REFERENCE INTERCONNECT OFFER ("RIO") OF TURNER INTERNATIONAL INDIA PRIVATE LIMITED –FOR DIGITAL ADDRESSABLE PLATFORM(S)

The terms mentioned in this Reference Interconnect Offer (RIO) are broad technical and commercial terms and conditions including the terms and conditions mentioned in Schedule II to the Regulations applicable to distributor of channels through addressable platforms retransmitting signals of the Turner Channels to Subscribers in terms of the Regulations. On receipt of a request from the addressable distribution platforms in terms of TRAI Regulations, Turner and the concerned platform shall have to enter into a detailed Distribution Agreement containing all the terms and conditions to enable the platform to avail the signals of the Turner Channels for further re-transmission to the Subscribers from its Platform either directly or through an intermediary.

Every addressable distribution platform as defined in the Regulations, while seeking interconnection with Turner shall ensure that its Digital Addressable Systems ("DAS') installed for the distribution of the TV channels meet the DAS requirements specified in this RIO as well as in Schedule 1 to the TRAI Regulations as amended.

Provided that in case Turner finds that the DAS being used by the platform for distribution of TV channels does not meet the requirements specified in Schedule I of the TRAI Regulations, it shall inform such platform who shall get its DAS audited by M/s Broadcast Engineering Consultants India Ltd. or any other authority as may be specified by the Telecom Regulatory Authority of India by direction from time to time and obtain a certificate from such agency that its DAS meets the requirements specified in Schedule I to the Regulations.

COMMENCEMENT DATE:_____

LICENSEE: [●], [Sole Proprietorship Concern/ Partnership Firm/ Private or Public Limited Licensor] with its registered office at [●] and headend at [●] through its Authorised Signatory / Sole Proprietor/ Managing Partner / Partners Mr./Mrs./ Ms. [●] having PAN no. [●], Entertainment Tax Registration No. [●], Service Tax Registration No, [●] and Certificate No [●], permission dated [●] issued by the appropriate authority to operate the relevant Addressable Platform as specified under Authorised means of transmission herein below whereby every addressable distribution platform as defined in the Regulations having its Digital Addressable Systems ("DAS") installed for the distribution of the TV channels meet the DAS requirements specified in this RIO as well as in Schedule 1 of the TRAI Regulation as amended or any other Law.

Insert Photo of the Authorised Signatory of Licensee

(please ☑ if copy of the following document is enclosed)

Customer Code: _____ ☐

Contact Person: _____ ☐

Pan Card.: _____ ☐

Entertainment Tax Registration.: _____ ☐

Service Tax Registration: _____ ☐

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Copy of permission issued by the relevant governmental authority	☐
Copy of the Resolution passed by Board of Directors of Licensee or an Authority letter from Licensee authorising [●] to execute this Agreement on behalf of Licensee (if applicable)	☐
A network diagram of Licensee along with a map of Territory for which Turner Channels are being provided by Licensor to Licensee (if applicable)	☐
SMS Declaration from the SMS vendor as per <u>Schedule J</u>	☐
CAS declaration from conditional access vendor as per <u>Schedule I</u>	☐

AUTHORISED SYSTEM: Specifications for Set-Top-Boxes (STB's), Conditional Access System(CAS) & Subscriber Management System (SMS) for implementation of Authorised means of Transmission.as defined in Schedule – E.

AUTHORISED MEANS OF TRANSMISSION: shall mean the distribution of Turner Channels by means ofone or more electronic device(s) in which form part of an integrated system through which signals of Turner Channels can be sent in an encrypted form, which can be decoded by device(s) having an activated CAS at the premises of the Subscriber, through CAS and SMS, on the explicit choice and request of such Subscriber via any one of the following platforms –

- Digital Addressable Cable Television Platform
- DTH
- IPTV
- HITS

LICENSOR: **TURNER INTERNATIONAL INDIA PRIVATE LIMITED,** a company incorporated in India with having Corporate Identity Number (CIN) U74899DL1994PTC061152 and having its registered office at 5th Floor, Radisson Commercial Plaza, NH – 8, Mahipalpur, New Delhi – 110037 through its Authorised Agent **ZEE ENTERTAINMENT ETERPRISES LIMITED,** a company incorporated in India with having Corporate identity Number (CIN) L92132MH1982PLC028767 and having its registered Office at 18th Floor, "A" Wing, Marathon Futurex, N M Joshi Marg, Lower Parel (East) Mumbai – 400 013 and Delhi Office at 'Essel House', B-10, Lawrence Road, Industrial Area, New Delhi – 110 035.

TERRITORY: _____

TERM: from the Commencement Date and valid till 31st March, 2017.

1. LICENCE:

(a) Subject to payment of License Fee and strict compliance with the provisions of the Agreement by Licensee, Licensor grants Licensee a licence during the Term to retransmit Turner Channels (each a ***Turner Channel***) on a non-exclusive basis only to Subscribers in the Territory. Licensee shall:

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(i) transmit each Turner Channel simultaneously on receipt in its entirety and without alteration on a single, full-time dedicated Turner Channel for exhibition in Territory solely by Authorised System using Authorised Means of Transmission;

(ii) carry each Turner Channel on that tier of programming service received by the Authorised System's Subscribers in terms of Turner Channels opted on A-la-Carte basis or in terms of the Incentive Scheme whichever is applicable.

(b) Licensee shall ensure that each Turner Channel is transmitted without any addition, deletion or other alteration to their on-screen appearance including by means of resizing or by the overlaying or insertion over such Turner Channel of any data, text, graphics, frame or wrapper. Licensee shall provide all language feeds supplied by Licensor for a Turner Channel to each Subscriber. Notwithstanding the previous sentence, Licensee shall be permitted to enable each Turner Channel to be viewed concurrently with other material contained within Licensee's EPG in accordance with Section 8below. Licensee shall not record, duplicate, transmit by any means or otherwise use a Turner Channel other than as specifically set out in this Agreement. Licensor reserves all rights not expressly granted to Licensee under this Agreement including all programming elements contained in the signal of each Turner Channel. All rights and title in each Turner Channel and any portion of them remains vested in Licensor and Licensee acknowledges such ownership rights.For the avoidance of doubt, the Agreement also does not include distribution of Turner Channels through any non-linear distribution system including time shifting, multiplexing, on-demand, Pay Per View (PPV), Video On Demand (VOD), Subscription Video On Demand (SVOD), Near Video On Demand (NVOD)or any other means either existing or as may come into existence in future. Licensee shall not store any content forming part of any Turner Channels for any reason whatsoever, including for the purpose of the provision of free TV, interactive TV or online services. Usage of Digital Video Recorder (DVR) and or Personal Video Recorder (PVR) functionality in connection with Turner Channels by Licensee shall not be permitted. Nevertheless, use of DVR and PVR functionality by Subscribers may be allowed provided that no automatic advertisement skipping or store and forward functionality is permitted. Licensee can provide Recorder facility to the Subscribers in accordance with the Interconnection Regulations, provided use of such Recorder is regulated by agreement between the Licensee and the Subscriber and is strictly only for non-commercial and private viewing by the Subscriber.

(c) Subject to Law, Licensee may offer Turner Channels on an ala-carte basis or as part of a Subscriber Package provided none of the Turner Channels are disadvantaged or otherwise treated less favourably with respect to competing channels on a Genre basis, or included in any Subscriber Package or tier that contains any service with pornographic content, gambling content or any other content prohibited by law. Licensee shall provide access to Turner Channels on a non-discriminatory basis and shall not discriminate the provision of any Turner Channel vis a vis another channel within the same Genre. Once a Turner Channel has been included in a Subscriber Package, the Turner Channel shall not be selectively switched off or taken off air unless all other channels comprising that Subscriber Package have been switched off or taken off air by Licensee. Provided that this restriction shall not apply when the Turner Channel is taken off air or switched off by Licensor on suspension of signals or on termination or expiry of this Agreement Turner Channel. Licensee shall not offer limited period exhibition of any Turner Channel to Subscribers. Licensee shall price a Turner Channel or Subscriber Package as per Law. Once a Turner Channel is included in a Subscriber Package, Licensee shall not cease exhibition of any Turner Channel except in accordance with the "Standards of Quality of Service Regulations, as applicable or any other applicable Law.

(d) Licensee shall not be permitted nor entitled to activate the STB/ provide signals of any Turner Channels to any such subscribers who have not submitted Subscriber Application Form (SAF)

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as per the requirement under Law. Non-compliance of this condition shall be termed as a material breach which will entitle Licensor to disconnect Turner Channels.

(e) If Licensor launches any new channel during the Term of this Agreement, Licensee shall be entitled to opt for it on A-la-carte basis and have it included within the scope of the arrangement contemplated under this Agreement.

(f) Subject to Law, Licensor reserves the right to remove any Turner Channel if it ceases to distribute such Turner Channel. In the event Licensor discontinues distribution of any Turner Channel chosen by Licensee during the Term, such Turner Channel shall stand withdrawn from Licensor's offering without any further obligation or liability on part of Licensor and shall no longer be available to Licensee for distribution.

(g) Notwithstanding anything contained in this Agreement, the rights granted by Licensor to Licensee under this Agreement shall be limited only to broadcast reproduction right as set out in the Indian Copyright Act, 1957 (as amended from time to time). Nothing contained in this Agreement shall permit Licensee to provide its Subscribers the right to further communicate, or re-transmit Turner Channels in any manner whatsoever.

(h) All other rights and means of distribution not specifically and expressly granted to Licensee are expressly excluded and reserved by Licensor.

(i) Licensee 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 Licensor.

2. **LICENCE FEE:** During the Term, Licensee shall pay License Fee calculated in the manner set out in **Schedule D**, in favour of "Zee Entertainment Enterprises Limited – A/c Turner Channels".

3. **DELIVERY:**

(a) Subject to the terms of this Agreement and payment of the applicable License Fee, Licensor shall provide Turner Channels to Licensee for distribution to Subscribers only by itself and through sub-operators listed in **Schedule E**. The registration details of Licensee and of equipment for availing the signals of Turner Channels are as set out in **Schedule E**.

(b) Delivery of each Turner Channel to the Territory shall be via one or more satellites as Licensor may designate. Delivery of the signal of each Turner Channel in the Territory may be subject to interruptions arising from equipment maintenance. Licensor makes no representations, warranties or promises concerning access to, or continuous delivery or availability or reception quality of, any Turner Channel.

(c) On reasonable prior notice to Licensee, Licensor reserves the right to encode and/or compress the signal of a Turner Channel, and/or to change the satellite or transponders by which the signal of a Turner Channel is delivered to the Territory and/or from which Licensee shall downlink the signal of that Turner Channel, and/or to change or modify the technical standard of the signal of that Turner Channel.

(d) Licensee shall be solely responsible for all equipment necessary to receive and exhibit the signal of each Turner Channel and for obtaining and adhering to all relevant governmental consents and authorisations that may be required respecting Licensee's performance of this Agreement. Licensee shall maintain first-class signal transmission quality of the channels for distribution to the Subscribers in accordance with the industry standards and applicable laws. Licensee's transmitting facilities shall be fully capable of individually addressing Subscribers on a channel

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by channel and STB by STB basis. Licensor reserves the right to black-out or otherwise prevent transmission of a Turner Channel or any programming material in a Turner Channel or direct Licensee to do so (and Licensee shall comply with any such directive) in the event that the rights to the programming within such Turner Channel or part of such Turner Channel are no longer available in the form in which they were made available on the Commencement Date. Licensee agrees to exhibit or cause to be exhibited any and all retractions, corrections and/or other similar materials if Licensor deems the exhibition of such materials necessary or advisable.

(e) Licensee shall prevent the output of Turner Channels in: (i) an analogue signal of a resolution greater than 625 line, 25 frame interlace; (ii) an analogue signal which is not interlaced or is not a composite signal (except an S-video signal or a signal of equal or lesser quality) and (iii) any digital output (including the transmission into a residential unit's internal recording device or digital recording device) of all or part of any signal of a Turner Channel until such time as: (a) Licensee provides (or ensures that there is in operation) an adequate signal protection and copy control/protection system with such higher quality digital output, which protection system shall be implemented and maintained at no cost to Licensor; and (b) Licensor gives its written approval of the signal protection and copy control/protection system employed for the transmission of the Turner Channels.

(f) If Licensor and/or its Authorised Agent approves a copy control/protection system as above, Licensee shall ensure that this system is activated and applied to Turner Channels.This includes transmitting, carrying and/or associating with each Turner Channel the data necessary to activate the copy protection system and such other copy control information as may be directed by Licensor and/or its Authorised Agent. If the copy protection system permits more than one state (e.g. "copy once", "copy never"), Licensee shall activate the appropriate state as directed by

Licensor and/or its Authorised Agent. Licensee shall support the protection technology by, for example, transmitting and/or carrying revocation lists with the content of each Turner Channel and implementing upgrades made available to the protection system. Licensee shall not remove or de-activate any watermark or identification system (including any "International Standard Audio-visual Number" or similar identification) that Licensor embeds in the content carried on or in each Turner Channel. Licensee shall ensure that all of its systems and services that carry each Turner Channel comply with the requirements set out in this sub-paragraph such that the copy protection system is activated appropriately through to each of its subscribers. All costs of activation and maintenance of the copy protection system shall be borne by Licensee.

(g) Licensee shall ensure that during the Term of this Agreement, the Turner Channels shall be available for subscription to all its Subscribers.

4. EQUIPMENT

(a) Licensor may, upon execution of this Agreement, at the request of Licensee supply or cause to be supplied Equipment to Licensee. In such case, Licensee shall pay in favour of Zee Entertainment Enterprises Limited – A/c Turner Channels, fees for such Equipment ("**Equipment Fees**") in addition to the License Fee. The Equipment Fees to be paid by Licensee shall be paid in favour of "Zee Entertainment Enterprises Limited – A/c Turner Channels" as - advised by Licensor's Authorised Agent to Licensee in writing. Equipment Fees shall be paid on a gross basis and shall be exclusive of taxes, which shall be borne by Licensee. In addition, Licensee shall pay the following:

(i) Licensee shall pay processing fees per IRD and an interest free refundable security

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deposit per IRD/CAM/box, payable immediately upon execution of this Agreement, for IRD/CAM/boxes issued under the security deposit scheme. The security deposit amount shall be intimated in writing by Licensor's Authorised Agent. Licensee shall pay courier charges and transportation charges for the IRD/CAM/boxes on actuals;

(ii) Replacement of IRD/CAM/boxes - In case, Licensee requires replacement of a defective IRD/ box/CAM, Licensee shall pay a non-refundable service charge per IRD/CAM/box for one time replacement. The service charge amount shall be intimated by Licensor's Authorised Agent based on the nature of defect in the box/IRD/CAM;

(iii) Replacement of Viewing Card - In case Licensee requires replacement of a Viewing Card, Licensee shall pay non-refundable replacement charges at the rate of Rs.[●] per Viewing Card at the time of activation for one time replacement.

(b) Licensee shall ensure that its sub–operators and Affiliates shall, distribute the Turner Channels to Subscribers only through IRDs obtained by Licensee from Licensor's Authorised Agent. Licensee shall use any IRDs supplied by Licensor's Authorised Agent in connection with disaster recovery management only in the event of disaster recovery and for no other purpose whatsoever. IRDs shall be used by Licensee exclusively for distribution of the Turner Channels for which they are issued and shall at all times remain the sole and exclusive property of Licensor. Licensee shall immediately return IRDs to Licensor's Authorised Agent upon expiry or termination of the Agreement. Licensee shall not and shall ensure that its sub operators and Affiliates do not, under any circumstances, reverse engineer, tamper, decompile or disassemble IRDs or Viewing Cards or reproduce or allow the reproduction of any of them or the technology included in them. Licensee shall immediately insure IRDs on execution of the Agreement. In case of damage to IRDs, Licensor's Authorised Agent shall recover the actual repair cost from Licensee. However, in case IRDs cannot be repaired or are beyond repair, Licensee shall be liable to pay Zee Entertainment Enterprises Limited - A/c Turner Channels the book value of such IRDs. Licensor's Authorised Agent shall be entitled to deduct the book value of such IRDs from Licensee's IRD deposit and/or security deposit.

(c) Viewing Cards supplied by Licensor's Authorised Agent shall at all times remain the sole and exclusive property of Licensor and Licensor and/or its Authorised Agent shall forthwith deactivate the same upon expiry or termination of Agreement.

(d) Licensee shall ensure that its sub-operators and Affiliates use Viewing Cards only in accordance with the Agreement at the installation address mentioned in **Schedule E** and shall not sell, exchange, transfer or tamper them in any manner whatsoever. Licensee shall not, and shall ensure that its sub-operators and Affiliates shall not, move Viewing Cards to some other address, without prior written permission of Licensor's Authorised Agent. If it is found that any Viewing Card is being mis-utilised, mishandled or being used without authorisation, Licensee shall compensate Licensor for any loss or damages caused to Licensor by such mis-utilisation, mishandling or unauthorised use. In addition, Licensor's Authorised Agent shall be entitled to suspend or deactivate Turner Channels, take possession of Equipment and initiate appropriate civil/ criminal proceedings as it deems appropriate.

(e) If a Viewing Card is lost, stolen or damaged, Licensee shall inform Licensor's Authorised Agent within 24 hours. If Licensee desires a new or replacement Viewing Card for a Turner Channel,

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the same may be issued at the discretion of Licensor's Authorised Agent on payment of such charges by Licensee as may be specified by Licensor's Authorised Agent. In case of deactivation of a Viewing Card for any reason whatsoever, Licensee shall pay to Licensor's Authorised Agent charges for re-activation of the Viewing Card or as may be specified by Licensor's Authorised Agent. If a Viewing Card is not being used by Licensee, its sub-operators or Affiliates, the same shall be returned to Licensor immediately.

(f) If Licensor's Authorised Agent dispatches Equipment as requested by Licensee, and Licensee does not inform Licensor of the receipt or non-receipt of Equipment within a period of thirty (30) days of the dispatch by Licensor's Authorised Agent, then it will be deemed that Licensee has received that Equipment.

(g) Licensee shall, on receiving the encrypted signals as prescribed by Licensor, decode the same using the IRD. After receiving the signals and decoding the same, Licensee shall re-encrypt the signals with its own CAS and further distribute the encoded signals through the Authorised Means of Transmission only to Subscribers, as per their request, either on an a la-carte basis or as part of Subscriber Packages. Such receiving and decoding of signals shall be done only at the headend address as mentioned in this Agreement or as approved by Licensor's Authorised Agent.

(h) Licensee shall ensure that the authorised personnel of Licensor's Authorised Agent are allowed free and unobstructed access to the premises of Licensee, its sub-operators and Affiliates, where Equipment is installed and to take possession of the same. Licensee shall not interfere with such procedure when such authorised personnel of Licensor's Authorised Agent visit Licensee's premises during normal office hours.

