Dated:

AND

BLOCKWIRING AGREEMENT

TABLE OF CONTENTS

	Clause Number	Page No.
1.	Definitions and Interpretation	P. 1
2.	Scope of Agreement	P. 4
3.	Blockwiring Ordering Procedures	P. 4
4.	Contract	P. 7
5.	Arrangement for BIP	P. 8
6.	Local Box	P. 9
7.	Termination Socket	P. 10
8.	Use of Blockwiring	P. 10
9.	Fault Reporting and Maintenance	P. 11
10.	No infringement and Grant	P. 12
11.	Charges and Payment	P. 13
12.	Term Review and Termination	P. 14
13.	Force Majeure	P. 16
14.	Confidentiality	P. 16
15.	Limitation of Liability and Indemnity	P. 16
16.	Dispute Resolution	P. 19
17.	Notices	P. 19
18.	General	P 21

Schedules

Schedule 1: Provisioning and Maintenance of BIP

Schedule 2: Specifications, Ordering, Provisioning and Maintenance of Blockwiring

Schedule 3: Charges Schedule

Attachment A: Blockwiring O&M Manual

BLOCKWIRING AGREEMENT

THIS AGREEMENT is made on

BETWEEN

RECITAL

- A. When a Party proposes to share the use of the Blockwiring belonging to the other Party, it will apply in accordance with the procedures set out in this Agreement.
- B. This Agreement sets out the terms and conditions on which each Party will provision transmission capacity over Blockwiring to the other Party.

OPERATIVE PROVISIONS

- 1. DEFINITIONS AND INTERPRETATION
- 1.1 The following terms used in this Agreement will have the following meaning, unless a contrary intention is specified:
 - "Associated Company" in relation to a Party means:
 - (a) a "Subsidiary" of that Party, a "holding company" of that Party and a "subsidiary" of the same "holding company" as those terms are defined in the Companies Ordinance (Cap 32) of Hong Kong; and
 - (b) any corporate partnership in which one or more companies referred to in paragraph (a) together hold a controlling interest.
 - "Available Date" means the day when the Owner informs the Requesting Operator that the Blockwiring specified in an accepted Order is available to the Requesting Operator in accordance with this Agreement and that the Blockwiring can be operated in accordance with the specifications set out in Schedule 2.
 - "BIP" means a physical interfacing device (and associated cabling for connecting the BIP with the Owner's main distribution frame) in accordance with the specifications set out in Schedule 1 or such other physical interfacing device which may be agreed by the Parties from time to time and installed as close as practically possible to the Owner's main distribution frame (usually located on the ground floor or in the basement of the relevant Blockwiring Building) for connecting the

Requesting Operator's Network to the Blockwiring to be provisioned in accordance with this Agreement.

"BIP Application" means a written application by the Requesting Operator to the Owner in relation to the provisioning of a BIP which contains information relating to a BIP as specified in Schedule 1 or such other information as may be agreed by the Parties from time to time.

"BIP Specifications" means the specifications for a BIP as set out in Schedule 1.

"Blockwiring" means transmission capacity over any two wire copper blockwiring circuit owned by the Owner and already installed and in place within a Blockwiring Building which may consist of either Vertical Blockwiring or a combination of Vertical Blockwiring and Horizontal Blockwiring.

"Blockwiring Building" means any building in which there is Blockwiring and in respect of which the Parties have made arrangements for the provision of BIP in accordance with this Blockwiring Agreement.

"Blockwiring Charges" means the charges payable under this Agreement as set out in Schedule 3.

"Blockwiring O&M Manual" means the operations and maintenance manual, a draft of which is set out in Attachment A as updated from time to time in accordance with the procedures set out therein.

"Business Day" means a day other than a Saturday, Sunday and public holiday.

"Contract" means each individual agreement for the provisioning of transmission capacity over Blockwiring as is established when an Order is accepted by the Owner.

"Force Majeure" means anything outside reasonable control of the Party including acts of God, industrial disputes or any kind, war declared or undeclared, blockade, disturbance, lightning, fire, earthquake, storm, flood, explosion or meteor, governmental restraint, expropriation or prohibition, any action or event that infringes property rights, inability or delay in granting or obtaining governmental approvals, consents, permits, licences or authorities including but not limited to, from Government Agencies, or termination or withdrawal of such approvals, consents, permits or licences.

"FTNS Licence" means the Fixed Telecommunications Network Services licence granted to each Party pursuant to the *Telecommunication Ordinance*, as amended from time to time.

"Government" means the Hong Kong Government up to 30th June 1997 and the Hong Kong Special Administrative Region Government thereafter.

"Government Agency" means any government or government department, a governmental, semi-governmental or judicial person or a person (whether

autonomous or not) charged with the administration of any applicable law (including but not limited to the Telecommunications Authority).

- "Horizontal Blockwiring" means that section of a two wire copper blockwiring circuit already installed and in place within a Blockwiring Building connecting a Local Box and a Termination Socket.
- "Local Box" means the apparatus located on a floor of a Blockwiring Building which the Owner uses to terminate the Vertical Blockwiring on that floor.
- "Loss" means loss, cost, damage, expense and charge.
- "Minimum Contract Period" means the minimum period of each Contract specified in this Agreement commencing from the applicable Available Date, for which the Requesting Operator will pay monthly recurrent charges to the Owner.
- "Network" in relation to a Party means the network, as defined in Schedule 2 of that Party's Licence, established or maintained or used by that Party pursuant to its FTNS licence.
- "Order" means a written order from the Requesting Operator to the Owner which contains information specified in Part B section 2 of Schedule 2 for the provision of Blockwiring in accordance with this Agreement.
- "Owner" means the Party who provisions transmission capacity over Blockwiring to the Requesting Operator under this Agreement.
- "Party" means or , and "Parties" means both of them.
- "Requesting Operator" means the Party who requests the Owner to provision transmission capacity over a Blockwiring in accordance with this Agreement.
- "Standard Provisioning Period" means the standard target provisioning period that is specified in Schedule 2 for the provisioning of Blockwiring after an Order has been accepted by the Owner.
- "Subscriber" in relation to Blockwiring, means the person to whom a Party supplies telecommunication service over the Blockwiring.
- "Tax" means any present or future tax, levy, impost, deduction, charge, duty, compulsory loan or withholding tax (together with any related interest, penalty, fine and expense in connecting with any of them) levied or imposed by any Government Agency, other than those imposed on overall income.
- "Telecommunications Authority" or "TA" has the meaning given to the term "Authority" in the Ordinance.
- "Termination Socket" means the standard socket or other terminating block or frame at a customer's premises pre-provisioned (before the Order) by the Owner or

by the customer for terminating the Owner's Horizontal Blockwiring that is used for providing service to that customer.

"Vertical Blockwiring" means that section of a two wire copper blockwiring circuit already in place within a Blockwiring Building connecting the BIP and a Local Box, and where only Vertical Blockwiring is provisioned Vertical Blockwiring includes any jumper or a B-wire connector referred to in Schedule 2.

- 1.2 In this Agreement unless the context otherwise requires:
 - (a) the singular includes the plural and vice versa;
 - (b) a reference to a document includes any amendment, replacement or notation of that document:
 - (c) if a period of time is specified and dates from a given day or the day of an act or event, it is to be calculated exclusive of that day;
 - (d) a reference to any party includes its successors and permitted assigns, and a reference to party or person includes living standards, bodies incorporate and unincorporate;
 - (e) a reference to "include" or cognate expressions does not limit what else may be included;
 - (f) a reference to this Agreement includes all the schedules and attachments, and their contents will have the same force and effect as if expressly set out in the body of this Agreement;
 - (g) a reference to dollars or \$ is to Hong Kong dollars; and
 - (h) a reference to a charge means that charge as varied from time to time in accordance with this Agreement.

2. SCOPE OF AGREEMENT

- 2.1 This Agreement sets out the terms and conditions on which:
 - (a) each Party as a Requesting Operator may request the Owner to provision Blockwiring under this Agreement; and
 - (b) the Owner will provision Blockwiring in accordance with the terms of this Agreement.
- The Parties will use their respective reasonable endeavours to finalise the draft Blockwiring O&M Manual within 2 months of the date of this Agreement.

3. BLOCKWIRING ORDERING PROCEDURES

. . .

- 3.1 From time to time, the Requesting Operator may place an Order in accordance with Schedule 2.
- 3.2 The Owner may reject an Order:
 - (a) in accordance with clause 4.1 of Schedule 2; or
 - (b) if copper wiring required to fulfill the Order is not available.
- 3.3 For the purpose of clause 3.2(b) of this Agreement and subject to clauses 3.5, 3.6 and 3.7, Blockwiring will be regarded as being available if all the conditions set out in the following paragraphs are satisfied:
 - (a) there is suitable copper wiring in place for Blockwiring in the proposed Blockwiring Building which complies with the relevant specifications set out in Schedule 2; and
 - (b) where the Order is in respect of Vertical Blockwiring combined with Horizontal Blockwiring, suitable copper wiring for Horizontal Blockwiring and an associated Termination Socket are in place or the Requesting Operator provides its own horizontal block wiring or the Parties agree the terms and conditions on which the Owner will install that horizontal blockwiring; and
 - (c) the Blockwiring is not on the date of receipt of the Order:
 - (i) being used by any person (including the Owner); or
 - (ii) reasonably required to be used by the Owner during the period of after the proposed Available Date on the basis of the Owner's current business plans at the date of receipt of the applicable Order; or
 - (iii) the subject of an order received by the Owner from a third party (including a telecommunication service provider) who wishes to use that Blockwiring or a service provided by the Owner using that wiring and that order is received on or before the date of the Order; or
 - (iv) subject to any of the circumstances described in clause 4.4, 4.5, 4.6 or 4.7 which if the Blockwiring were provisioned the Owner would be entitled to terminate the Contract under that clause.
- 3.4 If the Owner is providing telecommunication services to a Subscriber over a Blockwiring and that Subscriber wishes to terminate all services provided over that subject Blockwiring and become a Subscriber of the Requesting Operator and that Blockwiring is suitable for reuse and is of a kind referred to in clause 3.3(a) and (b) and clause 3.5 and 3.6, then that Blockwiring is available for the purpose of clause 3.3(c)(i) if:

- (a) the Owner's disconnection notice is signed by a duly authorised representative of the Subscriber and the original is provided by that Subscriber (or by its duly authorised agent which may be the Requesting Operator) to the Owner's customer front office and a copy of that duly signed disconnection notice together with the applicable Blockwiring Order are provided to the Owner in accordance with clause 17;
- (b) the Requesting Operator provides to the Owner a copy of an authorisation in such form as the Requesting Operator may determine which confirms that the Subscriber wishes to connect the Blockwiring to the Requesting Operator's Network; and
- (c) the disconnection notice is not revoked or cancelled (in whole or in part) by the Subscriber before the relevant Blockwiring is provisioned.

