

IDA Reference: INTC.03.0004

8 March 2006

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

Attention: Mr Lee Hsien Yang
President and Chief Executive Officer

Dear Sirs

**DIRECTION OF THE INFO-COMMUNICATIONS DEVELOPMENT AUTHORITY
OF SINGAPORE: MODIFICATION OF REFERENCE INTERCONNECTION
OFFER TO PROVIDE FOR TAIL LOCAL LEASED CIRCUIT AS AN
INTERCONNECTION RELATED SERVICE**

1. The Info-communications Development Authority of Singapore ("**IDA**"), pursuant to the Info-communications Development Authority of Singapore Act (Chapter 137A), Section 27(1) of the Telecommunications Act (Chapter 323) and Condition 34.1 of the Licence to Provide Facilities-Based Operations issued to Singapore Telecommunications Limited ("**SingTel**") on 1 April 1992, hereby issues this Direction to SingTel.
2. On 14 November 2005, IDA directed SingTel to submit for IDA's approval, its proposed modifications to its Reference Interconnection Offer ("**RIO**") to offer tail local leased circuits ("**TLLCs**") as an Interconnection Related Service ("**IRS**") ("**14 November 2005 Direction**"). Pursuant to IDA's 14 November 2005 Direction, SingTel submitted its proposed modifications to the Main Body, Schedules 8B, 9 and 12, and a proposed new Schedule 4C for IDA's approval ("**Proposed RIO Modifications**").
3. In this connection, IDA conducted a public consultation from 14 December 2005 to 29 December 2005 to elicit public comments in connection with IDA's review of SingTel's Proposed RIO Modifications. At the close of the public consultation, IDA received comments from 3 respondents (namely, the Asia Pacific Carriers' Coalition, MCI and StarHub Limited).
4. Having carefully considered SingTel's Proposed RIO Modifications and the public comments received, IDA has concluded that the SingTel's Proposed RIO Modifications require further modification to ensure that they comply with IDA's 14 November 2005 Direction and remain relevant to the industry's needs.

5. Accordingly, IDA hereby directs SingTel as follows:
- a. By **5:00 p.m., Monday 20 March 2006**, SingTel must submit to IDA for review and approval, SingTel's proposed amendments to its Proposed RIO Modifications to give effect to IDA's required modifications as specified in the following annexures to this Direction (see attached):
 - i. Annexure 1 - Required modifications to the Main Body of SingTel's RIO;
 - ii. Annexure 2 - Required modifications to proposed Schedule 4C of SingTel's RIO; and
 - iii. Annexure 4 - Required modifications to Schedule 9 of SingTel's RIO.

The grounds for IDA's determination of the required modifications that SingTel must adopt are annotated in the respective Annexures. To the extent that any ancillary or consequential modification to any provision in SingTel's RIO is necessary in order to give effect to this Direction, IDA requires SingTel to propose such modification for IDA's approval. In addition, SingTel must also make any necessary editorial corrections (including typographical and cross-referencing errors); and

- b. IDA accepts Schedules 8B and 12 of SingTel's Proposed RIO Modifications, copies of which are respectively enclosed as Annexures 3 and 5 to this Direction.
6. Additionally, please refer to the following documents:
- a. IDA's decision dated 8 August 2005 on SingTel's Reconsideration Request of 17 June 2005, directing SingTel to make certain amendments to its RIO ("**8 August 2005 Decision on Reconsideration**"); and
 - b. the Minister's decision dated 9 February 2006 on SingTel's appeal, wherein the Minister affirmed IDA's 8 August 2005 Decision on Reconsideration, subject to such variation as set out in the Minister's decision ("**Ministerial Decision**").
7. For the purposes of giving effect to IDA's 8 August 2005 Decision on Reconsideration, as varied by the Ministerial Decision, IDA hereby further directs SingTel to propose amendments to Schedule 4C to allow a Requesting Licensee ("**RL**") to obtain TLLCs from SingTel as inputs for the RL's provision of telecommunication services to itself and its affiliates, provided that the RL offers or intends to offer similar telecommunication services to any non-affiliated third party customer in relation to such use. SingTel's proposed amendments to Schedule 4C must be consistent with,

- and must not be more extensive than, its proposed modifications to Schedules 3A, 3B, 3C, 5A, 7A and 7B made pursuant to IDA's direction dated 8 March 2006.
8. In proposing modifications to give effect to this Direction, IDA reminds SingTel that:
 - a. to the extent that any of SingTel's proposed modifications fails to effectively implement IDA's required modifications or, in IDA's view, is not acceptable, IDA will direct SingTel to adopt specific drafting language; and
 - b. IDA will reject any proposed modification by SingTel that is not for the purpose of giving effect to IDA's required modifications as set out in this Direction.
 9. SingTel must submit to IDA one hardcopy and one softcopy, both in clean and marked-up versions, of the Main Body, proposed Schedule 4C and Schedule 9 of the RIO, incorporating SingTel's proposed modifications to effect IDA's required modifications. The marked-up version must clearly identify each modification made by SingTel to these Schedules. The softcopy submission must be in Microsoft Word format and emailed to liau_chie_kiong@ida.gov.sg, at the same time that SingTel submits to IDA the hardcopy of its proposed modifications. In proposing modifications to proposed Schedule 4C, IDA requires SingTel to clearly distinguish between the proposed amendments made pursuant to paragraph 5 of this Direction, and those made pursuant to paragraph 7 of the same, so as to enable IDA to easily identify the basis for the proposed modifications.
 10. Any clarification required 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 query directed by SingTel to IDA for clarification shall not affect SingTel's obligation to comply fully with this Direction (including the timelines stipulated).

Yours faithfully

Sgd.

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