

REFERENCE INTERCONNECT OFFER (“RIO”) FOR INTERNET PROTOCOL TELEVISION (“IPTV”)

This RIO for IPTV is issued and published by Sony Pictures Networks India Private Limited (formerly known as Multi Screen Media Private Limited) in accordance with the Telecommunication (Broadcasting and Cable Services) Interconnection Regulation 2004, as amended, including amendment dated 17 March 2009.

Those IPTV operators who are desirous of accepting this RIO must sign the Subscription Agreement appended hereunder and submit all the information and the documents as listed under the Subscription Agreement and its various Schedules.

Upon counter signature by Sony Pictures Networks India Private Limited or by its authorized agent, the Subscription Agreement shall become binding on the parties and enforceable at law.

For SPN Distribution

For Operator



Document Number:

Operator Code:

DB Code:

SUBSCRIPTION AGREEMENT

This Subscription Agreement (the "**Agreement**") is entered into on this ____ day of _____, between:

- A. **Sony Pictures Networks India Private Limited** (formerly known as Multi Screen Media Private Limited), a company incorporated under the Companies Act, 1956, having its registered office at 4th Floor, Interface Building No. 7, Off Link Road, Malad West, Mumbai - 400064 (hereinafter referred to as the "**Broadcaster**", which expression, unless repugnant to the meaning or context thereof, shall be deemed to mean and include its successors and assigns), through its authorized agent, **Sony Pictures Networks Distribution India Private Limited** (formerly known as MSM Media Distribution Private Limited), a company incorporated under the laws of India having its office at 4th Floor, Interface Building No. 7, Off Link Road, Malad West, Mumbai - 400064 (hereinafter referred to as "**SPN Distribution**" which expression, unless repugnant to the meaning or context thereof, shall be deemed to mean and include its successors and assigns); and

- B. _____,
having its registered office at _____

(hereinafter referred to as "**Operator**", which expression, unless repugnant to the meaning or context thereof, shall be deemed to mean and include its successors and permitted assigns).

SPN Distribution and the Operator may singularly be referred to as a "**Party**" and together as the "**Parties**".

WHEREAS:

- A. SPN Distribution has the requisite power and authority from the Broadcaster to enter into this Agreement with the Operator and create the mutual rights and obligations that are contractually binding in nature and legally enforceable at law.
- B. The Operator represents to SPN Distribution that it owns and operates an internet protocol television ("**IPTV**") platform, in accordance with the Telecommunication (Broadcasting and Cable Services) Interconnection Regulation 2004, as amended, from time to time including amendment dated 17 March 2009 ("**Interconnection Regulations**").
- C. The Operator further represents that it has completed and satisfied the requirements under the Interconnection Regulations and that it possesses a valid and subsisting registration permitting it to provide the services through IPTV platform and the Operator is desirous of carrying the Channels on its Platform (defined below).

For SPN Distribution

For Operator

D. Relying upon Operator's representations, SPN Distribution has agreed to grant a non-exclusive license to the Operator to retransmit the Channels on the Platform strictly subject to and in accordance with the terms and conditions of this Agreement.

NOW THEREFORE, in consideration for the mutual promises and covenants set out herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the Parties, it is hereby agreed as follows:

1. Definitions

The following terms used in this Agreement shall have the meaning as set forth below:

- 1.1 "Affected Channels" shall have a meaning assigned to it in Clause 15.7;
- 1.2 "Affiliate" of a Party shall mean any other person that, either directly or indirectly through one or more intermediate persons, controls, is controlled by or is under common control with such Party. For the purposes of this definition, "Control" means (a) having an ownership of at least 26%; and/or (b) the power to direct and control the management or policies of such Party, whether through the power to appoint majority of the members on the board of directors or similar governing body, through contractual arrangements or otherwise;
- 1.3 "A-la-carte" shall mean offering of the Available Channels individually or standalone basis;
- 1.4 "Anti-Bribery Laws" shall have a meaning assigned to it in Clause 19.13 of this Agreement;
- 1.5 "Anti-Piracy Obligations" shall mean the obligations contained in Clause 9 and Schedule E of this Agreement;
- 1.6 "Applicable Laws" shall mean any and all laws, regulations, directions, notifications or orders, including amendments thereto, enacted or issued by any constitutional, legislative, judicial, quasi-judicial or administrative or other authority including without limitation the TRAI and TDSAT;
- 1.7 "Authorised Area" shall mean such geographical area/location of India as indicated in Schedule A;
- 1.8 "Available Channels" shall mean the linear, satellite delivered and advertiser-supported television channels owned and/or operated by the Broadcaster in accordance with the Applicable Laws, which are offered either a-la-carte or in a Bouquet, a list of which is provided in Schedule A ;
- 1.9 "BIS" shall have meaning assigned to it in Clause 11.1(xxii);
- 1.10 "Bouquet" shall mean an assortment of distinct Available Channels, offered by the Broadcaster to the Operator together as a group as set out in Schedule A;
- 1.11 "CAS" shall mean the conditional access system maintained by the Operator which: (a) has the ability to authorize and grant access to only those television channels which a subscriber has subscribed; (b) scrambles and encrypts the signal of television channels to prevent unauthorized reception of such channels by those not paying for the service; and (c) meets the requirements set out under Schedule G and complies with the terms of this Agreement and Applicable Laws including Interconnection

Regulations;

- 1.12 “**Channels**” shall mean the Bouquet of the Available Channels and/or those Available Channels that are selected by the Operator as A la Carte, in each case by putting a tick in the designated box provided in second column of the relevant table contained in the Validation Form (Schedule A) consisting of the list of Available Channels and the Bouquet; it being agreed that if any designated box against an Available Channels/Bouquet is left unmarked, it shall be deemed to have not been selected by the Operator for the purposes of this Agreement. For purposes of clarity, the selected Available Channel on an A la Carte basis and/or Bouquet in accordance with the foregoing shall be deemed to form part of this Agreement in respect of which SPN Distribution shall grant license to the Operator in accordance with the terms of this Agreement;
- 1.13 “**Channel Marks**” shall mean trade names, trademarks, logos and service marks owned by SPN Distribution, the Broadcaster and their Affiliates and rights holders in connection with the Channels and Available Channels;
- 1.14 “**Commencement Date**” shall mean date specified in the Validation form as set forth in Schedule A;
- 1.15 “**Commercial Subscriber**” means a subscriber who offers and makes available to its patrons the Channels on its premises or where a subscriber causes the Channels to be seen by any person on its premises, in each case for a fee to be paid by such person to such subscriber; save that in each case a subscriber must not, directly or indirectly, associate with the Channels or any specific programming of the Channels to market and/or promote the services offered on the premises or premises itself.
- The Broadcaster has challenged the Telecommunication (Broadcasting and Cable) Services) (Fourth) (Addressable Systems) Tariff (Fifth Amendment) Order, 2015 (No. 5 of 2015) dated 8th September, 2015 in Appeal No. 4(C) of 2015 and the same is pending adjudication before the Hon’ble TDSAT. The provisions relating to the Commercial Subscriber / Commercial Establishment shall be subject to the outcome of the aforesaid petition.
- 1.16 “**CPE**” shall have meaning assigned to it in Clause 3.16 of Schedule E;
- 1.17 “**Disconnection Notice**” shall mean a written notice of such duration (currently twenty one (21) days from the date of the written notice as of date of this Agreement) which is required to be given in accordance with the Applicable Laws by: (a) the Operator to SPN Distribution if Operator wishes to disconnect the signal of and stop distribution on its Platform the Channels due to SPN Distribution’s breach of this Agreement which is not remedied in accordance with the provisions of this Agreement; or (b) SPN Distribution to the Operator if SPN Distribution wishes to disconnect the signal of any or all Channels and stop making available the Channels to the Operator due to Operator’s breach of this Agreement;
- 1.18 “**Due Date**” shall have meaning assigned to it in Clause 6.1 of this Agreement;
- 1.19 “**Encryption System**” shall have meaning assigned to it in Clause 4.3 and further detailed in Schedule C;

For SPN Distribution

For Operator

- 1.20 "**EPG**" shall mean electronic programme guide;
- 1.21 "**Equipment**" shall mean and include the IRDs and the Viewing Cards;
- 1.22 "**Expiry Date**" shall mean the date that occurs one year after the Commencement Date;
- 1.23 "**Fees Difference**" shall have meaning assigned to it in Clause 6.4;
- 1.24 "**Force Majeure Event**" shall mean any act, cause, contingency or circumstance beyond the control of SPN Distribution or the Broadcaster, as the case may be, including, without limitation, any governmental action, order or restriction (whether international, national or local), war (whether or not declared), public strike, riot, labour dispute, act of God, flood, fire, public disaster, public transportation dispute, satellite failure or transponder failure;
- 1.25 "**FP**" shall have meaning assigned to it in Clause 1.1 of Schedule E;
- 1.26 "**Hardware Form**" shall mean the form as set forth in Schedule C attached hereto;
- 1.27 "**Insertion**" shall have meaning assigned to it under Clause 4.2 c);
- 1.28 "**Intellectual Property**" shall mean and include, without limitation: (i) all rights, title and interest in the programming on the Channels; (ii) the Channel Marks and all trademarks, trade names, service marks, logos, materials, formats, and concepts relating to the Channels; and (ii) any trademarks, trade names, logos, names, titles of the rights holders of any programming exhibited on the Channels;
- 1.29 "**Interconnection Regulations**" shall have meaning assigned to it in recital B of this Agreement;
- 1.30 "**IPTV Service**" means delivery of multi-channel TV programmes in addressable mode by using Internet Protocol over a closed network of one or more service providers.
- 1.31 "**IRDs**" or "**DSRs**" shall mean Integrated Receiver Decoder or Digital Satellite Receiver required for downlinking and accessing the Channels;
- 1.32 "**Monthly Average Subscriber level**" shall mean a sum equal to the number of subscribers on the first and last day of a month in question divided by two;
- 1.33 "**Monthly License Fee**" shall have meaning assigned to it in Clause 5.1 of this Agreement;
- 1.34 "**OSD**" shall have meaning assigned to it in Clause 11.1 (xii) and further detailed in Schedule E;
- 1.35 "**Piracy**" shall have meaning assigned to it in Clause 9.1 of this Agreement;
- 1.36 "**Piracy Event**" shall have meaning assigned to it in Clause 4 of Schedule E;
- 1.37 "**Platform**" shall mean IPTV Service platform owned and/or operated by the Operator and for purposes of clarity shall exclude any and all other media platforms and means of distribution of content and television channels including, without limitation, digital addressable cable platform,

analogue cable systems, non-addressable digital cable systems, direct-to-home (DTH), headend-in-the-sky (HITS);

- 1.38 “**Provisional Invoice**” shall have meaning assigned to it in Clause 6.3;
- 1.39 “**Rate**” shall have meaning assigned to it Clause 5.2;
- 1.40 “**Revised Rate**” shall have meaning assigned to it in Clause 5.2;
- 1.41 “**Recorder**” shall mean either a personal video recorder (PVR) or digital video recorder (DVR) which must satisfy the following features:
- (a) Audio-visual content shall not be allowed to be recorded without finger printing and watermark logo of the Platform and such finger printing and watermark logo shall be displayed during payout;
 - (b) Recorded audio-visual content must be encrypted in a secure manner on the Recorder which shall not play on any other devices other than the concerned Recorder;
 - (c) Audio-visual content of a Channel shall not be permitted to get recorded if the concerned subscriber's subscription of such Channel is not active; and
 - (d) Set Top Box provided by the Operator must not allow a Subscriber to install third party application/software on the set top box.
- 1.42 “**RIO**” means reference interconnect offer defined under the Interconnect Regulations and for purposes of this Agreement shall mean the reference interconnect offer for IPTV;
- 1.43 “**Security Deposit**” shall have a meaning assigned to it in Clause 8.2 of this Agreement;
- 1.44 “**Set Top Box**” or “**STB**” means a device which is connected to or is part of a television and which allows a Subscriber to receive in unencrypted and descrambled form the Channels through an addressable systems;
- 1.45 “**SMS**” shall mean the subscriber management system maintained by the Operator in accordance with the Applicable Laws and strictly in accordance with the provisions set out under Schedule H;
- 1.46 “**Subscriber**” shall mean each connection in a private residential household or a private residential unit receiving the Channel(s) from the Operator and shall specifically not include Commercial Subscribers. For purposes of clarity, where two or more connections in a private residential household or a private residential unit receive the Channels, each such additional connection shall be accounted for and referred to as Subscriber under this Agreement;
- 1.47 “**Subscriber Report**” shall have meaning assigned to it in Clause 6.3;
- 1.48 “**Suspended Channels**” shall have meaning assigned to it in Clause 15.7;
- 1.49 “**Technical Audit**” shall have meaning assigned to it in Clause 9.2;
- 1.50 “**Term**” shall mean the period starting from the Commencement Date through the Expiry Date;

- 1.51 “**TRAI**” shall mean Telecom Regulatory Authority of India;
- 1.52 “**TDSAT**” shall mean Telecom Disputes Settlement and Appellate Tribunal;
- 1.53 “**Validation Form**” shall mean Validation Form set forth in Schedule A;
- 1.54 “**Viewing Card**” or “**VC**” shall mean the smart card provided by SPN Distribution to the Operator to be used together with the IRD in order for the Operator to access and decode the signals of the respective Channels; and
- 1.55 “**Withheld Programs**” shall have meaning assigned to it in Clause 4.6(d).

2. Rules of Interpretation

Unless the context of this Agreement otherwise requires:

- 2.1 the Schedules shall form an integral part of this Agreement;
- 2.2 the clause, schedule and paragraph headings are included for convenience only and shall not affect the interpretation of this Agreement;
- 2.3 words using the singular or plural number also include the plural or singular number, respectively;
- 2.4 words of any gender are deemed to include the other gender;
- 2.5 the terms "hereof", "herein", "hereby", "hereto" and derivative or similar words refer to this Agreement or specified provisions of this Agreement, as the case may be;
- 2.6 the term "Clause", "Section" or "Schedule" refers to the specified Clause, Section or Schedule of this Agreement;
- 2.7 any reference to a "person" includes natural persons, firms, partnerships, companies, corporations, associations, organizations, governments, states, governmental or state agencies, foundations and trusts (in each case whether or not having separate legal personality and irrespective of the jurisdiction in or under the law of which it was incorporated or exists);
- 2.8 if a period of time is specified and it dates from a given day or the day of an act or event, it shall be calculated exclusive of that day;
- 2.9 if a Party must do something on a given day, the Party must do it by 6:00 pm on that day (unless this Agreement expressly states otherwise). If a Party does the thing after 6.00pm on a day the Party shall be treated as not having done it until the next day save and except where a Party has done something by sending an email to the other Party;
- 2.10 a reference to "writing" includes email, except as expressly provided otherwise;
- 2.11 reference to statutes, regulations or statutory provisions include references to any orders, or regulations made thereunder and references to any statute, provision, regulation, order or regulation include references to that statute, provision order or regulation as amended, modified, re-enacted or replaced from time to time;
- 2.12 the words "including" and "inter alia" shall be deemed to be followed by "without limitation" or "but not limited to" whether or not those words are followed by such phrases; and
- 2.13 the words "directly or indirectly" mean directly, or indirectly through one or more intermediary persons or through contractual or other legal or beneficial arrangements, and "direct or indirect" have the correlative meanings.

