

IDA's reference: IDA.INTC.050012  
(Please quote this in all correspondence on this matter)

28 February 2012

Nucleus Connect Pte Ltd  
3 Tai Seng Drive #04-01  
Singapore 535216

Attention: Mr David Storrie  
Chief Executive Officer

Dear Sirs

**FURTHER DIRECTION OF THE INFOCOMM DEVELOPMENT AUTHORITY OF SINGAPORE MADE PURSUANT TO SECTION 27 OF THE TELECOMMUNICATIONS ACT IN RESPECT OF NUCLEUS CONNECT PTE LTD'S MANDATED SERVICES INFORMATION**

1. Reference is made to the direction of the Infocomm Development Authority of Singapore ("**IDA**") made pursuant to Section 27 of the Telecommunications Act (Cap. 323) (the "**Act**") in respect of Nucleus Connect Pte Ltd's ("**Nucleus Connect**") Mandated Services Information ("**MSI**") issued on 2 March 2011 ("**Variation to Direction**").
2. Pursuant to the Variation to Direction, Nucleus Connect has submitted its draft amendments to its Interconnection Offer ("**ICO**") for IDA's consideration on 9 September 2011, to provide its proposed remedy framework to Contracting QPs who have relied on Nucleus Connect's erroneous or inaccurate MSI and whose requests for service to Nucleus Connect are subsequently rejected by Nucleus Connect due to the erroneous or inaccurate MSI.
3. As the remedy framework for erroneous or inaccurate MSI in the ICO is of significant importance to the Contracting QPs, IDA has sought industry feedback on the draft amendments to the ICO proposed by Nucleus Connect. At the close of the consultation, IDA received comments from Singapore Telecommunications Limited.
4. Having carefully reviewed Nucleus Connect's proposed remedy framework and taking into consideration the comments received during the consultation, IDA is of the view that Nucleus Connect's proposed remedy framework for the erroneous or inaccurate MSI requires modifications to ensure that it is appropriate as well as relevant and responsive to the industry's needs.
5. Accordingly, pursuant to Section 27(1) of the Act, IDA hereby directs Nucleus Connect to comply with the following:

- (a) submit for IDA's review and approval, within **fourteen (14) calendar days** from the date of this direction, Nucleus Connect's proposed modifications to the General Service Terms and Conditions of the ICO to give effect to IDA's required modifications specified in the Appendix – Required Modifications to General Service Terms and Conditions of the ICO. Nucleus Connect is also required to make such editorial changes as are necessary to ensure that all references used in the General Service Terms and Conditions of the ICO and in all other parts of the ICO are applicable, correct and relevant.
- (b) to the extent that any ancillary or consequential modifications to any provision in Nucleus Connect's ICO are necessary in order to give effect to this direction and/or the modifications required hereunder, IDA requires Nucleus Connect to propose such modifications for IDA's approval.
- (c) IDA further directs that:
  - (i) where Nucleus Connect discovers any error or inaccuracy in its MSI, Nucleus Connect is required to:
    - a. notify all Contracting QPs, who have executed the ICO and/or Customised Agreements with Nucleus Connect, of such errors or inaccuracies in its MSI and inform them of the correct MSI within one (1) business day of discovering the error or inaccuracy in its MSI; and
    - b. correct/rectify such errors and inaccuracies in its MSI database as soon as reasonably practicable.
  - (ii) where Nucleus Connect is informed of any error or inaccuracy in its MSI, Nucleus Connect is required to:
    - a. notify all Contracting QPs, who have executed the ICO and/or Customised Agreements with Nucleus Connect, of such errors or inaccuracies in its MSI and inform them of the correct MSI within three (3) business days of being informed of the error or inaccuracy in its MSI. However, where it is necessary for Nucleus Connect to verify the existence of the error or inaccuracy in its MSI with the Next Gen NBN NetCo, OpenNet Pte Ltd ("**OpenNet**"), Nucleus Connect shall notify the said Contracting QPs of such errors or inaccuracies in its MSI and inform them of the correct MSI within one (1) business day of OpenNet confirming the existence of the error or inaccuracy in the MSI; and
    - b. correct/rectify such errors and inaccuracies in its MSI database as soon as reasonably practicable.

