicious call identification and fraud prevention and detection; and
- (e) display to end users.

4.14 The parties acknowledge that current mobile phones and handsets are limited to the display of a maximum number of characters for text messages that are received by that mobile phone or handset. This means that current mobile phones or handsets will not completely display text messages that exceed that maximum number. This means that a single text message, depending on the number of characters in that text message, may need to be split into two or more text messages. As at the date of this Agreement:

- (a) in the case of customers on the STL network, the maximum number of characters is limited to 160; and
- (b) in the case of customers on the BSIL network, the maximum number of characters is limited to 160.

5. Charges for Interconnection Services

5.1 The parties acknowledge that the prices in clause 5.2 are intended to have no precedential effect in any future negotiations and shall be disregarded completely by the Telecommunications Commission in any subsequent investigations or determinations relating to the pricing of the Interconnection Services. This includes the use of the "sender keeps all" pricing methodology in clause 5.2(b) and (f) for that call or message type. Nothing in this clause 5.1 shall prevent either party from making a submission that such pricing or methodology ought or ought not to apply following the Expiry Date.

5.2 Each party (the **first party**) will provide the Interconnection Services at the following prices:

	Type of Interconnection Service	Price
(a)	Call Termination Service for calls to the first party's geographic numbers where the designated destination is in the first party's fixed telecommunications network.	SBD 0.24 per minute
(b)	Call Termination Service for calls: <ul style="list-style-type: none">i. that originate in the second party's mobile telecommunications network; andii. that are to the first party's mobile numbers, where the designated destination is in the first party's mobile telecommunications network.	Nil charge (i.e., the origination and termination of all such calls shall be charged on the basis of "sender keeps all").
(c)	Call Termination Service for calls: <ul style="list-style-type: none">i. that originate in any network other than the second party's mobile telecommunications network (including in the first party's fixed telecommunications network, if any); and	SBD 0.74 per minute

	ii. that are to the first party's mobile numbers, where the designated destination is in the first party's mobile telecommunications network.	
(d)	Call Origination Service for calls from the first party's geographic numbers where the call originates from the first party's fixed telecommunications network.	SBD 0.24 per minute
(e)	Call Origination Service for calls from the first party's mobile numbers where the call originates from the first party's mobile telecommunications network.	SBD 0.74 per minute
(f)	Text Message Termination Service.	Nil charge (i.e., the origination and termination of all such text messages shall be charged on the basis of "sender keeps all").
(g)	Emergency Call Service.	Nil charge
(h)	Directory Assistance Service.	SBD 0.24 per directory assistance call

- 5.3 In order for a call to be chargeable, the call must give rise to the transmission of an answer line signal.
- 5.4 In the case of the Call Termination Service and Call Origination Service, no call with a duration of two seconds or less will be chargeable. For the avoidance of doubt, calls of more than two seconds duration will be charged for the full period of the call, including the first two seconds.
- 5.5 In respect of each of the Interconnection Services in clause 5.2(a), (c), (d) and (e) above, the price for calls applies on a per second basis. The Invoicing Party shall calculate the aggregate duration of calls in respect of each of the Interconnection Services in clause 5.2(a), (c), (d) and (e) above during the billing period, and shall round each aggregate amount down in its invoices to the nearest minute.
- 5.6 The price for calls under the Emergency Call Service and Directory Assistance Service applies on a per call basis.
- 5.7 Unless expressly provided otherwise, all references in this Agreement to charges are exclusive of sales tax and, in accordance with the Sales Tax Act (Cap. 125) (as amended by Schedule 1 of the Act), sales tax will not apply to these charges.

6. Payment of charges

- 6.1 The quality of billing of services under this Agreement by the Invoicing Party shall be to a standard which is comparable to the quality of the billing provided by the Invoicing Party to its major customers and other Licensees in respect of comparable services. Without limiting the foregoing, any invoice to the Paying Party for charges and costs payable by the Paying Party, shall include reasonable information in accordance with normal commercial practice to enable the Paying Party to check the accuracy of the amount charged.
- 6.2 Unless the parties otherwise agree in writing, the period to be covered by an invoice under this Agreement shall be a calendar month.
- 6.3 Each party shall co-operate with the other on billing and invoice verification matters, including:
- (a) the information to be provided to each other with respect to an invoice;
 - (b) the methods by which that information is provided;
 - (c) the need to meet from time to time to resolve billing disputes; and
 - (d) the need to discuss other matters relating to billing and the verification of charges.
- 6.4 Subject to clause 6.7, all amounts invoiced by the Invoicing Party to the Paying Party under this Agreement shall be due and payable on or before the Due Date of the relevant invoice.
- 6.5 Subject to clauses 6.7 and 6.15, all charges and other amounts payable by the Paying Party under this Agreement (including any amount which the Paying Party disputes or intends to dispute pursuant to clause 6.11):
- (a) shall be paid by the Paying Party to the Invoicing Party, at the place or to a bank account nominated from time to time by the Invoicing Party, and (except to the extent required by law) free of any deductions, set off or withholding on account of any amount; and
 - (b) shall be paid in Solomon Islands dollars.

No payments may be made under this Agreement by credit card or debit card.

6.6 Clause intentionally left blank.

6.7 If the Paying Party:

- (a) believes on reasonable grounds that there is a Manifest Error in an invoice provided by the Invoicing Party which has resulted in the Invoicing Party overcharging the Paying Party in that invoice; and

- (b) has on or before the Due Date, served on the Invoicing Party a notice of Manifest Error, (setting out in the notice details of the relevant invoice and the reasonable grounds in support of the Paying Party's view that the Manifest Error exists),

then the Paying Party shall withhold payment to the Invoicing Party of the amount by which, in the reasonable opinion of the Paying Party, the Invoicing Party has overcharged the Paying Party in the invoice as a result of the Manifest Error. The remainder of the amounts charged in the invoice shall be paid by the Paying Party on or before the Due Date in the normal manner. The amount withheld may be withheld until such time as the Invoicing Party and the Paying Party have settled between them in accordance with the disputes procedure set out in clause 6.8, whether or not there is a Manifest Error in the invoice and, if there is, the amount of it and the amount properly payable on that invoice after correcting it.

6.8 Following the giving of any notice under clause 6.7(b), the parties shall use reasonable endeavours to settle any claim of Manifest Error. If they do not settle any claim of Manifest Error within 20 Working Days after the Due Date for payment of the invoice, either party may give notice referring the matter directly to the Telecommunications Commission to be finally resolved and, unless otherwise agreed in writing:

- (a) the Telecommunications Commission shall adopt a procedure which, in the Telecommunications Commission's opinion, is the most simple and expeditious procedure possible in the circumstances;
- (b) the parties shall provide the Telecommunications Commission with any information that the Telecommunications Commission reasonably requires;
- (c) the Telecommunications Commission shall use reasonable endeavours to make a decision on the claim of a Manifest Error within 30 Working Days of notice; and
- (d) the Telecommunications Commission may charge a reasonable fee for all or any time spent dealing with the Manifest Error, and the fees of the Telecommunications Commission shall be paid as follows:
 - (i) if the Telecommunications Commission decides that there is no Manifest Error or, as a result of a Manifest Error the amount of the invoice is increased after correction, then the Paying Party shall pay the fees of the Telecommunications Commission; and
 - (ii) if the Telecommunications Commission decides that there is a Manifest Error then the Invoicing Party shall pay the fees of the Telecommunications Commission.

6.9 If it is agreed by the parties or found by the Telecommunications Commission that there was a Manifest Error in the invoice, then if:

- (a) the amount by which the Paying Party was overcharged in the invoice as a result of the Manifest Error is less than the amount withheld by the Paying Party, the Paying Party shall forthwith pay to the Invoicing Party the amount of the difference, and shall pay to the Invoicing Party interest on a daily basis at the Bill Rate (as at the Due Date of the invoice) plus 1 percent per annum on the amount of the difference for the period from but

excluding the Due Date, to and including the date of payment of the amount of the difference, such interest to be paid contemporaneously with the amount of the difference;

- (b) the amount by which the Paying Party was overcharged in the invoice as a result of the Manifest Error is equal to the amount withheld by the Paying Party, the Paying Party shall retain the amount withheld;
 - (c) the amount by which the Paying Party was overcharged in the invoice as a result of the Manifest Error is greater than the amount withheld by the Paying Party, then the Invoicing Party shall forthwith refund to the Paying Party the amount of the difference and shall pay to the Paying Party interest on a daily basis at the Bill Rate (as at the date on which the overpayment was made by the Paying Party) plus 1 percent per annum on that refunded amount for the period from but excluding the date on which the overpayment was made by the Paying Party to and including the date of payment of the refunded amount, such interest to be paid contemporaneously with the payment of the refunded amount.
- 6.10 If it is agreed by the parties or found by the Telecommunications Commission that there was not a Manifest Error in the relevant invoice, then the Paying Party shall forthwith pay in full the amount withheld and shall pay to the Invoicing Party interest at the Bill Rate (as at the Due Date) plus 1 percent per annum for the period from but excluding the date of the invoice to and including the date of payment of the amount withheld, such interest to be paid contemporaneously with the amount withheld. Nothing in this clause 6.10 shall prevent the Paying Party from claiming an amount in accordance with clause 6.11, if the Paying Party has reasonable cause to believe that the invoice contains an error which is not a Manifest Error.
- 6.11 If the Paying Party has a claim in respect of the accuracy or correctness of an invoice issued by the Invoicing Party (other than any claim in respect of a Manifest Error which has been made under clause 6.7), the Paying Party shall, no later than 12 months after the Due Date of the invoice which it disputes, serve notice on the Invoicing Party setting out details of the relevant invoice, the disputed amount and the grounds for the dispute together with supporting evidence. All disputes under this clause 6.11 shall be bona fide disputes for which the Paying Party has reasonable cause to believe that there has been a billing error. For the avoidance of doubt, unless the parties otherwise agree, clauses 6.8 to 6.10 (inclusive) do not apply to any notice given under this clause 6.11, and clauses 6.12 and 6.13 do not apply to any notice given under clause 6.7(b).
- 6.12 The Invoicing Party and the Paying Party shall use their reasonable endeavours to settle promptly any claim of which the Invoicing Party is notified under clause 6.11. Failing resolution within 40 Working Days of the date of the service of the notice under clause 6.11, either party may serve notice on the other that it wishes the dispute to be referred to dispute resolution and the dispute shall be referred directly to dispute resolution in accordance with clause 11.4 on the expiry of 10 Working Days from the date of service of such notice (without the need for prior negotiation). The terms of reference of such dispute resolution shall be agreed between the parties but shall relate only to that claim or dispute on the accuracy or completeness of the invoice.
- 6.13 If a claim under clause 6.11 is resolved in favour of the Paying Party, then the Invoicing Party shall forthwith refund to the Paying Party:
- (a) the disputed amount, or so much of it as the resolution of the dispute dictates should be refunded; and