(i) Licensor and/or its Authorised Agent shall have no liability or obligation to replace Equipment at its own cost except if such defect is directly caused by the gross negligence or fraud of Licensor and such defect is not contributed to by any act or omission of Licensee, its sub-operators or Affiliates.

5. SECURITY AND ANTI-PIRACY:

(a) Turner Channels must be delivered by Licensee to Subscribers in a securely encrypted manner and without any alteration, interruption, editing, interference or recording. Licensee shall not use any interactive technology or other interferences (such as red button) or redirect traffic from Turner Channels in any manner, whether for content or for promotion. Licensee shall ensure that the Authorised System and Authorised Means of Transmission used to deliver Turner Channels to Subscribers meets the technical specifications of **Schedule F** at all times. Non-compliance of this condition by Licensee shall constitute a material breach of this Agreement and Licensor shall be entitled to terminate the Agreement forthwith.

(b) Licensee shall, at its own expense, take all necessary steps to prevent and stop un-authorised or illegal use of Turner Channels. Licensee shall provide to Licensor's Authorised Agent regularly updated piracy reports in every quarter during the Term. Licensee shall take appropriate remedial actions to curb piracy in the Territory.

(c) In order to prevent theft, piracy, unauthorised retransmission, redistribution or exhibition, copying or duplication of any Turner Channel, in whole or in part, Licensee shall at all times during the Term, employ, maintain, and enforce fully effective conditional access delivery and

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content protection and security systems, and related physical security and operational procedures as may be specified, from time to time, by Licensor's Authorised Agent.

(d) If Licensee becomes aware of any unauthorised use of Turner Channels, Licensee shall within ten minutes of so becoming aware of such trespass notify Licensee either by way of telephonic message, fax, or e-mail and simultaneously switch off the concerned Set Top Box to prevent such unauthorised use.

(e) Upon request by Licensor's Authorised Agent, Licensee shall switch off or de-authorise the transmission to any unauthorised subscriber or a Subscriber indulging in piracy, within ten minutes from the time it receives such instruction from Licensor's Authorised Agent. If Licensee is unable to disconnect a STB / CPE involved in piracy or signal theft of a Turner Channel within 12 hours of receiving the information from Licensor, Licensor's Authorised Agent shall be entitled to discontinue the Turner Channel in accordance with Law.

6. SUBSCRIBER RECORDS AND REPORTS:

(a) Licensee shall maintain at its own expense a SMS which should be fully integrated with the CAS. SMS will at least be able to:

i. obtain and distribute receivers and smartcards to Subscribers, and issue replacement smartcards from time to time in its discretion;

ii. enable new Subscribers via the SMS over-the-air addressing system and disable defaulting Subscribers from time to time in its discretion;

iii. maintain a computerized customer database capable of recording adequate details of each subscriber, including name, address, chosen method of payment and billing;

iv. administer subscriptions of Subscribers by producing and distributing contracts for new Subscribers and setting up and maintaining an infrastructure whereby Subscriber contracts are collected and recorded in the SMS database for ongoing administration;

v. handle 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;

vi. administering payments of any commission fees from time to time payable to Licensee's authorised agents for the sale to Subscribers of Subscriber Packages.

(b) Subscriber Reports shall be provided to Licensor's Authorised Agent in accordance with **Schedule D and Schedule G** and shall be system generated only through SMS and CAS and the same should be in a pre-defined read only format, such as a suitable PDF format, which cannot be manually edited and shall specify all information required to calculate the Monthly Average Subscriber Level (including the number of Subscribers for each Turner Channel and each Subscriber Package in which a Turner Channel is included) and License Fees payable in favour of Zee Entertainment Enterprises Limited – A/c Turner Channels in respect of each Turner Channel. Subscriber Reports shall be signed and attested by an officer of Licensee of a rank not less than Head of Department/Chief Financial Officer who shall certify that all information in the relevant Subscriber Report is true and correct. Additionally, any difference between the SMS and CAS reports shall have to be reconciled to the satisfaction of Licensor's Authorised Agent. Such provisioning of Subscriber Reports shall constitute a material

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obligation on the part of Licensee.

(c) For the purpose of computing Licensee's opening and closing Subscriber base each month, Licensee shall allocate a unique identification number/code to the STBs receiving one or more of Turner Channels so that Subscriber counts can be generated on the basis of such unique identification numbers. Such codes shall be shared by Licensee with Licensor's Authorised Agent within a period of **7 (seven) days** from the end of each month.

(d) Licensee shall keep accurate, complete and up to date records of every Subscriber's details, details of the location of every STB, smart card, records and accounts of billings including historical billing data, type of subscribers, sublicenses, correct conditional access log, SMS data, duly executed agreements with Subscribers, forms filed by Subscribers, receipt books regarding payments from the Subscribers, books of accounts and records reflecting all transactions relating to Turner Channels and authorisations of STB / CPE, in particular the name, complete address, billing and payment details of all Subscribers ("**Subscriber Records"**). Licensee shall ensure that its SMS and billing software allows for monitoring and printing at least 2 (two) years of historical data relating to Subscriber activation and/or deactivation.

(e) Licensee shall, at the request of Licensor's Authorised Agent, send a report in respect of systems, measures and compliance with this Clause 5, in accordance with the format and medium, electronic and hard copy, as may be specified by Licensor from time to time. Such report shall be authenticated by the agencies or vendors providing CA software and subscriber management / billing system software. Licensor's Authorised Agent's acceptance of such information or payment based on it, shall not prevent Licensor and /or its Authorised Agent from later disputing the accuracy or completeness of the same provided that Licensor's Authorised Agent submits reasons for disputing the same.

7. AUDITS:

(a) Technical Audit: At its own cost, Licensor and/or its Authorised Agent may conduct or require Licensee to conduct technical audits in terms of **Schedule H** ("**Technical Audit(s)**") to be conducted by an independent security technology auditor ("**Technical Auditor**"), no more than twice per calendar year during the tenure of the Agreement.. If the results of any Technical Audit are not found to be satisfactory by Licensor and/or its Authorised Agent, then Licensor's Authorised Agent shall work with Licensee in resolving the issue within 14 Business Days from the date of receiving the report of Technical Auditor. If a solution is not reached within 14 Business Days from the date of receiving the report of Technical Auditor, Licensor's Authorised Agent may, in its sole discretion, suspend Licensee's right to distribute Turner Channels or take other actions as provided under Agreement, until such systems, procedures and security measures have been corrected to Licensor's and/or its Authorised Agent's satisfaction.

(b) Subscriber Audit: Licensee shall ensure that the SMS, CAS, billing, IT systems and all Subscriber Records shall be available for inspection and audit by Licensor's Authorised Agent or its representatives at any time during normal business hours and for three months after the termination of the Agreement, provided at least 3 calendar days' prior written notice is given by Licensor's Authorised Agent to Licensee.

(c) Licensee shall co-operate with Licensor's Authorised Agent, its representatives and auditors during Technical and/or Subscriber Audits (collectively "**Audits**") and make available all the data, records, systems information and details required by Licensor and/or its Authorised Agent. Licensor's Authorised Agent and its representatives shall be entitled to visit all offices, head ends, control rooms and other locations (of Licensee and, or, any of its sub operators) for any such inspection and audit. Licensee undertakes to provide and cause to provide access to all

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offices, head ends, control room and other locations (of Licensee and, or, any of its sub operator) for any such inspection and audit by Licensor's Authorised Agent or its representatives. Licensor and/or its Authorised Agent or its representatives shall have the right to retrieve, analyze and store data, take printouts, photocopies and computer copies of the records, data etc.

(d) If an Audit reveals that Licensee has under-reported or has misrepresented any item having a bearing on the computation of the License Fee payable by Licensee, Licensors Authorised Agent shall provide Licensee with written notice ("**Notice of Shortfall**") setting out the additional fee ("**Shortfall Amount**") payable by Licensee. Upon receipt of a Notice of Shortfall, Licensee shall pay the Shortfall Amount no later than 2 (two) calendar days from the date of receiving the Notice of Shortfall with interest at the Default Interest Rate for the period from the date when the payments should have been made by Licensee until the actual date of payment.

(e) If the Shortfall Amount exceeds License Fees paid by Licensee for such period by 2 (two) percent, Licensee shall bear all costs incurred by Licensor and /or its Authorised Agent in connection with the Audit. If within a period of 2 weeks from the date of demand by Licensor's Authorised Agent, Licensee fails to pay a Shortfall Amount or any other amounts found due on the basis of such Audit, including the cost and expenses of such Audit, if any, Licensor and/or its Authorised Agent shall have the right to deactivate or disconnect Turner Channels and/or terminate the Agreement without prejudice to its right to claim Shortfall Amounts or any other action that may be deemed appropriate.

(f) Licensee shall provide full cooperation to Licensor's auditors in order to carry out any Audits including but not limited to granting unfettered, unqualified and unrestricted access to Licensee's facilities and systems including SMS, CAS, IT, billing, and other systems and providing books, records and documents as may be required by the auditors. Licensee shall have no objection to the auditors carrying or using their own equipment, systems including but not limited to laptops, software and hardware for conducting such Audit and shall be provided with free ingress and egress from the premises wherein such Audit is conducted. Licensee shall not refuse, oppose, or defeat data retrieval, data storage, or data analysis by the auditor at any stage during Audit. The auditor shall own and possess all working data. Further, the auditor shall be free to decide and devise the methodology and the manner for conducting Audit.

8. EPG:

(a) Solely to the extent necessary to permit the operation, viewing and navigation of Licensee's subscriber-activated electronic programme guide (***EPG***), Licensor consents to Licensee enabling Subscribers to the Authorised System to activate as an insert to or overlay on the television broadcast stream on which a Turner Channel is displayed, the EPG screens, EPG text and an icon
or other temporary bug allowing subscribers to activate the EPG, Turner Channel identification, 'now and next' information, Turner Channel banners or the availability of alternative components such as wide screen formats or closed captioning, provided that such inserts or overlays: (i) are temporary and do not appear on screen for individual default periods of longer than approximately 30 seconds unless the subscriber determines otherwise (whether by such subscriber changing their individual default period, or by such subscriber continuing to activate the EPG display for such longer period); and (ii) do not materially interfere with the viewing of a Turner Channel by subscribers. Licensor shall retain absolute control and discretion with respect to the composite video and audio signal of each Turner Channel.

(b) In relation to the insertions and overlays (***Picture Overlay Content***) permitted in this Section 8, Licensee warrants that:

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(i) viewing of Picture Overlay Content (other than an icon or other temporary bug allowing subscribers to activate other options on the EPG) shall be on a subscriber-initiated basis only, and shall not be initiated by Licensee, any of Licensee's interactive service providers or any Turner Channel supplier;

(ii) it shall not enable the display of a Turner Channel to be shrunk to a size smaller than, or in any manner less favourable in comparison to, any other programming service distributed by Licensee;

(iii) it shall not degrade or interfere with (other than in an immaterial way) the technical quality of the principal video and accompanying audio signal of a Turner Channel and there shall be no muting, fading or overlay of such audio signal;

(iv) it shall ensure that: (A) the Turner Channel which was being viewed prior to the subscriber entering the EPG shall remain picture-in-picture during the display of the EPG regardless of which "page" (i.e. individual screen's worth of content) of the EPG the subscriber chooses to view; and (B) this will be the Turner Channel which the subscriber sees in full-screen form immediately upon leaving the EPG, unless the subscriber elects otherwise;

(v) it shall ensure that the Picture Overlay Content is at all times clearly distinguishable from each Turner Channel and the programming content of the Turner Channel and will not cause or be likely to cause subscribers to confuse it with a Turner Channel or the programming content of a Turner Channel, including advertising included on that Turner Channel;

(vi) the Picture Overlay Content will not be deliberately connected or associated with a Turner Channel, meaning that the Picture Overlay Content will not vary depending on the Turner Channel or any content featured within the Turner Channel (except in the case of Turner Channel identification features and Turner Channel-specific 'now and next' information);

(vii) the Picture Overlay Content will not actively encourage any subscriber to divert his/her viewing away from a Turner Channel to any other television programming service;

(viii) the Picture Overlay Content will not contain any branding, advertising, sponsorship or other promotional announcements; and

(ix) the Picture Overlay Content will not contain material which under the laws of the Territory is defamatory, is prohibited or violates the copyright or proprietary rights of any third party or violates the Laws or regulations of the Territory.

(c) Licensor and/or its Authorised Agent will use all reasonable efforts to furnish to Licensee at least 60 days' prior to the beginning of the relevant screening month timely and accurate programme listings, schedules and synopses with respect to each Turner Channel. Licensee will use all reasonable efforts to process all programme listings furnished by Licensor and/or its Authorised Agent, and to update the EPG in relation to them, in a timely and accurate manner.

(d) Licensor and /or its Authorised Agent may, at its sole discretion, provide Licensee with additional listings data relating to the Turner Channels for the enhancement of information on the EPG relating to the Turner Channels and that support the identification of related programming (such as hourly updates and regular series), related information screens and when

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they have been refreshed or updated; and genres and segments of programming within a single programme or programming block, including any meta-tags or series-linking data. For the avoidance of doubt, if Licensor's Authorised Agent elects not to provide Licensee with such additional listings data, Licensee may only generate and insert such additional listings data with respect to the Turner Channels with the prior written consent of Licensor's Authorised Agent, which may be granted or withheld in Licensor's Authorised Agent's absolute discretion.

(e) Licensee shall not change the numbering plan of a Turner Channel without prior written notice of 7 days to Licensor's Authorised Agent.

9. ADDITIONAL SYSTEMS:

(a) On Licensor's prior written approval, the terms and conditions of this Agreement may be extended to other systems in the Territory acquired by Licensee during the Term provided Licensee, with respect to any and all such system(s), (i) notifies Licensor in writing; (ii) owns at least 51 percent, and is fully responsible for daily management, of those systems (including programming and marketing decisions); and (iii) is fully liable to Licensor's Authorised Agent for all licence fees as set out in this Agreement.

(b) If Licensee is acquired by another system and Turner Channels are not carried by such system at the time of acquisition and if following such acquisition the system carries or desires to carry Turner Channels to its subscribers, Licensee shall ensure that such system enters into an Agreement with Licensor and pay an increased Subscription Fee in favour of "Taj Television (India) Private Limited – A/c Turner Channels from the effective date of acquisition, failing which the Licensee shall be liable to pay the increased License Fee.

(c) If Licensee merges with another system which also carries Turner Channels, then Licensee shall ensure that the merged entity entered into a combined Agreement based on same terms and conditions, failing which Licensee shall be liable to pay the increased License Fee.

10. SUSPENSION

Subject to Law, Licensor and/ or its Authorised Agent shall have the right to suspend delivery of Turner Channels to Licensee if:

(a) any installment of the License Fee is not paid by Licensee by the Due Date;

(b) Licensee breaches the provisions of Section 5and such breach is not cured within 2 days; or

(c) Licensee breaches any other provision of the Agreement and such breach is not cured within 10 days.

If the suspension continues for a period of 90 days, Licensor shall have the right to terminate the Agreement.

11. EXPIRY AND TERMINATION

(a) Licensor may terminate this Agreement with prior written notice, in the event (i) Licensee breaches any representation, warranty, covenant, condition or agreement in this Agreement (including non-payment of License Fees or in relation to the transfer of IRD Boxes/CAMs and/or Viewing Cards), which if capable of being cured has not been cured within 21 days of being required in writing to do so; (ii) the DAS license or any other license necessary for Licensee to operate the Authorised System by the Authorised Means of Transmission is revoked

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at any time; or (iii) Licensee discontinues the Authorised Means of Transmission.

(b) Either party (in this sub-paragraph (b), the ***Terminating Party***) may terminate or suspend operation of this Agreement with immediate effect by written notice to the other party if:

(i) a voluntary petition in bankruptcy or for reorganization is filed by that other party under any bankruptcy act; an involuntary petition in bankruptcy is filed against that other party under any bankruptcy act and such bankruptcy petition is not dismissed within 30 days; that other party makes an assignment for the benefit of its creditors; a receiver, trustee, liquidator, administrator or custodian is appointed for all or a substantial part of that other party's property and the order of appointment is not vacated within 30 days; or all or a substantial part of that other party's property is levied against or attached and the levy or attachment is not vacated within 30 days; or

(ii) that other party commits malfeasance or misconduct which is materially detrimental to the interests of the Terminating Party.

(iii) Either party may also terminate this Agreement in respect of a Turner Channel on 90 days' prior written notice to the other party if that Turner Channel is permanently no longer delivered to the Territory or if Licensor ceases to have the right to license that Turner Channel in the Territory. That cessation will not be a breach of this Agreement

(c) Termination of this Agreement will be without prejudice to any right or remedy of a party arising prior to the date of termination.

(d) If the parties fail to enter into a new Agreement prior to the expiry of the Term, the provisions of the Agreement, shall continue to apply to Turner Channels until the earlier of:

(i) The execution of a new agreement for the distribution of Turner Channels; or

(ii) 3 months from the date of expiry of the Agreement unless otherwise agreed by the parties in writing.

(e) Subject to sub-section (d) above, on termination or expiry of this Agreement, Licensee shall immediately discontinue its retransmission and use of the Turner Channels or any part of them. In addition, Licensee shall:

i) immediately prepare and deliver to Licensor's Authorised Agent a final Subscriber Report relating to any amounts due to Licensor;

ii) return or dispose of, in accordance with Licensor's Authorised Agent's directions, all promotional materials and confidential information of Licensor, which are in its possession or in possession of its sub-operators and Affiliates;

iii) immediately pay all outstanding amounts due and payable in favour of "Taj Television (India) Private Limited – A/c Turner Channels including any outstanding License Fees;

iv) cease to use any intellectual property of Licensor including those associated with Turner Channels;

v) return to Licensor's Authorised Agent all Equipment including IRDs and Viewing Cards of Licensee and its sub-operators and Affiliates in good working condition, subject to normal wear and tear; and

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vi) cease to represent any association with each other in the Territory.

(f) Licensor's Authorised Agent shall be entitled to take back the possession of the Equipment from Licensee, its sub-operators and Affiliates and deactivate their Viewing Cards. Upon return of the Equipment in proper working condition by Licensee, the IRD Deposit shall be refunded to Licensee. In the event, Licensee fails to return the Equipment to Licensor's Authorised Agent, Licensee shall be liable to pay a sum of Rs.1,000/- per day per IRD to Licensor's Authorised Agent for the period during which the default continues. In case Licensee returns the IRD, but the Viewing Card and remote (where applicable) are damaged or missing, then Licensee shall be liable to pay to Licensor's Authorised Agent such charges as may be determined by Licensor's Authorised Agent. Licensor's Authorised Agent shall be authorised to deduct the cost of damages from the IRD Deposit;

(g) The provisions of Sections 6, 15, 18 to 23shall survive the termination of this Agreement.

