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THIS AMENDMENT AGREEMENT NO. 2 is dated 30 April 2014 (“Amendment Agreement No. 2”)

BETWEEN:

AND:

RECITALS:

- A. and entered into a Memorandum of Understanding for Direct Interconnect between and for the delivery of local and external traffic across their respective networks dated 19 February 2001 as amended on 23 August 2006 (collectively the “Agreement”).
- B. In light of the statement entitled “New Regulatory Regime for Local Access Charge” issued by the former Telecommunications Authority on 23 December 2011, the parties have negotiated and agreed to adopt Local Access Charge as provided in this Amendment Agreement No. 2.

THE PARTIES AGREE as follows:

1. DEFINITIONS AND INTERPRETATIONS

For the purposes of this Amendment Agreement No. 2, all words and expressions defined in the Agreement shall, unless otherwise defined herein or the context otherwise requires, have the same meanings in this Amendment Agreement No. 2.

2. AMENDMENT

The parties agree that the Local Access Charge as set out in Annexes 1, 2, 3 and 4 to this Amendment Agreement No. 2 shall apply for the conveying of the Service (as defined in Annex 1) between them with effect from 1 July 2013 to 30 June 2019. The Local Access Charge as provided in the Agreement for the Service will be replaced by those charges provided in Annexes 2, 3 and 4 to this Amendment Agreement No. 2 accordingly.

3. FULL FORCE AND EFFECT

This Amendment Agreement No.2 shall take effect from 1 July 2013. Save for the amendments set out in this Amendment Agreement No. 2, all the terms and conditions of the Agreement shall remain in full force and effect. In the event of any conflict or inconsistency between the provisions of this Amendment Agreement No. 2, and the Agreement, the provisions of this Amendment Agreement No. 2 shall prevail to the extent of such inconsistency.

4. GOVERNING LAW AND JURISDICTION

This Amendment Agreement No. 2 shall be construed and interpreted in accordance with the laws of Hong Kong and the parties agree to submit to the exclusive jurisdiction of the courts of Hong Kong in relation to any disputes arising from this Amendment Agreement No. 2.

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Signed for and on behalf of

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Annex 1

Services

Service Description

The Services relate to the provision of originating, terminating or transiting services for external telecommunication calls by one Party to the other Party. Such Services may by agreement be provided directly or indirectly on a transiting basis.

External telecommunication calls in this Agreement means those calls which are either originated in Hong Kong and destined for termination outside of Hong Kong or originated from outside of Hong Kong and terminated in Hong Kong.

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Annex 2

Charges

1. The Local Access Charges (“LAC”) payable (in Hong Kong cents per Occupancy Minute) are shown in the table below:

1.1 Direct and Transit Charge

With effect from	LAC payable to FNOs				LAC payable to MNOs			
	Call Origination from a Fixed Line Network		Call Termination on a Fixed Line Network		Call Origination from a Mobile Network		Call Termination on a Mobile Network	
	Direct	Transit	Direct	Transit	Direct	Transit	Direct	Transit
1-Jul-13	9.0	7.5	12.6	10.6	0.0	0.0	12.6	10.6
1-Jan-14	8.0	6.5	12.6	10.6	0.0	0.0	12.6	10.6
1-Jul-14	7.5	6.0	12.6	10.6	0.0	0.0	12.6	10.6
1-Jan-15	6.5	5.0	12.6	10.6	0.0	0.0	12.6	10.6
1-Jul-15	6.5	5.0	12.6	10.6	0.0	0.0	12.6	10.6
1-Jan-16	6.5	5.0	12.6	10.6	0.0	0.0	12.6	10.6
1-Jul-16	6.0	4.5	12.6	10.6	0.0	0.0	12.6	10.6
1-Jan-17	6.0	4.5	12.6	10.6	0.0	0.0	12.6	10.6
1-Jul-17	6.0	4.5	12.6	10.6	0.0	0.0	12.6	10.6
1-Jan-18	5.0	3.5	12.6	10.6	0.0	0.0	12.6	10.6
1-Jul-18	5.0	3.5	12.6	10.6	0.0	0.0	12.6	10.6
1-Jan-19	5.0	3.5	12.6	10.6	0.0	0.0	12.6	10.6