3. Grant of Rights

- 3.1 Subject to the payment of License Fee and strict compliance of the terms of this Agreement by the Operator, SPN Distribution hereby grants to the Operator a non-exclusive license and right during the Term and in the Authorized Area, and the Operator accepts the said license, right and obligation, to distribute, carry and retransmit the linear feed of the Channels strictly in an encrypted form through and via the Platform to its Subscribers in an uninterrupted, unaltered and unmodified form on a 24x7x365 basis.
- 3.2 Notwithstanding anything contained to the contrary in this Agreement, the rights and license granted by SPN Distribution to the Operator under this Agreement:
- (a) shall be limited only to the broadcast reproduction right enshrined under Section 37 of the Copyright Act, 1957 (as amended from time to time). Nothing contained in this Agreement shall permit the Operator to provide its Subscribers the right to further communicate or re-transmit the Channels in any manner whatsoever;
 - (b) is limited to the re-transmission of the Channels on “as is” basis without editing, altering modifying and/or interrupting the signal in any manner whatsoever;
 - (c) shall exclude the distribution of any content of the Channels on a non-linear basis through the Platform or any other media platform including, but not limited to, any form of on-demand transmission of audio-visual content via PPV, VOD, SVOD, TVOD, NVOD etc.;
 - (d) shall exclude time shifting of the programming of the Channels; and
 - (e) shall exclude the multiplexing of the Channels.
- 3.3 All other rights and means of distribution not specifically and expressly granted to Operator are expressly excluded and reserved by SPN Distribution and the Broadcaster.
- 3.4 The Operator is not authorised to sub-license the rights and license granted hereunder to any third party or any person (including its Affiliates) without prior written approval of SPN Distribution.
- 3.5 The Operator understands and acknowledges that the grant of rights and license hereunder are preconditioned and subject to the Operator submitting with SPN Distribution the information and documents specified in Schedule B at the time of submitting the signed copy of this Agreement.
- 3.6 Notwithstanding anything contained herein and to the extent permitted under the extant laws and regulations, Broadcaster/SPN Distribution shall, during the Term, have the right to: (a) discontinue any Available Channel or Bouquet comprising of the Available Channels; (b) modify any existing Bouquet of the Available Channels by adding new channels that may be launched by Broadcaster/SPN Distribution or by removing any Available Channel from a Bouquet; and (c) launch new bouquets comprising of the Available Channels. The Parties agree that the License Fee payable by the Operator to SPN Distribution/Broadcaster may vary in the event of launch of a new channel.

4. Delivery and Security

Conditions of Distribution

- 4.1 The Operator hereby agrees, covenants and warrants that it shall re-transmit and distribute the Channels to the Subscribers strictly in accordance with the following terms:

For SPN Distribution

For Operator

- (a) the signals of all the Channels must be delivered by the Operator to Subscribers in a securely encrypted manner on its Platform in linear mode using IPTV technology and such IPTV technology shall meet the requirements of Schedule E at all times during the Term.
- (b) the transmission specifications and infrastructure allocated by the Operator in respect of broadcasting the signals of the Channels by the Operator to its Subscribers shall be no worse than that of the signal of any other channel within the same *genre* of the Channels on the Platform;
- (c) the Operator shall maintain first-class signal transmission quality of the Channels for distribution to the Subscribers in accordance with the highest international industry standards and Applicable Laws;
- (d) the Operator agrees that it shall not offer any Channel on the basis of any specific programming event, feature, characteristic or attribute of such Channel;
- (e) the Operator shall further make available the Channels to the Subscribers on 24/7/365 basis with effect from such Channels being activated at the Subscriber's end till the time such Subscriber is switched off by the Operator for being a defaulter or such Subscriber having expressly indicated its intention to discontinue its subscription to any of the Channel(s) in accordance with the Applicable Laws;
- (f) the Operator shall not use any interactive technology or other interferences (such as red button) or redirect traffic from the Channels in any manner, whether for content or for promotion, without express permission from SPN Distribution;
- (g) the Operator undertakes and covenants that it shall not compel its Subscribers to take other channels or services or impose any other conditions as a precondition to subscribe to any or all of the Channels;
- (h) the Operator's transmitting facilities shall be fully capable of individually addressing Subscribers on a channel- by-channel and decoder-by-decoder basis;
- (i) the Operator shall install decoding equipment and all other equipment necessary to receive and distribute the Channels at its own cost and expense; and
- (j) the Set Top Boxes and their installed content protection systems, shall prohibit the use of digital outputs.

4.2 No alteration of signals

- (a) The Operator agrees to carry the Channels in their entirety, in the order and at the time transmitted by the Broadcaster without any editing, delays, alterations, interruptions, picture squeezing or re-sizing, insertion of graphic or animated overlays, pull-throughs or crawls, deletions or additions except as authorized in advance in writing by SPN Distribution. The Operator shall not redistribute any portion of the Channels except as specifically authorized by SPN Distribution in writing.
- (b) The Operator shall not reconfigure, combine, alter, edit, manipulate, dub, sub-title or repackage the Channels or any portion of the Channels for any purpose, or copy and store the content of the Channels on any storage device in any medium. Further the Operator shall not enable or otherwise permit Subscribers to do any of the foregoing acts except that the Operator can provide Recorder facility to the Subscribers in accordance with the Interconnection Regulations, provided use of such Recorder is regulated by agreement between the Operator and the Subscriber and is strictly only for non-commercial and private viewing by the Subscriber.

- (c) The Operator agrees and undertakes not to obscure, superimpose or otherwise alter the indents or logos of the Channels in any manner whatsoever. The Operator is allowed to only add/insert its own trademark or logo in the form of a translucent watermark ("Insertion") while re-transmitting and distributing the Channels on the Platform provided such Insertion shall be subject to the following conditions:
 - i. The Insertion shall be inserted on all other channels distributed on the Platform by the Operator;
 - ii. At any point in time, there will only be a single Insertion;
 - iii. The Insertion shall not be more prominent than the respective Channel's logo;
 - iv. The placement and size of Insertion shall not be different from the placement and size of Insertion on any other channels distributed on the Platform; and
 - v. The Insertion shall not obscure or overlay the Channels' logos or any programme that appears on the Channels.
- (d) Operator shall not alter the screen on which the Channels will be exhibited by inserting or superimposing any form of advertising; and
- (e) Any marketing or promotional activity in respect of or involving the Channels or any standalone programming of such Channels shall be only carried out by the Operator in accordance with the terms of this Agreement or by taking a prior written approval of SPN Distribution.

Encryption System and Technical Specifications

- 4.3 The Operator represents to SPN Distribution that it uses the encryption system as specified in the Hardware Form (the "Encryption System") to encrypt the Channels and the programming of the Channels for re-distribution via the Platform. The Operator shall transmit the Channels only through the Platform to Subscribers located in the Authorized Area in the manner of transmission and distribution specified in this Agreement (including the Anti-Piracy Obligations), (the "Technical Specifications"). The Operator agrees that any changes to the Technical Specifications and any material changes to the Platform's security and encryption technology, including the Encryption System (other than standard software upgrades which are deemed not to be material changes), and its version changes and upgrades during the Term shall be immediately intimated in writing to SPN Distribution.

Availability of Channels on the Platform

- 4.4 The Operator shall ensure that during the Term of this Agreement, the Channels shall be available for subscription to all its Subscribers on its Platform.
- 4.5 The Operator hereby covenants, undertakes and warrants to SPN Distribution that it shall not shift, move, or change the frequencies of any of the Channels at any time without providing an advance prior written notice of at least thirty (30) days to SPN Distribution. The Operator shall cause continuous distribution of the Channels to all its Subscribers without blacking it out or interfering with it in any manner whatsoever.

Acknowledgements by the Operator

For SPN Distribution

For Operator

4.6 The Operator fully understands and acknowledges that:

- (a) SPN Distribution is offering the Available Channels on 'as-is where-is' basis without warranties of any kind whatsoever, express or implied, including in relation to the quality, merchantability, fitness or that the services/signals will be error free or uninterrupted for the purpose envisaged in this Agreement;
- (b) SPN Distribution reserves the right to remove any Channel from the list of Available Channels at any time if it ceases to distribute such Channel. In the event SPN Distribution discontinues distribution of any Channel chosen by the Operator during the Term, such Channel shall stand withdrawn from SPN Distribution's offering without any further obligation or liability on part of SPN Distribution;
- (c) SPN Distribution and its licensors reserve the right to alter the Channels, including the name of the Channels and the programming exhibited on the Channels.
- (d) the Broadcaster in certain circumstances may not control the appropriate rights to exhibit certain programs on the Channels (hereinafter referred to as the "***Withheld Programs***"). Accordingly, Operator acknowledges and agrees not to exhibit, and shall block or black out the transmission of any Withheld Programs upon notification from SPN Distribution;
- (e) the Broadcaster shall have the right to change: (i) the satellite carrying each of the Channels' signals, (ii) the delivery system, and/or (iii) the encryption technology used for the Channels. In the event the Operator is advised by SPN Distribution of any change in the satellite transmitting any of the Channels, the Operator shall make all necessary arrangements to ensure continued access to the Channels, provided that neither the Broadcaster nor SPN Distribution shall be liable to the Operator or its Subscribers for any failure on their part to access the Channels as a result of any such change; and
- (f) The Operator shall make no use, nor authorize or permit others to make use of the Channels or of the programming on the Channel(s) other than as expressly set forth in this Agreement. If the Operator distributes any or all of the Channels in a manner not authorized or for a purpose not specifically provided for by the Agreement, then SPN Distribution shall, notwithstanding anything contained elsewhere, have the right in its sole discretion to either immediately suspend the transmission of any or all of the Channels to the Operator and/or terminate the Agreement by providing the Disconnection Notice.

4.7 Offering of Channels

- (a) The Operator shall offer the Channels to the Subscribers either on a-la-carte basis or part of a Bouquet comprising the Channels. The Operator shall not make any limited period or event based offering or exhibition of any Channels to the Subscribers.
- (b) The Operator shall package the Channels as per the Applicable Laws. In any event, the Operator represents, warrants and undertakes that:
 - i. the packaging of the Channels will not be disadvantaged or discriminated vis-a-vis the

For SPN Distribution

For Operator

other channels of the same genre or include the Channels in any package or tier that contains any channel with obscene content or with any channel offering gambling services or promoting gambling or betting. The Operator shall serve SPN Distribution with prior written intimation of its intention to package/repackage/launch a new package (promotional or otherwise); and

- ii. it shall continue to offer and shall not remove any Channel or discontinue the exhibition of any Channel offered by it as part of a bouquet or a package for a period of six (6) months from the date of availing such bouquet by a Subscriber or such other longer period for which the subscription charges have been paid by the Subscriber in advance. The Operator further agrees that once the Channel(s) has been included in the bouquet or package offered by the Operator on its Platform, said Channel shall not be selectively switched off or taken off air by the Operator unless all other channels forming part of such bouquet or package are switched off or taken off air by the Operator. Provided that this provision shall not apply on suspension of signals or on termination or expiry of this Agreement.

4.8 EPG

If the Operator wishes to create an EPG, or a printed programming guide for distribution to its Subscribers (a copy of which shall be sent to SPN Distribution simultaneously with mailings to Subscribers), then the programming schedule of each of the Channels shall be prominently featured in such schedules in the order of the EPG number for each of the Channels. In connection with the EPG, the Operator agrees as under:

- (a) not to place any of the Channel in a disadvantageous position or otherwise treat any of the Channels less favorably or in a discriminatory manner with respect to competing channels on a genre basis while arranging the EPG numbers;
- (b) not to change the EPG numbers of the Channels over the Term. The Operator shall give SPN Distribution at least three (3) months prior written notice of any changes to the EPG numbers of the Channels and provide a copy of the EPG to SPN Distribution. The change to EPG numbers shall be made in good faith without aiming at the Broadcaster's Channels vis-à-vis the other channels of the same genre; and
- (c) it shall use its best efforts to ensure that Subscribers are advised of any changes in the programming schedules of the Channel(s). SPN Distribution shall provide to the Operator information in a format that is reasonably requested by the Operator for this purpose.

5. License Fee

- 5.1 For each month or part thereof during the Term of the Agreement, the Operator shall pay to SPN Distribution a monthly license fee which shall be the Rate multiplied by the Monthly Average Subscriber level in respect of the respective channels subscribed by the Subscriber ("Monthly License Fee").
- 5.2 Broadcaster is offering its standard definition Channels on an a-la-carte basis and in a bouquet. The Operator shall select the Channels on an a-la-carte basis and/or opt for a bouquet. The "**Rate**" shall

mean either the A-la-carte rate per applicable Channel per subscriber per month ("A-la-carte Rate") or the rate of the Bouquet per subscriber per month ("Bouquet Rate") (as the case may be) as is set out in the Validation Form.

Should the Operator select the Bouquet of the Available Channels, the Operator shall be eligible for the incentive scheme of the Broadcaster, provided the Operator, at the time of signing the Agreement, specifically selects strictly one of the various options of the incentive scheme which are explained and elaborated in **Schedule-A1**. For purposes of clarity, the incentive scheme must be selected by the Operator at the time of signing of the Agreement failing which Broadcaster may not allow the Operator to be eligible for any incentives under the incentive scheme.

The Rate detailed in the Validation Form is exclusive of all taxes and levies and subject to such other terms as are specified in the Validation Form. SPN Distribution reserves the right to revise the Rate at any point in time during the Term. The Operator acknowledges that the Rate of the Channels are subject to revision by the Broadcaster in compliance with the Applicable Laws. In the event the Rate of any of the Channels is revised ("Revised Rate"), such revision in the Rate will be notified and published by the Broadcaster on its website (and such notification may also be available on SPN Distribution's website). The invoices for the Monthly License Fees to be raised after the effective date of the Revised Rate shall be raised by SPN Distribution on the basis of the Revised Rate. The notification and publication by the Broadcaster of the Revised Rate on its website shall automatically be deemed to be an amendment to the Validation Form hereunder without the need for an executed amendment to this Agreement or the requirement to append to this Agreement a supplementary Validation Form and the Operator undertakes and agrees to pay the Monthly License Fees invoices in accordance with the revised Rates.

- 5.3 The Monthly License Fees shall be paid by the Operator to SPN Distribution in Indian Rupees by demand draft/pay order/cheque drawn in favour of "*Sony Pictures Networks Distribution India Private Limited*", unless instructed otherwise in writing by SPN Distribution.
- 5.4 All payments collected by SPN Distribution from the Operator shall be on first in first out basis and shall be adjusted/credited to the invoice outstanding for the longest period. The Operator shall have no right to withhold or claim adjustment/set off Monthly License Fees under this Agreement for any reason whatsoever (including but not limited to by virtue of any alleged loss of Subscribers, counterclaim against SPN Distribution etc.)
- 5.5 Calculation of Monthly License Fee

(a) The Monthly License Fees shall be calculated as follows:

- i. In case the Operator avails the Bouquet of the Broadcaster:
 - (a) Where the Operator is providing the Bouquet as a whole to its subscribers, the Monthly License Fee for such Bouquet shall be equal to the Bouquet Rate as set out in Schedule A multiplied by the number of highest Monthly Average Subscriber Level for any Channel forming part of the availed the Bouquet.
 - (b) Where the Operator does not offer such opted Bouquet as a whole to its subscribers but packages the channels comprised in such opted Bouquet in a manner resulting in different subscriber base for different channels comprised in such opted Bouquet, then the payment to SPN Distribution/Broadcaster for such entire opted Bouquet by the

Operator, shall be calculated on the basis of the aggregate subscriber base for the channel which has the highest subscriber base amongst the channels comprised in the Bouquet.

ii. In case the Operator avails one or more or all Channels of the Broadcaster on A-la-carte basis:

- (a) Where the Operator is providing any or all the Channels on an a-la-carte basis to the Subscribers on the Platform, the Monthly License Fees shall be equal to the Rate multiplied by the Monthly Average Subscriber Level of the Channels; and
- (b) Where the Operator does not offer the Channels on an a-la-carte basis on the Platform but instead offers the Channels in packages or bouquets, then the Monthly License Fee shall be equal to the Rate multiplied by the average number of Subscribers each such packages or bouquet in which any or all the Channels are included.

(b) Any discounts or similar offerings made by the Operator to the Subscribers in respect of the Channels shall be at the sole cost and expense of the Operator.

5.6 Payment of the Monthly License Fee shall be subject to deduction of any withholding tax/TDS at the prescribed statutory rate in accordance with the provisions of the Indian Income Tax Act, 1961 as amended from time to time. The Operator shall provide tax withholding certificates to SPN Distribution within such period as has been specified in the Income Tax Act/Rules/Notifications/Circulars issued there under.

5.7 The Parties acknowledge that the Goods and Services Tax (GST) has been implemented effective July 01, 2017 and hence the Parties agree to be bound by the following:

1. For the purpose of this Agreement, the Broadcaster's "From" address is _____ having GST registration number _____.
2. For the purpose of this Agreement, the Operator's "Bill To" address is _____ having GST registration number _____.
3. The Operator may use the HSN/ SAC provided by Broadcaster or adopt a different HSN/ SAC as per their interpretation. However, the Operator acknowledges that in either case, Broadcaster shall not be held responsible or liable for any liability that arises on account of dispute related to HSN/ SAC classification.
4. In connection with the License Fee payable to SPN Distribution as an agent of the Broadcaster, the following additional clauses would apply:
 - a) The License Fee payable shall be exclusive of Indirect taxes/GST.
 - b) In cases where the Operator procures the Channels for its multiple premises, the License Fee payable by the Operator for each such premises would be separately provided by the Operator.