For the avoidance of doubt:-

- I. Nucleus Connect is required to act reasonably and in good faith in all circumstances with regard to the foregoing. In particular, without limitation, nothing herein permits Nucleus Connect to unreasonably delay the correction/rectification of MSI errors or inaccuracies, or impose cumbersome or unnecessary procedural or other requirements on Contracting QPs who wish to place orders for the relevant ICO services in the meantime. In the event that there is any question or doubt relating to the conduct of Nucleus Connect, the onus is on Nucleus Connect to demonstrate to IDA's satisfaction that it has acted reasonably and in good faith;
- II. the timeframe for Nucleus Connect to notify the Contracting QPs of the MSI errors or inaccuracies as well as to inform the Contracting QPs of the correct MSI indicated in paragraph 5(c)(ii)a. shall exclude any delay caused by third parties beyond the control of Nucleus Connect and not attributable to any default on Nucleus Connect's part, such as building owners and/or management or the end-user, who do not co-operate with Nucleus Connect's conduct of the site survey or related checks, where applicable; and
- III. the timeframe taken by Nucleus Connect to correct/rectify the MSI errors or inaccuracies in its MSI database shall not prejudice Nucleus Connect's obligation to notify the Contracting QPs of the MSI error or inaccuracy and to inform them of the correct MSI within the timeframes set out above.

(the "**Further Direction**".)

6. Nucleus Connect must submit the softcopy (in Microsoft Word format) of the General Service Terms and Conditions of the ICO incorporating Nucleus Connect's proposed modifications, in clean and marked-up versions, to effect IDA's required modifications. The marked-up version must clearly indicate the proposed modifications made by Nucleus Connect to its ICO. In proposing modifications to the ICO to give effect to the Further Direction, IDA reminds Nucleus Connect that:
  - (a) to the extent that any of Nucleus Connect's proposed modification fails to effectively implement IDA's required modifications as set out in the Further Direction or, in IDA's view, is not acceptable, IDA may direct Nucleus Connect to adopt specific drafting language; and
  - (b) IDA may reject any proposed modifications by Nucleus Connect that are not for the purpose of giving effect to IDA's required modifications as set out in the Further Direction.

7. The reasons for this Further Direction are set out in the accompanying Explanatory Memorandum to this Further Direction and the directed modifications stated in the Appendix.
8. Nucleus Connect is reminded of its obligation to comply with IDA's direction under Section 27(5) of the Act.
9. If you should require any clarification on this Further Direction, please direct your queries in writing to our Ms Aileen Chia (Deputy Director-General (Telecoms & Post)). Please note that any query or clarification from Nucleus Connect shall not affect Nucleus Connect's obligation to comply fully with this Further Direction.

Yours faithfully



Leong Keng Thai  
Deputy Chief Executive Officer and Director-General (Telecoms & Post)

## EXPLANATORY MEMORANDUM

1. This Explanatory Memorandum explains the Further Direction dated 28 February 2012, issued by IDA to Nucleus Connect, directing it to incorporate modifications to its proposed remedy framework in the ICO to Contracting QPs who have relied on Nucleus Connect's erroneous or inaccurate MSI and whose requests for service to Nucleus Connect are subsequently rejected by Nucleus Connect due to the erroneous or inaccurate MSI.
2. Unless the context requires otherwise, all capitalised terms used in this Explanatory Memorandum shall have the same meanings as set out in Nucleus Connect's ICO for the provision of services over the Next Generation Nationwide Broadband Network ("**Next Gen NBN**").

