

Confidential

AND

**AGREEMENT FOR THE
LEASING OF BLOCKWIRING**

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THIS AGREEMENT is made _____

BETWEEN:

AND:

WHEREAS

- A. _____ and _____ wish to lease to each other their respective Blockwiring in accordance with the procedures and terms and conditions set out in this Agreement.
- B. The Parties hereby agree that 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 Providing Operator 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) 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 Providing Operator's main distribution frame (usually located on the ground floor or in the basement of the relevant Blockwiring Building)

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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 Providing Operator 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 or fibre blockwiring circuit owned by the Providing Operator and/or its Associated Company and already installed and in place within a Blockwiring Building which may consist of either Vertical Blockwiring or a Horizontal 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 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 and as updated from time to time in accordance with the procedures set out therein.

"Business Day" means Monday to Friday from 9:00 am to 5:00 pm (except public holiday).

"Confidential Information" means all information, know-how, ideas, concepts, technology, manufacturing processes, industrial, marketing and commercial knowledge of a confidential nature (whether in tangible or intangible form) relating to or developed in connection with or in support of the business of the parties, and any matter concerned with or arising out of this Agreement, which is disclosed to or learnt by a party under or in connection with this Agreement, but does not include:

- (a) Information which is or becomes generally available in the public domain (other than through any breach of this Agreement); or
- (b) Information rightfully received by a party from a third person who is under no obligation of confidentiality to the other party and who has not obtained that information either directly or indirectly as a result of a breach of any duty of confidence owed to the other party.

"Contract" means each individual agreement for the provisioning of transmission capacity over Blockwiring as is established when an Order is accepted by the Providing Operator in accordance with this Agreement.

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"Customer" in relation to Blockwiring, means the person to whom a Party supplies telecommunication service over the Blockwiring.

"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 Telecommunication Network Services licence granted to each Party pursuant to the *Telecommunication Ordinance*, as amended from time to time.

"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).

"Hong Kong" has the meaning ascribed to that term in the Interpretation and General Clauses Ordinance (Cap.1).

"Horizontal Blockwiring" means that section of a blockwiring circuit already installed and in place within a Blockwiring Building connecting a Local Box and a Termination Socket or connecting a Local Box and a Sub-Local Box.

"Local Box" means the apparatus located on a floor of a Blockwiring Building which the Providing Operator 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 Providing Operator.

"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 Providing Operator which contains information specified in Part B section 2 of Schedule 2 for the provision of leased transmission capacity over a Blockwiring in accordance with this Agreement.

"Party" means or , and "Parties" means both of them.

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"Providing Operator" means the Party who provisions transmission capacity over Blockwiring to the Requesting Operator under this Agreement.

"Requesting Operator" means the Party who requests the Providing Operator 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 Providing Operator or is deemed to have been accepted by the Providing Operator.

"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 pre-provisioned (before the Order) or other terminating block or frame at a customer's premises pre-provisioned (before the Order) by the Providing Operator or by the customer for terminating the Providing Operator's Horizontal Blockwiring that is used for providing service to that customer.

"Vertical Blockwiring" means that section of 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 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;

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- (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 Providing Operator to provision Blockwiring under this Agreement; and
- (b) the Providing Operator will provision Blockwiring in accordance with the terms of this Agreement.

2.2. The Parties will use their respective reasonable endeavours to finalise the draft Blockwiring O&M Manual within months of the date of this Agreement.

3. BLOCKWIRING ORDERING PROCEDURES

3.1. From time to time, the Requesting Operator may place an Order with the Providing Operator in accordance with Schedule 2.

3.2. The Providing Operator may reject an Order:

- (a) in accordance with Schedule 2; or
- (b) if the Blockwiring requested in the Order is not available on the date of receipt of the Order.

3.3. For the purpose of clause 3.2(b) of this Agreement and the requirements set out in Schedule 2 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 or fibre 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 or fibre 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 Providing Operator will install that horizontal blockwiring; and

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- (c) the Blockwiring is not on the date of receipt of the Order:
- (i) being used by any person (including the Providing Operator other than a person who will become a Customer of the Requesting Operator on the Available Date for that Blockwiring pursuant to clause 3.4); or
 - (ii) reasonably required to be used by the Providing Operator during the period of months after the proposed Available Date on the basis of the Providing Operator's current business plans at the date of receipt of the applicable Order, but this paragraph (ii) will not apply to Blockwiring referred to in clause 3.4 which Blockwiring will be considered as available although it may have been included in such business plan of the Providing Operator; or
 - (iii) the subject of a written order received by the Providing Operator from a third party (including a telecommunication service provider) who wishes to use that Blockwiring or a service provided by the Providing Operator using that wiring and that order is received on or before the date of the Order; or
 - (vi) the subject of a bona fide order placed with the Providing Operator on or before the date of receipt of the Order by a person (other than a telecommunication service provider) who wishes to use the Blockwiring or a service provided by the Providing Operator using the Blockwiring (other than Blockwiring referred to in clause 3.4); or
 - (v) being reasonably reserved by the Providing Operator as maintenance spare Blockwiring.

3.4. If the Providing Operator is providing telecommunication services to a Customer over a Blockwiring and that Customer wishes to terminate all services provided over that subject Blockwiring and become a Customer of the Requesting Operator and that Blockwiring is of a kind referred to in clauses 3.3(a) and (b) and clauses 3.5 and 3.6, then that Blockwiring is available for the purpose of clause 3.3(c)(i) if:

- (a) the Providing Operator's disconnection notice is signed by a duly authorised representative of the Customer and the original is provided by that Customer (or by its duly authorised agent which may be the Requesting Operator) to the Providing Operator's customer front office and a copy of that duly signed disconnection notice together with the applicable Blockwiring Order are provided to the Providing Operator in accordance with clause 17;
- (b) the Requesting Operator provides to the Providing Operator a copy of an authorisation in such form as the Requesting Operator may determine which confirms that the Customer wishes to connect the Blockwiring to the Requesting Operator's Network; and

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- (c) the disconnection notice is not revoked or cancelled (in whole or in part) by the Customer 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.

- 3.6. Provisioning of Blockwiring is limited to existing copper or fibre wiring and Termination 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 Providing Operator is under no obligation to install any new Blockwiring or Termination Socket as a result of this Agreement.

- 3.7. Without limiting clause 3.8, if the Requesting Operator is providing telecommunication services to a Customer over a Blockwiring provisioned by the Providing Operator under this Agreement and that Customer wishes to terminate all direct access services provided over that subject Blockwiring and become a Customer of the Providing Operator 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 Customer and the original is provided by that Customer (or by its duly authorised agent which may be the Providing Operator) 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 Providing Operator or third party provides to the Requesting Operator a copy of an authorisation in such form as the Providing Operator may determine which confirms that the Customer wishes to connect the Blockwiring to the network of the Providing Operator or the third party; and

- (c) the disconnection notice is not revoked or cancelled (in whole or in part) by the Customer before the relevant Contract is terminated.