12. **TRADEMARK/USE OF LOGOS:** Licensee acknowledges that Licensor owns the names, logos and all other trademarks and/or service marks related to each Turner Channel (***Logos***) and agrees that Licensee shall not use those Logos in any manner without the prior written consent of Licensor and /or its Authorised Agent. Licensor acknowledges and agrees that Licensee shall have the right to use the Logos to promote Turner Channels through its programme guide, programme listing, internet website and for the purpose of displaying the EPG as provided in Section 8. Notwithstanding anything contained in this Agreement, Licensee agrees that Licensor may re-name or re-brand Turner Channels or amend the Logos in any manner at its sole discretion.

13. REPRESENTATIONS AND WARRANTIES:

(a) Each party represents and warrants to the other Party that:

(i) each of them is a duly incorporated and is a validly existing company under Law and has full authority and all rights (including necessary licenses and approvals from competent authorities) necessary to perform its obligations under this Agreement;

(ii) upon execution, this Agreement shall be legally binding on such party and enforceable against such party and will not result in any violation of any Law;

(iii) it has obtained, and shall maintain in full force, all approvals and consents necessary to perform its obligations under this Agreement and operate the business it is conducting in connection with this Agreement, as applicable and no consent, authorisation, licence or approval of any Governmental Authority that has not been applied for or obtained is required to authorise the execution, delivery, or performance of this Agreement.

(b) In addition, Licensee represents and warrants to Licensor and/or its Authorised Agent that:

(i) it has not received any written notice from any Governmental Authority with respect to any violation of any Law and that no fact or circumstance exists which is likely to lead to any license, material registration or permit of Licensee being revoked, varied, cancelled, suspended or not renewed.

(ii) The Authorised System meets the requirements of Law and this Agreement.

(iii) It has the appropriate net worth, good and paying subscriber base, necessary infrastructure including office, support staff and the equipment for running the Authorised System smoothly and efficiently so as to enable Licensee to discharge all its obligations under this Agreement.

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(iv) all information provided by it is true and accurate, and such information does not omit a material fact which could be construed as misleading.

(v) Licensee has not received any petition for, and no order has been made or a resolution been passed for (a) its winding up or for appointment of a liquidator or administrator over any of its assets; or (b) suspension of payments, a moratorium of any indebtedness, foreclosure, dissolution or reorganization and no analogous procedure or step is being taken or is pending or threatened in any jurisdiction. No receiver has been appointed in respect of the whole or any part of any of the assets of Licensee; and

(vi) there are no legal proceedings pending against Licensee which would materially affect the ability of Licensee to perform its obligations under this Agreement.

(c) Turner Channels are provided by Licensor on an 'as-is' 'where-is' basis without warranties of any kind whatsoever, express or implied, including in relation to quality, merchantability, fitness for purpose or non-infringement or that the services will be error free or uninterrupted.

14. LICENSEE'S OBLLIGATIONS AND COVENANTS

(a) Licensee shall not pledge, charge or encumber or in any way part with the possession (including removal from the address mentioned in **Schedule E**, any equipment used for the Authorised Means of Transmission of Turner Channels, without the prior written consent of Licensor.

(b) Licensee shall not shift, remove, modify, misuse or tamper with the Equipment including the paper seal to prevent opening of the equipment or any signals emanating there from, in a manner that prevents the identification of Equipment number or interferes with the signals emanating from them.

(c) Licensee shall not distribute Turner Channels to sub-operators or Affiliates that are not identified in **Schedule E.**

(d) Licensee shall not generate or retransmit any unencrypted signals or feeds from its headend.

(e) Licensee shall not store or cause to be stored in any manner any content from any Turner Channels. Licensee shall not deploy any advertisement skipping function in the Authorised System.

(f) Licensee shall ensure that Turner Channels are received only from the satellite(s) designated by Licensor from time to time and shall ensure distribution throughout the Authorised System by the Authorised Means of Transmission on separate, dedicated channel(s) for reception by Subscribers. Licensee shall use its best efforts to maintain a high quality of signal transmission for Turner Channels and shall take all other necessary steps to ensure that: (a) each Turner Channel is received only by Subscribers who pay the full applicable subscription fees; and (b) no location for which the applicable subscription fees is not paid shall be capable of viewing the Turner Channel. Licensee shall not shift/ move/ change the frequencies of a Turner Channelat any time without advance prior written notice of at least thirty (30) days to and/or itsAuthorised Agent. Licensee shall cause continuous distribution of the signal of Turner Channels to Subscribers during telecast without blacking it out or interfering with it in any manner whatsoever.

(g) Licensee undertakes that it shall be solely responsible for dealings with Subscribers and shall be liable for any claims, actions, demands or proceedings by Subscribers arising out of the actions or omissions of Licensee. Nothing in this Agreement or the contract(s) executed between

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Subscriber and Licensee or the operator or sub-operator shall entitle the Subscriber to receive Turner Channels from Licensor or create any direct relationship between Subscriber and Licensor.

(h) It has been acknowledged and agreed by Licensee that it shall be solely liable to pay all such outstanding subscription arrears attributing to Turner channels availed by Licensee or its Affiliates/ Associates/Joint venture partners /subsidiaries/Holding company in NON- DAS areas in Analog mode prior to implementation of DAS in the said area(s).

(i) Licensee shall not make its Subscribers take other channels or services or fulfill any other commercial consideration as a precondition to receive Turner Channels.

(j) During the pendency of a dispute between Licensor and Licensee, Licensee shall continue to make the payment as per the Agreement. Appropriate adjustment will be made by the parties on resolution of the dispute.

(k) Licensee shall be responsible for the negotiation, acquisition, maintenance and payment of all licenses and fees associated with distribution of any music, voice or other audio material as part of Turner Channels (if any), including any music public performance, mechanical and/or synchronization licences (and fees in respect of them) and any fees due to any programme creators or other talent.

15. INDEMNITY AND LIMITATION OF LIABILITY:

Licensee shall without any limitations as to time period or amounts keep and hold Licensor and its Affiliates, officers, directors, employees and agents fully indemnified and harmless against all claims, suits, actions, proceedings, causes of action, damages, awards, liabilities, costs and/or expenses of any kind (including reasonable attorney's fees) arising out of any actual or alleged breach of any terms representations, warranties, guarantees and covenants of this Agreement or misrepresentation or fraud by Licensee, its sub-operators or its Affiliates.

16. COMPLIANCE WITH LAWS:

Licensee shall, and shall ensure that its sub-operators and Affiliates, their employee(s), directors(s), personnel shall, adhere to all Laws, including anti-corruption and anti-bribery laws, provisions of the Prevention of Corruption Act, 1988, Prevention of Money Laundering Act, 2002, Foreign Corrupt Practices Act of United States of America and UK Anti-Bribery Act. Licensee shall not, and shall ensure that its sub-operators and Affiliates and any person working on their behalf in connection with Turner Channels shall not, make any payment or transfer anything of value, directly or indirectly to any governmental official or employee (including employees of government-owned and government-controlled corporations and public international organizations); any political party, official of a political party, or candidate for public office; any intermediary, including, but not limited to, agents or family members of government officials, for payment to any government official; any other person or entity in a corrupt or improper effort to obtain or retain business or any advantage, in connection with Licensor's affairs; any Person selling a competing product in order to eliminate or restrict competition, including, but not limited to, agreements to divide the market; or any other person or entity; if such payment or transfer would violate the Law of the country in which the transaction is made.

17. REGULATORY INTERVENTION:

In the event that there is any change to any applicable statutes, enactments, acts of legislation or parliament, laws, ordinances, rules, by-laws or regulations of any government or statutory authority in India including but not limited to the Ministry of Information and Broadcasting and Telecom Regulatory

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Authority of India or any final un-appealable order of any competent court or tribunal which would have a material adverse effect on either of the parties, then the affected party may request that the parties consult as soon as reasonably practicable with a view to negotiating in good faith an amendment to this Agreement including but not limited to the License Fees payable hereunder and such amendment to take effect from the date of such change. If the parties are unable to agree on an amendment within forty-five (45) days of the date of the request by the affected party, then either party may request TDSAT to resolve such dispute.

18. CONFIDENTIALITY:

Each party shall keep the terms and conditions (other than the existence and duration) of this Agreement confidential and shall not disclose that information except: (i) as may be required by law or court order; or (ii) to a party's accountants, auditors or legal counsel who shall be bound to the confidentiality obligations of this provision. Neither party shall provide any third party with information concerning the methods employed in the business of the other party.

19. GUARANTEE:

Licensee shall procure that its Affiliates, sub-operators and their Affiliates who are operating in the Territory comply with the terms of this Agreement and perform their obligations under it. Licensee guarantees the performance of the obligations of its Affiliates, sub-operators and their Affiliates under the terms of this Agreement. Any breach or default of this Clause by Licensee shall constitute a breach by Licensee of the terms of this Agreement.

20. AGENCY:

Neither Licensee nor Licensor shall be or hold itself out as the agent of the other except with the express written consent of the other. Subscribers shall not be deemed to have any privity of contract or direct contractual or other relationship with Licensor by virtue of this Agreement or by Licensor's delivery of the Turner Channels to Licensee.

21. FORCE MAJEURE:

Failure on the part of the Licensor and/or its Authorised Agent to perform any of its obligations and the non-furnishing of the Service, shall not entitle the Licensee to raise any claim against the Licensor and/or its Authorised Agent or be a breach under to the extent that such failure arises from an event of force Majeure. If through force Majeure the fulfillment by either party of any obligation set forth in this Agreement will be delayed, the period of such delay will not be counted on in computing periods prescribed by this Agreement. Force Majeure will include any war, an act of God, riot, act of terrorism, labour unrest or dispute, civil commotion, strike, governmental action, satellite failure or satellite jamming , lockout, accident, epidemic or any other event of any nature or kind whatsoever beyond the control of the Licensor and/or its Authorised Agent that directly or indirectly hinders or prevents the Licensor and/or its Authorised Agent from commencing or proceeding with consummation of the transactions contemplated in this Agreement. It is agreed between the Parties that lack of funds shall not in any event constitute or be considered an event of force Majeure. If the condition of force Majeure shall continue for a period exceeding 60 (Sixty) days, then the Parties shall meet to decide upon the future performance of the Agreement. If the Parties are unable to agree upon a plan for future performance then the Agreement shall be terminated upon notice of either party to the other, on the thirtieth day after the notice is given.

22. NOTICE, ASSIGNMENT AND LIABILITY:

Either party may assign this Agreement to a third party acquiring all or a substantial portion of the business of such party or to any corporation controlling, controlled by or under common control with the assigning party. The assigning party must give prior notice of the assignment to the other. Neither party shall otherwise assign, sub-contract or deal with its rights or obligations under this Agreement without the prior consent of the other. The other party shall not unreasonably withhold or delay its consent. Any

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notice given under this Agreement must be in writing and sent to the address last notified by the recipient via either personal delivery, registered mail with return receipt requested or facsimile (with documented confirmation of receipt). Licensor is not liable for loss of profits or revenues or for any incidental, unforeseeable or consequential damages in the event of any breach of this Agreement by Licensee. Licensor's liability (if any) for any and all breaches of this Agreement is limited to the amount of the licence fees actually paid in favour of "Taj Television (India) Private Limited – A/c Turner Channels" prior to the date of such breach.

23. SPECIFIC PERFORMANCE

The Licensee agrees and acknowledges that damages in certain circumstances may not be an adequate remedy for Licensor and therefore Licensor 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 Licensee 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 Licensor may have at law or in equity, including without limitation a right for damages.

24. GENERAL:

(a) Disputes or differences arising between parties as to the effect, validity or interpretation of this Agreement or as to their rights, duties or liabilities thereunder, failing amicable resolution through mutual negotiations, shall be subject to the exclusive jurisdiction of TDSAT and/or appropriate Courts in New Delhi. This Agreement shall be construed and the legal relations between the Parties hereto shall be determined and governed according to the laws of India. In case of dishonour of cheque(s), the parties agreed that the Delhi courts only shall have the exclusive jurisdiction to try cases under section 138 of the Negotiable Instruments Act, 1881 or any other civil remedies in this regard.

(b) A waiver by either party of any of the terms or conditions of this Agreement in any instance shall not be deemed or construed to be a waiver of such term or condition for the future, or of any subsequent breach of said provision or any other provision of this Agreement.

(c) All rights and remedies contained in the Agreement shall be cumulative and none of them shall be in limitation of any other remedy or right of either party. This Agreement constitutes the entire agreement between Licensor and Licensee with respect to the subject matter contained in this Agreement, supersedes all prior discussions, negotiations and other documents related to this Agreement and this Agreement may be amended, changed or modified only in writing signed by both parties.

(d) If any provision, or part of this Agreement as applied to any party under this Agreement or to any circumstance shall be judged by a court to be void or unenforceable, that shall in no way affect any other provision of this Agreement or any part of it, or the validity or enforceability of this Agreement.

(e) Headings in this Agreement are for convenience only and do not affect interpretation of this Agreement. The singular includes the plural and conversely. Mentioning anything after *includes* or *including* does not limit what else may be included.

25. DEFINITIONS

For the purposes of this Agreement, the following terms shall have the meanings ascribed to them below unless otherwise expressly stated in any provision of this Agreement. Any term used herein but not defined expressly shall have the meaning ascribed to it in the Regulations.

"**Affiliate**" of a party means (i) in the case of any Subject Person, any other Person that, either directly or indirectly through one or more intermediate Persons, controls, is controlled by or is under common control with the Subject Person, and (ii) in the case of any Subject Person that is a natural Person, his/her parents, spouse or children, or any Person that is owned or controlled by such natural person or any of

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the aforesaid mentioned Persons. For the purposes of this definition, "**Control**" means (a) having an economic interest of at least 26% of any Person; and/or (b) the power to direct and control the management or policies of a Person, whether through the power to appoint majority of the members on the board of directors or similar governing body of such Person, through contractual arrangements or otherwise.

"**Agreement**" means a detailed agreement comprising of such terms and conditions in addition to the broad technical and commercial terms and conditions including the terms and conditions mentioned in Schedule II to the Regulations applicable to distributor of channels through addressable platforms retransmitting signals of the Turner Channels to Subscribers. "**A-la-carte**" means an offering of a Turner Channel individually on a standalone basis.

"Anti-Bribery Laws" shall have a meaning assigned to it in Section 16 of this Agreement.
"**Audit**" means Technical and Subscriber Audit as defined in Section 7.

"Authorised Agent" means Taj Television (India) Private Limited acting for and on behalf of and in the name the Licensor i.e Turner International India Private Limited.

"**Business Day**" means any day, other than a Saturday and Sunday, on which banks in Mumbai remain open for business.

"**CAM**" means conditional access module owned, operated and supplied by Licensor and used in conjunction with Viewing Card and IRD in order to facilitate the receipt of Turner Channels by Licensee.

"**CAS**" means the conditional access system maintained by Licensee in accordance with the Regulations and the terms of this Agreement, which shall have the ability to authorise, provide and deny specific channels, data, or information to paying Subscribers and which meets the requirements set out under **Schedule I** of this Agreement.

"**CPE**" means customer premises equipment.

"**DACT**" means Digital Addressable Cable Transmission owned and/or operated by Licensee its Sub-operators or Affiliates listed in **Schedule E**.

"**Default Interest Rate**" means 18% per annum.

"**DTH**" means Direct to Home.

"**EPG**" means Electronic Programme Guide as defined in Section 8.

"**Equipment(s)**" means IRDs and Viewing Card(s).

"**Equipment Fees**" shall have the meaning ascribed to it in Section 4 (a).

"**Genre**" shall have the meaning ascribed to it in Schedule A.

"**Governmental Authority**" means any government authority, statutory authority, government department, agency, commission, board, tribunal or court or other law, rule or regulation making entity having or purporting to have jurisdiction over such Party and shall include without limitation TRAI, MIB, TDSAT or any other body or authority regulating the broadcasting and distribution of channels in India.

"**HITS**" means Headend In The Sky.

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"**IRD**" means decoder, receiver or integrated receiver-decoders as set out in **Schedule E** hereto, which is owned, operated and supplied by Licensor and which is used in conjunction with Viewing Card and CAM in order to facilitate the receipt of the Turner Channels by Licensee, its sub-operators and Affiliates.

"**IPTV**" means Internet Protocol Television.

"**Law**" means all applicable statutes, enactment, acts of legislative, ordinance, rules, by-laws, regulations, notifications, guidelines, policies, directions, and orders of any Government, Authority, including without limitation (a) the Regulations; (b) the Cable TV Act and rules framed thereunder; (c) any rules, directions, regulations, guidelines, and code of conduct of the MIB and TRAI as amended from time to time.

"Licensor" means Turner International India Private Limited.

"Licensee" means every addressable distribution platform as defined in the Regulations, having its Digital Addressable Systems ("DAS") installed for the distribution of the TV channels meet the DAS requirements specified in this RIO as well as in Schedule 1 of the TRAI Regulations as amended.

"**Linear Provisioning**" means transmission and re-transmission of Turner Channels in a linear feed wherein the Subscriber, sub-operator or Licensee is not able to control the flow of content on Turner Channels.

"**Logo**" shall have the meaning ascribed to it in Section 12.

"**MIB**" means the Ministry of Information and Broadcasting.

"**Monthly Average Subscriber Level**" means, for any calendar month, the sum of the number of Subscribers to a Turner Channel on an A-la-carte basis and as part of Subscriber Packages, each of such number of Subscribers as on the first and last day of such calendar month, divided by two.

"**Monthly License Fee**" shall have the meaning ascribed to it in **Schedule D**.

"**Licensee**" means Multi System Operator.

"**Notice of Shortfall"** shall have the meaning ascribed to it in Section 7 (d).

"**Person**" means any individual or other entity, whether a corporation, firm, company, joint venture, trust, association, organization, partnership or proprietorship, including any governmental agency or regulatory body.

"**Picture Overlay Content**" shall have the meaning ascribed to it in Section 8.

"Piracy" means transmission of Turner Channels in the unauthorised manner as provide in Section 5.

"**Promotional Material**" means such material, information, and merchandise, made available by Licensor to Licensee for the purpose of promoting the Turner Channels, and shall include without limitation flyers, banners, hoardings, stickers, handouts.

"**Rate**" means A-la-carte rates of the Turner Channels offered by Licensor as set out in **Schedule A read along with Schedule D**.

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"**Regulations**" mean the Telecommunication (Broadcasting and Cable Turner Channels) (Digital Addressable Cable Television Systems) Regulations, 2012 dated 30 April 2012 as amended from time to time.

"RIO" means this Reference Interconnect Offer

"**Set Top Box**" or "**STB**" means a device which is connected to or part of a television set and as per requirement described in **Schedule F** to this Agreement, which allows a Subscriber to receive a Turner Channel in descrambled form.

"**Shortfall Amount**" shall have the meaning as provided in Section 7 (d).