For clarification, this clause 3.4 does not preclude the Requesting Operator from placing an Order for Blockwiring that may otherwise be available under clause 3.3.

- 3.5 Acceptance of an Order in any building will be conditional on suitable arrangements being made for the provision of BIP in that building in accordance with clause 5.
- Socket (in the case of an Order in respect of combined Vertical and Horizontal Blockwiring) that is in situ on the date of receipt of the Order and which complies with the relevant specifications set out in Schedule 2. The Owner is under no obligation to install any new wiring or socket as a result of this Agreement.
- 3.7 The Owner excludes from this Agreement any blockwiring which the Owner installs or arranges to be installed at any time after the second anniversary of this Agreement, and the Parties will negotiate in good faith as to the provisioning of such blockwiring which is outside the scope of this Agreement if the Requesting Operator is interested to request for such blockwiring.
- 3.8 Without limiting clause 3.9, if the Requesting Operator is providing telecommunication services to a Subscriber over a Blockwiring provisioned by the Owner under this Agreement and that Subscriber wishes to terminate all services provided over that subject Blockwiring and become a Subscriber of the Owner or a third party, then the subject Blockwiring will no longer be available for use by the Requesting Operator under this Agreement and the relevant Contract is terminated if
 - (a) the Requesting Operator's disconnection notice is signed by a duly authorised representative of the Subscriber and the original is provided by that Subscriber (or by its duly authorised agent which may be the Owner) to the Requesting Operator's customer front office and a copy of that duly signed disconnection notice is provided to the Requesting Operator together with the applicable Blockwiring Order;
 - (b) the Owner or third party provides to the Requesting Operator a copy of an authorisation in such form as the Owner may determine which confirms that the Subscriber wishes to connect the Blockwiring to the network of the Owner or the third party; and

- (c) the disconnection notice is not revoked or cancelled (in whole or in part) by the Subscriber before the relevant Contract is terminated.
- 3.9 If at any time during the term of a Contract the Owner requires to use the Blockwiring the subject of that Contract to supply a telecommunications service it may give a notice to the Requesting Operator and if as at the date of that notice or after the date of receipt of that notice:
 - (a) the Requesting Operator owns or has access to blockwiring or other transmission capacity in that building that is reasonably substitutable for that Blockwiring and not being used to supply a telecommunications service to a Subscriber in the Blockwiring Building and the Requesting Operator has not been lawfully refused access to such blockwiring or other transmission capacity; or
 - (b) the Subscriber in that Blockwiring Building has terminated all telecommunications services provided over that the Blockwiring by the Requesting Operator, or there is no Subscriber in that Building for telecommunications services provided over that Blockwiring (other than during the initial period of after its Available Date);

then that Blockwiring will no longer be available for use by the Requesting Operator under this Agreement and the Requesting Operator must disconnect that Blockwiring from its Network and the Owner may connect that Blockwiring to its . Network. If there is any bona fide dispute in relation to whether paragraph (a) or (b) applies, the Parties will resolve that dispute in accordance with the dispute resolution procedures set out in clause 16.

- 3.10 If the Requesting Operator requires to use any Blockwiring that is used by any third party (including telecommunication service provider) to serve a customer who wishes to become a Subscriber, the Requesting Operator must agree further arrangements with that third party and the Owner.
- 3.11 The Parties agree to negotiate in good faith as to the provisioning of inter TBE room wiring connecting the main TBE room of a housing estate to other TBE rooms within the same housing estate.

4. CONTRACT

- 4.1 If the Owner informs the Requesting Operator that its Order has been accepted under Schedule 2, a Contract will be deemed to have been established between the Owner and the Requesting Operator in respect of the specified Blockwiring. Clauses 4 to 18 (inclusive) of this Agreement which are applicable to Blockwiring are deemed to be incorporated in each Contract as its terms and conditions.
- 4.2 The Minimum Contract Period for each Contract is the relevant Available Date.

and commences on

- 4.3 Without prejudice to clause 11.2, a Contract may be terminated by the Requesting Operator by giving written notice to the Owner but such notice may be given at any time only after expiration of calculated from the relevant Available Date.
- 4.4 The Owner may terminate a Contract if:
 - (a) notice of demolition of the Blockwiring Building has been issued, or
 - (b) the Owner no longer retains ownership or the use of the subject Blockwiring by force of law or exercise of a legal right,

and in any of the above circumstances the Owner will give the Requesting Operator as much notice prior to the termination as is reasonably practicable for the Owner to do so in the situation.

- 4.5 The Owner may terminate a Contract by giving written notice to the Requesting Operator if the Owner or a third party conduct technology upgrade to the subject Blockwiring, but direct replacement of an existing wire by a standard Cat 3 copper wire shall not be a ground for which the Owner may terminate a Contract under this clause.
- 4.6 The Owner may terminate a Contract by giving written notice to the Requesting Operator if the Owner assigns ownership of the subject Blockwiring. In the event of a proposed assignment of ownership by the Owner of the relevant Blockwiring to an Associated Company, the Owner will endeavour to procure the assignee to continue provisioning of the affected Blockwiring until expiration of the Minimum Contract Period.
- 4.7 The Owner may terminate a Contract by giving written notice to the Requesting Operator if the Owner decommissions blockwiring generally in a particular geographical area where the Blockwiring Building is located due to loss of USO, and the Parties will negotiate for an orderly termination plan for all affected Contracts as may be reasonably practicable under the circumstances.
- 4.8 Where Blockwiring is available under this Agreement, the normal target lead-time for making the Blockwiring available to the Requesting Operator under this Agreement is the Standard Provisioning Period in accordance with Schedule 2.
- 4.9 The Parties will comply with Schedule 2 and the Blockwiring O&M Manual.

5. ARRANGEMENTS FOR BIP

- 5.1 The Requesting Operator may, from time to time, send a BIP Application to the Owner in accordance with Schedule 1 to elect for the provision of a BIP in either of the following manner:
 - (a) the Owner provides the BIP in the identified building in accordance with clause 5.1(a) of Schedule 1 to allow for the provision of Blockwiring to the requesting Operator and other FTNS operators requesting use of Blockwiring in that building; or

....

- (b) the Requesting Operator provides the BIP in the identified building in accordance with clause 5.1(b) of Schedule 1 for its own use under this Agreement.
- 5.2 If the Requesting Operator elects to have the BIP provided by the Owner in accordance with clause 5.1(a) of Schedule 1, the Requesting Operator must pay the BIP Set-up Charge and the Owner will provide the BIP in accordance with this Agreement (including Schedule 1) and will maintain the BIP in accordance with this Agreement and the Blockwiring O&M Manual for the term of this Agreement, such that the BIP capacity for which the Requesting Operator has paid BIP Set-up Charge will be used by the Owner only for provisioning Blockwiring to the Requesting Operator in accordance with this Agreement.
- 5.3 If the Requesting Operator elects to self-provide its own BIP in accordance with clause 5.1 (b) of Schedule 1:
 - it must ensure that the BIP is installed as close as practical to the Owner's main distribution frame; and
 - (b) the Requesting Operator will be responsible for maintaining the BIP and to provide additional capacity to the BIP when its order for transmission capacity over Blockwiring will exceed the prevailing capacity of the BIP.
- 5.4 Each Party shall procure that the BIP provided by it complies with the BIP Specifications. The Owner may vary the BIP Specifications in accordance with Schedule 1 and notify the Requesting Operator in writing, provided that such variations shall not be applied retrospectively.
- Further details in relation to each BIP provided by the Requesting Operator including identification and physical arrangements will be resolved by the Owner and the Requesting Operator on a case by case basis according to the actual site situation.
- 5.6 Irrespective of whether the BIP is provided by the Owner or the Requesting Operator:
 - (a) the Requesting Operator will be responsible for providing facilities for its equipment, distribution frame, external cables, tie cables, and jumpering to connect its Network to the BIP; and
 - (b) the BIP will serve as a demarcation point between the Owner's Blockwiring and the Requesting Operator's Network.

6. LOCAL BOX

- 6.1 This clause applies where transmission capacity is provisioned over Vertical Blockwiring only.
- 6.2 The Vertical Blockwiring will be terminated on each floor at the corresponding Local Box or in such other manner as may be described in the Blockwiring O&M Manual or agreed by the Parties from time to time. The Owner is responsible for

- maintaining the Vertical Blockwiring up to and inclusive of the Local Box for the term of the Contract.
- 6.3 The Requesting Operator is responsible for providing a separate local sub-box, tiecables and other facilities necessary for connecting its local sub-box and horizontal wiring to the Local Box. If the Requesting Operator specifies in the Order that it will not be providing a local sub-box, then a B-wire connector will be installed by the Owner in accordance with Schedule 2.

7. TERMINATION SOCKET

. .

- 7.1 Where transmission capacity is provisioned over Vertical Blockwiring combined with Horizontal Blockwiring then:
 - (a) the Owner will be responsible for maintaining the Blockwiring up to the Termination Socket for the term of the Contract but will not be responsible for maintenance of the Termination Socket in any of the instances referred to in clause 7.2; and
 - (b) the Owner is not responsible for relocating the Termination Socket or providing any wiring beyond the Termination Socket at the Subscriber's premises.
- 7.2 If the Requesting Operator intends to replace or have replaced any Termination Socket, it must comply with the procedures set out in the Blockwiring O&M Manual and must reinstate the Termination Socket to the condition it was provisioned on the Available Date as soon as the relevant Blockwiring Contract is terminated unless otherwise agreed by the Owner at the time of such termination.