- 3.8. If at any time during the term of a Contract the Providing Operator 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 Customer in the Blockwiring Building and the Requesting Operator has not

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been lawfully refused access to such blockwiring or other transmission capacity; or

- (b) the Customer in that Blockwiring Building has terminated all telecommunications services provided over that the Blockwiring by the Requesting Operator, or there is no Customer in that Building for telecommunications services provided over that Blockwiring (other than during the initial period of months 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 Providing Operator 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.

- 3.9. 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 Customer, the Requesting Operator must agree further arrangements with that third party and the Providing Operator.
- 3.10. 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 Providing Operator informs the Requesting Operator that its Order has been accepted under Schedule 2, a Contract will be deemed to have been established between the Providing Operator 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. The Providing Operator will provide for the terms of the relevant Contract (subject to clauses 3.4 and 11) leased transmission capacity over the Blockwiring provisioned under that Contract and in accordance with the terms and conditions of that Contract.
- 4.2. The Minimum Contract Period for each Contract for copper blockwiring circuit is months and commences on the relevant Available Date. The Minimum Contract Period for each Contract for fibre blockwiring circuit is months and commences on the relevant Available Date.
- 4.3. Without prejudice to clause 11.2, a Contract may be terminated by the Requesting Operator by giving month written notice to the Providing Operator but such notice may be given at any time only after expiration of months calculated from the relevant Available Date.

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- 4.4. The Providing Operator may terminate a Contract if:
- (a) notice of demolition of the Blockwiring Building has been issued, or
 - (b) the Providing Operator 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 Providing Operator will give the Requesting Operator months written notice for termination (except to the extent that the Providing Operator is given less notice of demolition of a Blockwiring Building from the building management office ("BMO") of that building in which case the notice period under this clause will not apply and the Providing Operator's responsibility in this respect will be to notify the Requesting Operator as soon as practicable after receiving notice from the BMO of the Blockwiring Building of its demolition).

- 4.5. The Providing Operator may terminate a Contract by giving months written notice to the Requesting Operator if the Providing Operator or a third party conduct technology upgrade to the subject Blockwiring, but direct replacement of an existing wire by a standard Cat copper wire shall not be a ground for which the Providing Operator may terminate a Contract under this clause. The Parties agree that they will negotiate in good faith for suitable arrangements to continue provisioning of service by the Requesting Operator to the Customers who would be affected by such termination.

- 4.6. The Providing Operator may terminate a Contract by giving months written notice to the Requesting Operator if the Providing Operator assigns ownership of the subject Blockwiring. In the event of a proposed assignment of ownership by the Providing Operator of the relevant Blockwiring to an Associated Company, the Providing Operator will endeavour to procure the assignee to continue provisioning of the affected Blockwiring based on the same terms and conditions of the Contract.

- 4.7. The Providing Operator may terminate a Contract by giving months written notice to the Requesting Operator if the Providing Operator decommissions blockwiring generally in a particular geographical area where the Blockwiring Building is located, and the Parties will negotiate for an orderly termination plan for all affected Contracts as may be reasonably practicable under the circumstances.

- 4.8. The Providing Operator may terminate a Contract by giving months written notice to the Requesting Operator at any time during the term of a Contract if the Providing Operator requires to use the Blockwiring the subject of that Contract, and if as at the date of that notice or after the date of receipt of that notice:

- (a) the Requesting Operator or one of its Associate Companies owns or is the agent or authorised representative of the Providing Operator of blockwiring under an agreement to exclusively manage all blockwiring or other transmission capacity in that building that is reasonably substitutable for the Blockwiring and is not being used by it to supply a telecommunications service to a Customer in the Blockwiring Building; or

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- (b) the Requesting Operator has a right to be provided with reasonably comparative rights of use from a third person in respect of blockwiring or other transmission capacity that is reasonably substitutable for that Blockwiring and has not been lawfully refused comparative rights of use in respect of that reasonably substitutable blockwiring or other transmission capacity; or
- (c) the Customer of the Requesting Operator in that Blockwiring Building has terminated all telecommunications services provided over that Blockwiring by the Requesting Operator; or
- (d) the Requesting Operator does not have a Customer in that Blockwiring Building for telecommunications services provided over that Blockwiring (but this paragraph (d) does not apply during the initial period of months after the Available Date of that Blockwiring);

then that Blockwiring will no longer be available for use by the Requesting Operator under this Agreement, the Requesting Operator must notify the Providing Operator within Business Days of the existence of any or all of the circumstances in paragraphs (a), (b), (c), (d) and disconnect that Blockwiring from its Network as soon as is reasonably possible, provided that:

- (e) the Parties implement the disconnection and re-connection in a manner that complies with the Blockwiring O&M Manual, and if the subject Blockwiring is currently in use to serve a Customer the Parties will implement the connection and disconnection in accordance with the technical procedures set out in the Blockwiring O&M Manual for a disconnection and re-connection of a type referred to in clause 3.4; and
- (f) if there is any bona fide dispute in relation to whether paragraph (a), (b), (c) or (d) applies or in relation to the relevant technical implementation, the Parties will resolve that dispute in accordance with the dispute resolution procedures incorporated in this Agreement.

4.9. 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. If the Providing Operator offers a shorter standard provisioning period to other customers for blockwiring in similar circumstances compared with the Standard Provisioning Period (except in respect of price, provided any such difference in price is taken into account in the following negotiations), the Providing Operator will negotiate in good faith with the Requesting Operator to consider revisions to the Standard Provisioning Period.

4.10. The Parties will provision Blockwiring under this Agreement in accordance 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 Providing Operator in accordance with Schedule 1 to elect for the provision of a BIP in either of the following manner:

- (a) the Providing Operator 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 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 Providing Operator in accordance with clause 5.1 (a) of Schedule 1, the Requesting Operator must pay the BIP Charges and the Providing Operator 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 Charge will be used by the Providing Operator 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:

- (a) it must ensure that the BIP is installed as close as practical to the Providing Operator's main distribution frame (in the event that a tie cable is required for connecting the BIP and the Providing Operator's main distribution frame which are located at a distance or in separate rooms, the installation of that tie cable and all relevant costs will be borne by the Requesting Operator);
- (b) the Requesting Operator will be under no obligation to share the BIP with any other telecommunication service provider;
- (c) the Requesting Operator will not be required to pay the BIP Charges; and
- (d) 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 Providing Operator may vary the BIP Specifications in accordance with Schedule 1 and notify the Requesting Operator in writing, provided that such variations of the BIP Specifications shall not be applied retrospectively. BIP provisioned after the variation date must comply with the new specifications, but BIPs that have already been installed will not be affected by the variation.

