

**DSL INTERCONNECT AGREEMENT**

BETWEEN

PAKISTAN TELECOMMUNICATION COMPANY LIMITED

AND

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## AGREEMENT

This agreement is made in triplicate at Islamabad on this \_\_\_\_\_ Day of \_\_\_\_\_ 2009

Between

Pakistan Telecommunication Company Ltd, a public limited company incorporated under the Companies Ordinance 1984, with its registered office at PTCL Headquarters, G-8/4, Islamabad (hereinafter referred to as "PTCL" which expression shall, where the context so permits, be deemed to mean and include its successors-in-interest and assigns), through its duly authorized representative, OF THE ONE PART.

And

\_\_\_\_\_, incorporated under the Companies Ordinance 1984, with its registered office at \_\_\_\_\_, (hereinafter referred to as the "DSL Operator" which expression shall, where the context so permits, be deemed to mean and include its successors-in-interest and assigns), through its duly authorized representative, OF THE ONE PART.

WHEREAS, PTCL is licensed to operate basic telephony an Public Switched Telephone Network Services ("PSTN Network") in Pakistan under license number PTA/NT-014/A dated April 15, 1997 issued by Pakistan telecommunication Authority (PTA) (the "PTCL License");

WHEREAS, the DSL Operator is licensed to operate Internet Services in Pakistan under license issued by PTA vide their License No. \_\_\_\_\_ dated \_\_\_\_\_ and subsequently permitted by PTA vide Letter No. Dir (C) /PTA/149/2003 dated 8<sup>th</sup> August, 2003 for the provision of DSL Services.

WHEREAS DSL operator will procure, install and operate at its own cost and expense appropriate equipment and facilities, approved by PTA if so is required, compatible to PTCL network specifications mentioned in respective Clauses of this Agreement so as to enable provision of DSL services.

AND WHERAS the DSL Operator has agreed to install DSL Platform at PTCL premises.

NOW THEREFORE in consideration of the mutual convents hereinafter set out and for good and valuable consideration, the adequacy which is hereby acknowledge, the Parties have been agreed as under:

### **1. DEFINITIONS**

Unless the context otherwise requires, the following terms, wherever used in this Agreement, shall have the following meanings:

- (a) "Act" means the Pakistan Telecommunication (Re-organization) Act, 1996 (Act No. XVII of 1996) and any subsequent amendments;

- (b) **“Agreement”** means this interconnection agreement between PTCL and DSL Operator along with the other documents forming part of this Agreement as described in Clause 2 hereof;
- (c) **“Applicable Law”** means the Law of Pakistan including any instruments having the force of law in Pakistan;
- (d) **“Application”** means the DSL operator’s application to PTCL for establishment of DSL services and documents forming part of this Agreement as described in Clause 2 hereof;
- (e) **“Basic Telephony Service”** means “basic telephone service” as defined in Act;
- (f) **“CPE”** means Customer Premises Equipment is communications equipment that resides at the customer’s location such as DSL modem / router, integrated access point (IAD), POTS splitters etc;
- (g) **“Collocation”** means physical placement of DSL System within the PTCL’s premises;
- (h) **“Copper Loop”** means any energized (POTS already working on the pair) copper pairs owned and maintained by PTCL in its OSP Network;
- (i) **“Customer”** means the end-user of the DSL Services including residential, commercial, corporate, intuitional and business customers;
- (j) **“Day”** means a day on which banks are open for business in Pakistan. This definition relates only to payment obligations under this Agreement;
- (k) **“Designated Account”** means the bank account to be notified by PTCL to DSL Operator on or before the Service Commencement Date of from time to time thereafter, into which the DSL Operator shall make payments;
- (l) **“DSL”** means digital subscriber line for high speed and broadband access for the Customer, premises where the PTCL owned Copper is terminated;
- (m) **“DSL Equipment”** means equipment required for provision of DSL services including but not limited to DSLAM, NMS, POTS splitter & micro filters;
- (n) **“DSL Operator”** means the party authorized to provide DSL services with PTA approval;
- (o) **“DSL Platform”** means Digital Subscriber Line Access Multiplexer (DSLAM) that provides high-speed data transmission;
- (p) **“DSL Services”** means the services offered over the DSL System including but not limited to High Speed Internet and as per terms and conditions of the respective license issued to the DSL Operator by PTA;
- (q) **“DSL System”** means DSALM (DSL Access Multiplexer) and associated line and back bone connectivity equipment, Co-located and connected with the PTCL

backbone network for backhauling of concentration of aggregated traffic at the network end, and connected with the Copper Loop through the MDF towards the Customer's end;

- (r) **“Effective Date”** means the date on which this Agreement is signed by the Parties;
- (s) **“License”** means the license issued by PTA to DSL Operator and any amendments thereto;
- (t) **“MDF”** means Main Distribution Frame;
- (u) **“Party”** means PTCL or the DSL Operator, as the case may be, and **“Parties”** means both of them;
- (v) **“POTS”** means Plain Old Telephone Service, that is, the basic telephone service for voice communication;
- (w) **“PTA”** means Pakistan Telecommunication Authority established under the Act;
- (x) **“Service”** means the work to be performed by and the services to be undertaken by the DSL Operator pursuant to the Agreement for procurement, installation, operation, maintenance and up-gradation; and
- (y) **“Service Commencement Date”** means the date on which delivery of DSL Service to Customer will commence on commercial basis.