8. USE OF BLOCKWIRING

- 8.1 The Requesting Operator must not use any Blockwiring provisioned to it under this Agreement or allow any other person to use that Blockwiring in such a way that may
 - (a) cause interference to the telecommunications services supplied by the Owner or any third party to the relevant Blockwiring Building, or
 - (b) threaten the safety or well-being of any person or property in the relevant Blockwiring Building, or
 - (c) cause operational inconvenience to users of other wiring in the relevant Blockwiring Building.
- 8.2 If the Requesting Operator fails to remedy a breach of clause 8.1(b) forthwith upon receiving oral or written notice of such breach from the Owner, the Owner may immediately suspend the use of that Blockwiring. The Owner may terminate the Contract of that Blockwiring if the Requesting Operator does not within rectify the breach to the reasonable satisfaction of the Owner.

8.3 If the Requesting Operator fails to remedy a breach of clause 8.1(a) or (c) within of receiving oral or written notice of such breach from the Owner, the Owner may suspend service of that Blockwiring and/or install a devise to limit use of that Blockwiring. The Owner may terminate the Contract of that Blockwiring if the Requesting Operator does not within a further rectify the breach to the reasonable satisfaction of the Owner.

9. FAULT REPORTING AND MAINTENANCE

- 9.1 The Requesting Operator acknowledges that the Owner is under no obligation to receive fault reports from Subscribers or other persons or to conduct any fault detection and rectification except as expressly required by this Agreement to maintain Blockwiring following notification of a fault by the Requesting Operator and, accordingly, the Requesting Operator must:
 - (a) receive fault reports in respect of Blockwiring made by any of its Subscribers or any other person;
 - (b) ascertain that the fault reported by the Subscriber is not the result of any equipment or facility other than the Blockwiring;
 - (c) having properly determined that the fault appears to have occurred in the Blockwiring provide a report to the Owner describing the fault symptoms and the checking already conducted by the Requesting Operator; and
 - (d) otherwise comply with fault notification procedures that the Parties may agree from time to time.
- 9.2 Upon receiving the necessary information from the Requesting Operator in relation to a faulty Blockwiring, the Owner will use its reasonable efforts to restore service of the faulty Blockwiring within the target restoration period specified in Schedule 2.
- 9.3 The Owner may choose to replace any Blockwiring that is subject to a Contract, either for operational or other reasons, provided that the Owner shall give the Requesting Operator no less notice then is given to the Owner's customers in similar circumstances, except where such notice is not practicable in a bona fide emergency. Where such prior notice was not given due to an emergency, the Owner shall inform the Requesting Operator of such replacement of Blockwiring as soon as practicable after the event.
- 9.4 If the Requesting Operator notifies the Owner of a number of faults in a Blockwiring but the Blockwiring still operates in accordance with the specifications set out in Schedule 2, the Parties will negotiate in good faith in relation to any other technical or commercial alternatives (which may include payment of an additional maintenance fee by the Requesting Operator in respect of that Blockwiring or replacement of that Blockwiring) and if the Parties cannot resolve the difficulties in a mutually acceptable manner the Owner may terminate the Contract in respect of that Blockwiring (in which case it will be removed from the operation of this Agreement) by giving notice to the Requesting Operator.

- Box or the Blockwiring, except with the express consent and in the presence of the Owner's authorised representative. While performing maintenance work, the Requesting Operator must not interfere with the wiring circuits and other facilities of the Owner, except:
 - (a) the demarcation point at the BIP;
 - (b) the demarcation point at Requesting Operator' sub local box;
 - (c) the B-Wire connector end of the horizontal blockwiring provided by the Requesting Operator; and
 - (d) the Termination Socket in accordance with clause 7.
- **9.6** The Requesting Operator must:
 - use its reasonable efforts to provide the Owner with safe and reasonable access to the relevant Subscriber's premise as may be reasonably required to enable the Owner to perform its obligations under this Agreement;
 - (b) obtain the permission of any third person required to give effect to paragraph (a); and
 - (c) not permit any person other than a person reasonably identified as an authorised representative of the Owner to maintain, modify, repair or interfere with the Blockwiring, the Local Box or the BIP that is provided by the Owner.
- 9.7 The Requesting Operator acknowledges and agrees that where the Owner's obligations under this Agreement are contingent on it obtaining safe and reasonable access to a customer's premise then the Owner is relieved of those obligations to the extent that Requesting Operator is unable to ensure the conditions set out in clause 9.6(a).

10. NO INFRINGEMENT AND GRANT

- 10.1 The Requesting Operator acknowledges that the Owner gives no warranties or representations in relation to the Blockwiring other than warranting that the Blockwiring will comply with the specifications set out in Schedule 2 so long as and to the extent it is not being applied to use which is outside those specifications.
- 10.2 Nothing in this Agreement is to be construed as vesting in the Requesting Operator:
 - (a) any right, title or property interest in any Blockwiring; and
 - (b) any right of use in respect of the Blockwiring the grant or enjoyment of which would contravene any law, or breach any licence, permit or approval issued by any Government Agency, or infringe any right of or breach any

arrangement with a third person (including the building owner or a third party with property interest).

10.3 The Owner retains all title to the BIP if it is provided by the Owner, the Blockwiring, the Local Box and the Termination Socket.

11. CHARGES AND PAYMENT

- 11.1 The Requesting Operator must pay in relation to each Blockwiring the Blockwiring Charges as follows:
 - (a) the BIP Set-up Charge which will become payable upon completion of the installation of a BIP provided by the Owner under clause 5.1(a), and if the Owner has already installed a BIP in a building the BIP Set-up Charge will be payable when the Requesting Operator places the first Order in respect of that building;
 - (b) the Blockwiring One-off Charge which will become payable on the actual Available Date of the specified Blockwiring;
 - (c) the Blockwiring Recurrent Charge is payable each month in advance, and the first payment of such charge in respect of a Blockwiring shall be calculated from the actual Available Date for that Blockwiring; and
 - (d) other charges described in Schedules 1, 2 and 3, and the charges for any retrofit work which the Party may agree on a case-by case basis.
- 11.2 The Requesting Operator must pay the Blockwiring Recurrent Charge for the full term of the Minimum Contract Period in respect of each Contract irrespective of whether it actually utilises that Blockwiring during that period, unless the Owner is able to immediately provision that Blockwiring to another telecommunication service provider for the provisioning of blockwiring on substantially same or more favourable terms and conditions as the applicable Contract or to immediately use that Blockwiring to serve the Owner's own telephone subscriber.
- 11.3 The Requesting Operator agrees to pay all Blockwiring Charges at the times and in the manner indicated on the invoice issued after the date that the Requesting Operator's obligation to pay that Blockwiring Charge arises under this Agreement.
- 11.4 The Parties agree to comply with the billing and settlement procedures set out in Schedule 3.
- 11.5 All Blockwiring Charges are subject to increase and CPI adjustment in accordance with Schedule 3.
- 11.6 The Parties acknowledge and agree that the Blockwiring Charges will apply for a period from the date of this Agreement to . If the Parties are unable to agree the new amount by , the amounts payable will be amended on and from that date in accordance with Schedule 3 until any varied amount payable are agreed.

12. TERM REVIEW AND TERMINATION

- 12.1 This Agreement commences on signing and will continue until terminated in accordance with this clause 12.
- This Agreement and all Contracts may be terminated from the end of the from the date of this Agreement by either Party giving prior written notice to the other Party (such notice to be given at any time after from the date of this Agreement).
- 12.3 Either Party will be entitled to terminate this Agreement at any time with immediate effect by giving the other Party notice in writing if:
 - (a) the other Party is in material breach of this Agreement (other than payment of charges) and that breach is not remedied within ; or
 - (b) an order is made or an effective resolution is passed for the winding up or dissolution without winding up (otherwise than for the purposes of reconstruction or amalgamation) of the other Party and the order or resolution remains in effect for a continuous period of ; or
 - (c) a receiver, receiver and manager, provisional liquidator, liquidator, official manager or like official is appointed over the whole or a substantial part of the other Party's undertaking and property and the appointment remains in effect for a continuous period of ; or
 - (d) a holder of an encumbrance takes possession of the whole or any substantial part of the other Party's undertaking and property; or
 - (e) a Force Majeure event, substantially and adversely affecting the ability of a Party to perform its obligations under this Agreement, continues for a period of or more; or
 - (f) the Office of the Telecommunications Authority revokes that Party's FTNS Licence.
- 12.4 Each Party may terminate this Agreement and/ or any Contract by:
 - (a) 's notice to the other Party given after any date that the other Party has requested the Telecommunications Authority to make; or
 - (b) 's notice to the other Party after the date the Telecommunications
 Authority informs a Party that the TA has made;
 - a determination or direction under the Ordinance, the FTNS Licence of either Party or otherwise in relation to part or all of this Agreement, the subject matter of this Agreement or customer access cabling or cable facility within building of that Party.
- 12.5 The Owner will be entitled to terminate any Contract at any time with immediate effect in any of the following circumstances:

- (a) without limiting the Owner's right of termination under clause 8, if the Requesting Operator breaches a material provision of that Contract (other than payment of Charges) and that breach is not remedied within after receiving written notice to do so;
- (b) if the Requesting Operator breaches a payment provision of that Contract and that breach is not remedied within after receiving written notice to do so in which case payment of the relevant sum and any overdue interest will remedy the breach;
- (c) if a Force Majeure event, substantially and adversely affecting the ability of a Party to perform its obligations under the Contract, continues for a period of or more:
- (d) if there is any of the event identified in clause 12.3 (b), (c), (d), or (f).
- 12.6 Either Party may terminate a Contract if arrangements have been made between the Owner, the Requesting Operator and a third party telecommunication service provider for the release of the subject Blockwiring for use by that third party to serve any person who wishes to become a subscriber of that third party.
- 12.7 If a notice of termination of this Agreement (as opposed to an individual Contract) is issued in accordance with clause 12, the Owner is not obliged to accept any new Orders from the Requesting Operator nor is the Owner obliged to fulfill any existing Orders from the Requesting Operator which have not been accepted pursuant to the provisions of Schedule 2.
- 12.8 A notice for termination of the Agreement will be deemed to be notice for termination of each Contract if the terminating event in respect of the Agreement also constitutes a terminating event for that Contract. This Agreement shall continue to apply to any Sharing Licence existing at the time of termination of the Agreement until the expiry or termination of that Sharing Licence. Upon giving notice to terminate this Agreement, the Owner may give notice to terminate a Sharing Licence with effect on the date which is the earlier of (a) the expiration of the Minimum Contract Period, or (b) termination date of the Agreement.
- On termination of any Contract, the Requesting must immediately pay to the Owner all Blockwiring Charges (whether or not due) which have accrued up to the date of termination and unpaid under that Contract.
- 12.10 Termination of this Agreement or any Contract will not extinguish or otherwise affect any rights of any Party against the other which:
 - (a) have accrued before the date of termination of this Agreement or that Contract; or
 - (b) otherwise relate to or may arise at any future time from any breach or nonobservance of obligations under this Agreement or that Contract which arose before the date of termination of this Agreement or that Contract.