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- 5.5. Further details in relation to each BIP provided by the Requesting Operator including identification, site location and physical arrangements will be resolved by the Providing Operator and the Requesting Operator acting in good faith on a case by case basis according to the actual site situation.
- 5.6. Irrespective of whether the BIP is provided by the Providing Operator 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 Providing Operator's Blockwiring and the remainder of the Requesting Operator's Network.

6. LOCAL BOX

- 6.1. This clause applies where transmission capacity is provisioned over Vertical Blockwiring only, pursuant to an accepted Order under this Agreement.
- 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 Providing Operator is responsible for maintaining the Vertical Blockwiring up to and inclusive of the Local Box and the relevant jumpers referred to in accordance with the relevant specifications set out in Schedule 2 and the Blockwiring O&M Manual for the term of the Contract.
- 6.3. The Requesting Operator is responsible for providing a separate sub-local box and other facilities necessary for connecting its sub-local box and horizontal wiring to the Local Box. If the Requesting Operator specifies in the Order that it will not be providing a sub-local box, then the connection of horizontal wiring to the Local Box will be installed by the Providing Operator in accordance with the Blockwiring O&M Manual. The Providing Operator will extend a tie-cable of 1m length from its Local Box, and the Requesting Operator will terminate this tie-cable onto its sub-local box.

7. TERMINATION SOCKET

- 7.1. If the Requesting Operator places an Order in respect of Vertical Blockwiring combined with Horizontal Blockwiring and that Order is accepted or deemed accepted in accordance with this Agreement then:
- (a) the Providing Operator will be responsible for maintaining the Blockwiring up to and inclusive of 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;

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- (b) the Providing Operator is not responsible for relocating the Termination Socket or providing any wiring beyond the Termination Socket at the Customer's premises;
- (c) the Requesting Operator may apply a branded removable adhesive sticker to the Termination Socket and must reinstate the Termination Socket to the condition it was provisioned on the Available Date as soon as the relevant Contract is terminated unless otherwise agreed by the Providing Operator at the time of such termination; and,
- (d) the Requesting Operator may install extension wiring and a termination socket extending from the Termination Socket installed by the Providing Operator and must reinstate the Termination Socket to the condition it was provisioned on the Available Date as soon as the relevant Contract is terminated unless otherwise agreed by the Providing Operator at the time of termination.

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 Providing Operator 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 Providing Operator 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,

and the Parties shall investigate that interference or threat in the manner set out in the Blockwiring O&M Manual but without prejudice to the Providing Operator's rights under this clause.

8.2. If the Requesting Operator fails to remedy a breach of clause 8.1 (b) immediately upon receiving oral or written notice of such breach from the Providing Operator, the Providing Operator may immediately suspend the use of that Blockwiring. The Providing Operator may terminate the Contract of that Blockwiring if the

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Requesting Operator does not within . Business Days rectify the breach to the reasonable satisfaction of the Providing Operator.

- 8.3. If the Requesting Operator fails to remedy a breach of clauses 8.1 (a) or 8.1 (c) within Business Days of receiving oral or written notice of such breach from the Providing Operator, the Providing Operator may suspend service of that Blockwiring and/or install a device to limit use of that Blockwiring. The Providing Operator may terminate the Contract of that Blockwiring if the Requesting Operator does not within a further Business Days rectify the breach to the reasonable satisfaction of the Providing Operator.
- 8.4. The Providing Operator will discontinue suspension of the use of the Blockwiring if the Requesting Operator proves to the Providing Operator's reasonable satisfaction before termination of the relevant Contract becomes effective, that the breach has been remedied and that resumption of use of the Blockwiring by the Requesting Operator will not result in a breach of clauses 8.1 (a), 8.1 (b) or 8.1(c).

9. FAULT REPORTING AND MAINTENANCE

- 9.1. The Requesting Operator acknowledges that the Providing Operator is under no obligation to receive fault reports from Customers or other persons or to conduct any fault detection and rectification except as expressly required by this Agreement to maintain Blockwiring in accordance with the specifications set out in Schedule 2 and the Blockwiring O&M Manual 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 Customers or any other person;
 - (b) ascertain that the fault reported by the Customer 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 fault report to the Providing Operator 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 Providing Operator will use its reasonable efforts to restore service of the faulty Blockwiring within the target restoration period specified in Schedule 2. If the Providing Operator 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 (except in respect of price, provided any such difference in price is taken into account in the following negotiations), the Providing Operator will negotiate in good faith with the

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Requesting Operator to consider revisions to the target restoration period specified in Schedule 2.

9.3. The Providing Operator may choose to replace any Blockwiring that is subject to a Contract, either for operational or other reasons. The Providing Operator must use its reasonable endeavours to minimise any service interruption to Customers of the Requesting Operator because of such replacement, and must:

(a) in the case of replacement of all of the blockwiring in a Blockwiring Building for preventative maintenance purposes - give the Requesting Operator at least Business Days prior notice of the replacement; or

(b) in the case of other replacements - give the Requesting Operator substantially the same period of notice which the Providing Operator would give its customers in similar circumstances notice of such replacement,

except where such notice is not practical due to emergency.

9.4. If the Requesting Operator notifies the Providing Operator of a number of faults in a Blockwiring over a reasonably short period of time but that Blockwiring still operates in accordance with the specifications set out in Schedule 2, the Parties will negotiate in good faith (including any increase in the Charges) in relation to any other technical or commercial alternatives in response to the fault. If the Parties cannot resolve alternatives in a mutually acceptable manner in the good faith negotiations (which may include replacing a Blockwiring that does not comply with specifications set out in Schedule 2), the Providing Operator may cease to maintain that Blockwiring in accordance with this clause or may terminate the Contract for that Blockwiring by giving days notice to the Requesting Operator, unless the Parties agree on the amount of additional maintenance fees for that Blockwiring in respect of attending to any fault not due to a failure of the Blockwiring to operate in accordance with the specifications set out in Schedule 2.

9.5. The Requesting Operator must not access, handle, or conduct any work on the Local Box or the Blockwiring, except with the express consent and in the presence of the Providing Operator's authorised representative. While performing maintenance work, the Requesting Operator must not interfere with the wiring circuits and other facilities of the Providing Operator except:

(a) the demarcation point at the BIP;

(b) the demarcation point at Requesting Operator's sub-local box;

(c) the end of the horizontal blockwiring provided by the Requesting Operator;
and

(d) the Termination Socket but subject to and in accordance with clause 7.