For SPN Distribution

For Operator

- c) The License Fee shall also be subject to deduction of applicable TDS (under Income tax and GST law as well). The Operator shall also furnish a certificate to SPN Distribution against such deduction within specified time lines.
 - d) At the time of payment of the License Fee to SPN Distribution as an agent of the Broadcaster, the Operator shall inter alia mention (a) that the payment is towards the License Fee (b) Invoice details against which the said payment has been made which would also include the details of the premise and registration number of Broadcaster and the premise and registration number of Operator for which payment has been made and (c) Amount of payment along with TDS deducted thereon (GST TDS and/ or Income tax TDS).
 - e) The Operator acknowledges that in case where any advance subscription fee paid by the Operator is required to be refunded by SPN Distribution as an agent of the Broadcaster due to any reasons, amount of GST paid by Broadcaster would be refunded only when Broadcaster receives refund of such GST from the Government.
 - f) In the event there is any change in the amount of License Fee that is mutually agreed between the Parties, SPN Distribution shall issue GST compliant supplementary invoice, debit/ credit note (as the case may be) or any other document in this regard along with applicable GST / reversal of GST to the Operator (as the case may be). Operator would be responsible to reverse input tax credit where such document is issued and should not dispute such amount.
5. For the purposes of this Agreement and basis the information/documents provided by the Operator, SPN Distribution shall charge the applicable rate of GST.
6. In case the Operator is eligible for any exemption or lower rate of tax, the Operator is responsible to provide the requisite details, documents, declarations or undertake any prescribed compliances for the purpose of tax exemptions / lower tax rates before supply of signals is made. In absence of this, no tax exemption/ lower rates would be extended.
7. The Parties acknowledges that in case of any incorrect / incomplete or any type of non-compliance at its end (defaulting Party) because of which a demand is raised by the tax authorities on the other Party (non-defaulting Party), the defaulting Party shall be immediately liable to pay the applicable taxes / amounts (including interest, penalty and associated litigation cost) if any upon notification by the non-defaulting Party.
- 5.8 In the event the Operator had executed an agreement with SPN Distribution prior to this Agreement under which Operator owes any outstanding sums to SPN Distribution, the Operator is hereby obligated and liable to make payments of entire such outstanding sums promptly (and in any event no later than five (5) days of the Operator signing off this Agreement) failing which the Broadcaster reserves the right to terminate this Agreement at any time by providing a prior Disconnection Notice.
- 5.9 For purposes of clarity, the Broadcaster has specifically authorized SPN Distribution to collect the Monthly License Fees on its behalf.

For SPN Distribution

For Operator

6. Payment Terms

- 6.1 The Monthly License Fee shall be paid by the Operator in arrears within fifteen (15) days from receipt of invoice (the "**Due Date**") which shall be raised by SPN Distribution (in the name and for and on behalf of the Broadcaster) on the basis of a detailed Subscriber Report to be submitted by the Operator to SPN Distribution in accordance with Clause 6.3 below.
- 6.2 The Operator shall make the payment of the Monthly License Fee on each Due Date without any deduction except deduction of TDS/withholding tax in accordance with Clause 5.6. The Operator shall be required to make payment of the Monthly License Fee on or before each Due Date in accordance with the terms hereof, and any failure to do so on the part of the Operator shall constitute a material breach of this Agreement. SPN Distribution shall have a right to charge interest at a monthly rate of 18% on that portion of each Monthly License Fee which remains unpaid after the Due Date. The imposition and collection of interest on late payment of Monthly License Fees does not constitute a waiver of the Operator's absolute obligation to pay the Monthly License Fees on or before the Due Date.
- 6.3 Within seven (7) days of end of each month during the Term, the Operator shall provide opening and closing number of Subscribers on the first and last day for that particular month for each of the Channels opted by the Operator, both for a-la-carte and tier/package offerings of the Operator (each a "**Subscriber Report**"), based on which SPN Distribution shall raise an invoice for the Monthly License Fee on the Operator. In case the Operator fails to send the Subscriber Report within the stipulated period of seven (7) days, SPN Distribution shall have a right to raise a provisional invoice (each a "**Provisional Invoice**") and the Operator shall be under an obligation to pay the Monthly License Fee on the basis of such Provisional Invoice in accordance with the terms herein. However it is agreed by SPN Distribution that the Provisional Invoice shall be for an amount not more than the Monthly License Fee payable by the Operator for the immediately preceding month or the average of the preceding three (3) months, whichever is higher. On receipt of the Subscriber Report from the Operator for the months in which SPN Distribution raises and receives Monthly License Fee on the basis of Provisional Invoices, the Parties shall conduct reconciliation between the Provisional Invoices raised by SPN Distribution and the actual Monthly License Fee payable by the Operator in accordance with the Subscriber Reports.
- 6.4 Where the Rates are revised upward by the Broadcaster in accordance with Clause 5.2, the Operator agrees and undertakes to pay in accordance with the Revised Rates as per Clause 5.2. In the event the invoice has already been raised on the earlier Rates, the Operator agrees to pay the difference, if any, between the Monthly License Fees and revised Monthly License Fee calculated from effective date of revision in the Rates ("**Fees Difference**").
- 6.5 Where any debit notes are to be issued for recovering Fees Difference from Operator for an already invoiced period (for any reason what so ever), then SPN Distribution shall by 7th day of the following month complete all activities (like performing internal checks, calculation of Fees Difference etc.) that would enable SPN Distribution to issue the debit note to the Operator. The debit notes raised by SPN Distribution on the Operator herein shall be paid within seven (7) days by the Operator upon receipt of the same (and the 7th day from the date of issuance of the debit note shall be deemed to be the Due Date).
- 6.6 All Monthly License Fee payments hereunder are exclusive of all applicable indirect taxes including but not limited to GST. All such taxes shall be at the Operator's cost and will be charged at the prevailing rates by SPN Distribution to the Operator.

7. Subscriber Reports

For SPN Distribution

For Operator

- 7.1 The Operator shall maintain, at its own cost, SMS which shall be fully integrated with the CAS. The Operator warrants that any activation or de-activation of a Subscriber's Set Top Box shall be processed simultaneously through both CAS and SMS.
- 7.2 The Operator shall provide to SPN Distribution complete and accurate opening and closing number of Subscribers of the Channels in the Subscriber Reports and the tier and/or package in which the Channels are included within seven (7) days from the end of each month in the format provided by SPN Distribution enclosed herewith as Schedule D together with such other information as SPN Distribution may require for determining the Monthly Average Subscriber Base and the Monthly License Fee.
- 7.3 The Subscriber Reports provided by the Operator to SPN Distribution in accordance with Clause 7.1 shall be system generated only through SMS and must be in a 'pre-defined read only format' such as a suitable PDF format which cannot be manually edited and attested and shall specify all information required to calculate the Monthly Average Subscriber Level (including but not limited to the number of Subscribers for each of the Channel and each package in which a Channel is included) and the Monthly License Fees payable to SPN Distribution.
- 7.4 The Subscriber Reports shall be signed and attested by an authorized officer of the Operator of a rank not less than Head of Department/Chief Financial Officer who shall certify that all information in the Subscriber Report is true and correct. The Operator acknowledges that submission of the Subscriber Report in accordance with the provisions hereof is material to SPN Distribution.
- 7.5 The Operator shall also include in its Subscriber Report comprehensive details of all incidents of Piracy and signal theft involving the Platform, the names of perpetrators involved in such Piracy incidents and any actions, including but not limited to, the filing of police reports and lawsuits filed against such perpetrators between the time period of submitting two (2) Subscriber Reports. The obligation of the Operator to provide to SPN Distribution the Subscriber Reports shall survive the expiry or sooner termination of the Agreement and continue until SPN Distribution receives the complete Subscriber Reports for each relevant month for which any Monthly License Fee is payable.
- 7.6 The Operator shall maintain throughout the Term and for twelve (12) months thereafter (or such longer period as required by law) sufficient records to enable SPN Distribution to verify and ascertain (i) veracity of the Subscriber Reports submitted by the Operator, (ii) the payments due to SPN Distribution hereunder, and (iii) the Operator's compliance with its Anti-Piracy Obligations as set out in Schedule E.

8. Equipment

8.1 Procurement of Equipment

- (a) IRDs used for decoding the signals of the Channels, details of which are specified in the Hardware Form, is either provided by SPN Distribution to the Operator or procured by the Operator directly from the market at its own cost. The Viewing Cards for the IRD shall always be provided by SPN Distribution to the Operator and shall at all times remain the property of the Broadcaster or SPN Distribution.
- (b) Where the IRD is procured by the Operator directly on its own from the market, Operator shall ensure that the same meets the technical and other parameters as may be notified by SPN Distribution. The Operator shall at all times be responsible for proper functioning, repairs, replacement or maintenance of such procured IRDs.

- (c) In the event the Operator requests in writing, SPN Distribution may on behalf of the Broadcaster, supply or cause to supply the Equipment in accordance with the current policy of SPN Distribution. SPN Distribution may in its sole discretion require the Operator to make the following payments against delivery of the Equipment:
- i) Processing Fee: SPN Distribution may require the Operator to pay one-time non-refundable processing fee towards the Equipment for each Channel as per SPN Distribution policy.
 - ii) Replacement Fee: In case the Operator requires replacement of defective Equipment, the Operator shall pay a non-refundable service charge per IRD or per VC, as the case may be, for one time replacement. The service charge amount shall be intimated by SPN Distribution based on the nature of defect in the IRD or VC as the case may be.
 - iii) Courier/Taxes: The Operator shall pay the courier charges, octroi, taxes and other applicable levies and transportation charges for the Equipment.
- (d) It is expressly agreed between the Parties that if within fifteen (15) days from the date of dispatch of the Equipment to the Operator by SPN Distribution, the Operator does not intimate SPN Distribution the receipt or non-receipt of the Equipment then it will be deemed that the Operator has received the Equipment.
- 8.2 Equipment provided by SPN Distribution to the Operator, shall at all times remain the property of the Broadcaster, and not of the Operator. SPN Distribution may require the Operator to pay a refundable security deposit (the "Security Deposit") before SPN Distribution delivers the Equipment to the Operator. Upon the return of the Equipment to SPN Distribution, SPN Distribution will refund the Security Deposit, subject to deduction of any amounts to cover any damage to the Equipment, which shall be determined by SPN Distribution at its sole discretion. Further, in the event, the Operator fails to return the Equipment to SPN Distribution, the Operator shall be liable to pay a sum of Rs.1,000/- per day per IRD to SPN Distribution for the period during which the default continues.
- 8.3 SPN Distribution makes no representation or warranty as to the capabilities of the Equipment provided by it to the Operator and the Equipment shall be provided on "as is where is" basis. SPN Distribution shall not under any circumstances be responsible or liable for any malfunctions of such Equipment. However, in the event such Equipment require repair or replacement, the Operator may send a written request to SPN Distribution and SPN Distribution shall inform the Broadcaster and endeavour to have the Equipment repaired or replaced at SPN Distribution's sole discretion, subject to the Broadcaster's policies. All Equipment provided by SPN Distribution to the Operator shall be returned to SPN Distribution or the Broadcaster as directed by SPN Distribution immediately upon expiry or prior termination of the Agreement.
- 8.4 The Operator undertakes and covenants that each Equipment provided by SPN Distribution to the Operator:
- (a) shall be kept at a secure location approved by SPN Distribution in writing and the same shall not be moved from the installation address as specified in Hardware Form. The Operator grants SPN

For SPN Distribution

For Operator

Distribution the right at any time to enter the installation address to verify the presence of, and to inspect and test, each Equipment at the installation address. In the event any Equipment is missing, SPN Distribution will be entitled to take any action in law, including under existing criminal laws, to recover such Equipment. Further, in the event any Equipment is lost, misplaced, stolen, or is in any manner alienated from the Operator's possession, the Operator shall immediately inform SPN Distribution of the same, with a copy of the relevant report lodged with the law enforcement authorities. The Operator shall also immediately initiate all steps that may be possible for the recovery of such Equipment, including but not limited to legal action in a court of law. It is, however, made abundantly clear that all costs incurred or to be incurred for the recovery of the Equipment shall be borne solely by the Operator. In case such Equipment is not recovered, the Security Deposit shall be transferred to the Broadcaster in lieu of such Equipment and the Operator agrees that the Broadcaster shall be free to recover the balance costs, if any, of such Equipment from the Operator;

- (b) is not opened, tampered with or reverse engineered in any manner whatsoever. In the event that the hologram seal affixed to the IRD is tampered with while the IRD is in the possession of the Operator, SPN Distribution may suspend the delivery of the Channels (after complying with the Applicable Laws) without any liability and the delivery of the Channels will be restored only at SPN Distribution's discretion and subject to Operator paying a non-refundable reactivation fee of Rs. 5000/- (Rupees five thousand only) per Channel or higher as per the existing policies of SPN Distribution for each such event of suspension. The Operator acknowledges that the reactivation fee is not a penalty but a reasonable cost to be incurred by SPN Distribution for the restoration of the Channels after suspension. If the seal of the IRD is found to be broken, SPN Distribution on behalf of the Broadcaster may take back possession of the IRD and forfeit the Security Deposit of the Operator. Further, SPN Distribution on behalf of the Broadcaster shall be free to recover the balance cost, if any, of such IRD from the Operator if the Security Deposit does not cover the cost of such IRD. The Operator agrees to use the Equipment only in accordance with the technical specifications established by the manufacturer of the Equipment;
- (c) is not sold, assigned, pledged or otherwise transferred to any third party;
- (d) in the event the Operator merges or amalgamates with another entity or ceases to operate its Platform, the Equipment supplied by SPN Distribution to the Operator shall be returned forthwith to SPN Distribution.; and
- (e) the Operator may be required to purchase from SPN Distribution/Broadcaster approved vendors the IRDs that shall be in compliance with the Technical Specifications or, depending on availability, SPN Distribution may provide on loan to the Operator such IRDs subject to payment of activation fee and annual maintenance fee, as applicable, at the sole discretion of SPN Distribution.

8.5 The Operator understands that mere possession of the Equipment and making all payments relating to it does not guarantee access to the Channels, if the remaining clauses of the Agreement are not adhered to.

- 8.6 In the event the Operator fails to pay the Monthly License Fees and/or upon expiry or termination of the Agreement, SPN Distribution shall be entitled to take back the possession of the Equipment from the Operator and deactivate the Viewing Cards.
- 8.7 In order to recover possession of the Equipment from the Operator, the Operator shall ensure that the authorized personnel of SPN Distribution are provided with unobstructed access to the premises of the Operator where the Equipment are installed and take possession of the same. The Operator shall not interfere with such procedure when such authorized personnel of SPN Distribution visit the premises during normal office hours.
9. **Anti-Piracy**
- 9.1 In order to prevent theft, piracy, unauthorized retransmissions, redistribution or exhibition, copying or duplication of any Channel(s), in whole or in part, (hereinafter collectively referred to as "**Piracy**"), the Operator shall, prior to the commencement of the Term and at all times during the Term, deploy, maintain, and enforce fully effective and internationally renowned state of the art technology on the Platform and conditional access delivery and content protection and security systems, a tamper proof environment in its operations and related physical security and operational procedures (hereinafter collectively referred to the "**Security Systems**") as may be specified in a non-discriminatory manner hereunder or in writing, from time to time, by SPN Distribution.
- 9.2 To ensure the Operator's ongoing compliance with the security requirements as set out in this Agreement, SPN Distribution may require technical audits ("**Technical Audit**") to be conducted by security technology auditor, at SPN Distribution's cost and expense. If the results of any Technical Audit are not found to be satisfactory by either the Operator or SPN Distribution, then Operator shall work with SPN Distribution in resolving this issue in the next fourteen (14) business days. Operator shall, if required, forthwith resort to appropriate remedial measures, by way of adopting appropriate state of the art or next generation technology that shall improve the accuracy and efficacy of the Security Systems. If a solution is not reached to SPN Distribution's satisfaction by the end of said 14 days then, SPN Distribution may, in its sole discretion, suspend the Operator's right to distribute the Channels or take other actions as provided under the Agreement, until such systems, procedures and security measures have been corrected to SPN Distribution's satisfaction. The Operator shall bear the cost and expense of any subsequent Technical Audit to verify that the systems, procedures and security measures have been corrected by the Operator to SPN Distribution's satisfaction.
- 9.3 For every Technical Audit referred to above, Operator shall make available all the data, records, systems information and details for inspection and audit by SPN Distribution or representatives, auditors designated by SPN Distribution on reasonable notice to the Operator, during normal business hours during the term of the Agreement and for 1 (one) year after the termination of this Agreement. Provided further that neither SPN Distribution's acceptance of any such information nor payment for any deficiency or SPN Distribution's inspection or audit of the Operator's records or accounts shall prevent SPN Distribution from later disputing the accuracy or completeness of any payment made or information supplied by the Operator. SPN Distribution and its representatives shall be entitled to visit all offices, head ends, control room and other locations of the Operator for any such inspection and audit. The Operator undertakes to provide and cause to provide access to all offices, head ends, control room and other locations of the Operator for any such inspection and audit by SPN Distribution or its representatives.
- 9.4 The Operator shall deploy finger printing mechanisms to detect any Piracy, violation of copyright and unauthorized viewing of the Channel(s), distributed/transmitted through its Platform at least once every 10 minutes on 24 x 7 x 365(6) basis.

