

*IDA Reference No.: IDA.INTC.03.0004*

19 October 2005

Singapore Telecommunications Limited  
31 Exeter Road  
#18-00 Comcentre  
Singapore 239732

Attention: Mr Lee Hsien Yang  
Chief Executive Officer

Dear Sirs

**DIRECTION OF THE INFO-COMMUNICATIONS DEVELOPMENT AUTHORITY OF SINGAPORE: PROVISION OF TAIL LOCAL LEASED CIRCUITS AT G.703 INTERFACE STANDARDS**

1. Please refer to IDA's review of the handover of Tail Local Leased Circuits offered by Singapore Telecommunications Limited ("SingTel") under Schedule 7B of SingTel's Reference Interconnection Offer ("RIO").
2. Pursuant to the Info-communications Development Authority of Singapore Act (Chapter 137A), Section 27(1) of the Telecommunications Act (Cap 323) ("Telecom Act"), and Condition 34.1 of SingTel's Licence to provide Facilities-based Operations, IDA hereby directs SingTel as follows:
  - (a) Within 14 days from the date of this Direction, SingTel must submit to IDA for approval, SingTel's proposed modification to Schedule 7B and Schedule 9 of its RIO to incorporate the following requirements:
    - (i) In relation to tail local leased circuits of bandwidths from 64kbps to 1984kbps ("TLLC"), SingTel must offer to provide both V.35 and G.703 as the default interface standard, and permit a Facilities-based Requesting Licensee ("Requesting Licensee") to choose either V.35 or G.703 as the interface standard at which SingTel is to hand over the TLLC.
    - (ii) Where a Requesting Licensee requests for hand over using the G.703 interface standard:
      - (1) SingTel must offer to groom the individual TLLC into circuits of 1984kbps each before handing over to the Requesting Licensee using the G.703 interface standard;

- (2) SingTel may impose a monthly charge equivalent to its prevailing retail rate for grooming facility under its retail LLC scheme (which is currently at S\$100 per circuit); and
    - (3) For the avoidance of doubt, where the Requesting Licensee requests for handing over of the TLLC circuits at the V.35 interface standard, there is no applicable monthly charge for grooming.
  - (b) Upon IDA designating SingTel's TLLCs as an Interconnection Related Service ("IRS") with effect from 15 April 2006 (see paragraph 19 of IDA's LLC decision dated 16 December 2003, as varied by the Minister's Decision dated 2 July 2004), the applicable charges and other price-related provisions to be proposed by SingTel in relation to offering TLLCs as an IRS under its RIO must include the following:
    - (i) Where the Requesting Licensee requests for grooming and handing over of the TLLC circuits using the G.703 interface standard, SingTel may recover its reasonable costs incurred in performing grooming, as well as the costs of the underlying transmission medium and any associated network management system necessary to ensure service quality of the TLLC circuits; and
    - (ii) Where the Requesting Licensee requests for handing over of the TLLC circuits at the V.35 interface standard, SingTel may only recover the costs of the underlying transmission medium and any associated network management system necessary to ensure service quality of the TLLC circuits.
  - (c) Notwithstanding the specific schedules of the RIO identified in paragraph 2(a) above, to the extent that additional or consequential modification to any other schedule of the RIO is necessary in order to give effect to this Direction, IDA requires SingTel to propose such modification for IDA's approval.
  - (d) Where IDA is not satisfied with SingTel's proposed modification to the RIO to give effect to this Direction, IDA may require SingTel to incorporate specific drafting language. In addition, where IDA considers it necessary, IDA may conduct an industry consultation prior to approving the proposed modification to the RIO.
3. The accompanying explanatory memorandum clearly explains the effect of this Direction.

4. IDA reminds SingTel that any non-compliance with this Direction constitutes a contravention of Section 8 of the Telecom Act and IDA will not hesitate to take enforcement action.
5. Any clarification on this Direction must be made in writing and marked for the attention of our Mr Andrew J. Haire, Assistant Director-General (Telecoms), and faxed to 6211 2116. Please note that any queries directed to IDA for clarification shall not affect your obligation to comply with this Direction.

Yours faithfully,

Leong Keng Thai  
Deputy Chief Executive / Director-General (Telecoms)