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- 9.6. The Providing Operator may only enter the premises of the Requesting Operator's Customer to perform maintenance work if accompanied by a representative of the Requesting Operator. The Providing Operator and the Requesting Operator will agree on a time for the joint visit.
- 9.7. If a Customer 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 an order for relocation with the Providing Operator in accordance with Schedule 2 and pay the charges for relocation specified in Schedule 3.
- 9.8. Relocation described in clause 9.7 will be conducted in accordance with the Blockwiring O&M Manual.
- 9.9. Relocation described in clause 9.7 will be deemed as a termination of the Contract in respect of the original Customer premises and a new Contract for the relevant Blockwiring will be deemed formed. 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 period of the Minimum Contract Period of the old Contract if the user of telecommunications services provide over the Blockwiring at the new Customer premises is the same user as the original Customer premises.
- 9.10. The Requesting Operator must:
- (a) use its reasonable efforts to provide the Providing Operator with safe and reasonable access to the relevant Customer's premises as may be reasonably required to enable the Providing Operator 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 authorise or allow any person other than a person reasonably identified as an authorised representative of the Providing Operator to maintain, modify, repair or interfere with the Blockwiring, the Local Box and the Providing Operator's BIP.
- 9.11. The Requesting Operator acknowledges and agrees that where the Providing Operator's obligations under this Agreement are contingent on it obtaining safe and reasonable access to a Customer's premise then the Providing Operator is relieved of its obligations under this Agreement which are to the extent that such obligations are in any way affected by the Requesting Operator's delay in arranging and carrying out a joint visit under clause 9.6 of this Agreement or pursuant to Schedule 2 or the Requesting Operator is unable to ensure access by the Providing Operator under conditions described in clause 9.10 (a).

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10. NO INFRINGEMENT AND GRANT

- 10.1. The Requesting Operator acknowledges that the Providing Operator gives no warranties or representations in relation to the Blockwiring other than as set out in this Agreement and 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 a 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 Providing Operator or its nominee retains all title to the BIP, the Blockwiring, the Local Box and the Termination Socket if they are provided by the Providing Operator.

11. CHARGES AND PAYMENT

- 11.1. The Requesting Operator must pay in relation to each Blockwiring the Blockwiring Charges in accordance with this clause and Schedule 3 as follows:
- (a) if the Requesting Operator has requested the Providing Operator to provide the BIP, the BIP Charge which will become payable upon completion of the installation of a BIP provided by the Providing Operator under clause 5.1 (a), and if the Providing Operator has already installed a BIP in a building the BIP Charge will be payable when the Requesting Operator places the first Order in respect of that building;
 - (b) the Blockwiring One-off Charges which will become payable on the actual Available Date of the specified Blockwiring;
 - (c) the Blockwiring Recurrent Charge is payable each month in advance. The first payment of such charge in respect of a Blockwiring shall be payable in arrears and calculated from the actual Available Date for that Blockwiring; and
 - (d) other charges identified as payable by the Requesting Operator in Schedules 1, 2 and 3.
- 11.2. The Requesting Operator must pay the Blockwiring Recurrent Charge for the full term of the Minimum Contract Period in respect of each Blockwiring irrespective of whether it actually utilises that Blockwiring during that period; unless:

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- (a) the Blockwiring is the subject matter of an order placed by another telecommunication service provider for the provisioning of Blockwiring on substantially similar terms and conditions as the applicable Contract for the balance of the Minimum Contract Period or the Blockwiring is required by the Providing Operator to provide telecommunications services for the balance of the Minimum Contract Period, and the Requesting Operator has agreed to release the Blockwiring for the provision of those services; or
- (b) the Customer to which the Requesting Operator provides telecommunication services over that Blockwiring has notified the Requesting Operator to terminate all those services, and has applied to become a Customer of the Providing Operator for services provided by the Providing Operator over that Blockwiring,

in which case the Requesting Operator may terminate the Contract without further penalty or charges being payable (but not including accrued Charges).

- 11.3. The Parties must comply with the billing and settlement procedures set out in Schedule 3.
- 11.4. If any retrofit work or relocation of a Blockwiring is required, the Parties will negotiate to decide who will conduct such work and the terms and conditions for performing that work.
- 11.5. All Blockwiring Charges are subject to increase of no more than the CPI adjustment in accordance with Schedule 3 and this Agreement.

12. TERM REVIEW AND TERMINATION

- 12.1. This Agreement commences on signing and will continue until terminated in accordance with this clause 12.
- 12.2. This Agreement and all Contracts may be terminated by either Party giving months prior written notice to the other Party after the end of the years 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 days after receiving written notice to do so, and this paragraph (a) shall be without prejudice to the Providing Operator's right of termination in accordance with clause 8.2 or 8.3; 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 Business Days; or

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- (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 Business Days; 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 months or more; or
- (f) the Office of the Telecommunications Authority revokes that Party's FTNS Licence.

12.4. The Providing Operator will be entitled to terminate any Contract at any time with immediate effect in any of the following circumstances:

- (a) without limiting the Providing Operator'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 days 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 days 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 months or more;
- (d) if there is any of the event identified in clause 12.3 (b), (c), (d), or (f).

12.5. Either Party may terminate a Contract at any time with immediate effect if arrangements have been made between the Providing Operator, 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 customer of that third party.

12.6. If a notice of termination of this Agreement (as opposed to an individual Contract) is issued in accordance with clause 12, the Providing Operator is not obliged to accept any new Orders from the Requesting Operator nor is the Providing Operator obliged to fulfill any existing Orders from the Requesting Operator which have not been accepted pursuant to the provisions of Schedule 2.

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- 12.7. If a terminating event for this Agreement also constitutes a terminating event for any Contract then that Contract may be terminated in accordance with its own terms and the notice for termination of the Agreement will be deemed to be notice for termination of each Contract affected by the same event. This Agreement shall continue to apply to any Contract existing at the time of termination of the Agreement until the expiry or termination of that Contract. Upon giving notice to terminate this Agreement, the Providing Operator may give notice to terminate a Contract 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.
- 12.8. On termination of any Contract, the Requesting Operator must immediately pay to the Providing Operator all Blockwiring Charges (whether or not due) which have accrued up to the date of termination and unpaid under that Contract.
- 12.9. 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 non-observance 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 in relation to a Blockwiring, 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 days 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.

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13.4. A Party may not rely on an act or omission of an Associate Company as an event of Force Majeure except where that act or omission is beyond the reasonable control of that Associate Company.

14. CONFIDENTIALITY

14.1. During the term of this Agreement, the parties may become privy to each other's Confidential Information. Each party agrees that it shall maintain in confidence Confidential Information disclosed by the other party and that such information shall not be disclosed to any third parties unless such information:

- (a) was in the public domain or available to a third party without restriction to keep it confidential at or prior to the time the receiving party disclosed it to the third party;
- (b) was known to the receiving party at the time of disclosure;
- (c) is received in good faith by one party from a third party without any obligations to keep it confidential;
- (d) must be disclosed to an independent common carrier or regulatory body as a necessary incident or furnishing public data communications switching service; or
- (e) as may be necessary or required by law by any governmental agency.