- 9.5 The Operator shall comply with all content protection measures that may be specified by SPN Distribution from time to time and shall report compliance to SPN Distribution in a timely manner as may be required and specified by SPN Distribution. The Operator shall also allow SPN Distribution full access to systems and controls for SPN Distribution to be satisfied that the IPTV is fully compliant with such content protection measures as may be specified by SPN Distribution in this regard.
- 9.6 The Operator shall not allow unauthorized taping or receipt of the Channels. The Operator shall not authorize, cause or suffer any portion of the Channel(s) to be recorded, duplicated, cablecast, exhibited or otherwise used for any purpose other than for linear distribution by Operator at the time the Channel(s) is made available. The Operator shall not authorize or permit the exhibition of the Channel(s) or any portion of the Channel(s) at any place where admission for exhibition of the Channel(s) is charged i.e. any place defined to form a part of the "Commercial Establishments" as defined in clause 1.14. The Operator shall not authorize or permit infringement of any copyrighted material exhibited on the Channel(s), or use the rights granted to it under this Agreement for any unlawful purpose.
- 9.7 If the Operator becomes aware that any unauthorized third party is recording, duplicating, cablecasting, exhibiting or otherwise using the Channel(s) for any other purpose, the Operator shall immediately notify SPN Distribution and the Operator shall switch off the concerned Set Top Box to prevent such unauthorized use. However, use of a set top box with the Recorder facility which has been supplied to the Subscribers by the Operator shall not be treated as unauthorized use; provided (a) such Recorder facility in the STB complies with the terms of this Agreement; (b) such STB is used in accordance with the terms and conditions of the subscription agreement between the Operator and the Subscriber, (c) the Subscriber uses it strictly for non-commercial use and personal consumption.
- 9.8 If so instructed by SPN Distribution, the Operator shall shut off or de-authorize the transmission to any unauthorized Subscriber indulging in Piracy, within ten minutes from the time it receives such instruction from SPN Distribution. Any communication under this Clause shall be considered as valid information only if the information is sent through official e-mail of a designated officer of SPN Distribution. However such foregoing information may even be provided by SPN Distribution representatives through other means of communications such as telephonic message, fax, etc. and the said information shall later be confirmed by SPN Distribution through e mail and the Operator shall be under an obligation to act upon such information relating to Piracy and switch off the concerned STB.
- 9.9 In such instances where the Operator is the only party that is allowed to initiate legal action against an unauthorized party, including, but not limited to, the filing of criminal complaints against such unauthorized party, the Operator agrees to grant necessary rights to SPN Distribution to initiate legal action. In the event SPN Distribution cannot initiate such legal action, against an unauthorized party, for want of locus standi, the Operator agrees to initiate the same. In all cases where legal action is initiated by SPN Distribution, the Operator agrees to provide SPN Distribution with all the necessary/required assistance.
- 9.10 In addition to the above, the Operator shall, at its own expense, take all necessary steps to comply with obligations set forth in Schedule E.

10. Audit and Subscriber Management System

- 10.1 SPN Distribution's representatives shall have the right to review and/or audit the SMS, CAS, other related systems and records of SMS and CAS of the Operator relating to the Channels for the purpose

of verifying the amounts payable to SPN Distribution under the Agreement twice in a year, the information contained in Subscriber Reports and full compliance with the terms and conditions of the Agreement. The scope of the said audit will be as defined in Schedule F to this Agreement. If such review and or audit reveals that additional fees are payable to SPN Distribution, then after measurement of such incremental Fees (which should be done by SPN Distribution by 10th day from the end of review/audit), SPN Distribution shall raise invoice on the Operator for payment of differential Fees. Further such date of determination shall be deemed to be the completion of event for the differential Fees to be paid by the Operator. The Operator shall immediately pay such fees, as increased by the late payment interest rate, failing which SPN Distribution may, notwithstanding anything contained elsewhere in the Agreement, suspend any of the Channel or terminate this Agreement, by giving such notice to Operator as is required under applicable TRAI regulations, without prejudice to SPN Distribution's right to claim the additional fees. If any fees due for any period exceed the fees reported by the Operator to be due for such period, by two (2) percent or more, the Operator shall pay all of SPN Distribution's costs incurred in connection with such review and/or audit, and take any necessary actions to avoid such errors in the future. At the end of each of these audits, the Operator shall provide SPN Distribution with a current date channel-wise (Bouquet/A-la-carte) subscriber report from its SMS, certified by its SMS manufacturer/vendor.

10.2 The Operator shall remain the sole owner and holder of all customer databases compiled by the Operator under the Agreement.

10.3 The Operator shall maintain at its own expense the SMS, capable of, at a minimum:

- i. maintaining a computerised customer database capable of recording adequate details of each Subscriber, including name, address, chosen method of payment and billing;
- ii. administering subscriptions of Subscribers by producing and distributing contracts for new Subscribers and setting up and maintaining an IT enabled infrastructure whereby Subscriber contracts are collected, returned and recorded in the SMS database for ongoing administration;
- iii. handling all ongoing administrative functions in relation to Subscribers, including, without limitation, billing and collection of subscription payments, credit control, sales enquiries and handling of complaints;
- iv. administering payments of any commission fees from time to time payable to the Operator's authorised agents for the sale to Subscribers of programming packages;
- v. obtaining and distributing receivers and smart cards, if applicable, to Subscribers, and issue replacement smart cards from time to time in its discretion; and
- vi. that will enable new Subscribers via the SMS over-the-air addressing system and disable defaulting Subscribers.

11. Representations and Warranties

11.1 The Operator represents, covenants, warrants and undertakes to SPN Distribution as follows:

- i. it has requisite power and authority to enter into the Agreement and to fully perform its obligations hereunder;
- ii. by executing this Agreement, the Operator is not in breach of any of the provisions contained in any other agreement executed by the Operator with any third party;
- iii. it has the appropriate net worth necessary infrastructure including office, support staff and the

equipment for running the Platform smoothly and efficiently and discharging its entire obligations under this Agreement;

- iv. it shall abide by the Applicable Laws the Interconnection Regulations;
- v. it shall duly inform SPN Distribution in the event of any changes or termination in its registration;
- vi. the STBs, CAS and SMS shall comply with the Technical Specifications and the Operator agrees that the STBs and their installed CAS microchip used by the Subscribers shall prohibit use of digital outputs;
- vii. it shall provide the accurate Subscriber Reports and pay the Monthly Subscription Fees on the Due Dates, together with applicable taxes;
- viii. it shall not retransmit the Channels via any medium other than the Operator's Platform;
- ix. it shall provide SPN Distribution with 10 STBs for which SPN Distribution shall pay applicable charges authorized for every Channel distributed by the Operator for monitoring the anti-Piracy;
- x. it shall not distribute the Channels to any Commercial Establishments for which one or more separate agreement(s) shall be executed between the Parties at rates applicable for Commercial Establishments;
- xi. it shall maintain for the Channels first-class signal transmission quality in accordance with the highest international industry standards. The Operator shall maintain a service availability (a service free from viewer discernible problems including, without limitation, video with no audio, audio with no video or significant signal distortion) that meets or exceeds 99.95% reliability per month (which represents service outages incurred by Subscribers not exceeding approximately 22 minutes per month) without any interruption or deviation from the daily transmission schedule, and shall immediately notify SPN Distribution of any degradation to signal of any of the Channels;
- xii. it shall ensure that EPG functionality, user interface and on screen display ("OSD") appears at the Subscriber's option provided such interface appears at the bottom part of the screen and does not cover more than 10 % of the television screen size and does not obscure the program on the Channel;
- xiii. it undertakes not to, either itself or through others, copy, tape or otherwise reproduce any part of the Channels;
- xiv. it shall not copy or tape programmes for resale or deal in any copied programmes and shall immediately notify SPN Distribution of any unauthorized copying, taping or use of any part of the Channels and shall fully cooperate with all requests by SPN Distribution to take such steps as are reasonable and appropriate to cause such activities to cease;

For SPN Distribution

For Operator

- xv. the content stored in the PVR or DVR shall always be encrypted and shall not be capable of transfer to and/or play on other devices;
- xvi. it shall not push content onto the STBs, there shall not be automatic advertisement skipping function and/or the Operator shall not create a virtual video-on-demand or other on demand service in respect of the Channels;
- xvii. it shall not discourage in any manner whatsoever the Subscribers and/or general public at large from not subscribing to the Channel(s) and/or it shall not engage in any kind of negative marketing/advertising/running scrolls that may discourage the Subscribers and/or general public at large from subscribing the Channel(s);
- xviii. it shall not modify, misuse or tamper with the Equipment including the seal (paper or holographic seal to prevent opening of the Equipment) or any signals emanating therefrom in a manner that prevents the correct identification of the Equipment by their original identification code or interferes with the signals emanating therefrom;
- xix. it shall keep the Equipment in good and serviceable order and condition to the satisfaction of SPN Distribution and bear all expenses for general repairs and maintenance of the same and it shall immediately notify SPN Distribution in the event of any mechanical/technical fault in the Equipment;
- xx. it undertakes to pay all duties, taxes, fees and other outgoings payable in respect of the Equipment as and when the same becomes due and payable and shall indemnify SPN Distribution against any default or non-payments in this regard;
- xxi. upon expiry/termination of the Agreement, it shall return to SPN Distribution the Equipment in good working condition and pay to SPN Distribution all outstanding payments that may be payable to SPN Distribution under the Agreement on the date of termination;
- xxii. it further ensures that the Channels shall only be activated through the digital addressable STB which meets the specifications prescribed by Bureau of Indian Standards ("BIS"); and
- xxiii. once the Channels are included in a bouquet/package, the Operator shall not stop exhibition of the Channels without strictly following the procedure prescribed for changing the composition of the bouquet/package under the Applicable Laws, as amended from time to time; and
- xxiv. it shall comply and remain fully compliant with the terms of this Agreement at all times during the Term.

12. Intellectual Property

- 12.1 Unless notified to the contrary by SPN Distribution, in all trade references, advertising, promotion and marketing, the Channels shall be referred to exclusively as designated herein. As between SPN Distribution and the Operator, Intellectual Property shall belong exclusively to SPN Distribution or its Affiliates or Broadcaster or Broadcaster's rights holder ("IP Owners"). Operator shall not claim adversely to or challenge the rights of the IP Owners with respect to any Intellectual Property thereof.

For SPN Distribution

For Operator

To the extent any of such rights are deemed to accrue to the Operator, the Operator agrees that such rights are the exclusive property of the respective IP Owners and agrees to renounce such rights and sign all necessary documents which SPN Distribution may require the Operator to do. The Operator shall not use any material contained in any of the Intellectual Property without the prior written consent of SPN Distribution. If SPN Distribution authorizes such use, the Operator shall use such Intellectual Property in connection with the Channels only and only in accordance with SPN Distribution's written instructions. SPN Distribution reserves the right to inspect any such material at any time without prior notice. The Operator shall not use any Intellectual Property as part of a corporate name or of a trade name or seek to register any Intellectual Property which in SPN Distribution's opinion is colorable imitation or deceptively similar to the Intellectual property. The Operator shall include appropriate copyright and other legal notices as SPN Distribution may require, and shall promptly call to the attention of SPN Distribution the use of any Intellectual Property, or of any names or marks that resemble any Intellectual Property by any third party in the Authorized Area. The Operator shall within 10 days after termination of this Agreement return to SPN Distribution, or at SPN Distribution's request, destroy all material, used for the purpose of printing or reproducing, any Intellectual Property or any other names or marks that in the opinion of SPN Distribution are similar to any Intellectual Property, and shall transfer or cause to be transferred to the IP Owners (and at no cost to SPN Distribution or any of the IP Owners) all interest in and to any graphic representation created by or for the Operator of any Intellectual Property.

- 12.2 The Operator shall not use any Intellectual Property for any other purposes including marketing and promotional purposes, except for the purpose of promoting the availability of the Channels on the Platform subject to prior written approval of SPN Distribution.

13. Advertising/ Marketing/Promotion

- 13.1 The Operator shall promote the Channels in the same manner and to the same extent as any other channels distributed by the Operator on its Platform; provided that the Operator may carry out any specific promotion with respect to certain specific channels, if such channels provide the Operator with financial assistance with respect to such promotion. Notwithstanding the foregoing, the Operator agrees that it shall provide SPN Distribution with the same opportunity to carry out specific promotions for the Channels. Moreover, the Operator agrees that the Channels will be treated similarly in terms of size and prominence (taking into consideration the context) to other channels in any advertising material where the Channel Marks appear with the logos and names of all other channels. In any promotion and marketing of the Channels, the Operator shall use only promotional material provided or pre-approved by SPN Distribution in strict adherence to SPN Distribution's instructions or if the marketing materials for the Channels are created by or on behalf of the Operator, these must be submitted to SPN Distribution for SPN Distribution's prior written approval. SPN Distribution shall make available to the Operator promotional and marketing materials in accordance with SPN Distribution's prevailing current practices. SPN Distribution may, from time to time, undertake marketing tests and public polls or other research in connection with the Channels. The Operator shall cooperate with SPN Distribution in such research by making available information reasonably requested by SPN Distribution including the relevant data and address details of its Subscribers. SPN Distribution and the Operator agree to discuss joint marketing efforts and the coordination of marketing and promotion for the Channels and the Platform.

- 13.2 Notwithstanding anything contained elsewhere in this Agreement, the Operator shall not without the prior written permission of SPN Distribution promote or associate itself in any manner whatsoever with any programming carried on the Channels. Specifically the Operator shall not market, promote or in any other manner whatsoever seek to draw any association between Operator and any programme on the Channels. The Operator may only use the official logo of the Channels for any

non-commercial, promotional or marketing of the Channels on the Operator's network and provided such use is first approved by SPN Distribution in writing.

13.3 The Operator shall not:

- i. engage in any kind of promotions, special screenings, private shows, exhibit in public viewing areas, any special schemes or any deals involving any particular event, show or programme on the Channels;
- ii. use or exploit any of the logos or marks or the title of any event, show or programme of the Channels including without limitation, engaging in promotions via cutouts, banners or hoardings displaying any brand names or logos or trademarks of any such event; and
- iii. obscure the viewing of any Channel by inserting any form of graphics, pop ups, aston bands, scrolls, squeezers, pre-rolls, post rolls, logos, brand names, virtual advertising, etc.

14. Term

14.1 Unless terminated in accordance with the terms hereof, this Agreement shall be valid only for the duration of the Term.

14.2 The Term may be extended on terms and conditions to be mutually agreed and recorded in writing by and between the Parties either by way of an addendum to this Agreement or under a new agreement.

15. Termination and Suspension

15.1 Subject to applicable Law, either Party shall have a right to terminate the Agreement forthwith by providing a prior Disconnection Notice to the other Party in the event of:

- i. any material breach of the Agreement by the other Party which has not been cured within thirty (30) days of being required in writing to do so;
- ii. the bankruptcy, insolvency or appointment of receiver over the assets of the other Party or admission of any winding up petition against the other Party; or
- iii. The IPTV license or any other material license necessary for the Operator to operate its Platform being revoked at any time other than due to the fault of the Operator.