- (b) interest on a daily basis at the Bill Rate (as at the date on which the overpayment was made by the Paying Party) plus 1% per annum on the refunded amount referred to in clause 6.13(a) for the period from but excluding the date on which the overpayment was made by the Paying Party to and including the date of payment of the refunded amount, such interest to be paid contemporaneously with the payment of the refunded amount.
- 6.14 Nothing in this Agreement or in the terms of any invoice or statement shall prejudice the Invoicing Party's right to charge the Paying Party for any services under this Agreement, the charges or costs for which should have been included within earlier invoices or statements but which were inadvertently omitted. This right shall be limited to a period of 12 months from the date of the provision of the relevant service, after which no charge may be made for that service.
- 6.15 The Invoicing Party may at the direction of the Paying Party apply any amounts payable under clauses 6.9(c) and 6.13 as a credit towards other charges payable by the Paying Party under this Agreement.
- 6.16 Where:
 - (a) an amount due from the Paying Party to the Invoicing Party under this Agreement remains unpaid after the Due Date of the relevant invoice and that amount is not one to which clauses 6.9(a) or 6.10 applies; or
 - (b) an amount due from the Paying Party to the Invoicing Party under clauses 6.9(a) or 6.10 remains unpaid on the sixth Working Day after the date of resolution of the dispute;

then the Paying Party shall be liable to pay to the Invoicing Party interest on a daily basis on that amount at the Bill Rate (as at the Due Date or the date 6 Working Days after the date of resolution of the dispute, as the case may be) plus 4 percent per annum, such interest to be charged:

 - (c) in the case of interest payable in respect of amounts unpaid after the Due Date of the relevant invoice, from and excluding the Due Date of the relevant invoice to and including the date of payment of the amount due, such interest to be paid contemporaneously with the payment of the amount due;
 - (d) in the case of interest payable in respect of amounts unpaid on the sixth Working Day after the date of resolution of the dispute, from but excluding the sixth Working Day after the date of resolution of the dispute to and including the date of payment of the amount due, such interest to be paid contemporaneously with the payment of the amount due.
- 6.17 Where an amount due from the Invoicing Party to the Paying Party under clauses 6.9(c) or 6.13 remains unpaid on the sixth Working Day after the date of resolution of the dispute, then the Invoicing Party shall be liable to pay to the Paying Party interest on that amount at the Bill Rate (as at the date 6 Working Days after the date of resolution of the dispute) plus 4 percent per annum, such interest to be charged on a daily basis from and including the date 6 Working Days after the date of the resolution of the dispute until, but excluding the date the amount due is paid, such interest to be paid contemporaneously with the payment of the amount due.
- 6.18 The Paying Party shall continue to be liable to pay for any charges incurred between the time of notice of termination or suspension of any service of the Invoicing Party and the actual discontinuance of the service of the Invoicing Party. Unless the parties otherwise agree, where

such services continue to be provided after termination of this Agreement, the terms of this Agreement (excluding any obligation to provide services under this Agreement) shall continue to apply to the provision of those services.

- 6.19 The parties record that the remedies under this clause 6 in respect of Billing Errors constitute the only remedies the parties are entitled to in respect of Billing Errors and no claim for damages shall be brought in respect of Billing Errors.

7. Confidential Information

- 7.1 For the purposes of this clause 7, the party:

- (a) owning or supplying Confidential Information shall be called the Supplying Party; and
- (b) receiving Confidential Information shall be called the Receiving Party,

and either expression shall include all members of the relevant party's Group.

- 7.2 The Receiving Party shall, in respect of Confidential Information received from the Supplying Party or of which the Receiving Party otherwise becomes aware through its implementation or operation of this Agreement:

- (a) adopt (if necessary) and maintain procedures reasonably adequate to protect the Confidential Information;
- (b) hold the Confidential Information in confidence with the same degree of care with which it holds its own confidential and proprietary information, unless the Supplying Party approves in writing the release of the Confidential Information by the Receiving Party;
- (c) ensure that neither it nor any of its officers, employees, contractors or agents who receive the Confidential Information discloses or causes or permits to be disclosed, without the prior written consent of the Supplying Party, the Confidential Information or any part of it to any person other than to:
 - (i) the Receiving Party's professional advisers; or
 - (ii) those of the Receiving Party's officers, employees, contractors or agents directly concerned in the implementation or operation of this Agreement,

and shall advise the Supplying Party from time to time, on request of the Supplying Party, details of the professional advisers, contractors and agents who are or may be recipients of Confidential Information;

- (d) not, whether directly or indirectly, make use of, or cause or permit use to be made of, the Confidential Information or any part of it in any manner whatsoever other than as necessary for the implementation or operation of this Agreement;

- (e) enter into such other agreements as the Supplying Party may reasonably require regarding any part of the Confidential Information which is disclosed by the Supplying Party under licence from a third party; and
- (f) at the Supplying Party's request, use reasonable endeavours to cause any person to whom the Confidential Information is disclosed in accordance with clause 7.2(c) (other than officers and employees of the Receiving Party) to provide a written undertaking to the Supplying Party, in terms reasonably acceptable to the Supplying Party, to receive and preserve in confidence the Confidential Information.

For the avoidance of doubt, the parties agree that if an officer, employee, contractor or agent of the Receiving Party discloses or uses Confidential Information other than as permitted by this clause 7.2, then the Receiving Party shall be responsible for that use or disclosure as if the use or disclosure had been made by the Receiving Party itself.

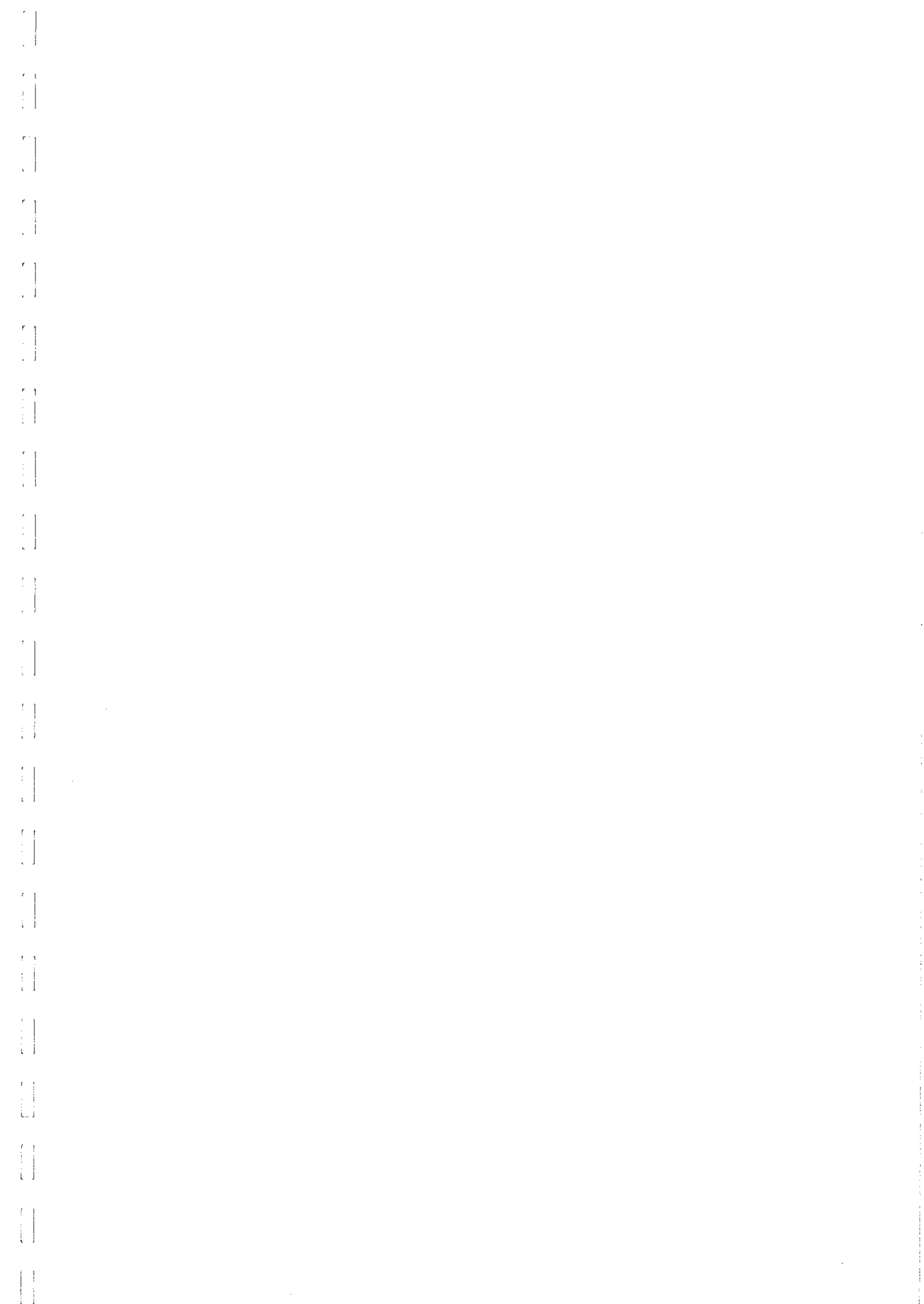
7.3 Subject to clause 7.4:

- (a) each party agrees to use all reasonable care to ensure that, to the extent that it obtains any Confidential Customer Information of the other party, such information shall not be used by it for sales or marketing purposes; and
- (b) for the purposes of this clause 7, the use of Confidential Customer Information for sales or marketing purposes means the use in any manner whatsoever by a party (the **first party**) of such information in a manner designed or tending to encourage a person that is at that time a customer of the other party:
 - (i) to transfer from being a customer of the other party to being a customer of the first party; or
 - (ii) to subscribe to a service offered by the first party (whether or not that service is offered by the other party).

7.4 The parties acknowledge that in certain circumstances members of their respective staffs engage in multiple roles or functions, which traverse divisional lines within their respective entities. A party shall not be deemed to have failed to take all reasonable care not to use Confidential Customer Information for sales and marketing purposes merely because Confidential Customer Information may in some circumstances be available to a person who has multiple roles or functions (one of which is sales or marketing) for purposes other than sales or marketing. Nevertheless, nothing in this clause 7.4 derogates from, or releases a party from its absolute obligation to use all reasonable care under clause 7.3.

7.5 The Receiving Party acknowledges that its breach of any of the provisions of this clause 7 may cause the Supplying Party (and any third party which has given the Supplying Party a licence to use or disclose any Confidential Information for the purposes of this Agreement) irreparable damage for which monetary damages would not be an adequate remedy. Accordingly, the Supplying Party may seek and obtain injunctive relief against the breach or threatened breach of this clause 7 in addition to any other remedies that may be available.