Other terms not defined in this section will have the same meaning as defined in the Act and, if not defined in the Act, as generally understood in the telecommunication industry.

## **2. CONSTRUCTION OF AGREEMENT**

- 2.1 Save to the extent that the context or the express provisions of this Agreement otherwise require:
  - (i) Word importing the singular include the plural and vice versa;
  - (ii) Headings and sub-headings shall not be deemed parts of this Agreement to be taken into consideration in the interpretation or construction hereof;
  - (iii) References to sections and Schedules shall be constructed as references to sections of and schedules to this Agreement unless otherwise stated;
  - (iv) Reference to persons include their successors and any permitted transferees and assigns; and
  - (v) Where the words “include” or “including” appears they are to be constructed without limitation.

- 2.2 All references to any statute or statutory provision shall include references to any statute or statutory provision which amends, extends, consolidates or replaces the same and shall include any orders, regulations, instruments or other subordinate legislation made under the relevant statute.
- 2.3 The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of the remaining provisions of this Agreement.
- 2.4 The waiver of any breach or failure to enforce any term or condition of this Agreement shall not be construed as a waiver or a waiver of any other breach of the same or any other term or condition of this Agreement. No waiver shall be valid unless it is in writing and signed on behalf of the Party making the waiver.
- 2.5 Except as set forth to the contrary herein, any right or remedy of PTCL or the DSL Operator shall be cumulative and without prejudice to any other right or remedy, whether contained herein or not.
- 2.6 All actions, activities, consents, approvals and other undertakings of the Parties in this Agreement shall be performed in a reasonable and timely manner. It is being expressly acknowledged and understood that time is of the essence in the performance of obligations required to be performed by a date expressly specified herein. Except as specifically set forth herein, for the purpose of this section the normal standards of performance within the telecommunications industry in the relevant market shall be the measure of whether a Party's performance is reasonable and timely.

### **3. ENTIRE AGREEMENT**

- 3.1 This Agreement constitutes the entire agreement with respect to the subject matter hereof and hereby cancels and supersedes any and/or all previous or contemporaneous agreements, representations or understandings, whether oral or written between the Parties pertaining to or connected with the subject matter hereof. This Agreement shall not be modified or amended except by an agreement in writing signed by the Parties and with approval from PTA.

### **4. DURATION**

- 4.1 This Agreement shall come into force on signing and shall be sent to PTA for approval within seven days of signing. This Agreement shall be valid for the period of the license of the DSL Operator and any subsequent renewals of that license by PTA. This Agreement shall however be subject to the provision for earlier termination hereinafter contained in the Agreement.

### **5. SERVICE COMMENCEMENT DATE**

- 5.1 The DSL Operator agrees that the Service Commencement Date shall be a date not later than 180 Days after the date of signing of this agreement, provided PTCL has provided the required infrastructure to DSL Operators in timely manner.

**6. NOTICES**

6.1 Any notice, request or consent required or permitted to be given or made pursuant to this Agreement shall be in writing and shall be deemed to have been given or made when delivered in person to any authorized representative of the Party to whom the communication is addressed, or when sent by registered mail, telex, telegram or facsimile to such Party at the following address:

**For the DSL Operator:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**For PTCL:**

Senior Manager (PSP)  
Pakistan Telecommunication  
Company Limited  
Headquarters G-8/4,  
Islamabad  
Telephone: 051-2260617  
Fax: 051-2260710

6.2 All Notices shall be in writing and will be deemed to be effective as follows:

- (i) In case of personal delivery or registered mail on seventh day of receipt by addressee; and
- (ii) In case of facsimiles, 72 (seventy two hours) hours followed by registered confirmation with due regard to weekends and national holidays.

6.3 A Party may change its address or fax number for notice under this Agreement by giving the other Party written notice pursuant to this clause.

**7. OBLIGATIONS**

**7.1 Obligations of the DSL Operator**

7.1.1 Without prejudice to other obligations of the DSL Operator contained in this Agreement, it is agreed that:

- (a) The DSL Operator shall, at its own cost, design, furnish and install the DSL System and arrange provisioning of DSL Services to the Customers;
- (b) The DSL Operator shall provide DSL Services within the territories covered in its license, and in accordance with the DSL Operator's list of priority sites provided with the Application. The DSL Operator can amend the list by additions / deletions within 15 days;
- (c) The DSL Operator shall market the DSL Services under its own brand name;
- (d) The DSL Operator will give advance notice of thirty (30) days to PTCL before vacation of collocation, DPLC or any other service acquired under this Agreement;

- (e) In case of any complaint or dispute with regard to resource bandwidth or regarding quality of service, such complaint or dispute shall be a matter between the DSL Operator and the Customer;
- (f) The DSL Operator will obtain and maintain appropriate insurance for its DSL system installed at PTCL premises at its own cost;
- (g) In case the power distribution network is not capable of supporting the requirements of DSL system, the DSL Operator, at its own choice, may request PTCL to arrange required power capacity on mutually agreed rates or arrange at its own cost laying, extension and termination of power cable/equipment at the co-location sites;
- (h) The cost of any modification to be made in the DSL system for interfacing and making it compatible with PTCL's existing network will be borne by the DSL Operator;
- (i) The maintenance of the entire DSL system hardware and software including Customer Premises Equipment will be carried out by DSL operator; and
- (i) The DSL Operator undertakes that;
  - (i) The DSL Services to be offered under this Agreement will be in accordance with its respective license.
  - (ii) The DSL Operator will not use the circuit for following services:
    - (a) Voice services over Internet / Closed user group;
    - (b) Internet Telephony/ PCO.

