

IDA.INTC.03.0303

3 June 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: REVIEW OF SINGAPORE TELECOMMUNICATIONS
LIMITED'S REFERENCE INTERCONNECTION OFFER ("RIO")**

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 SingTel's Licence to Provide Facilities-Based Operations issued on 1 April 1992, hereby issues this Direction to Singapore Telecommunications Limited ("SingTel").
2. On 4 March 2005, the Code of Practice for Competition in the Provision of Telecommunication Services 2005 (G.N. S87/2005) ("Code 2005") came into operation and replaced the Code of Practice for Competition in the Provision of Telecommunication Services (G.N. S412/2000). Pursuant to Sub-section 12.5.5(b) of the Code 2005, SingTel submitted to IDA for approval its proposed modifications to its RIO to conform to the requirements of the Code 2005. In this connection, IDA issued a consultation paper titled "Review of Singapore Telecommunications Limited's Reference Interconnection Offer" on 5 April 2005, to elicit public comments in connection with IDA's review of SingTel's RIO. At the close of the public consultation on 5 May 2005, IDA received comments from 6 respondents (namely, the Asia Pacific Carriers' Coalition, MobileOne Ltd, Pacific Internet Corporation Pte Ltd, Reach Ltd, StarHub Ltd and Telstra Singapore Pte Ltd).
3. Having carefully considered SingTel's submissions and the public comments received, IDA has concluded that the terms and conditions of SingTel's RIO require modification to ensure that they remain relevant to the industry's needs and comply with the requirements of the Code 2005. In addition, to ensure that the prices specified in SingTel's RIO remain current and consistent with the pricing principles of IDA-designated Interconnection Related Services (based on Forward Looking Economic Cost using Long Run Average Incremental Cost) set out in the Code 2005,

IDA will conduct an audit on SingTel's RIO prices. Upon completion of the audit, IDA will direct SingTel to adopt the new prices.

4. Accordingly, IDA hereby directs SingTel as follows:

- (a) Within 30 calendar days from the date of this Direction, SingTel must submit to IDA for review and approval, SingTel's proposed modifications to its RIO to give effect to IDA's required modifications as specified in the following appendices to this Direction (see attached):
 - (i) Appendix 1 – General requirements as to SingTel's RIO;
 - (ii) Appendix 2 – Required modifications to the Main Body of SingTel's RIO;
 - (iii) Appendix 3 – Required modifications to Schedule 1 of SingTel's RIO;
 - (iv) Appendix 4 – Required modifications to Schedule 2 of SingTel's RIO;
 - (v) Appendix 5 – Required modifications to Schedule 3 of SingTel's RIO
 - (vi) Appendix 6 – Required modifications to Schedule 4 of SingTel's RIO;
 - (vii) Appendix 7 – Required modifications to Schedule 5 of SingTel's RIO;
 - (viii) Appendix 8 – Required modifications to Schedule 6 of SingTel's RIO;
 - (ix) Appendix 9 – Required modifications to Schedule 7 of SingTel's RIO;
 - (x) Appendix 10 – Required modifications to Schedule 8 of SingTel's RIO;
 - (xi) Appendix 11 – Required modifications to Schedule 9 of SingTel's RIO;
 - (xii) Appendix 12 – Required modifications to Schedule 11 of SingTel's RIO; and
- (b) Unless the context requires otherwise, all capitalised terms used in the appendices to this Direction shall have the same meaning as in SingTel's RIO.

- (c) 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.
 - (d) In proposing modifications to SingTel's RIO to give effect to this Direction, IDA reminds SingTel that:
 - (i) to the extent that any of SingTel's proposed modifications fail 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
 - (ii) 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.
5. SingTel must submit one hardcopy and one softcopy, both in clean and marked-up versions, of its RIO incorporating SingTel's proposed modifications to effect IDA's required modifications. The marked-up version must clearly identify the modifications made by SingTel to its RIO. The softcopy submission must be in Microsoft Word format and emailed to lynette_lim@ida.gov.sg, at the same time that SingTel submits to IDA the hardcopy of the proposed modifications.
6. 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.

Yours faithfully

Sgd

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