"**SMS**" means the subscriber management system maintained by Licensee in accordance with the Law and as more particularly described in **Schedule F** of this Agreement.

"**Subscriber**" means an ordinary subscriber (as defined in Regulations as amended up to date unless specifically excluded of Authorised System having an addressable STB and receiving Turner Channels through the Authorised Means of Transmission, in relation to whom Licensee compulsorily maintains the complete detailed data and transaction records in its SMS. Each STB in a household or unit in a residential multi-unit dwelling or in an establishment shall be treated as a separate Subscriber in all respect including License Fee.

It is hereby agreed and acknowledged by the Parties that effective 18th July 2014 this Agreement does not confer upon Licensee, right to distribute Turner Channels in any manner to any Commercial Subscribers as amended till date. It is further agreed that the definition "Commercial Subscribers" and the provisions of the channels to "Commercial Subscribers" under this Agreement shall be subject to the directions/orders passed in Appeal No. 4 & 5 (C) of 2015 before TDSAT, Civil Appeal No. 3728 of 2015 before Supreme Court of India or any other appeal, review, application pending before any court of law/tribunal including Writ Petition No, 5161 of 2014 before Delhi High Court. For avoidance of doubt, it is clarified that Commercial Subscribers shall be excluded from the purview of this Agreement, and the same are subject to outcome of the petition stated herein above in this para.

"Subscriber Package" means and shall include assortment of distinct channels, offered together as agroup or as a bundle or as bouquet(s) and includes any offering to the Subscriber which comprises, contains, constitutes and is composed of more than one channel.

"**Subscriber Records**" shall have the meaning ascribed to it in Section 6 (d).

"**TDSAT**" means Telecom Disputes Settlement and Appellate Tribunal.

"**Technical Audit**" shall have the meaning ascribed to it in Section 7 (a).

"**Technical Auditor**" shall have the meaning ascribed to it in Section 7 (a).

"**Terminating Party**" shall have the meaning as provided in Section 11 (b).

"**Territory**" means as defined on page 1 of this Agreement.

"**TRAI**" means the Telecom Regulatory Authority of India.

"**Turner Channels**" meansthe 24-hour television programming services comprising of Linear Provisioning of television channels of such genres selected by Licensee as set out in **Schedule A** which list may be updated to include any Linear Provisioning of any new television channel distributed by Licensor from time to time.

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"**Viewing Card**" means the card owned, operated and supplied by Licensor which is to be used in conjunction with IRD to access decode and view Turner Channels with Card Number as specified in **Schedule E**.

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SCHEDULE A – TURNER CHANNELS

(PART – A)

List of Turner Channel(s) along with A-la-Carte Rates

Licensee has opted for Turner Channel(s) on A-la-Carte Rate (Yes/No): _____

Licensee shall indicate its choice of Turner Channels by appropriately ticking the boxes below:

			Rate Card		
Sr. No	Name of Channel	Genre	Applicable Rate list per Subscriber (Rs.)		Please Tick against chosen Turner Channel
1	Cartoon Network	Kids	5.62		
2	Pogo	Kids	5.62		
3	Toonami	Kids	5.62		
4	WB	English Movies	2.77		
5	HBO	English Movies	7.01		
6	CNN International	English News and Current Affairs	0.67		

***Notes:** 1. A-La-Carte rates of Turner Channels are without prejudice to Turner's rights and contentions in any proceedings before any Tribunal/Judicial/Statutory/Regulatory authority including but not limited to the remand exercise if any to be under taken by the Telecom Regulatory Authority in terms of the Order of the Hon'ble Supreme Court in Civil Appeal Nos. 5159-5164/5277-5282/5289-5294/5352-5357/5283-5288 of 2015 and also in Appeal Nos. 4 & 5 (C) of 2015 and the Petition Nos. 295 (C) of 2014 and 526 (C) of 2014 pending adjudication before the Hon'ble Telecom Disputes Appellate and Settlement Tribunal ("TDSAT").

2. Turner reserves its rights, subject to applicable regulation/order of TRAI, to revise the rate payable by Subscriber per Set Top Box per Month mentioned herein above. Upon such revision Licensee agrees and unconditionally undertakes to pay revised Subscription Fee pro rata from the effective date of such revision.

3. Inflation related hike/increase in the rates notified by TRAI by way of Tariff Order or otherwise would become automatically applicable to this agreement w.e.f. the date of such notification and the affiliate would be liable to pay the increased subscription fee from the notification date.

4. The rate for DACS/DTH/HITS/IPTV stated above are stipulated at 42% of the rates applicable to non-addressable/ analog systems in compliance with the interim order of the Hon'ble

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Supreme court dated 18 April 2011 passed in Civil Appeal No. 2847-2854 of 2011 and D – 8827/2011 but without prejudice to the Company's rights and contentions in the said appeals and the Appeal No. 7247 of 2011 or any other matters and would be subject to revision depending upon the orders as may be finally passed.

5. The rates mentioned are exclusive of any taxes and levies imposed by local or central authorities including but not limited to Service Tax.

(PART – A)

BOUQUET OF TURNER CHANNELS

Licensee has opted for Turner Channel(s) on Bouquet Rate (Yes/No): _____

Name of Bouquet	SL. No.	Name of Channel	Rate of Bouquet	Bouquet Availed (Yes/No)
Bouquet I	1	Cartoon Network	Rs. 20/-	
	2	Pogo		
	3	Toonami		
	4	HBO		
	5	WB		
	6	CNN International		

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SCHEDULE B

UNDERTAKING FOR THE INCENTIVE SCHEME AVAILED

Date: _____, 2016

To,

Turner International India Private Limited

5th Floor, Radisson Commercial Plaza,

NH – 8, Mahipalpur, New Delhi – 110037

Dear Sir,

Sub: Confirmation of the Incentive Scheme availed.

1. We refer to the Interconnection Agreement dated _____entered into between the Licensor and Licensee on the basis of Reference Interconnect Offer of Licensor.
2. We hereby confirm that we have opted for the Incentive Scheme as detailed in **Annexure – A** to this letter.
3. In order to be eligible for the opted Incentive Scheme as detailed in **Annexure – A,** we hereby undertake and confirm that we will comply with each of the applicable conditions of the Incentive Scheme opted by us during the Term of the Agreement.
4. We understand and acknowledge that failure to comply with the applicable conditions of the Incentive Scheme opted by us would result in the consequences as detailed in the respective Incentive Scheme.

Yours Sincerely,

For [Name of Licensee]

_____

Authorized Signatory

Name:

Title:

Licensee Seal

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Annexure – A

Details of Incentive Scheme Availed

I. Parameters availed for Incentive Scheme on A-la-Carte Rate of SD Channel(s):

S. No.	Incentive Parameters	Availed (Yes/No)	If Yes
1	Subscriber Base Incentive		Subscriber Base on Date of Execution of the Agreement: _____. Incentive to be calculated based on the Subscriber Base reported in monthly subscriber report.
2	Channel Count Incentive		Number and Name of Channels committed to be carried by Licensee over and above the number required to be subscribed as per Pre-requisite of the Incentive Scheme: (4 +___) = ____ as detailed in Exhibit A
3	Penetration Incentive		To ensure the minimum Penetration as per the Incentive Scheme Pre-requisite. To be made available on submission of subscriber report.
4	Additional Penetration Incentive		To be made available on submission of subscriber report.
5	LCN Incentive		As detailed in Exhibit B
6	Prompt Payment Incentive		Upon Payment made on or before the Due Date
7	Prompt Subscriber Report Submission Incentive		Upon Submission of Report on Due Date

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Exhibit – A

Details of Channels availed for the purpose of Channel Count Incentive pertaining to Incentive Scheme on A-la-Carte Rate of SD Channels

S. No.	Name of Channel	Channel Availed (Yes / No)
1	Cartoon Network	
2	Pogo	
3	Toonami	
4	WB	
5	HBO	
6	CNN International	
TOTAL COUNT OF CHANNEL(S)		

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Exhibit – B

Details of committed Slab(s) for Channels availed for the purpose of LCN Incentive pertaining to Incentive Scheme on A-la-Carte Rate of SD Channels

S. No.	Name of Channel	LCN Number and Sequence	Slab Number (Slab 1 / Slab 2 / Slab 3)
1	Cartoon Network		
2	Pogo		
3	Toonami		
4	WB		
5	HBO		
6	CNN International		

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Exhibit – C

Details of committed slab for respective Channel forming part of availed Bouquet for the purpose of Bouquet Slab (LCN) Incentive pertaining to Incentive Scheme on Bouquet Rate of SD Channels

	Name of Channel	**LCN Number and Sequence**	**Slab Number** **(Slab 1 / Slab 2 / Slab 3)**
BOUQUET I	Cartoon Network		
	Pogo		
	Toonami		
	WB		
	HBO		
	CNN International		

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Schedule C

INCENTIVES ON A-LA-CARTE RATES FOR STANDARD DEFINITION (SD) CHANNELS

1. Turner is offering the following incentives on the A-la-Carte Rate of the Standard Definition (SD) Pay Channels set out in this **Schedule C** subject to Licensee fulfilling the eligibility conditions set out in Clause 3 of this **Schedule C:**

2. **Definitions:**

(a) **Mode of Transmission** means delivery through DACS / HITS / IPTV / DTH (tick on applicable mode of transmission).

(b) "**Basic Entry Package**" shall mean all such package of television channels offered by the Licensee (for DTH Operator including current and historical) to its subscribers, comprising of (i) a combination of FTA Channels and one or more Pay Channels of a single broadcaster or multiple broadcasters; and/or (ii) a combination of one or more Pay Channels of a single broadcaster or multiple broadcasters. It is however clarified that, it shall not include Add-on Packages, but shall include Basic Entry Package Tier 1, Basic Entry Package Tier 2 and Basic Entry Package Tier 3 respectively or any other Basic Entry Package Tier, launched by the Licensee during the Term. Licensee would be under obligation to inform Licensor about any new launch of Package and/or any change /modification in the existing Package immediately upon but not later than 2 days such launch/modification.

(c) "**Basic Entry Package Tier 1**" shall mean the Basic Entry Package(s) offered by the Licensee which is/are the lowest priced amongst all the Basic Entry Packages(s) offered by the Licensee to its subscribers.

(d) "**Basic Entry Package Tier 2**" shall mean the Basic Entry Package(s) offered by the Licensee which is/are the second lowest priced amongst all the Basic Entry Package(s) offered by the Licensee to its subscribers and comprises of all the channels comprised in the Basic Entry Package – Tier 1 and some additional FTA Channels and Pay Channels.

(e) "**Basic Service Tier**" shall mean a package of television channels offered by the Licensee, consisting only of FTA channels.

(f) "**FTA Channel(s)**" shall mean free-to-air channel(s), in respect of a cable television network, being a channel for which no subscription fee is to be paid by the cable operator to the broadcaster for its retransmission on cable.

(g) "**Pay Channel(s)**" shall mean, in respect of a cable television network, channel(s) for which subscription fees is to be paid to the broadcaster by the cable operator and due authorization needs to be taken from the broadcaster for its re-transmission on cable.

(h) **Channel Category:** Turner Channels are categorized as per the grid below

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Category I Channels	Category II Channels
Cartoon Network	CNN
Pogo	WB
HBO	Toonami

(i) "**Pay Subscriber Base"** shall mean all Active Pay Subscribers of the Licensee (including that of its affiliates/JVs/subsidiaries which are part of the Agreement). However, the subscriber who have subscribed only for FTA channels and /or have taken Turner Group channels purely on A-la-Carte basis shall be excluded from Pay Subscriber Base.

(j) **Channel Penetration:** Penetration for a Pay Channel means the proportion of the Pay Subscriber Base to whom the said Channel is made available out of the total Pay Subscriber Base of the Licensee, and is denoted in percentage (%) terms below:

Sr. No.	Channel Name	Minimum Channel Penetration Requirements
1	Cartoon Network	100% of Pay Subscriber Base
2	Pogo	15% of Pay Subscriber Base or Basic Entry Package Tier 2 (whichever is higher)
3	HBO	15% of Pay Subscriber Base
4	WB	15% of Pay Subscriber Base
5	CNN	15% of Pay Subscriber Base
6	Toonami	15% of Pay Subscriber Base

3. **Incentive Eligibility Conditions for Incentives On A-La-Carte Rates for SD Channels**:

Pre-requisite of Incentive Scheme: -

(a) In order to be eligible for this Incentive Scheme it shall be mandatory for the Licensee to carry on its Platform the 4 channel(s) listed in the table below to its subscribers throughout the Territory during the Term and ensure that all the 4 channel(s) are placed in the Basic Entry Package(s) so as to achieve the minimum penetration specified against each channel:

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Sr. No.	Name of the Channel	Minimum Channel Penetration
1	Cartoon Network	100% of Pay Subscriber Base
2	Pogo	15% of Pay Subscriber Base or Basic Entry Package Tier 2 (whichever is higher)
3	HBO	15% of Pay Subscriber Base
4	WB	15% of Pay Subscriber Base

For the avoidance of doubt it is clarified that non-fulfilment of this threshold condition the Licensee will not be entitled to avail any incentive whatsoever.

(b) All Turner Channels made available by the Licensee to its subscribers in the Basic Entry Package Tier 1, shall be carried by the Licensee in all other Basic Entry Package Tiers. Similarly, all Turner Channels made available by the Licensee in the Basic Entry Package Tier 2, shall be made available by the Licensee in all other Basic Entry Package Tiers, except in the Basic Entry Package Tier 1.

(c) Licensee shall ensure that all the Turner Channels agreed to be offered by it to its Subscribers in other Basic Entry Packages (i.e. Tier 1 and Tier 2) shall always be carried in such Basic Entry Packages offered by it to its Subscribers during the Term in the same relative packaging position.

(d) The Licensee shall ensure that Turner Channels achieve the penetration as more particularly set out in Table in sub-clause (a) herein above. In the event the Licensee creates any intermediary packs between the Basic Entry Package(s) offered by it, during the Term, the Licensee shall ensure that the Channels that it has agreed to carry in the immediately higher Basic Entry Package, are moved to the intermediary package so created, to maintain the relative positioning and packaging of the Channels as detailed in Table in sub-clause (a) herein above. For example, in the event the Licensee launches any intermediary package between Basic Entry Package Tier 1 and Basic Entry Package Tier 2, it shall ensure that all the Channels in Basic Entry Package Tier 2, agreed to be made available by it are moved to the new intermediary pack launched.

(e) The Licensee shall ensure that while placing/packaging channels in basic entry package(s) and/or add-on packages, the Turner Channel(s) shall not be disadvantaged or otherwise treated less favorably by the Licensee with respect to competing channels on a genre basis as illustrated in **Table E** of Clause 4.5 herein below.

(f) The Licensee shall ensure that during the Term, the Channels will be made available and carried throughout the Territory to all its existing subscribers as on the date of execution of the Agreement, as well as to its new subscribers as per the terms set out in Clause (a) to (g) herein and also Licensee shall carry all the Channels in its entirety and continuously without any stoppage/break 24X7X365(6) basis, in the order and at the time transmitted by the respective Broadcasters of the Channels without any editing, delays (other than technology based delays), alterations, interruptions, picture squeezing or re-sizing, insertion of graphic or animated overlays, pull-throughs or crawls, deletions or additions unless otherwise agreed in advance in writing between Licensee and Licensor.

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(g) Licensee shall deliver a written undertaking to Licensor, in the format set out in **Schedule B**, electing to comply with the Incentive Scheme.

4. Incentive Parameters for Incentive on A-la-Carte Rate of SD Channel:

The following parameters for the Incentive on A-la-Carte Rate of SD Channel shall be applicable to the Licensee fulfilling all the Pre-requisite(s) of Incentive Scheme as detailed in Clause 3 herein above.

4.1 Subscriber Base Incentive: Subscriber Base Incentive shall mean the incentive which is based on the slab of the **Subscriber Base** of the Licensee for Pay Channels distributed on the Platform of the Licensee in the Territory, as set out in **Table A** below ("Subscriber Base Incentive").

TABLE – A

Sl. No.	Subscriber Base of Licensee	Incentive in Percentage (%)
1	4 Million and above	10%
2	2 Million and above but less than 4 Million	8%
3	1 Million and above but less than 2 Million	6%
4	0.5 Million and above but less than 1 Million	4%
5	Less than 0.5 Million	2%

a.) Subscriber Base of the Licensee for the purpose of calculation of Subscriber Base Incentive shall mean all Active Pay Subscribers reported by the Licensee in the subscriber report submitted by the Licensee (including that of its affiliates/JVs/subsidiaries which are part of the Agreement) for the concerned month as set out in Clause 6 of the Agreement read along with **Schedule - G**. However, for the purpose of counting Active Pay Subscriber, the subscriber who have subscribed only for FTA channels and /or have taken Turner channels purely on A-la-Carte basis shall be excluded from Active Pay Subscriber.

Illustration :

Calculation of Subscriber Base Incentive for the Licensee:

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If the Licensee has a subscriber base of more than 4 million, it will fall under the Sub Base Incentive category of 4 million and above. If such a Licensee opts for 6 Turner Channels and places WB in LCN Slab 1, then the incentives for the Licensee will work as follows:	
RIO Rate of WB (in Rs.)	**2.77**
Subscriber Base Incentive (as per Clause 4.1)	10%
Channel Count Incentive (as per Clause 4.2)	36%
LCN Incentive (as per Clause 4.5)	18%
Penetration Incentive (as per Clause 4.3)	20%
Prompt Payment Incentive (as per Clause 4.6)	1.8%
Prompt Subscriber Report Incentive (as per Clause 4.7)	0.6%
Cumulative Incentive	86.4%
Net Rate of WB after availing Incentives (in Rs.)	**0.38**
However, if the Licensee has 3.5 million subs, it will fall under the Sub Base Incentive category of 2 Million and above but less than 4 Million, its incentives will change as follows:	
RIO Rate of WB (in Rs.)	**2.77**
Subscriber Base Incentive (as per Clause 4.1)	8%
Channel Count Incentive (as per Clause 4.2)	36%
LCN Incentive (as per Clause 4.5)	18%
Penetration Incentive (as per Clause 4.3)	20%
Prompt Payment Incentive (as per Clause 4.6)	1.8%
Prompt Subscriber Report Incentive (as per Clause 4.7)	0.6%
Cumulative Incentive	84.4%
Net Rate of WB after availing Incentives (in Rs.)	**0.43**

4.2 **<u>Channel Count Incentive</u>**: Channel Count Incentive shall mean the incentive based on the number of Turner Channels falling under different Tiers of Channels subscribed for by the Licensee with a respective minimum Channel Penetration commitment (as stipulated in Clause 2(j) herein above) of the total Active Pay Subscriber Base of the Licensee as set out in Table B below ("Channel Count Incentive")

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TABLE – B

Channel Count Incentive

Sl. No.	Number of Channels	Percentage Incentive for Category I Turner Channels	Percentage Incentive for Category II Turner Channels
1	6	32%	36%
2	5	25%	33%
3	4	20%	24%

a.) Only those channels having minimum required Channel Penetration (as per the grid stipulated in Clause 2(j) herein above) shall be considered in the total count of Channels for availing Channel Count Incentive. For Example, if a Licensee opts to carry 6 Turner Channels but gives a minimum required Channel Penetration or higher only for 4 Turner channels out of the total 6 Turner Channels, then the Channel Count Incentive slab of 4 shall be applicable.

b.) In the event that the Licensee, for any reason whatsoever, fails to maintain the Channel Count opted, during any of the month of the Term, the Channel Count Incentive shall be applicable as per the revised Channel Count Incentive Slab applicable in accordance with the above mentioned grid in **Table - B** for the concerned month.

c.) In the event that the Licensee fails to carry any of the channels as stipulated in Clause 3(a) herein above, then the entire Incentive Scheme on A-la-Carte Rate of SD Pay Channel shall stand withdrawn and the Licensee shall be liable to pay the A-la-Carte rate for the availed channel(s).

