

**REFERENCE INTERCONNECT OFFER FOR CARRIAGE OF CHANNELS ON
A DIGITAL ADDRESSABLE CABLE SYSTEM (DAS)**

This Agreement (this "Agreement") is entered into at _____ on this _____ day of _____, 2012

BETWEEN

Digicable Network (India) Private Limited, a company registered under the Companies Act, 1956 and having its registered office at Digi House, B-8, Marol Industrial Estate, Near MIDC Police Station, Andheri East, Mumbai - 400093, (hereinafter referred to as "**MSO**", which expression shall, unless repugnant to the context or meaning thereof, be deemed to mean and include its successors and assigns) of the **One Part**.

AND

_____, a company registered under the Companies Act, 1956 and having its registered office at _____, (hereinafter referred to as "Broadcaster/Authorized Distributor", which expression shall, unless repugnant to the context or meaning thereof, be deemed to mean and include its successors and permitted assigns) of the **Other Part**;

WHEREAS MSO's business operations include receiving and distributing audio, video and /or data signals/feed/content through Cable Television Networks, for reception by multiple subscribers across India.

AND WHEREAS in the course of its digital operations, MSO has installed state of the art digital addressable headends with high end distribution capabilities to cater to large number of television Channels.

AND WHEREAS Broadcaster/Authorized Distributor is engaged in producing, aggregating, syndicating, distributing and / or transmitting various content, inter alia, songs, films / programme software for re-transmission

AND WHEREAS in consideration of the mutual covenants and obligations and in recognition of MSO's reach, Broadcaster/Authorized Distributor has approached MSO to receive and re-transmit the Channel/s, as detailed in **Annexure A**, on non- exclusive basis, at _____ **(DAS area/s)**.

AND WHEREAS MSO agrees to to carry and re-transmit the Channel/s, on their Digital Cable Television Networks in the said DAS area/s

Pursuant thereto, in consideration of the mutual covenants and agreements set forth herein, the parties hereby agree as follows:

1. Definitions

As used in this Agreement, the following terms shall have the meanings set forth below:

1.1 "Addressable System" means an electronic device (which includes hardware and its associated software) or more than one electronic device put in an integrated system through which signals of cable television network can be sent in encrypted form, which can be decoded by the device or devices, having an activated Conditional Access System (CAS) at the premises of the subscriber within the limits of authorisation made, through the Conditional Access System and the Subscriber Management System, on the explicit choice and request of such subscriber, by the cable operator to the subscriber;

1.2 "Programme Content" shall mean and include any audio - visual programming content, including but not limited to

Cinematograph films, Television software, News, Sports, Documentary films, Devotional and other Entertainment / Educational software, copyrights in which are owned and controlled by Broadcaster/Authorized Distributor/ licensed to Broadcaster/Authorized Distributor , for viewership by the subscribers of MSO's Cable TV Network in the DAS area/s

1.3 "TV Channel" means a channel, which has been registered under-

(i) the guidelines for uplinking from India, issued vide No.1501/2/2002-TV(I)(Pt.) dated the 2nd December, 2005;

or

(ii) policy guidelines for downlinking of televisions channels, issued vide No.13/2/2002-BP&L/BC-IV dated the 11th November, 2005.

as amended from time to time, or such other guidelines for uplinking or downlinking of television channels, as may be issued from time to time by Government of India (Ministry of Information and Broadcasting) and reference to the term '**channel**' shall be construed as a reference to "TV channel";

1.4 "Carriage Fee" means any fee paid by a broadcaster to a MSO/Distributor of TV channels for TV channels, for carriage of the channels of that broadcaster on the distribution platform owned or operated by such MSO/Distributor of TV channels,

without specifying the placement of various channels of the broadcaster vis-à-vis channels of other broadcaster.

- 1.5 "Digital Cable Television Network"** shall mean a Cable Television Network with Digital Addressable transmission capabilities enabling enhanced Channels distribution;
- 1.6 "Multi-System Operator"** (MSO) means a cable operator who has been granted registration under rule 11C of the Cable Television Networks Rules, 1994, and who receives a programming service from a broadcaster or its authorised agencies and re-transmits the same or transmits his own programming service for simultaneous reception either by multiple subscribers directly or through one or more local cable operators and includes his authorised distribution agencies, by whatever name called;
- 1.7 "Subscriber"** means a person who receives the signals of a MSO at a place indicated by him to the MSO without further transmitting it to any other person and includes ordinary subscribers and commercial subscribers unless specifically excluded;
- 1.8 "Subscriber Base"** means the number of subscribers reflected in the Subscriber Management System, of the digital addressable systems;
- 1.9 "Set Top Box" (STB)** shall mean a device, which is connected to, or is part of a television and which allows a subscriber to receive in unencrypted and descrambled form subscribed channels through an addressable system
- 1.10 "Genre"** shall mean a class or category of artistic endeavor having a particular form, content, technique

