To:

Dear

## **RE**: Direct Interconnection between

and

We are writing to confirm our previous discussions regarding the direct interconnection for voice mobile traffic between the networks of and It is both parties' intention to lay down the mutual understanding as follows prior to the finalisation of a formal direct interconnection agreement which is to be negotiated between both parties. Based on the following understandings , both parties agree to proceed the interconnection arrangement with immediate effect:

- 1. Both and shall arrange their own quantity of transmission circuits (leased E1 or T3) in accordance with agreed capacity requirements to send voice traffic to the other party's mobile switches.
- 2. In case of balance mobile traffic between and , no payment is required from both parties.
- 3. In case of unbalance of mobile traffic between and , there will be sharing of excess PNET saving in accordance to a formal direct interconnection arrangement to be agreed by both parties. In principle, the sharing of saving is on 50/50 base.
- 4. Reconciliation of bilateral mobile traffic is to be conducted . To save the administrative cost in case of balance traffic, net difference on unbalanced traffic not exceeding 1,000,000 traffic minutes per quarter can be exempted from charges.
- 5. The term for the interconnection will be at least 24 months.
- 6. Both parties agree to execute the formal direct interconnection agreement within from the date of this letter.

Yours faithfully
For and on behalf of

Acknowledged and accepted by: For and on behalf of