Illustration

Calculation of Channel Count Incentive for the Licensee:

If a Licensee opts for 6 Turner Channels, it will fall under the Channel Count Incentive category of 6. If such a Licensee has a subscriber base of more than 4 million and places Toonami in LCN Slab 1, then the incentives will work out as follows:	
RIO Rate of Toonami (in Rs.)	**5.62**
Subscriber Base Incentive (as per Clause 4.1)	10%
Channel Count Incentive (as per Clause 4.2)	36%
LCN Incentive (as per Clause 4.5)	18%

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Penetration Incentive (as per Clause 4.3)	20%
Prompt Payment Incentive (as per Clause 4.6)	1.8%
Prompt Subscriber Report Incentive (as per Clause 4.7)	0.6%
Cumulative Incentive	86.4%
Net Rate of Toonami after availing Incentives (in Rs.)	**0.76**
However, if the Licensee takes only 5 Channels, it will fall under the category of 5 Channel in the Channel Count Incentive	
RIO Rate of Toonami (in Rs.)	**5.62**
Subscriber Base Incentive (as per Clause 4.1)	10%
Channel Count Incentive (as per Clause 4.2)	33%
LCN Incentive (as per Clause 4.5)	18%
Penetration Incentive (as per Clause 4.3)	20%
Prompt Payment Incentive (as per Clause 4.6)	1.8%
Prompt Subscriber Report Incentive (as per Clause 4.7)	0.6%
Cumulative Incentive	83.4%
Net Rate of WB after availing Incentives (in Rs.)	**0.93**

4.3 Penetration Incentive: Penetration Incentive shall mean the incentive based on minimum penetration of various Categories of Turner Channels (Category I & II as set out in Table in Clause 2(h) above) by the Licensee on its Platform. The incentives are set out in the Table C below.

TABLE - C

Sl. No.	Minimum Penetration Commitment by Licensee**	Incentive for Category I Turner Channels	Incentive for Category II Turner Channels
1	100%	0%	NA
2	15%	0%	20%

a.) If during the month penetration of a particular channel (which is not a part of the 4 mandatory Channels as stated in Clause 3(a) above) falls below the minimum required Channel Penetration, then the Penetration Incentive for such channel will be withdrawn for the said month.

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b.) For avoidance of doubt it is clarified that in the event the Licensee offers any of channel(s) (which is a part of the 4 mandatory Channels as stated in Clause 3(a) above) to its Subscribers with a penetration level dropping below minimum required Channel Penetration, then in such an eventuality the Licensee shall not be entitled to avail any of the incentive(s) under Incentive on A-la-Carte Rate of SD Channels and shall be liable to pay for the channels availed by it on A-la-Carte rates.

Illustration

Calculation of Penetration Incentive for the Licensee:

If a Licensee commits a penetration of 15% for a Channel, say Toonami, it will be eligible for the Penetration Incentive of 20%. If such a Licensee has a sub base of more than 4 million and opts for 6 Turner Channels, then the incentives will work as follows:	
RIO Rate of Toonami (in Rs.)	**5.62**
Subscriber Base Incentive (as per Clause 4.1)	10%
Channel Count Incentive (as per Clause 4.2)	36%
LCN Incentive (as per Clause 4.5)	18%
Penetration Incentive (as per Clause 4.3)	20%
Prompt Payment Incentive (as per Clause 4.6)	1.8%
Prompt Subscriber Report Incentive (as per Clause 4.7)	0.6%
Cumulative Incentive	86.4%
Net Rate of WB after availing Incentives (in Rs.)	**0.76**
However, if the Licensee fails to achieve 15% penetration for Toonami, it will be ineligible for Penetration Incentive	
RIO Rate of Toonami (in Rs.)	**5.62**
Subscriber Base Incentive (as per Clause 4.1)	10%
Channel Count Incentive (as per Clause 4.2)	36%
LCN Incentive (as per Clause 4.5)	18%
Penetration Incentive (as per Clause 4.3)	0%
Prompt Payment Incentive (as per Clause 4.6)	1.8%
Prompt Subscriber Report Incentive (as per Clause 4.7)	0.6%
Cumulative Incentive	66.4%

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Net Rate of Toonami after availing Incentives (in Rs.)	**1.89**

4.4 <u>Additional Penetration Incentive</u>: Additional Penetration Incentive shall mean the incentive over and above the Penetration Incentive mentioned in Clause 4.4 herein above for achieving a higher penetration than the minimum required Channel Penetration**.** The Additional Penetration Incentive is applicable only for the incremental Pay Subscriber Base over and above the minimum required Channel Penetration.

TABLE – D

Penetration achieved by Licensee	Incentive for Category I Turner Channels	Incentive for Category II Turner Channels
More than minimum required Channel Penetration	95%	95%

a) The above mentioned Additional Penetration Incentive shall be applicable only for the incremental Pay Subscriber Base over and above the minimum required Channel Penetration.

b) The Additional Incentive will be applicable on the net rate of the channel arrived at after availing all the applicable incentives. For example, if the Rate of a Category II Channel is Rs 10/-, the applicable Incentives as set out under the 'Incentive on A-la-Carte rate of SD Channel' is 60% and the Additional Incentive set out above is 90%, then the Rate for the purpose of calculation of License Fee shall be as determined below:

   i. The Net Rate after applying all applicable Incentive will be Rs. 4/- (i.e. Rs. 10/- minus Rs. 6/-) for 15% of the Pay Subscriber Base; and

   ii. The Additional Incentivized Rate will be Rs. 0.2/- (after applying 95% incentive on Rs. 4/-) for the additional/incremental Pay Subscriber Base over 15%.

4.5 <u>LCN Incentive</u>: LCN Incentive shall mean the incentive based on the logical channel number ("LCN") slabs within specified genre (as listed in **Table E** below), in which any of the Turner Channels are placed by the Licensee on the Platform, within the specified genre and language of all standard definition channels as contained in electronic program guide system as set out in **Table F** of this Schedule ("LCN Incentive")

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TABLE – E

Sr. No.	Channel Name	Genre	Competing Channels of Other Broadcasters	Slab 1	Slab 2	Slab 3
1	Cartoon Network	Kids	Zee Q, Nickelodeon, Sonic, Disney, Disney XD, Hungama, Discovery Kids, Baby TV, Nick Jr. and similar channels	1 to 2	3 to 4	5 to 6
2	Pogo	Kids	Zee Q, Pogo, Nickelodeon, Sonic, Disney, Disney XD, Hungama, Discovery Kids, Baby TV, Nick Jr. and similar channels	1 to 2	3 to 4	5 to 6
3	Toonami	Kids	Zee Q, Pogo, Nickelodeon, Sonic, Disney, Disney XD, Hungama, Discovery Kids, Baby TV, Nick Jr. and similar channels	1 to 6	7 to 8	9 to 10
4	HBO	Movies (English)	Star Movies, Star Movies Action, PIX, Movies Now, Zee Studio, WB, MGM, Romedy Now, UTV World Movies and similar channels	1 to 4	5 to 6	7 to 8
5	WB	Movies (English)	Star Movies, Star Movies Action, PIX, Movies Now, Zee Studio, WB, MGM, Romedy Now, UTV World Movies and similar channels	1 to 6	7 to 8	9 to 10
6	CNN	English News	NDTV 24x7, Times Now, BBC World, CNN News18 and similar channels	1 to 4	5 to 6	7 to 8

Table – F (LCN Incentive)

Sl. No.	LCN Placement	Incentives for Turner Channels
1	Slab 1	18%
2	Slab 2	14%
3	Slab 3	10%

a) In the event that the Licensee, for any reason whatsoever, fails to place any of the Channel(s) as per the defined Slabs in Table F above, during any day of the month and Licensee is not able to restore the channels in the defined Slabs within 3 days from the date of receipt of intimation from the Licensor ("Cure Period"), then the LCN Incentive for such channels will be withdrawn for that particular month.

a.) However, in event Licensee who had placed a certain Channel in committed Slab, for any reason whatsoever, fails to place the said Channel in the committed Slab but places the Channel in lower Slab, even for one day in any month during the Term, then for that entire concerned month the Licensee shall be eligible for Incentive for that said Channel as per lower Slab. For e.g. if a Licensee has committed to place CNN in Slab – 1 but places the said channel in Slab – 2 for one day, the incentive for that said month for the Licensee shall be 14% instead of 18%.

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Illustration :

Calculation of LCN Incentive for the Licensee:

If a Licensee places a Channel, say WB, in the first six LCN sequential position in the Movies (English) genre, the LCN Incentive of 'Slab 1' will be applicable for said channel. If such a Licensee has a sub base of more than 4 million and opts for 6 Turner Channels, then the incentives will work out as follows:	
RIO Rate of WB (in Rs.)	**2.77**
Subscriber Base Incentive (as per Clause 4.1)	10%
Channel Count Incentive (as per Clause 4.2)	36%
LCN Incentive (as per Clause 4.5)	18%
Penetration Incentive (as per Clause 4.3)	20%
Prompt Payment Incentive (as per Clause 4.6)	1.8%
Prompt Subscriber Report Incentive (as per Clause 4.7)	0.6%
Cumulative Incentive	86.4%
Net Rate of WB after availing Incentives (in Rs.)	**0.38**
However, if the Licensee places WB in the LCN sequential position 7, it will fall under the LCN Incentive category of 'LCN Slab 2'	
RIO Rate of WB (in Rs.)	**2.77**
Subscriber Base Incentive (as per Clause 4.1)	10%
Channel Count Incentive (as per Clause 4.2)	36%
LCN Incentive (as per Clause 4.5)	14%
Penetration Incentive (as per Clause 4.3)	20%
Prompt Payment Incentive (as per Clause 4.6)	1.8%
Prompt Subscriber Report Incentive (as per Clause 4.7)	0.6%
Cumulative Incentive	82.4%
Net Rate of WB after availing Incentives (in Rs.)	**0.49**

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4.6 <u>Prompt Payment Incentive:</u> Prompt Payment Incentive shall mean an incentive available to Licensee on the basis of prompt payment of Monthly License Fee by the Licensee on or before the Due Date (i.e. paid on or before 30th Day of the immediately succeeding month).

Table – G

Payment of Monthly License Fee by Licensee	Prompt Payment Incentive
Paid on or before Due Date	**1.8%**

Illustration

Calculation of Prompt Payment Incentive for the Licensee:

If the Licensee makes the payment of Monthly Licence Fee on or before the Due Date, then the incentive for WB will be calculated as follows	
RIO Rate of WB (in Rs.)	**2.77**
Subscriber Base Incentive (as per Clause 4.1)	10%
Channel Count Incentive (as per Clause 4.2)	36%
LCN Incentive (as per Clause 4.5)	18%
Penetration Incentive (as per Clause 4.3)	20%
Prompt Payment Incentive (as per Clause 4.6)	1.8%
Prompt Subscriber Report Incentive (as per Clause 4.7)	0.6%
Cumulative Incentive	86.4%
Net Rate of WB after availing Incentives (in Rs.)	**0.38**
However, if the Licensee defaults on the payment of Monthly Licence Fee, then in the incentive for WB will be calculated as follows	
RIO Rate of WB (in Rs.)	**2.77**
Subscriber Base Incentive (as per Clause 4.1)	10%
Channel Count Incentive (as per Clause 4.2)	36%
LCN Incentive (as per Clause 4.5)	18%
Penetration Incentive (as per Clause 4.3)	20%

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Prompt Payment Incentive (as per Clause 4.6)	0%
Prompt Subscriber Report Incentive (as per Clause 4.7)	0.6%
Cumulative Incentive	84.6%
Net Rate of WB after availing Incentives (in Rs.)	**0.43**

4.7 <u>Prompt Subscriber Report Submission Incentive:</u> Prompt Subscriber Report Submission Incentive shall mean an incentive available to Licensee for prompt submission of monthly subscriber reports. Licensee shall be entitled to avail the Prompt Subscriber Report Submission Incentive in event it submits the monthly subscriber report in the prescribed format as set out in **Schedule G** within 7 days of the immediately succeeding month. For e.g. Licensee shall be entitled to avail to Prompt Subscriber Report Submission Incentive for the month of May 2016 if it submits the monthly subscriber report on or before 7th June 2016.

Table – H

Subscriber Report Submitted by Licensee	**Prompt Subscriber Report Submission Incentive**
On or Before 7th day of immediately succeeding month	**0.6%**

Illustration

Calculation of Prompt Subscription Report Submission Incentive for the Licensee :

If the Licensee submits the monthly subscriber report in the prescribed format on or before the 7th day of the immediately following month, then the incentive for WB will be calculated as follows	
RIO Rate of WB (in Rs.)	**2.77**
Subscriber Base Incentive (as per Clause 4.1)	10%
Channel Count Incentive (as per Clause 4.2)	36%
LCN Incentive (as per Clause 4.5)	18%
Penetration Incentive (as per Clause 4.3)	20%
Prompt Payment Incentive (as per Clause 4.6)	1.8%
Prompt Subscriber Report Incentive (as per Clause 4.7)	0.6%
Cumulative Incentive	86.4%
Net Rate of WB after availing Incentives (in Rs.)	**0.38**

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However, if the Licensee fails to submits the monthly subscriber report in the prescribed format on or before the 7th day of the immediately following month, then the incentive for WB will be calculated as follows	
RIO Rate of WB (in Rs.)	**2.77**
Subscriber Base Incentive (as per Clause 4.1)	10%
Channel Count Incentive (as per Clause 4.2)	36%
LCN Incentive (as per Clause 4.5)	20%
Penetration Incentive (as per Clause 4.3)	25%
Prompt Payment Incentive (as per Clause 4.6)	0.0%
Prompt Subscriber Report Incentive (as per Clause 4.7)	1.8%
Cumulative Incentive	85.8%
Net Rate of WB after availing Incentives (in Rs.)	**0.39**

5. Reports

5.1 In order to be eligible for the Incentives, the Licensee shall provide Licensor along with the Subscriber Report referred to in this Agreement (i) Subscriber Base Report as set out in Schedule - I of this Agreement ("Subscriber Base Report"), (ii) LCN Report in the form set out in Schedule - G to this Agreement ("LCN Report"), (iii) Channel Count Report in the form set out in Schedule - G ("Channel Count Report"), (iv) Penetration Report in the form set out in Schedule - G to this Agreement ("Penetration Report").

6. Subscriber Records, Access and Audit : Licensor shall during the Audit referred to in Clause 7 of this Agreement, be entitled to access the Records, SMS, CAS and related systems of the Licensee in order to determine the correctness of the Subscriber Base, LCN, Channel Count and Penetration Report referred to in clause 5.1 of this Schedule above.

7. License Fee: The License Fee shall be calculated in the manner set out in **Schedule D** of this Agreement. The aggregate incentives applicable to a Licensee shall be the sum of all the Incentives set out in Table A, B, C, D, E, F, G, and H for which the Licensee has qualified ("Aggregate Incentive") and the A-la-Carte rate specified in **Schedule A** shall be reduced to the extent of the Aggregate Incentive.

8. Licensor is offering the following two (2) Incentive Schemes:

(i) Incentive on A-la-Carte Rate of Standard Definition (SD) Channel as detailed in **Schedule – C;**

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(ii) Incentive on Bouquet Rate of Standard Definition (SD) Channel as detailed in **Schedule – D;**

All the above mentioned schemes are governed by the conditions detailed in the respective Schedules as mentioned above and are self-contained and mutually exclusive. It is clarified that save as provided in the respective Incentive Schemes, the provisions of one Incentive Scheme cannot be combined with another Incentive Scheme.

9. Licensor reserves the right to amend, modify, alter, change, substitute, withdraw, add any of the terms and conditions of any the Incentive Schemes at its sole discretion. In addition, Licensor at sole discretion may amend, modify, alter, change, substitute, withdraw, add any of the terms and conditions of any the Incentive Scheme in the event, during the Term, (i) Licensor launches a New Channel, or (ii) in case of a Removed Channel, For the avoidance of doubt, it is clarified that a reference to a New Channel in this Schedule and/ or the Agreement includes any additional channels (whether by way of a new launch, acquisition of any existing channel or otherwise), distributed by Licensor and/ or its current or future subsidiaries, and in such an event Licensor shall have the right to withdraw and/ or modify this Schedule and/ or the Incentives set out herein in its sole discretion.

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SCHEDULE – D
INCENTIVE SCHEME ON BOUQUET RATES OF STANDARD DEFINITION (SD) CHANNELS

1. TURNER is offering the following incentives on the Bouquet of the Standard Definition (SD) Pay Channels set out in this **SCHEDULE D** subject to Licensee fulfilling the eligibility conditions set out in Clause 3 of this **SCHEDULE D:**

2. **Definitions:**

(a) **Mode of Transmission** means delivery through DACS / HITS / IPTV / DTH (tick on applicable mode of transmission)

(b) "**Basic Entry Package**" shall mean all such package of television channels offered by the LICENSEE to its subscribers, comprising of (i) a combination of FTA Channels and one or more Pay Channels of a single broadcaster or multiple broadcasters; and/or (ii) a combination of one or more Pay Channels of a single broadcaster or multiple broadcasters. It is however clarified that, it shall not include Add-on Packages, but shall include Basic Entry Package Tier 1, Basic Entry Package Tier 2 and Basic Entry Package Tier 3 respectively or any other Basic Entry Package Tier, launched by the LICENSEE during the Term. LICENSEE would be under obligation to inform Licensor about any new launch of Package and/or any change /modification in the existing Package immediately upon but not later than 2 days such launch/modification.

(c) "**Basic Entry Package Tier 1**" shall mean the Basic Entry Package(s) offered by the LICENSEE which is/are the lowest priced amongst all the Basic Entry Packages(s) offered by the LICENSEE to its subscribers.

