

## REFERENCE INTERCONNECT OFFER FOR DIGITAL ADDRESSABLE SYSTEM (DAS) PLATFORMS

This Agreement ("Agreement") is entered into at Mumbai on this \_\_\_\_ day of \_\_\_\_\_

### PARTIES

**B4U Broadband (India) Private Limited**, a Company incorporated under the Companies Act, 1956, having its Registered Office at Plot No 114, Road No 15, Next to SRL Ranbaxy, MIDC, Andheri East, Mumbai 400 093 (hereinafter referred to as "**B4U**" which expression, unless repugnant to the context or otherwise, shall mean and include its successors in interest and permitted assigns).

### AND

\_\_\_\_\_, having P.A.N No. \_\_\_\_\_, a [proprietorship/partnership/company] [through its sole proprietor/firm acting through its partners \_\_\_\_\_/ incorporated under the Companies Act, 1956], with its [principal place of business/ registered office located at [\_\_\_\_\_], (hereinafter referred to as the "XXXX" which expression shall, unless it be repugnant to the context or meaning thereof, means and includes the [his/her heirs, executors, administrators, assigns/ partners or partner for the time being of the firm the survivors or survivor of them and the heirs, legal representatives, executors, administrators of the last surviving partner and his or her assigns/ its successors in interest and permitted assigns).

The expression of the terms "B4U" and "XXXX" shall hereinafter individually and collectively be referred to as "**Party**" and "**Parties**" respectively.

### WHEREAS:

- I. B4U is *inter alia* engaged in the business of distribution of Television channels and has the exclusive right to market and distribute Television Channel, in particular the Television Channel being **B4U Music (Hindi Music – Music genre) and B4U Movies (Hindi Movies – Movies genre)** through satellite, terrestrial or cable channels or through Direct to Home (DTH) using existing and emerging technologies, and distribution platforms be it as analogue signals or digital signals or otherwise.
- II. XXXX is a Multi System Operator operating in markets across India area and is in the business of distribution of television channels through cable (both analog and digital).
- III. B4U in order to distribute its channels "B4U Music" and "B4U Movies" and to achieve maximum reach and visibility for its channels, intends to engage the services of XXXX for requisite packaging of B4U channel and avail of access to XXXXs Digital addressable cable system for distribution of its television channels in **territories of**

....., and at the same time XXXX is desirous to subscribe for and receive the telecast signals of the Channels as mentioned hereinabove in order to further distribute the same to the Customer(s), on the terms and conditions as stated in this AGREEMENT.

**NOW THEREFORE THIS AGREEMENT WITNESSETH AS UNDER:**

**I. Territory, Markets & Area Covered :**

DAS Notified Areas of ..... Area as defined in Notification of the Ministry of Information and Broadcasting ("MIB") dated 11th November 2011.

XXXX agrees to do the packaging of the television channels of B4U for distribution of the same through its digital addressable cable network as desired by B4U in the territories of \_\_\_\_\_ and \_\_\_\_\_ through its digital addressable system (DAS).

**II. Digital Addressable System's Packaging Requirement:**

B4U Music being free to air channel should be available in all packs / to all subscribers under the genre "**Hindi Music**" including Basic Service Tier in Mumbai & Delhi, within top ..... LCN.

B4U Movies being pay channel should be available in all packs / to all subscribers under the genre "**Hindi Movies**" including Basic Pay Tier, within top ..... LCN.

B4U Music and B4U Movies channels are hereinafter collectively referred to as the "Channels"

XXXX shall strictly adhere to the packaging requirement of the Channels as mentioned herein or as may be directed by B4U from time to time, provided that B4U abides by and strictly complies with all the terms and conditions of this agreement.

**III. Term :**

The packaging services agreed to be provided under this Agreement shall commence from \_\_\_\_\_ and shall be valid for a period of one (1) year **upto** \_\_\_\_\_ renewable thereafter at the sole discretion of B4U on mutually agreed terms and conditions.

**IV. Subscription Fee:**

- i. In lieu of B4U granting distribution rights for the Channels to XXXX for the Term, XXXX hereby undertakes to pay B4U subscription charges @ Rs. 2.79/- plus taxes per STB on which the B4U Movies Channel is placed. The subscription charges for B4U Movies will start with effect from .....
- ii. It is hereby clarified that B4U Movies Channel shall be placed in all the packages except the FTA package and B4U Music shall be placed in all the basic tiers and packages.