1.2 Double Transit Charge

With effect from	Double Transit Charge payable to FNOs				Double Transit Charge payable to MNOs	
	Call Origination		Call Termination		Call Origination	Call Termination
	From a Fixed Line Network	From a Mobile Network	On a Fixed Line Network	On a Mobile Network	From a Fixed Line or Mobile Network	On a Fixed Line or Mobile Network
	Double Transit		Double Transit		Double Transit	
1-Jul-13	3.6	0.0	3.6	3.6	0.0	0.0
1-Jan-14	3.2	0.0	3.6	3.6	0.0	0.0
1-Jul-14	3.0	0.0	3.6	3.6	0.0	0.0
1-Jan-15	2.6	0.0	3.6	3.6	0.0	0.0
1-Jul-15	2.6	0.0	3.6	3.6	0.0	0.0
1-Jan-16	2.6	0.0	3.6	3.6	0.0	0.0
1-Jul-16	2.4	0.0	3.6	3.6	0.0	0.0
1-Jan-17	2.4	0.0	3.6	3.6	0.0	0.0
1-Jul-17	2.4	0.0	3.6	3.6	0.0	0.0
1-Jan-18	1.9	0.0	3.6	3.6	0.0	0.0
1-Jul-18	1.9	0.0	3.6	3.6	0.0	0.0
1-Jan-19	1.9	0.0	3.6	3.6	0.0	0.0

2. The various call types for which LAC in the above table apply and the Party responsible for payment of the LAC for each call type are shown in **Annex 3**.

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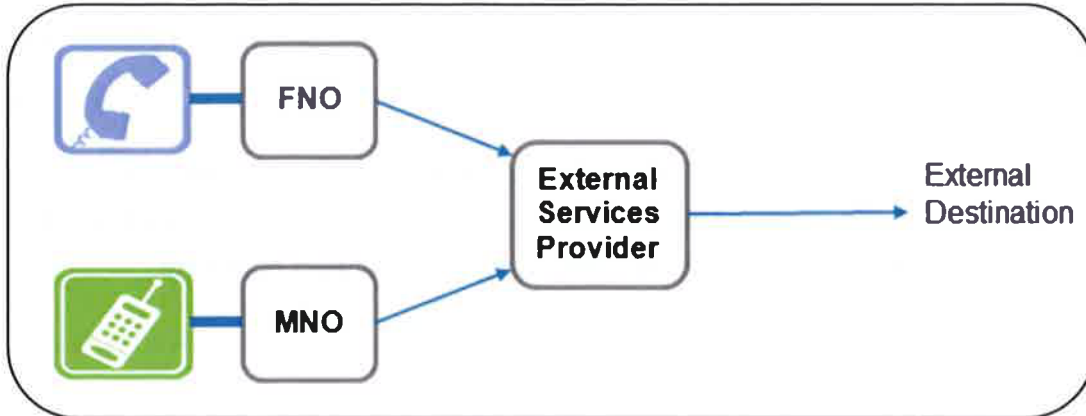
3. Call durations are measured in seconds but the total chargeable call durations are rounded up to the nearest Occupancy Minute for the purposes of invoicing for LAC.
4. "FNO" means a fixed network operator in Hong Kong which provides telecommunications services between fixed points.
5. "MNO" means a mobile network operator in Hong Kong which provides telecommunications services to enable two-way communications between moving locations or between a moving location and a fixed location.
6. "Appointed Transit Network Operator" means an FNO or an MNO which has an agreement with another MNO or FNO to become its transiting network operator for sending traffic to, and receiving traffic from, other network operators.