(d) "**Basic Entry Package Tier 2**" shall mean the Basic Entry Package(s) offered by the LICENSEE which is/are the second lowest priced amongst all the Basic Entry Package(s) offered by the LICENSEE to its subscribers and comprises of all the channels comprised in the Basic Entry Package – Tier 1 and some additional FTA Channels and Pay Channels.

(e) "**Basic Service Tier**" shall mean a package of television channels offered by the Licensee, consisting only of FTA channels.

(f) "**FTA Channel(s)**" shall mean free-to-air channel(s), in respect of a cable television network, being a channel for which no subscription fee is to be paid by the cable operator to the broadcaster for its retransmission on cable.

(g) "**Pay Channel(s)**" shall mean, in respect of a cable television network, channel(s) for which subscription fees is to be paid to the broadcaster by the cable operator and due authorization needs to be taken from the broadcaster for its re-transmission on cable.

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(h) **"Pay Subscriber Base"** shall mean all Active Pay Subscribers of the LICENSEE (including that of its affiliates/JVs/subsidiaries which are part of the Agreement). However, the subscriber who have subscribed only for FTA channels and /or have taken Turner Channels purely on Bouquet basis shall be excluded from Pay Subscriber Base.

(i) **"Channel Penetration"** Penetration for a Pay Channel means the proportion of the Pay Subscriber Base to whom the said Channel is made available out of the total Pay Subscriber Base of the Licensee, and is denoted in percentage (%) terms below:

Sr. No.	Channel Name	Minimum Channel Penetration Requirements
1	Cartoon Network	100% of Pay Subscriber Base
2	Pogo	15% of Pay Subscriber Base or Basic Entry Package Tier 2 (whichever is higher)
3	HBO	In parity with channels specified in Table C of Clause 4.3
4	WB	In parity with channels specified in Table C of Clause 4.3
5	CNN	In parity with channels specified in Table C of Clause 4.3
6	Toonami	In parity with channels specified in Table C of Clause 4.3

3. Incentive Eligibility Conditions for Incentives Scheme On Bouquet Rates of SD Channels: **Pre-requisite of Incentive Scheme: -**

(a) All Channels of subscribed Bouquet made available by the LICENSEE to its subscribers in the Basic Entry Package Tier 1, shall be carried by the LICENSEE in all other Basic Entry Package Tiers. Similarly, all Channels made available by the LICENSEE in the Basic Entry Package Tier 2, shall be made available by the LICENSEE in all other Basic Entry Package Tiers, except in the Basic Entry Package Tier 1.

(b) LICENSEE shall ensure that all the Channels agreed to be offered by it to its Subscribers in other Basic Entry Packages (i.e. Tier 1 and Tier 2) shall always be carried in such Basic Entry Packages offered by it to its Subscribers during the Term in the same relative packaging position.

(c) The LICENSEE shall ensure that the Channels of the subscribed Bouquet achieve the minimum Channel Penetration requirement which is more particularly set out in **Clause 2(i)** herein above. In the event the LICENSEE creates any intermediary packs between the Basic Entry Package(s) offered by it, during the Term, the LICENSEE shall ensure that the Channels that it has agreed to carry in the immediately higher Basic Entry Package, are moved to the intermediary package so created, to maintain the relative positioning and packaging of the Channels as per the minimum Channel Penetration requirement which is more particularly set out in **Clause 2(i)**. For example,

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in the event the LICENSEE launches any intermediary package between Basic Entry Package Tier 1 and Basic Entry Package Tier 2, it shall ensure that all the Channels in Basic Entry Package Tier 2, agreed to be made available by it are moved to the new intermediary pack launched.

(d) The LICENSEE shall ensure that while placing/packaging channels in basic entry package(s) and/or add-on packages, Turner Channel(s) shall not be disadvantaged or otherwise treated less favorably by the LICENSEE with respect to competing channels on a genre basis as illustrated in **Table C of Clause 4.3** herein below.

(e) The LICENSEE shall ensure that during the Term, the Channels will be made available and carried throughout the Territory to all its existing subscribers as on the date of execution of the Agreement, as well as to its new subscribers as per the terms set out in Clause (a) to (d) above and also LICENSEE shall carry all the Channels in its entirety and continuously without any stoppage/break 24X7X365(6) basis, in the order and at the time transmitted by the respective Broadcasters of the Channels without any editing, delays (other than technology based delays), alterations, interruptions, picture squeezing or re-sizing, insertion of graphic or animated overlays, pull-throughs or crawls, deletions or additions unless otherwise agreed in advance in writing between LICENSEE and Licensor.

(f) LICENSEE shall deliver a written undertaking to Licensor, in the format set out in **SCHEDULE B**, electing to comply with the Incentive Scheme.

4. <u>Incentive Parameters for Incentive on Bouquet Rate of SD Channel:</u>

The following parameters for the Incentive on Bouquet Rate of SD Channel shall be applicable to the LICENSEE fulfilling all the Pre-requisite(s) of Incentive Scheme as detailed in Clause 3 herein above.

4.1 <u>Subscriber Base Incentive</u>: Subscriber Base Incentive shall mean the incentive which is based on the slab of the **Subscriber Base** of the LICENSEE for Pay Channels of the subscribed Bouquet distributed on the Platform of the LICENSEE in the Territory, as set out in **Table A** below ("Subscriber Base Incentive").

TABLE – A

<u>Subscriber Base Incentive</u>

Sl. No.	Subscriber Base of LICENSEE	Incentive in Percentage (%)
1	4 Million and above	10.00%
2	2 Million and above but less than 4 Million	9.00%
3	1 Million and above but less than 2 Million	8.00%
4	Less than 1 Million	7.00%

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a.) Subscriber Base of the Licensee for the purpose of calculation of Subscriber Base Incentive shall mean all Active Pay Subscribers reported by the Licensee in the subscriber report submitted by the Licensee (including that of its affiliates/JVs/subsidiaries which are part of the Agreement) for the concerned month as set out in Clause 6 of the Agreement read along with **Schedule - G**. However, for the purpose of counting Active Pay Subscriber, the subscriber who have subscribed only for FTA channels and /or have taken Turner channels purely on A-la-Carte basis shall be excluded from Active Pay Subscriber.

Illustration:

Calculation of Subscriber Base Incentive for the Licensee:

If the LICENSEE has a subscriber base of more than 4 million, it will fall under the Sub Base Incentive category of 4 million and above, then the incentives for the LICENSEE will work as follows:	
RIO Rate of Bouquet I (in Rs.)	**20.00**
Subscriber Base Incentive (as per Clause 4.1)	10.00%
Bouquet Slab (LCN) Incentive (as per Clause 4.2)	35.50%
Bouquet Penetration Incentive (as per Clause 4.3)	37.00%
Prompt Payment Incentive (as per Clause 4.4)	1.80%
Prompt Subscriber Report Incentive (as per Clause 4.5)	0.60%
Cumulative Incentive	84.90%
Net Rate for Bouquet 1 after availing Incentives (in Rs.)	**3.02**
However, if the LICENSEE has 3 million subs, it will fall under the Sub Base Incentive category of 2 Million and above but less than 4 Million, its incentives will change as follows:	
RIO Rate of Bouquet 1 (in Rs.)	**20.00**
Subscriber Base Incentive (as per Clause 4.1)	9%
Bouquet Slab (LCN) Incentive (as per Clause 4.3)	35.50%
Bouquet Penetration Incentive (as per Clause 4.2)	37.00%
Prompt Payment Incentive (as per Clause 4.4)	1.80%
Prompt Subscriber Report Incentive (as per Clause 4.5)	0.60%

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Cumulative Incentive	83.90%
Net Rate for Bouquet 1 after availing Incentives (in Rs.)	**3.22**

4.2 <u>Bouquet Penetration Incentive</u>: Bouquet Penetration Incentive shall mean the incentive based on penetration for all Turner Channels forming part of the Bouquet subscribed by the LICENSEE for its Platform. LICENSEE shall be eligible to avail the Bouquet Penetration Incentive only in event that all Turner Channels forming part of the subscribed Bouquet meets the minimum Channel Penetration requirement as stipulated in **Clause 2(i)** herein above.

TABLE – B

<u>Bouquet Penetration Incentive</u>

Bouquet Penetration Slab	**Bouquet Penetration Achieved**	**Percentage Incentive for Bouquet I**
Slab 1	As detailed in Clause 2(i) for various channel(s)	37.0%
Slab 2	All Channel(s) at more than 95%	37.5%

(a) LICENSEE shall be eligible for Bouquet Penetration Incentive as per Slab 1 in event it achieves the Penetration requirement for each channel forming part of the Bouquet as per Clause 2(i) above.
(b) LICENSEE shall have to achieve more than 95% Penetration for each channel forming part of the Bouquet availed to be eligible for Bouquet Penetration incentive under Slab 2.
(c) If during a month, penetration of a particular channel forming part of a Bouquet falls below the minimum required Channel Penetration as stated in Clause 2(i) above, then the Bouquet Penetration Incentive for such Bouquet will be withdrawn for the said month.

Illustration

Calculation of Penetration Incentive for the Licensee:

If a LICENSEE achieves the minimum required Channel Penetration, it will be eligible for the Bouquet Penetration Incentive of Slab 1. If such an

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LICENSEE has a sub base of more than 4 million, then the incentives will work as follows:	
RIO Rate of Bouquet 1 (in Rs.)	**20.00**
Subscriber Base Incentive (as per Clause 4.1)	10%
Bouquet Slab (LCN) Incentive (as per Clause 4.3)	35.50%
Bouquet Penetration Incentive (as per Clause 4.2)	37.00%
Prompt Payment Incentive (as per Clause 4.4)	1.80%
Prompt Subscriber Report Incentive (as per Clause 4.5)	0.60%
Cumulative Incentive	84.90%
Net Rate of Bouquet 1 after availing Incentives (in Rs.)	**3.02**
However, if the LICENSEE places all the channels in its lowest price pack and achieves more than 95% penetration for each Channel, it will be eligible for Penetration Incentive of Slab 2 for the Bouquet	
RIO Rate of Bouquet I (in Rs.)	**20.00**
Subscriber Base Incentive (as per Clause 4.1)	10.00%
Bouquet Slab (LCN) Incentive (as per Clause 4.3)	35.50%
Bouquet Penetration Incentive (as per Clause 4.2)	37.50%
Prompt Payment Incentive (as per Clause 4.4)	1.80%
Prompt Subscriber Report Incentive (as per Clause 4.5)	0.60%
Cumulative Incentive	85.40%
Net Rate of Bouquet 1 after availing Incentives (in Rs.)	**2.92**

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4.3 <u>Bouquet Slab (LCN) Incentive</u>: Bouquet Slab (LCN) Incentive shall mean the incentive based on the logical channel number ("LCN") slabs for the channels forming part of the Bouquet within specified genre (as listed in **Table C** below), in which any of the Turner Channels are placed by the LICENSEE on the Platform, within the specified genre and language of all standard definition channels as contained in electronic program guide system as set out in **Table D** of this Schedule ("Bouquet Slab (LCN) Incentive")

TABLE – C

Genre and Logical Channel Number (LCN) Slabs

Sr. No.	Channel Name	Genre	Competing Channels of Other Broadcasters	Slab 1	Slab 2	Slab 3
1	Cartoon Network	Kids	Zee Q, Nickelodeon, Sonic, Disney, Disney XD, Hungama, Discovery Kids, Baby TV, Nick Jr. and similar channels	1 to 2	3 to 4	5 to 6
2	Pogo	Kids	Zee Q, Pogo, Nickelodeon, Sonic, Disney, Disney XD, Hungama, Discovery Kids, Baby TV, Nick Jr. and similar channels	1 to 2	3 to 4	5 to 6
3	Toonami	Kids	Zee Q, Pogo, Nickelodeon, Sonic, Disney, Disney XD, Hungama, Discovery Kids, Baby TV, Nick Jr. and similar channels	1 to 6	7 to 8	9 to 10
4	HBO	Movies (English)	Star Movies, Star Movies Action, PIX, Movies Now, Zee Studio, WB, MGM, Romedy Now, UTV World Movies and similar channels	1 to 4	5 to 6	7 to 8
5	WB	Movies (English)	Star Movies, Star Movies Action, PIX, Movies Now, Zee Studio, WB, MGM, Romedy Now, UTV World Movies and similar channels	1 to 6	7 to 8	9 to 10
6	CNN	English News	NDTV 24x7, Times Now, BBC World, CNN News18 and similar channels	1 to 4	5 to 6	7 to 8

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Table – D

Bouquet Slab (LCN) Incentive

Sl. No.	LCN Placement	Percentage Incentive for Bouquet I
1	Bouquet Slab 1	35.50%
2	Bouquet Slab 2	33.00%
3	Bouquet Slab 3	30.50%

a.) LICENSEE shall be considered eligible to avail the Bouquet Slab (LCN) Incentive in event it places all the Turner Channels forming part of the Bouquet in the stipulated Slabs as stated in **Table – C** herein above.

b.) However, the LICENSEE shall be entitled for flexibility of placing upto two channel(s) out of the total number of channel(s) of the Bouquet into any of the stipulated Slab(s). e.g. if the LICENSEE has committed Bouquet Slab 1, then the LICENSEE has to place minimum four channels out of the six channels of Bouquet I at their respective Slab 1, and two channel(s) can be placed at some other Slab(s).

c.) Further in case the LICENSEE places more than two channels in some other Slab(s) other than the specified Bouquet Slab, then the LICENSEE will be entitled to receive the Bouquet Slab Incentive as per the lowest Slab of the Channel(s) comprising of the Bouquet.

d.) In the event that the LICENSEE, for any reason whatsoever, fails to place more than two Channel(s) as per the defined Slabs in **Table C** read along with **Table D** above, during any day of the month and is not able to restore the channel(s) in the defined Slabs within 3 days from the date of receipt of intimation from the Licensor ("Cure Period"), then the Bouquet Slab (LCN) Incentive for such Bouquets will be withdrawn for that particular month.

Illustration:

Calculation of Bouquet Slab (LCN) Incentive for the Licensee:

If a LICENSEE commits bouquet Slab 1, the Bouquet Slab (LCN) Incentive of 'Bouquet Slab 1' will be applicable for the Bouquet. If such an

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LICENSEE has a sub base of more than 4 million, then the incentives will work out as follows:	
RIO Rate of Bouquet 1 (in Rs.)	**20.00**
Subscriber Base Incentive (as per Clause 4.1)	10%
Bouquet Slab (LCN) Incentive (as per Clause 4.3)	35.50%
Bouquet Penetration Incentive (as per Clause 4.2)	37.00%
Prompt Payment Incentive (as per Clause 4.4)	1.80%
Prompt Subscriber Report Incentive (as per Clause 4.5)	0.60%
Cumulative Incentive	84.90%
Net Rate of Bouquet 1 after availing Incentives (in Rs.)	**3.02**
However, if the LICENSEE commits Bouquet Slab 2, it will fall under the Bouquet Slab (LCN) Incentive category of 'Bouquet Slab 2'	
RIO Rate of Bouquet I (in Rs.)	**20.00**
Subscriber Base Incentive (as per Clause 4.1)	10.00%
Bouquet Slab (LCN) Incentive (as per Clause 4.3)	33.00%
Bouquet Penetration Incentive (as per Clause 4.2)	37.00%
Prompt Payment Incentive (as per Clause 4.4)	1.80%
Prompt Subscriber Report Incentive (as per Clause 4.5)	0.60%
Cumulative Incentive	82.40%
Net Rate of Bouquet 1 after availing Incentives (in Rs.)	**3.52**

4.4 <u>Prompt Payment Incentive:</u> Prompt Payment Incentive shall mean an incentive available to LICENSEE on the basis of prompt payment of Monthly License Fee by the LICENSEE on or before the Due Date (i.e. paid on or before 30th Day of the immediately succeeding month).

Table – E

<u>Prompt Payment Incentive</u>

Payment of Monthly License Fee by Licensee	Prompt Payment Incentive
Paid on or before Due Date	**1.8%**

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Illustration

Calculation of Prompt Payment Incentive for the Licensee:

If the LICENSEE makes the payment of Monthly Licence Fee on or before the Due Date, then the incentive for Bouquet 1 will be calculated as follows	
RIO Rate of Bouquet 1 (in Rs.)	**20.00**
Subscriber Base Incentive (as per Clause 4.1)	10.00%
Bouquet Slab (LCN) Incentive (as per Clause 4.3)	35.50%
Bouquet Penetration Incentive (as per Clause 4.2)	37.00%
Prompt Payment Incentive (as per Clause 4.4)	1.80%
Prompt Subscriber Report Incentive (as per Clause 4.5)	0.60%
Cumulative Incentive	84.90%
Net Rate of Bouquet 1 after availing Incentives (in Rs.)	**3.02**
However, if the LICENSEE defaults on the payment of Monthly Licence Fee, then in the incentive for Bouquet 1 will be calculated as follows	
RIO Rate of Bouquet 1 (in Rs.)	**20.00**
Subscriber Base Incentive (as per Clause 4.1)	10.00%
Bouquet Slab (LCN) Incentive (as per Clause 4.3)	35.50%
Bouquet Penetration Incentive (as per Clause 4.2)	37.00%
Prompt Payment Incentive (as per Clause 4.4)	0%
Prompt Subscriber Report Incentive (as per Clause 4.5)	0.60%
Cumulative Incentive	83.10%
Net Rate of Bouquet 1 after availing Incentives (in Rs.)	**3.38**

4.5 <u>Prompt Subscriber Report Submission Incentive:</u> Prompt Subscriber Report Submission Incentive shall mean an incentive available to LICENSEE for prompt submission of monthly subscriber reports. LICENSEE shall be entitled to avail the Prompt Subscriber Report Submission Incentive in event it submits the monthly subscriber report in the prescribed format as set out in **SCHEDULE H** within 7 days of the immediately succeeding month. For e.g. LICENSEE shall be entitled to avail to Prompt Subscriber Report Submission Incentive for the month of May 2016 if it submits the monthly subscriber report on or before 7th June 2016.