14.2. Each party shall take all reasonable steps to ensure that its employees, agents or any sub-contractors engaged for the purposes of this Agreement, do not make public or disclose the other party's Confidential Information.

14.3. Neither party shall without the other party's prior written consent make any news release or public announcement concerning the subject matter of this Agreement.

15. INDEMNITY AND LIMITATION OF LIABILITY

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 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 void; and

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- (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. Notwithstanding clauses 15.4 and 15.5 or any other provisions of this Agreement, 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 the other party;
- (b) liability of the other party to any third party for any:
 - (i) consequential or indirect loss (including loss of revenue or profits) of that third party (other than consequential or indirect loss of a natural person for personal injury or death under a claim by a natural person, referred to in clauses 15.4(a) and 15.5(a));
 - (ii) direct loss of that third party other than direct loss of a type referred to in clause 15.4(a) or (b) and clause 15.5(a) or (b); and
- (c) liability of the other party to a government agency under or in relation to the other party's FTNS licence (including under any performance bond relating to that party's 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.

15.3. 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 contracts is limited to 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 of in excess of for all liability arising by reason of or in connection with this Agreement and all Contracts.

15.4. Subject to clause 15.2, nothing in this Agreement and / or any Contract under this Agreement in any way excludes or restricts a party's ("Indemnifying party") liability to the other party ("Innocent party") for :

- (a) losses of the Innocent party arising from any claim against the Innocent party by any natural person for any injury to or death of
 - (i) any of the Indemnifying party's personnel;
 - (ii) any of the Innocent party's personnel; and

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(iii) 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 under this Agreement;

(b) direct losses arising from 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 under this Agreement, and

(c) direct losses arising from an intentional breach of this Agreement and / or any Contract under this Agreement by the Indemnifying party or its employees, agents or contractors or any fraud.

15.5. Subject to clause 15.2 each party ("Indemnifying party") indemnifies the other party ("Innocent party") against all:

(a) losses of the Innocent party arising from any claim against the Innocent party in relation to any injury 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 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 under this Agreement;

(b) direct losses arising from 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 under this Agreement; and

(c) direct losses arising from an intentional breach of this Agreement and / or any Contract under this Agreement by the Indemnifying party or its employees, agents or contractors or any fraud.

15.6. The limitations of liability under this clause do not apply to any liability to pay charges under this Agreement and / or any Contract under this Agreement.

15.7. 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. The limitation of liability clauses are to be applied such that a party's limitation of liability under this Agreement and / or any Contract under this

Agreement are not exceeded as a result of any separate liability for the same event under any other arrangement between the parties.

15.8. This clause 15 survives termination of this Agreement.

16. DISPUTE RESOLUTION (OTHER THAN BILLING DISPUTE)

Working Group

16.1. A party may give written notice to the other party 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 should meet within Business Days to use their best efforts to resolve the dispute.

Technical Matters

16.2. 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 their representatives on the technical working committee should meet within Business Days to use their best efforts to resolve the dispute in the manner set out in the Blockwiring O&M Manual. For avoidance of doubt, any dispute related to service levels or specifications will constitute a subject matter for dispute under this clause 16.2.

Senior Management

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

Without Prejudice

16.4. After complying with the procedures of the Dispute Resolution set out under this clause 16, a party may approach the TA or exercise any legal right that may be available to it. The Dispute Resolution as set out under this clause 16 is without prejudice to the right of a party to seek the intervention of the TA or a court.

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.

- 17.2. 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
 - (c) 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 facsimile number of the recipient.
- 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.
- 17.4. Communications received by a Party outside of normal working hours 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

- 18.3. 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

- 18.4. 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.

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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 exclusive jurisdiction of the courts of Hong Kong.

SCHEDULE 1

PROVISIONING AND MAINTENANCE OF BIP

Terms defined in the Agreement apply in this Schedule.

Part A - Specifications

1. BIP Specifications

1.1 BIP for copper blockwiring:

A typical module of BIP has a capacity of termination of 10 pairs of insulated copper cable on each side of the BIP module with the following specifications:

Connector Type: Using Cat. 3 or Cat. 5 Insulation Displacement Contacts (IDC) technique corresponding to the vertical blockwiring cable category

Type of Contact: Normally closed with Disconnection facilities (disconnection Modules).

Copper Wire Dimension: one 0.7 - 0.9mm (AWG24) copper core per slot

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

Dielectric Strength : $\geq 2000 V_{rms}$

1.2 BIP for fibre blockwiring

The typical fibre BIP has to provide a minimum capacity of 16 cores and should be wall mounted. FC/SC connectors should be used to correspond to the FC/PC Ceramic Sleeves Coupling inside the BIP. Splice loss of single mode optical fibre should not exceed 0.3 dB loss

1.3 The Providing Operator may from time to time inform the Requesting Operator by written notice of any change to the specifications set out in clause 1.1 of schedule 1, and BIP that are installed after the date of such notice shall comply with latest specification.

2. A BIP that is provided by the Providing Operator must comply with the BIP Specifications and will have a capacity that is capable of provisioning at least pairs or pairs of copper blockwiring, or cores of fibre blockwiring for residential and business building respectively to the Requesting Operator.

The Providing Operator shall allow subsequent expansion in step of the initial capacity upon receiving written request from the Requesting Operator. The Requesting Operator shall negotiate with the Providing Operator for any quantity of BIP in steps which may exceed the initial quantity for the subsequent expansion provided that the Requesting Operator commits to utilize at least of the total

- 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 Providing Operator's MDF in the relevant Blockwiring Building.
 - (b) each BIP Application must contain information specified in clause 5.2 of this Schedule, and must also include the location and diagram of the BIP.

6. Response to Application

- 6.1 For fibre blockwiring, the lead time of BIP is the same as the fibre blockwiring, as per Part C of Schedule 2.

For copper blockwiring, within Business Days of the receipt of a BIP Application, the Providing Operator will inform the Requesting Operator whether that BIP Application is accepted. The Providing Operator may reject:

- (a) a BIP Application under clause 5.1(a) of this Schedule, if it is impractical for the Providing Operator to accept the application due to constraints in respect of the Providing Operator in situ main distribution frame located in the MDF room of that building.
- (b) a BIP Application under clause 5.1 (b) of this Schedule, if the proposed location of the BIP to be provided by the Requesting Operator is not suitable or is currently being used for another purpose, 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 an alternative arrangement to the Requesting Operator.

- 6.2 If the Providing Operator accepts a BIP Application for the Providing Operator to provide the BIP, the Providing Operator 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 Providing Operator accepts a BIP Application for the Requesting Operator to provide the BIP, the Providing Operator will inform the Requesting Operator the targeted date when the Providing Operator can provide BIP tie cable to the Requesting Operator for subsequent termination to the BIP.
- 6.4 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 Providing Operator 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 For fibre blockwiring, the provisioning lead time of BIP is the same as the fibre blockwiring, as per Part C of Schedule 2.