Annex 3

Call Types & Payment of Charges

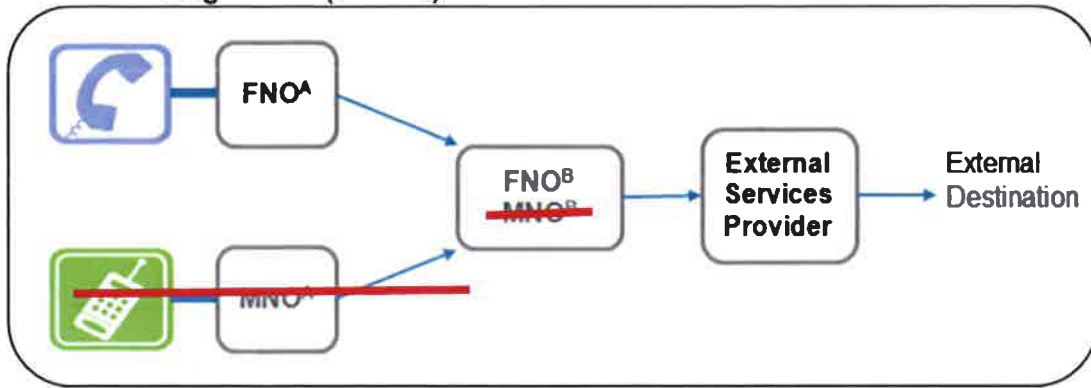
In this Annex, all LAC refer to the rates shown in the table in Annex 2.

1. Call Origination (Direct) – This call type is not applicable between and



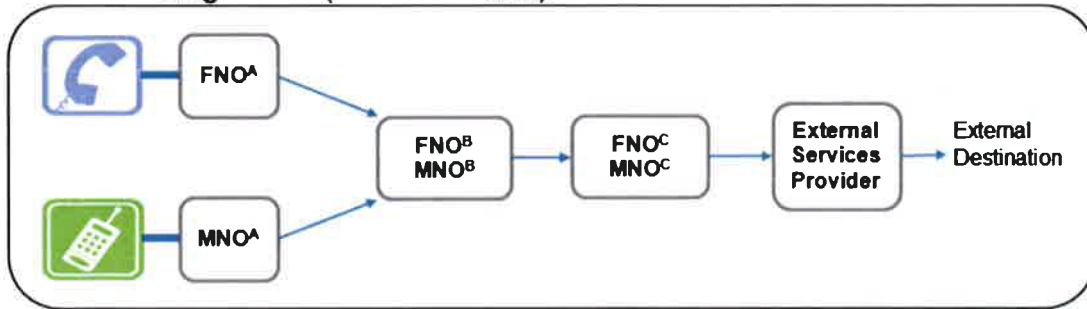
- 1.1 The call originates in Hong Kong from a customer of FNO or MNO who makes use of the international call service provided by External Services Provider. FNO or MNO passes the call to an External Services Provider which then delivers the call to the external destination.
- 1.2 FNO, MNO and External Services Provider will be subject to the LAC shown in Annex 2 if they are a Party to this Agreement.
- 1.3 LAC will be payable as follows:
 - External Services Provider pays FNO the LAC for “Call Origination from a Fixed Line Network - Direct”.
 - External Services Provider pays MNO the LAC for “Call Origination from a Mobile Network - Direct”.

2. Call Origination (Transit)



- 2.1 The call originates in Hong Kong from a customer of FNO^A or MNO^A who makes use of the international call service provided by External Services Provider. FNO^A or MNO^A passes the call to FNO^B or MNO^B to which External Services Provider is connected. External Services Provider then delivers the call to external destination.
- 2.2 FNO^A, MNO^A, and FNO^B and MNO^B will be subject to the LAC shown in **Annex 2** if they are a Party to this Agreement.
- 2.3 LAC will be payable as follows:
- FNO^B or MNO^B, as the case may be, pays FNO^A the LAC for “Call Origination from a Fixed Line Network - Transit”.
 - FNO^B or MNO^B, as the case may be, pays MNO^A the LAC for “Call Origination from a Mobile Network - Transit”.
 - External Services Provider pays FNO^B or MNO^B, as the case may be, a charge which is separately negotiated and outside the terms of this Agreement.