## **7.2 Obligations of PTCL**

7.2.1 Without prejudice to other obligations of PTCL contained in this Agreement, it is agreed that PTCL shall on first come first served basis:

- (a) Provide co-location within the PTCL premises at suitable place, where available, from where DSL Services are proposed to be provided by the DSL operator, within 30 days of such request by DSL Operator at PTA's approved rates;
- (b) Provide space, where available, for laying cables and putting tag blocks within the PTCL premises / MDF at suitable place within thirty (30) days of filing the application by the DSL operator as per the requirement and business plan of the DSL Operator;

- (c) Provide and permit physical access by the authorized personnel of DSL Operator to PTCL premises where DSL System is, or proposed to be, installed, in the manner agreed between the Parties;
- (d) Provide interconnect and backhauling facilities where available for connecting the DSLAMs of the DSL Operator to its aggregation point or data center;
- (e) Provide energized copper loop of good quality, subject to availability. In case the copper pair is not capable of providing DSL services, PTCL will provide an alternate copper pair from its existing network, provided spare pair is available;
- (f) Shall not, after commissioning of DSL service of the customer, change the copper pair of the customer without prior consent of the DSL Operator. In case of shifting of customer's number to OFAN (optical fiber access network) for technical reasons, PTCL will obtain prior consent of the customer by informing him/her that after the shifting of number to OFAN, customer will not be able to use DSL services of any operator other than PTCL;
- (g) Provide efficient maintenance of copper loop;
- (h) Provide inter-exchange lease media to DSL Operator within four (04) weeks of submission of application where it is available. In case, PTCL cannot provide lease media within four (04) weeks time, then the same fact will be communicated to DSL Operator (with a copy to PTA) within fifteen (15) days of such request. In such cases, PTCL will make temporary arrangements at its own cost for DSL Operator at its earliest but not later than two (02) months time and the requested lease media will be provided within three (03) months times from the date of request.
- (i) Provide domestic and international connectivity, bandwidth and leased lines as and when requested by the DSL Operator, where available the same are available at charges mentioned in this Agreement;
- (j) Provide at DSL Operator's cost, interconnection for the DSL System with copper Loop on the OSP Network side through MDF;
- (k) Permit the DSL Operator to install POTS splitter and DSL modems / end points at the customer end;

- (l) Permit DSL Operator take its fiber (owned or leased) to one PTCL's co-location / exchange in each city of operation of DSL Operator. However, fiber access between DSL Operator's co-location and other DNOPs / DSL Operators' co-location or between LDIs and /or LLOs' collocation will not be allowed;
- (m) Permit DSL Operators to acquire / lease IP Bandwidth from any third party. In this regard, DSL Operator may request PTCL to match the competitors' prices before acquiring IP bandwidth from the third party; and
- (n) Provide building security to DSL Operator's equipment as it provides to its own equipment.

## **8. SITE PREPARATION PLAN**

- 8.1 In order for PTCL to make the required facilities available to accommodate the DSL System, the DSL Operator shall submit to PTCL details of its requirements in the form of a site preparation plan no later than 60 (sixty) days prior to the Service Commencement Tests.
- 8.2 PTCL shall within 21 (twenty one) days thereafter approve such plan or suggest changes therein including alternate location. The site preparation plan will consist of details of requirements for floor space, electrical connectivity, air-conditioning, etc.
- 8.3 In the event PTCL does not make available the required facilities by the Service Commencement Test date, the Service Commencement Date shall be extended by the number of days taken by PTCL to make the required facilities available to the DSL Operator. Alternatively, DSL operator may opt for installation of such facilities at its own, for which the charges and settlement shall be mutually agreed between the Parties.
- 8.4 While PTCL will provide all available assistance, the DSL Operator is completely responsible for performing its own technical due diligence for interfacing the DSL System to the other systems whether owned by PTCL or other service providers.

## **9. SAFETY OF PTCL SYSTEM**

- 9.1 The DSL Operator shall ensure that the DSL System and the DSL Services do not cause any interference with the working PTCL's systems and operations.

## **10. TECHNICAL ARRANGEMENTS WITH PTCL NETWORK**

- 10.1 PTCL will provide the DSL System interconnection to the central nodes at the n x E1, E3, DS3, STM-1 or IP (Ethernet) based connectivity wherever available.
- 10.2 PTCL will co-operate with the DSL Operator and will furnish the DSL Operator with all such information and data concerning PTCL which PTCL and the DSL Operator together agree is appropriate for determining the compatibility of interfacing of DSL System with the network of PTCL.