15.2 SPN Distribution shall have the right in its sole discretion to forthwith suspend the delivery of Channels and/or forthwith to terminate the Agreement by providing a prior Disconnection Notice to the Operator in any of the following events:

- i. revocation, termination or suspension of the IPTV system license or any other material license necessary for Operator to operate its Platform;
- ii. any material breach of the Agreement which in SPN Distribution's sole opinion is not capable of a remedy;
- iii. any breach of the Agreement which, if capable of a remedy, is not remedied by the Operator to the satisfaction of SPN Distribution during the period of Disconnection Notice;
- iv. If Operator fails to make payment of the Monthly License Fees on or before the Due Date; or
- v. If there is change in the ownership, management or control of the Operator which is not pre-approved by SPN Distribution.

- 15.3 The Operator shall have the right to terminate the Agreement if the Operator discontinues its IPTV business and provides at least 90 (ninety) days prior written notice.
- 15.4 SPN Distribution shall have the right to disconnect the Channels provided to the Operator at any time by giving a prior written notice of 90 (ninety) to the Operator in the event that SPN Distribution discontinues all the Channels with respect to all the distributors within the Authorized Area.
- 15.5 SPN Distribution shall have the right to terminate this Agreement by a written notice to the Operator if the Operator breaches any of the Anti-Piracy Obligations and fails to cure such breach within ten (10) days of being required in writing to do so.
- 15.6 In the event the Applicable Laws are amended during the subsistence of this Agreement in a manner to remove the period for which the Disconnection Notice needs to remain valid before the signal of any or all of the Channels are switched off and accordingly the Agreement can be partially or wholly terminated respectively by SPN Distribution, the remedy period for Operator's breach in Clause 15.2 (iii) shall be such period as may be prescribed by SPN Distribution in its Disconnection Notice to the Operator.
- 15.7 In the event SPN Distribution discontinues one or more Channels (but not all the Channels that are subject matter of this Agreement) with respect to all operators in the Area ("Affected Channels"), then SPN Distribution shall have a right to partially terminate this Agreement in respect of the Affected Channels by providing a prior Disconnection Notice for the Affected Channels.
- 15.8 Upon expiry or termination of this Agreement for any reason:
- i. each Party shall return to the other Party the Confidential Information or destroy the Confidential Information if a Party possessing the Confidential Information is advised so by the other Party;
 - ii. the Operator shall return the Equipment supplied by SPN Distribution in accordance with the terms of this Agreement; and
 - iii. the Operator shall cease to make any representations that it is associated with SPN Distribution or the Channels.
- 15.9 Termination or expiry of this Agreement will not affect the Operator's obligations that are meant to survive the expiry of termination of this Agreement including the payment of the Monthly License Fees payable under this Agreement. For purposes of clarity, where the Agreement is terminated in accordance with the provisions hereof the Monthly License Fees shall be payable until the effective date of termination.
- 15.10 Pursuant to Clause 15.2 of this Agreement and without derogating in any manner the right of SPN Distribution to terminate this Agreement, where SPN Distribution opts to suspend this Agreement partially in respect of certain specified Channels ("Suspended Channels") or whole of this Agreement in respect of all the Channels, then SPN Distribution shall have a right, in addition to all the other rights and remedies available to SPN Distribution in law, contract or equity, to claim the Monthly License Fees in respect of all the Channels or the Suspended Channels, as the case may be, for the period starting from when the suspension is promulgated by SPN Distribution through and until the Agreement is either reinstated or terminated by SPN Distribution.

- 15.11 It is agreed and acknowledged by the Operator that if SPN Distribution chooses to terminate the Agreement in its entirety or partially in respect of certain Suspended Channels due to the Operator having failed to remedy the breach notified by SPN Distribution pursuant to Clause 15.2 due to which SPN Distribution had suspended the Agreement, SPN Distribution may not be required to provide a fresh Disconnection Notice if it is not required by the Applicable Laws.

16. Indemnification; Limitation of Liability

- 16.1 The Operator shall indemnify and hold SPN Distribution and its respective officers, directors, employees, agents and Affiliates, harmless from and against any and all losses, claims, damages, liabilities, costs and expenses (including reasonable attorneys' fees and related costs) arising out of: (a) the breach of any representation, warranty, covenant or undertaking made by the Operator hereunder or any other obligation of the Operator arising out of this Agreement; and (b) any third party claims that are brought against SPN Distribution and the Broadcaster which arise due to breach of any terms of this Agreement or misrepresentation by the Operator or breach of a covenant, undertaking or warranty by the Operator. SPN Distribution shall notify the Operator in writing of the claim or action for which such indemnity applies.
- 16.2 SPN Distribution shall not be liable to the Operator, any Subscriber or to any third party, whether under contract, tort or otherwise, for any indirect, special, incidental or consequential damages or for any lost profits, business, revenues or goodwill arising out of or in connection with this Agreement or the provision of the Channels or inability to provide the same whether or not due to suspension, interruption or termination of the Channels or for any inconvenience due to deprivation of any programme or information whether attributable to any negligent act or omission or otherwise.
- 16.3 The aggregate liability of SPN Distribution and its Affiliates to the Operator for any and all loss, damage, cost and expense arising out of or in connection with (and whether arising before or after termination of) this Agreement, whether in contract, tort (including negligence), pre-contract or other representations (other than fraudulent misrepresentations) or otherwise, shall not exceed the sum equal to the Monthly License Fee for the last month actually paid by the Operator to SPN Distribution under this Agreement.

17. Intentionally deleted

18. Governing Law and Jurisdiction

The governing law shall be Indian law. TDSAT shall have the exclusive jurisdiction in respect of any dispute between the Parties arising out of or in connection with or as a result of the Agreement.

19. Miscellaneous

19.1 Entire agreement and binding effect

This Agreement shall constitute the entire agreement between the Parties with respect to the subject matter contained herein, and shall supersede all prior agreements, understandings, minutes of meetings, oral or written, with respect thereto. Subject to the terms and conditions hereof, this Agreement is binding upon and will inure to the benefit of the parties and their respective successors.

19.2 Force Majeure

- i. If on account of a Force Majeure Event, either party cannot perform its obligations for more than

For SPN Distribution

For Operator

forty five (45) days, then either Party shall be entitled to terminate this Agreement forthwith or by providing a notice of as many days as may be prescribed under the Agreement.

- ii. The Party suffering the Force Majeure Event must promptly notify to the other Party in writing (that is within 48 hours) the nature of the Force Majeure Event, its impact and the mitigation plan. No such notice shall be necessary in case a regulation having the force of law which applies to the Parties upon its notification or publication for general information and qualifies as a Force Majeure Event.
- iii. SPN Distribution shall not incur any liability if the Broadcaster fails to transmit or make available the Channels on account of Force Majeure Event. For the avoidance of doubt, if this Agreement is terminated pursuant to this Clause 19.2, neither party shall have any liability to the other as a result of such termination (provided that rights and liabilities which accrued prior to such termination shall continue to subsist). Notwithstanding the foregoing or any stipulation to the contrary contained in this Agreement, the Monthly License Fee shall accrue and be payable by the Operator subject to the Force Majeure Event for the period during which the Force Majeure Event continues and/or until the Agreement is terminated by SPN Distribution hereunder.

19.3 Confidentiality

Other than the existence of this Agreement and the terms of this Agreement which are or come to the public domain with no fault of either Party or due to the Applicable Laws, no terms or conditions herein, nor any matters relating to the course of dealings between the Parties including all subscriber related information or any information pertain to the business of the operator/SPN Distribution shall be disclosed to any third party, except to auditors (as a part of normal reporting procedure), attorneys, affiliated companies, employees, directors, officers, consultants, investors or lenders, or potential investors or lenders, on a need-to-know basis, and except as may be required by any applicable government agency, regulatory body or court.

19.4 Notices

All notices must be in writing sent, during working hours, by personal delivery or courier or registered post or email to such address of SPN Distribution and Operator as specified in the first page of this Agreement, unless otherwise notified in writing by either Party. A notice will be deemed to have received by the other Party: (a) immediately when delivered via email or by personal delivery; (b) on the 2nd business day when sent by courier; and (c) fifth business day when sent by registered post.

19.5 Assignment

- i. Notwithstanding anything contained in the Agreement, the Operator shall not have the right, without the prior written consent of SPN Distribution, to assign or transfer, in whole or in part, the Agreement or any of its rights or obligations hereunder to any third Party including its affiliates. Upon any breach, whether actual, potential or threatened, of this Clause, the Operator shall be deemed to be unauthorized to retransmit the signals of the Channels and in material breach of this Agreement which shall entitle SPN Distribution to terminate the Agreement and deactivate/disconnect the signals of the Subscribed Channels and take any other measures as may be lawfully appropriate.

- ii. SPN Distribution may, at any time, assign or novate the Agreement including, without limitation, its rights and obligations hereunder, either in whole or in parts, to any person or third party and such person or third party shall, to the extent of such assignment, be deemed to have the same rights and obligations as SPN Distribution vis-a-vis the Operator. Such assignment or novation by SPN Distribution shall be effective on and from the date as communicated in writing by SPN Distribution to the Operator.

19.6 Amendment

No amendment to this Agreement shall be valid unless prepared in writing and signed by the authorized signatories of each of the Parties.

19.7 Survivability

The Parties shall have no further obligations or rights under this Agreement after the end of the Term, without prejudice to any obligations or rights which have accrued to either Party at the end of the Term. All provisions of this Agreement the survival of which is necessary for the interpretation or enforcement of such provisions and the Agreement shall continue to have effect after the end of the Term.

19.8 Specific Performance

The Operator agrees and acknowledges that damages in certain circumstances may not be an adequate remedy for SPN Distribution and therefore SPN Distribution shall be entitled to an injunction, restraining order, right for recovery, suit for specific performance or such other equitable relief as a court of competent jurisdiction may deem necessary or appropriate to restrain the Operator from committing any violation of this Agreement or to enforce the performance of the covenants, representations and obligations contained in this Agreement. These injunctive remedies are cumulative and are in addition to any other rights and remedies SPN Distribution may have at law or in equity, including without limitation a right for damages.

19.9 Severability

If any provision of this Agreement is held by any court or administrative body of competent jurisdiction to be illegal, invalid, or unenforceable, then such invalidity or unenforceability shall not affect the remaining provisions of this Agreement, which will remain in full force and effect.

19.10 Waiver

No waiver of any breach of any provision of this Agreement shall constitute a waiver of any prior, concurrent or subsequent breach of the same or any other provisions hereof, and no waiver shall be effective unless made in writing and signed by an authorized representative of the waiving party. No failure or delay by a Party in exercising any right, power, claim or remedy under this Agreement or under law shall operate as a waiver thereof, nor shall any single or partial exercise of the same preclude any further exercise thereof or the exercise of any other right, power or remedy.

19.11 Agency

Nothing herein shall be taken to constitute a partnership, agency or joint venture between the Parties. This Agreement may be executed simultaneously in any number of counterparts, each of which will be deemed an original, but all of which will constitute one and the same instrument.

19.12 Compliance with anti-bribery laws

For SPN Distribution

For Operator

It is the policy of the Broadcaster and SPN Distribution to comply and require parties with whom it contracts to comply with the Indian Prevention of Corruption Act, 1988, U.S. Foreign Corrupt Practices Act, 15 U.S.C. Section 78dd-1 and 78dd-2, and all other applicable anti-bribery laws (collectively, "**Anti-Bribery Laws**"). Operator represents, warrants and covenants that: (i) Operator is aware of the Anti-Bribery Laws and will advise all persons and parties supervised by it of the requirements of the Anti-Bribery Laws; (ii) Operator has not and will not cause any party to be in violation of the Anti-Bribery Laws; and (iii) should Operator learn of, or have reasons to know of, any request for payment that is inconsistent with the Anti-Bribery Laws, Operator shall immediately notify SPN Distribution. Operator will indemnify, defend and hold harmless the Broadcaster and SPN Distribution and its representatives for any and all liability arising from any violation of the Anti-Bribery Laws caused or facilitated by Operator. In the event SPN Distribution deems that it has reasonable grounds to suspect Operator has violated the Anti-Bribery Laws, SPN Distribution and its representatives shall have the right to review and audit, at SPN Distribution's expense, any and all books and financial records of Operator at any time, and SPN Distribution shall be entitled partially or totally to suspend its performance hereunder until such time it is proven to SPN Distribution's satisfaction that Operator has not violated the Anti-Bribery Laws. In the event SPN Distribution determines, in its sole discretion (whether through an audit or otherwise), that Operator has violated the Anti-Bribery Laws, either in connection with this Agreement or otherwise, SPN Distribution may terminate this Agreement immediately upon written notice to Operator. Such suspension or termination of this Agreement shall not subject SPN Distribution to any liability, whether in contract or tort or otherwise, to SPN Distribution or any third party, and SPN Distribution's rights to indemnification shall survive such suspension or termination of this Agreement.

IN WITNESS WHEREOF, this Agreement is entered into as of the date first set forth below.

For Sony Pictures Networks Distribution India Private Limited for and on behalf of Sony Pictures Networks India Private Limited	For the Operator
Name:	Name:
Title:	Title:

For SPN Distribution

For Operator

SCHEDULE A - VALIDATION FORM**A-LA-CARTE WHOLESALE RATES OF CHANNELS FOR ADDRESSABLE PLATFORMS**

Sr. No	Select	Channel Name	Genre	Rate (in Rs.)
1	<input type="checkbox"/>	AATH	GEC (Bengali)	04.20
2	<input type="checkbox"/>	SONY YAY!	Kids	05.62
3	<input type="checkbox"/>	AXN	GEC (English)	06.52
4	<input type="checkbox"/>	SET MAX	Movies (Hindi)	07.64
5	<input type="checkbox"/>	MAX 2	Movies (Hindi)	07.64
6	<input type="checkbox"/>	MIX	Music	03.15
7	<input type="checkbox"/>	SET PIX	Movies (English)	05.39
8	<input type="checkbox"/>	SAB	GEC (Hindi)	06.17
9	<input type="checkbox"/>	SET (Sony Entertainment Television)	GEC (Hindi)	08.99
10	<input type="checkbox"/>	SIX	Sports	14.70
11	<input type="checkbox"/>	PAL	GEC (Hindi)	09.21
12	<input type="checkbox"/>	SONY ESPN	Sports	15.12
13	<input type="checkbox"/>	SONY BBC EARTH	Infotainment	6.72
14	<input type="checkbox"/>	TEN 1	Sports	6.74
15	<input type="checkbox"/>	TEN 2	Sports	14.70
16	<input type="checkbox"/>	TEN 3	Sports	15.12
17	<input type="checkbox"/>	SONY WAH	Movies	FTA

BOUQUET WHOLESALE RATES OF CHANNELS FOR ADDRESSABLE PLATFORMS

For SPN Distribution

For Operator

Sr. No	Bouquet Selected	Channels forming part of Bouquet	Rate (in Rs.)
1	<input type="checkbox"/>	SET, SAB, SET MAX, AXN, MAX 2, MIX, SET PIX, SIX, SONY ESPN, PAL, AATH, SONY YAY!, SONY BBC EARTH, TEN 1, TEN 2, TEN 3 and SONY WAH	91.75

Note:

- Broadcaster has acquired Taj Television (India) Private Limited and therefore shall be distributing the channels TEN 1, TEN 2 and TEN 3 with effect from 1 March 2017.
- 'FTA' or 'free to air' channel means a channel for which no subscription fee is to be paid by the operator to the Broadcaster for its retransmission on its platform.

The Operator agrees and acknowledges as follows:

- The Rates are applicable on a "per Subscriber per television set per month" basis;
- The Rates are exclusive of taxes and other levies which will be charged extra over the Monthly License Fee.
- The Rate card is without prejudice to rights and contentions the following Civil Appeals Nos. 2847-2854 of 2011 pending before the Hon'ble Supreme Court. Further, the rate card is also subject to final outcome/determination of the aforesaid Civil Appeals.