7.6 The Receiving Party agrees to indemnify and hold the Supplying Party harmless from all loss, damage, liability, costs or expense which may be suffered or incurred by the Supplying Party as a



9. Early termination

9.1 Subject to clause 9.2, this Agreement may be terminated immediately by a party (in this clause 9, the **terminating party**) serving notice on the other party (in this clause 9, the **other party**) and shall only be given in the event that:

- (a) the other party has committed (in the aggregate) in any 12 month period:
 - (i) three material breaches of obligations under this Agreement (where each material breach is in respect of different obligations); or
 - (ii) two material breaches of the same obligation,

where, in the case of each material breach:

- (iii) the terminating party has given a notice to the other party specifying the material breach and requiring remedy of that material breach;
 - (iv) where that material breach is capable of remedy, the other party has not remedied that material breach within 15 Working Days of the date of receipt of the relevant notice; and
 - (v) the terminating party is not in dispute (excluding any vexatious dispute) with the other party in relation to that material breach;
- (b) distress, attachment or execution is levied or enforced on or against a substantial part of the assets of the other party and is unsatisfied or not discharged within 60 Working Days;
- (c) the other party:
 - (i) enters into (and remains in) a scheme of arrangement with its creditors or any class of creditors; or
 - (ii) suffers the appointment of a receiver or manager of a substantial part of its assets and the receiver or manager remains in office for 60 Working Days;
- (d) the other party:
 - (i) is no longer a Licensee, whether due to expiry of the Licence where that party's Licence is not renewed under the Act, or such amendment or revocation of the Licence under the Act;
 - (ii) is put into (and remains in) liquidation (other than a voluntary liquidation for the purposes of reconstruction or amalgamation approved in writing by the party that is not in liquidation, such approval not to be unreasonably withheld); or
 - (iii) is wound up or dissolved in circumstances where it is not reconstituted.

Such notice shall be served under clause 24.3 and shall be identified as a notice of termination.

9.2 Notwithstanding clause 9.1, the terminating party may not issue a notice of termination pursuant to clauses 9.1(a), 9.1(b) or 9.1(c) unless:

- (a) the Court has granted an order permitting termination of this Agreement; or
- (b) that terminating party has first received written approval from the Telecommunications Commission to issue the notice of termination.

A terminating party that seeks the written approval of the Telecommunications Commission under this clause 9.2 shall submit the draft notice of termination in respect to clause 9.1(a), 9.1(b) or 9.1(c) to the Telecommunications Commission for approval, together with information that establishes that terminating party's right to seek termination under clause 9.1(a), 9.1(b) or 9.1(c) (as the case may be). The Telecommunications Commission shall provide to that terminating party, within 5 Working Days of receipt of the draft notice of termination:

- (c) written approval of the notice of termination, in which case that terminating party may serve the notice of termination on the other party, together with the Telecommunications Commission's written approval, with that notice resulting in the immediate termination of this Agreement; or
- (d) a direction declining approval, and the Telecommunications Commission's reasons for declining such approval, in which case the draft notice of termination shall cease to have any effect.

For the avoidance of doubt, nothing in this clause 9.2 shall prevent the terminating party from resubmitting a further draft notice of termination to the Telecommunications Commission in relation to the same events giving rise to that terminating party's right to seek termination under clause 9.1(a), 9.1(b) or 9.1(c) (as the case may be).

9.3 On termination or expiry of this Agreement, either party may:

- (a) carry out disconnection works and removal of its equipment from the other party's premises; and
- (b) after giving the other party reasonable notice and reasonable opportunity to remove its equipment, disconnect and remove the other party's equipment from its premises.

9.4 In the event of termination under clause 9.1, the party that did not terminate this Agreement shall pay to the terminating party:

- (a) the terminating party's reasonable charges for and in respect of such disconnection and removal of equipment under clause 9.3(a); and
- (b) the terminating party's reasonable charges of such disconnection and removal of equipment under clause 9.3(b).

- 9.5 Subject to clause 9.6, termination or expiry of this Agreement shall not operate as a waiver of any breach by a party of any of the provisions of this Agreement, and shall be without prejudice to any rights, liabilities or obligations of either party which have accrued up to the date of such termination or expiry.
- 9.6 Clauses 2.2, 2.3, 2.4, 4.10, 5.1, 6, 7, 7A, 10, 10A, 11 and clauses 24.2 to 24.7 (inclusive) shall survive termination or expiry of this Agreement, together with any other term requiring payment of any sum outstanding or due at termination or expiry, and any other term relating to the correction of charges, and any other terms which expressly or impliedly are intended to survive termination or expiry.
- 9.7 On termination or expiry of this Agreement, each party shall return to the other all Confidential Information which the other has provided to that party, and shall forthwith permanently delete any and all Confidential Information on its computer systems and the computer systems of the relevant party's Group. The relevant party will not be required to delete:
- (a) electronic data which is in the form of a back up file, the contents of which are not easily accessible from the operating system; and
 - (b) electronic data which has been permanently deleted and which is not easily accessible from the operating system.
- 9.8 The relevant party may retain the Confidential Information only to the extent necessary to meet the requirements of its' professional indemnity insurance, for general audit purposes in conformity with standard corporate governance practice, and as reasonably required for enforcing its rights under this Agreement, provided, however, that the Confidential Information will continue to be protected by the obligations of this Agreement despite expiration of the term or the termination of this Agreement.

10. Liability

- 10.1 Except as provided in clauses 10.2 and 10.9, under no circumstances shall either party (the **first party**) or any member of its Group, or any of their respective officers, employees, contractors or agents, be liable in contract, in tort (including but not limited to negligence), in equity, for breach of statutory duty, or otherwise to compensate the other party (the **second party**) for any loss, injury, liability, damage, costs or expense arising directly or indirectly, in the course of or out of the provision, operation, servicing or termination of Interconnection Services or the performance or non-performance of obligations by the first party or any member of its Group, or any of their respective officers, employees, contractors or agents, under or in relation to this Agreement.
- 10.2 Notwithstanding clause 10.1, but subject to all other provisions of this clause 10, the first party does not by this Agreement exclude liability:
- (a) for loss suffered by the second party as a result of the fraudulent and other wilful misconduct (including wilful breach of this Agreement) of or by the first party or its Group, or any of their respective officers, employees, contractors or agents, in each case in the course of their engagement by the first party;

- (b) for direct loss suffered by the second party as a result of the gross negligence of the first party or its Group, or any of their respective officers, employees, contractors or agents, in each case in the course of their engagement by the first party, (for which purpose, gross negligence is any act or omission, which results in serious injury or damage by a person who was aware or ought to have been aware of a clear and present threat or danger that such injury or damage would probably occur);
- (c) for physical damage to the second party's property occurring in the course of the provision, operation, servicing or termination of the first party's Interconnection Services that is attributable, directly or indirectly and in whole or in part, to the negligence of the first party or its Group, or any of their respective officers, employees, contractors or agents in each case in the course of their engagement by the first party; or
- (d) to indemnify the second party under the express indemnities under this Agreement provided at clause 7.6 and clause 10A,

but only to the extent that the liability arises in the course of or out of the provision, operation, servicing or termination of Interconnection Services or the performance or non-performance of obligations by the first party or its Group, or any of their respective officers, employees, contractors or agents, in each case in the course of their engagement by the first party, under or in relation to this Agreement.

10.3 Except in the case of liability under clause 10.2(a) and (d), under no circumstances shall the first party or its Group, or any of their respective officers, employees, contractors or agents be liable to the second party in contract, in tort (including but not limited to negligence), in equity, for breach of statutory duty, or otherwise for loss of profits, business or anticipated savings or for any indirect or consequential loss whatever arising in the course of or out of the provision, operation, servicing or termination of Interconnection Services or the performance or non-performance of obligations by the first party or its Group, or any of their respective officers, employees, contractors or agents, in relation to section 10.1, notwithstanding that the first party or its Group, or any of their respective officers, employees, contractors or agents have been advised of the likelihood of such losses.

10.4 If for any reason the first party, its Group and/or any of their respective officers, employees, contractors and/or agents is or are liable to the second party in contract, in tort (including but not limited to negligence), in equity, for breach of statutory duty, or otherwise, the combined maximum liability of the first party, its Group and their respective officers, employees, contractors and agents to the second party arising in the course of or out of the provision, operation, servicing or termination of Interconnection Services or the performance or non-performance of obligations by the first party or its Group, and/or any of their respective officers, employees, contractors or agents under or in relation to this Agreement shall be:

- (a) in respect of any one event or related series of events, SBD 15 million; and
- (b) in any 12 month period, irrespective of the number of events, SBD 30 million.

10.5 Each limitation or exclusion of this clause 10 and each protection given to the first party or its Group, or any of their respective officers, employees, contractors or agents by any provision of this clause 10 is to be construed as a separate limitation, exclusion or protection applying and surviving even if for any reason any of the other provisions of this clause 10 is held inapplicable in any circumstances.

- 10.6 In no event shall the first party or its Group, or any of their respective officers, employees, contractors or agents be liable to the second party in contract, in tort (including but not limited to negligence), in equity, for breach of statutory duty, or otherwise in respect of any event or related series of events where the combined amount of the loss incurred by the second party arising in the course of or out of the provision, operation, servicing or termination of Interconnection Services or the performance or non-performance of obligations by the first party or its Group, and/or any of their respective officers, employees, contractors or agents under or in relation to this Agreement in respect of that event or related series of events is less than SBD150,000.
- 10.7 Each **party** (the **first party**) shall use its reasonable endeavours (to be inserted at any contract review or reset, or if permitted within the terms of the agreement) to ensure that a provision shall (to the extent that it is not now included,) be included in:
- (a) each contract with a customer of the first party for the provision of its end user service which excludes and limits (to the maximum extent permitted by law) any liability of:
 - (i) the second party, its Group, and their respective officers, employees, contractors and agents; and
 - (ii) any Licensee (whose network is connected to and with the second party's network), its subsidiaries now and from time to time and their respective officers, employees, contractors and agents;arising directly or indirectly from or in connection with the first party's end user service;
 - (b) each contract with any Licensee (where the Licensee's network is connected to and with the first party's network) which excludes and limits (to the maximum extent permitted by law) any liability of the second party, its Group, and their respective officers, employees, contractors and agents arising directly or indirectly from service provided by the first party to the Licensee; and
 - (c) each customer contract of any Licensee (where the Licensee's network is connected to and with the second party's network) which excludes and limits (to the maximum extent permitted by law) any liability of the second party, its Group, and their respective officers, employees, contractors and agents arising directly or indirectly from service provided by the Licensee to its customer.
- 10.8 Each **party** (the **first party**) agrees that under no circumstances shall any Licensee (whose network is connected to and with the second party's network), or its subsidiaries now or from time to time, or any of their respective officers, employees, contractors or agents, be liable to compensate the first party for any loss, injury, liability, damage, costs or expense arising directly or indirectly from the provision by the first party of an Interconnection Service that includes a component provided to the second party by that Licensee.
- 10.9 Nothing in this clause 10 shall exclude or limit the liability of the first party to pay when due the charges or interest payable to the second party under this Agreement.
- 10.10 Nothing in this clause 10 shall limit the right of a party to apply for, and obtain, injunctive or declaratory relief against the other party in respect of any breach of this Agreement or of any breach of statutory or fiduciary duty or tortious conduct in relation to this Agreement.