## 11. PAYMENTS TO PTCL

- 11.1 The DSL Operator shall, during the Term, pay to PTCL:
- (a) On a monthly basis in advance, fixed monthly local loop charges of Rs.150/- per Local Loop (single pair of 2 wires) as approved by PTA. In case PTA changes these charges then they will be deemed to have been changed in this Agreement also;
  - (b) On quarterly or monthly basis, as agreed between the Parties, in advance, co-location charges as per PTA's approved rates;
  - (c) On monthly basis in advance, charges for inter-exchange, domestic bandwidth as per PTCL's Circular No. DD(Tariff) 064/2005/DPLC dated January 10, 2007 attached as **Schedule 1** till April 2010. Thereafter, PTCL may revise these charges subject to approval from PTA; and
  - (d) On monthly basis in advance, charges for international bandwidth as per PTCL's Circular No. 064/2005/IP dated July 6, 2007 attached as **Schedule 2**, subject to 18% discount on upto four (4) STM-1, 22% discount on more than four (4) and upto eight (8) STM-1 and 25% discount on more than eight (8) STM-1 bandwidth effective from April 1, 2009.
- 11.2 Notwithstanding Clause 11.1 above, the Parties may mutually agree lower level of charges for the above-mentioned services, provided the charges will be applied on non-discriminatory basis.
- 11.3 If payment is not made by the due date, interest rate at the rate 18% per annum prorated will be charged for each additional day. After 14 days, notice will be served on the DSL operator and if payment is not made within 14 days of the notice, the services under this Agreement will be suspended to the DSL Operator.
- 11.4 Suspended services shall not be resumed by PTCL until full payment inclusive of accrued interest is made to PTCL.
- 11.5 All payments due from the DSL Operator to PTCL under this Agreement shall be made by the DSL Operator to an account designated in writing by PTCL in this regard. All the payments due to PTCL under this Agreement will not be subject to any counter-claim or set-off.
- 11.6 Each Party shall be liable to pay duties, taxes, levies, imposts or cesses as may be payable by such Party under the applicable laws in relation to such Party's respective receipts under this Agreement. For the purposes hereof, it is expressly agreed that, without prejudice to the separate and independent rights and obligations of the DSL Operator under this Agreement, the DSL Operator will not be providing any separate or independent telecommunication service to PTCL, or vice versa.

## **12. PERFORMANCE BOND**

- 12.1 The DSL Operator shall furnish to PTCL prior to signing of the Agreement, as security for commencement of DSL Services on the Service Commencement Date, a Performance Bond in the form of a bank guarantee from an institution approved by PTCL (such institutions being detailed in **Schedule 3** hereto) in such form as may be required by PTCL (the "Performance Bond").
- 12.2 The value of the Performance Bond will be Rupees 2,500,000.00 (Pak Rupees two and a half million only).
- 12.3 The Performance Bond will be returned to the DSL Operator three (months) after the Service Commencement Date subject to satisfactory commencement of DSL Services.
- 12.4 If the DSL Operator fails to start DSL Service within 180 days of the signing this Agreement, the Performance bond of Rs 2.5 Million will be forfeited in favour of PTCL.

## **13. DSL EQUIPMENT**

- 13.1 All equipment, hardware, software and other items to be installed for the DSL Platform shall be in accordance with international standards and as laid down in specifications approved in writing by PTA, if so required, and shall also be compatible with PTCL existing network.
- 13.2 DSL Operator will not install any unapproved equipment to interface with PTCL network under any circumstances and will be entirely responsible for all costs incurred on procurement, installation and subsequent replacement of any such equipment.

## **14. REVIEW**

- 14.1 Either Party may seek to amend this Agreement by serving on the other a review notice if:
- (a) The License of either party is materially modified (whether by amendment or replacement) to the extent that such modification or replacement directly or indirectly affects the provision of the DSL Services; or
  - (b) A material change occurs in the law or regulations (including codes of practice whether or not having the force of law) governing telecommunications in Pakistan; or
  - (c) A material change (including enforcement action by any regulatory authority) occurs which affects or reasonably could be expected to affect the commercial or technical basis of this Agreement.
- 14.2 A review notice shall set out in reasonable details the issues to be discussed between the Parties.

- 14.3 On the service of a review notice, the Parties shall forthwith negotiate in good faith the matters to be resolved with a view to agreeing the relevant amendments to this Agreement.
- 14.4 If the Parties fail to reach agreement on the subject matter of a review notice within 3 (three) months from the date of service of such review notice, either Party may at its option after the expiry of the aforementioned 3 (three) month period request the Authority in writing to determine the matters upon which the Parties have failed to agree.
- 14.5 The Parties shall enter into an agreement to modify or replace the Interconnection Agreement in accordance with any order, direction, determination or consent of the Authority.
- 14.6 If either Party is required by applicable law or regulation to modify or discontinue the DSL Services or any part thereof then either Party reserves the right to do so and will notify the other as soon as possible of any such modification which shall forthwith be binding on the Parties and neither will have any further obligation or liability to the other in respect of such modification.

## **15. FORCE MAJEURE**

- 15.1 For the purposes of the Agreement, "Force Majeure" means an event or circumstance which is beyond the reasonable control of a Party, and which makes a Party's performance of its obligations under this Agreement impossible, and includes, but is not limited to, Acts of God, war, riots, civil disorder, earthquake, fire, explosion, storm, flood or other adverse weather conditions, strikes, lockouts or other industrial action.
- 15.2 Force Majeure shall not include:
- (a) An event, which is caused by the negligence or willful action of a Party or its subcontractor;
  - (b) An event which a diligent Party could reasonably have been expected to: (i) have taken into account as at the Effective Date, or (ii) have avoided or overcome in the course of carrying out its obligations under this Agreement.
  - (c) Force Majeure shall not include insufficiency of funds or circumstances arising from a failure to make any payment required by or under this Agreement.
- 15.3 The failure of a Party to fulfill any of its obligations under this Agreement shall not be considered to be a breach of, or a default under, this Agreement insofar as the inability arises from an event of Force Majeure, provided that the Party affected by that event has taken reasonable precautions, due care and attempted to put in place reasonable alternative arrangement all with the objective of carrying out the terms of this Agreement without delay.

