24 June 2002

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

Attention: Mr Lim Toon, Chief Operating Officer

Dear Sirs

DIRECTION OF THE INFO-COMMUNICATIONS DEVELOPMENT AUTHORITY OF SINGAPORE: AMENDMENT TO SINGTEL'S REFERENCE INTERCONNECTION OFFER

- 1. On 25 April 2002, the Info-communications Development Authority of Singapore ("IDA") amended the Code of Practice for Competition in the Provision of Telecommunication Services (the "Code") by designating connection services at submarine cable landing stations ("Connection Services") as an Unbundled Network Service under Section 6 of Appendix Two of the Code and for which Dominant Licensees must offer to provide under their Reference Interconnection Offers ("RIO") pursuant to Section 5.3.5.3 of the Code.
- 2. In this connection, IDA issued a direction to Singapore Telecommunications Limited ("SingTel") on 25 April 2002, requiring SingTel, in compliance with its obligations as a Dominant Licensee, to submit to IDA for approval the proposed amendments to SingTel's RIO to offer to provide Connection Services.
- 3. On 20 May 2002, in compliance with IDA's Direction of 25 April 2002, SingTel submitted to IDA for approval its proposed amendments to SingTel's RIO to offer to provide Connection Services. SingTel's submission to IDA consists of:
 - (a) a proposed new Schedule 4B Submarine Cable Connection Service (the "Proposed Schedule 4B"); and
 - (b) proposed consequential or incidental amendments to the following parts of SingTel's RIO:
 - (i) Main Body;
 - (ii) Schedule 9 (Charges); and
 - (iii) Schedule 12 (Dictionary),

(together, the "SingTel Proposed RIO Amendments").

- 4. On 21 May 2002, IDA solicited public comments on the SingTel Proposed RIO Amendments. IDA subsequently received comments from the following parties:
 - (a) AT&T Worldwide Telecommunications Services Singapore Pte Ltd and AT&T Telecommunications Services Singapore Pte Ltd;
 - (b) Pacific Internet Limited;
 - (c) StarHub Pte Ltd;
 - (d) MCI WorldCom (Asia) Pte Ltd; and
 - (e) Cable & Wireless.
- 5. IDA has carefully reviewed the SingTel Proposed RIO Amendments and fully considered the public comments received. To the extent that the SingTel Proposed RIO Amendments do not:
 - (a) satisfy the Minimum Interconnection Duties specified in Sections 4.2 to 4.2.8 of the Code;
 - (b) fulfill all the requirements specified in Section 5.3.2 of the Code;
 - (c) fulfill the Minimum Requirements specified in Sections 5.3.5 to 5.3.5.8 of the Code; and
 - (d) serve the public interest,

IDA will require SingTel to revise the SingTel Proposed RIO Amendments to incorporate amendments to satisfy the above requirements.

- 6. Pursuant to Section 27(1) of the Telecommunications Act (Chapter 323) and Condition 34.1 of SingTel's Licence to Provide Facilities-Based Operations issued on 1 April 1992, IDA hereby directs SingTel, within 15 days from the date of this Direction, to submit to IDA for approval:
 - (a) a revised SingTel Proposed RIO Amendments; and
 - (b) a revised Schedule 8D of SingTel's RIO,

(together, "the Revised SingTel Proposed RIO Amendments") incorporating the amendments required by IDA as specified in this Direction.

7. The amendments that IDA requires SingTel to make to the Proposed Schedule 4B are set out in the Schedules 1 and 2 to this Direction. IDA has grouped the amendments into 2 categories. First, SingTel must make changes throughout the Proposed Schedule 4B to address the general concerns identified by IDA in Schedule 1 to this Direction. Second, SingTel must revise the Proposed Schedule 4B to incorporate the specific amendments set out in the IDA Annotation of the Proposed Schedule 4B, which is enclosed as Schedule 2 to this Direction. In most cases, IDA has provided general guidance, leaving it to SingTel to propose solutions that address IDA's concerns. In some cases, however, IDA has provided specific drafting amendments that SingTel must incorporate to address IDA's concerns.

- 8. The consequential amendments that IDA requires SingTel to make to Schedule 8D of SingTel's RIO are set out in Schedule 3 to this Direction. In addition, Schedule 3 to this Direction also sets out IDA's decision in relation to SingTel's proposed amendments to the Main Body, Schedule 9 (Charges) and Schedule 12 (Dictionary) of SingTel's RIO.
- 9. IDA has also identified in the IDA Annotation of the Proposed Schedule 4B those provisions to which IDA has granted conditional approval. In conducting its subsequent review of the Revised SingTel Proposed RIO Amendments, IDA does not intend to review those provisions that IDA has conditionally approved. Notwithstanding, IDA reserves its rights to direct SingTel to change those provisions to the extent necessary to give effect to, or to be consistent with, any other amendments required by IDA.
- 10. When SingTel submits the Revised SingTel Proposed RIO Amendments to IDA for approval, IDA will make available the Revised SingTel Proposed RIO Amendments on its website for public information. However, IDA will not be seeking public comments on the Revised SingTel Proposed RIO Amendments.
- 11. Within 21 days of receiving the Revised SingTel Proposed RIO Amendments, IDA will either:
 - (a) notify SingTel of IDA's approval of the Revised SingTel Proposed RIO Amendments; or
 - (b) direct SingTel to incorporate specific drafting amendments to the Revised SingTel Proposed RIO Amendments.
- 12. If you should require any clarification, please direct your written queries to us (at 6211 2231, if by fax) marked for the attention of our Mr Andrew Haire, Senior Director (Regulation & Operations). Please note that any query directed to us for clarification shall not affect your obligations to comply with this Direction.

Yours faithfully,