For copper blockwiring, the Providing Operator will use its reasonable endeavors to provision the BIP within Business Days for jobs without substantial site works and business days for jobs where substantial site works are required 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 Providing Operator receives a large number of requests to provision BIP within a short time frame, in which case the Requesting Operator will be treated in a non-discriminatory manner;
- (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.
- (d) customer premises is not readily accessible.

7.3 If the BIP cannot be provided within the standard provisioning lead time, the Providing Operator will inform the Requesting Operator as soon as practical when the Providing Operator 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. The Requesting Operator is required to make a new BIP Application for the expansion of BIP under clause 5.1(b) of this Schedule. 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 Providing Operator, 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 Providing Operator for additional BIP under clause 5.1 (a) of this Schedule.

8.3 The parties agree that BIP charges as stated in Schedule B will apply and be payable by the Requesting Operator to the Providing Operator if the Requesting Operator requests that the Providing Operator provides the BIP.

9. **BIP Replacement**

9.1 This Schedule does not cover the situation of replacing a BIP which has already been installed and provisioned by the Providing Operator other than for normal wear-and tear of the BIP. The Parties will negotiate in good faith in relation to such 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

1.1 Blockwiring comprises of two portions, namely vertical and horizontal.

1.2 For copper blockwiring, both the vertical and horizontal wiring systems should be made up of 100 ohm Unshielded Twisted Pair (UTP) with capability of at least up to category 3 or category 5 cables respectively for vertical and horizontal conforming to ANSI/TIA/EIA-568A standard.

1.2 The specifications for the copper blockwiring for Narrowband Services are:

- (a) Physical Characteristics: two wire copper cable connection for narrowband applications including basic rate ISDN services
- (b) Bandwidth: 300 to 50,000 Hz
- (c) Signal Attenuation: 42 dB maximum at 40 kHz
- (d) Circuit random noise of -45 dBmp maximum
- (e) Normal DC Resistance: 9.38ohm / 100m
- (f) Bit Error Rate: better than 10^{-7} at ISDN basic (2B+D) rate

1.3 The specifications for copper Blockwiring for Broadband Services running at speed up to 1.544 Mbit/s (T1) or 2.048 Mbit/s (E1) are:

- (a) Physical Characteristics: two 2-wire copper cable connections with limited bandwidth for Broadband Services running at speed up to 1.544 Mbit/s or 2.048 Mbit/s.
- (b) Signal attenuation shall be in the range of 0.0 to 16.5 dB at 772 kHz and 0 to 6 dB at 1024 kHz between 100ohm terminations for T1 and E1 application respectively.
- (c) Nominal DC Resistance: 9.38ohm / 100m
- (d) NEXT Loss at 0.772 MHz ($\leq 100m$): 43 dB

(e) Bit Error Rate: 10⁻⁷ at E1 rate

1.4 The specification for fibre blockwiring is:

- (a) Standard indoor single-mode fibre cable
- (b) Attenuation: no more than 2 dB for the whole length
- (c) FC/PC connector on both ends with less than 40 dB reflection
- (d) conform to ITU-T G.652 recommendation

2. DC continuity

2.1 Support the transmission of signaling information required for connection and operation of the telecommunications services including but not limited to DC continuity for DC signaling.

Part B - Ordering Procedures for Blockwiring

3. Order

3.1 Blockwiring covered by this Agreement is located in the buildings specified in Attachment B. The agreed list of buildings may be modified from time to time by mutual agreement in writing between the Parties.

3.2 From time to time, the Requesting Operator may apply in writing for the provisioning of Blockwiring in a Blockwiring Building by the Providing Operator. 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.

3.3 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;
- (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;

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- (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
 - (i) if it is provided by the Requesting Operator; or
 - (ii) if the BIP is provided by the Providing Operator 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 Providing Operator; 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.

4. Response of Order

4.1 For copper blockwiring, the Providing Operator must respond in writing within 1 Business Days of receiving an Order Form if no site visit is required and in any event within 3 Business Days of the date of receipt of any Order:

- (a) to accept that Order and, if the BIP is provided by the Providing Operator but no capacity has been allocated to the Requesting Operator in advance under Schedule 1, the Providing Operator 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 Providing Operator's acceptance of the Order requires the resolution of a Review Event as set out in clause 4.2 below in which case clause 4.3 will apply; or
- (c) to reject that Order because the requested Blockwiring is not available as set out in clause 4.2 of the Agreement.

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

4.2 For fibre blockwiring, the Providing Operator will use its reasonable efforts to attend site visit with the Requesting Operator to establish the location of fibre box at customer premises in order to meet the provisioning lead time:

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- (a) to accept that Order and, the Providing Operator 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 Providing Operator's acceptance of the Order requires the resolution of a Review Event as set out in clause 4.2 below in which case clause 4.3 will apply; or
- (c) to reject that Order because the requested Blockwiring is not available as set out in clause 4.2 of the Agreement.

4.3 The Providing Operator 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 Providing Operator 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 Providing Operator to provision the requested Blockwiring in accordance with the terms and conditions of the Agreement.

4.4 If the Providing Operator withholds acceptance of an Order due to a Review Event, it will send a Review Event Form to the Requesting Operator indicating the reasons for the unavailability and the proposed solutions. If the Requesting Operator accepts the proposed solutions, it needs to amend the Order Form accordingly and re-submit an Order Form to the Providing Operator within business day. Otherwise the Order is deemed to be cancelled by the Requesting Operator.

4.5 If the Providing Operator requires further information and does not receive the requested information within Business Days, the Requesting Operator is deemed to have cancelled the relevant Order.

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- 4.6 Acceptance of Order must be in writing and must specify the planned Available Date for each circuit ("Planned Available Date").
- 4.7 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 Providing Operator that it requests earlier provisioning of the Blockwiring in which case:
- (a) the Providing Operator will notify the Requesting Operator of any overtime charges for provisioning the Blockwiring by that earlier date to be calculated according to the Providing Operator'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 Providing Operator will endeavour to provision Blockwiring without incurring overtime charge, but if this will require commitment of resources by the Providing Operator other than in accordance with its usual provisioning practices, the Providing Operator will inform the Requesting Operator of the additional charges for the Providing Operator to meet the requirements. Any charges for labour incurred by the Providing Operator under these circumstances will be calculated in accordance with the Providing Operator's prevailing man-hour rates as describe in Schedule 3.

- 4.8 Normal Working Hours are from 9:00 am to 5:00 pm for Monday to Friday (except public holiday).
- 4.9 Order must be received by the Providing Operator and acceptance of Order must be received by the Requesting Operator during normal working hours.
- 4.9 Order or acceptance of Order received after normal working hours will be regarded as received on the immediately following Business Day by the receiving Party.