Commencement Date: _____**Authorized Area** (please provide complete details): _____

**For Sony Pictures Networks Distribution India Private Limited
for and on behalf of Sony Pictures Networks India Private Limited**

For the Operator

Name:

Name:

For SPN Distribution

For Operator

Title:	Title:
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Website Copy Not For Execution

Schedule A1**Incentives**

The Broadcaster is offering certain incentives to all the digital addressable distribution platforms who avail of the Bouquet comprising of the Available Channels. In order to avail the incentives, the Operator shall be presumed to have read and accepted the conditions detailed in the Incentive Scheme available as **Appendix I** and thereafter shall choose/elect various options as stated hereunder:

Incentives offered when the Operator selects Bouquet**I. Penetration Based Incentive**

The Operator to tick the option selected

☐ **Option A1**

Channel	Penetration %
SET	>=95 %
SAB	>=95 %
PAL	>=95 %
SET MAX	>=95 %
MIX	>=95 %
MAX 2	>=95 %
SET PIX	>=75 %
AXN	>=75%
SIX	>=75 %
SONY ESPN	>=75 %
TEN 1	>=75 %
TEN 2	>=75 %
TEN 3	>=75 %
SONY BBC EARTH	>=95 %
AATH	>=95% in West Bengal market
SONY YAY!	>=75 %
SONY WAH	>=95 %
Incentive	30%

☐ **Option B1**

Channel	Penetration %
SET	>=95 %
SAB	>=95 %
PAL	>=95 %
SET MAX	>=95 %
MIX	>=95 %
MAX 2	>=95 %
SET PIX	>=60 %
AXN	>=60%
SIX	>=60%
SONY ESPN	>=60%
TEN 1	>=60%
TEN 2	>=60%
TEN 3	>=60%
SONY BBC EARTH	>=95 %
AATH	>=95% in West Bengal market
SONY YAY!	>=60%
SONY WAH	>=95 %
Incentive	20%

☐ **Option C1**

Channel	Penetration %
SET	>=95 %
SAB	>=95 %
PAL	>=95 %
SET MAX	>=95 %
MIX	>=95 %
MAX 2	>=95 %
SET PIX	>=50 %
AXN	>=50%
SIX	>=50 %
SONY ESPN	>=50 %
TEN 1	>=50%
TEN 2	>=50 %
TEN 3	>=50 %
SONY BBC EARTH	>=95 %
AATH	>=95% in West Bengal market
SONY YAY!	>=50 %
SONY WAH	>=95 %
Incentive	10%

If the Operator desires to avail Penetration Based Incentive in connection with the Bouquet, the Operator shall ensure that the channels – SET, SAB, SET MAX and MIX shall at all times during the Term of the Agreement made available to, 95% or above, of its total Network Pay Subscriber Base.

For the purpose of this Agreement, “***Network Pay Subscriber Base***” shall mean the total number of Subscribers who are connected to the Operator’s Platform, for the Authorised Area and have subscribed to one or more pay channels of any broadcaster on a-la-carte or bouquet basis from the Operator.

II. LCN Based Incentives

The Operator to tick the option selected:

Option A2 ☐

Option B2 ☐

Option C2 ☐

Channel	LCN
SET	Top 1
SAB	Top 2
PAL	Top 7
SET MAX	Top 1
MIX	Top 1
MAX 2	Top 2
SET PIX	Top 1
AXN	Top 1
SIX	Top 1
SONY ESPN	Top 2
TEN 1	Top 3
TEN 2	Top 4
TEN 3	Top 5
SONY BBC EARTH	Top 1
AATH for only West Bengal	Top 1
SONY YAY!	Top 3
SONY WAH	Top 7
Incentive	40%

Channel	LCN
SET	Top 3
SAB	Top 5
PAL	Top 10
SET MAX	Top 3
MIX	Top 3
MAX 2	Top 5
SET PIX	Top 3
AXN	Top 3
SIX	Top 3
SONY ESPN	Top 5
TEN 1	Top 5
TEN 2	Top 6
TEN 3	Top 7
SONY BBC EARTH	Top 3
AATH for only West Bengal	Top 3
SONY YAY!	Top 5
SONY WAH	Top 10
Incentive	25%

Channel	LCN
SET	Top 5
SAB	Top 7
PAL	Top 12
SET MAX	Top 5
MIX	Top 5
MAX 2	Top 7
SET PIX	Top 5
AXN	Top 5
SIX	Top 5
SONY ESPN	Top 7
TEN 1	Top 7
TEN 2	Top 8
TEN 3	Top 9
SONY BBC EARTH	Top 5
AATH for only West Bengal	Top 5
SONY YAY!	Top 7
SONY WAH	Top 12
Incentive	15%

If the Operator provides consecutive LCNs to five sports channels - SIX, SONY ESPN, TEN 1, TEN 2 and TEN 3 (“**Sports Channels**”) and these channels are placed together, it shall be eligible to 15% (fifteen percent) incentive on on the Bouquet Rate of the Channels of the Broadcaster after availing the LCN Incentive. For clarification of doubt, the above five Sports Channels can be placed in any order as per the discretion of the Operator but on consecutive LCNs.

III. Volume Based Incentive

For SPN Distribution

For Operator

Option	Network Pay Subscriber Base in million	Volume Based Incentive
A3	Greater than or equal to 50,00,000	5.00%
B3	Greater than or equal to 30,00,000 but less than 50,00,000	4.00%
C3	Greater than or equal to 10,00,000 but less than 30,00,000	3.00%
D3	Greater than or equal to 3,00,000 but less than 10,00,000	2.00%

Note:

- (1) The Broadcaster/SPN Distribution is also offering an additional 10% as upgrade on penetration based incentive in connection with the Bouquet.
- (2) The Broadcaster/SPN Distribution has also provided for reduction in the penetration based incentive and LCN based incentive in connection with the Bouquet.

The details of the upgrade incentive and the reduction in the incentive are set out in clause 3.2(I)(d) and clause 3.2(I)(e) of the incentive scheme in **Appendix I**.

For Sony Pictures Networks Distribution India Private Limited for and on behalf of Sony Pictures Networks India Private Limited	For the Operator
Name:	Name:
Title:	Title:

 For SPN Distribution

 For Operator

SCHEDULE B**Details of the Operator**

Photo

Name of the Operator:

Operator code:

Status: ☐ Proprietorship ☐ Partnership Firm ☐ Company ☐ HUF☐ Individual ☐ Others

Correspondence Address:

Flat/Shop No.: _____ Building Name/Plot No.: _____

Street/Road Name: _____ Locality/Area: _____

Landmark: _____ City/Town/Village: _____

Pincode: _____ Taluk/Tehsil: _____

District: _____ State: _____

Operator Authorised Signatory(ies):

Mobile:

email:

Operator Contact Person: _____

Mobile: _____ email: _____

Phone: STD Code: _____ No.: _____

Fax: STD Code: _____ No: _____

The Operator shall provide the following documents and details to SPN Distribution:

1. A certified true copy of a valid registration certificate of IPTV license issued in the name of the Operator by Ministry of Information and Broadcasting;

For SPN Distribution_____
For Operator

2. A network diagram of the Operator along with a map of the Authorized Area together with a list specifically naming the localities covered therein;
3. Exact address and locations of the head ends/control rooms set up for the said area of operations;
4. Detailed list of areas of operation and complete details of their subscriber base;
5. SMS declaration from the SMS vendor in the format set out at Schedule G;
6. CAS declaration from the conditional access vendor in the format set out at Schedule H which includes the exact location of installation of CAS;
7. Certificate of incorporation – certified by the company secretary / director, memorandum and articles of association of the company, and any amendment and all related documents on behalf of the company;
8. PAN card number and copy;
9. GST registration;
10. Entertainment Tax Registration (if applicable); and
11. Name of the authorised signatory alongwith board resolution or authority letter for executing this Agreement.

For Sony Pictures Networks Distribution India Private Limited for and on behalf of Sony Pictures Networks India Private Limited	For the Operator
Name:	Name:
Title:	Title:

SCHEDULE CHARDWARE FORM

Operator Code: _____ Document Number: _____

Operator Name: _____ PAN NO: _____

Installation Address ☐ Same as Correspondence address ☐ different from Correspondence address

If Installation Address is different from Correspondence Address, please fill details below:

Flat/Shop No.: _____ Bldg. Name /Plot No: _____

Street Name: _____ Landmark: _____

Locality/Area: _____ Village/ Town/City: _____

Taluk/Tehsil: _____ District: _____ State: _____

Pin code: _____ Telephone: _____ Fax: _____

Technical Contact Person: _____

Mobile: _____ e-mail: _____

Encryption System used by the Operator: _____**Channel wise serial number details of all IRDs of the Services being subscribed by the Operator:**

SET IRD _____	SIX IRD _____
SET MAX IRD _____	MIX IRD _____
SET PIX IRD _____	SONY YAY! IRD _____
SAB IRD _____	AXN IRD _____
AATH IRD _____	MAX2 IRD _____
PAL IRD _____	SONY ESPN IRD _____
SONY BBC EARTH IRD _____	TEN 1 IRD _____
TEN 2 IRD _____	TEN 3 IRD _____

For SPN Distribution_____
For Operator

SONY WAH IRD _____

The Operator acknowledges the receipt/possession of the IRDs as detailed above and certifies them to be found in excellent working condition.

For Sony Pictures Networks Distribution India Private Limited for and on behalf of Sony Pictures Networks India Private Limited	For Operator
Name:	Name:
Title:	Title:

For SPN Distribution

For Operator

SCHEDULE D**REPORT FORMAT****Monthly Subscriber Report for Broadcaster Channels:**

Operator Name: _____

Operator Code: _____

Area of Operation: _____

Report for the Month of: _____

Report Generated on: _____

REPORT 1:**Total Network Subscriber Base Report –**

Opening Active STB (A)	Activated During The Month-(B)	De-activated during the month-(C)	Closing Active STB D=A+B-C	Average Active STB E=(A+D)/2

REPORT – 2:**Total Network Pay Subscriber Base Report –**

Opening Active Pay Subscriber STB (A)	Active Pay Subscriber During the Month-(B)	De-Active Pay Subscriber During the Month-(C)	Closing Active Pay Subscriber STB D=A+B-C	Average Active Pay Subscriber STB E=(A+D)/2

REPORT – 3:**Detailed Monthly Subscriber Report (Bouquet & A-La –Carte)**

Sr No	Name of Bouquet /Channel	Type Of Offering (Bouquet / A-la-carte)	Number of Channels in the Bouquet	Name Of Channels in the Bouquet	Opening Pay STB Count (A)	STB Activated during the month-(B)	STB De-activated during the month-(C)	Closing Pay STB Count D=A+B-C	Average Pay STB Count E=(A+D)/2
1	P1	PACK							
2	P2	PACK							
3	P3	PACK							
4	P4	Add-On Pack							
5	SET	ALA CARTE							
6	SAB	ALA CARTE							
.									

For SPN Distribution_____
For Operator

-									
20									

Report – 4 –

Monthly report of Broadcaster's Channels (summation of Bouquet(s) & A-la-carte STB counts):

S No.	Channel Name	Opening	Closing	Average
1	AATH			
2	SONY YAY!			
3	AXN			
4	SONY ESPN			
5	SET MAX			
6	MAX 2			
7	MIX			
8	PAL			
9	SET PIX			
10	SAB			
11	SET			
12	SIX			
13	TEN 1			
14	TEN 2			
15	TEN 3			
16	SONY BBC EARTH			
17	SONY WAH			

Note: SMS system should generate in pdf format on the Operator's letter head

Signature - _____

Signing Authority Name – _____

Designation - _____

Date – _____

For Sony Pictures Networks Distribution India Private Limited for and on behalf of Sony Pictures Networks India Private Limited	For the Operator
Name:	Name:
Title:	Title:

For SPN Distribution

For Operator

SCHEDULE E**OPERATOR'S ANTI-PIRACY OBLIGATIONS****1. General.**

- 1.1 All Fingerprinting (“***FP***”) hereunder is compliant with the BIS Specification for digital Set Top Box for standard definition (SD).

2. STBs, Smart Cards, Systems and Procedures.

- 2.1 In order to ensure that each STB is capable of being used for FP, Operator agrees that the STB supplied to the Subscribers will conform to the BIS standards as provided in BIS specifications for digital Set Top Box.
- 2.2 Operator represents and agrees that there are adequate systems, processes and controls in place regarding the distribution of STBs and VCs so that they are only sold within the Authorized Area by Operator or by its authorized dealers and such sales are only made to bona fide Subscribers residing in the Authorized Area and installations are made by Operator or its designees at an address in the Authorized Area. Adequate systems, processes and controls shall include, without limitation, Operator:
- 2.2.1 collecting and maintaining complete up to date records of each and every Subscriber's details, and such Subscriber's STB and VC including, without limitation, the particulars specified in paragraph 2.4;
- 2.2.2 requiring all residential Subscribers to submit a recent utility bill or bank statement as proof of address, including any residential Subscribers who have been previously de-authorized prior to re-authorization, or otherwise independently verify the address prior to activation of any STB and VC;
- 2.2.3 investigating any multiple VCs issued under one individual name or address (other than for mirror STB's), including visiting the premises of such individuals or addresses from time to time;
- 2.2.4 deputing officers to visit and verify the accuracy and veracity of details submitted by Subscribers, in the event Operator becomes aware of any alleged continuing/potential misuse and/or misrepresentation by the Subscribers;
- 2.2.5 ensuring compliance by dealers including unannounced visits to dealers' premises from time to time;
- 2.2.6 requiring that for every change of address on the Operator system and therefore re- location of a STB, there is an independent physical verification of the new residential address; and
- 2.2.7 deauthorising any STB or VC that is found outside of the Authorized Area or in the possession of a person who is not a bona fide Subscriber.

- 2.3 Operator agrees that all of its STBs and VCs: (i) are sold and installed together as a pack only in the Authorized Area and only at the premises of Subscribers whose address has been verified in accordance with paragraph 2.2.2; and (ii) employ card-pairing technology that ensures once a VC is activated, it is paired to a particular STB and that the Channel(s) cannot be viewed if such VC is removed and used with any other STB.
- 2.4 Operator agrees that all installations of STBs and VCs are done directly by Operator or through its authorized dealers and only within the Authorized Area, and that the installer for every installation physically checks and ensures before installation and activation of a STB and VC that the address where the installation is being done matches with the address as supplied by the Subscriber at the time of purchase of the STB and which is the same as detailed in the subscriber management system ("SMS"). In accordance with paragraph 2.2.1, Operator's SMS shall contain all of the following information items for each residential Subscriber prior to activation of a VC and STB for such residential Subscriber:
- 2.4.1 Name;
 - 2.4.2 Installation address;
 - 2.4.3 Billing address (if different);
 - 2.4.4 Telephone number of the installation address, where applicable;
 - 2.4.5 Residential Subscriber's unique subscriber reference or subscription agreement number;
 - 2.4.6 Service/Channel(s)/Packages that have been selected;
 - 2.4.7 Name and unique reference number of the dealer who sold the STB to such residential Subscriber;
 - 2.4.8 Name and unique reference number of the dealer who sold the subscription to such residential Subscriber (if different);
 - 2.4.9 Name and unique reference number of the installer (if different from the dealer);
 - 2.4.10 VC number; and
 - 2.4.11 Unique STB number.
- 2.5 Operator agrees and undertakes that it shall not knowingly or negligently activate, or otherwise reactivate, as the case may be, those VCs, wherein the Channel(s) can be accessed from addresses, which are:
- 2.5.1 not bona fide or do not match the addresses as supplied by the relevant residential Subscribers as detailed in the SMS;
 - 2.5.2 outside of the Authorized Area; or
 - 2.5.3 that of a cable head end or any other distributor of such Channel(s) to residential subscriber.
- 2.6 In order to ensure that the VC is only activated for bona fide Subscribers, Operator further agrees that there are adequate controls to ensure (a) a VC is not activated before installation with its paired STB; and (b) that such VC is activated at the address of the Subscriber and verified by Operator which matches with the address as supplied by the notified by Subscriber at the time of purchase of the STB and which is the same as detailed in the SMS.
- 2.7 Operator agrees that its SMS allows viewing and printing historical data, in terms of total

activation, de-activation and re-activation of all Subscribers and all other records required under Paragraph 2.4.