### Background

3. Under Section 2.2 of the OpCo Interconnection Code, Nucleus Connect is required to ensure that it provides a Qualifying Person ("**QP**") that requests Mandated Services with any information pertaining to that request that is reasonably necessary to enable the QP to: (a) understand the process for the ordering, provisioning and use of Mandated Services available to that QP; and (b) make an informed decision as to the Mandated Services ordered and related options available to that QP (i.e. Mandated Services Information or MSI).
4. The provisioning of accurate and reliable MSI by Nucleus Connect is essential to the smooth and effective provisioning of services over the Next Gen NBN. Nucleus Connect's Contracting QPs are reliant on the MSI provided by Nucleus Connect to offer their respective services. Any errors or inaccuracies in Nucleus Connect's MSI may adversely affect the Contracting QPs' abilities to make informed decisions regarding their applications for services for their customers.
5. In recognition of the importance of the accuracy and reliability of the MSI provided by Nucleus Connect, IDA has required Nucleus Connect to propose a remedy framework in Nucleus Connect's ICO to provide remedies to Contracting QPs who have relied on Nucleus Connect's erroneous or inaccurate MSI and whose requests for service to Nucleus Connect are subsequently rejected by Nucleus Connect due to the erroneous or inaccurate MSI. To ensure that the proposed remedy framework is appropriate as well as relevant and responsive to the industry's needs, IDA sought feedback from the industry via a public consultation which commenced on 19 September 2011. At the close of the consultation on 3 October 2011, IDA received comments from Singapore Telecommunications Limited.

## Issues

### Consistency with OpenNet's Remedy Framework for Errors in MSI

6. The respondent commented that there were significant differences between Nucleus Connect's proposed remedy framework for MSI errors or inaccuracies in Nucleus Connect's ICO and OpenNet's remedy framework for MSI errors or inaccuracies in OpenNet's ICO. The respondent expressed the view that Nucleus Connect's remedy framework for MSI errors or inaccuracies ought to be consistent with OpenNet's remedy framework for the same. The respondent submitted that there was no reasonable or objective basis for different or preferential treatment towards Nucleus Connect and that IDA should be consistent in its decision and require Nucleus Connect to offer a remedy framework for MSI errors or inaccuracies which is no lesser than OpenNet's remedy framework for the same.
7. Given that OpenNet's MSI is an essential input to Nucleus Connect's MSI, IDA agrees with the respondent that Nucleus Connect's remedy framework for MSI errors or inaccuracies must be consistent with OpenNet's remedy framework for the same to avoid anomalies and to ensure that the remedies from OpenNet's MSI remedy framework are passed through to the downstream operators on the Next Gen NBN. In this regard, IDA considers that it is reasonable and necessary for Nucleus Connect to propose modifications to its proposed remedy framework in Nucleus Connect's ICO to ensure consistency with OpenNet's remedy framework in OpenNet's ICO, unless there are any good reasons acceptable to IDA to justify otherwise. IDA notes that it may be unfair to require Nucleus Connect to offer remedies of the same quantum to an individual Contracting QP as that offered by OpenNet to its QP given that there may be multiple Contracting QPs making claims for the same MSI rebate from Nucleus Connect since Nucleus Connect may be providing services to multiple Contracting QPs over the same Residential and/or Non-Residential Per-End-User Connection as the case may be. As such, IDA would not require Nucleus Connect to offer the same remedy quantum as OpenNet to its Contracting QPs, but a reasonable sum should be passed through.

### Timeframe for MSI Error Notification and Rectification

8. IDA notes that Nucleus Connect has failed to specify the timeframes within which Nucleus Connect would inform the Contracting QPs of the erroneous or inaccurate MSI and the correct MSI so that the latter can decide whether to proceed with the order without undue delay. To provide clarity and certainty to the Contracting QPs, IDA is of the view that it is reasonable to require Nucleus Connect to inform the Contracting QPs of the MSI error or inaccuracy within one (1) Business Day of Nucleus Connect's discovery of the MSI error or inaccuracy as Nucleus Connect should already have verified that an MSI error or inaccuracy indeed existed as part of the process of discovering the error or inaccuracy. In the scenario where Nucleus Connect is informed of the MSI error or inaccuracy by third parties, Nucleus Connect may only be able to ascertain that the MSI error or inaccuracy exists after verification of the