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Table – F

Prompt Subscriber Report Submission Incentive

Subscriber Report Submitted by Licensee	Prompt Subscriber Report Submission Incentive
On or Before 7th day of immediately succeeding month	**0.6%**

Illustration

Calculation of Prompt Subscription Report Submission Incentive for the Licensee:

If the LICENSEE submits the monthly subscriber report in the prescribed format on or before the 7th day of the immediately following month, then the incentive for Bouquet 1 will be calculated as follows	
RIO Rate of Bouquet 1 (in Rs.)	**20.00**
Subscriber Base Incentive (as per Clause 4.1)	10.00%
Bouquet Slab (LCN) Incentive (as per Clause 4.3)	35.50%
Bouquet Penetration Incentive (as per Clause 4.2)	37.00%
Prompt Payment Incentive (as per Clause 4.4)	1.80%
Prompt Subscriber Report Incentive (as per Clause 4.5)	0.60%
Cumulative Incentive	84.90%
Net Rate of Bouquet 1 after availing Incentives (in Rs.)	**3.02**
However, if the LICENSEE fails to submits the monthly subscriber report in the prescribed format on or before the 7th day of the immediately following month, then the incentive for Bouquet 1 will be calculated as follows	
RIO Rate of Bouquet 1 (in Rs.)	**20.00**
Subscriber Base Incentive (as per Clause 4.1)	10.00%
Bouquet Slab (LCN) Incentive (as per Clause 4.2)	35.50%
Bouquet Penetration Incentive (as per Clause 4.3)	37.00%
Prompt Payment Incentive (as per Clause 4.4)	1.80%

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Prompt Subscriber Report Incentive (as per Clause 4.5)	0%
Cumulative Incentive	84.30%
Net Rate of Bouquet 1 after availing Incentives (in Rs.)	**3.14**

Reports

5.1 In order to be eligible for the Incentives, the Licensee shall provide Licensor along with the Subscriber Report referred to in this Agreement (i) Subscriber Base Report as set out in Schedule – H of this Agreement ("Subscriber Base Report"), (ii) LCN Report in the form set out in Schedule – H to this Agreement ("LCN Report"), (iii) Channel Count Report in the form set out in Schedule – H ("Channel Count Report"), (iv) Penetration Report in the form set out in Schedule – H to this Agreement ("Penetration Report").

6. Subscriber Records, Access and Audit : Licensor shall during the Audit referred to in Clause 7 of this Agreement, be entitled to access the Records, SMS, CAS and related systems of the Licensee in order to determine the correctness of the Subscriber Base, LCN, Channel Count and Penetration Report referred to in clause 5.1 of this Schedule D above.

7. License Fee: The License Fee shall be calculated in the manner set out in **Schedule – E** of this Agreement. The aggregate incentives applicable to the LICENSEE shall be the sum of all the Incentives set out in Table A, B, C, D, E, and F for which the LICENSEE has qualified ("Cumulative Incentive") and the Bouquet rate specified in **Schedule – A (PART B)** shall be reduced to the extent of the Aggregate Incentive.

8. Licensor is offering the following two (2) Incentive Schemes:

(i) Incentive on A-la-Carte Rate of Standard Definition (SD) Channel as detailed in **Schedule – C;**

(ii) Incentive on Bouquet Rate of Standard Definition (SD) Channel as detailed in **Schedule – D;**

All the above mentioned schemes are governed by the conditions detailed in the respective Schedules as mentioned above and are self-contained and mutually exclusive. It is clarified that save as provided in the respective Incentive Schemes, the provisions of one Incentive Scheme cannot be combined with another Incentive Scheme.

9. Licensor reserves the right to amend, modify, alter, change, substitute, withdraw, add any of the terms and conditions of any the Incentive Schemes at its sole discretion. In addition, Licensor at sole discretion may amend, modify, alter, change, substitute, withdraw, add any of the terms and conditions of any the Incentive Scheme in the event, during the Term, (i) Licensor launches a New Channel, or (ii) in case of a Removed Channel, For the avoidance of doubt, it is clarified that a reference to a New Channel in this Schedule and/ or the Agreement includes any additional channels (whether by way of a new launch, acquisition of any existing channel or otherwise), distributed by Licensor and/ or its current or future subsidiaries, and in such an event Licensor shall have the right to withdraw and/ or modify this Schedule and/ or the Incentives set out herein in its sole discretion.

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SCHEDULE E
LICENSE FEE

I. LICENSE FEE

1.1 Rate of Turner Channel(s): (A) (i) A-la-Carte Rate of Turner Channel are as set out in **Schedule A (PART A); and**

(ii) Bouquet Rate of Turner Channel are as set out in Schedule A (PART B)

(B) Licensor is also offering the Turner Channel(s) under the Incentive Scheme detailed herein below. The Licensee at its sole discretion can opt for the Incentive Scheme in accordance with the terms and conditions of the Incentive Scheme(s).

(a) Incentive Scheme on A-la-Carte Rate of Standard Definition (SD) Channel(s) as detailed in **Schedule C**;

For avoidance of doubt it is hereby clarified that the Licensee is under no obligation to opt for any of the above mentioned Incentive Scheme(s) to avail the Turner Channel(s) as it can avail the Turner Channels on A-la-Carte basis as per the rates mentioned in Clause (A) herein above.

(C) In the event the Licensee chooses to opt for / avail the Incentive Scheme as mentioned in Clause (B) herein above, it will have to comply with the Incentive eligibility conditions as set out in the Incentive Scheme(s) and furnish an Undertaking in the format as specified in Schedule – B read along with Annexure – A and Exhibit(s) related thereto.

1.2 LICENSE FEE

a) During the Term, Licensee shall pay in favour of "Zee Entertainment Enterprises Limited – A/c Turner Channels", license fee ("**License Fee**") which shall be the sum of the Monthly License Fee for each Turner Channel distributed by Licensee, as calculated in Clause II below**.**

b) The License Fee shall be paid on a gross basis exclusive of all applicable indirect taxes including without limitation all and any service taxes, value added tax, works contract taxes, customs duties, excise duties, entertainment taxes and other such taxes. All such taxes shall be in addition to the License Fee and shall be charged at the rates prescribed under Law by Licensor's Authorised Agent to Licensee.

c) If payment of the License Fee is subject to deduction of any withholding tax in accordance with the provisions of the Indian Income Tax Act 1961, as amended from time to time, Licensee shall provide tax withholding certificates in favour of "Zee Entertainment Enterprises Limited " within the prescribed time.

d) For the purpose of calculating the Monthly License Fee payable by Licensee in favour of "Zee Entertainment Enterprises Limited– A/c Turner Channels",

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e) "Subscriber" means, for any calendar month, each Set Top Box, which is availing a Turner Channel of through the Authorised System. Notwithstanding anything contained herein once a Turner Channel or Subscriber Package containing a Turner Channel is made available on a particular Set Top Box in the Authorised System, such Set Top Box shall be included in the number of Subscribers on the first day of the calendar month and on the last day of the calendar month for a minimum period of three successive calendar months including the calendar month in which such Turner Channel or Subscriber Package containing such Turner Channel was made available on a particular Set Top Box in the Authorised System and the Monthly License Fee for such Turner Channel shall be calculated accordingly.

II. CALCULATION OF MONTHLY LICENSE FEE

1. In case Licensee avails one or more or all Turner Channel(s) on A-la-Carte rate basis

For each month or part thereof during the Term of the Agreement, the Monthly License Fee in respect of each Turner Channel distributed on the Authorised System shall be calculated in the following manner:

i) A-la-carte retail distribution: If Licensee is providing a Turner Channel on an A-la-carte basis to its Subscribers, the Monthly License Fee for each Turner Channel shall be equal to the A-la-carte Rate of such Turner Channel multiplied by Monthly Average Subscriber Level availing such Turner Channel on an A-la-carte basis.

ii) Subscriber Package retail distribution: If Licensee is providing a Turner Channel as part of a Subscriber Package, then the Monthly License Fee for each Turner Channel, shall be equal to the A-la-carte Rate of such Turner Channel multiplied by the Monthly Average Subscriber Level of each Subscriber Package in which such Turner Channel has been placed.

For the purpose of clarity, if any Turner Channel is subscribed during the month, the Licensee shall be liable to pay the License fee for the entire month.

a. In case Licensee avails one or more Bouquet(s) of **Turner Channel(s)**:

i) If the Licensee is providing the Bouquet(s) as a whole to its subscribers, the Monthly License Fee for such Bouquet(s) shall be equal to the Bouquet rate as set out in the Schedule A Part B multiplied by the number of monthly average number of subscribers availing the Bouquet(s).

ii) If the Licensee does not offer such opted bouquet(s) as a whole to its subscriber but offers only certain channels comprised in such bouquet or 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 for such entire opted bouquet by the Licensee, shall be calculated on the basis of subscriber base for the channel which has highest subscriber base amongst the channels comprised in the bouquet.

2. In case a Licensee avails one or more Turner SD Channels on A-la-Carte Rate basis and also opts for a Bouquet of Turner SD Channel(s) not comprising of the SD Channels opted on A-la-Carte basis:

i) For the bouquet, the monthly license fee shall be calculated on the basis of sub clause 2 above.

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ii) For A-la-carte channels, the monthly license fee shall be calculated on the basis of sub clause 1 above.

3. **In event Licensee avails and fulfils all the laid down conditions of Incentive Scheme on A-la-Carte Rate of Standard Definition (SD) Channels as laid down in Schedule C:**

Licensee shall be liable to pay the License Fee as calculated herein below:

(i) If the Licensee is providing the channels on A-la-Carte basis to its subscribers, the Monthly License Fee for such A-la-Carte channels shall be equal to the Incentivised A-la-Carte rate as set out in the **Schedule A** multiplied by the number of monthly average number of subscribers availing the channels on A-la-Carte basis.

(ii) If the Licensee does not offer such opted A-la-Carte channel(s) as A-la-Carte to its subscriber but offers the A-la-Carte channel(s) in packages, then the payment for each of the A-la-Carte channels, shall be calculated on the basis of subscriber base of the package in which such opted ala carte channel has been placed multiplied by the Incentivised A-la-Carte Rate of the channel as set out in **Schedule C**.

Incentivised Rate of a Channel = (A-la-Carte Rate of the Channel(s) availed) – (Cumulative Incentive Percentage for that particular channel based on the incentive parameters qualified by Licensee as set out in Schedule – C)

4. In the event the Licensee avails any of the Channels on A-la-carte basis or avails at its sole discretion for the Incentive Scheme(s) of Licensor, and activates the Channel(s) for any month or part thereof, the calculation of Subscriber base for such Channel(s) shall be based on the total number of subscribers subscribing to all such bouquets offered by the Licensee to the subscribers, that offer such Channel for the whole month irrespective of the fact whether the Channel is activated or deactivated. Further, the calculation will be on the calendar month basis and if the activation of such Channels, as part of bouquet or a-la-carte, spill over to the next calendar month, the total subscribers for such will be counted for both the months

5. In case the Licensee operates through any of its Joint Venture/affiliate/associate Network(s) in different parts of the Cities/Country then it shall be the sole responsibility and obligation of the Licensee to clear all the accumulated arrears/dues which are not paid by any such Joint Venture/affiliate/associate entities to Licensor on the due date during the validity of this agreement, irrespective of the fact that separate subscription agreement(s) have been executed by any of the Joint Venture/affiliate/associate entities with Licensor in DAS or NON DAS areas.

6. It has been acknowledged and agreed by the Licensee that it shall be solely liable to pay all such outstanding subscription arrears attributing to Licensor channels availed by the Licensee or its Affiliates/ Associates/Joint venture partners /subsidiaries/Holding company in NON DAS areas in Analog mode prior to implementation of DAS in the said area(s).

7. Payment of the License Fee shall be subject to deduction of any withholding tax/ TDS in accordance with the provisions of the Indian Income Tax Act, 1961, as amended from time to time.

8. In the event the Licensee fails to pay the License Fees and/ or, upon expiry of, or termination of the Agreement, Licensor shall be entitled to take back the possession of the Equipment from the Licensee, its sub operators and their respective Affiliates and deactivate the Viewing Card(s). Upon return of the Equipment in proper working condition by the Licensee, the IRD Deposit shall be

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refunded to the Licensee. In the event, the Licensee fails to return the Equipment to Licensor, the Licensee shall be liable to pay a sum of Rs.1,000/- per day per IRD to Licensor for the period during which the default continues. In case the Licensee returns the IRD, but the Viewing Card and remote (where applicable) are damaged or missing, then the Licensee shall be liable to pay to Licensor such charges as may be determined by Licensor. Licensor shall be authorized to deduct the cost of damages from the IRD Deposit.

III. PAYMENT TERMS

The Monthly License Fee shall be paid every month by the Licensee by 30th day of the immediately succeeding month (Due Date) on the basis of subscriber report of the Licensee by Licensor without any deduction except deduction of withholding tax/ TDS as provided in this Reference Interconnect Offer (RIO). For e.g. Monthly License Fee for the month of May 2016 shall be paid on or before 30th June 2016.

Within **seven (7) days** of end of each month, the Licensee shall provide daily opening and closing number of subscribers along with the other reports for that month in the format(s) set - out in **Schedule G** attached herewith, based on which Licensor shall raise an invoice on the Licensee.

In case the Licensee fails to send the report within the said period of seven days, Licensor shall have the right to raise a provisional invoice ("Provisional Invoice") for the Monthly License Fee based on the last Report or the last month's invoice or on the basis of the Incentive Scheme if any opted by the Licensee - whichever is higher and the Licensee shall be under an obligation to pay the license fee on the basis of such provisional invoice in accordance with the terms of this clause. On receipt of the report from the Licensee, the parties would conduct reconciliation between the provisional invoice raised by Licensor and the report(s) sent by the Licensee.

In case of default by the Licensee on account of non-submission of Reports for more than two (2) consecutive months, it shall be deemed to be a material breach and entitle Licensor to initiate appropriate steps for termination of this Agreement for material breach of this Agreement. In such an event Licensor shall have an option to levy an additional charge for said material breach whereby the Licensee shall be liable to pay to Licensor an amount equivalent to previous three months' invoice amount towards Monthly Fee as additional charge for every such default, in addition to the Provisional Invoice amount raised for Monthly Fee for non-submission of Report.

The Licensee shall be required to make payments by the Due Date in accordance with the terms hereof, and any failure to do so on the part of the Licensee shall constitute a material breach hereunder. Late payments shall also attract interest calculated from the date the payment was due until the date the payment is made in full at a pro rata monthly rate of 1.5%. **"Default Interest Rate"** The imposition and collection of interest on late payments does not constitute a waiver of the Licensee's obligation to pay the License Fee by the Due Date, and Licensor shall retain all of its other rights and remedies under the Agreement.

Licensee shall make payment of the License Fee as per the terms of this Agreement without making any deductions or adjustments on whatsoever account including but not limited to any other alleged due claimed by the Licensee from Licensor, its affiliated companies (including

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any subsidiary and or associate entities of Licensor), channel owners and/or Service Providers.

All License Fee payments hereunder are exclusive of all applicable taxes including all and any service taxes, VAT, works contract taxes, customs duties, excise duties, entertainment taxes and other such taxes. All such applicable taxes shall be at Licensee's cost and will be charged at the prevailing rates by Licensor to the Licensee.

If payment of the License Fee is subject to deduction of any withholding tax/ TDS in accordance with the provisions of the Indian Income Tax Act 1961, as amended, the Licensee shall provide tax withholding certificates to Licensor within such period as has been specified in the Income Tax Act/ Rules/ Notifications/ Circulars issued thereunder.

It is explicitly made clear that in the event of any dispute including but not limited to commercial terms, incentive parameters etc. arising out of the agreement, the Licensee shall continue to make the payment of license fee at the Rate specified in this Schedule of the RIO till such time the dispute is resolved through dispute resolution mechanism specified in this RIO. Appropriate adjustment in this regard shall be made by the respective parties on final resolution of the dispute.

IV **Dispute Resolution Mechanism:**

In event of any dispute between the parties arising out of the terms and conditions of the Agreement based on RIO, the parties shall try to amicably settle/resolve such dispute through mutual discussion within 10 days. In event the parties fail to arrive at an amicable settlement/resolution of the dispute, then the said dispute shall be referred to TDSAT.

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SCHEDULE F - DETAILS OF LICENSEE

I. Registration No. (under the Cable Television Networks (Regulation) Act, 1995, as amended)

Address –_____

II. Equipment:

NAME OF THE CHANNELS	**INTEGRATED RECIVER DECODER (IRD's) No.:**	**Viewing Card No.:**

III. Address for locating equipment: _____

IV. Affiliates and sub-operators of Licensee as on the effective date of the Agreement through whom the Subscribers shall receive Turner Channels during the term of the Agreement is as follows:

S. No	**Affiliate (if applicable)**	**Sub-Operator**	**Address and contact details**	**Territory**	**Subscriber base**

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SCHEDULE G - SPECIFICATIONS

Specifications for Set-Top-Boxes (STBs), Conditional Access System (CAS) & Subscribers Management System (SMS) for implementation of Authorised Means of Transmission.

(A) STB Requirements:

1. All the STBs should have embedded Conditional Access.

2. The STB should be capable of decrypting the Conditional Access inserted by the headend.

3. The STB should be capable of doing Finger printing. The STB should support both Entitlement Control Message (ECM) & Entitlement Management Message (EMM) based fingerprinting.

4. The STB should be individually addressable from the headend.

5. The STB should be able to take the messaging from the headend.

6. The messaging character length should be minimal 120 characters.

7. There should be provision for the global messaging, group messaging and the individual STB messaging.

8. The STB should have forced messaging capability.

9. There should be a system in place to secure content between decryption & decompression within the STB.

10. The STBs should be addressable over the air to facilitate Over The Air (OTA) software upgrade.

11. All STBs / CPEs/ VCs must be compliant with standards prescribed by the Bureau of Indian standards and must support FPs, both overt and covert types as well as the OSD feature. OSD (minimum of 150 characters message) should be programmable on a specific duration / continuous basis. The overt FP, and OSD should not be removable by any remote control / STB / CPE button operation;

12. All STBs / CPEs shall support both overt & covert Finger Printing as well as OSD messaging. They should have no ports / interface through which software / middleware can be upgraded / downgraded / modified;

13. The STB / CPE contains secure chipset and must be paired with the smart card at all times;

14. The STB outputs should have the following copy protections:

    a) Macro vision 7 or better on Composite video output.
    b) Macro vision 7 or better on the Component Video output.
    c) High Bandwidth Digital Content Protection ("**HDCP**") copy protection on the HDMI & DVI output.
    d) Digital Transmission Content Protection ("**DTCP**") copy protection on the IP, USB, 1394 ports or any applicable output ports.
    e) DVR / PVR STB recorded content, if and to the extent permitted under this Agreement, shall be encrypted & not play on any other devices.

(B) Fingerprinting Requirements:

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

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2. The finger printing should be on the top most layer of the video.

3. Finger printing mechanisms to be deployed to detect any piracy, violation of copyright and unauthorised viewing of the Turner Channels, distributed / transmitted through the Authorised System at least every 10 minutes on 24 x 7 x 365(6) basis.

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

5. The finger printing should appear on all the screens of the STB, such as Menu, EPG etc.

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

7. The finger printing should be able to give the numbers of characters as to identify the unique STB and/ or the VC.

8. The finger printing should be possible on global as well as on the individual STB basis.

9. The Overt finger printing and on screen display (OSD) messages of the respective Licensor should be displayed by Licensee/LCO/Licensee without any alteration with regard to the time, location, duration and frequency.