13. FORCE MAJEURE

- 13.1 If a Party is unable to perform an obligation under a Contract or this Agreement (other than an obligation to pay Charges) by reason of a Force Majeure event, that obligation is suspended to the extent that it is affected by, during the continuance of, the Force Majeure event, if that Party:
 - (a) gives the other Party prompt notice of the Force Majeure event setting out the details of the Force Majeure event and an estimate of the extent and duration of its inability to perform; and
 - (b) uses all possible diligence to remove that Force Majeure event as quickly as possible.
- 13.2 If the Force Majeure event continues for a period of after a notice given under this clause, the Parties must meet to discuss in good faith a mutually satisfactory resolution to the problem.
- 13.3 The requirement that a Force Majeure event be removed with all possible diligence does not require the settlement of strikes, lockouts or other labour disputes or claims or demands by any government or building owner on terms contrary to the wishes of the Party affected.

14. CONFIDENTIALITY

14.1 The Parties agree that the Confidentiality Agreement between them dated applies to all confidential information disclosed by one Party to the other Party in relation to this Agreement.

15. LIMITATION OF LIABILITY AND INDEMNITY

- 15.1 Each Party acknowledges that this clause:
 - (a) provides for certain exclusions and limitations by each Party of liability to the other Party for the other Party's Losses;
 - (b) does not exclude or limit the application of any provision of any law where to do so would:
 - (i) contravene that law; or
 - (ii) cause any part of this clause to be void; and
 - (c) does not exclude or limit a Party's right to seek or obtain any remedy that may be available at law or in equity when damages are not an adequate remedy, including but not limited to an injunction or specific performance.
- 15.2 Each Party excludes all liability to the other Party (whether under contract, tort, statute or otherwise) for any:

- (a) consequential or indirect Loss (including loss of revenue or profits) of that Party;
- (b) liability to any third party for any:
 - (i) consequential or indirect Loss (including loss of revenue or profits);
 - (ii) direct Loss of that third party other than direct Loss of a type referred to in clause 15.4(a) or (b); and
- (c) liability of the other Party to any Government Agency under or in relation to the other Party's FTNS licence;

suffered or incurred by the other Party during or after the term of this Agreement arising under or in any way out of or in connection with this Agreement and/or any Contract, the performance of this Agreement and/or any Contract, or the termination of this Agreement and/or any Contract.

- Other than Loss of a type referred to in clause 15.4, the liability of one Party to the other in contract, tort or otherwise (including any liability for negligence) arising by reason of or in connection with this Agreement and all Contract is limited to \$1,000,000 for any one incident or series of events arising from a single incident or common cause and in no case will a Party be liable for aggregate amount in excess of \$5,000,000 for all liability by reason of or in connection with this Agreement and all Contracts.
- Subject to clause 15.2, nothing in this Agreement and/or any Contract in any way excludes or restricts a Party's liability for Losses arising directly from:
 - (a) any injury to or death of:
 - (i) any of the Indemnifying Party's personnel;
 - (ii) any of the Innocent Party's personnel; and
 - (iii) any other person;

caused by negligence of the Indemnifying Party or its employees, agents or contractors arising out of or in connection with this Agreement;

- (b) damage to or loss of any equipment, facility or other tangible property of the Innocent Party or any other person caused by the negligence of the Indemnifying Party or its employees, agents or contractors arising out of or in connection with this Agreement and or any Contract; and
- (c) intentional breach of this Agreement and or any Contract or any fraud by the Indemnifying Party.
- Subject to clause 15.2 each Party ("Indemnifying Party") indemnifies the other Party ("Innocent Party") against all Losses arising directly from:

- (a) any injury to or death of:
 - (i) any of the Indemnifying Party's personnel; and
 - (ii) any of the Innocent Party's personnel; and
 - (iii) any other person;

caused by negligence of the Indemnifying Party or its employees, agents or contractors arising out of or in connection with this Agreement and/or any Contract;

- (b) damage to or loss of any equipment, facility or other tangible property of the Innocent Party or any other person caused by the negligence of the Indemnifying Party or its employees, agents or contractors arising out of or in connection with this Agreement and/or any Contract; and
- (c) intentional breach of this Agreement and/or any Contract or any fraud by the Indemnifying Party.

15.6 Each Party:

- (a) excludes all conditions, warranties and representations implied by law or statute except any implied condition, warranty or representation the exclusion of which would contravene an applicable law or cause this clause to be void ("Statutory Condition") and
- (b) limits its liability for breach of a Statutory Condition to the maximum extent permitted by law.
- 15.7 The Requesting Operator indemnifies the Owner for any Loss suffered or incurred by the Owner as a result of a claim by a Subscriber against the Owner for any loss suffered or incurred by that Subscriber in relation to or in connection with this Agreement and/or any Contract, the performance of this Agreement and/or any Contract, or the termination of this Agreement and/or any Contract to the extent that liability:
 - (a) is for any consequential or indirect Loss of the Subscriber (including loss of revenue or profits); and
 - (b) any other liability may exceed \$1,000,000 in respect of any one incident, or \$2,000,000 in respect of any series of incidents arising in any 12 month period from a common cause.
- 15.8 The limitations of liability under this clause:
 - (a) do not apply to any liability to pay Blockwiring Charges under this Agreement and/or any Contract; and

- (b) are to be applied such that a Party's limitations of liability under this Agreement and/or any Contract are not exceeded as a result of any separate liability for the same event under any other agreement between the Parties.
- 15.9 This clause survives termination of this Agreement.
- 15.10 The exclusions and limitations of liability under this clause apply in aggregate for all Contracts and not as separate limitations or exclusions of liability under separate Contracts.

16. DISPUTE RESOLUTION

Working group

16.1 A party may give written notice to the other setting out any dispute that party has in relation to the subject matter of this Agreement. On receipt of that notice each party will appoint representatives to a working group. The parties shall procure that their representatives use their best efforts to resolve the dispute.

Technical matters

16.2 Notwithstanding the above provision on working group the parties will refer disputes of a technical nature to a technical working committee established under the Blockwiring O&M Manual. The parties will procure that its representatives on the technical working committee use their best efforts to resolve the dispute in the manner set out in the Blockwiring O&M Manual.

Senior Management

16.3 If the working group or the technical working committee is not able to resolve the dispute within of that dispute being referred to it, the parties will refer to dispute to the senior management of both parties for resolution.

Settlement offers

16.4 Each party acknowledges that any offer made by a representative of the other party in an attempt to settle a dispute is made on a without prejudice basis unless specifically indicated otherwise in writing.

17. NOTICES

17.1 A notice, consent, request or any other communication under this Agreement ("communications") must be in writing and must be left at the address of the addressee, or sent by prepaid post (airmail if posted to or from a place outside Hong Kong) to the address of the addressee or sent by facsimile to the facsimile number of the addressee specified below or any other address or facsimile number the addressee requests.

Atten	tion:		
Office	e held:		
Addre	ess:		
Facsi	mile:		
Сору	to:		
Office	e held:		
Facsi	mile:		
Attention:			
Office held:			
Address:			
Facsimile:			
A notice, consent, request or any other communication is deemed to be received:			
(a)	if by hand delivery, when it is delivered;		
(b)	if a letter, three days after posting (seven, if posted to or from a place outside Hong Kong); and		

17.3 If a Party intends that communications on operational issues be sent to another addressee and facsimile number within its company, it may notify the other Party of the same by issuing a notice in the manner stated above in clause 17.1.

facsimile number of the recipient.

if a facsimile, at the time of dispatch if the sender receives a transmission report which confirms that the facsimile was sent in its entirety to the

(c)

17.2

17.4 Communications received by a Party outside of normal working hours (which are from 9:00am to 5:00pm on any Business Day) will be regarded as being received on the immediately following Business Day.

18. GENERAL

Acknowledgment

18.1 The Parties acknowledge that the existence of this Agreement or the inclusion of any specific right or obligation in this Agreement is entirely without prejudice to whether the grant of that right or the acceptance of that obligation falls within or outside the terms of section 36A of the Ordinance or any obligation under its Licence.

Cumulative rights

18.2 The rights, powers and remedies of a party under this Agreement are cumulative with the rights, powers or remedies provided by law independently of this Agreement.

Exercise of rights

A Party may exercise a right, power or remedy at its discretion, and separately or concurrently with another right, power or remedy. A single or partial exercise of a right, power or remedy by a party does not prevent a further exercise of that or of any other right, power or remedy.

Waiver and variation

- A provision or a right under this Agreement may not be waived except in writing signed by the Party granting the waiver, or varied except in writing signed by the Parties.
- 18.5 Failure or delay of any party at any time to take action against the other party as provided in this Agreement will not affect such first-mentioned party's right to require full performance of this Agreement at any time thereafter. Waiver by any party of a breach of any provision of this Agreement will not constitute a waiver of any subsequent breach nor in any way affect any right, power or remedy of that party under this Agreement.