3. Call Origination (Double Transit)



3.1 The call originates in Hong Kong from a customer of FNO^A or MNO^A who makes use of the international call service provided by External Services Provider. FNO^A or MNO^A passes the call to FNO^B or MNO^B. FNO^B or MNO^B then passes the call to FNO^C or MNO^C to which External Services Provider is connected. External Services Provider then delivers the call to the external destination.

3.2 FNO^A, MNO^A, FNO^B, MNO^B, FNO^C and MNO^C will be subject to the LAC shown in **Annex 2** if they are a Party to this Agreement.

3.3 LAC will be payable as follows:

3.3.1 For calls routed: FNO^A to FNO^B/MNO^B to FNO^C/MNO^C to ESP

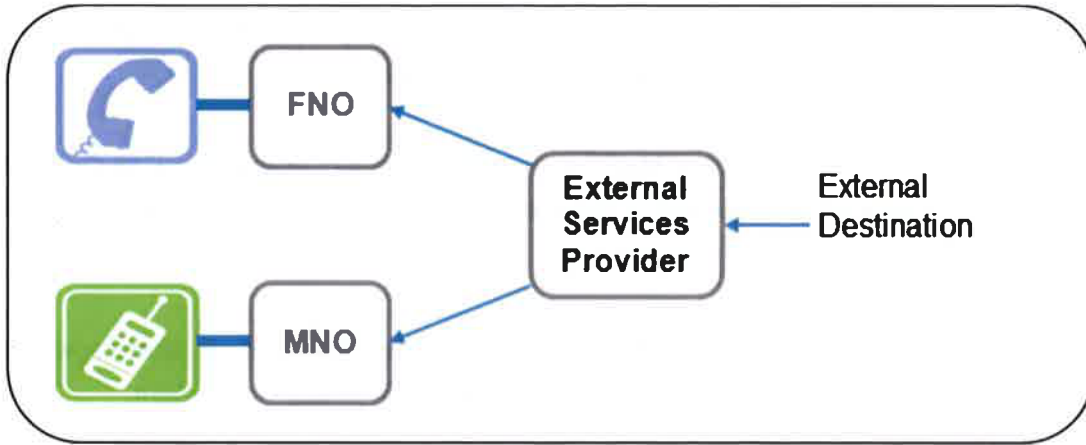
- FNO^C or MNO^C, as the case may be, pays FNO^A the LAC for “Call Origination from a Fixed Line Network - Transit”.
- FNO^A pays FNO^B or MNO^B the Double Transit Charge for “Call Origination from a Fixed Line Network – Double Transit. However, if FNO^B or MNO^B is an Appointed Transit Network Operator of FNO^C or MNO^C, then the double transit charge in this call scenario will be irrevocably waived by FNO^B or MNO^B, as the case may be. FNO^B or MNO^B shall update FNO^A from time to time by at least one month’s advance written notice the list of FNO^C or MNO^C for which FNO^B or MNO^B is acting as Appointed Transit Network Operator. **Annex 4** shows the list as of the date of this Agreement. Any changes to Annex 4 will be subject to agreement between the Parties. For the avoidance of doubt, it is intended that FNO^B or MNO^B, as the case may be, will irrevocably waive the double transit charge in this call scenario where there is no direct interconnection between FNO^A and FNO^C or MNO^C, as the case may be.
- ESP pays FNO^C or MNO^C, as the case may be, a charge which is separately negotiated and outside the terms of this Agreement.

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3.3.2 For calls routed: **MNO^A to FNO^B/MNO^B to FNO^C/MNO^C to ESP**