- 2.8 Operator shall ensure that OSD should support a minimum of 120 characters.
- 2.9 Operator shall ensure that its watermark logo is inserted on all Channels.
- 2.10 Operator shall submit & confirm the number of MUX's (Multiplexer Units) installed with active TS (Transport Stream) outputs. This should include physical audit of head end and analysis of TS stream from the MUX.
- 2.11 All Transport Streams (TS) from Multiplexers (MUX) should be encrypted for both IPTV and Non IPTV areas.
- 2.12 The current version of the CAS should not have any history of hacking. A certificate from the CAS Vendor, to this effect be submitted.
- 2.13 The FP should not get invalidated by use of any device or software.
- 2.14 The STB & VC should be paired from head-end to ensure security.
- 2.15 The SMS and CAS should be integrated for activation and deactivation process from SMS to be simultaneously done through both the systems. Further, the CAS should be independently capable of generating log of all activation and deactivations.
- 2.16 The CAS vendor/manufacture should be known to have capability of upgrading the CAS in case of hacking.
- 2.17 Operator to provide the make & version of CAS installed at Headend.
- 2.18 CAS certificate to be provided by Operator.
- 2.19 CAS should be able to generate log of all activities i.e. activation/deactivation/FP/OSD.
- 2.20 CAS should be able to generate active/deactivate report channel wise/package wise.
- 2.21 STB's & cards to be uniquely paired from Operator before distributing box down the line/LCO.
- 2.22 Operator to declare by undertaking the number of encryptions CAS/SMS he is using at the head end and in future if he is integrating any additional CAS/SMS same should be notified to the Broadcasters by means of a fresh undertaking.
- 2.23 Reconciliation of CAS database (active cards, service wise & package wise) with SMS database to be provided by Operator . CAS vendor must to certify reconciliation of data.
- 2.24 No activation/ deactivation from direct CAS system, it must be routed via SMS client only.
- 2.25 OPERATOR's should provide CAS vendor certified copies of active/inactivate channel

wise/product wise report & Package/product report during audit period.

- 2.26 CA system should have the capability of providing history of all actions taken for at least previous 24 months but not later than 1st November 2012.
- 2.27 The SMS & CAS should be capable of individually addressing subscribers, on a channel by channel and STB by STB basis.
- 2.28 The SMS should be computerized and capable of recording the vital information and data concerning Subscribers such as:
- a) Unique Customer Id
 - b) Subscription Contract number
 - c) Name of the Subscriber
 - d) Billing Address
 - e) Installation Address
 - f) Landline telephone number
 - g) Mobile telephone number
 - h) Email Id
 - i) Service/Package subscribed to
 - j) Unique STB Number
 - k) Unique VC Number
- 2.29 The SMS should be able to undertake the:
- a) Viewing and printing historical data in terms of the activations, deactivations etc
 - b) location of each and every STB VC unit
 - c) The SMS should be capable of giving the reporting at any desired time about:
 - i. The total no subscribers authorized
 - ii. The total no of subscribers on the network
 - iii. The total no of subscribers subscribing to a particular package or Channel at any particular date.
 - iv. The details of channels opted by subscriber on a-la carte basis.
 - v. The package wise details of the channels in the package.
 - vi. The package wise subscriber numbers.
 - vii. The ageing of the subscriber on the particular channel or package
 - viii. The history of all the above mentioned data for a period of at least 24 months but not earlier than 1st November 2012.
- 2.30 The SMS and CAS should be able to handle at least one million subscribers on the system.
- 2.31 Both CA & SMS systems should be of reputed vendors/suppliers and should have been currently in use by other pay television services that have an aggregate of at least one million subscribers in the global pay TV market.
- 2.32 The CAS system provider should be able to provide monthly log of the activations on a particular

- channel or on the particular package.
- 2.33 The SMS should be able to generate itemized billing such as content cost, rental of the equipments, taxes etc.
 - 2.34 The CAS and/or SMS system suppliers should have the technical capability in India to be able to maintain the system on 24x7 basis throughout the year.
 - 2.35 CAS & SMS should have provision to tag and blacklist VC numbers and STB numbers that have been involved in Piracy in the past to ensure that the VC or the STB cannot be redeployed.
 - 2.36 Operator agrees that it shall, at its sole cost, be responsible for ensuring the Channel(s) is distributed via a digital, encrypted format signal receivable through its CA system only by its bona fide Subscribers to the Channel(s).
 - 2.37 All the STBs should have embedded CA.
 - 2.38 The STB should be capable of decrypting the CA inserted by the headend.
 - 2.39 The STB should be capable of doing FP. The STB should support both Entitlement Control Message (ECM) & Entitlement Management Message (EMM) based FP.
 - 2.40 The STB should be individually addressable from the headend.
 - 2.41 The STB should be able to take the messaging from the headend.
 - 2.42 The messaging character length should be minimal 120 characters.
 - 2.43 There should be provision for the global messaging, group messaging and the individual STB messaging.
 - 2.44 The STB should have forced messaging capability.
 - 2.45 The STB must be BIS compliant.
 - 2.46 There should be a system in place to secure content between decryption & decompression within the STB.
 - 2.47 The STBs should be addressable over the air to facilitate Over the Air (OTA) software upgrade.
 - 2.48 Operator to provide details of manufacturers of STB's being used/to be used by him (OS/Software, memory capacity, zapping time). All STBs must be secure chipset with chipset pairing mandatory.
 - 2.49 Operator should provide one set of all type/model of boxes to SPN Distribution, for testing and monitoring purpose.
 - 2.50 All STBs used by Operator's should be certified by their CAS vendor.

- 2.51 Forensic watermarking to be implemented on the Operator headend & STBs.
- 2.52 All the STBs should have embedded Conditional Access.
- 2.53 The STB should be capable of doing FP. The STB should support both Entitlements Control Message (ECM) & Entitlement Management Message (EMM) based FP.
- 2.54 ECM/EMM base forced messaging full screen and ticker mode should be available.
- 2.55 The STB should be individually addressable from the Head end.
- 2.56 The messaging character length should be minimum of 120 characters.
- 2.57 There should be provision for the global messaging, group messaging and the individual STB messaging.
- 2.58 The STB should have forced messaging capability.
- 2.59 The STB must be BIS compliant.
- 2.60 The STB must not be interoperable.
- 2.61 The STB must have secure chip set with mandatory pairing.
- 2.62 There should be a system in place to secure content between decryption & decompression within the STB.
- 2.63 The STBs should be addressable over the air to facilitate Over the Air (OTA) software upgrade.
- 2.64 The PVR enabled STBs must be such that any recorded content is capable of being replayed only with the use of that STB. Once the Subscriber is disconnected, the Subscriber will not be able to have access to any recorded content.
- 2.65 Types of STB launched/to be launched:
 - a. Vanilla STB
 - b. PVR STB
 - c. Others (please specify)
- 2.66 Operator to furnish STB details as follows:
 - a. Open Standards or Proprietary.
 - b. Audio Video and Data I/O Configuration.
 - c. Local Storage.
 - d. Smarts Card.
 - e. PVR Functionality.
 - f. Tamper Resistance.
 - g. I/O Copy Protection. Please provide the details.
 - h. I/O Interface to Other Devices.

2.67 DVR/PVR STB should be compliance of following;

- a. Content should get recorded along with FP/watermarking/OSD & also should display live FP during play out.
- b. Recorded content should be encrypted & not play on any other devices.
- c. Content should get record along with entitlements and play out only if current entitlement of that channel is active.
- d. User should not have access to install third party application/software.
- e. Describe if the STB support any type of interactive middleware.

3. Fingerprinting

3.1 Operator shall ensure that it has systems, processes and controls in place to run FP at regular intervals as reasonably requested from time to time.

3.2 Operator shall ensure that all STBs should support FP and should be compatible for running FP.

3.3 Operator shall ensure that the system can generate multi color FP with coloured background and no background and also font size needs to be variable. Minimum 10 colours for fonts and background strip required

3.4 These FPs should appear on all screens of STBs, such as Menu, EPG and PIP etc.

3.5 Operator shall ensure that the CA system can also generate COVERT FP. Operator should have tools to read such covert FP at any given time.

3.6 Operator ensures that the deployed system has Forced fingerprint capability.

3.7 Operator shall ensure that it shall be able to operate the FP across all Subscribers or any sub-set of Subscribers based on pre-set parameters and such FP should, apart from the foregoing, be possible and available on global, group and regional bases at all times.

3.8 Operator shall ensure that the Channel(s)'s FP should pass through without masking or tampering with respect to time, location, duration and frequency.

3.9 Use of any device or software should not invalidate the FP.

3.10 The finger printing should not be removable by pressing any key on the remote.

3.11 The Finger printing should be on the top most layer of the video.

3.12 The Finger printing should be such that it can identify the unique STB number or the unique Viewing Card (VC) number.

3.13 The location of the Finger printing should be changeable from the headend and should be random on the viewing device.

3.14 The Finger printing should be possible on global as well as on the individual STB basis

- 3.15 The Overt finger printing and OSD messages of the respective broadcasters should be displayed by the Operator without any alteration with regard to the time, location, duration and frequency.
- 3.16 No common interface Customer Premises Equipment ("CPE") to be used.
- 3.17 The STB should have a provision that OSD is never disabled.
- 3.18 The fingerprinting ("FP"), both covert and overt and OSD of SPN Distribution should be displayed by Operator without any tampering with regard to time, location, duration, colour and frequency;
- 3.19 The FP (both covert and overt) shall be provided by the Operator at the scheduled time, location (by x-y coordinates), duration, colour and on demand specified by SPN Distribution and with a notice (either verbal or in writing) of ten (10) minutes from SPN Distribution to the Operator. It should be possible to programme the STB or CPE to display its FP through OSD messaging;

4. Piracy, piracy reports and prevention

- 4.1 The Operator shall immediately notify SPN Distribution if it ascertains or becomes aware that (hereinafter, each a "Piracy Event"):
 - 4.1.1 Any VC or STB is being located, supplied or sold outside the Authorized Area,
 - 4.1.2 The Channel(s) is being viewed via a VC or STB by a STB party that is not a residential Subscriber,
 - 4.1.3 A VC is being used for viewing the Channel(s) anywhere other than the registered address of a residential Subscriber in the Authorized Area, or
 - 4.1.4 A VC and/or STB is being used by a cable operator to distribute the Channel(s).
- 4.2 If SPN Distribution becomes aware of a Piracy Event then, at SPN Distribution's request, Operator shall take all necessary steps to prevent or to stop such unauthorized or illegal use of the Channels or signals thereof.
 - 4.2.1 In the event SPN Distribution decides to take legal or other action against any infringing party committing or causing any Piracy Event, Operator shall provide all necessary assistance to SPN Distribution to prevent or combat such Piracy Event.
 - 4.2.2 If Operator wishes at its cost to take legal or other action of any kind against any party alleged to be infringing a right of SPN Distribution, where SPN Distribution shall be one of the parties to such action, it shall notify SPN Distribution in writing and seek SPN Distribution's prior written consent. Where SPN Distribution consents to Operator taking legal or other action on behalf of SPN Distribution, Operator shall keep SPN Distribution fully informed of the progress of such action. Operator shall not settle,

attempt to settle or otherwise compromise the rights of SPN Distribution or its Operators without the prior written consent of SPN Distribution.

4.3 If Operator's Conditional Access is hacked or otherwise compromised, Operator agrees to change or upgrade, within 60 days of Operator becoming aware of such hacking, its CA and/or SMS to ensure that the Conditional Access cannot be hacked or compromised within the Authorized Area. If Operator does not make such change or upgrade within such period of time, SPN Distribution shall have the right to suspend or terminate this Agreement in accordance with Clause 15. During such period, Operator shall implement a temporary fix to protect the Channel(s).

4.4 Operator shall investigate and report to SPN Distribution any incidents of copying, transmitting, exhibiting or other illegal use of the Channels via a STB and/or VC, or any illegal or unauthorised distribution or use of the STBs or VCs or other equipment that enable access to the Channels.

For Sony Pictures Networks Distribution India Private Limited for and on behalf of Sony Pictures Networks India Private Limited	For Operator
Name:	Name:
Title:	Title:

For SPN Distribution

For Operator

Schedule F**Scope of Audit**

Operator to provide SPN Distribution with following documents and information for audit purposes:

- (i) Complete Block Diagram of the head end;
- (ii) Details of Authorized Area;
- (iii) Details of areas in which Operator is providing its non-IPTV services.

Following shall be validated during the audit:

1. Review Complete Network Diagram
2. Undertaking from Operator for all SMS and CAS installed at Head end - issue of Multiple CAS/SMS
3. Certificate from CAS provider for details of super CAS ID and version. Also confirmation with respect to history of hacking
4. Check the number of MUX's installed with active TS outputs. Also whether all TS from MUX are encrypted for non IPTV & IPTV area.
5. Review whether live diagram/fibre details of network are captured in SMS system
6. To check if Operator's Finger Printing is available across the network.
7. Confirm whether watermarking network logo for all Channels is available.
8. Review the controls deployed to ensure integrity and reliability of the reports such as logs, access controls, time stamp etc.
9. Review the Subscriber parameters which are captured in the SMS and validate if following parameters are present for subscriber
 - Unique Subscriber ID
 - Subscriber Contract Details - No, Term, Date, Name, Address & contact details
 - Hardware details
10. Review the subscribers' activation/de-activation history in the SMS system
11. Validate if the SMS is integrated with the Conditional Access ("CA") system.
12. Review if all the active and de-active STBs are synchronized in both SMS and CA system.
13. Validate if independent log/report can be generation for active and de-active VCs with the product/channels active in both SMS & CA systems.
14. Review if the system supports the Finger Printing and OSD features at Box level, Customer account level as well as Global level.
15. Validate if all the STBs are individually addressable from the System and are paired with the viewing cards.
16. Review the Electronic Programming Guide to check LCN/CDN and genre of all Channels
17. Review the various packages programmed in the Systems with respect to the subscriber reports submitted to the Broadcasters/Aggregators.
18. In case of non-addressable systems, extraction, examination and evaluation of reports pertaining to

- channel-wise frequency/band allocation
19. Extraction and Examination of System Generated reports, statistics, data bases, etc. pertaining to the various packages, schemes, channel availability, bouquet composition, rates,
 20. Reviews of the following reports are supported by SMS & CA System
 - a. Total no of Subscribers - active & de-active separately
 - b. De-active subscribers with ageing report
 - c. Channel wise Subscribers - total
 - d. Channel wise Subscribers - split by package
 - e. Revenue by Package/Channel
 - f. Subscriber/Revenue Reports by State/City
 - g. No of packages/services offered
 - h. List of Channels/rates of each package
 - i. Rate Card Options offered/Attached with active Subscribers
 - j. Historical data reports i.e. activation/deactivation etc.
 - k. Free/demo Subscribers details
 - l. Exception cases - active only in SMS or CA system
 21. Verify the Customer Life Cycle Management process by performing a walkthrough of the following processes and their underlying systems
 - Customer acquisition
 - Provisioning of the subscriber in authentication, billing and SMS system
 - Scheme/package change request process
 - Customer Retention process, if any
 - Deactivation and churn process
 22. Verify the various schemes/packages being offered to customers
 - Obtain details of all approved schemes/packages and add on which are being offered to customers
 - Interactions with the Operator's marketing and sales team on how the various channels are being marketed
 - Any special marketing schemes or promotions
 - Details of the consumers subscribing to the various schemes/packages, including 'demo'/free/complimentary/testing/promotional subscribers
 23. Understand the declaration report generation process by performing a walkthrough of processes and underlying systems (to understand completeness and accuracy of subscriber report generation process):
 - Generation of reports for subscriber declaration for Channels/bouquets
 - Any reconciliations/checks/adjustments carried out before sending the declarations
 24. Analyze declaration reports on a sample basis:
 - Reconciling the declaration figures with base data from various systems (SMS/ Provisioning/Billing and Authentication systems)
 - Analyze the computation of average subscribers
 - Ascertain the average subscribers for a specific period on a sample basis by generating a

sample report for a given period in the presence of the representative/auditors

25. Analyze the following:

- Input and change controls of customer data into SMS
- SMS user access controls - authentication, authorization and logging
- System logs to identify any significant changes or trail of changes made
- Security controls over key databases and systems including not limiting to SMS, Provisioning, authentication and billing systems
- System logic for the reports which are inputs to Broadcaster declarations
- Channel allocation/fixation to a particular LCN/CDN
- Mapping of subscriber id across the CRM and SMS billing system if the same is different across the Systems.
- Sample of activation and deactivation request logs
- Opening and closing numbers of the active subscribers for sample months (report to be taken in front of the auditors/rep)
- Confirmation of the numbers on the middle of the month on a random chosen dates (report to be taken in front of the auditors/rep)
- Live demo of the queries being put in to the system to generate different reports.
- List of CAS and SMS used by Operator in IPTV area. Incase more than one CAS and SMS system is used by Operator for both IPTV and non-IPTV areas, then understand and analyze how the two markets are segregated, controlled, reported and invoiced
- Similarly, list of head-ends of the operator providing services to both IPTV and non- IPTV areas and for such head-ends, understand and analyze how the two markets are segregated, controlled, reported and invoiced
- In case of multiple CAS being used by Operator, to understand synchronization between multiple CAS and SMS

For Sony Pictures Networks Distribution India Private Limited for and on behalf of Sony Pictures Networks India Private Limited	For Operator
Name:	Name:
Title:	Title:

For SPN Distribution

For Operator

Website Copy Not For Execution

SCHEDULE G - CAS DECLARATION FORM
(On CAS Company Letter Head)

TO WHOMSOEVER IT MAY CONCERN

This is to certify that M/s _____, address:

_____ having its headend at _____ has installed Conditional Access System (CAS) from our company for its IPTV platform.

Date of CAS Installation: _____ CAS Version: _____
 CAS ID: _____, NETWORK ID: _____

With respect to the CAS installed at above mentioned headend and in terms of Schedule 4 of the Telecommunication (Broadcasting and Cable Services) Interconnection (Fifth Amendment) Regulations, 2009 as amended, we confirm the following:

1. The current version of CAS does not have any history of hacking.
2. The CAS is scalable and interoperable and we have the capability of upgrading of CAS in case it gets hacked.
3. The CAS is currently in use by other pay TV services and it has an aggregate of at least 1 million subscribers in the global pay TV market.
4. The CAS has the capacity to handle at least 1 million subscribers in the system.
5. We, the CAS system provider are able to provide monthly log of activation and deactivation on a particular channel or on a particular Bouquet / Subscriber Package.
6. We have the technical capability in India to maintain this CAS system in good working condition on 24x7 basis through the year.
7. This CAS is independently capable of generating log of all activations and deactivations.
8. This CAS has the provision to tag and blacklist VC numbers and STB numbers that have been involved in piracy in the past to ensure that the VC or the STB cannot be redeployed.
9. The CAS is capable of individually addressing subscribers, on a channel by channel and STB by STB basis.
10. This CAS has _____ gb/tb storage capacity which has the capability to store history logs of all activations and deactivations for the period of at least 24 months for every channel and Bouquet / Subscriber Package. This storage capacity can be increased if required.