Approvals and consents

18.6 A Party may give or withhold its approval or consent conditionally or unconditionally in its discretion unless this Agreement states otherwise.

Further assurances

18.7 Each Party must, at its own expense, do everything reasonably necessary to give full effect to this Agreement. Each Party must bear its own costs in negotiating, preparing and signing of this Agreement.

Entire agreement

18.8 This Agreement contains the entire agreement and understanding between the parties relating to Blockwiring, and supersedes and cancels in all respects all previous letters of intent, agreements or arrangements between the parties on this subject matter.

No partnership

18.9 The relationship between the parties under this Agreement does not constitute a partnership.

Severability

18.10 If any provision of this Agreement is construed to be illegal or invalid, it will not affect the legality, validity and enforceability of the other provisions of this Agreement. The illegal or invalid provisions will be treated as being deleted from this Agreement and no longer incorporated, but all other provisions of this Agreement will continue to be binding on the parties.

Taxes

18.11 The Requesting Operator must pay all Taxes payable in relation to this Agreement and the transactions evidenced by this Agreement.

Assignment

18.12 Neither Party may assign its rights, powers or remedies under this Agreement without the prior written consent of the other Party.

Governing Law and Jurisdiction

- 18.13 This Agreement is governed by the laws of Hong Kong.
- 18.14 Each party irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of Hong Kong.

Signed by)
as authorised representative for	
in the)
presence of:)
)
)
Signature of witness)
)
Name of witness (print)	
Signed by)
as authorised representative for)
in the presence of:)
)
)
Signature of witness)
)
Name of witness (print))

COMMERCIAL IN CONFIDENCE

SCHEDULE 1

PROVISIONING AND MAINTENANCE OF BIP

Terms defined in the Blockwiring Agreement apply in this Schedule.

Part A - Specifications

- 1. BIP Specifications
- 1.1 A typical module of BIP has a capacity for termination of 10 pairs of insulated copper wires on each side of the BIP module complying with the following specifications:

Connector Type : using Insulation Displacement Contacts (IDC) technique

Type of Contact : Normally closed with disconnection facility

(disconnection module)

Copper Wire Dimensions : 0.7 - 1.4 mm (including insulation) per slot to accommodate

two 0.4 - 0.65 mm copper cores per slot

or one 0.7 - 0.9 mm copper core per slot

Insulation Resistance : $\geq 5 \times 10^4 M\Omega$

Dielectric Strength : ≥ 2000 V_{rms}

- 1.2 The Owner may from time to time inform the Requesting Operator by written notice of any change to the specifications set out in clause 1.1, and BIP that are installed after the date of such notice shall comply with the new specifications.
- 2. A BIP that is provided by the Owner must comply with the BIP Specifications and will have a capacity that is capable of provisioning pairs of Blockwiring circuit to the Requesting Operator. The Owner will be responsible for increasing the capacity of the BIP to provision any Blockwiring in excess of pairs which the Requesting Operator orders for in accordance with Schedule 2.
- 3. A BIP that is provided by the Requesting Operator must comply with the BIP Specifications.
- 4. Each time when the Owner provisions Blockwiring requested in an Order, it will connect a pair of jumper wires from the BIP to the Owner's MDF.

Part B - Application Procedures

- 5. BIP Application
- 5.1 Each BIP Application must be in writing and must state whether:

COMMERCIAL IN CONFIDENCE

- (a) the Requesting Operator requests that the Owner provides the BIP, in which case the BIP Application must contain information specified in clause 5.2 and must state whether it is for new installation or expansion of installed capacity.
- (b) the Requesting Operator is providing its own BIP, in which case the BIP Application must be in accordance with clause 5.3 and must state whether it is for new installation or expansion of installed capacity.
- 5.2 Each BIP Application under clause 5.1(a) must contain the following information:
 - (a) name of building;
 - (b) desired quantity of circuit pairs to be terminated to BIP;
 - (c) proposed date for which the BIP is to be ready for the Requesting Operator to prewire its own tie cable to the BIP; and
 - (d) contact person of the Requesting Operator.
- 5.3 If the Requesting Operator provides the BIP,
 - (a) it must ensure that the BIP is installed as close as practically possible to the Owner's MDF in the relevant Blockwiring Building,
 - (b) each BIP Application must contain information specified in clause 5.2(a), (c) and (d), and must also include the location and diagram of the BIP.

6. Response to Application

- 6.1 Within of the receipt of a BIP Application, the Owner will inform the Requesting Operator whether that BIP Application is accepted. The Owner may reject:
 - (a) a BIP Application under clause 5.1(a), if it is impractical for the Owner to accept the application due to constraints in respect of the Owner's in situ main distribution frame located in the MDF room of that building;
 - (b) a BIP Application under clause 5.1(b), if the proposed location of the BIP to be provided by the Requesting Operator is not suitable or currently being used for another purpose and no solution is reached by the Parties after good faith negotiation under clause 6.3 within a reasonable time, or the BIP Application does not contain information required by the Agreement and/or this Schedule.

If the Owner rejects a BIP Application it will provide written reasons for that rejection, and for reason specified in clause 6.1(a), the Owner will suggest and negotiate an alternative arrangement with the Requesting Operator.

6.2 If the Owner accepts a BIP Application for the Owner to provide the BIP, the Owner will inform the Requesting Operator of the number and details of termination points available to the Requesting Operator for that BIP if specified capacity of BIP is allocated to the

- Requesting Operator in advance, the location of the BIP and the targeted date when the BIP will be available for the Requesting Operator to run its own tie cable.
- 6.3 If the BIP Application for the Requesting Operator to provide its own BIP is not accepted because of the proposed location of the BIP, the Owner will propose an alternative location and the Parties will negotiate in good faith for an alternative location for the BIP.

7. Provisioning Lead Time of BIP

- 7.1 The Owner will use its reasonable endeavours to provision the BIP within from the date it informs the Requesting Operator that the BIP Application is accepted.
- 7.2 The Parties acknowledge that the above provisioning lead time does not apply if:
 - (a) the Owner receives a large number of request to provision BIP within a short time frame;
 - (b) permission of building management is required for installing the BIP and that permission is not obtained or is delayed;
 - (c) the Blockwiring Building is on an outlying island, a restricted area or a hill top; or
 - (d) customer's premises is not readily accessible.
- 7.3 If the BIP cannot be provided within the standard provisioning lead time, the Owner will inform the Requesting Operator as soon as practical when the Owner becomes aware of it and will propose an alternative available date.

8. BIP Expansion

- 8.1 If the BIP is provided by the Requesting Operator, the Requesting Operator is responsible for any necessary expansion of the capacity of the installed BIP. In the event that the Requesting Operator replaces an installed BIP or add an additional BIP and the location of the replaced or additional BIP is different from the location of the existing BIP, the Requesting Operator has to make a new BIP Application for the replaced or additional BIP under clause 5.1(b) of this Schedule.
- 8.2 If the BIP is provided by the Owner, the Requesting Operator will keep track of the usage rate of the installed BIP. When the Requesting Operator reasonably foresees that the spare BIP capacity cannot meet the forecasted growth in the coming month, it will make a new BIP Application to the Owner for additional BIP under clause 5.1(a) of this Schedule.
- 8.3 The Party who provisions the BIP will be responsible for any cost to expand the capacity of that BIP.
- 9. This Schedule does not cover the situation for replacing a BIP which has already been installed and provisioned by the Owner not due to reasons for maintaining the BIP in which case the Parties will negotiate in good faith in relation to that replacement.

SCHEDULE 2

SPECIFICATIONS, ORDERING, PROVISIONING AND

MAINTENANCE OF BLOCKWIRING

Terms defined in the Blockwiring Agreement apply in the Schedule unless the context requires otherwise.

Part A - Specifications

1. Blockwiring

The specifications for the Blockwiring are:

- (a) Physical Characteristics: two wire copper cable connection for voice grade application
- (b) Bandwidth: 300 to 3400 Hz (measured at 3dB below maximum signal response)
- (c) Signal Attenuation: nominal 1.7 dB per km at 1600Hz
- (d) Typical Loop Resistance: 300Ω maximum
- (e) Insulation Resistance to Earth: 250KΩ minimum
- (f) Circuit Random Noise: 45 dBmp maximum
- (g) DC continuity for supporting basic DC signalling required for operation of basic voice telephony

Part B - Ordering Procedures for Blockwiring

2. Order

- 2.1 From time to time, the Requesting Operator may apply in writing for the provisioning of Blockwiring in a Blockwiring Building by the Owner. The request for a Blockwiring circuit will constitute an individual Order, but the Requesting Operator may include several Orders in the same Order Form if all these Orders are in respect of the same customer, the same premises and the same Blockwiring Building and have the same proposed Available Dates.
- 2.2 Each Order in respect of a Blockwiring circuit should include:
 - (a) the name of the Blockwiring Building;
 - (b) whether Vertical Blockwiring or Vertical Blockwiring combined with Horizontal Blockwiring is required;

COMMERCIAL IN CONFIDENCE

- (c) the floor for which a Vertical Blockwiring is required, and the floor and room/flat number if Horizontal Blockwiring is required;
- (d) diagrams showing location of BIP if it is provided by the Requesting Operator;
- (e) if only Vertical Blockwiring is required, whether the Requesting Operator will provide a sub-local box and a location diagram of the sub-local box (if any);
- (f) the terminating point at the BIP
 - if it is provided by the Requesting Operator; or
 - if the BIP is provided by the Owner and specific capacity has been allocated to the Requesting Operator in accordance with Schedule 1;
- (g) the location of the Requesting Operator's sub local box if the Requesting Operator only requires Vertical Blockwiring from the Owner; or if the Requesting Operator provides Horizontal Blockwiring without sub local box, the location of the end of the Requesting Operator's Horizontal Blockwiring;
- (h) the proposed Available Dates; and
- (i) contact person of the Requesting Operator.
- 2.3 The Parties agree to review clause 2.2(d) 6 months after the date of the Agreement or at the end of such shorter period that the Parties may agree.
- 3. Response to Order
- 3.1 The Owner must respond in writing within of receiving an Order Form containing not more than 2 Blockwiring and in any event within of the date of receipt of any Order:
 - (a) to accept that Order and, if the BIP is provided by the Owner but no capacity has been allocated to the Requesting Operator in advance under Schedule 1, the Owner will specify the terminating point at the BIP for provisioning the Blockwiring requested under that accepted Order; or
 - (b) to notify the Requesting Operator that the Owner's acceptance of the Order requires the resolution of a Review Event as set out in clause 3.2 below in which case clause 3.3 will apply; or
 - (c) to reject that Order because the requested Blockwiring is not available as set out in clause 2.3 of the Agreement.