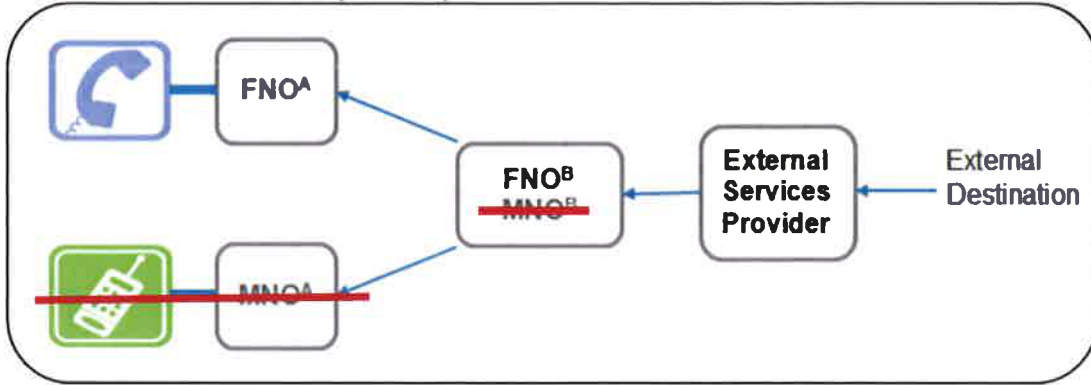
- FNO^C or MNO^C, as the case may be, pays MNO^A the LAC for “Call Origination from a Mobile Network - Transit”.
- MNO^A pays FNO^B or MNO^B the Double Transit Charge for “Call Origination from a Mobile Network – Double Transit” that is payable to FNOs or MNOs, as the case may be.
- ESP pays FNO^C or MNO^C, as the case may be, a charge which is separately negotiated and outside the terms of this Agreement.
- Where MNO^A intends to pass traffic to FNO^B/MNO^B under this call scenario, a number of dedicated trunks must be firstly established for this type of traffic. The number of trunks are to be separately negotiated and agreed between MNO^A and FNO^B/MNO^B. Traffic under this call scenario from MNO^A to FNO^B/MNO^B which does not pass through such dedicated trunks shall be subject to additional charge payable by MNO^A to FNO^B/MNO^B, as the case may be, which is to be negotiated and agreed by the Parties.

4. Call Termination (Direct) – This call type is not applicable between and



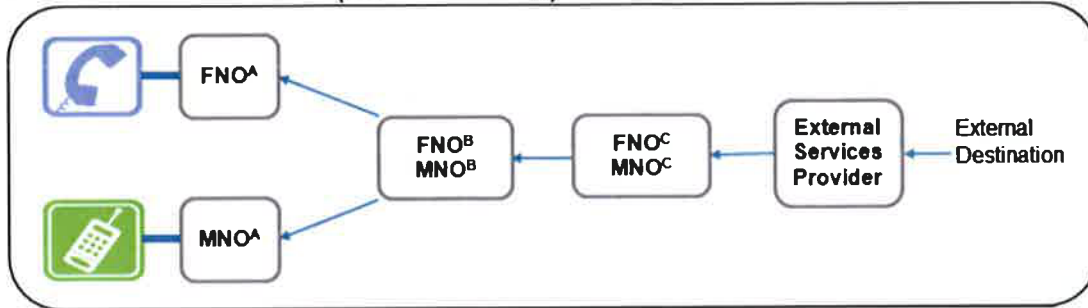
- 4.1 The call terminates in Hong Kong at a customer of the FNO or MNO. The External Services Provider collects the call originated from abroad and delivers it to the FNO or MNO to which the customer is connected.
- 4.2 FNO, MNO and External Services Provider will be subject to the LAC shown in **Annex 2** if they are a Party to this Agreement.
- 4.3 LAC will be payable as follows:
 - External Services Provider pays FNO the LAC for “Call Termination on a Fixed Line Network - Direct”.
 - External Services Provider pays MNO the LAC for “Call Termination on a Mobile Network - Direct”.

5. Call Termination (Transit)



- 5.1 The call terminates in Hong Kong at a customer of FNO^A or MNO^A. The External Services Provider collects the call originated from abroad and passes it to FNO^B or MNO^B with which it has signed an agreement for the delivery of external telecommunication calls. FNO^B or MNO^B then delivers the call to FNO^A or MNO^A to which the customer is connected.
- 5.2 FNO^A, MNO^A, FNO^B and MNO^B will be subject to the LAC shown in **Annex 2** if they are a Party to this Agreement.
- 5.3 LAC will be payable as follows:
- FNO^B or MNO^B, as the case may be, pays FNO^A the LAC for “Call Termination on a Fixed Line Network - Transit”.
 - FNO^B or MNO^B, as the case may be, pays MNO^A the LAC for “Call Termination on a Mobile Network - Transit”.
 - External Services Provider pays FNO^B a charge which is separately negotiated and outside the terms of this Agreement.

