

Letter of Intent

and

("the Parties") have agreed to enter into this letter of intent which sets out the commercial arrangement on mobile to mobile interconnection following the withdrawal of the existing regulatory guidance in respect of the "Mobile Party Network Pays" charging arrangement ("**MPNP Arrangement**") effective on 27 April 2009. The arrangements set out in this letter of intent are to apply to the Parties' associated licensed operators.

1. To reflect the commercial discussion so far conducted, the Parties would like to set out the following intent and understanding with respect to the proposed mobile interconnection arrangement:
 - (a) Effective from _____, there shall be no interconnection (i.e. origination or termination) charge to be settled between the Parties in respect of the local voice traffic originating and terminating in Hong Kong (excluding value added service calls) that a Party after that date originates on one Party's network for termination on the other Party's network, including where the voice traffic is transited through one or more other networks. This settlement is based upon a "**Bill and Keep Arrangement**" model.
 - (b) The cost of the transmission links for interconnection between the Parties would be at the cost of each Party for traffic originating on that Party's network.
2. This letter of intent shall remain binding on the Parties notwithstanding:
 - (a) The introduction by the HKSAR government (including OFTA or CEDB) of any regulatory guidance on any interconnection charging arrangement; or that
 - (b)
3. Either Party may terminate this letter of intent by giving at least _____ months written notice to the other Party.
4. This letter of intent is executed in two (2) identical copies and is legally binding.

For and on behalf of

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