Please find enclosed sample log of all activations & deactivations of a particular channel generated from this CAS system.

Thanking you,

For (CAS company name)

(Signature)

Name: _____

Designation: _____ (not below the level of COO or CEO or CTO)

Company seal:

 For SPN Distribution

 For Operator

SCHEDULE H - SMS DECLARATION FORM
(On SMS company letterhead)

TO WHOMSOEVER IT MAY CONCERN

This is to certify that M/s _____, Registered Office address _____ having its headend situated at _____ has installed SMS from our Company for its IPTV platform.

Date of SMS Installation: _____

SMS Version : _____

With respect to the SMS installed at above mentioned headend and in terms of Schedule 4 of the Telecommunication (Broadcasting and Cable Services) Interconnection (Fifth Amendment) Regulations, 2009 as amended, we confirm the following:

1. The SMS is currently in use by other pay TV services that have an aggregate of at least 1 million subscribers in the global pay TV market.
2. The SMS has the capacity to handle at least 1 million subscribers in the system.
3. We have the technical capability in India to be able to maintain their system in good working condition on 24 x 7 basis through the year.
4. We, the SMS system provider are able to provide monthly log of activation and deactivation on a particular channel or on a particular Bouquet / Subscriber Package.
5. This SMS has the provision to tag and blacklist VC numbers and STB numbers that have been involved in piracy in the past to ensure that the VC or the STB cannot be redeployed.
6. The SMS is capable of individually addressing subscribers, on a channel by channel and STB by STB basis.
7. This SMS is independently capable of generating log of all activations and deactivations.
8. This SMS has _____ gb/tb storage capacity with the capability to store history logs of all activations and deactivations for the period of at least 24 months for every channel. This storage capacity can be increased if required.

Please find enclosed sample log of all activations & deactivations of a particular channel generated from this SMS system.

Thanking you,

For (SMS company name)

(Signature)

Name: _____

Designation: _____ (not below the level of COO or CEO or CTO)

Company seal: _____

For SPN Distribution

For Operator

APPENDIX I

Incentive Scheme

Sony Pictures Networks India Private Limited, having its registered office at 4th Floor, Interface Building No. 7, Off Link Road, Malad West, Mumbai - 400064 ("**Broadcaster**"), through its authorized agent, **Sony Pictures Networks Distribution India Private Limited** (formerly known as MSM Media Distribution Private Limited), a company incorporated under the laws of India having its office at 4th Floor, Interface Building No. 7, Off Link Road, Malad West, Mumbai - 400064 ("**SPN Distribution**"), is offering certain incentive schemes for the digital addressable distribution platform operators, subject to the terms and conditions specified hereunder ("**Scheme**").

1. Interpretation & Definitions

- 1.1 The Scheme has no validity without a duly signed reference interconnect agreement and therefore will be interpreted as an integral part of the reference interconnect agreement ("**Agreement**").
- 1.2 Any capitalized terms used but not defined in this Scheme shall have the same meaning ascribed to such terms in the Agreement, unless specifically defined herein otherwise.

2 Eligibility Criteria

- 2.1 Subject to the Operator satisfying the Eligibility Criteria, the Broadcaster hereby offers certain types of incentives for distributing the Bouquet of Available Channels on the Platform, where each such incentive is linked to the Bouquet of Available Channels as selected by the Operator for distribution on the Platform under the Agreement, as detailed under Clause 3.2 of this Scheme (collectively the "**Incentives**" and individually as an "**Incentive**").
- 2.2 The Operator shall be eligible to avail the Incentives, upon specifically opting in and selecting the relevant option of the Incentives in Schedule 1A of the Agreement, subject to the Operator meeting each of the eligibility criteria as stated herein below ("**Eligibility Criteria**"):
 - a. The Incentives under this Scheme are applicable only if the Operator has opted for distributing the Bouquet of the Broadcaster and for clarity, the Incentives are not available for distributing any and all Available Channels on A-la-carte basis;
 - b. The Operator shall not place any Channel in a disadvantageous position or otherwise treat any of the Channels less favourably or in a discriminatory manner with respect to competing channels in the same *genre*. The Operator shall place the Channels in parity with the channels of other competing broadcasters within the same genre as set out in Table I of this Scheme; and
 - c. The Operator shall ensure that during the Term, the Channels comprising in the Bouquet opted by the Operator will be made available and carried throughout the Authorised Area on its Platform to its existing Subscribers, as well as to its new subscribers in entirety and continuously on a 24X7X365 basis without any break, as per the terms and conditions of this Agreement.

- 2.3 Upon fulfilment of all the above conditions as set out in the Eligibility Criteria in clause 2.1, the

Operator shall be eligible to avail an Incentive as more specifically mentioned herein below. It must be noted by the Operator that at the time of execution of the Agreement, should the Operator wish to avail the Incentive, it must opt in and select from the various options of the Incentives, the Incentive it wishes to avail. Once opted in and upon selection of the relevant Incentive, the Operator shall not be permitted to change the option of the Incentive (unless otherwise agreed in writing by SPN Distribution) and such selected Incentive shall remain valid throughout the Term of the Agreement.

3 Incentives

- 3.1 The Operator shall, subject to compliance with each of the Eligibility Criteria set out in Clause 2.1 of this Scheme, be eligible to avail the Incentives on the Bouquet Rate of the Channels of the Broadcaster strictly in the manner, sequence and conditions set forth in Clause 3.2 hereunder.
- 3.2 The Incentives offered by SPN Distribution under the Scheme for every bouquet offered under the Agreement are set out as under:

I. Incentives offered if the Bouquet is availed by the Operator under the Agreement:

- (a) **Penetration Based Incentive**: The “penetration based incentive” shall mean the incentive provided to the Operator in consideration of the Operator to ensure that the each Channel of Broadcaster forming part of the Bouquet is made available to its Network Pay Subscriber Base in accordance with the option selected by the Operator as set out in point I of Schedule A1 of the Agreement. As a pre-condition to be eligible for availing the “penetration based incentive”, the Operator shall ensure that the four (4) channels namely, SET, SAB, SET MAX, MIX and SONY BBC EARTH (“**Threshold Channels**”) shall at all times during the Term of the Agreement be made available individually to, 95% or above, of its total Network Pay Subscriber Base.
- (b) **LCN Based Incentive**: Subject to the Operator held eligible to avail the “penetration based incentive, the Operator can further avail “LCN based incentive” by selecting one of the options set out in point II of Schedule A1 and placing each of the Channels of the Bouquet in the logical channel number (“**LCN**”) position in accordance with the selected option. As a pre-condition to avail “LCN based incentive”, the Operator shall ensure that the Threshold Channels shall at all times during the Term of the Agreement be made available on the LCNs specified as set out in the option selected by the Operator in point II of Schedule A1. For clarity, the Operator cannot avail the “LCN based incentive” without being eligible and having held by SPN Distribution to have availed the “penetration based incentive”.
- (c) **Volume Based Incentive**: Subject to the Operator held eligible to avail both the “penetration based incentive” and the “LCN based incentive”, the Operator may be eligible to get the “volume based incentive”. The “volume based incentive” shall mean the incentive provided to the Operator based upon the total Network Pay Subscriber Base of the Operator, in accordance with the terms as set out in point III of Schedule A1. For clarity, the Operator shall not get the “volume based incentive” without being eligible and having held by SPN Distribution to have availed the “penetration based incentive” and “LCN based incentive”.
- (d) **Upgrade Incentive**: In the event the Operator becomes eligible and avails the “penetration based

incentive” and thereupon is able to achieve 95% or above penetration than the maximum required penetration percentage, for two or more non-Threshold Channels in the Bouquet, the Operator will become eligible to get an additional 10% upgrade incentive in the “penetration based incentive” (“**Upgraded Incentive**”). By way of only an illustration, if the Operator selects option A1 of the “penetration based incentive” in respect of the Bouquet and is also eligible for upgrade incentive in accordance with the foregoing, then the Operator will be eligible for a upgraded “penetration based incentive” of 40% (instead of 30%).

(e) **Reduction in Incentive**: In respect of the Bouquet, in the event the Operator either fails to achieve the specified penetration percentage for the non-Threshold Channels or fails to satisfy the specified LCN requirement, then there shall be certain percentage reduction in the Incentives as set out hereunder (“**Reduced Incentive**”):

- i. In case penetration for any two Channels is not achieved by the Operator in accordance with the selected option for availing penetration based incentive in connection with the Bouquet, there shall be 10% reduction in the penetration based incentive. Provided that in the event any of the Threshold Channels does not get penetration of 95% and above on the Operator’s Platform or penetration of more than two of the remaining Channels is not achieved, the Operator shall not be entitled to avail any Incentives viz. penetration based incentive, LCN based incentive or volume based incentive.
- ii. In case any two Channels do not get the desired LCN in accordance with the selected option for availing the LCN Based Incentive, there shall be 10% reduction in the LCN based incentive in connection with the Bouquet. However, in the event any or all the Threshold Channels are displaced from the desired LCN or if more than two of the non-Threshold Channels do not achieve the desired LCN as per the selected option, the Operator shall not be entitled to any LCN based incentive or volume based incentive.

3.3 The Operator must note that every additional category of Incentive percentage after first availing the “penetration based incentive” (including the Upgraded Incentive or Reduced Incentive, as the case may be) in respect of each of the Bouquet shall be calculated each time on the revised Bouquet Rate so arrived after applying the Incentive percentage of previous sequential category/categories of the Incentive/Incentives. The rate of the Bouquet arrived at after availing all the eligible categories of Incentives by the Operator shall become the revised Bouquet Rate.

3.4 In the event the Operator fails to comply with any of the conditions for availing the Incentives (except to the extent permitted under this Scheme) even for a single day in a month, the Operator shall not be entitled for applicable Incentive under the Agreement for that month.

4. Reports

4.1 In addition to the monthly Subscriber Reports submitted by the Operator in the format set out in Schedule D of the Agreement, the Operator shall also provide reports in the format as detailed in Table II of the Scheme. The Operator shall provide to SPN Distribution such additional reports within seven (7) days from the end of each month in the format provided by SPN Distribution enclosed herewith as Table II together with such other information as SPN Distribution may require for calculating the revised Bouquet Rate and the Monthly License Fee.

4.2 Any failure on part of the Operator to provide the Subscriber Reports and the additional reports as detailed in Table II of the Scheme shall amount to material breach of the Agreement, which shall entitle SPN Distribution/Broadcaster to withdraw the Incentives and/or terminate the Agreement and disconnect signals of the Channels provided to the Operator as per the terms of the Agreement.

5. License Fee

The Monthly License Fee shall be calculated as specified in Clauses 5 and 6 of the Agreement. However, in case the Operator selects the Bouquet, the Rate for the purpose of calculation of the Monthly License Fee shall be the revised Bouquet Rate (if applicable) arrived as a result of the Operator availing or becoming eligible for the Incentive(s) under this Scheme.

For Sony Pictures Networks Distribution India Private Limited for and on behalf of Sony Pictures Networks India Private Limited	For Operator
Name:	Name:
Title:	Title:

For SPN Distribution

For Operator

Table 1**Channel Parity Grid**

The Operator shall ensure that each Channel shall be treated in a non-discriminatory manner with the channels of the competing broadcasters and shall be included in each package wherever respective channel of the competing broadcasters are present as set forth in the table below:

<u>Name of Channel</u>	<u>Competing broadcaster channels with whom parity should be provided by the Operator</u>
SET	Star Plus, Zee TV, Colors, Like OK, &TV and similar channels
SAB	Star Plus, Zee TV, Colors, Life OK, &TV and similar channels
SET MAX	Star Gold, Zee Cinema, Movies OK, &Pictures, Filmy, UTV Movies, UTV Action, Zee Classic, Zee Action and similar channels
MIX	9XM, B4U Music, Mastii and similar channels
MAX2	Star Gold, Zee Cinema, Movies OK, &Pictures, Filmy, UTV Movies, UTV Action, Zee Classic, Zee Action and similar channels
PAL	Star Plus, Zee TV, Colors, Life OK, &TV and similar channels
SET PIX	Star Movies, Zee Studio, Movies Now, HBO, WB, Romedy Now, Star Movies Action and similar channels
AXN	Star World, FX, Comedy Central, Zee Café, Colors Infinity and similar channels
SIX	Star Sports 1, Star Sports 2, Star Sports 3, Star Sports 4, TEN 1, TEN 2, TEN 3 and similar channels
SONY ESPN	Star Sports 1, Star Sports 2, Star Sports 3, Star Sports 4, TEN 1, TEN 2, TEN 3 and similar channels
AATH	Star Jalsha, Zee Bangla, Colors Bangla and similar channels
SONY YAY!	Cartoon Network, Pogo, Disney Channel, Hungama, Disney XD, Disney Junior, Nick, Nick Jr, Sonic and similar channels
SIX	Star Sports 1, Star Sports 2, Star Sports 3, Star Sports 4, and similar channels
SONY ESPN	Star Sports 1, Star Sports 2, Star Sports 3, Star Sports 4, and similar channels

AATH	Star Jalsha, Zee Bangla, Colors Bangla and similar channels
ANIMAX	Cartoon Network, Pogo, Disney Channel, Hungama, Disney XD, Disney Junior, Nick, Nick Jr, Sonic and similar channels
SONY BBC EARTH	Discovery, Animal Planet, National Geographic Channel and similar channels
TEN 1	Star Sports 1, Star Sports 2, Star Sports 3, Star Sports 4 and similar channels
TEN 2	Star Sports 1, Star Sports 2, Star Sports 3, Star Sports 4 and similar channels
TEN 3	Star Sports 1, Star Sports 2, Star Sports 3, Star Sports 4 and similar channels
SONY WAH	Cinema TV, Housefull Movies, Star Utsav Movies and similar channels

Table II

Report A: LCN Report for the month of _____

S No.	Channel Name	Genre	Language	Channel LCN Number Of The Platform	LCN Rank in Genre

Report B: Parity Report for the month of _____

Sr No	Name of bouquet / channel	Type of offering (bouquet / a-la-carte)	Number of channels in the bouquet	Name of Broadcaster's Channels in the bouquet	Name of other broadcaster channel in the bouquet	Parity adhered To Yes \ No
1	P1	PACK				
2	P2	PACK				
3	P3	PACK				
4	P4	PACK				
5	P5	Add-On Pack				
6	P6	Add-On Pack				
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For SPN Distribution

For Operator

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