6. Call Termination (Double Transit)



6.1 The call terminates in Hong Kong at a customer of FNO^A or MNO^A. The External Services Provider collects the call originated from abroad and passes it to FNO^C or MNO^C with which it has signed an agreement for the delivery of traffic. FNO^C or MNO^C then passes the call to FNO^B or MNO^B with which it has signed an agreement for the delivery of traffic. FNO^B or MNO^B delivers the call to FNO^A or MNO^A to which the customer is connected.

6.2 FNO^A, MNO^A, FNO^B, MNO^B, FNO^C and MNO^C will be subject to the LAC shown in **Annex 2** if they are a Party to this Agreement.

6.3 LAC will be payable as follows:

6.3.1 For calls routed: **ESP to FNO^C/MNO^C to FNO^B/MNO^B to FNO^A**

- FNO^C or MNO^C, as the case may be, pays FNO^A the LAC for “Call Termination on a Fixed Line Network - Transit”.
- FNO^C or MNO^C pays FNO^B or MNO^B, as the case may be, the LAC for “Call Termination on a Fixed Line Network – Double Transit” that is payable to FNOs or MNOs, as the case may be. However, if FNO^B or MNO^B is an Appointed Transit Network Operator of FNO^A, then the double transit charge in this call scenario will be irrevocably waived by FNO^B or MNO^B, as the case may be. FNO^B or MNO^B shall update FNO^C or MNO^C from time to time by at least one month’s advance written notice the list of FNO^A for which FNO^B or MNO^B is acting as Appointed Transit Network Operator. **Annex 4** shows the list as of the date of this Agreement. Any changes to Annex 4 will be subject to agreement between the Parties. For the avoidance of doubt, it is intended that FNO^B or MNO^B, as the case may be, will irrevocably waive the double transit charge in this call scenario where there is no direct interconnection between FNO^A and FNO^C or MNO^C, as the case may be.
- ESP pays FNO^C or MNO^C, as the case may be, a charge which is separately negotiated and outside the terms of this Agreement.

6.3.2 For calls routed: **ESP to FNO^C/MNO^C to FNO^B/MNO^B to MNO^A**

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- FNO^C or MNO^C, as the case may be, pays MNO^A the LAC for “Call Termination on a Mobile Network - Transit”.

- FNO^C or MNO^C pays FNO^B or MNO^B, as the case may be, the Double Transit Charge for “Call Termination on a Mobile Network – Double Transit” that is payable to FNOs or MNOs, as the case may be. However, if FNO^B or MNO^B is an Appointed Transit Network Operator of MNO^A, then the double transit charge in this call scenario will be irrevocably waived by FNO^B or MNO^B, as the case may be. FNO^B or MNO^B shall update FNO^C or MNO^C from time to time by at least one month’s advance written notice the list of MNOs for which FNO^B or MNO^B is acting as the Appointed Transit Network Operator. **Annex 4** shows the list as of the date of this Agreement. Any changes to Annex 4 will be subject to agreement between the Parties. For the avoidance of doubt, it is intended that FNO^B or MNO^B, as the case may be, will irrevocably waive the double transit charge in this call scenario where there is no direct interconnection between MNO^A and FNO^C or MNO^C, as the case may be.

- ESP pays FNO^C or MNO^C, as the case may be, a charge which is separately negotiated and outside the terms of this Agreement.

Note: The charges for any other call types not covered by the above are to be separately negotiated and agreed between the operators involved.

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Annex 4

List of Appointed Transit Network Operator

1. _____ is the Appointed Transit Network Operator of:

Name of MNO/FNO	Holder of (licence number)
NIL	

2. _____ is the Appointed Transit Network Operator of:

Name of MNO/FNO	Holder of (licence number)
NIL	