- 15.4 A Party affected by an event of Force Majeure shall take all reasonable measures to remove its inability to fulfill its obligations under this Agreement with a minimum of delay and shall notify the other Party in writing of the event concerned as soon as possible, and in any event not later than 7 (seven) Days following the occurrence of the event concerned, and shall similarly give notice of the restoration of normal conditions as soon as possible. The Parties shall take all reasonable measures to minimize the consequences of any event of the Force Majeure.
- 15.5 Any period, within which a Party must, pursuant to this Agreement, complete any action or task, shall be extended Day-for-Day up to a period equal to the time during which that Party was unable to perform such action as a result of Force Majeure.
- 15.6 Not later than 14 (fourteen) Days after a Party has become unable to perform a material portion of the DSL Services as the result of an event of Force Majeure, the Parties shall consult with each other with a view to agreeing on appropriate measures to be taken in the circumstance.

## **16. TERMINATION**

- 16.1 Either Party may terminate this Agreement by giving fifteen (15) days written notice to the other Party, without prejudice to any rights which may have accrued under this Agreement to either Party prior to such termination, if the other Party:
- (a) commits a material breach of this Agreement, which is capable of remedy, and the Party in breach fails to remedy the breach within fifteen (15) days of a written notice to do so; or
  - (b) commits a material breach of this Agreement which cannot be remedied; or
  - (c) is repeatedly in breach of this Agreement; or
  - (d) is the subject of a bankruptcy order, or becomes insolvent, or makes any arrangement or composition with or assignment for the benefit of its creditors, or if it goes into either voluntary (other than for reconstruction or amalgamation) or compulsory liquidation, or a receiver or administrator is appointed over its assets or if the equivalent of any such events under the laws of any of the relevant jurisdictions occurs.
- 16.2 PTCL may, by written notice of fifteen (15) days to the DSL Operator and with prior approval of PTA, terminate this Agreement without prejudice to any rights which may have accrued under this Agreement prior to such termination, if:
- (a) The DSL Platform have an adverse network-impact on PTCL;
  - (b) The DSL Operator files with PTCL a statement in writing which has a material effect on the rights, obligations or interests of PTCL and which the DSL Operator knows or should reasonably have known to be false or inaccurate;

- (c) The DSL Operator is unable as a result of Force Majeure or for any other reason to perform a material portion of the DSL Services for a continuous period of not less than 60 (sixty) Days;
- (d) The DSL Operator fails to start commencement of the Service within 180 days of the Effective Date of this Agreement;
- (e) The DSL Operator introduces any equipment which has not been approved in advance by PTA;
- (f) The DSL Operator introduces or provides any service through the DSL Platform or otherwise which is not covered in its DSL license;
- (g) The DSL Operator commits an act which is in violation or which places PTCL in violation of its License or of the Act or which violates the License granted by PTA to the DSL Operator;
- (h) The government approval or License of DSL Operator to operate services is revoked, withdrawn, suspended or expired;
- (i) PTA is of the' opinion that any aspect of the DSL Services are in violation of the Laws of Pakistan the DSL Operator shall be given thirty (30) days notice to remedy the violation. Provided, however, such Notice shall set out in reasonable detail the violation complained of. The DSL Operator shall within a reasonable period of time from the date of receipt of the aforesaid Notice take concrete measures to remedy the violation and inform PTA/PTCL of the steps taken;
- (j) DSL Operator violates the terms of this Agreement and could-not fulfill its obligations under Clause 7.1.

## **17. OBLIGATION AT TERMINATION**

17.1 On termination of this Agreement in accordance with its terms, or upon expiration of this Agreement as the case may be all rights and obligations of the Parties shall cease, except:

- (a) Rights and obligations that have accrued as of the date of termination or expiration;
- (b) The obligation of confidentiality set forth in this Agreement;
- (c) Any right which a Party may have under the Applicable Law; and
- (d) The indemnification obligations set forth in this Agreement.

17.2 Upon termination of this Agreement:

- (a) The DSL Operator shall forthwith pay to PTCL all outstanding amounts, which it is liable to pay under this Agreement; and
- (b) PTCL shall without delay return to the DSL Operator all monies held by it as security upon adjustment of outstanding payments, if any.

17.3 In the event, this Agreement is terminated under Clause 16, PTCL undertakes to provide the DSL Operator or its designated nominees due access and assistance in reclaiming the DSL equipment owned by DSL Operator.

**18. DSL OPERATOR TO COMPLY WITH APPLICABLE LAW**

18.1 The DSL Operator shall be solely responsible for obtaining any authorization, registration, permit or licenses ("Authorization") as required under the Applicable Law at its own cost for any import/export required to be undertaken for the performance of its obligations under this Agreement.

18.2 The Parties will at all times comply with the Applicable Law. The Parties will use their best efforts to ensure that their respective subcontractor and personnel comply with the Applicable Law.

**19. FAIRNESS AND GOOD FAITH**

19.1 The Parties undertake to act in good faith with respect to each other's rights and obligations under this Agreement and to adopt all reasonable measures to ensure the realization of objectives of this Agreement.

19.2 The Parties recognize that it is impractical in this Agreement to provide for every contingency, which may arise during the life of the Agreement, and the Parties agree that it is their intention that this Agreement shall operate fairly as between them, and without detriment to the interest of either of them.