- iii. For each month or part thereof during the Term, XXXX will pay for B4U Movies Channel, the Monthly subscription Fee, which shall be the Rate of Rs. 2.79/- per Set Top Box multiplied by the Monthly Average Subscriber Level. The “Monthly Average Subscriber Level” is equal to the sum of the number of Subscribers on the first and last day of the month in question divided by 2. The formula is applicable for B4U Movies and will be only for those applicable subscribers who are watching a particular package on which B4U Movies is carried.
- iv. The Monthly subscription Fee, towards B4U Movies Channel, shall be paid by XXXX to B4U within 15 (fifteen) days of the B4U raising the invoice for the same. Service Taxes shall be extra and shall be borne by XXXX.
- v. A “Subscriber” is any subscriber paying subscription to receive any Channel/s. Any Subscriber who buys B4U’s Channel/s as part of a package through one entry level package to receive another entry level package shall only be counted once. Where a Subscriber has more than one set top box (“STB”) authorized by XXXX to receive B4U’s Channel/s, the Rate shall be payable in relation to each STB.
- vi. In addition, XXXX shall be liable for the payment of all applicable taxes, cesses, etc. including service tax, as may be applicable on the subscription Fee payable by XXXX to B4U.
- vii. The payment of subscription Fee shall be subject to deduction of Income Tax at source (TDS) at applicable rates, for which necessary TDS Certificates shall be issued by XXXX within thirty (30) days from the date of deduction of the same by XXXX from the Subscription Fee.
- viii. If XXXX fails to pay the subscription Fee to B4U on or before the due date(s), then without prejudice to any action which may be taken by B4U under the applicable Statute/Regulations etc. for the time being in force, XXXX shall be liable for the payment of interest @12% per annum during the period of such delay beyond the due date(s).

**V. Consideration :**

- a. In consideration of the packaging services to be provided by XXXX and subject to the placement, distribution and for full coverage and visibility of the channel(s) as agreed herein in the Territory throughout the Term, B4U agrees to pay to XXXX **a total sum of Rs. .... per annum plus tax, as applicable**, as under, subject to deduction of TDS and any other taxes, levies etc. as may be applicable, from time to time, under the laws of India.
  - (i) B4U Music: Rs. ..../- (Rupees ..... only)
  - (ii) B4U Movies: Rs. ..../- (Rupees ..... only)
- b. The Carriage fee shall be payable in twelve equal monthly installments in the following month for which the payment is due, within 15 days from the date of receipt of invoice from XXXX. Service Taxes shall be extra and shall be borne by B4U.

- c. Such payments shall be made by B4U to XXXX after verifying the packaging/placement for the invoiced period, as per the terms of this Agreement.
- d. XXXX agrees that in the event there is any interruption or break or displacement in the carriage, visibility, placement and/or distribution of the B4U's Channels as agreed herein, then B4U shall be entitled to proportionately deduct amounts from the Visibility Fees on a pro-rata basis.
- e. The payment of Carriage Fee shall be subject to deduction of Income Tax at source (TDS) at applicable rates, for which necessary TDS Certificates shall be issued by B4U as per applicable Income Tax provisions/ rules/ regulations/ norms for filing of return, within two months from the date of filing of return by B4U.
- f. If B4U fails to pay the Carriage Fee to XXXX on or before the due date(s), then without prejudice to any action which may be taken by XXXX under the applicable Statute/Regulations etc. for the time being in force, B4U shall be liable for the payment of interest @12% per annum during the period of such delay beyond the due date(s).

#### **VI. Representations and Warranties:**

- i. XXXX agrees that it shall carry the Channels of B4U without any editing, delays, interruptions, break, additions, cuts, deletions, super impositions, or modifications of any nature whatsoever.
- ii. XXXX shall comply with all the relevant Regulations, Directions, Orders and Guidelines introduced by TRAI/ Government, from time to time. XXXX meets the digital addressable system requirements as specified in Schedule III of the Cable Television Networks (Regulation) Act, 1995 (7 of 1995) as amended.
- iii. XXXX undertakes that none of B4U's Channel(s) shall be disadvantaged or otherwise treated less favourably by XXXX with respect to competing channels on a genre basis.
- iv. XXXX shall ensure that they shall not run and/or impose any scroll, logo, advertisement, bug, etc., on the Channels and shall carry the same as transmitted by B4U without any addition, edition, alteration, etc., of any nature whatsoever.
- v. XXXX shall not misuse the Channels and/or shall not conceal/misrepresent the number and details of their Subscribers connected to its Cable Television Network's in the DAS Area. XXXX further confirms that it shall promptly inform B4U in case of any change in the number of Subscribers.
- vi. B4U would provide XXXX with the IRD, smart card and CAM Module ("together referred to as the "Equipment").
- vii. XXXX shall not remove or shift or allow to be removed or shifted, the Equipment, from the installation address or allow anybody else to do the

same, without the prior written permission of B4U and shall indemnify B4U against any damage, destruction, theft or loss, etc. of the Equipment.