10. Opacity of all on-screen-displays is 80% or greater and not changeable by viewer.

11. No common interface CPE to be used.

12. STB should have a provision that OSD is never disabled.

13. The finger printing (both covert and overt) shall be provided by Licensee at the scheduled time, location (by x-y coordinates), duration, colour and on demand specified by Licensor's Authorised Agent and with a notice (either verbal or in writing) of ten (10) minutes from Licensor's Authorised Agent to Licensee. It should be possible to programme the STB or CPE to display its finger printing through OSD messaging;

14. Covert finger printing would be made available every 30 seconds;

15. Overt finger printings are displayed at least 5 times every hour between 9.00 AM – 11.00 PM and during the period of major events on the Turner Channels;

16. The background box and font of the Overt finger printings should be programmable in 05 different colours including "transparent" option. The font sizes of the overt finger printing must be programmable in 05 different sizes;

17. Finger printings and OSDs must be programmable on global, group, and individual STB/ CPE basis;

18. Overt finger printing shall have highest 'priority' amongst any other on-screen-displays generated by the STB / CPE;

19. No method and/or technology, software now known or hereinafter devised shall be used to subvert Licensee's Authorised means of transmission to the detriment of the interests of Licensor; Also, finger printing on single service/ all Turner Channels must be possible.

(C) **CAS & SMS Requirements**

1. The current version of the conditional access system should not have any history of the hacking.

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2. The fingerprinting should not get invalidated by use of any device or software.

3. The STB & VC should be paired from head end to ensure security.

4. The SMS and CAS should be integrated for activation and deactivation process from SMS to be simultaneously done through both the systems. Further, the CA system should be independently capable of generating log of all activations and deactivations.

5. The CA company should be known to have capability of upgrading the CA in case of a known incidence of the hacking.

6. The SMS & CAS should be capable of individually addressing subscribers, on a Turner Channel by Turner Channel and STB by STB basis.

7. The SMS should be computerized and capable of recording the vital information and data concerning the subscribers such as:

   a. unique customer id

   b. subscription contract no

   c. name of the subscriber

   d. billing address

   e. installation address

   f. landline no

   g. mobile no

   h. email id

   i. channels or subscriber package subscribed to

   j. unique STB No

   k. unique VC No

8. 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 set top box/VC unit

   c. The SMS should be capable of giving the reporting at any desired time about:

      i. total no subscribers authorised

      ii. total no of subscribers on the network

      iii. total no of subscribers subscribing to a particular service at any particular date.

      iv. details of channels opted by subscriber on A-la-carte basis.

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v. Subscriber package wise details of the channels in the package.

vi. subscriber package wise subscriber numbers.

vii. ageing of the subscriber on the particular channel or subscriber package.

viii. history of all the above mentioned data for the period of the last 2 years

9. The SMS and CAS should be able to handle at least one million concurrent subscribers on the system.

10. Both CAS& SMS systems should be of reputed organization 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.

11. The CAS system provider should be able to provide monthly log of the activations on a particular Turner Channel or on the particular subscriber package.

12. The SMS should be able to generate itemized billing such as content cost, rental of the equipment's, taxes etc.

13. The CAS& SMS system suppliers should have the technical capability in India to be able to maintain the system on 24x7 basis throughout the year.

14. 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 re-deployed.

15. Every month, logs containing Turner Channel wise history of all the activations and de-activations of all the STBs / CPEs/ viewing cards/ smart cards for each month from the CAS and SMS logs / databases shall be made available to Licensor.

16. CAS and SMS 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 and / or the STB cannot be re-deployed.

17. No activations or deactivations are performed or initiated directly in the CAS. All such actions must be routed through SMS only. If security of CAS is breached, or if the Turner Channels are viewed through an STB without finger printing or OSD, Licensor shall have the right to discontinue its Turner Channels to Licensee, in accordance with applicable Law,

18. Necessary controls are to be deployed to ensure integrity and reliability of the reports such as logs, access controls, time stamp etc.

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SCHEDULE H - SUBSCRIBER REPORT FORMAT

A. Report to be submitted by Licensee in even it doesn't avails any of the Incentive Scheme(s).

TURNER CHANNELS OFFERED ON A-LA-CARTE BASIS

S.No.	Channel Name	Opening Subs		Closing Subs		Average	
		As per CAS	As per SMS	As per CAS	As per SMS	As per CAS	As per SMS

TURNER CHANNELS OFFERED AS PART OF SUBSCRIBER PACKAGE

S.No.	Subscriber Package Name		Channel(s) contained therein		Opening subs		Closing Subs		Average Subs	
	As per CAS	As per SMS	As per CAS	As per SMS	As per CAS	As per SMS	As per CAS	As per SMS	As per CAS	As per SMS

TOTAL OFFERING ON A-LA-CARTE AND SUBSCRIBER PACKAGE BASIS

S.No.	Channel Name	Opening Subs		Closing Subs		Average Subs	
		As per CAS	As per SMS	As per CAS	As per SMS	As per CAS	As per SMS

DETAILS OF MONTHLY ACTIVATION/DE-ACTIVATION:

Month:

Year:

S. No.	Channel Name	Code number of STBs De-activated within that month		Code number of STBs activated within that month		Incremental addition/deletion	
		As per CAS	As per SMS	As per CAS	As per SMS	As per CAS	As per SMS

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Aging

S. No.	STB's activated for less than 3 months	STB's activated for less than 6 months but more than 3 months	STB's activated for more than 6 months

DETAILS OF SUBSCRIBER PACKAGES:

Month:

Year:

S. No.	Name of the Subscriber Package available at the first day of the month				Name of the Subscriber Package discontinued during the month				Name of the Subscriber Package created during the month				Name of the Subscriber Package available on the last day of the month			
	As per CAS	Channel Names	As per SMS	Channel Names	As per CAS	Channel Names	As per SMS	Channel Names	As per CAS	Channel Names	As per SMS	Channel Names	As per CAS	Channel Names	As per SMS	Channel Names

B. <u>Report(s) to be submitted by Licensee in event it avails the Incentive Scheme on A-la-Carte Rate of SD Channel:</u>

Part A: LCN & Parity Report

Sr. No.	Name of Channel	Genre	Language	Channel LCN Number	LCN Rank	Parity	Slab

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Part B: Channel Penetration Report

(i) Channel wise SMS report

Sr. No.	Name of Channel	State	Opening Subscribers	Closing Subscribers	Average Subscribers

(ii) Channel wise SMS report (Basic Entry Package)

Sr. No.	Name of Channel	Basic Entry Package / Add-on Packages	Opening Subscribers	Closing Subscribers	Average Subscribers

Part C: Size of Operator Report

(i) Unique STB Count Report

Sr. No.	Head end location with address	State	Opening Subscribers	Closing Subscribers	Average subscribers

(ii) Licensee Active Pay Subscriber Base Report

Sr. No.	State	Opening Subscribers	Closing Subscribers	Average subscribers

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C. **Reports to be submitted by Licensee in event it avails the Incentive Scheme on Bouquet Rate of SD Channels:**

Part A: LCN & Parity Report

Sr. No.	Name of Package / Bouquet	Name of Channel	Genre	Language	Channel LCN Number	LCN Rank	Parity	Slab

Part B: Channel Penetration Report

(i) Channel wise SMS report

Sr. No.	Name of Package / Bouquet	Name of Channel in the Bouquet / Package	State	Opening Subscribers	Closing Subscribers	Average Subscribers

(ii) Channel wise SMS report (Basic Entry Package)

Sr. No.	Name of Package / Bouquet	Name of Channel in the Bouquet / Package	Basic Entry Package / Add-on Packages	Opening Subscribers	Closing Subscribers	Average Subscribers

Part C: Size of Operator Report

(iii) Unique STB Count Report

Sr. No.	Head end location with address	State	Opening Subscribers	Closing Subscribers	Average subscribers

(iv) Licensee Active Pay Subscriber Base Report

Sr. No.	State	Opening Subscribers	Closing Subscribers	Average subscribers

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SCHEDULE I - SCOPE OF TECHNICAL AUDIT

I. **Head end Audit** Licensee should provide complete accurate schematic diagram of their headend, Earth Stations, Systems and Processes for Audit and Auditing Purpose.

- Licensee to submit & confirm the no. of MUX's (Multiplexer Units) installed with active TS (Transport Stream) outputs. This should include physical audit of head end, earth station and analysis of TS stream from the Mux.
- All TS from MUX should be encrypted for the territory.
- Licensee to ensure that his network watermark logo is inserted on all Turner Channels at encoder end only.
- All Turner Channels IRDs to be provided to Licensee by Licensor should have SDI/Composite/ SDI output only. Licensor should not give IRDs with ASI/IP output or CAM Module.

II. **DRM/CAS Audit:** Licensee to provide all below information correctly: Make & version of CAS installed at head end.

- CAS certificate to be provided by Licensee.
- CAS version installed should not have any history of hacking, certificate from CAS vendor required.
- CAS should support at least 1 million subscribers. CAS vendor should provide certificate.
- CAS is able to generate log of all activities i.e. activation and deactivation, finger printing, OSD.
- CAS is able to generate active/deactivate report Turner Channel wise or subscriber package wise.
- STB's &Viewing Card shall be uniquely paired from Licensee before distributing box down the line.
- Licensee to declare by undertaking the no 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 Licensor's Authorised Agent by means of a fresh undertaking.
- Reconciliation of CAS database (active cards, service wise and subscriber package wise) with SMS database to be provided by Licensee. CAS vendor required to certified reconciliation of data.
- No activation and deactivation from direct CAS system, it must be routed via SMS client only.
- Licensee should provide CAS vendor certified copies of active/deactivate Turner Channelwise &/ subscriber package during audit period.
- CAS should have the capability of providing history of all actions taken for last 2 years.

III. **SMS Audit:** All product authorisation must be from SMS only.

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- SMS and CAS should be fully integrated.
- SMS should be computerized and capable to record the vital information and data concerning the subscribers such as:
    - unique customer id
    - subscription contract number
    - name of the subscriber
    - billing address
    - installation address
    - landline telephone number
    - mobile telephone number
    - email id
    - A – la carte channels or subscriber package subscribed to
    - unique STB Number
    - unique VC Number
- The SMS is able to undertake the viewing and printing historical data in terms of the activations, deactivations etc.
- Location of each and every STB and VC unit
- The SMS should be capable of giving the reporting at any desired time about:
    - total no Subscribers authorized
    - total no of Subscribers on the network
    - total no of subscribers subscribing to a particular service at any particular date.
    - details of channels opted by subscriber on A-la-carte basis.
    - Subscriber package wise details of Turner Channels in the subscriber package.
    - subscriber package wise subscriber numbers.
    - the ageing of the subscriber on the particular channel or subscriber package
    - history of all the above mentioned data for the period of the last 2 years

Following parameter should be validated during the audit

ii. Review complete network diagram

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iii. Undertaking from Licensees for all SMS and CAS installed at head end – issue of Multiple CAS / SMS

iv. Certificate from CAS provider for details of CAS ID, Turner Channel ID, Network ID, version and no. of instances installed.

v. Check the number of MUX's installed with active TS outputs. Also whether all TS from MUX are encrypted for non DAS & DAS area.

vi. Review whether Live diagram / fibre details of network are captured in SMS system

vii. To check if Licensee specific coding / ID is available for finger printing

viii. Confirm whether watermarking network logo for all pay channels are inserted at encoder end only

ix. Review the controls deployed to ensure integrity and reliability of the reports such as logs, access controls, time stamp etc.

x. 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

xi. Review the subscribers activation/ de-activation history in the SMS system

xii. Validate if the SMS is integrated with CAS.

xiii. Review if all the active and de-active STBs are synchronized in both SMS and CAS.

xiv. Validate if independent logs/report can be generation for active and de-active VCs with the product/channels active in both SMS & CAS.

xv. Review if the system support the finger printing and OSD features at Box level, Customer account level as well as Global level.

xvi. Validate if all the STBs are individually addressable from the System and are paired with the viewing cards.

xvi. Review the Electronic Programming Guide to check local channel number and genre of all Channels

xvii. Review the various packages programmed in the Systems with respect to the subscriber reports submitted to Licensor.

xviii. Extraction and examination of system generated reports, statistics, data bases, etc. pertaining to the various subscriber package, Turner Channel availability, subscriber package composition,

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rates,

xix. Review of the following reports are supported by SMS and CAS.

a. Total no of Subscribers – active & de-active separately

b. De-active Subscribers with ageing

c. Channel wise Subscribers - total

d. Channel wise Subscribers – split subscriber package

e. Revenue by subscriber package or A-la-carte Turner Channel

f. Subscriber Reports by State/City

g. No of subscriber package offered

h. List of Turner Channels, rates of each Turner Channel and subscriber package

i. Rate Card Options offered / Attached with active Subscribers

j. Historical data reports

k. Free / demo Subscribers details

l. Exception cases – active only in SMS or CAS

IV. STB Audit: All STBs should be individually paired in advance with unique smart card at central warehouse of Licensee before handing down the line distribution.

- Licensee 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.
- Licensee to provide one set of all type/model of boxes for testing and monitoring purpose.
- All STBs used by Licensee to be certified by their CAS vendor.
- Forensic watermarking to be implemented on Licensee headend & STBs.
- Entitlement Control Message (ECM) & Entitlement Management Message (EMM) base forced messaging full screen and ticker mode should be available.
- All the STBs should have embedded Conditional Access System.
- The STB to be capable of doing finger printing. STB to support both ECM &EMM based fingerprinting.
- The STB should be individually addressable from the head end.
- The messaging character length should be minimum of 120 characters.

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- There should be provision for the global messaging, group messaging and the individual STB messaging.
- The STB should have forced messaging capability.
- The STB must be BIS compliant.
- The STB must have secure chip set with mandatory pairing.
- System in place to secure content between decryption & decompression within the STB.
- STBs should be addressable over the air to facilitate Over The Air (OTA) software upgrade.
- The STB outputs should have the following copy protections

  i. Macro vision 7 or better on Composite video output.

  ii. Macro vision 7 or better on the Component Video output.

  iii. HDCP copy protection on the HDMI & DVI output.

  iv. DTCP copy protection on the IP, USB, 1394 ports or any applicable output ports.
- Types of boxes launched / to be launched:

  Vanilla STB

  DVR STB

  Others (please specify)
- Please furnish STB details as following:

  Open Standards or Proprietary?

  Audio Video and Data I/O Configuration?

  Local Storage?

  Smarts Card?

  PVR Functionality?

  Tamper Resistance?

  I/O Copy Protection? Please provide the details.

  I/O Interface to Other Devices?
- Are the STB's interoperable?
- DVR / PVR STB should be compliance of following;

  Content should get recorded along with FP/watermarking/OSD & also should display

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live fingerprinting during play out.

- Recorded content should be encrypted & not play on any other devices.
- Content should get record along with entitlements and play out only if current entitlement of that channel is active.
- User should not have access to install third party application/software.

- Does the Set Top Box support any type of interactive middleware? Please describe.

V. Distribution Network Audit: Licensee should provide below information in detail:

- Fiber network and PIT information on Geo Map.
- Turner Channel area to be defined.

VI. Anti Piracy Measure/ Audit: Use of any device or software should not invalidate the fingerprinting.

- The overtfinger printing should not be removable by pressing any key from the remote.
- The overtfinger printing should be on the top most layer of the video.
- The finger printing should be such that it can identify the unique STB number or the unique VC number.
- The finger printing should appear on all the screens of the STB, such as Menu, EPG etc.
- The location of the finger printing should be changeable from the head end and should be random on the viewing device.
- The finger printing should be possible on global as well as on the individual STB basis.
- The Overt finger printing and on screen display (OSD) messages of the respective Licensor should be displayed by Licensee without any alteration with regard to the time, location, duration and frequency.
- Covert finger printing should be available.
- No common interface Customer Premises Equipment (CPE) to be used.
- The STB should have a provision that OSD is never disabled.

VII. Commercial Audit

1. Provide system generated Turner Channel-wise and subscriber package -wise reports of channels for the platform in a non-editable format.

2. Understand/ Verify the Customer life cycle management process by performing a walkthrough of the following processes and their underlying systems

   - Customer acquisition

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- Provisioning of the subscriber in authentication, billing and SMS system
- subscriber package change request process
- customer retention process, if any
- Deactivation and churn process

3. Understand/ Verify the various subscriber package being offered to customers

- Obtain details of all approved subscriber package and add on which are being offered to customers
- Interactions with Licensee'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 subscriber package, including 'demo', free, complimentary, testing, promotional subscribers

4. 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 Turner Channels or subscriber package
- Any reconciliations / checks /adjustments carried out before sending the declarations

5. Analyze declaration reports on a sample basis:

- Reconciling the declaration figures with base data from various systems (SMS / Provisioning / Billing and Authentication systems)
- Analyse 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

6. Analysis of the following - :

- Input and change controls of customer data into SMS
- SMS user access controls – authentication, authorization and logging
- Analyze 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
- Review the system logic for the reports which are inputs to Broadcaster declarations
- Channel allocation/fixation to a particular local channel number

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- 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/ representatives of both parties)
- Live Demo of the queries being put in to the system to generate different reports.
- List of CAS and SMS used by Licensee in DAS area. Incase more than one CAS and SMS system is used by Licensee for both DAS and non-DAS areas, then understand and analyze how the two markets are segregated, controlled, reported and invoiced. Similarly, list of headends of the operator providing services to both DAS and non DAS areas and for such headends, understand and analyze how the two markets are segregated, controlled, reported and invoiced.

In case of multiple CAS being used by Licensee, to understand synchronization between multiple CAS and SMS.

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SCHEDULE J - CAS DECLARATION FORM

(On CAS Licensor Letter Head)

TO WHOMSOEVER IT MAY CONCERN

This is to certify that M/s _____, address:_____ _____ having its DAS/Digital headend at _____ has installed Conditional Access System (CAS) from our company for its _____.

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 1 of the TRAI (Digital Addressable Cable Television System) Notification dated 30 April 2012, we confirm the following:

1. The current version of CAS does not have any history of hacking.

2. We have the capability of upgrading of CAS in case it gets hacking.

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 subscriber package.

6. We have the technical capability in India to maintain this CAS system 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 the capability to store historical logs of all activations and deactivations for the period of last 2 years for every channel and subscriber package.

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)

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Name: _____

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

_____

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SCHEDULE K - SMS DECLARATION FORM

(On SMS company letterhead)

TO WHOMSOEVER IT MAY CONCERN

This is to certify that M/s _____, Registered Office address_____ _____having its DAS headend at _____ _____ has installed SMS from our Licensor for its _____.

Date of SMS Installation:_____

SMS Version :_____

With respect to the SMS installed at above mentioned headend and in terms of Schedule 1 of the TRAI (Digital Addressable Cable Television System) Notification dated 30 April 2012, 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 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 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 Turner Channel by Turner Channel and STB by STB basis.

7. This SMS is independently capable of generating log of all activations and deactivations.

8. This SMS has the capability to store historical logs of all activations and deactivations for the period of last 2 years for every Turner Channel.

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)
Licensor seal:

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