

SCHEDULE 1C OF POI ESTABLISHMENT AGREEMENT

INTERCONNECT LINK (IN E1)

Part I: General

1.

agree that with effect from 14 August 2000 ("the Effective Date"), the POI Establishment Agreement dated 31 July 1995 ("POI Agreement") and signed by the parties shall be supplemented as set out in this Schedule 1C.

2. All terms and references used in the POI Agreement which are defined or construed in the POI Agreement but are not defined or construed in this Schedule shall have the same meaning and construction in this Schedule as in the POI Agreement. Any terms and references used in this Schedule which are defined in this Schedule and which are also defined under the POI Agreement shall, if capable, be construed in accordance with the definition under this Schedule for the purposes of this Schedule only but shall otherwise be construed in accordance with the definition in the POI Agreement.
3. Except as provided under this Part I, General, paragraph 2, in the event of conflict between the terms of the POI Agreement and the terms of this Schedule 1C, the terms of the former shall prevail.

FTNS Operator Switch Location

Interconnect Gateway Exchange

For the purposes of this Schedule 1C, the Interconnect Gateway Exchange as defined in the POI Agreement includes:

- (a) Main Exchanges:

(b) Tandem Exchanges:

Interconnect Links are to be provisioned at each of these Interconnect Gateway Exchanges in reasonably distributed quantities, unless otherwise agreed by the parties.

Minimum Service Period

36 months commencing from the Installation Date.

Minimum Required Capacity

- 1. Minimum Required Capacity means the minimum capacity of Interconnect Links to be ordered by the FTNS Operator in accordance with the POI Agreement and this Schedule 1C and/or Schedule 1 D.**
- 2. The Minimum Required Capacity which must be ordered by the FTNS Operator on or before 30th June 2001 Network is 84 E1, including the capacity provisioned under Schedule 1D.**

Growth Conditions

1. Additional capacity may be ordered in accordance with the POI Agreement and this Schedule 1C in minimum blocks of 4 E1 up to the maximum of 126 E1 (representing the to total quantity of Interconnect Link under Schedule 1C and Schedule 1D).
2. If FTNS Operator orders additional E1 in excess of the maximum of 126 E1, the procedures set out in clause 5 of the POI Agreement will apply to ordering such additional capacity under this Schedule 1C. FTNS Operator must give nine months advance written notice of any required increase in capacity, specifying the requested Provisioning Date (which means the date or dates on which the Interconnect Link in respect of each POI is intended to be made available to the FTNS Operator) in respect of that capacity. will provision the required capacity subject to the availability of the relevant capacity within its network and FTNS Operator must pay in respect of that capacity in accordance with the POI Agreement. The amount of the Interconnect Equipment Charges and Network Charges payable for additional capacity exceeding the maximum of 126 E1 shall be separately agreed by the parties.
3. Interconnect Equipment Charges and Network Charges in relation to the capacity in excess of 126 E1 shall become due and payable in accordance with the POI Agreement.

Part II: Charges

Increase in Charges

All charges listed hereunder are subject to the provisions on increase in accordance with the provisions of the POI Agreement.

Interconnect Equipment Charges

Interconnect Equipment Charges means charges in relation to the installation by and the rental by the FTNS Operator from of the Interconnect Equipment and are incorporated in the amounts of Network Charges set out below.

Network Charges

Network Charges means the charges in relation to the installation by and the rental by the FTNS Operator from of the capacity of Network.

One Off Charges

Installation charge which includes charges for relevant labour, equipment and other costs and charges reasonably incurred by in relation to the planning, provisioning, installing and testing the required capacity and equipment: HK\$ 791 per E1.

Recurrent Charges

Rental: HK\$ 1,639 per E1 per month.

Part III: Payment Reduction

Payment Reduction means the reduction in the payments to be made to _____ by the FTNS Operator.

Payment Reduction is not applicable to the _____ Interconnect Links as the charges stipulated in Part II of this Schedule 1C reflect the equal sharing of the provisioning cost for the interconnection links.

Signed as our agreement.

Signed by
as authorised representative for

Signed by
as authorised representative for