5. Rejection of Order

- 5.1 The Providing Operator 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.

6. Variation or Cancellation

- 6.1 If the Requesting Operator wishes to vary or cancel, in whole or in part, an Order which has been accepted by the Providing Operator, it must:

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- (a) notify the Providing Operator of that variation or cancellation in writing; and
- (b) pay the Providing Operator the applicable variation or cancellation charge set out below:

Time of Notification of Change	Variation/Deferral Charge	Cancellation Charge
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whereas, Variation includes the change of quantity of blockwiring and the deferral of scheduled RFS 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.

- 6.2 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 Providing Operator will inform the Requesting Operator of any over-time work which is necessary for the Providing Operator 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 Providing Operator'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 Business Days after the original Planned Available Date, the Order is deemed to be cancelled and the Requesting Operator must pay cancellation charge.
- 6.3 An Order for a specified Blockwiring circuit is deemed to be cancelled if the Requesting Operator informs the Providing Operator that:
 - (a) the Requesting Operator cancels the Order for that circuit, or
 - (b) the Requesting Operator varies a matter specified in clause 3.2 (a) or (c), or
 - (c) the Requesting Operator requests variation of other matter, and that variation will require substantial change to the provisioning work already performed by the Providing Operator, including arrangement or location of BIP or sub-local box (if any).

Part C - Standard Provisioning Period

7. Standard Provisioning Period

- 7.1 The Providing Operator 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:

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- (a) . Business Days in the case of Copper Blockwiring in Blockwiring Buildings for commercial use;
- (b) Business Days in the case of Copper Blockwiring in Blockwiring Buildings for residential use;
- (c) weeks for Fibre Blockwiring in Blockwiring Buildings for both commercial and residential use.

7.2 The Providing Operator 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 Providing Operator to meet the above provisioning targets, and if any of the circumstances arises the Providing Operator will provide the Requesting Operator with an estimate of the provisioning period for that case:

- (a) a pre-provisioning 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;
- (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 Providing Operator has received a large number of requests from the Requesting Operator or other parties for Blockwiring to be provisioned within a short time period.

7.3 If the event specified in clause 7.2 (h), the Providing Operator will treat all the parties in a non-discriminatory manner and negotiate with the Requesting Operator in good faith for a plan to meet the Order.

7.4 If at any time after acceptance of an Order:

- (a) during its site visit to fulfill that Order, the Providing Operator discovers that no suitable wiring is available, or
- (b) the Providing Operator 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 Providing Operator will inform the Requesting Operator immediately and negotiate in good faith for an alternative solution or Available Date.

8. Notice of Available Date

- 8.1 When the Providing Operator 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

9. Target Restoration Time

- 9.1 For copper blockwiring, if the Providing Operator receives a fault notification during its normal working hours which is given by the Requesting Operator in accordance with the Agreement, the Providing Operator will use its reasonable endeavours to restore service of the faulty Blockwiring within working hours after receipt of fault notification by the Providing Operator in normal working hours; or before after receipt of fault notification by the Providing Operator in non-working hours. If the Providing Operator 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 Providing Operator will negotiate in good faith to consider revisions to the target restoration period specified in Schedule 2.
- 9.2 For fibre blockwiring, if the Providing Operator receives a fault notification given by the Requesting Operator in accordance with the Agreement, the Providing Operator will response to such notification within minutes, 24 hours a day and 7 days a week. The Providing Operator will use its reasonable endeavours to restore service of the faulty Blockwiring within hours after receipt of fault notification with a confidence level of %. The maximum fault restoration time will not exceed hours after fault notification. The target availability of the fibre blockwiring is % while the minimum availability is %.
- 9.3 The Parties acknowledge that the following factors may affect the ability of the Providing Operator to meet the above maintenance targets:
- (a) the Customer'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;
 - (c) additional time awaiting approval from the Requesting Operator, management of the relevant Blockwiring Building, and/or the Customer;
 - (d) natural disaster;

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- (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.

10. Maintenance Responsibilities

- 10.1 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.
- 10.2 The Providing Operator will be responsible for the maintenance of those facilities it provides in respect of a specified Blockwiring including:
 - (a) the Providing Operator's BIP, or alternatively the jumpers or tie cable for connecting the Requesting Operator's BIP to the Providing Operator's MDF, as may be applicable;
 - (b) the Vertical Blockwiring and the Local Box if only Vertical Blockwiring is being provisioned by the Providing Operator;
 - (c) the Vertical Blockwiring and Horizontal Blockwiring if both are being provisioned by the Providing Operator;
 - (d) the short run of jumpers for connecting the Local Box and the Requesting Operator's sub-local box, or alternatively the wire connector and the jumper for connecting the Local Box and the wire connector, as may be applicable;
 - (e) Termination Socket provided by the Providing Operator except in the instances referred to in clause 10.3 (d).
- 10.3 While performing maintenance work, the Requesting Operator must not interfere with the wiring circuits and other facilities of the Providing Operator, except:
 - (a) the demarcation point at the BIP;
 - (b) the demarcation point at Requesting Operator's sub-local box;

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- (c) the 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.

11. Fault Handling and Reporting

11.1 Each Blockwiring will be given a circuit identity in the notice of Available Date given by the Providing Operator in accordance with this Schedule, and this identity is used for reference in all communications between the parties.

11.2 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 the Providing Operator's Blockwiring section, the Requesting Operator should report them to the Providing Operator together with the necessary information and identification.

11.3 If the maintenance work to be performed by the Providing Operator involves replacement of any circuit or any planned outage, the Providing Operator must use its reasonable endeavours to minimise any service interruption to Customers of the Requesting Operator because of such replacement and must:

- (a) in the case of replacement of all of the Blockwiring in a building for preventative maintenance purposes - the Providing Operator will give at least Business Days prior notice to the Requesting Operator; or
- (b) in the case of the other replacements - give the Requesting Operator notice where the Providing Operator would give its Customers in similar circumstances notice of such replacement,

except where such notice is not practical due to emergency.

Part E - Relocation

12. Relocation of Customer

12.1 If a Customer 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 Providing Operator which must contain the following information:

- (a) the address of the original premises;
- (b) all the relevant information required for an Order;

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- (c) confirmation that the user of services provided over the Blockwiring before relocation and after relocation is the same party.
- 12.2 The provisions of the Agreement and this Schedule in relation to Orders will apply to the orders for relocation under this clause.
- 12.3 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.
- 12.4 Relocation described in clause 12 will be deemed as a termination of the Contract in respect of the original Customer 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 Customer premises is the same user as the original Customer premises.
- 12.5 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.
- 12.6 This clause 12 does not cover relocation of Termination Socket within the same Customer premises.