19.3 If during the term of this Agreement, either Party has evidence to believe that the other is performing its obligations under this Agreement unfairly, then the Parties undertake to use their best efforts to agree on such action as may be necessary to remove the cause or causes of such unfairness.

**20. SETTLEMENT OF DISPUTES & ARBITRATION**

20.1 The Parties shall use their best efforts to settle amicably all disputes arising out of or in connection with this Agreement or its interpretation. Any dispute between the Parties as to matters arising under this Agreement which cannot be settled amicably within thirty (30) business days after receipt by one Party of the other Party's request for amicable settlement may be submitted by either Party to the Authority for its resolution.

- 20.2 If the dispute referred to the Authority and the Authority does not have the powers under the relevant laws, either party may refer the dispute to Arbitration and the same shall be settled by arbitration by two (2) arbitrators, one (1) each to be appointed by the Parties. The Parties shall appoint such arbitrators within ten (10) business working days of receipt of the first notice in this behalf by a Party. In case of a disagreement among the arbitrators or if they are unable to resolve the matter within thirty (30) days thereafter, the matter will be referred to an umpire nominated by both parties or their arbitrators who shall preferably be a retired judge of the High Court of a Province or the Supreme Court of Pakistan. The award given by the arbitrator(s) as aforesaid shall be binding on the Parties.
- 20.3 Each Party shall bear the cost of its arbitrator and the cost of the umpire shall be borne equally by both the Parties. Arbitration proceedings shall be held in Islamabad, Pakistan.
- 20.4 In any arbitration proceedings under this Agreement the decision of the arbitrator shall be final and binding and shall be enforceable in any court of competent jurisdiction, and each of the Parties waives any objections to or claims to immunity in respect of the enforcement of the claim.

## **21. CONFIDENTIALITY**

- 21.1 The DSL Operator shall not, either during the term, or after the expiration of this Agreement, disclose any proprietary or confidential information relating to the DSL Services, this Agreement, or PTCL's business or operations without the prior written consent of PTCL, unless such disclosure is required by law or regulation or such information has entered the public domain other than by a breach of this Agreement. The DSL Operator agrees that it will use its best efforts to ensure that its subcontractors and personnel are bound by and comply with the requirement of confidentiality set out in this clause.
- 21.2 PTCL shall not, either during the term, or after the expiration of this Agreement, disclose any proprietary or confidential information relating to the DSL Services, this Agreement, or the DSL Operator's business or operations without the prior written consent of the DSL Operator, unless such disclosure is required by law or regulation or such information has entered the public domain other than by a breach of this Agreement. PTCL agrees that it will use its best efforts to ensure that its subcontractors and personnel are bound by and comply with the requirement of confidentiality set out in this clause.
- 21.3 Notwithstanding the provisions of the above paragraphs of this clause, the Parties may require each other to sign a Confidentiality Agreement on a case-by-case basis before specific information can be made available.
- 21.4 A Party shall not directly market its DSL services to the consumers who are already availing DSL services from the other Party.

## **22. INDEMNITIES**

- 22.1 Each Party ("**Indemnifying Party**") must indemnify and keep indemnified the other Party ("**Indemnified Party**"), its employees and agents against any loss which the

Indemnified Party suffers or incurs as a result of or in connection with any claim by a Third Party relating to the Indemnified Party's supply of a Service to the Indemnifying Party or its use by the Indemnifying Party or any other person, or any delay or failure of the Indemnified Party to provide a Service other than to the extent that it is the result of a grossly negligent, willful or reckless breach of this Interconnection Agreement by the Indemnified Party.

**23. AFFIRMATION**

- 23.1 The DSL Operator declares and affirms that the DSL Operator and its shareholders, directors, officers, employees, agents and affiliates have not paid or received, nor undertaken to pay or receive, any bribe, pay-off, kick-back or unlawful commission and that the DSL Operator and its shareholders, directors, officers, employees, agents and affiliates have not in any other way or manner paid any sums, whether in Rupees or a foreign currency and whether in Pakistan or abroad, given or offered to give any such gifts and presents in Pakistan or abroad, to any official or employee of the PTCL or any other person to procure this Agreement. The DSL Operator undertakes not to engage in any of these or similar nets during the term of this Agreement.
- 23.2 Neither the DSL Operator nor any of its directors and affiliates have any direct or indirect link with the state of Israel.

**24. APPLICABLE LAWS**

- 24.1 This Agreement is governed by the laws of Pakistan.

IN WITNESS WHEREOF the Parties have caused this Agreement to be signed as of the day and year first above written.

FOR AND ON BEHALF  
OF PTCL

BASHIR HUSSAIN  
CHIEF ENGINEER (PSP), PTCL HEADQUARTERS,  
G-8/4, ISLAMABAD

Witnesses:

(1) RASOOL KHAN DCE (PSP-I)

(2) MUHAMMAD IQBAL DE (PSP-II)

FOR AND ON BEHALF OF  
THE DSL OPERATOR

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

(1) \_\_\_\_\_

(2) \_\_\_\_\_

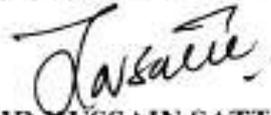


Pakistan Telecommunicat  
Headquarters, G-8/4, Isla  
Tel +92 (51) 2250356  
Fax +92 (51) 2264158  
E-mail [Zakir.satti@ptcl.net](mailto:Zakir.satti@ptcl.net)

