

INTERCONNECTION AGREEMENT

THIS AGREEMENT is made this 23rd day of April 2009

BETWEEN

AND

WHEREAS

- a) The Telecommunications Authority ("TA") issued a statement namely "Deregulation for Fixed-Mobile Convergence" on 27 April 2007 ("FMC Statement") and concluded that, among others, the regulatory guidance for fixed-mobile interconnection charge ("FMIC") in favour of the mobile party's network pays ("MPNP") model will be withdrawn subject to a 2-year transition period commencing from 27 April 2007.
- b) Both parties agree to interconnect their respective telecommunications networks on the terms and conditions set out in this Agreement.

NOW THEREFORE it is agreed as follows:

1. Charging Principles

- 1.1 Both parties agree to adopt a "Bill And Keep" ("BAK") interconnect arrangement under which there will be no interconnection charge between the parties for the local traffic originating from and terminating at their respective telecommunications networks in Hong Kong.
- 1.2 The BAK arrangement is applicable regardless of traffic routes.

2. Direct Interconnection

- 2.1 and shall establish transmission circuits for conveying direct fixed-mobile telecommunications traffic between their networks as enough as practical.
- 2.2 Each party shall be responsible for the costs of transmission circuits required for its own outgoing traffic.

3. Indirect Interconnection

- 3.1 and acknowledge that the direct fixed-mobile telecommunications traffic may exceed the capacity of established transmission circuits from time to time.
- 3.2 Each party shall redirect its excess outgoing telecommunications traffic via another fixed network at its own choice and costs.

4. Term

- 4.1 This Agreement shall commence on 27 April 2009 and it shall continue unless and until the Telecommunications Authority or other competent authority issues a new guidance on the fixed-mobile interconnection settlement.

5. Termination

- 5.1 Either party may terminate this Agreement without cause by giving to the other Party not less than one (1) month's prior written notice.

6. Governing Law and Jurisdiction

- 6.1 This Agreement is governed by the laws of Hong Kong Special Administrative Region and the parties irrevocably submit to the exclusive jurisdiction of the courts of Hong Kong Special Administrative Region.

6.2 Either party may submit for a determination by the Telecommunications Authority for any dispute that is not resolved by commercial discussion in good faith.

IN WITNESS WHEREOF the parties have set their hands the day and year first above written.

Signed by)
for and on behalf of)
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