1.11 "Subscriber Management System" (SMS) means a system or device which stores the subscriber records and details with respect to name, address and other information regarding the hardware being utilised by the subscriber, channels or bouquets of channels subscribed to by the subscriber, price of such channels or bouquets of channels as defined in the system, the activation or deactivation dates and time for any channel or bouquets of channels, a log of all actions performed on a subscriber's record, invoices raised on each subscriber and the amounts paid or discount allowed to the subscriber for each billing period

1.12 "DAS area/s" means the area/s where in terms of notifications issued by the Central Government under sub-section (1) of section 4A of the Cable Television Networks (Regulation) Act, 1995 (7 of 1995), it is obligatory for every cable operator to transmit or retransmit programmes of any channel in an encrypted form through a digital addressable system

2. **Grant**

Subject to the Broadcaster fulfilling all the requirements and obligations under this agreement, MSO agrees to carry Broadcaster/Authorized Distributor channel/s as mentioned in **Annexure A** on their Digital Cable Television Network using its Digital Addressable platform during the Term of this Agreement.

3. **Term:**

The term of this Agreement shall commence from _____ (**Effective Date**) and shall be in force for a period of **One Year** from the **Effective Date**, unless terminated earlier in accordance with the provisions of clause 10. At end of tenure of this agreement, the deal will be renewed automatically for a further period of one year unless specifically terminated by the Broadcaster in writing before 21 days of expiry of the first year and duly acknowledged by the MSO.

4. **Warranties**

Broadcaster/Authorized Distributor warrants, declares and undertakes that:

- i) To provide certified copy of downlink permission and other requisite permissions copy.
- ii) The Programme Content for each Channel shall correspond, be compatible and represent the appropriate genre including the language of the Channels, which shall also carry the Channels' name extension suitably.

- iii) They are / will at all times be the legal owner / authorised users of the Programme Content or any part thereof with respect to the Channels for the DAS area/s.
- iv) None of the Programme Content is / shall be obscene or blasphemous or defamatory of any event and/or person deceased or alive.
- v) There is no present or prospective claim, proceeding or litigation in respect of the Programme Content or the title thereof or the ownership of copyright in the Programme Content which may in any manner infringe upon any third party rights.
- vi) The contents of the cinematograph Films / programmes are / will always be in conformity with the laws prevailing in India and have been duly censored by the Central Board For Certification of Films (CBFC), wherever applicable.
- vii) The Programme Content and all promotional materials shall be meet the quality standards of MSO and MSO shall not be held liable for any degradation in reception.
- viii) MSO shall not be liable to compensate Broadcaster/Authorized Distributor or any other party for any infringement of copyrights or any other illegality in respect of Programme Content, including non availability thereof. MSO shall also not be liable in any manner to Broadcaster/Authorized Distributor or any third party as regards the alleged violations of any third party's copyrights, any law or any telecast standards and practices guidelines, Programme Code and Advertising Code (as provided under The Cable Television Network Rules, 1994) or in any applicable law with regard to the Programme Content.

ix) Broadcaster/Authorized Distributor shall not claim adversely to or challenge the intellectual property of MSO, or its authorised agents. Broadcaster/Authorized Distributor shall not use any material containing any of the intellectual property of MSO nor authorise or permit others to make use of the Intellectual Property of MSO

5. Considerations

In consideration of MSO carrying Broadcaster/Authorized Distributor Channel/s in **DAS area/s** to enable it to maximise revenues by way of advertisement revenues, Broadcaster/Authorized Distributor hereby agrees to pay MSO, from the Effective Date, Rs2.50/- per month per channel per active STB in SMS (Which will referred to as "**Rate**") plus applicable taxes at the rates prevailing from time to time.

However, such payment shall be subject to withholding taxes as per Income Tax Act, 1961.

6. Basis of determination of Carriage fee

The Carriage fees shall be calculated by multiplying the Rate with the Current Monthly Opening Subscriber level report i.e. number of active STBs as per MSO's SMS.

Carriage fees shall be paid against a Tax Invoice. MSO shall provide the Monthly Opening Subscriber Level report i.e. number of active STBs as per SMS of the Current month along with the Tax invoice at the beginning of the Current Month and payment to be made within 15 days of receipt of the invoice.

The Carriage Fees shall be payable, by way of Cheque/s or Demand Draft/s or Bankers Cheque/s in favour of "Digicable Network (India) Private Limited" at its regional office or any other place as may be specified by MSO from time to time.

It is hereby agreed and acknowledged by Broadcaster/Authorized Distributor that timely payment of the Carriage Fees shall form the essence of this Agreement. In the event of any delay in the payment of the Carriage Fees, interest at the rate of 18% p.a. shall be payable by Broadcaster/Authorized Distributor to MSO for each day of default/delay.

Further for such default, MSO shall have the right to forthwith suspend the carriage of the Channels after giving twenty one days notice as per TRAI interconnect regulation to correct the breach and such suspension shall be notwithstanding MSO's right to claim the entire Carriage Fees and this shall be without prejudice to its other rights in law and under this Agreement. This Clause shall survive termination of the Agreement.