No. DD (Tariff) 064/2005

**Subject: DOMESTIC L  
OTHER PRIV.**

1. These charges are exclusive of General Sales Tax (GST). The GST @ 15% shall be payable as per CBR letter No.1(17)STR/2000 dated 30-11-2001.
2. Teleprinter Circuits (50 Band/120 hz). Annual rental for Teleprinter Circuits shall continue to be charged at Rs.300/- K.M per annum.
3. The circuit length may be taken as per road mileage between the points connected by the circuits i.e. from end to end including (Local lead).
4. Charges will be payable on monthly basis in advance. The bills will be payable within 07 days from the date of issue. In case of default, 5% surcharge will be levied. Non payment beyond 14 days shall warrant disconnection of the service. Default beyond 30 days shall warrant disconnection of all services provided by the PTCL.
5. This does not include DXX Charges.
6. The above services shall also be applicable on the Circuits Leased to Defense services.
7. The above rates will apply for a minimum commitment of one year.
8. The services mentioned above can be offered for short duration. On monthly basis a rate adjustment factor of 1.25 shall apply whereas short-term requirements ranging from few hours to few days shall be charged on daily basis with a rate adjustment factor of 1.5 and shall be subject availability of the facility.
9. The Leased line tariff will not be available for data with voice and for reselling.
10. The above tariff shall not be applicable for Mobile and other Interconnect Operators.



(ZAKIR HUSSAIN SATTI)  
DIRECTOR (INTERCONNECTION)

To,

1. The General Manager, Islamabad Telecom Region, Islamabad.
2. The General Manager, VAS Division, 92-A Nazim-Ud-din Road, F-8/4,Iba.
3. The General Manager, Rawalpindi Telecom Region, Rawalpindi
4. The General Manager, Central Telecom Region, Lahore
5. The General Manager, Northern Telecom Region, Peshawar
6. The General Manager, Faisalabad Telecom Region, Faisalabad
7. The General Manager, Multan Telecom Region, Multan
8. The General Manager, Gujranwala Telecom Region, Gujranwala
9. The General Manager, Lahore Telecom Region-I, Lahore

10. The General Manager, Lahore Telecom Region-II, Lahore
11. The General Manager, Southern Telecom Region-I, Hyderabad
12. The General Manager, Southern Telecom Region-II, Karachi
13. The General Manager, Southern Telecom Region-III, Karachi
14. The General Manager, Southern Telecom Region-V, Sukkur
15. The General Manager, Western Telecom Region, Quetta
16. The General Manager, Overseas Telecom Region, Islamabad
17. The General Manager, Overseas Telecom Region, Karachi
18. The General Manager, Computer Region, Islamabad.
19. The General Manager, Hazara Telecom Region (HTR) Abbotabad
20. The General Manager, Optical Fiber System Region, Islamabad
21. The General Manager, WLL, PTCL H/Qs., HBL Tower, Blue Area Iba.
22. General Manager (Software Audit & Support) CDDT Building, H-9/I, Iba.

**Copy for information to:**

1. The SEVP (Assets Management), PTCL, Headquarters, G-8/4, Islamabad
2. The SEVP (Tech), PTCL Headquarters, G-8/4, Islamabad.
3. The SEVP (F), PTCL Headquarters, G-8/4, Islamabad.
4. The SEVP (Op), PTCL Headquarters, G-8/4, Islamabad
5. The SEVP (Corporate Affairs), PTCL, Headquarters, G-8/4, Islamabad
6. The SEVP (C & CA), PTCL, Headquarters, G-8/4, Islamabad
7. The SEVP (IT), PTCL, Headquarters, G-8/4, Islamabad
8. The EVP (Ops), PTCL Headquarters, G-8/4, Islamabad
9. The EVP (Ops), South, PTCL, Karachi
10. The EVP (ITTR), PTCL Headquarters, G-8/4, Islamabad
11. The EVP (Tech. & SP), PTCL Headquarters, G-8/4, Islamabad
12. The EVP (Revenue), PTCL Headquarters, G-8/4, Islamabad
13. The EVP (Marketing), PTCL Headquarters, G-8/4, Islamabad
14. The EVP (I/C) PTCL Headquarters, G-8/4, Islamabad
15. The EVP (Finance), PTCL Headquarters, G-8/4, Islamabad
16. The Chief Engineer (Mtce), PTCL Headquarters, G-8/4, Islamabad
17. The Chief Engineer (PSP), PTCL Headquarters, G-8/4, Islamabad
18. The General Manager (Int'l Revenue) PTCL Headquarters, Islamabad
19. The General Manager, Public Relations, PTCL H/Qs, Islamabad
20. The D.C.E. (D/T), PTCL Headquarters, G-8/4, Islamabad
21. The Manager (CCC) Rizwan Center, Blue Area Islamabad
22. The Manager (CCC) 26-A, Civic Center, Barkat Market Garden Town Lahore
23. The Manager (CCC) Hatim Alvi Road, Behind Clifton Exchange, Clifton Karachi

Deputy Director (RSCA) 

Pakistan Telecommunication Company Limited  
 Headquarters, G-8/4, Islamabad-Pakistan  
 Tel +92 (51) 2250356  
 Fax +92 (51) 2264158  
 E-mail [Zakir.satti@ptcl.net.pk](mailto:Zakir.satti@ptcl.net.pk)



No. DD (Tariff) 064/2005/IP

July 06, 2007.