10A. Intellectual Property Indemnity

10A.1 Each party (in this clause 10A, the **first party**):

- (a) indemnifies the other party (in this clause 10A, the **second party**), its Group, and their respective officers, employees, contractors or agents against all liabilities, damages, expenses, and losses (including legal costs) arising directly or indirectly from any claim or proceeding brought against the second party to the extent the claim or proceeding is based on an allegation that the second party's possession or use of any Intellectual Property (where such Intellectual Property has been supplied or licensed by the first party or otherwise under this agreement and used by the second party in accordance with this agreement) infringes any third party's Intellectual Property (**IP Claim**);
- (b) unless otherwise required by the second party, will assume the defence of and settle any IP Claim against the second party (at the first party's cost) but in all cases will:
 - (i) consult with and keep the second party informed in relation to the IP Claim; and
 - (ii) use best endeavours to ensure that the second party's name and reputation are not adversely affected by any steps taken in relation to the IP Claim, provided that nothing in this clause requires the first party to settle any IP Claim which, in its reasonable opinion, is not appropriate to settle; and
- (c) will take all reasonable steps to minimise the detrimental impact of any IP Claim on the Interconnection Services and the second party's operations (including, without limitation, altering or replacing the relevant Intellectual Property or obtaining the necessary rights for the first party and second party to use the relevant Intellectual Property).

10A.2 The second party shall render all reasonable assistance to and shall co-operate with the first party as is reasonably required to defend or settle any IP Claim.

11. Dispute resolution

11.1 For the purposes of the procedures set out in the rest of this clause 11, a **dispute** is any matter (other than a matter to be determined by the Telecommunications Commission under clause 3 or clause 6.8) arising under or in connection with this Agreement about which the parties disagree or are unable to agree.

11.2 The parties may at any time give notice describing a dispute and invoking the procedures set out in the rest of this clause 11.

11.3 If notice under clause 11.2 is given, then:

- (d) during a maximum negotiation period of 20 Working Days from the date the notice was given, the parties shall attempt in good faith to negotiate a resolution of the dispute;

- (e) at any time during the negotiation period, either party may give 3 Working Days' notice requiring a meeting, specifying a time and place in Honiara for the meeting and designating its representative with authority to resolve the dispute;
- (f) the other party shall give 1 Working Day's notice before the meeting designating its representative with authority to resolve the dispute;
- (g) the authorised representatives shall meet at the specified time and place and as many times as necessary during the negotiation period to attempt in good faith to resolve the dispute; and
- (h) unless otherwise agreed in writing, neither party may refer a dispute to dispute resolution under clause 11.4 before the end of the negotiation period.

11.4 If a dispute has not been resolved by the end of the negotiation period, either party may then refer the dispute, or any part of the dispute, to dispute resolution in accordance with Part XVII of the Act.

12. Force majeure

- 12.1 Notwithstanding anything in this Agreement, neither party shall be liable to the other party for any cost, liability, loss, damage or expense (including legal and other professional costs) for not meeting or for any delay in meeting any obligation under this Agreement (other than any obligation arising under this Agreement to pay money in the ordinary course of business) caused by a Force Majeure Event.
- 12.2 Where a party relies on a Force Majeure Event in respect of any failure or delay in meeting its obligations under this Agreement, it must forthwith give notice to the other party of the estimated extent and duration of its inability to perform or delay in performing its obligations.
- 12.3 Upon cessation of the effects of a Force Majeure Event any party relying on it must forthwith give notice to the other party of such cessation.
- 12.4 A Force Majeure Event does not discharge any party relying on it from any obligation accrued beforehand. Any party relying on a Force Majeure Event must continue to perform those of its obligations not affected by the Force Majeure Event.
- 12.5 Any party affected by a Force Majeure Event will use its reasonable endeavours to mitigate as soon as practicable those consequences of that Force Majeure Event which have affected its obligations under this Agreement, and will keep the other party fully informed about the status of the Force Majeure Event and the extent to which it is preventing the party affected by the Force Majeure Event from performing those obligations.

13. Liaison Committee

- 13.1 The parties acknowledge that they shall be required to liaise on and resolve technical network operational issues which arise from time to time regarding:

- (a) the provision of services under this Agreement; and
 - (b) the operation and connection of their respective networks,
- (the **Operational Issues**).

13.2 In recognition of this, the parties shall establish a Liaison Committee:

- (a) to liaise on, and to provide a forum for discussion of, Operational Issues; and
- (b) to discuss and make recommendations on changes to the Operational Procedures under clause 14.4 and to the Technical Specifications under clause 19.

13.3 The Liaison Committee shall consist of one or more (but not more than three) suitably qualified personnel appointed by each party from time to time (on a permanent or temporary basis), and advised to the other party by name or position as being that party's representatives on the Liaison Committee.

13.4 The Liaison Committee may regulate its own meetings and procedures, provided that:

- (a) meetings of the Liaison Committee (either in person, or by audio or audio and visual communication) shall be held:
 - (i) no more than once in any 30 day period, unless the parties otherwise agree; and
 - (ii) at the written request of a member of the Liaison Committee, giving at least five Working Days' notice of the meeting, such request to set out the issues which the member wishes to be discussed by the Liaison Committee. However, this notice requirement may be waived with the unanimous consent of the members of the Liaison Committee;
- (b) meetings of the Liaison Committee shall be hosted alternately by each party;
- (c) each meeting of the Liaison Committee shall be chaired by a representative nominated by STL and BSIL on an alternating basis.

14. Operational Procedures

14.1 The parties shall establish and maintain the Operational Procedures, recording details of agreed operational procedures, which may include, without limitation, procedures covering:

- (a) liaison between the parties' respective operations centres referred to in clause 1.1 of the Operational Procedures;
- (b) handling of Outages including notification of planned and unplanned Outages which affect a party's Interconnection Service, including target response times;

- (c) to the extent that such testing is not covered by this Agreement, appropriate testing by each party to localise and isolate faults in its own network, or for such other purposes as may be agreed between the parties;
- (d) details of forecasting required under clause 18;
- (e) detailed arrangements for access by BSIL to STL's premises under clause 16; and
- (f) arrangements related to numbering changes in a party's network.

14.2 The Operational Procedures form part of this Agreement.

14.3 Each party shall review the Operational Procedures on a regular basis, and shall refer any concerns it may have regarding, or any requests for amendment to, the Operational Procedures to the Liaison Committee.

14.4 Any matters referred to the Liaison Committee under Clause 14.3 shall be discussed by the Liaison Committee which may determine that an amendment to the Operational Procedures is appropriate and make recommendations, in accordance with the following provisions:

- (a) if all the members of the Liaison Committee reach unanimous agreement that an amendment is appropriate, and on the details of that amendment, then the Liaison Committee shall produce a written recommendation to that effect, and send a copy of that recommendation to each of the parties. Each party shall consider the recommendation and respond in writing to the Liaison Committee, advising whether it agrees or disagrees with the recommendation. If both parties agree with the recommendation, then the recommendation shall be implemented by amending the Operational Procedures, or taking such other action as the parties may agree; or
- (b) if all the members of the Liaison Committee reach unanimous agreement that an amendment is appropriate, but cannot agree on the details of that amendment, or do not reach unanimous agreement that an amendment is appropriate, or if the parties do not reach agreement with respect to any recommendation of the Liaison Committee or any other matter related to an amendment, the parties may agree to participate in mediation in accordance with the Act. However, there shall be no recourse to any other form of dispute resolution under the Act.

15. Changes to Handover Points

15.1 Where STL intends to change the Handover Point arrangements by installing a new Handover Point, changing the location of one of the Handover Points, substituting one of its Handover Points with another Handover Point, decommissioning one of the Handover Points (in the case of decommissioning a Handover Point, clauses 15.1(d) and (e) will not apply) or making any other change to the then existing arrangements relating to one of the Handover Points:

- (a) STL shall give reasonable notice to BSIL of the intended change and the date by which it intends to make those changes;

- (b) STL shall provide whatever information BSIL reasonably requests in order for BSIL to ascertain and do the things it needs to do in order to accommodate the intended change;
- (c) as soon as is reasonably practicable after receiving the requested information, BSIL shall give notice of whether or not it agrees to accommodate the intended change (such agreement not to be unreasonably withheld) and, if so, setting out the things it considers it will need to do to accommodate the intended change and when it estimates those things will have been done;
- (d) as soon as BSIL considers it has done everything necessary to the point that the new or changed Handover Point is ready for joint testing, BSIL shall give notice requesting joint testing to begin. The parties shall begin joint testing within 2 Working Days after that notice is given and shall use reasonable endeavours to complete joint testing within 5 Working Days of the day joint testing begins; and
- (e) the new or changed Handover Point is deemed to be available from the date by which BSIL requested all things to have been done to accommodate the intended change, or the date on which joint testing is completed, whichever is later.

This clause 15.1 does not limit each party's forecasting obligations under clause 18.

- 15.2 STL is to bear its costs and all of BSIL's reasonable costs associated with the change in Handover Point arrangements.

16. Access to Handover Points

- 16.1 STL shall make available to BSIL all such:

- (a) premises, access, facilities and services in relation to each Handover Point;
- (b) access from the street front to the premises in which each Handover Point is located to enable BSIL to construct and place wires, cables, casings or other equipment;
- (c) consents from other people that STL is reasonably able to procure (except where BSIL is better able to reasonably procure that consent);
- (d) facilities and services on STL's premises; and
- (e) other reasonable assistance,

as BSIL reasonably requires to enable all equipment required to be both located in close proximity and connected to each Handover Point for BSIL to provide or receive Interconnection Services under this Agreement, to be safely and securely accommodated and installed to reasonable standards, connected to the rest of BSIL's network, inspected, tested, repaired, modified, maintained, worked on and removed as and when reasonably required by BSIL.

- 16.2 In this clause 16, reference to BSIL means BSIL, or BSIL's authorised personnel, contractors or agents (who shall always carry appropriate identification), as the context requires.

