

AMENDMENT AGREEMENT TO POI ESTABLISHMENT AGREEMENT

This Amendment Agreement ("**Amendment Agreement**") is made on
15 August, 2005

BETWEEN

AND

(Each a "**party**" and collectively the "**parties**")

RECITALS

- A. The parties entered into a POI Establishment Agreement on 31 July 1995, which was subsequently amended by various amendment agreements (collectively, the "**POI Agreement**")
- B. This Amendment Agreement sets out the terms and conditions upon which and have agreed to amend and supplement the POI Agreement.

THE PARTIES AGREED AS FOLLOWS:

1. INTERPRETATION

- 1.1 The terms and conditions of this Amendment Agreement are an integral part of the POI Agreement.
- 1.2 A term which is defined in the POI Agreement and used in this Amendment Agreement but not defined herein has the same meaning as used in the POI Agreement unless the context requires otherwise.

2. TERM AND TERMINATION

- 2.1 This Amendment Agreement shall be deemed to have commenced on 1 July 2005 ("**Commencement Date**") and unless otherwise terminated pursuant to Clause 13 the POI Agreement (as amended by this Amendment Agreement) shall continue in

full force and effect until expiry of three (3) year period from the Commencement Date ("Term").

2.2 As of the Commencement Date, both Parties agree to delete the existing Clauses 13.1 to 13.6 of the POI Agreement and replace them with the following Clauses:

13.1 Unless otherwise terminated pursuant to this clause, this POI Agreement shall continue in full force and effect for a period of three (3) years from the 1 July 2005.

13.2 may terminate this POI Agreement immediately by written notice to if:

(a) materially breaches a material provision this POI Agreement and that breach is not remedied within fourteen (14) days from the date of receiving notice from ;

(b) becomes subject to any form of insolvency, administration or winding-up unless there is a bona fide dispute between and the person seeking to subject to that insolvency, administration or winding-up;

(c) the TA revokes Licence (without replacement); or

(d) the supply of Interconnect Equipment and Interconnect Link (collectively, the "POI Link") will cause to be in breach of any applicable law or Licence.

13.3 may terminate this POI Agreement immediately by written notice to if:

(a) is in material breach of this POI Agreement and that breach is not remedied within fourteen (14) days from the date of receiving notice from ;

(b) becomes subject to any form of insolvency, administration or winding-up unless there is a bona fide dispute between and the person seeking to subject to that insolvency, administration or winding-up; or

(c) the TA revokes Licence (without replacement).

13.4 Termination or expiration of this POI Agreement shall not affect the rights of the parties, which have accrued prior to the date of termination or expiration.

13.5 On termination or expiration of this POI Agreement, all charges in respect of the POI Agreement up to and including the date of termination or

expiration and all other charges owing by either Party to the other will become immediately due and payable.

13.6 Each party should bear its own Re-engineering Costs upon the termination or expiration of the POI Agreement.

13.7 The parties agree to review and discuss the way forward for the arrangement of POI Links provided under this POI Agreement six (6) months prior to 30 June 2008."

3. SUPPLEMENT

3.1 shall maintain at all times a minimum capacity of four hundreds and twenty (420) POI Links during the Term.

3.2 Subject to Clause 2 and 3.1 above, the Parties agree to replace the Recurrent Charges set out in Schedules 1C and 1G of the POI Agreement with the following charges for the Term:

Items	Charges
Monthly Rental	HK\$1.00 per POI E1 link

For the avoidance of doubt, the above charge is not subject to any annual adjustment and Payment Reduction.

4. GENERAL

4.1 Unless otherwise expressly amended by this Amendment Agreement, the terms and conditions of the POI Agreement will continue in full force and effect between and

4.2 If any provision of this Amendment Agreement is in breach of any applicable law, the parties must negotiate in good faith such amendments to this Amendment Agreement that are necessary or appropriate to ensure consistency between this Amendment Agreement and the applicable law.

4.3 The provisions of this Amendment Agreement shall remain in full force and effect during any negotiations under Clause 4.2 until the commencement of an agreement replacing or amending this Amendment Agreement.

4.4 This Amendment Agreement is governed by the laws of the Hong Kong Special Administrative Region ("Hong Kong").

4.5 Each party irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of Hong Kong.

EXECUTED as an Agreement by the parties on the date first above written.

SIGNED
for and on behalf of

SIGNED
for and on behalf of