7. Indemnification

Broadcaster/Authorized Distributor hereby undertakes to indemnify the MSO, its Directors, employees, associates and agents from and against any loss, all actions, proceedings, claims, demands, damage, costs (including legal costs, fees etc.), arising as a result of any misrepresentation, breach or non-performance by Broadcaster/Authorized Distributor of its undertakings, warranties or obligations under this Agreement.

Broadcaster hereby undertakes to indemnify Digicable for any consequential or indirect losses or damages suffered resulting from suspension of any of the services due to non-payment.

8. Compliance with Local Laws

Each Party shall comply with all applicable state and local laws, rules and regulations with regard to their respective obligations.

9. Disconnection of Signals of the TV Channels

Either party shall not disconnect the signals of TV Channels without giving three weeks' notice as per TRAI regulations. Survival of payment clause – temporary disconnection/displacement

10. Termination

This Agreement shall be terminated on the occurrence of any of the following events:

- i) By giving 21 days notice by either party.
- ii) However, this agreement may be terminated forthwith in the following events - Default in payment due and payable by Broadcaster/Authorized Distributor to MSO under this Agreement. In such an event, MSO shall also have the right to demand the entire Carriage Fees for unexpired term/period.
- iii) Violation of applicable laws by the Broadcaster/Authorized Distributor In such an event MSO shall also have the right to demand the entire Carriage Fees for unexpired term/period.
- iv) By any party in the event of breach (except for reasons relating to default in payment of Carriage Fees) of any of the terms of this Agreement by the other party and not remedying such

breach before the expiry of notice period of 21 days in writing to rectify the breach to the defaulting party.

- v) By either party, in the event force majeure conditions prevail for a continuous period exceeding 60 (Sixty) days.
- vi) By mutual agreement between the parties hereto by 1 (One) months notice by either side.

In case the **Broadcaster/Authorized Distributor** issues a notice for termination of the agreement, the **Broadcaster/Authorized Distributor** is not entitled to any refund of advance payment made for that particular quarter.

11. Notices

All notices hereunder must be in writing sent by fax, personal delivery or courier service unless otherwise specified to the addresses set forth in this Agreement.

Address for notice made pursuant to this Agreement shall be as follows, unless otherwise notified:

i) Broadcaster/Authorized Distributor

Attention: Mr. _____

ii) MSO -

Attention: Mr. _____

12. Jurisdiction/Governing Laws

This Agreement shall be governed by and construed in accordance with the laws of India. Unless otherwise mandated by applicable law, any dispute/s arising in connection with and in relation to this Agreement, its performance and the rights and obligations of the parties hereto

under this agreement shall be referred to the exclusive jurisdiction of Telecom Dispute Settlement and Appellate Tribunal (TDSAT).

13. Confidentiality

Other than the existence and duration of this Agreement, no terms or conditions hereof, nor any matters relating to the course of dealings between Broadcaster/Authorized Distributor and MSO shall be disclosed to any third party, except to auditors as a part of normal reporting procedure, attorneys, investors, or lenders, or potential investors or lenders, all of whom shall be required to first agree in writing to abide by this confidentiality clause, and except as may be required by any government agency or court.

14. Force Majeure:

If because of a Force Majeure event, either party cannot perform its obligations for atleast 60 days then either party shall be entitled to terminate this Agreement on giving the other party written notice of 30 days as per applicable law.

“Force Majeure Event” means an event or cause beyond the reasonable control of the Party claiming force majeure and not attributable to any default of that party including but not limited to acts of Government (including a suspension of either party’s license to perform obligations hereunder except due to a fault of such Party), war, riots strikes, lock out, fire, terrorism, acts of God or other natural catastrophies.

A party hereto who is effected by a Force Majeure Event shall forthwith notify the other party and shall use all reasonable endeavours to avoid or minimise the effect on this Agreement and the fulfillment of the

terms hereof. During the Force Majeure event the obligations of each of the party shall be temporarily suspended for such time that the Force Majeure event continues. The affected party shall resume performance of this Agreement as soon as practicable after the reduction or cessation of the Force Majeure Event

15. Miscellaneous

This Agreement shall constitute the entire agreement between the parties with respect to the subject matter contained herein and shall supersede all prior agreements, oral or written, with respect thereto.

- i) No provisions herein shall be changed except in writing signed by all parties.
- ii) Nothing herein shall be taken to constitute a partnership, agency or joint venture between the parties hereto.

IN WITNESS WHEREOF, each party has caused this Agreement to be executed as of the date first set forth above.

SIGNED AND DELIVERED by:

| | |
|--|---------------|
| For Digicable Network (India) Private Limited | For |
| | |
| NAME : | NAME : |
| DESIGNATION : | DESIGNATION : |

IN THE PRESENCE OF:

| | |
|-----------|-----------|
| WITNESS : | WITNESS : |
| | |
| NAME : | NAME : |
| ADDRESS : | ADDRESS : |

Annexure A

| Sr. No | Channel | Genre of the Channel |
|-----------|---------|-------------------------|
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