If the Owner does not respond within the above-mentioned time period it will be deemed to have accepted the Order.

COMMERCIAL IN CONFIDENCE

; ; ;

- 3.2 The Owner will notify the Requesting Operator if any of the following matters affect an Order ("Review Event"):
 - (a) the Order does not contain all the required information;
 - (b) the period between the date of the Order is accepted and the proposed Available Date is less than the Standard Provisioning Period;
 - (c) if retrofit work is necessary to provision Horizontal Blockwiring and/or Termination Socket:
 - (d) arrangements for BIP in the relevant Blockwiring Building have not been made in accordance with the Agreement;
 - (e) capacity of the existing BIP has to be expanded to provision the Blockwiring requested in the Order;
 - (f) the Owner has received requests for a large number of Blockwiring to be provisioned within a short period of time;
 - (g) if the Order Form contains several Orders and circumstances will require more than one site visit for provisioning Blockwiring under those Orders; or
 - (h) other circumstance which makes it difficult and/or impractical for the Owner to provision the requested Blockwiring in accordance with the terms and conditions of the Agreement.
- 3.3 If the Owner withholds acceptance of an Order or due to a Review Event, it will notify the Requesting Operator as soon as practicable of the general nature of the relevant Review Event and the further time required to complete that review (which must be the least time that is practicable for the Owner to complete that review using its reasonable efforts).
- 3.4 If the Owner requires further information and does not receive the requested information within , the Requesting Operator is deemed to have cancelled the relevant Order.
- 3.5 Acceptance of Order must be in writing and must specify the planned Available Date for each circuit ("Planned Available Date").
- 3.6 If the Requesting Operator requires Blockwiring to be provisioned earlier than the date they would otherwise be provisioned under this clause it will notify the Owner that it requests earlier provisioning of the Blockwiring in which case:
 - (a) the Owner will notify the Requesting Operator of any overtime charges for provisioning the Blockwiring by that earlier date to be calculated according to the Owner's prevailing man-hour rates as described in the Charges Schedule; and
 - (b) the Blockwiring will be provisioned in accordance with the timetable agreed by the Parties.

The Owner will endeavour to provision Blockwiring without incurring overtime charge, but if this will require commitment of resources by the Owner other than in accordance with its usual provisioning practices, the Owner will inform the Requesting Operator of the additional charges for the Owner to meet the requirements. Any charges for labour incurred by the Owner under these circumstances will be calculated in accordance with the Owner's prevailing man-hour rates as described in Schedule 3.

- 3.7 Normal Working Hours are from 9:00am to 5:00pm of a Business Day.
- 3.8 Order must be received by the Owner and acceptance of Order must be received by the Requesting Operator during normal working hours.
- 3.9 Order or acceptance of Order received after 5:00pm of a Business Day will be regarded as received on the immediately following Business Day by the receiving Party.
- 4. Rejection of Order

ŀ

- 4.1 The Owner may reject an Order if:
 - (a) the Requesting Operator is in material breach of the Agreement; or
 - (b) in the event that any of the Review Events apply and the Parties are not able to resolve that Review Event having negotiated in good faith in an effort to do so.
- 5. Variation or Cancellation
- 5.1 If the Requesting Operator wishes to vary or cancel, in whole or in part, an Order which has been accepted by the Owner, it must:
 - (a) notify the Owner of that variation or cancellation in writing; and
 - (b) pay the Owner the applicable variation or cancellation charge set out below:

Variation/Cancellation

Variation / Cancellation Charges (% of Blockwiring One-off Charges)

On the date of acceptance

Between date of acceptance and before the Planned Available Date

Within

before the Planned Available

Date

For the purpose of calculating the variation or cancellation charge, the amount of Blockwiring One-off Charges that will be included are the site-visit charge and the installation charge specified in Schedule 3.

COMMERCIAL IN CONFIDENCE

Blockwiring O&P Schedule 2

page 4

- 5.2 Order variation is limited to variation of Planned Available Date only. If the Requesting Operator varies the Planned Available Date, the Parties will negotiate in good faith to agree on a new Available Date. The Owner will inform the Requesting Operator of any over-time work which is necessary for the Owner to agree to the newly proposed Available Date and the charges for such over-time work which will be payable by the Requesting Operator. For this purpose, the over-time work will be charged at the Owner's prevailing man-hour rates as described in Schedule 3. If the Parties cannot agree on a new Available Date which is no later than after the original Planned Available Date, the Order is deemed to be cancelled and the Requesting Operator must pay cancellation charge.
- 5.3 An Order for a specified Blockwiring circuit is deemed to be cancelled if the Requesting Operator informs the Owner that:
 - (a) the Requesting Operator cancels the Order for that circuit, or
 - (b) the Requesting Operator varies a matter specified in clause 2.2 (a) or (c), or
 - the Requesting Operator requests variation of other matter, and that variation will require substantial change to the provisioning work already performed by the Owner, including arrangement or location of BIP or sub-local box (if any).

Part C - Standard Provisioning Period

- 6. Standard Provisioning Period
- 6.1 The Owner will use its reasonable efforts to provision the Blockwiring requested in an Order within a period from the date of acceptance of that Order of:
 - (a) in the case of Blockwiring in Blockwiring Buildings for commercial use;
 - (b) in the case of Blockwiring in Blockwiring Buildings for residential use.
- 6.2 The Owner will use its reasonable endeavours to provision Blockwiring in accordance with the Agreement, but the Parties acknowledge that the following factors may affect the ability of the Owner to meet the above provisioning targets, and if any of the circumstances arises the Owner will provide the Requesting Operator with an estimate of the provisioning period for that case:
 - (a) a site visit is required;
 - (b) line removal and line upgrade is required;
 - (c) provisioning of a large number of Blockwiring is required within a short time frame;
 - (d) work by the Requesting Operator or Customer is required;
 - (e) the Blockwiring Building is not readily accessible, or is located in outlying island, restricted areas or hill tops;

COMMERCIAL IN CONFIDENCE

: " =

- (f) installation, expansion or replacement of BIP for the relevant Blockwiring Building is not yet completed;
- (g) relocation of the Termination Socket; or
- (h) the Owner has received a large number of requests from the Requesting Operator or other parties for Blockwiring to be provisioned within a short time period.
- 6.3 If the event specified in clause 6.2 (h), the Owner will treat all the parties in a nondiscriminatory manner and negotiate with the Requesting Operator in good faith for a plan to meet the Order.
- 6.4 If at any time after acceptance of an Order, :
 - (a) during its site visit to fulfill that Order, the Owner discovers that no suitable wiring is available, or
 - (b) the Owner has reason to believe that it will not be reasonably practical in all relevant circumstances to provision the Blockwiring circuit by the Planned Available Date,

the Owner will inform the Requesting Operator immediately and negotiate in good faith for an alternative solution or Available Date.

7. Notice of Available Date

7.1 When the Owner completes the provisioning of a requested Blockwiring, it will issue a completion notice to inform the Requesting Operator of the Available Date of that Blockwiring.

Part D - Maintenance

- 8. Target Restoration Time
- 8.1 If the Owner receives a fault notification during its normal working hours which is given by the Requesting Operator in accordance with the Agreement, the Owner will use its reasonable endeavours to restore service of the faulty Blockwiring on or before the end of after receipt of fault notification by the Owner. If the Owner offers a shorter standard target restoration period to its other customers in similar circumstances from time to time compared to the target restoration period specified in Schedule 2, the Owner will negotiate in good faith to consider revisions to the target restoration period specified in Schedule 2.
- 8.2 The Parties acknowlege that the following factors may affect the ability of the Owner to meet the above maintenance targets:
 - (a) the Subscriber's premise is inaccessible or the need to coordinate an appointment where work on the Termination Socket is required;
 - (b) power failure at the relevant Blockwiring Building;

COMMERCIAL IN CONFIDENCE

, 45

- (c) additional time awaiting approval from the Requesting Operator, management of the relevant Blockwiring Building, and/or the Subscriber;
- (d) natural disaster;
- (e) major cable fault;
- (f) weather constraints;
- (g) public transportation is not available;
- (h) the Blockwiring Building is not readily accessible, or is located in outlying island, restricted areas or hill tops;
- (i) replacement / removal of wiring is required.
- Weather constraints are defined as thunderstorm, black rain storm or typhoon warnings which may affect staff safety on carrying out repair duties.

9. Maintenance Responsibilities

- 9.1 The Requesting Operator will be responsible for the maintenance of those facilities which it provides in respect of a specified Blockwiring, including (a) the BIP, (b) the sub-local box, (c) the horizontal wiring, and (d) the customer termination socket that the Requesting Operator provides.
- 9.2 The Owner will be responsible for the maintenance of those facilities it provides in respect of a specified Blockwiring including:
 - (a) the Owner's BIP, or alternatively the jumpers for connecting the Requesting Operator's BIP to the Owner's MDF, as may be applicable;
 - (b) the Vertical Blockwiring and the Local Box if only Vertical Blockwiring is being provisioned by the Owner;
 - (c) the Vertical Blockwiring and Horizontal Blockwiring if both are being provisioned by the Owner;
 - (d) the short run of jumpers for connecting the Local Box and the Requesting Operator's sub-local box, or alternatively the B-wire connector and the jumper for connecting the Local Box and the B-wire connector, as may be applicable.
 - (e) Termination Socket provided by Owner except in the instances referred to in clause 9.3(d).
- 9.3 While performing maintenance work, the Requesting Operator must not interfere with the wiring circuits and other facilities of the Owner, except:

- (a) the demarcation point at the BIP;
- (b) the demarcation point at Requesting Operator' sub local box;
- (c) the B-Wire connector end of the horizontal blockwiring provided by the Requesting Operator;
- (d) the Termination Socket provided that the work is subject to and in accordance with the terms and conditions of the Agreement.