- 16.3 STL grants BSIL all licences necessary for BSIL to carry out the activities contemplated by clause 16.1. BSIL shall pay STL's reasonable charges for anything STL makes available under clause 16.1.
- 16.4 BSIL may at any time give notice of its reasonable requirements to STL under this clause 16.
- 16.5 In meeting its obligations under clause 16.1, or carrying out the activities contemplated by clause 16.1, neither party may maintain, repair or interfere with the other party's equipment or interfere with the provision of Interconnection Services except with the consent of the other party or any authorised contractor or agent of the other party and only to the extent necessary to meet its own obligations under this Agreement.
- 16.6 STL shall not cause or allow any nuisance or unreasonable impediment to BSIL to exist or occur in any premises to which BSIL reasonably requires access under this clause 16.
- 16.7 BSIL shall comply with the reasonable health and safety and security procedures issued by STL.
- 16.8 Each party indemnifies the other against all loss suffered and liability incurred by the other party arising from any delay or failure by the first party to meet an obligation under this clause 16.

17. Protection of networks

- 17.1 Except as contemplated under the terms of this Agreement, each party is to use its reasonable endeavours to ensure that it does not, in connection with the performance or observance of its obligations under this Agreement, do or permit to be done or omit or permit the omission of any matter or thing in relation to its network which shall:
- (a) cause damage to the other party's network or any other network connected with it;
 - (b) except as permitted under this Agreement, result in:
 - (i) interference with; or
 - (ii) modification of the operation of;the other party's network or any other network connected with it (except that any radiofrequency interference shall be dealt with in accordance with the provisions of the Act); or
 - (c) interfere with the reasonable enjoyment or use:
 - (i) of any of the other party's end user services by any person;
 - (ii) or by any person of any other network which is connected to the other party's network.

17.2 The parties shall co-operate with each other and adopt reasonable precautions in accordance with their respective usual procedures to prevent acts of sabotage to:

(a) the STL network; and

(b) the BSIL Network;

by their respective officers, employees, contractors, agents, customers and by third parties.

17.3 The parties shall co-operate to eliminate fraudulent use of either party's end user services by end users and customers insofar as such fraudulent use has arisen as a result of the connection of the parties' respective networks and the provision of Interconnection Services by each party to the other under this Agreement.

17.4 Without limiting anything in clauses 16.3, 16.5, 16.6, 17.5 and 17.6, each party shall take all necessary and prudent steps and comply with all statutory obligations to ensure that the performance and observance of its obligations under and the implementation of this Agreement will not endanger the health or safety of any persons including, without limitation, the other party's officers, employees, contractors, agents and end users and in particular, without limitation, each party shall be responsible for the safe operation of its own network.

17.5 Each party shall:

(a) use its reasonable endeavours to and shall co-operate with the other in managing its own network in a manner that minimises disruptions to the other party's network; and

(b) use its reasonable endeavours to ensure that the quality of calls and text messages delivered to or accepted from the other party's network is maintained.

17.6 Each party shall provide Interconnection Services to the other party of a quality comparable to the same or similar network service provided by the first party to its own customers and to any other member of its own Group.

17.7 Where a call may eventually be transmitted to or from an international network, the parties shall use reasonable endeavours to ensure that they comply with the principles and requirements of any applicable technical standards that may have an impact on call quality and any applicable agreements between the relevant party and overseas networks, as notified by each party to the other from time to time.

18. Forecasts of future network requirements

18.1 Each party shall supply to the other the forecasts required by, and in accordance with, the Operational Procedures.

18.2 Each party acknowledges the importance of forecasts in providing Interconnection Services and, to that end, shall take all reasonable care to provide forecasts which are as accurate as possible. The parties further acknowledge:

- (a) that the sole purpose of the forecasts described in clause 18.1 is for each party to make the other party aware of the likely demands for the other party's Interconnection Services and enable the other party to plan for the provision of such services accordingly; and
- (b) that any forecast under this clause 18 is indicative only and is not binding on the party giving the forecast. The forecasting party does not represent or warrant that any forecast is or will be true, accurate or correct.

Notwithstanding this, each party shall promptly notify the other party if it becomes aware at any time of any reason (including any planned network build or acquisition) that is likely to result in any forecast becoming materially inaccurate, and that notice will include a statement of the impact that the notifying party expects on those forecasts.

19. Technical Specifications

- 19.1 The parties shall establish and maintain the Technical Specifications, recording details of the technical requirements which the parties have agreed. The Technical Specifications contain specifications agreed by the parties that are appropriate to the operation of their respective networks and the provision of Interconnection Services by each party to the other.
- 19.2 The Technical Specifications form part of this Agreement.
- 19.3 The parties shall use their reasonable endeavours to comply with the Technical Specifications. In particular, each party shall use reasonable endeavours to ensure it does not connect anything to the other party's network at a Handover Point, nor deliver or accept calls or text messages at a Handover Point, except in accordance with the Technical Specifications. The parties shall co-operate in a bona fide manner towards achieving compliance with the Technical Specifications in the connection of their respective networks and the delivery and acceptance of calls and text messages.
- 19.4 Each party shall undertake testing, in accordance with a testing schedule agreed between the parties, to determine compliance with the Technical Specifications. Unless otherwise agreed in writing, such testing should be undertaken where an agreed change is made to the Technical Specification.
- 19.5 Where the parties have agreed that no compliance testing is required prior to the implementation or the change referred to in clauses 19.4, each party whose network is affected by such an event shall (to the extent its network is so affected) certify to the other party (prior to implementation or change) that the first party's network complies with the Technical Specifications to the extent required under this Agreement in the form they will take following the implementation or change. For the avoidance of doubt, no such prior certification is required where the parties have agreed to undertake and have successfully completed compliance testing.
- 19.6 Each party shall use reasonable endeavours to ensure that its network complies with the Technical Specifications.
- 19.7 Each party shall refer any issues it may have regarding, or any requests for amendment to, the Technical Specifications, to the Liaison Committee.

- 19.8 Any matters referred to the Liaison Committee under Clause 19.7 shall be discussed by the Liaison Committee which may determine that an amendment to the Technical Specifications is appropriate and make recommendations. The provisions of clauses 14.4(a) and (b) shall apply as if the references to "Operational Procedures" were references to "Technical Specifications" and otherwise shall be read mutatis mutandis.

20. Network changes

20.1 In the event that one party (the **notifying party**):

- (a) is required to make a change to its network:
 - (i) by reason of a fault condition or other trouble in its network; or
 - (ii) in order to comply with clause 17.5, 17.6, 17.7 or 19.3; or
- (b) wishes to make a change to its network where:
 - (i) the change will cause minimal inconvenience or cost to the other party (the **other party**); or
 - (ii) the notifying party reasonably believes the change is in both parties' mutual interest;

and the change to the notifying party's network would make it necessary:

- (c) for a change to be made to the requirements of the Technical Specifications; and
- (d) for changes to be made to the network of the other party;

the notifying party shall serve notice on the other party requesting the change. Such notice shall set out:

- (e) full details of the required or desired changes to the notifying party's network;
- (f) the preferred timing of such changes; and
- (g) where clause 20.1(a) applies, the urgency of the condition and the risks to the effective continued operation of its network in delaying the changes.

20.2 On receipt of such notice by the other party, the parties shall refer any issues with respect to the implementation of the changes which the notifying party has requested (including any changes to the Technical Specifications and the need for testing) to the Liaison Committee, which shall discuss the issues and where it determines appropriate, make recommendations. Any such implementation shall be on terms and conditions agreed by the parties.

21. Numbering

21.1 STL shall complete the following actions:

- (a) ensure that all mobile numbers will become seven-digits with a leading digit of "7" (for mobile numbers allocated to, or reserved for STL), "8" (for mobile numbers allocated to, or reserved for, BSIL) or "9" (for mobile numbers reserved for future expansion);
- (b) make such changes to its network and systems as may be required to switch calls and messages to those mobile numbers; and
- (c) notify international operators with which it has arrangements for the termination of calls and text messages of the change in clause 21.1(a).

21.2 STL will implement a dual dialling period, where customers with five-digit numbers with a leading digit of "7", "8" or "9" can continue to be dialled on those numbers, or on seven-digits with STL's leading digit of "7".

21.3 STL will make available the seven-digit numbers in the "8" range for exclusive use by BSIL in accordance with section 129(5) of the Act.

21.4 STL shall cease using any numbers beginning with the digit "8" effective immediately.

22. Activation and deactivation of numbers

22.1 Except as set out in clause 22.2, neither party is required to activate or deactivate any number in its network or to route calls or text messages to such number.

22.2 Either party (the **requesting party**) may request the other party (the **other party**) to:

- (a) activate or deactivate any numbers in the other party's network, where these numbers are to be used for an Interconnection Service in accordance with this Agreement; and
- (b) route calls or text messages to those numbers in accordance with this Agreement;

and the other party shall promptly comply with that request.

23. Assignment

23.1 A party (the **assigning party**) may not assign or transfer its rights or obligations under this Agreement, except with the prior written consent of the other party (the **other party**) and subject to any restriction on assignment under the Act. The other party will not unreasonably withhold its consent if:

- (a) the assigning party has given notice to the other party of the intended assignment or transfer at least 30 Working Days prior to the assignment or transfer becoming effective;
- (b) the assigning party is not at the time of applying for such consent or up to the date such assignment or transfer is to become effective, in default in the due and punctual observance or performance of the assigning party's material obligations under this Agreement;
- (c) the assigning party proves to the satisfaction of the other party that the incoming assignee or transferee is of sound financial standing and has the ability to perform the obligations of the assigning party under this Agreement;
- (d) the incoming assignee or transferee is not a Licensee with an existing interconnection agreement with the other party for the provision by the other party of services which are similar to the other party's Interconnection Services;
- (e) the assigning party pays to the other party all costs reasonably incurred by the other party (whether or not the proposed assignment or transfer proceeds to completion) including the other party's reasonable administrative and other expenses and legal costs of and incidental to:
 - (i) the giving of consent; and
 - (ii) the assignment or transfer;
- (f) the assigning party procures the execution by the incoming assignee or transferee of a covenant with the other party that the incoming assignee or transferee will at all times during the continuance of the term of this Agreement duly pay the charges payable pursuant to this Agreement at the times and in the manner mentioned in this Agreement and observe and perform all the assigning party's obligations under this Agreement;
- (g) in circumstances where the other party so reasonably requests, the assigning party procures the execution by any holding company of the incoming assignee or transferee of a guarantee of the performance of the incoming assignee's or transferee's obligations under the covenant with the other party referred to in clause 23.1(f); and
- (h) the assigning party and the incoming assignee or transferee comply with the other party's reasonable requirements in relation to the documentation of the intended assignment or transfer.