**SUBJECT: TARIFF FOR FULL CIRCUIT INTERNET PROTOCOL BACKBONE CONNECTIVITY VIA SUB MARINE CABLE FOR DNOPs/ISPs/SOFTWARE EXPORTERS/CALL CENTERS AND IT RELATED PROJECTS.**

PTCL management is pleased to announce the reduction in the Tariff for Full Circuit Internet Protocol Backbone Connectivity through Sub marine cable for DNOPs/ISPs/Software Exporters/Call Centers and IT related projects with effect from July 01, 2007. Detail is as under:

S. No.	Speed	Charges (US\$) Per Month At Karachi	Charges US\$) Per Month other than Karachi
1	2 Mbps	1,000	1,200
2	45 Mbps	15,000	18,000
3	155 Mbps	30,000	36,000

**Other applicable charges:**

DXX Charges	NIL
Local Media	Waived upto 2 Mbps for Karachi, Lahore and Rawalpindi /Islamabad. For other cities customer to arrange local tail connectivity at his own form PTCL point of presence. (Please see clause 4)
Installation Charges (One time)	US\$ 500 (upto 1024k) and US\$ 1,000(more than 1024K)
Security	One-Month rental (15 days billing cycle and 7 days payment time)
Registration charges (2/8/34Mb) For new customers only)	Rs.30,000 (to be adjusted in Monthly Rental)
Up gradation charges	US\$ 200 per up-gradation (Please see clause 5)

Count.....P/2.

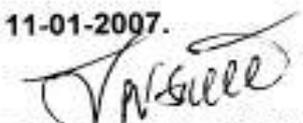
## **Tariff for intermediate data rates:**

Tariff for intermediate data rates (e.g, 10Mb, 12 Mb etc) may be obtained by multiplying incremental bandwidth (e.g., 2MB, 4MB) with the effective E-1 Rate of next higher Level i.e. E-3. For example if the subscriber has subscribed to 20 E1, he would be charged at E-3 charges plus (DS3 Rate/21\*4) rate. However, if the resultant is higher than existing published tariff in vogue, then the lower of the two will be applicable.

## **TERMS AND CONDITIONS:**

1. Charges will be payable on monthly basis in advance in Pak Rupees at the rate (US\$-Pak Rupee Parity) applicable on the date of payment of bill. The bills will be payable in 07 days from date of issue. In case of default, 5% surcharge will be levied. Non-payment beyond 14 days shall warrant disconnection of the service. Default beyond 30 days shall warrant disconnection of all services provided by PTCL or it's subsidiaries.
2. Sales Tax is not applicable for ISPs (except on local lead charges) Ref. SRO No. 1368(I)/98 dated 15-12-1998.
3. Provision of SRO 1368(I)/98 dated 15-12-98 shall apply till its validity.
4. The customer of bulk bandwidth shall arrange Optical Fiber Connectivity on his own cost from nearest PTCL exchange to his premises along with terminal equipment.
5. Up-gradation charges will be applicable if customer has Optical Fiber connectivity and capacity is available in his present circuit. In case PTCL has to build new circuit for up-gradation customer will pay installation charges. If enhanced capacity require additional circuits at domestic leg (National Long Distance as well as last mile) additional charges shall be leviable as per tariff.

**This shall supersede the Notification No. even dated 11-01-2007.**

  
(ZAKIR HUSSAIN SATTI)  
DIRECTOR (INTERCONNECTION)

**To,**

1. The General Manager, Islamabad Telecom Region, Islamabad.
2. The General Manager, VAS Division, 92-A Nazim-Ud-din Road, F-8/4, Iba.
3. The General Manager, Rawalpindi Telecom Region, Rawalpindi
4. The General Manager, Central Telecom Region, Lahore
5. The General Manager, Northern Telecom Region, Peshawar
6. The General Manager, Faisalabad Telecom Region, Faisalabad.

**Format of the Bank Guarantee for Performance Bond & List of Approved Financial Institutions**

**A. Form of Performance Bond**

**NAME OF SURETY:**

**NAME OF PRINCIPAL:**

**PERFORMANCE BOND SUM:**

**DATED:**

**KNOW ALL MEN BY THESE PRESENTS** that at the request of the \_\_\_\_\_, the Principal, which expression shall deem to include its successors in interest, we the Surety above named are held and firmly bound unto Pakistan Telecommunication Company Limited, PTCL Headquarters, G-8/4, Islamabad, hereinafter referred to as "PTCL", which expression shall deem to include its successors in interest, for the payment of PKR two and a half million only (Rs.2.500, 000) on its first written demand.

**THE CONDITION OF THE OBLIGATION** is such that

**WHEREAS** PTCL has signed a Contract ("the Contract") dated \_\_\_\_\_ with the Principal

for Digital Subscriber Line (DSLJ Service under the terms whereof the Principal is required to provide to PTCL a Performance Bond in the form of a Bank Guarantee from an institution approved by PTCL for the period up to three(3) months after the service commencement date subject to satisfactory commencement of DSL service.

**B. List of Financial Institutions for Bank Guarantee**

- 1- National Bank of Pakistan.
- 2- Habib Bank Limited.
- 3- Muslim Commercial Bank.
- 4- United Bank Limited.
- 5- Allied Bank Limited.
- 6- Citibank.
- 7- ABN Amro Bank.
- 8- Standard Chartered Grindlays Bank.
- 9- Deutsche Bank.