10. Fault Handling and Reporting

- 10.1 Each Blockwiring will be given a circuit identity in the notice of Available Date given by the Owner in accordance with this Schedule, and this identity is used for reference in all communications between the parties.
- 10.2 The Parties will operate a fault reporting point to deal with faults or service problems relating to Blockwiring. The Requesting Operator will receive and handle fault reports from its customer and will perform the necessary fault investigation. If the faults are identified as located in Owner's Blockwiring section, the Requesting Operator should report them to the Owner together with the necessary information and identification.
- 10.3 If the maintenance work to be performed by the Owner involves replacement of any circuit or any planned outage, the Owner must use its reasonable endeavours to minimise any service interruption to Subscribers of the Requesting Operator because of such replacement and must:
 - in the case of replacement of all of the Blockwiring in a building for preventative maintenance purposes the Owner will give at least prior notice to the Requesting Operator; or
 - (b) in the case of other replacements give the Requesting Operator notice where the Owner would give its customers in similar circumstances notice of such replacement,

except where such notice is not practical due to emergency.

Part E - Relocation

- -

11. Relocation of Subscriber

- 11.1 If a Subscriber to whom the Requesting Operator is providing service over a Blockwiring wishes to relocate to another premises within the same Blockwiring Building, the Requesting Operator may place a relocation order with the Owner which must contain the following information:
 - (a) the address of the original premises;
 - (b) all the relevant information required for an Order;

COMMERCIAL IN CONFIDENCE

- (c) confirmation that the user of services provided over the Blockwiring before relocation and after relocation is the same party.
- 11.2 The provisions of the Agreement and this Schedule in relation to Orders will apply to the orders for relocation under this clause.
- 11.3 The Requesting Operator agrees to pay the relocation charge specified in Schedule 3, which charge will include relocation of the Vertical Blockwiring and/or Horizontal Blockwiring within the same Blockwiring Building.
- 11.4 Relocation described in this clause 11 will be deemed as a termination of the Contract in respect of the original Subscriber premises. If termination of the subject Contract occurs within the Minimum Contract Period, the Requesting Operator will not have to pay Blockwiring Recurrent Charges referred to in Schedule 3 for the remaining Minimum Contract Period of that Contract if the user of telecommunication services provided over the Blockwiring at the new Subscriber premises is the same user as the original Subscriber premises.
- 11.5 The Blockwiring after relocation will be subject to a new Contract with a Minimum Contract
 Period which commences on the Available Date when the relocation is completed.
- 11.6 This clause 11 does not cover relocation of Termination Socket within the same Subscriber premises.

: 75

SCHEDULE 3

CHARGES SCHEDULE

Terms defined in the Blockwiring Agreement apply in the Schedule.

Blockwiring Charges

- 1. BIP Charge:
 - 1.1 The BIP Charge is HK\$4,275, and is one-off charge payable by the Requesting Operator on every occasion where the BIP is provisioned by the Owner.
- 2. Blockwiring One-off Charges:
 - 2.1 Blockwiring One-off Charges in respect of each Blockwiring consists of:
 - (a) a site-visit charge of HK\$200 for each visit made by the Owner for provisioning;
 - (b) an installation charge of HK\$20 for each Vertical Blockwiring (if only Vertical Blockwiring is requested); and
 - (c) an installation charge of HK\$100 for each Vertical Blockwiring combined with Horizontal Blockwiring.
 - 2.2 In respect of Orders that are contained in one Order Form duly issued in accordance with Schedule 2 and which are in respect of provisioning Blockwiring to the same Subscriber at the same premises with the same Available Date, the Owner may be able to complete several Orders during the same site-visit. In these circumstances where no separate visit is required for provisioning each Order, the site-visit charge specified in clause 2.1(a) is payable for only the actual visits made.
- 3. Blockwiring Recurrent Charge:
 - 3.1 HK\$9.00 per month in respect of each Vertical Blockwiring; or
 - 3.2 HK\$14.00 per month in respect of each combined Vertical Blockwiring and Horizontal Blockwiring.
- 4. Relocation Charge

HK\$300 for each relocation as described in Schedule 2

Adjustments of Blockwiring Charges

5. During the period from the date of the Agreement to a cach of the above Blockwiring Charges set out in clauses 1 to 4 (inclusive) will be subject to an annual increase

COMMERCIAL IN CONFIDENCE

on and from each Review Date until the next Review Date based on the formula described below:

 $A = B \times C/D$.

6. If the Parties are not able to agree new Blockwiring Charges set out in clauses 1 to 4 (inclusive) before , then each of the above Blockwiring Charges for all Contracts (whether such Contracts commence before or after) will be increased with effect from in accordance with the following formula:

 $A = B \times (C/D + 0.03).$

- 7. After the adjusted amount of Blockwiring Charges which are derived from clause 6 will be subject to an annual increase on and from each Review Date until the next Review Date in accordance with the same formula set out in clause 6 unless the Parties agree otherwise.
- 8. For the purpose of the above clauses, the following will apply:

A is the adjusted amount which applies on and from the Review Date;

B is the amount of the relevant charge as at the Base Date;

C is the CPI (A) index for Hong Kong last published before the Review Date;

D is the CPI (A) index for Hong Kong last published before the Base Date;

The Base Date is and for each subsequent review after the first review, is the anniversary of that date immediately prior to that Review Date; and

The Review Date is of each year.

If the CPI (A) for Hong Kong ceases to be published quarterly, then for the purposes of applying this clause, the CPI(A) for Hong Kong is to be replaced by the nearest equivalent index published at that time. The average figure of the CPI(A) over the relevant 12 month period will be used for the purpose of this clause.

If any adjustments are made in accordance with this clause, and the adjustment commences on a date other than the first day of a calendar month, the charges due for that month should be the pro-rata calculated on a 30-day month basis.

No adjustment will be made under clauses 5, 6 or 7 if the resulted Blockwiring Charges after making an adjustment would be lower than the amount payable without making that adjustment.

· ** = 4

9. Man-hour rate

- 9.1 The prevailing man-hour rate referred to in this Schedule 3 and in Schedule 2 is the Owner's prevailing man-hour rate at the material time, and the Owner agrees that work conducted between 9:00 am and 1:00 pm on a Saturday at a Blockwiring Building will be charged at the same man-hour rate and will not be charged as over-time work. The Owner will notify the Requesting Operator of the prevailing man-hour rate from time to time and on request by the Requesting Operator.
- 9.2 In respect of each occasion of visit or work for which has to pay based on prevailing man-hour rate under the Agreement or any of the Schedules, this clause applies.

 As of 's prevailing man-hour rates are as follows:
 - (a) for work performed during 's normal working hours HK\$285.
 - (b) for work performed outside 's normal working hours HK\$361.

In respect of each occasion of visit or work performed by under paragraph (b), must pay for a minimum of and any travelling expenses incurred to attend or perform work during the hours specified in that paragraph.

10. Billing

- 10.1 The Owner will issue and send invoices to the Requesting Operator on a monthly basis in accordance with the terms set out in this Schedule. Each invoice should include the following details:
 - (a) invoice issue date and invoice number
 - (b) invoice due date
 - (c) any brought forward amount of previous invoices
 - (d) amount payable for each category of Charges in respect of the month covered by invoice
 - (e) interests on any overdue amounts
 - (f) total amount payable
- 10.2 Charges that are recurrent will be payable in advance and will be billed, unless otherwise agreed, on a monthly basis.
- 10.3 An invoice for all Charges (other than charges that are recurrent) payable in respect of any month will be issued at the beginning of the immediately following month.
- 10.4 The Owner will issue a consolidated invoice for all Charges payable in respect of a specified month.

COMMERCIAL IN CONFIDENCE

, ...

- 10.5 Invoices will be issued on or before the 10th day of each calendar month.
- 10.6 Invoices must be either delivered by hand or by mail. Invoices should be sent to the relevant persons notified by each Party(or such other person that person may authorise in writing) to the other at the respective address of each Party referred to in the Notice section of the Agreement and will be deemed to have been received as set out in that clause.

11. Payment

- Unless otherwise agreed to by the Owner, all invoices must be settled in Hong Kong dollars by company cheques made payable to the Owner or by electronic transfer to the nominated bank account of the Owner. Payment must be credited to the Owner on or before the invoice due date.
- 11.2 Subject to clause 11.6 of this Schedule, all payments of invoices must be without set off or counterclaim and free and clear of any withholding or deduction (including but not limited to a withholding or deduction in respect of any Tax).
- Invoiced amounts, other than any brought forward amount of previous invoices and overdue interests, are due in full within from the date of issue of the invoice or next working day if it is a holiday. For clarity, the invoice issue date should not be earlier than the dispatch date of that invoice. Overdue interest is due immediately.

Late Payment of Invoice

11.4 If an invoice is not paid by the invoice due date, the Requesting Operator must pay interest in respect of the overdue amount. Overdue interest will be calculated at the rate which is equal to 2% above the prime lending rate of The Hongkong and Shanghai Banking Corporation Limited as current from time to time. Interest will accrue daily on all outstanding amounts (including accrued overdue interest) from the due date until payment in full is received by the Owner. Interest will continue to accrue despite termination of the Agreement.

Non-payment

11.5 All disputes concerning invoices which remain outstanding and unpaid should be settled in accordance with the dispute resolution procedures set out in clause 12 and 13 of this Schedule.

Payment of Disputed Items

11.6 If the Requesting Operator bona fide disputes an invoice, it must pay that portion of the invoiced amount which is not disputed. Overdue interest will accrue in respect of the non-disputed portion if it is not paid by the invoice due date. The disputed portion is not payable pending resolution of the dispute provided that the Requesting Operator complies with the terms set out in clause 12 of this Schedule.