23.2 Clauses 23.1(a) to (h) shall not apply to an assignment or transfer by STL to any member of the STL group of companies, or by BSIL to any member of the BSIL group of companies, provided that in respect of such assignment or transfer:

- (a) the assigning party shall notify the other party of the intended assignment or transfer at least 30 Working Days prior to the assignment or transfer becoming effective;
- (b) the assigning party shall pay to the other party all costs in the same manner as for an assignment or transfer to a non-related assignee or transferee, under clause 23.1(e);

- (c) if requested to do so by the other party, the assigning party shall procure the execution of a covenant in the same manner as for a non-related assignee or transferee under clause 23.1(f); and
 - (d) the consent of the other party will be required if the incoming assignee or transferee is a Licensee with an existing interconnection agreement with the other party for the provision by the other party of services which are similar to the other party's Interconnection Services, which consent shall not be unreasonably withheld.
- 23.3 A party shall be deemed to be assigning all of its interest in this Agreement if it is becoming a subsidiary of, or amalgamating with, another Licensee that has an existing interconnection agreement with the other party for the provision by the other party of services which are similar to the other party's Interconnection Services.
- 23.4 Where the assigning party has assigned or transferred its rights or obligations under this Agreement under this clause 23, the assigning party shall be released from the assigning party's obligations under this Agreement (provided that clause 9.3 shall apply to the assigning party as if this Agreement terminates or expires on the date the assignment or transfer takes effect).
- 23.5 For the avoidance of doubt, the assigning party may only assign and transfer all of its rights and obligations under this Agreement. In no event will the assigning party:
- (a) assign and/or transfer some, but not all, of its rights and obligations under this Agreement; or
 - (b) assign all its rights under this Agreement, without a corresponding transfer of all of its obligations.
- 23.6 Any attempt at assigning or transferring this Agreement other than as permitted under this clause 23 shall be null and void. Subject to the above restrictions on assignment and transfer, this Agreement shall enure to the benefit of and be binding upon successors, assigns and transferees of the parties.

24. Miscellaneous

- 24.1 Acknowledging that the interests of the parties and their respective customers require that:
- (a) as far as reasonably practicable, Interconnection Services be continuously available, and when in use, continuous and fault-free; and
 - (b) subject to clauses 6.7 and 6.15, and to any law to the contrary, payments for such Interconnection Services be made without deduction, set off or withholding on account of any amounts,

the parties agree that, in the event of any dispute about the validity or enforceability of this Agreement or of its implementation (in either case in whole or in part), each party shall continue to perform its obligations in accordance with the terms of this Agreement until a court of competent jurisdiction (or the person responsible for resolving the dispute under clause 11) determines that this Agreement or its implementation (in either case in whole or in part), is invalid or unenforceable.

24.2 Notwithstanding clause 7, the parties acknowledge that this Agreement shall be provided to the Telecommunications Commission and that the Telecommunications Commission may publish this Agreement on its website.

24.3 Any notice required to be served upon a party or given to a party in relation to this Agreement shall be in writing and shall be deemed to have been served or given:

- (a) as soon as the same is personally delivered to the address set out below (or such other address as a party may notify to the other by notice);
- (b) immediately if transmission by facsimile is effected to the facsimile number set out below (or such other facsimile number as a party may notify to the other by notice), provided receipt of transmission has been confirmed by the receiving party; or
- (c) immediately if transmission is effected by such other electronic medium as the parties may from time to time agree, to such place, number or code as a party may notify to the other by notice;

provided that if transmission by facsimile or other electronic means is effected after 5.00 pm on a Working Day or any time on a day other than a Working Day, then such notice shall be deemed to be given the next Working Day following the facsimile or electronic transmission.

Solomon Telekom Company Limited

Telekom Haus
Mendana Avenue
Honiara
Solomon Islands

Attention: Chief Executive

Telephone: 23358

Facsimile: 23642

Email: loyley.ngira@telekom.com.sb

BSIL

Heritage Hotel
Honiara
Solomon Islands

Attention: Chief Executive Officer

Telephone: +677 7421 635 Facsimile: []

Email: julien.coustaury@bemobile.com.pg

24.4 Nothing in this Agreement shall:

- (a) limit the right of a party:

(i) to enforce this Agreement by seeking an order for specific performance; or

(ii) to apply for an injunction or declaratory relief;

whilst the parties are participating in dispute resolution under clause 11; or

(iii) to apply for an interim injunction in any court of competent jurisdiction;

(b) exclude or limit any liability of a party arising under a statute from which it is prohibited by law to exclude or limit liability, to the extent of such prohibition;

(c) exclude or limit any liability of a party to pay costs (if any) in any court proceedings or dispute resolution proceedings.

24.5 No failure to exercise, and no delay in exercising, a right of a party under this Agreement operates as a waiver of that right. A single or partial exercise of a right does not preclude another or a further exercise of that right or an exercise of another right. No waiver by a party of its rights under this Agreement is effective unless it is in writing signed by that party.

24.6 Nothing in this Agreement or in the relationship between the parties is to be construed as:

(a) creating a partnership between the parties; or

(b) giving to either party the right, or subjecting it to the liability, of a partner.

The parties declare that it is not the intention of either party to:

(c) enter into a joint venture with the other; or

(d) constitute a party, or its group of companies, an agent or fiduciary of the other party, or its group of companies, under this Agreement.


24.7 This Agreement is made in the Solomon Islands and shall be governed in all respects by and construed in accordance with the laws of the Solomon Islands. The parties agree to submit to the non-exclusive jurisdiction of the High Court of Solomon Islands.

24.8 This Agreement may be signed in one or more counterparts, each of which shall be deemed an original, but all of which counterparts together shall constitute one and the same instrument.


Executed as an agreement.

SIGNED for and on behalf of
SOLOMON TELEKOM COMPANY LIMITED

by:



Authorised Signatory



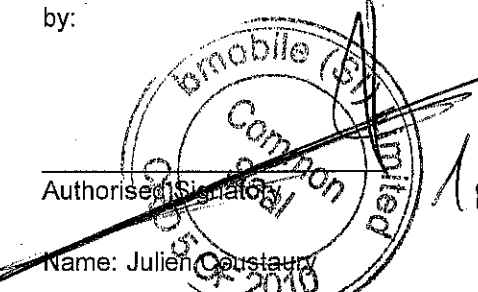
13/4/2010

Name: Loyley Ngira

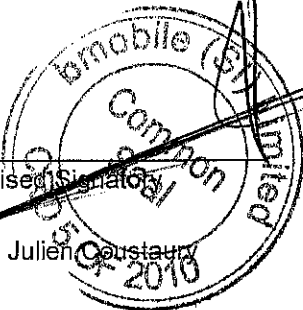
Title: Chief Executive

SIGNED for and on behalf of
BMOBILE SOLOMON ISLANDS LIMITED

by:



Authorised Signatory



16/4/2010

Name: Julien Coustaury

Title: Chief Executive Officer

SCHEDULE 1: OPERATIONAL PROCEDURES

OPERATIONAL PROCEDURE 1: OPERATIONAL LIAISON

Operations Centres

- 1.1 The Operational Procedures and obligations described in these Operational Procedures are to be administered and carried out by:

1.1.1 STL at the STL network operations centre; and

1.1.2 BSIL at the BSIL network operations centre,

(the **Operations Centres**).

Operational help desk

- 1.2 Each party is to:

1.2.1 provide the other party with an operational help desk function at all times;

1.2.2 notify the other party of the current location and contact telephone number of that operational help desk; and

1.2.3 through its operational help desk, provide to the other party:

(a) a reception point for logging fault reports and enquiries;

(b) fault progress tracking and reporting;

(c) Outage notice tracking; and

(d) direct contact, as required, between the parties' specialist operations groups.

Availability

- 1.3 Each party is to use reasonable endeavours to ensure that its Operations Centre is staffed between 8.00am and 5.00pm Monday to Friday with appropriate persons capable of fulfilling that party's obligations under clauses 1 and 2 of this Operational Procedure. Each party is to use reasonable endeavours to ensure that a person who is capable of fulfilling that party's obligations under clauses 1 and 2 of this Operational Procedure is available by telephone at all other times and that the contact details for that person are notified to the other party.

Escalation procedures

- 1.4.1 If any matter requiring resolution or agreement under an Operational Procedure is not resolved or agreed to promptly in accordance with that Operational Procedure, then it is to be referred on the basis of a peer to peer communication, to:
- (a) in the case of STL, the Chief Operations Officer, or such other person as STL may notify to BSIL by notice; and
 - (b) in the case of BSIL, the Chief Operations Officer, or such other person as BSIL may notify to STL by notice.
- 1.4.2 Each party is to notify the other party of the current names and contact telephone numbers of its staff members holding these positions.

Notices

- 1.5.1 Any notice required to be served or given under this Operational Procedure may be served or given at the other party's Operations Centre.
- 1.5.2 Notices required under this Operational Procedure may be given orally. A party giving oral notice is to confirm the terms of that notice by email as soon as practicable.
- 1.5.3 Each party is to acknowledge in writing the receipt of each written notice or confirming email.
- 1.5.4 Each party is to provide the other party with a reference number for each notice which is given or received

OPERATIONAL PROCEDURE 2: OUTAGES

Application of this procedure

- 2.1 This Operational Procedure shall apply except where an Outage occurs as a result of Force Majeure. This Operational Procedure does not apply where a party exercises its right to suspend or restrict the supply of an Interconnection Service under clause 8.1.

Obligation to notify

- 2.2 Each party (the **Responsible Party**) is:

- 2.2.1 to give as much notice as practicable, preferably at least 5 Working Days, to the other party (the **Affected Party**) of any event or circumstance which:

- (a) has occurred, or could reasonably occur, in the Responsible Party's network; and
- (b) will, or could reasonably be anticipated to, directly or indirectly result in an Outage; or

- 2.2.2 if it is not practicable to give prior notice of the Outage, to use its reasonable endeavours to notify the Affected Party within 15 minutes of becoming aware of the Outage.

Content of the notice

- 2.3.1 Each notice of a potential Outage under clause 2.2.1 of this Operational Procedure is to state in reasonable detail:

- (a) each event or circumstance which will, or could reasonably be anticipated to, result in the Outage;
- (b) the proposed or anticipated extent, date, time and duration of the Outage;
- (c) each Interconnection Service which would, or could reasonably, be affected by the Outage;
- (d) the restoration plan for each affected Interconnection Service (if relevant), including any necessary testing;
- (e) any proposed contingency measures or pre-plans for the Outage (if relevant); and
- (f) the contact names and telephone numbers of the Responsible Party's operational staff dealing with the Outage.

- 2.3.2 Each notice of the occurrence of an Outage under clause 2.2.2 of this Operational Procedure is to state in reasonable detail:

- (a) each event or circumstance which caused or contributed to the Outage;

- (b) the likely duration of the Outage;
- (c) the extent to which each affected Interconnection Service has failed;
- (d) the restoration plan for each affected Interconnection Service (if relevant), including any necessary testing;
- (e) any proposed contingency measures or pre-plans which shall apply to the Outage (if relevant); and
- (f) the contact names and telephone numbers of the Responsible Party's operational staff responsible for handling the Outage.