SCHEDULE 3

CHARGES AND BILLING

Charges

1. One-off installation charges:

- (a) (i) Site Visit: HK\$223 per visit at the same building; and
- (ii) In respect of Orders that are contained in one Order Form issued in accordance with Section 2 of the Agreement and which are in respect of provisioning Blockwiring to the same building with the same available Date/time, the Providing Operator 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 1(a) of this Schedule is payable for only the actual visits made.

(b) Installation:

Voice Grade (Narrowband)

- (i) vertical Blockwiring section only: HK\$22.00 per pair
- (ii) combined vertical and horizontal Blockwiring section: HK\$111.00 per pair;

T1/E1 Applications (Broadband)

- (i) vertical Blockwiring section only: HK\$25.00 per pair
- (ii) combined vertical and horizontal Blockwiring section: HK\$125.00 per pair;

Fibre Blockwiring

- (i) combined vertical and horizontal Blockwiring section: HK\$7,500.00 per 2 cores
- (ii) set-up charge at customer premises, including: HK\$22,000.00 per 2 cores
- a. metal conduit at common area at common area (max. 50m)
 - b. fibre cable run and termination (max. 80m)
 - c. fibre box and accessories at customer premises
 - d. normal site survey visits

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This charge does not apply if there is available capacity in already installed fibre box and accessories at customer premises and there is in-situ horizontal fibre cores to the location in concern.

2. Recurrent monthly charges:

Item	Voice Grade (Narrowband)	T1/E1 Applications (Broadband)	Fibre Blockwiring
(a) Vertical Blockwiring only	HK\$ 7.62	HK\$ 18.30	NA
(b) Combined vertical plus horizontal Blockwiring section	HK\$ 12.50	HK\$ 30.00	HK\$1,900.00 per 2 cores

The above charges are payable monthly in advance. For the avoidance of doubt, the above charges are subject to minimum commitment service periods of 6 months for Voice Grade and T1/E1 Blockwiring, 2 years for Fibre Blockwiring.

3. Relocation charge:

For copper blockwiring, HK\$334.00 per 2-wire circuit payable by the Requesting Operator for internal relocation within the same customer building within normal working hours.

4. BIP Charges

Copper BIP

(a) Initial capacity of 50 or 100 pairs*	HK\$4,758.00
(b) Subsequent expansion per 100 pairs	To be quoted case by case based on time and material cost

* 50 pairs for residential and 100 for commercial building

Fibre BIP

(a) Initial BIP set-up charge at TBE room for up to 16 cores, including	HK\$9,500.00
(i) fibre patchcord run and termination (max 20m)	
(ii) BIP fibre box and accessories	
(iii) additional cable ladder if required (max 5m)	
(b) Subsequent expansion	To be quoted case by case based on time and material cost

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5. Labour charge:

- (a) normal working hours: HK\$314.00 per man hour; and
- (b) after working hours: HK\$397.00 per man hour.

Working hours means: Monday to Friday 9 a.m. to 5 p.m.

6. The above charges will be subject to an annual increase based on the CPI(A) for Hong Kong.

Billing

7. The Providing Operator will issue and send invoices to the Requesting Operator on a monthly basis for all charges payable under this Agreement. Charges that are recurrent will be payable one month in advance.

8. All invoices must be settled on or before the invoice due date which shall be not less than calendar days from the date of issue of the invoice.

Billing Dispute Procedures

9. If the Requesting Operator bona fide disputes the whole or part of an invoice, the Requesting Operator 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 bona-fide disputed portion is not payable by the Requesting Operator until the dispute is resolved (provided that Requesting Operator complies with the terms set out in this section). Any matter related to service levels and specifications does not constitute a subject matter for billing dispute.

10. If the Requesting Operator disputes an invoice, the Requesting Operator must notify the Providing Operator in writing specifying the following:

- (a) the invoice in dispute
- (b) the amount in dispute
- (c) reasons for dispute
- (d) supporting documentation as appropriate.

11. Notification of dispute must be delivered by hand or by post or by facsimile and must reach Providing Operator within calendar days from the date of receipt of the invoice by Requesting Operator. Any dispute raised after calendar days from the date of receipt of the invoice by Requesting Operator will not be considered a dispute item and the invoice must be settled in full by the invoice due date.

12. Dispute Investigation

- (a) 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 when there is discrepancy between the records maintained by the parties. Such joint investigation is expected to or should be completed within business days from the dispute notification date.
- (b) A dispute is not valid if there is no error in respect of the invoice in dispute within business days from the dispute notification date. If the dispute is not valid, the Requesting Operator must pay overdue interest on the disputed amount commencing from the original invoice due date.

13. Non-settlement of Dispute

The parties must use their reasonable efforts to promptly resolve any dispute notified under this section. If the parties are unable to resolve any dispute in relation to the accounting process which affects the amount in dispute within calendar days after notification of the dispute, the parties will refer the dispute to the senior management of the parties for resolution by any means they deem suitable which may include referring the matter to a certified public accountant, who will act as an expert.

14. Resolution

- (a) Following the dispute investigation, the Requesting Operator must pay the amount resolved to be payable ("resolution amount") and overdue interest on the resolution amount to be calculated from the original invoice due date to the actual payment date.
- (b) Any resolution (including principal and interest) must be settled within business days of the dispute resolution date.

15. If the Providing Operator does not receive the outstanding principal and interest within business days from the dispute resolution day, it may include overdue interest in respect of these amounts in the next invoice issued to the Requesting Operator.

Attachment A

Blockwiring O&M Manual

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

1. Specifications of Wire Connector

A typical wire connector is capable of jointing any 2 insulated copper wires of any combination between _____ 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 Providing Operator to run a tie circuit connecting the Blockwiring and the corresponding termination point at BIP

2.1.2 BIP provided by the Providing Operator and solely used by the Requesting Operator

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

2.1.3 BIP provided by the Providing Operator but not solely used by the Requesting Operator

- ◊ the Providing Operator 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

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- (a) the Requesting Operator has sub-local box
 - ◇ the sub-local box should be as close as practically possible to the Providing Operator's Local Box
 - ◇ the Providing Operator 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 Providing Operator's Local Box
 - ◇ the Providing Operator to connect the Requesting Operator's Horizontal Blockwiring to the Vertical Blockwiring using wire connector
 - ◇ the Requesting Operator is recommended to provide suitable protection to the Horizontal Blockwiring, including the wire connector

3. Termination Socket

- ◇ In case the Horizontal Blockwiring is provided by the Providing Operator, 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 Providing Operator.

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 Providing Operator's MDF in the building TBE room. The Requesting Operator can either:

- (a) connect cable(s) from its network to the BIP termination points given by the Providing Operator 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 Providing Operator Business Days prior notice. The Requesting Operator has to inform the Providing Operator

the termination point for each Blockwiring circuit when placing orders to the Providing Operator.

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 Providing Operator is a standard master-line modular socket. The circuit 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 Providing Operator'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. Safety

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