12. Dispute Investigation

COMMERCIAL IN CONFIDENCE

Notification of Dispute

- 12.1 If the Requesting Operator disputes an invoice, the Requesting Operator may notify the Owner in writing specifying:
 - (a) the invoice in dispute
 - (b) the amount in dispute
 - (c) reasons for dispute
 - (d) supporting documentation as appropriate.
- 12.2 Notification of dispute must be delivered by hand or by post or by facsimile (as permitted and in accordance with clause 16 of the Agreement) and must reach the Owner within from the date of receipt of the invoice by the Requesting Operator.

Late Notification

12.3 Any dispute raised after from date of receipt of the invoice by the paying party will not be considered a disputed item, and the invoice must be settled in full by the invoice due date.

Dispute Investigation

- 12.4 In respect of any dispute, the Parties will investigate any discrepancy that may have occurred in relation to the disputed items. Alternatively, the Parties will arrange for joint investigation whether there is substantial discrepancy between the records maintained by the parties.
- 12.5 A dispute is not valid if there is no substantial error found in respect of the invoice in dispute within from the dispute notification date. If the dispute is not valid, the paying party must pay overdue interest commencing from the original invoice due date.
- 12.6 The Parties must use their reasonable efforts to promptly resolve any dispute notified under this Schedule. If the parties are unable to resolve any dispute in relation to the accounting process which affects the amount in dispute within after notification of the dispute, either Party may refer the matter to a suitable expert agreed between the Parties, or failing such agreement as appointed by the Chairman of Hong Kong Society of Accountants. The person appointed shall act as an expert and not an arbitrator. Before the dispute is referred to an expert, the Party raising the dispute must be informed as to the estimated cost of resolving the dispute.
- 12.7 The Parties must reasonably cooperate in any resolution process undertaken by the nominated expert. If, following resolution of the dispute, the Party which raised the dispute has the amount payable varied in its favour by less than 5%, that Party must pay the costs of the dispute resolution, otherwise the party against whom that dispute was raised must pay the costs of the dispute resolution, and those costs are to be the

COMMERCIAL IN CONFIDENCE

. . . .

reasonable costs of the dispute resolution as determined by the person resolving the dispute

13. Resolution

- 13.1 Following the dispute investigation, the Requesting Operator must pay the amount assessed to be payable and overdue interest on the assessed amount to be calculated from the original invoice due date to the actual payment date.
- 13.2 Following the dispute investigation, the Owner must refund any overpaid amount received from the Requesting Operator and must also pay interests on such refunded amount to be calculated from the original invoice due date to the refund date.
- 13.3 Any amount (including principle and interest) assessed to be payable following the dispute resolution must be settled within of the dispute resolution date.
- 13.4 If the Owner does not receive the outstanding principle and interest within from the dispute resolution day, it may include overdue interest in respect of these amounts in the next invoice issued to the Requesting Operator.

BLOCKWIRING O&M MANUAL

Terms defined in the Blockwiring Agreement have the same meaning when used in this Manual.

1. Specifications of B-Wire Connector

A typical B-Wire connector is capable of jointing any 2 insulated copper wires of any combination between 0.4 mm and 0.9 mm in diameter, without stripping off the insulation.

2. Provisioning of Blockwiring

2.1. Provisioning of Blockwiring at BIP

2.1.1. BIP provided by the Requesting Operator

- the Requesting Operator to identify the BIP termination point when placing order
- the Owner to run a tie circuit connecting the Blockwiring and the corresponding termination point at BIP

2.1.2. BIP provided by the Owner and solely used by the Requesting Operator

- the Requesting Operator to identify the BIP termination point when placing order
- the Owner to connect the Blockwiring to the corresponding termination point at BIP

2.1.3. BIP provided by the Owner but not solely used by the Requesting Operator

- ♦ the Owner to identify the BIP termination point when confirming order
- the Requesting Operator to connect the cable pairs from its network to the termination point at BIP

2.2. Provisioning of sub-local box

In case Horizontal Blockwiring is provided by the Requesting Operator and

a) the Requesting Operator has sub-local box

* ***

- the sub local box should be as close as practically possible to the Owner's Local Box
- the Owner to extend a short run of jumper wires from its Local Box, with suitable identification, and the Requesting Operator to connect the jumper wires to the Requesting Operator sub local box
- b) the Requesting Operator has no sub-local box
 - the Requesting Operator to extend the Horizontal Blockwiring, with suitable identification, for joining to the Owner's Local Box
 - the Owner to connect the Requesting Operator's Horizontal Blockwiring to the Vertical Blockwiring using B-wire connector
 - the Requesting Operator is recommended to provide suitable protection to the Horizontal Blockwiring, including the B-wire connector

3. Termination Socket

- In case the Horizontal Blockwiring is provided by the Owner, the provision will also include its standard Termination Socket if it has been provisioned and is in-situ.
- the Requesting Operator may apply a branded removable adhesive sticker to the Termination Socket or replace the socket with the Requesting Operator's own socket. However, the Requesting Operator has to reinstate the Termination Socket to the condition when the Horizontal Blockwiring was provisioned on the RFU date.
- If the Requesting Operator decides to replace the Termination Socket with the Requesting Operator's own socket, the Requesting Operator has to inform the Owner.

4. Provisioning of Blockwiring Interface Point

If the BIP is provided by the Requesting Operator, the BIP must be as close as practically possible to the Owner's MDF in the building MDF room. The Requesting Operator can either:

- a. connect cable(s) from the its network to the BIP termination points given by the Owner when the Requesting Operator places order for the Blockwiring; or
- b. prewire cables from its network to the BIP termination points allocated to the Requesting Operator giving the Owner prior notice. The Requesting Operator has to inform the Owner the termination point for each Blockwiring circuit when placing orders to the Owner.

5. Maintenance of BIP

The party to provide the BIP is responsible for its maintenance.

6. Procedures for Disconnection / Reconnection of Termination Socket

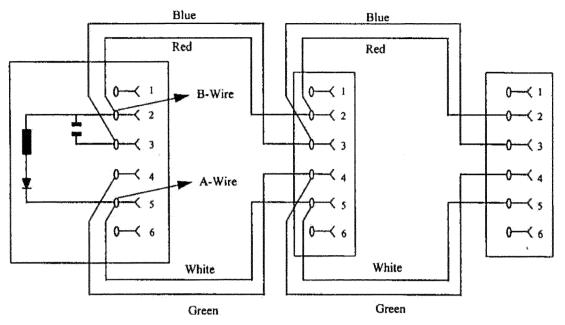
The first termination point at customer premises for a typical Horizontal Blockwiring provided by the Owner is a standard master-line modular socket. The cicuit may be further extended within the same premises and reterminated to a number of secondary-line sockets for parallel line operation.

If the Requesting Operator has replaced the Owner's sockets, the Requesting Operator has to reinstate the Termination Sockets to the condition when the Horizontal Blockwiring was provisioned on the RFU date. The following diagram shows the wiring of the master line and secondary line modular sockets.

7. Saftey

Each Party will notify the other Party of any Blockwiring that is unsafe for the person working in the vicinity of that Blockwiring.

175



Master Line Socket

Secondary Line Socket

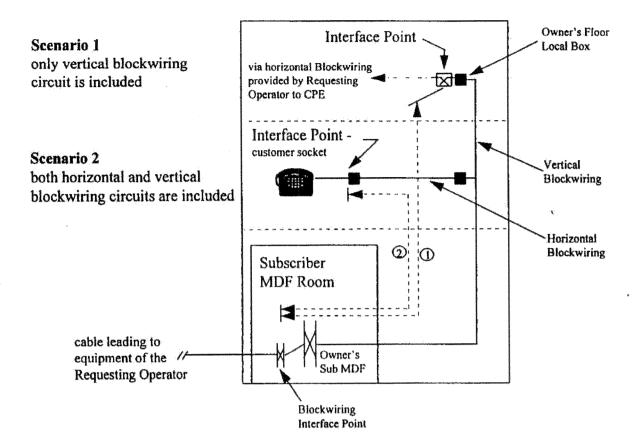
Secondary Line Socket

Notes:

- 1. The capacitor will be connected in series with the ringing detection circuit of the telephone.
- 2. The secondary line socket is identical to the master line socket except without electronic components.
- 3. Terminals 2 & 5 are connected to the exchange line.

; T.

Configuration Diagram - Blockwiring Provision



· **.

SUPPLEMENT TO

THE BLOCKWIRING AGREEMENT DATED

BETWEEN

and

This Supplement to the Blockwiring Agreement ("the Agreement") is signed between and on ("Signing Date").

REPLACEMENT TO DEFINITIONS AND INTERPRETATIONS

The Parties agree to replace the definition of "BIP" and "Vertical Blockwiring" in the Agreement by the following effective from the Signing Date,

"BIP" means a physical interfacing device (and associated cabling for connecting the BIP with the Owner's main distribution frame) in accordance with the specifications set out in Schedule 1 or such other physical interfacing device which may be agreed by the Parties from time to time and installed as close as practically possible to the Owner's main distribution frame (usually located on the ground floor or in the basement of the relevant Blockwiring Building) for connecting the Requesting Operator's Network to the Blockwiring or Inter-link to be provisioned in accordance with this Agreement.

"Vertical Blockwiring" means that section of a two wire copper blockwiring circuit already in place within a Blockwiring Building connecting the BIP in that Blockwiring Building and a Local Box in that Blockwiring Building. Where there is no BIP in that Blockwiring Building, then that section of a two wire copper blockwiring circuit already in place within a Blockwiring Building connecting the MDF in that Blockwiring Building and a Local Box in that Blockwiring Building. If Horizontal Blockwiring is not provisioned the Vertical Blockwiring includes any jumper or a B-wire connector referred to in Schedule 2.

ADDITION TO DEFINITIONS AND INTERPRETATIONS

The Parties agree to add the definition of "Inter-link" to the Agreement effective from the Signing Date,

"Inter-link" in relation to Blockwiring means that section of a two wire copper cable connecting the BIP in the common TBE room of a multi-tower complex or housing estate to the Owner's MDF in the relevant building block or tower within the same complex or estate.

Signed for and on behalf of	
Name:	
Title:	
Signed for and on behalf of	
Name:	
Title:	