Agreement on the terms of an Outage

2.4.1 If the Responsible Party gives notice of an Outage under clause 2.2.1 of this Operational Procedure, then the parties are to discuss the terms of that notice to the extent, and as soon as, practicable, with a view to the parties agreeing on:

- (a) the extent, date, time and duration of the Outage;
- (b) the restoration plan for each affected Interconnection Service (if relevant), including any necessary testing; and
- (c) any proposed contingency measures or pre-plans for the Outage (if relevant).

2.4.2 If the Responsible Party gives prior notice of an Outage, and the Responsible Party can control:

- (a) whether the Outage occurs; or
- (b) when the Outage occurs,

without the Outage having an effect on any third party Licensee, the Responsible Party is to the extent practicable to prevent or delay the occurrence of the Outage until the parties have agreed on the terms of the notice under clause 2.4.1 of this Operational Procedure. The Affected Party is not unreasonably to withhold its agreement to those terms.

2.4.3 If the Responsible Party gives notice of an Outage under clause 2.2.2 of this Operational Procedure, then the parties are to discuss the terms of that notice as soon as practicable, with a view to the parties agreeing on, if relevant:

- (a) the restoration plan for each affected Interconnection Service, including any necessary testing; and
- (b) the proposed contingency measures or pre-plans for the Outage.

- 2.4.4 If any of the terms agreed on by the parties under this clause 2.4 of this Operational Procedure differ from the terms of the Outage notice, the Responsible Party is to give the Affected Party, as soon as practicable, a revised Outage notice which reflects the parties' agreement.

Liaison

- 2.5.1 The Responsible Party is to liaise with the Affected Party as often as necessary and practicable to enable the Affected Party to familiarise itself fully with the matters contained in an Outage notice.

The following is a list of target response times in relation to an ongoing Outage:

Target Response Times

	Action	Target Response Time		
		Working Hours	After Working Hours	Non Working Days
Upon observation of a fault by either party	Record and notify the party's contact point. Open a Trouble Ticket and share Ticket numbers	15 min	15 min	15 min
Engineer responding to the issue	On site or remote access working on the problem	+30 min	+30 min	+30 min
Feedback	Update to be provided to the party (unless working on the problem jointly)	every 30 minutes	every 30 minutes	every 30 minutes
Time to resolve	Service Affecting (SA) – blockage occurring	4 Hour	4 Hours	4 hours
	Non-Service Affecting (NSA) – affecting some capacity but not affecting traffic	Same day	Before next Working Day	Before next Working Day
Escalation	If action times are not achieved during the network event (time from first notification). Immediate Escalation if the situation changes from NSA to SA, upgrade the trouble ticket			

- 2.5.2 The Responsible Party is to provide any additional information reasonably requested by the Affected Party in relation to an Outage.

Obligations of the Responsible Party

- 2.6 If an Outage occurs, the Responsible Party is:
- 2.6.1 to comply with the terms of the notice that have been agreed to by the parties under clause 2.4 of this Operational Procedure; or
 - 2.6.2 if the terms of the notice have not been agreed by the parties under clause 2.4 of this Operational Procedure, to treat the restoration of each affected Interconnection Service as urgent.

Changes to Outage notice:

- 2.7.1 If at any stage during the Interconnection Service restoration process the Responsible Party considers, on reasonable grounds, that:

- (a) the duration of the Outage will exceed, or has exceeded, the period specified in the notice; or
- (b) any other term of the notice is no longer appropriate or applicable,

then, to the extent practicable:

- (c) the Responsible Party is immediately to notify the Affected Party; and
- (d) the Responsible Party is as soon as practicable to give the Affected Party a revised notice for the Outage.

- 2.7.2 As soon as practicable after the Responsible Party has notified the Affected Party under this clause 2.7 of this Operational Procedure, the parties are to review jointly the need to revise, or implement, any contingency measures.

Minimisation of Outages

- 2.8 The parties recognise the desirability of working together and with third party Licensees to minimise the occurrence of any Outage.

Restoration

- 2.9.1 In the case of an Outage under clause 2.2.2 of this Operational Procedure, the Responsible Party is to notify the Affected Party, as soon as practicable, of the restoration of each affected Interconnection Service, stating:

- (a) the time and date of the restoration of that Interconnection Service;
- (b) whether that Interconnection Service is being provided by way of contingency measures or permanent repair;

- (c) the reason for the failure of that Interconnection Service (if not previously notified); and
- (d) if the Interconnection Service is restored by way of contingency measures, whether or not further Interconnection Service failures arising from the permanent-repair process are anticipated.

2.9.2 If restoration of an Interconnection Service takes place progressively over a period of hours or days, then the Responsible Party is to give the Affected Party notice of each significant intermediate restoration increment.

Monthly reconciliation

- 2.10 Promptly after the end of each month, each party is to notify the other party of each Outage (whether experienced as the Responsible Party or the Affected Party) that occurred in that month.

Additional discretionary notices

- 2.11 Each party may also give the other party notice of any event or circumstance (including events or circumstances that are not within the network of the notifying party) which:

2.11.1 has occurred or could reasonably occur; and

2.11.2 will, or could reasonably be anticipated to, create a material risk of damage to the other party's network.

OPERATIONAL PROCEDURE 3: OPERATIONAL TESTING

Continuity of service

- 3.1 Each party is to execute operational testing in accordance with its standard procedures:
- 3.1.1 to identify any fault or other event or circumstance in the other party's network which has caused or could cause an Outage; and
 - 3.1.2 to confirm, as far as reasonably practicable, that each Interconnection Service supplied by that party is continuously available and fault free.

Flood-call testing

- 3.2 Neither party may undertake flood-call testing without obtaining the prior written consent of the other party. The other party is not to withhold consent unreasonably.

Joint testing

3.3.1 If:

- (a) joint testing is required under this Agreement; or
- (b) a party considers, on reasonable grounds, that joint testing is required;

that party shall give notice to the other party stating, in reasonable detail the reason for, and purpose of, the testing, and its proposals for:

- (c) the date, time and expected duration of the testing;
- (d) the locations where the testing is to be carried out;
- (e) which party is responsible for what part of the testing;
- (f) the network elements to be tested;
- (g) any network configuration changes required to facilitate the testing; and
- (h) which party is responsible for collating the results of the testing.

- 3.3.2 The parties are then to discuss the notice as soon as practicable (preferably within 2 Working Days), in order to agree:

- (a) whether, in the case where joint testing is not required under this Agreement, joint testing is necessary; and

- (b) if so, or if joint testing is required under this Agreement, the details of the joint testing (including any agreed charges).

3.3.3 The parties shall execute joint testing in accordance with any agreed arrangements.

Co-operation and assistance

3.4.1 Each party shall, on request by the other party, use its reasonable endeavours:

- (a) to liaise with;
- (b) to co-operate with; and
- (c) to assist,

the other party, when the other party is undertaking testing.

3.4.2 Each party, when undertaking testing, is to use its reasonable endeavours to minimise any adverse effect on the other party.

Quality control

3.5 Each party is to use its reasonable endeavours to ensure that those elements of testing under its control shall comply with quality control procedures that are appropriate for testing in the telecommunications industry.

OPERATIONAL PROCEDURE 4: FORECASTING

Provision of traffic forecasts

4.1.1 STL shall provide BSIL with forecasts in respect of the following:

- (a) calls handed over from the STL network to the BSIL network under the Call Termination Service;
- (b) calls originating in the BSIL network to toll free numbers that are allocated or assigned to the STL network under the Call Origination Service;
- (c) text messages handed over from the STL network to the BSIL network under the Text Message Termination Service;
- (d) any other matter agreed between the parties.

4.1.2 BSIL shall provide STL with forecasts in respect of the following:

- (a) calls handed over from the BSIL network to the STL network under the Call Termination Service;
- (b) calls originating in the STL network to toll free numbers that are allocated or assigned to the BSIL network under the Call Origination Service;
- (c) text messages handed over from the BSIL network to the STL network under the Text Message Termination Service;
- (d) emergency calls handed over from the BSIL network to the STL network under the Emergency Call Service; and
- (e) directory assistance calls handed over from the BSIL network to the STL network under the Directory Assistance Service; and
- (f) any other matter agreed between the parties.

Content of traffic forecasts

4.2 The exact content of traffic forecasts will depend on the requirements of the relevant Interconnection Service, but in general shall cover (in relation to traffic under this Agreement where the forecasting party is the recipient of the relevant Interconnection Service):

4.2.1 forecasts for each Handover Point, covering the forecasting party's existing call routes, and any changes to call routing envisaged by that party during the forecast period, including:

- (a) peak calling times, busy-hour traffic volume and number of call attempts on routes; and

- (b) traffic in Erlangs and number of traffic circuits required for the total traffic volume forecast in each direction, based on the switching architecture and design grade of the service appropriate to that route; and

Interconnect link forecasts

- 4.3.1 Within one month of receipt of the call traffic forecasts described in clause 4.1 of this Operational Procedure (the **traffic forecasts**) the parties shall meet to discuss, with a view to forecasting, future requirements for interconnect links (including routing arrangements) appropriate to carry the traffic contemplated by the traffic forecasts.
- 4.3.2 In making the forecasts the parties shall have regard to the need to ensure that each party is able to meet its obligations for all Interconnection Services provided under this Agreement.
- 4.3.3 The forecasts may include, without limitation, forecasts of:
 - (a) increases in the number of interconnect links;
 - (b) the decommissioning of interconnect links;
 - (c) the redistribution of call traffic over different routes.

Forecast period

- 4.4.1 Forecasts described in clauses 4.1 and 4.3 of this Operational Procedure shall be supplied annually during the term of the Agreement, or as reasonably requested by either party, and shall cover the twelve month period commencing on, in the case of the first annual forecasts, the New Entrant Launch Date or, for any subsequent annual forecasts, the date twelve months after the date of the last forecast or, for any other forecasts reasonably requested by either party, the date of the forecasts.
- 4.4.2 Each annual forecast shall specifically give the forecast for the December covered by the forecast, or the forecast for the month in the annual forecast period with the highest volume, if that month is not December.
- 4.4.3 Any forecasts reasonably requested by either party shall be promptly provided.

Response

- 4.5 A party that receives a forecast is, within 25 Working Days of receipt of the forecast, to indicate to the other party any variations to the forecast which it reasonably considers to be appropriate, based on its own traffic studies and experience. Any differences in forecasts shall be discussed and the parties shall use all reasonable efforts to resolve any differences through the Liaison Committee.

Forecast updates

4.6.1 Each party shall promptly notify the other party of any material changes to forecasts supplied that occur at any time during a forecast period.

4.6.2 In particular should either party become aware of any event or circumstance which is likely to cause interconnect traffic on any designated route to rise:

- (a) on a short-term or long-term basis; or
- (b) during periods outside the designated "busy hour";

beyond the level previously forecast for busy-hour traffic in the most recent forecast to the other party, then that party is promptly to notify the other party of the circumstances and likely extent of the increase.