- viii. XXXX shall keep the Equipment in good and serviceable order and condition to the satisfaction of B4U and bear all expenses for general repairs and maintenance of the same and it shall immediately notify B4U in the event of any mechanical/ technical fault in the Equipment.
- ix. XXXX shall provide written intimation to B4U in the event it extends or reduces its area of operation.
- x. B4U shall have the option and the right to swap any channel provided herein with another channel of B4U and the License Fees for such channel shall be as mutually agreed. The Carriage fee for such channel would be the same as the channel which it replaces.

## **VII. INTELLECTUAL PROPERTY RIGHTS**

All rights, title and interest in the said Channel and associated brand names including the accompanying programming content and all trade marks, trade names, service marks, logos, materials, formats and concepts relating to the said channel or any entitlement of the concerned right holders and used by the Broadcaster shall belong exclusively to the Broadcaster and/or its principal/authorised licensees/licensors thereof and HCDL shall have no rights and interest whatsoever in the Intellectual Property of the Broadcaster other than the license to receive and transmit the said Channel.

## **VIII. Audit:**

B4U's representatives shall have the right, not more than twice in a calendar year, to review and / or audit the subscriber management system, conditional access system, other related systems and records of Subscriber Management System of XXXX relating to the Channel(s) provided by B4U for the purpose of verifying the amounts properly payable to B4U under the Agreement, the information contained in Subscriber Reports and full compliance with the terms and conditions of the Agreement. If such review and or audit reveals that additional fees are payable to B4U, XXXX shall immediately pay such fees with 18% interest from the date they became due till realisation, as increased by B4U.

## **IX. Reports:**

XXXX will maintain at its own expense a subscriber management system ("SMS") which shall be fully integrated with the CAS (Conditional Access System) and shall provide to B4U complete and accurate opening and closing subscriber monthly reports for B4U Channels and the tier and/or package containing B4U Channels within seven (7) days from the end of each month in the format provided by B4U. Such reports shall specify all information required to calculate the Monthly Average Subscriber Level (including but

not limited to the number of Subscribers for each channel and each package in which channel is included).

**X. Equitable Relief:**

XXXX hereto acknowledges that the Agreement is a comprehensive one by nature and the parties' obligations under the Agreement are of a unique and extraordinary nature and breach of their obligations herein cannot be reasonably or adequately compensated in monetary terms alone. XXXX further agrees that in view of the extraordinary character of the Agreement, XXXX agrees not to fail/omit to carry the signals of the channels as agreed under the Agreement and agrees not to prevent the supply of B4U's signals as contemplated herein until expiry or prior termination of the Agreement and B4U shall be entitled to equitable relief to prevent actual or threatened breach of the provisions.

**XI. INDEMNIFICATION and LIMITATION ON LIABILITY:**

- i. Each Party shall indemnify, defend and hold harmless the other Party and its parent, officers, directors, employees and agents against and from any and all third party claims, lawsuits, costs, liabilities, judgments, damages and expenses (including but not limited to reasonable attorneys' fees) arising out of any breach by the indemnifying Party of any provision herein.
- ii. XXXX shall indemnify, defend, and hold harmless B4U, its affiliates and their respective officers, directors, employees, and agents against and from any and all third party claims, lawsuits, costs, liabilities, judgments, damages, and expenses (including, without limitation, reasonable attorneys' fees) arising out of any content provided by XXXXXXXX and any other advertising, marketing or promotional materials otherwise provided by XXXX. Neither Party shall be liable to the other for any indirect, special or consequential loss or damages arising under this Agreement. The liability of B4U under the Agreement shall be limited to and shall not exceed the amount of the fees payable by B4U under the Agreement.

**XII. Termination and Consequences of termination:**

- i. In the event of default in the payment of Carriage Fee by B4U by the due date, XXXX shall issue a notice in writing to B4U requesting it to make payment of outstanding Carriage Fee within a period of one month of such notice. In case, B4U fails to make payment of outstanding Carriage Fee within such notice period of one month, then the party shall have right to terminate this Agreement by giving 30 days notice in writing.
- ii. In the event of default in the payment of subscription Fee by XXXX by the due date, B4U shall issue a notice in writing to XXXX requesting it to make payment of outstanding subscription Fee within a period of one month of such notice. In case, XXXX fails to make payment of outstanding subscription Fee within such notice period of one month, then the party shall have right to terminate this Agreement by giving 30 days notice in writing.
- iii. In the event B4U chooses not to broadcast any of its Channel(s) and notifies XXXX of its intention by giving one (1) month's notice in advance, the Agreement shall

be terminated only in respect of such Channel. The parties shall continue with the existing Agreement with respect to the other channel.