information provided, for example after visiting the site or checking with its sub-contractor(s), where applicable. Under this scenario, IDA is of the view that it is fair and reasonable for Nucleus Connect to complete the said verification within three (3) Business Days of being informed of the error or inaccuracy in its MSI by third parties and to accordingly require Nucleus Connect to inform the Contracting QPs of the MSI error or inaccuracy within the said three (3) Business Days, given that OpenNet is obliged under OpenNet's ICO to inform its QPs of any erroneous or inaccurate MSI within three (3) Business Days of being informed by third parties (including Nucleus Connect) and there are no strong reasons why the positions under the respective ICOs should be different. However, in instances where it is necessary for Nucleus Connect to verify with the Next Gen NBN NetCo, OpenNet, that an error or inaccuracy exists in Nucleus Connect's MSI, IDA would permit Nucleus Connect to verify and establish that there is indeed an MSI error or inaccuracy and notify the Contracting QPs of the MSI error or inaccuracy within one (1) Business Day of OpenNet confirming the existence of the MSI error or inaccuracy. When informing the Contracting QP of the MSI error or inaccuracy within the applicable timeframe stipulated herein, Nucleus Connect shall at the same time inform the Contracting QP of the correct MSI.

9. Further, Nucleus Connect is required to correct/rectify all errors and inaccuracies in its MSI database as soon as reasonably practicable. In this regard, where it is necessary for Nucleus Connect to carry out rectification to its network or actual site deployment before Nucleus Connect rectifies the errors or inaccuracies in its MSI database, IDA would permit Nucleus Connect to take more time to complete the rectification of the MSI error or inaccuracy in its database compared to the situation where no such network or site deployment rectification is necessary, subject to the overall requirement of reasonableness, as long as any Contracting QP, who has been notified of the MSI errors or inaccuracies and the correct MSI, remains able at its option to place an order for the affected service(s) in the meantime, without the imposition of any cumbersome or unnecessary procedural or other requirements by Nucleus Connect on the QP. For the avoidance of doubt, the timeframe taken by Nucleus Connect to correct/rectify the MSI error or inaccuracy in the MSI database shall not prejudice Nucleus Connect's obligation to inform the Contracting QPs of the MSI error or inaccuracy and to notify them of the correct MSI within the timeframes set out in the above paragraph.

#### Timeframe for Including a Residential Premise as Covered Site in the MSI

10. During the public consultation on OpenNet's proposed remedy framework for erroneous or inaccurate MSI in OpenNet's ICO, the industry provided feedback that OpenNet's remedy framework should cover errors or inaccuracies in OpenNet's MSI related to premises which are "covered" but had yet to be listed in the MSI. In the explanatory memorandum accompanying IDA's direction to OpenNet to incorporate certain modifications to its proposed MSI remedy framework, IDA indicated its position that residential locations should be considered "covered" or connected no later

than a reasonable timeframe upon OpenNet's installation of a termination point in the residential premises and that, considering the feedback that IDA had received from the industry, OpenNet's delay of four (4) to six (6) weeks between the installation of a termination point and the ability to offer service over the termination point was unduly long and unacceptable. IDA further indicated that IDA was reviewing the matter with a view to shorten the delay. IDA has since completed its review of the issue and has directed OpenNet to accept orders to any residential premise and to provision service to the residential premise in accordance with OpenNet's ICO by no later than fifteen (15) business days of OpenNet's installation of the termination point in the residential premise. IDA has also required OpenNet to make known the said timeframe to its customers and end-users through its service provisioning portal and public portal. Where OpenNet has failed to include residential premises as covered sites within the said timeframe, IDA has further required OpenNet to (i) accept orders for such residential premises and provision service to them pursuant to the OpenNet ICO accordingly and (ii) provide its customers placing the orders with a one (1) month rebate of the applicable monthly recurring charge. Notwithstanding the above, residential premises which had been pre-installed with the termination point during building development are not subject to the said timeframe, as OpenNet's "home-passed" rollout to these premises would be scheduled to take place later or would have yet to be planned. For these residential premises, IDA has required OpenNet to inform its customers and end-users of the addresses of the units, the timeframe by which the termination point would be available for service order and the reasons for the delay of service availability, through OpenNet's service provisioning portal and public portal.

11. IDA is of the view that it is fair and reasonable to require Nucleus Connect to similarly provide a remedy framework in its ICO to address the scenario where a residential premise has failed to be listed as a covered site in Nucleus Connect's MSI within a reasonable timeframe from the date of the installation of the termination point in that premise to provide transparency and certainty to the Contracting QPs. IDA would therefore require Nucleus Connect to submit its proposed modifications to its proposed remedy framework for MSI errors or inaccuracies to incorporate the above for IDA's consideration.