OPERATIONAL PROCEDURE 5: ACCESS AND SAFETY

Request for access

5.1.1 Subject to clause 5.1.2 of this Operational Procedure, where either party (in clauses 5.1.1, 5.1.2 and 5.1.3 of this Operational Procedure, the **first party**) is entitled to access to the other party's premises under this Agreement:

- (a) the first party is to give the other party at least 24 hours' notice of access, stating:
 - (i) the name of the relevant authorised officer, employee, contractor or agent who is to have access; and
 - (ii) the anticipated date and time of access; and
- (b) the other party is to provide access at all reasonable hours in accordance with the notice.

5.1.2 If the first party, on reasonable grounds, requires urgent access to the other party's premises to fulfil its obligations under this Agreement:

- (a) the first party is to give as much notice as practicable to the other party, stating:
 - (i) the name of the relevant authorised officer, employee, contractor or agent who is to have access; and
 - (ii) the anticipated date and time of access; and
- (b) the other party is to use its reasonable endeavours to ensure access is provided at all times, as required.

5.1.3 The appointment by the first party of its authorised officer, employee, contractor or agent under clause 5.1.1(a) or clause 5.1.2(a) of this Operational Procedure shall be evidenced by a means of identification which shall be agreed between the parties.

Consents

5.2 Each party is, at its own expense, to obtain each consent required from any third party in respect of access to, and use of, its premises, services and facilities by the other party in accordance with this Agreement.

Restricted access

5.3 Each party may restrict or impose conditions on access to its premises, services and facilities if it considers, on reasonable grounds, that such restriction or condition is necessary:

5.3.1 to safeguard the integrity and operation of its network;

5.3.2 to protect against any security risk to its business; or

5.3.3 to comply with any law.

Compliance with security procedures

5.4.1 Each party is to comply with the other party's reasonable security clearance procedures when accessing the other party's premises, equipment, services and facilities.

5.4.2 Each party is to ensure that each of its officers, employees, contractors or agents accessing the other party's premises also complies with those reasonable security clearance procedures.

Removal without authority

5.5.1 Each party (in clauses 5.5.1 and 5.5.2 of this Operational Procedure, the **first party**) is responsible for any equipment of the other party's group of companies on the first party's premises that is:

- (a) lost (other than as a result of fault on the part of the other party);
- (b) removed without the authority of the other party; or
- (c) destroyed or wholly or partially damaged (other than as a result of fault on the part of the other party, fair wear and tear or Force Majeure).

5.5.2 The first party is responsible for any equipment of the other party or any third party on the other party's premises that is:

- (a) removed by any of the first party's, or any member of its group of companies', officers, employees, contractors or agents without the authority of the other party; or
- (b) destroyed or wholly or partially damaged by any of those persons.

5.5.3 Where a party is responsible for equipment under this clause 5.5 of this Operational Procedure, the party shall:

- (a) in the event of loss, removal without authority or destruction of or irreparable damage to that equipment pay to the other party within 15 Working Days of written demand the book value of the equipment (whether or not the equipment is equipment of a third party); or
- (b) in the event of reparable damage to that equipment reimburse the other party (whether or not that equipment is equipment of a third party), within 15 Working Days of written demand, for the cost of repair of that equipment on those premises,

provided that where the equipment which has been lost, removed, destroyed or damaged is the property of a third party, and the other party suffers no direct loss, the responsible party shall not be required to make any payment under this clause 5.5.3 of this Operational Procedure.

Alterations to premises

- 5.6.1 Each party (in clauses 5.6.1 and 5.6.2 of this Operational Procedure, the **first party**) is not, without the consent in writing of the other party, to make or permit to be made any alterations to the whole or any part of its premises, equipment, services or facilities which may adversely affect the other party's equipment on those premises.
- 5.6.2 The other party is not to withhold consent unreasonably. However, consent may be conditional on the first party:
- (a) taking reasonable measures satisfactory to the other party to protect the equipment of the other party's group of companies during the course of those alterations; or
 - (b) paying any of the reasonable charges which the other party incurs in moving any of the equipment of the other party's group of companies as a result of those alterations.

Security interests

5.7.1 Each of BSIL and STL acknowledge that, at any time:

- (a) certain telecommunications related equipment and software of the BSIL group of companies (including all goods and intangibles described or referred to in this Agreement or in the relevant records maintained by (or other relevant documents produced by) BSIL, on the basis that such record or other document is deemed to be incorporated into, and form part of, this Agreement) may be held on STL's premises; and
- (b) certain telecommunications related equipment and software of the STL group of companies (including all goods and intangibles described or referred to in this Agreement or in the relevant records maintained by (or other relevant documents produced by) STL, on the basis that such record or other document is deemed to be incorporated into, and form part of, this Agreement) may be held on BSIL's premises,

in each case on the terms of this Agreement.

5.7.2 Each of BSIL and STL further acknowledge that:

- (a) whilst any such property of the STL group of companies is located on BSIL's premises it shall at all times remain the property of the STL group of companies; and
- (b) whilst any such property of the BSIL group of companies is located on STL's premises it shall at all times remain the property of the BSIL group of companies.

OPERATIONAL PROCEDURE 6: NUMBERING CHANGE NOTIFICATION

Numbering notification

- 6.1 Each party shall provide the other party with details of numbering changes in the first party's network which may have an impact on the other party's network, or the performance of the other party's obligations under this Agreement, including but not limited to:
- 6.1.1 full details of any number ranges which are to be activated or deactivated in the first party's network and which relate to one or more Interconnection Services;
 - 6.1.2 changes in the length or structure of numbers used in the first party's network.

Notification under this clause 6.1 of this Operational Procedure shall be given to the other party as early as practicable, and shall set out the date on which such changes will occur.

SCHEDULE 2: TECHNICAL SPECIFICATIONS

General

- 1.1 The recommendations made by the International Telecommunication Union (ITU) for Common Channel Signalling System Number 7 (CCS 7) (**Recommendations**) provide the framework for adherence to the standards contained therein. The parties are committed to conform, wherever practical, with the ITU-T and ETSI GSM/DCS 1800 Recommendations or any Recommendations that supersede, amend or revise the ITU-T and ETSI GSM/DCS 1800 Recommendations from time to time. The present form of reference will be the ITU-T Recommendations, as published in the ITU-T Blue Book (the Recommendations endorsed by the 1988 Plenary Assembly) and the Grey Book Recommendation Q.767, as amended by the White Papers (published subsequent to the 1992 Plenary Session).

Notwithstanding the above Recommendations, for calls that are originated in one network and terminated in another, the originating party's network will be entitled to block backward signals that modify the originating tariff structure. Such backward signals will be discarded and the call will be force released.

Safety (Dangerous Voltages)

- 1.1.1 In order to protect personnel and equipment on both sides of the interface, it is necessary to provide protection against the transmission of dangerous voltages across the interface (see 1.2).

For equipment which uses or generates excessive voltages, a barrier shall be provided to protect the interface from those voltages.

Physical Interface

- 1.2 The physical interface between the networks shall be 120 ohm unbalanced termination provided by means of a coaxial cable/ CAT 5e Cable (Screened).

Electrical Interface

- 1.3.1 Input and Output

The electrical interface shall conform to ITU-T Recommendation G.703 for coaxial at 2048 kbit/s. The input impedance of 120 Ohm balanced is required. The output impedance is approximately 120 Ohms as specified in G.703. This is necessary to meet the required pulse shape masks.

- 1.3.2 Attenuation

The attenuation of the interconnecting cable (including any digital distribution frame or interconnecting equipment) shall not exceed 6dB at 1024 kHz.

1.3.3 Interference

Both input ports shall tolerate, without error, interference from a non-synchronous standard test signal (ITU-T Recommendation Q.151) at a level 18dB lower than the wanted signal.

1.3.4 Multiplex Characteristics

The multiplex structure shall be in accordance with ITU-T Recommendation G.732, and Recommendations G.704 and G.705 and Q.501 - Q.517 for operation involving digital exchanges.

Signalling

1.4 Chapter 5 of Recommendation G.732 applies.

1.4.1 Signalling Protocol

The signalling protocol between the networks will be based on CCS No 7 ISDN User Part (ISUP) as defined in the ITU-T Blue Book Recommendations, modified with country specific options as defined by both BSIL and STL.

1.4.2 General CCS 7 Principles

The principle of minimum visibility in respect of the Destination Point Codes (DPCs) shall apply between BSIL and STL.

Only connection-oriented signalling shall initially be allowed between the parties.

The CCS 7 network shall only be implemented with associated mode of signalling.

CRC4 will only be used end to end over links after mutual agreement between the parties.

1.4.3 Wander and Jitter

Maximum jitter at output ports immediately preceding digital switching as per ITU-T Recommendation G.823 (1984) paragraph 2 shall apply.

Jitter and wander tolerance at input ports will be as per ITU-T Recommendation G.823 (1984) for 2Mbit/s links on the Primary Digital Hierarchy (PDH) network and for links provided on copper cables with regenerators. It should be noted that the ports should be able to tolerate a frequency offset greater than 50ppm.

1.4.4 Time Slot Zero

Chapter 2 of Recommendation G.732 applies.

1.4.5 Fault Conditions and Consequent Actions

The parties shall implement the provisions of Recommendations G.732, Q.501 to Q.517.

1.4.6 Channel Time Slot Encoding

CHANNEL TIME SLOTS

The 64 kbit/s channel time slots comprising the 2048 kbit/s stream shall carry "A" law encoded information as defined in Recommendation G.711.

IDLE CHANNEL BIT PATTERN

The idle channel bit pattern in both directions shall be 01010100 (MSB at left hand end) in accordance with paragraph 2.4.6 of Recommendation Q.503 when the interface is between digital exchanges.

Synchronisation

- 1.5 The synchronisation of the Mobile Switching Centres (MSCs) will be achieved by having a connection to two Digital Primary Switching Units (DPSUs) or, as an alternative if two direct links are not available, to one DPSU and any other MSC.

In the event of both bit streams failing, an internal source meeting ITU-T Recommendation G.811 shall become the worker.

CCS 7 Signalling Links

- 1.6 Signalling link pairs in a combined link set will be operated in a load share mode, with no single signalling link operated at greater than 30% of its theoretical message capacity under normal conditions and 60% under overload conditions.

A 64 Kbit/s signalling link will be engineered to offer, in each direction, a normal traffic load of up to 96 ISUP messages per second for trunk signalling and an overload traffic load of up to 192 ISUP messages assuming an average message length of 25 octets shall apply.

All signalling will be passed over timeslot 1 on any particular Pulse Code Modulation (PCM). Any links not carrying signalling shall still not use timeslot 1.