- iv. In the event XXXX chooses not to carry on its present business activity pertaining to distribution of TV Channels as Multi System Operator (MSO) through any other mode or through any other party due to amalgamation/merger/take-over, etc., by giving two (2) months prior written notice. In the event of an amalgamation/merger/take-over, etc., XXXX cannot terminate the Agreement and shall ensure that the terms of the Agreement shall be binding upon such other entity that comes into being whether called by the same name or any other name.
- v. By either of the Parties hereto (“Non-Defaulting Party”) in the event of breach of any of the covenants, representations, warranties or terms of this Agreement by the other Party (“Defaulting Party”) provided that the Non-Defaulting Party shall give a written notice of one month to the Defaulting Party intimating it about the default(s) committed by it and the Defaulting Party fails to cure such defaults/breach within such notice period.
- vi. By either party, in the event of the other party going into bankruptcy/liquidation and has had to make compositions with its creditor.
- vii. By either of the Parties hereto, in the event of force majeure conditions subject to compliance of Clause 18 hereof.
- viii. By B4U for any reason/s whatsoever with or without stating the reason/s thereof by giving XXXX 30 days prior written notice.
- ix. By B4U with immediate effect in the event the digital addressable cable TV system license or any other material license necessary for XXXX to operate its digital addressable cable TV system service being revoked at anytime.

Consequences of termination:

- i. In the event, XXXX terminates the Agreement without sufficient reason and/or cause, and the same does not fall within any of the aforesaid sub-clauses, XXXX shall be liable to refund the entire Carriage charges that have been received by him till the date of termination.
- ii. Upon the expiry or termination of this Agreement, as provided herein:
  - a. all rights granted to and obligations undertaken by, the parties hereunder shall terminate immediately;
  - b. In the event of termination, B4U shall have the right to discontinue/deactivate the Channels from the Cable Television Network of XXXX. XXXX shall return all Equipment as may be provided to XXXX by B4U.
  - c. XXXX shall be entitled to receive the Carriage Fee, which are due and payable by B4U only till the date of termination of this Agreement.
  - d. B4U shall be entitled to receive the subscription charges till the date of termination of this Agreement.
- iii. It is clarified herein that the termination of this Agreement shall not relieve any Party of any obligation or liability accrued prior to the date of termination and/or

such clause which by its very nature extends or applies to the Parties even after termination.

**XIII. Other Terms & Conditions :**

- i. This understanding shall remain valid and existing even if XXXX sells its business and/or enter into Joint Venture or Partnership or is/are taken over by any other person(s) / company / undertaking including any Organization / Firm / proprietor / Association and the rights and obligations under this Agreement shall become binding on such new entity.
- ii. Both parties hereby represent and warrant that they have requisite power and authority to enter into and execute this Agreement which fully and effectually binds the respective companies. The terms and conditions of this Agreement shall not be renegotiated and shall continue to operate between the parties and will be valid and binding, till the full fledged agreement is entered into between the parties. Any deviation from the above without mutual consent would be a violation of understanding and will tantamount to breach of contract.
- iii. Each Party shall keep the terms and conditions (other than the existence and duration) of this AGREEMENT confidential and shall not disclose that information except: (i) as may be required by law or court order; or (ii) to their accountants, auditors or legal counsel. Neither Party shall provide any third party with information concerning the financial terms of this AGREEMENT nor the methods employed in the business of the other Party.
- iv. This AGREEMENT shall supersede all / any previous agreements, arrangements and/or AGREEMENT's signed between the parties hereto.
- v. This AGREEMENT shall be governed by and construed in accordance with Indian law and for disputes between the parties under this AGREEMENT the court in Mumbai will have exclusive Jurisdiction.

**IN WITNESS WHEREOF the Parties hereto have caused this AGREEMENT to be executed by their respective duly authorized representative at the place and on the day and year first above written in the presence of:**

**SIGNED SEALED AND DELIVERED**

**SIGNED SEALED AND DELIVERED**

<b>By B4U Broadband (India) Private Limited</b>	<b>By XXXX</b>
<b>Authorised Signatory</b>	<b>Authorised Signatory</b>

In the presence of:

In the presence of: