

**REFERENCE INTERCONNECT OFFER OF DISNEY BROADCASTING (INDIA) LIMITED  
[ADDRESSABLE SYSTEMS]**

The terms and conditions of this Reference Interconnect Offer are drafted pursuant to the Telecommunication (Broadcasting and Cable) Services Interconnection (Addressable Systems) Regulations, 2017 (“Regulations”) and the Telecommunication (Broadcasting and Cable) Services (Eighth) (Addressable Systems) Tariff Order, 2017 (“Order”) (collectively referred to as the “Interconnect Regulations”).

**FOR DISNEY BROADCASTING (INDIA) LIMITED**

Agreement No: \_\_\_\_\_

SALES PERSON \_\_\_\_\_

CUSTOMER REFERENCE NO. \_\_\_\_\_

This Subscription Agreement is executed by and between:

**DISNEY BROADCASTING (INDIA) LIMITED** (formerly known as UTV Entertainment Television Limited), a company incorporated under the Companies Act, 1956, having its registered office at 1st Floor, Building No. 14, Solitaire Corporate Park, Guru Hargovindji Marg, Chakala, Andheri (East), Mumbai 400 093 (hereinafter referred to as the “**Broadcaster**”, which expression, unless repugnant to the meaning or context thereof, shall be deemed to mean and include its successors and assigns); and

Operator (M/s): \_\_\_\_\_

Operator’s Status:

Company	
Partnership Firm	
Proprietorship Firm	
Individual	
HUF	
Other	

Operator’s license/ registration:

Status of registration / licenses of the Platform	Name of registrant/ license holder	Registration No.	Registered area of operation/, as per registration/license (if applicable)	Validity	
				From	To
DAS License					
DTH License					
HITS License					
Wireless Operational License					
IPTV License					
Any other applicable license					

Registered Office Address (if applicable): \_\_\_\_\_

Correspondence Address: \_\_\_\_\_

Tel. No.: \_\_\_\_\_

Contact Person Name, Mobile No. and E-mail ID: \_\_\_\_\_

Name of Authorized Signatory (Mr. / Ms.): \_\_\_\_\_

*[hereinafter referred to as the “Operator”, which expression, unless repugnant to the meaning and context thereof, shall mean and include the heirs, executors and administrators in the case of a sole proprietorship firm; the partner or partners for the time being and the heirs, executors and administrators of the last surviving partner in the case of a partnership firm; the successors and permitted assigns in the case of a company; and karta and coparceners in the case of a Hindu Undivided Family (“HUF”)].*

The Broadcaster and the Operator are hereinafter individually and collectively referred to as “**Party**” and “**Parties**”, respectively.

**WHEREAS:**

- A.** The Broadcaster is the owner and/or distributor of the Channel(s) and/or is authorized to retransmit signals of the Channel(s) in the Territory.
- B.** The Operator has been granted appropriate registration under Applicable Law(s) to retransmit the signals of satellite television channels through the Operator’s Platform.
- C.** The Operator is desirous to subscribe to the Subscribed Channel(s) for further retransmission through the Platform to the Subscribers in the Authorized Area(s) with effect from the Effective Date and in this regard has approached the Broadcaster. The Broadcaster, is willing to provide signals of the Subscribed Channel(s) to the Operator for further retransmission through the Platform to the Subscribers in the Authorized Area(s), subject to the terms and conditions of this Agreement.

**NOW THEREFORE**, in consideration of the foregoing and the mutual covenants contained herein, constituting good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

**1. DEFINITIONS:**

In this Agreement, unless the context otherwise requires, the defined terms below shall have such respective meaning as have been assigned to them hereunder or as assigned to them under Applicable Laws. Additionally, there are other defined terms in the Agreement which shall have such respective meaning as have been assigned to them throughout the Agreement.

- 1.1. “**Agreement**” means this Subscription Agreement and shall include all schedules, exhibits and annexures attached hereto or incorporated in it by reference and all corresponding amendments and/or addenda.
- 1.2. “**A-la carte**” means offering a Channel individually on a standalone basis by the Broadcaster to the Operator and as set out in **Annexure A**.

- 1.3. “**A-la carte Rate**” means the maximum retail price, excluding applicable taxes, of an A-la carte Channel as set out in **Annexure A**.
- 1.4. “**Applicable Law(s)**” means laws, regulations, directions, notifications, policies, guidelines, rules or orders, including amendments thereto, enacted or issued by any constitutional, legislative, judicial, quasi-judicial or administrative authority including the TRAI, BIS, DOT, MCIT, DIT, MIB and the United States Foreign Corrupt Practices Act of 1977 and any amendments thereto (and any local or foreign equivalent), trade restrictions (*i.e.*, customs, export and import controls, sanctions and embargoes) including United States of America trade restrictions, and pricing, or distribution of the Channel(s) through Platform. For avoidance of doubt, it is clarified that BIS is applicable only to the Operator.
- 1.5. “**Authorized Area(s)**” means the authorized areas of operation of the Operator as set out in **Annexure A1** and shall include any modifications as per Clause 3.4 of this Agreement.
- 1.6. “**Average Subscriber Base**” is the number of Subscribers arrived at by averaging the Subscriber count in the manner specified in Annexure C hereto.
- 1.7. “**BIS**” means Bureau of Indian Standards established under the Bureau of Indian Standards Act, 1986.
- 1.8. “**Bouquet**” means an assortment of distinct Channel(s), offered together as a group or as a bundle by the Broadcaster to the Operator and as set out in **Annexure A**.
- 1.9. “**Bouquet Rate**” means the maximum retail price of the Bouquet, excluding applicable taxes as set out in **Annexure A**.
- 1.10. “**CAS**” means conditional access system installed at the Operator’s headend that enables Subscribers to access and to view the Subscribed Channel(s) and also prevents unauthorized viewers from accessing the Channel(s).
- 1.11. “**CAS Declaration**” means the CAS declaration from the conditional access vendor in the format as set out in **Annexure D**.
- 1.12. “**Cable Services**” means the transmission of programs including retransmission by cable of any satellite television signals.
- 1.13. “**Cable Television Network**” means Digital Addressable System consisting of set of closed transmission paths and associated signal generation, control and distribution equipment, designed to provide Cable Service for reception by multiple subscribers.
- 1.14. “**Channel(s)**” means the linear feed of satellite television channels listed in **Annexure A** of this Agreement.
- 1.15. “**Commercial Subscribers**” means a subscriber who causes the signals of TV channels to be heard or seen by any person for a specific sum of money to be paid by such person or as amended by TRAI.
- 1.16. “**Confidential Information**” means any confidential information disclosed by the Broadcaster to the Operator for the purpose of entering into this Agreement and includes any such other

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<sup>1</sup> The Definition of Commercial Subscribers and the right to re-transmit signals to the Commercial Subscribers is without prejudice to the rights and contentions of the Broadcaster and would be subject to revision depending upon the orders/direction as may be finally passed in the Appeal No. 4 and 5 (C) of 2015, Civil Appeal No. 3728 of 2015 and Writ Petition No 5161 of 2014 and before Hon’ble Telecom Disputes Settlement and Appellate Tribunal, Hon’ble Supreme Court of India and Hon’ble High Court of Delhi respectively or any other matter on this subject.

confidential and proprietary information, including the terms and conditions of this Agreement disclosed by the Broadcaster during the Term.

- 1.17. “**Corporate Affiliate**” means and includes all parent, affiliate and subsidiary company(ies) of the Party in reference and shall mean, with regard to either Party, any corporation or other entity that directly or indirectly controls, is controlled by, or is under common control with the Party including but not limited to all parent, affiliate, and subsidiary company(ies) of such Party.
- 1.18. “**Default Interest Rate**” means interest applicable on late payment or short payment from the date the payment was due until the realization of full payment and such interest shall be computed at the rate of 2% (two percent) per month on the payment that is due.
- 1.19. “**Digital Addressable System**” means an electronic device (which includes hardware and its associated software) or more than one electronic device put in an integrated system, having an activated CAS and SMS, through which transmission of programs including retransmission of signals of television channels of the Operator can be sent in an encrypted form, which can be decoded by the device or devices at the premises of the Subscriber within limits of the authorization made, on the explicit choice and request of such Subscriber, by the Operator.
- 1.20. “**DIT**” means Department of Information Technology under MCIT in India.
- 1.21. “**DOT**” means Department of Telecommunications under MCIT in India.
- 1.22. “**DTH operator**” means an operator licensed by the MIB to transmit programs including retransmission of signals of television channels using a satellite system in Ku-band (or any other band as approved by the MIB) through Digital Addressable System, without passing through intermediaries such as LCO(s) or any other distributor of television channels.
- 1.23. “**Due Date**” means the date of expiry of the 30 (thirty) day period commencing on the date of receipt of invoice by the Operator.
- 1.24. “**Effective Date**” means the date mentioned in **Annexure A** of this Agreement.
- 1.25. “**Empanelled Auditor**” means an entity empanelled with the TRAI for the purposes of audit of the addressable systems of the distributor under The Telecommunication (Broadcasting and Cable) Services Interconnection (Addressable Systems) Regulations, 2017.
- 1.26. “**EPG**” also known as electronic program guide, means a list in an electronic format maintained by the Operator with respect to the information of the television channels, programmes, programming information and scheduling thereof and/or a short summary or commentary for each program. EPG is the electronic format equivalent of a printed television program guide and includes any enhanced facility which allows Subscribers to navigate and select such available Channel(s) and programs.
- 1.27. “**EPGN**” means the EPG number for each of the Subscribed Channel(s).
- 1.28. “**Equipment**” means equipment comprising of digital satellite receivers with standard definition output including IRD together with associated VCs and remotes (where applicable) for each of the Subscribed Channel(s), details of which are set forth in **Annexure B** hereto, which enables the Operator to decrypt the encrypted signals of the Subscribed Channel(s).
- 1.29. “**First Invoice Billing Cycle**” means the billing cycle for the purpose of raising the first invoice towards Monthly Subscription Fee(s), by the Broadcaster on the Operator in relation to the Service for the period from the date of the actual commencement of the Service till the date of execution of this Agreement and receipt of the first Report(s), from the Operator as set out in **Annexure C**, being the basis of such first invoice.
- 1.30. “**Force Majeure Event**” means any cause which is beyond the reasonable control of the affected

party, including acts of God, earthquake, tides, storm, lightning, flood, explosion, fire, sabotage, quarantine, epidemic, arson, civil disturbance, terrorist attack, war or warlike situation and acts of a similar nature or satellite failure or satellite jamming, which may affect the transmission of Channel(s) by the Broadcaster.

- 1.31. “**FTA channel**” means free-to-air channel, which is declared as such by a broadcaster and for which no fee is payable by the distribution platform operators to the broadcaster for signals of such channel.
- 1.32. “**HITS operator**” means an operator licensed by the MIB to transmit programs including retransmission of signals of television channels through Digital Addressable System, using C-Band or Ku Band,
- 1.32.1. to intermediaries such as LCO(s) or any other distributor of television channels through satellite system and not directly to the subscribers; or
- 1.32.2. directly to the subscribers through satellite systems and cable television network.
- 1.33. “**Incentive Schemes**” means discount(s), if any, offered by the Broadcaster to the Operator on the terms and conditions as specified in such incentive scheme and available on the Website of the Broadcaster as on the date of the Agreement. It is hereby clarified that the Incentive Scheme availed by the Operator shall form an integral part of this Agreement and will be referred to as **Annexure H** hereto.
- 1.34. “**Insertion**” means the alteration of content of the Subscribed Channel(s) only in the manner set out in Clause 8.6 below.
- 1.35. “**Intellectual Property**” means copyright (including moral rights), patent, registered design, design right, Marks, trade secret, confidential information, or other intellectual property right or proprietary right or any right similar or analogous to any of the foregoing, whether or not registered and whether or not registrable, or any right or interest of any kind arising out of or created in respect of any of the foregoing or any right to bring an action for passing off or any similar or analogous proceeding, owned or controlled by the Broadcaster, Corporate Affiliate or their licensee.
- 1.36. “**IPTV operator**” means an operator licensed by the Central Government to transmit programs including retransmission of signals of television channels, through Digital Addressable System by using internet protocol over a closed network of one or more service providers including cable operators and internet service providers and specifically excludes distribution via the open Internet or World Wide Web.
- 1.37. “**IRD**” means an integrated receiver cum decoder box.
- 1.38. “**LCN**” means logical channel number of the Channel(s) within the specified genre and language as contained in the EPG of the Operator.
- 1.39. “**LCO**” means an operator registered under Rule 5 of the Cable Television Networks Rules, 1994 (“**Rules**”).
- 1.40. “**Marks**” means the tradename, trademarks, logos, service marks and characters used by Broadcaster or its Corporate Affiliates from time to time in connection with their business and operations including, without limitation, television channels, programmes, the titles and content of such programmes, television equipment or related services provided by the Broadcaster or its Corporate Affiliates or its / their licensors, and the corporate names of the Broadcaster and its Corporate Affiliates or otherwise notified in writing by the Broadcaster from time to time.
- 1.41. “**MCIT**” means Ministry of Communications and Information Technology in India.

- 1.42. “**MIB**” means the Ministry of Information and Broadcasting in India.
- 1.43. “**Month**” for the purposes of this Agreement, shall start from 1<sup>st</sup> day of each calendar month and end on the last day of such month.
- 1.44. “**Monthly Subscription Fee**” means the fees for each Month payable by the Operator to the Broadcaster in terms of Clause 5 of this Agreement.
- 1.45. “**Multi-System Operator**” means a cable operator who has been granted registration under Rule 11C of the Rules and who receives a programming service from a broadcaster and re-transmits the same or transmits his own programming service for simultaneous reception either by multiple subscribers directly or through one or more LCOs through the Cable Television Network.
- 1.46. “**Operator bouquet(s)**” means various bouquets offered by the Operator to the Subscribers comprising of Pay channels of various broadcasters.
- 1.47. “**Pay channel**” means a channel, which is declared as such by a broadcaster and for which a share of maximum retail price is payable by the distribution platform operators to the broadcaster, and for which authorization is to be obtained from the broadcaster for distribution of such channel to its subscribers.
- 1.48. “**Piracy**” means any act or omission including, without limitation, unauthorized retransmission, redistribution or exhibition, copying or duplication of any Channel, in whole or in part, collectively.
- 1.49. “**Platform**” means distribution network of a DTH operator, MSO, HITS operator or IPTV operator, as applicable.
- 1.50. “**Reports**” means the complete and accurate monthly subscriber reports and other monthly reports to be provided by the Operator to the Broadcaster in terms of Clause 12 of this Agreement.
- 1.51. “**Security Systems**” mean conditional access delivery and content protection and security systems and related physical security and operational procedures.
- 1.52. “**SMS**” also known as Subscriber Management System, means a system or device which stores the Subscriber records and details with respect to name, address and other information regarding the hardware being utilized by the Subscribers, channels or bouquet(s) of channels subscribed to by the Subscriber, price of such a-la carte channels or bouquet of channels as defined in the system, the activation or deactivation dates and time for any a-la carte channel or bouquet of channels, a log of all actions performed on a Subscribers’ record, invoices raised on each Subscriber and the amounts paid and discounts allowed to the Subscribers for each billing period and other related information such as all customer relevant information and be responsible for keeping track of placed orders, credit limits, invoicing and payments, as well as the generation of Reports and statistics.
- 1.53. “**SMS Declaration**” means the SMS declaration from the SMS vendor in the format as set out in **Annexure E**.
- 1.54. “**STB**” also known as Set Top Box, means the Operator provided and/or the Operator authorized set top box (embedded with the Operator designated vendor designed CAS microchip) installed in the premises of the Subscriber and connected to the television of the Subscriber, that allows the Subscriber to receive the Subscribed Channel(s) in unencrypted and descrambled form through the Operator’s Platform.
- 1.55. “**STB VC**” means a viewing card essential to access the Subscribed Channel(s) by Subscriber in conjunction with a STB provided by an Operator.

- 1.56. “**Subscriber**” means each STB within the Authorized Area(s) which receives or is entitled to receive signals of Subscribed Channel(s) from the Operator’s Platform directly or indirectly (through LCOs). Notwithstanding anything to the contrary, Subscriber specifically excludes Commercial Subscriber.
- 1.57. “**Subscribed Channel(s)**” mean the channels from amongst the Channel(s) subscribed or carried by the Operator and will include the Bouquets containing the Channel(s), as are specifically identified by the Operator by assigning tick marks (✓) against such channels from amongst the Channel(s) listed in **Annexure A** to this Agreement.
- 1.58. “**TDSAT**” means Telecom Dispute Settlement and Appellate Tribunal.
- 1.59. “**Taxes**” include, without limitation applicable indirect taxes including any and all service taxes, value-added taxes, goods and services taxes, works contract taxes, customs duties, excise duties, entertainment taxes, Central Goods and Services Tax, the State Goods and Services Tax, the Integrated Goods & Services Tax, the Union Territory Goods and Services Tax and other such taxes.
- 1.60. “**Technical Audit**” means a technical audit in relation to Piracy of the Channel(s).
- 1.61. “**Technical Auditor**” means an independent security technology auditor.
- 1.62. “**Technical Specifications**” means the technical specifications set forth in **Schedule 1** to the Agreement and to which, the STBs, CAS and SMS must comply with.
- 1.63. “**Term**” means the period commencing from the Effective Date and expiring on completion of 12 (twelve) months or the date of expiry of registration of the Operator under Applicable Law(s), whichever is earlier, unless terminated earlier in accordance with the provisions of the Agreement.
- 1.64. “**Territory**” means whole of India.
- 1.65. “**TRAI**” means the Telecom Regulatory Authority of India.
- 1.66. “**VC**” means a viewing card essential to access the Channel(s) in conjunction with an IRD.
- 1.67. “**Website**” means <http://www.disney.in/>.
- 1.68. “**Withheld Program(s)**” means certain programs on the Channel(s) wherein the Broadcaster does not control the appropriate rights to exhibit the said programs in the Territory.

## **2. INTERPRETATION:**

- 2.1. In the interpretation of the Agreement, unless the context requires otherwise:
- 2.1.1. The headings herein are used for convenience only and shall not affect the construction of this Agreement.
- 2.1.2. The references to Clauses, Annexures and Schedules are references respectively to the annexure and schedule to this Agreement.
- 2.1.3. The reference to any gender includes a reference to all other genders. The reference to the singular includes reference to plural and vice versa.
- 2.1.4. The term “including” shall mean “including without limitation”.
- 2.1.5. The reference to any document, agreement, legislation or law or to any provision thereof shall include references to any such document, agreement or law as it may, after the date

hereof, from time to time, be amended, supplemented or re-enacted, and any reference to statutory provision shall include any subordinate legislation made from time to time under that provision.

### **3. GRANT OF NON-EXCLUSIVE SERVICE (“SERVICE”):**

- 3.1. On the basis of the representations, warranties and undertakings given by the Operator, and subject to the Operator paying the Monthly Subscription Fee and the Operator complying with all the terms and conditions as set out in this Agreement, the Broadcaster hereby agrees to provide non-exclusive right to the Operator to receive the signals of the Subscribed Channel(s) through the Equipment directly from designated satellites and retransmit such signals, only in the Authorized Area(s) (“**Services**”), in an uninterrupted form on a 24 x 7 x 365(6) basis, of such Subscribed Channel(s) through the Operator’s Platform to its Subscribers in a securely encrypted manner during the Term (both to be done at the Operator’s sole cost and expense). Upon change in the designated satellite of the Subscribed Channel(s), the Operator undertakes to make all necessary arrangements to ensure continued access to the Subscribed Channel(s) at its own expense.
- 3.2. The Operator hereby specifically understands and acknowledges that the Operator shall not have the right to upgrade the standard definition feed of the Subscribed Channel(s) to high definition feed (by using any technology now available or which may become available in future) at the time of re-transmitting the Subscribed Channel(s) through the Operator’s Platform. The Operator further understands and agrees that mere possession of the Equipment and/or access to the signals of the Channel(s) and/or Subscribed Channel(s) and/or making all payments relating to it, does not entitle the Operator to receive and/or retransmit the signals of the Channel(s) and/or Subscribed Channel(s) and/or use the Equipment in any other manner whatsoever. All rights not specifically and expressly granted to Operator under this Agreement are deemed to be specifically not granted, withheld and reserved by the Broadcaster, including, without limitation, transmission of the Channel(s) through linear platform including non-addressable platforms (analog), any interactive and enhanced services which enables the Subscriber to interact with the content or influence or control the flow, sequence or selection of elements of the content including without limitation catch up, start-over, time shift, reverse EPG, *etc.*, internet or mobile, and/or through any non-linear platforms including pay-per-view (PPV), near video-on-demand (NVOD), subscription video-on-demand (SVOD), video-on-demand (VOD), personal computer, mobile telephony, and/or any technology now available or which may become available in future.
- 3.3. The grant of the aforementioned rights is subject to Operator submitting to the Broadcaster a certified copy of a valid copy of statutory licenses/ permissions, that may be required under the Applicable Law(s), in connection with the ownership and operation by Operator of the Platform and is further subject to the Digital Addressable System of the Operator complies with and satisfies all the requirements of the Regulations including the **Schedule III** thereto.
- 3.4. Save and except for any expansion of Authorized Areas permitted under Applicable Law, any modifications to the Authorized Area shall require prior written consent of the Broadcaster, which consent if granted shall be deemed to be an addendum to the Agreement. With respect to expansion of Authorized Areas, specifically permitted under Applicable Law, the Operator may request for such expansion by giving Broadcaster a 30 (thirty) days written notice to the Broadcaster (“**Territory Increase Notice**”). Unless objected to by the Broadcaster in writing within a period of 30 (thirty) days of receiving the Territory Increase Notice, the Authorized Areas shall be deemed modified to the extent of such expanded Authorized Area and the Territory Increase Notice shall be deemed to be an addendum to the Agreement.

### **4. OBLIGATIONS OF THE OPERATOR:**

- 4.1. The Operator shall, at its own costs and expenses, receive the Subscribed Channel(s) from designated satellites using the Equipment and retransmit the Subscribed Channel(s) to the Subscribers through the Operator’s Platform.



- 4.2. The Operator shall raise monthly invoices on the Subscribers towards subscription of the channels (including the Subscribed Channel(s)) and the Operator shall collect such invoiced monthly fee from the Subscribers. Irrespective of the Operator's failure to issue an invoice or collection of the invoiced monthly amounts from the Subscribers, the Operator shall be liable to pay the Monthly Subscription Fee to the Broadcaster as per the terms of this Agreement.
- 4.3. The Operator shall ensure retransmission of high quality encrypted signal of the Subscribed Channel(s) to the Subscribers.
- 4.4. The Operator shall not retransmit the Subscribed Channel(s) *via* any medium other than the Operator's Platform and shall take all necessary action to prevent unauthorized access of the Subscribed Channel(s) through the Operator's Platform and shall regularly provide to the Broadcaster with updated Piracy reports.
- 4.5. The Operator shall maintain accurate and complete records of the Subscribers and provide accurate and complete Reports including pursuant to Clause 12 of this Agreement. The Operator shall pay Monthly Subscription Fee, together with applicable Taxes within Due Date in accordance with this Agreement, failing which the Operator shall be liable to pay interest as per the Default Interest Rate along with the due payment.
- 4.6. The Operator shall not: (a) offer any Pay channel(s) from amongst the Subscribed Channel(s) as FTA Channel to the Subscribers; and (b) distribute the Subscribed Channel(s) to any Commercial Subscribers in respect of which separate agreement(s) shall be executed between the Parties.
- 4.7. The Operator shall ensure that no activations or deactivations shall be performed or initiated directly in CAS but all such actions must be routed through SMS only. The Operator shall always encourage and shall not act in a manner that would discourage the Subscribers to subscribe to and/or avail of and view all the Subscribed Channel(s).
- 4.8. The Operator shall ensure that no Subscribed Channel shall be disadvantaged or otherwise treated less favorably by Operator with respect to competing channels on a genre basis.
- 4.9. The Operator shall not indulge in any negative publicity or marketing advertisements, *etc.* which would be detrimental to the interest of the Broadcaster and/or the Subscribed Channel(s).
- 4.10. During the Term of this Agreement, if the Operator merges with and/or acquires any independent operator that has/had been receiving signals of the Channels directly from the Broadcaster and retransmitting the same to its subscribers through its digital addressable cable system by merging with the Operator or starts availing the signals of the Channels from the Operator (collectively referred to as the "**Acquired Networks**"), in such an eventuality, the Operator shall be responsible and liable to ensure payment of any outstanding amounts due from the Acquired Networks to the Broadcaster.
- 4.11. The obligations, representations and warranties of Operator hereunder shall be deemed to be assumed by its sub-distributors/service providers/sub-licensees. The breach of any one of the obligations, representations and warranties by Operator's distributors/service providers/sub-licensees shall be deemed a breach on the part of Operator and Broadcaster shall be entitled to exercise any remedy available hereunder against Operator. Additionally, the Operator shall ensure that the Operator is able to comply with its obligations under this Agreement by instructing its sub-distributors/service providers/sub-licensees.

## **5. MONTHLY SUBSCRIPTION FEE AND PAYMENT TERMS**

- 5.1. Subject to provisions of this Clause 5 of this Agreement, the Broadcaster shall raise monthly invoices on the Operator for the Subscribed Channel(s) towards the applicable Monthly Subscription Fee, together with applicable Taxes, for the concerned Month on the Operator within 10 (ten) working days of receipt of the Reports from the Operator.

- 5.2. For each Month or part thereof during the Term of the Agreement, the Operator shall pay to the Broadcaster the Monthly Subscription Fee, which shall be calculated in the manner set out in Clause 7 of this Agreement on or prior to the Due Date.
- 5.3. The A-la-carte Rate of each Channel per Subscriber and Bouquet Rate per Subscriber as set out in **Annexure A** to this Agreement are exclusive of all Taxes.
- 5.4. In case the Operator fails to provide the applicable Report(s) in accordance with the requirements set out in Section 12.2, the Broadcaster shall have the right to raise an invoice on a without prejudice and on provisional value basis, on the Operator (such invoice amount shall be 10% (ten percent) more than the last invoice raised by the Broadcaster on the Operator and the Operator shall be under an obligation to pay the Monthly Subscription Fee on the basis of such invoice within 30 (thirty) days of receipt of such invoice. Parties agree that the reconciliation between the invoices raised by the Broadcaster under this Clause, shall be undertaken by the Parties within three (3) months from the date of issue of such provisional invoice basis the applicable Reports, which are to be provided by the Operator.
- 5.5. The Operator understands and acknowledges that non-receipt of physical copy of dispatched invoices from the Broadcaster shall not relieve the Operator from its obligation to make the payments of the Monthly Subscription Fee within the Due Date. In the event the Operator does not receive physical copy of the invoice for a particular Month by the 22<sup>nd</sup> day of the succeeding Month, then the Operator shall promptly intimate the Broadcaster about the same and request for issuance of duplicate invoice.
- 5.6. With regard to the First Invoice Billing Cycle, the invoice shall be raised within thirty (30) days from the end of the First Invoice Billing Cycle and such invoice shall be payable by the Operator to the Broadcaster on or before the Due Date. For avoidance of doubt, it is clarified that the duration of the First Invoice Billing Cycle can be a Month or more than a Month.
- 5.7. The Operator shall pay to the Broadcaster the Monthly Subscription Fee in arrears by the Due Date, without any deduction except deduction of withholding tax or TDS or deductions as permitted under this Agreement. Such payment shall be made in the name of “**Disney Broadcasting (India) Limited**” and shall be valid discharge of the Operator’s liability to the Broadcaster towards payment of Monthly Subscription Fee for the applicable Month. The Monthly Subscription Fee is exclusive of all Taxes. All such Taxes shall be at the Operator’s cost and shall be charged at the prevailing rates by the Broadcaster to the Operator.
- 5.8. Additionally, any due payment from the Operator post expiry of the Due Date shall attract the Default Interest Rate per Month until the date the due payment along with the applicable interest is paid in full. The imposition or non-imposition and collection of interest on late payments does not constitute a waiver of the Operator’s obligation to pay the Monthly Subscription Fee by the Due Date and the Broadcaster shall retain all of its other rights and remedies under the Agreement and/or Applicable Law(s).
- 5.9. If under applicable Indian tax laws, any payments from Operator to the Broadcaster, are subject to deduction of tax at source, then the Operator shall:
- 5.9.1. Deduct or withhold the applicable amount of income tax deducted at source in the name of the Broadcaster,
- 5.9.2. Remit or deposit such deducted withholding tax amount to the applicable Indian tax authority in the name of the Broadcaster within the due dates prescribed under the applicable Indian tax law, and
- 5.9.3. Deliver all documents to the Broadcaster evidencing such statutory deductions, within the applicable statutory period as per the applicable Indian tax law.

- 5.10. No cash payments shall be made by the Operator towards the Monthly Subscription Fee or any other dues whatsoever. However in the event a cheque is issued by the Operator and such cheque is dishonored or not approved or returned due to any reason whatsoever, in addition to all payment obligations under this Agreement, the Operator shall be liable to pay the Broadcaster, an amount of not less than INR 1,500/- (Rupees One Thousand Five Hundred only) for each such dishonored, disapproved or rejected cheque. The right under this Clause shall be without prejudice to the rights available to the Broadcaster under this Agreement, Applicable Law(s) or otherwise.
- 5.11. The Operator shall have no right to withhold or claim adjustment or set off Monthly Subscription Fee under this Agreement for any reason whatsoever including, but not limited to, by virtue of any alleged loss of Subscribers and counterclaim, other than as specifically permitted under this Agreement.
- 5.12. The Operator is aware that Goods and Service Tax (GST) may be implemented by the Government at any time during the Term of the Agreement. In view thereof, the Operator hereby specifically agrees and acknowledges that with effect from the date of implementation of GST, those provisions of this Agreement which get impacted by GST shall be applicably modified to give effect to the essence of GST. In such regard, if an amendment/addendum is required to be executed to this Agreement, then the Operator shall execute such amendment/addendum without demur.

## **6. DISTRIBUTION FEE**

- 6.1. Subject to the Operator providing accurate and complete monthly Report(s) pursuant to Section 12 of this Agreement and paying the Monthly Subscription Fee, the Broadcaster shall pay Operator the fees calculated under Clause 6.2 below (“**Distribution Fee**”).
- 6.2. Distribution Fee for any Month shall be an amount calculated at the rate of twenty percent (20%) of the Monthly Subscription Fees payable in that particular Month.
- 6.3. The Operator shall raise monthly invoice towards Distribution Fee along with applicable taxes and provide by the 7<sup>th</sup> (seventh) day of the subsequent Month along with monthly Report(s) to the Broadcaster. For purposes of clarity, Distribution Fee shall be subject to applicable withholding tax.
- 6.4. It is hereby agreed by the Parties that the Broadcaster shall be entitled to reduce the payment of the Distribution Fee against any payments to be made by the Operator to the Broadcaster, including the payment of the Monthly Subscription Fees and raise invoice accordingly.

## **7. CALCULATION OF MONTHLY SUBSCRIPTION FEE:**

- 7.1. In case the Operator avails one or more or all Channel(s) of the Broadcaster on A-la carte and/or Bouquet basis, the Monthly Subscription Fees for any Month shall be sum of the following, less applicable discount pursuant to the Incentive Scheme, if any availed by the Operator:
- 7.1.1. The Monthly Subscription Fee payable by the Operator to the Broadcaster towards subscription of Subscribed Channel(s) on an A-la carte basis, calculated as the A-la-carte Rate for such Subscribed Channel(s) multiplied by the Average Subscriber Base of the Subscribed Channel(s) on A-la-carte basis during the said Month, as reflected in the corresponding Report for that Month; and
- 7.1.2. The Monthly Subscription Fee payable by the Operator to the Broadcaster in respect of subscription of Subscribed Channel(s) on an A-la carte basis or as a Bouquet, as part of the Operator bouquet of channels, calculated as the A-la-carte Rate and/or Bouquet Rate, as may be applicable, multiplied by the Average Subscriber Base of the Operator bouquet, as reflected in the corresponding Report for that Month; and
- 7.1.3. The Monthly Subscription Fee payable by the Operator to the Broadcaster for subscription

to a Bouquet, calculated as the Bouquet Rate multiplied by the Average Subscriber Base of the Bouquet during the said Month, as reflected in the corresponding Report for that Month.

- 7.2. It is agreed that in the event the Operator avails the discount on A-la carte Rate and/or Bouquet Rate under the Incentive Schemes, then the Monthly Subscription Fee shall be subject to the discount(s) and computed in the manner set out in the Incentive Scheme availed, if any.
- 7.3. Any discounts or offerings made by the Operator to the Subscribers in respect of the Subscribed Channel(s) shall be at the sole cost and expense of the Operator.
- 7.4. The Broadcaster reserves the right to discontinue any Channel(s) and revise the Bouquet during the Term. In the event any Subscribed Channel(s) is/are discontinued by the Broadcaster, the Operator agrees to the following terms:
- 7.4.1. the Service in relation to the discontinued Subscribed Channel(s) shall be deemed terminated from its discontinuation date under Applicable Laws (“**Discontinuation Date**”).
- 7.4.2. If the discontinued Subscribed Channel(s) was/were offered by the Operator on an A-la carte basis, the Operator shall not be liable to pay the Monthly Subscription Fees in connection with such discontinued Subscribed Channel(s) after the Discontinuation Date. The Monthly Subscription Fee shall be payable pro-rated for the applicable Month till the Discontinuation Date.
- 7.4.3. If the discontinued Subscribed Channel(s) forms part of a Bouquet, the Operator shall reduce the Monthly Subscription Fees proportionate to the discounted A-la carte Rate of such discontinued Channel(s) in the Bouquet, from the date of such discontinuation.

*For the purpose of illustration:*

<p>A Bouquet comprises of 4 (four) Channels.</p> <p>The A-la carte Rate of the Channels are as follows:</p> <p>Channel A: INR 10 Channel B: INR 11 Channel C: INR 12 Channel D: INR 13</p> <p>Bouquet Rate is:</p> <p>INR 46 (being sum of a-la carte rates of the four channels) less 15% discount = INR 39.1</p>
<p>If Channel D is discontinued on the last day of a Month, then the Bouquet Rate for the subsequent Months will be reduced by:</p> <p>13 less 15% = INR 11.05</p> <p>Therefore amount payable for the Bouquet per Month post discontinuation of Channel D = INR 39.1 less INR 11.05 = INR 28.05</p>

## **8. DELIVERY AND SECURITY:**

- 8.1. The Subscribed Channel(s) must be delivered by the Operator to the Subscribers in a securely encrypted manner and without any alteration. The Operator undertakes to carry the Subscribed Channel(s) in entirety, in the order and at the time transmitted by the Broadcaster without any

editing, delays, alterations, interruptions, picture squeezing or re-sizing, re-configuration, insertion of graphic or animated overlays, pull-through or scroll/scrawls/crawls, deletions or additions (collectively “**Alterations**”), except as authorized in advance in writing by the Broadcaster, including for the EPG as referenced in Clause 10 below. The Operator shall not retransmit any portion of the Subscribed Channel(s) except as specifically authorized by the Broadcaster. Subject to Applicable Law(s), the Broadcaster shall have the right to alter any or all of the Subscribed Channel(s), including the names, logos of the Subscribed Channel(s), the programming exhibited on the Subscribed Channel(s) and the mode of offering of the Subscribed Channel(s).

- 8.2. The Operator’s transmitting facilities shall be fully capable of individually addressing Subscribers on a channel-by channel and decoder-by-decoder basis.
- 8.3. In the event the Broadcaster is unable to block or black out the transmission of any Withheld Program(s) from the Subscribed Channel(s), then the Operator agrees not to exhibit, and shall block or black out the transmission of any Withheld Program(s) upon notification from the Broadcaster (emails permitted).
- 8.4. Without limitation to the terms of Clause 8.1 above, the Operator also agrees and undertakes that it shall not superimpose or otherwise insert any advertisements, promotions, programs, data or content, whatsoever either its own or that of any other channel before, during, after or along with the content of the Subscribed Channel(s).
- 8.5. For the avoidance of doubt, the Operator shall not conduct any Alterations to the Subscribed Channel(s) for any purpose or copy and store the content of the Subscribed Channel(s) on any storage device in any medium. Additionally, the Operator will not enable the Subscribers to do the same.
- 8.6. Without prejudice to the foregoing, the Operator is allowed to only add or insert its own trademark, logo, name or other insertion of similar nature in the form of translucent watermark, any ‘On Screen Display’ (“**OSD**”) while re-transmitting the signals of the Subscribed Channel(s). The Insertion shall also be subject to the following conditions:
  - 8.6.1. The Insertion shall also be inserted on other channels on the Operator’s Platform;
  - 8.6.2. At any point in time, there will only be a single Insertion and it shall not appear more than once on the screen;
  - 8.6.3. The Insertion shall not be more prominent than the respective Channel’s logo. Further, the placement and size of Insertion, particularly Operator’s logo (on any of the Subscribed Channel(s)) shall not be different from the placement and size of Insertion on any similar channels (*i.e.* channel(s) having placement of their respective logos similar to the placement of logo(s) of Subscribed Channel(s));
  - 8.6.4. The Insertion shall not obscure or overlay the Subscribed Channel(s)' logo or any program that appears on the Subscribed Channel(s); and
  - 8.6.5. Independent advertising shall neither be inserted on any Subscribed Channel(s) nor superimposed. The Operator shall not alter any copyright, trademarks, trade names, logos, names, on any Subscribed Channel(s).
- 8.7. The transmission specifications and infrastructure allocated by the Operator in respect of the broadcast signal of the Subscribed Channel(s) by the Operator to its Subscribers shall be no worse than that of the cable signal of any other channel within the same genre on the Operator’s Platform.
- 8.8. It is expressly agreed that the Operator shall only offer any or all Subscribed Channel(s) at all times during the Term to the Subscribers as a linear television service only on a 24 hours per day, 7 (seven) days per week, 365(6) days a year basis, with effect from such Subscribed Channel(s) being

activated at the Subscriber's end on account of it being offered in the Bouquet or in the Operator's bouquet or such Subscribed Channel(s) being availed on A-la-carte basis by the Subscriber till the time the signals to such Subscriber are switched off by the Operator for being a defaulter or such Subscriber having expressly indicated its intention to discontinue its subscription to such Subscribed Channel(s) or Bouquet(s) or Operator bouquet(s) containing such Subscribed Channel(s).

- 8.9. The Operator shall provide access to the Subscribed Channel(s) on a non-discriminatory basis.
- 8.10. It is clarified that the Operator shall offer the Subscribed Channel(s) to Subscribers on an as-is basis and shall not offer any of the Subscribed Channel(s) on the basis of any specific programming event, feature, characteristic or attribute. The Operator shall cause continuous distribution of the Subscribed Channel(s) to all Subscribers during telecast without blacking it out or interfering with it in any manner whatsoever, save and except if required as per Clause 8.3 above.
- 8.11. To the extent the Operator is DTH operator or a HITS operator, the uplink specifications, satellite capacity and infrastructure allocated by the Operator in respect of the signal of the Subscribed Channels to its Subscribers shall be no worse than that of the signal of any other channel within the same genre on such Operator's Platform.

## **9. OPERATOR OFFERING AND OPERATOR BOUQUET:**

- 9.1. The Operator undertakes to the Broadcaster that the Subscribed Channel(s) shall not be disadvantaged or otherwise treated less favorably or on discriminatory basis by the Operator with respect to other Channel(s) of similar genre while including the Channel(s) in any of its Operator bouquet(s).
- 9.2. The Operator shall give prior written intimation to the Broadcaster if it intends to package or repackage the Subscribed Channel(s) forming part of Operator bouquet(s) or intends to launch a new Operator bouquet (promotional or otherwise).

## **10. ELECTRONIC PROGRAMMING GUIDE:**

- 10.1. If Operator has or creates an EPG, or a printed programming guide for distribution to its Subscribers (a copy of which shall be sent to the Broadcaster simultaneously with mailings to Subscribers), then the programming schedule of each of the Subscribed Channel(s) shall be prominently featured in them in the order of the EPGN for each of the Subscribed Channel(s).
- 10.2. The Operator shall display, in the EPG of its Platform, all the channels offered on its Platform in the same genre in which a particular channel has been indicated by the Broadcaster and any such channel shall appear only in one genre. The EPGNs for the Subscribed Channel(s) shall not be changed for the Term, subject to Applicable Laws.
- 10.3. The Operator shall offer all contributory language feeds for the Subscribed Channel(s) to every Subscriber entitled to access that Subscribed Channel(s).

## **11. ANTI-PIRACY:**

- 11.1. In order to prevent Piracy, the Operator shall, prior to the commencement of the Term of this Agreement and at all times during such Term, employ, maintain, and enforce fully effective Security Systems as per the security specifications set forth in **Schedule 2** of this Agreement and/or as may be specified in a non-discriminatory manner in writing, from time to time, by the Broadcaster.
- 11.2. To ensure the Operator's ongoing compliance with the security requirements set out in this Agreement, the Broadcaster may require Technical Audits conducted by Technical Auditor, approved by the Broadcaster in writing no more than twice during the Term, at the Broadcaster's

cost and expense. If the results of any Technical Audit are not found to be satisfactory by either the Operator or the Broadcaster, then the Broadcaster shall work with the Operator in resolving this issue in the next twenty one (21) working days. If a solution is not reached at during the said period, the Broadcaster may, at its sole discretion, terminate the Operator's right to distribute the Subscribed Channel(s) or take other actions as provided under this Agreement, until such systems, procedures and security measures have been corrected to the Broadcaster's satisfaction. The Operator shall bear the cost and expense of any subsequent Technical Audit to verify that the systems, procedures and security measures have been corrected by the Operator to the Broadcaster's satisfaction.

- 11.3. The Operator shall deploy finger printing mechanisms to detect any Piracy, violation of copyright and unauthorized viewing of the Channel(s), distributed / transmitted through its Platform at least every 10 minutes on 24 x 7 x 365(6) basis.
- 11.4. The Operator shall not authorize, cause or suffer any portion of any of the Channel(s) to be recorded, duplicated, cablecast, exhibited or otherwise used for any purpose other than for distribution by the Operator at the time the Subscribed Channel(s) are made available. If the Operator becomes aware that any unauthorized third party is recording, duplicating, cablecasting, exhibiting or otherwise using any or all of the Channel(s) for any other purpose, the Operator shall within 10 (ten) minutes of so becoming aware of such recording, duplicating, cable casting, exhibiting or otherwise using any or all of the Channel(s) for any other purpose, notify the Broadcaster and the Operator shall also switch off the concerned STB to prevent such unauthorized use.
- 11.5. If so instructed by 'information' (as described below) by the Broadcaster, the Operator shall take such action as permitted under Applicable Laws including shut off or de-authorize the transmission to any unauthorized subscriber or Subscriber indulging in Piracy. Any communication under this Clause 11.5 shall be considered as valid information only if: (i) the information is sent through email in a format as mutually agreed by the Parties; and (ii) the information is sent by a person(s) who is/are designated to send such information. However the information may even be provided by the Broadcaster through other means of communications such as telephonic message, fax, *etc.* and the said information shall later be confirmed by the Broadcaster through e-mail and the Operator shall be under obligation to act upon such information.
- 11.6. The Broadcaster plans to actively combat Piracy of the Channel(s) in the Territory and the Operator undertakes to work closely and provide all such assistance to the Broadcaster as may be reasonably required by the Broadcaster in such regard. The Operator shall, at its own expense, take all necessary steps to comply with obligations set forth in **Schedule 2**.

## **12. REPORTS:**

- 12.1. The Operator will maintain, at its own expense, SMS which should be fully integrated with the CAS capable of, at a minimum:
  - 12.1.1. maintaining a computerized customer database capable of recording adequate details of each Subscriber, including name, address, chosen method of payment and billing;
  - 12.1.2. administering 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;
  - 12.1.3. handling all ongoing administrative functions in relation to Subscribers including, without limitation, billing and collection of subscription payments, credit control, sales enquiries and handling of complaints;
  - 12.1.4. administering payments of any fees from time to time payable to the Operator's authorized agents for the sale to the Subscribers;

- 12.1.5. obtaining and distributing STBs and STB VCs, if applicable, to Subscribers and issuing replacement ones from time to time at its discretion; and
- 12.1.6. enabling new Subscribers *via* the SMS over-the-air addressing system and discontinue the subscription of such defaulting Subscribers from time to time at its discretion.
- 12.2. The Operator shall provide to the Broadcaster the Report(s) including complete and accurate Subscriber Report(s) for the Subscribed Channel(s) and the Bouquet and the Operator bouquet containing the Subscribed Channel(s). Such Report(s) shall be provided to the Broadcaster within seven (7) days from the end of each Month and in the format as is set forth in **Annexure C** attached hereto or in such formats as provided by the Broadcaster. Further, in the event the Operator avails any of the discount(s) offered by the Broadcaster under the Incentive Scheme, the Operator shall be under an obligation to provide additional Report(s) within seven (7) days from the end of each Month in such format as referred to in such Incentive Scheme.
- 12.3. If any Subscriber has opted for more than one connection from the Operator, all such additional connections must feature in the Subscriber Report(s).
- 12.4. The Operator shall make available to the Broadcaster, every Month, logs containing channel wise history of all the activations and de-activations of all the STBs, STB VCs and smart cards for each Month from the CAS and SMS logs and/or databases. These logs and/or Report(s), in electronic form, must be verified and authenticated by the CAS provider personnel of a rank not less than that of Chief Technical Officer, Chief Operating Officer or Head of Department.
- 12.5. Each Report 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. Such Report shall specify all information required to calculate the Average Subscriber Base (including, but not limited to, the Average Subscriber Base for each Subscribed Channel and each Bouquet and Operator bouquet in which a Subscribed Channel is included) and the Monthly Subscription Fee payable to the Broadcaster, and shall be signed and attested by an officer of the Operator of a rank not less than Head of Department or Chief Financial Officer, who shall certify that all information in the Report(s) is/are true and correct. Any difference between the SMS and CAS Reports shall have to be reconciled to the satisfaction of the Broadcaster. Non-provisioning of such Subscriber Report(s) shall constitute material breach of obligation on the part of the Operator. The Operator shall submit the Report(s) to the office of the Broadcaster located at Mumbai.
- 12.6. The Operator shall also include in its Report(s), comprehensive details of all incidents of Piracy and signal theft involving in its network, the names of perpetrators involved in such incidents. The Operator shall provide such information promptly to the Broadcaster and co-operate with the Broadcaster to take such action as per Applicable Law(s). The obligation of Operator to provide the Report(s) shall survive termination of the Agreement until the Broadcaster receives the Report(s) for each relevant Month for which any Monthly Subscription Fee is payable.
- 12.7. The Operator shall maintain throughout the Term and for twelve (12) months thereafter (or such longer period as required by law) sufficient records to enable the Broadcaster, to verify and ascertain the (a) veracity of the Report(s) supplied by Operator pursuant to this Clause 12, (b) the payments due to the Broadcaster hereunder, and (c) Operator's compliance with its anti-piracy obligations as set out in this Agreement.

### **13. AUDIT:**

- 13.1. The Operator shall once in every calendar year, cause audit of its SMS, CAS and other related systems by an Empanelled Auditor, verifying the monthly subscription Reports are complete, true and correct ("**Audit Report**") and provide the same to the Broadcaster.
- 13.2. In the event, the Broadcaster (1) is not satisfied with the Audit Report; or (2) has the opinion that the Digital Addressable System of the Operator does not meet the requirements as per Schedule 1



of this Agreement, the Broadcaster shall have the right after communicating the reasons in writing to Operator, not more than once during the Term, to review and/or audit the SMS, CAS, other related systems and records of SMS of the Operator relating to the Subscribed Channel(s) provided by the Broadcaster for the purpose of verifying the amounts properly payable to Broadcaster under the Agreement, the information contained in Reports and full compliance with the terms and conditions of the Agreement and/or for the purpose of verifying that the aforesaid Systems of the Operator comply with the requirements of Schedule - III of the Regulations. If such review and/or audit reveals that additional fees are payable to Broadcaster, the Operator shall pay such fees along with interest at the rate specified by Broadcaster within 10 (ten) days from such request. The scope of such Audit shall be as set out in **Annexure F** attached hereto.

- 13.3. The Operator shall provide full cooperation and necessary assistance to the representatives of the Broadcaster in order to carry out the audit including, but not limited to, granting unfettered, unqualified and unrestricted access to the Operator's facilities and systems including, but not limited to, SMS, CAS, IT systems and providing documents as may be required by the Broadcaster's representatives. The Operator shall have no objection to the Broadcaster's representatives carrying/using their own equipment, systems including, but not limited to, laptop, software and hardware for conducting such audit and shall be provided with free ingress and egress from the premises where in such audit is conducted. The provisions of this Clause 13.3 shall also apply to Technical Audits. Any breach by or on the part of the Operator with regard to the covenants contained herein shall be construed as material breach of this Agreement.
- 13.4. If any fees due for any period exceed the fees reported by the Operator to be due for such period by zero point five (0.5) percent or more, the Operator shall pay the additional amount with interest at the rate specified by Broadcaster and all of the Broadcaster's costs incurred in connection with such review and/or audit and take any necessary actions to avoid such errors in the future.

#### **14. TERM AND TERMINATION:**

- 14.1. This Agreement shall remain valid for the entire Term, unless terminated by either Party as per the terms and conditions of this Agreement. The Term may be extended on terms and conditions mutually agreed between the Parties and recorded in writing, provided that Operator notifies in writing at least sixty (60) days prior to the expiry of the Term for such extended Term, to the Broadcaster.
- 14.2. Either Party has a right to terminate this Agreement, in the event of:
- 14.2.1. the bankruptcy, insolvency or appointment of receiver over the assets of the other Party; or
  - 14.2.2. the license or registration under Applicable Law(s) or any other material license necessary for the Operator to operate the Operator's Platform is revoked at any time other than due to the fault of the Operator; or
  - 14.2.3. in case of winding up proceedings initiated against the Operator;
- 14.3. The Operator shall have a right to terminate in the event of a material breach of this Agreement by the Broadcaster, which has not been cured within fifteen (15) days (or any other period as specified under Applicable Law(s)) from receiving a written notice from the Operator;
- 14.4. The Broadcaster shall have the right to terminate this Agreement by a written notice of 21 (twenty one) days to the Operator and disconnect/deactivate signals of the Subscribed Channel(s) to the Operator and/or take any other action as may be appropriate, upon occurrence of any of the following:
- 14.4.1. a breach of any terms and conditions of this Agreement;
  - 14.4.2. the Operator breaches any of the anti-piracy requirements and fails to cure such breach

within fifteen (15) days of being required in writing to do so, if such breach is curable;

- 14.4.3. in the event of assignment of the Agreement by the Operator without prior written approval of the Broadcaster;
  - 14.4.4. if the Operator voluntarily or by operation of law loses control of the means to distribute the Subscribed Channel(s) through its Platform (including but not limited to entering into an agreement/arrangement with another broadcaster for operational and/or administrative and/or funding purposes, *etc.*);
  - 14.4.5. in the event the Broadcaster is subjected to any legal, governmental or other adverse action under applicable treaties, tariffs or Applicable Law(s) that prohibits or restricts the right of the Broadcaster to provide the Subscribed Channel(s) or any part thereof to the Operator, under the terms of this Agreement;
  - 14.4.6. if the Operator does not provide the Report in the prescribed format within the agreed time period, pursuant to the Section 12.2 of this Agreement; or
  - 14.4.7. if an audit reveals that the Digital Addressable System of the Operator does not meet the requirements specified in the Schedule III of the Regulations, as amended.
- 14.5. The Operator shall have the right to terminate this Agreement on written notice to the Broadcaster, if the Operator discontinues its Platform and provides at least twenty one (21) days prior written notice.
  - 14.6. The procedure for disconnection of signals of the Subscribed Channel(s) by either Party shall be subject to the provisions contained in the Regulations, as amended.
  - 14.7. The Broadcaster's rights to terminate the Agreement shall be without prejudice to the Broadcaster's legal and equitable rights to any claims under the Agreement, injunctive relief(s), damages and other remedies available under Applicable Law(s).

## **15. CONSEQUENCES OF EXPIRY/TERMINATION:**

- 15.1. Upon expiry or termination of the Agreement:
  - 15.1.1. The Operator shall not distribute the Subscribed Channel(s) in the Authorized Area(s) and the Broadcaster shall disconnect and/or deactivate the signals of the Subscribed Channel(s);
  - 15.1.2. The Operator shall within seven (7) days of the expiry or termination of this Agreement, pay to the Broadcaster all outstanding payments and/or other sums (including, but not limited to, costs, charges, fees, damages and claims for rendition of accounts, if any accrued hereunder or prior to the expiration or termination of this Agreement) that may be payable to the Broadcaster under the Agreement as on the date of termination, failing which such outstanding amounts shall be payable together with interest at the Default Interest Rate computed from the period of such outstanding amounts becoming due and payable until the date of payment of such outstanding amounts along with applicable interest, in full;
  - 15.1.3. The Operator shall immediately return the Equipment to the Broadcaster in good working condition failing which the Operator shall be liable to pay compensation and/or damages, equivalent to the market price of the Equipment;
  - 15.1.4. The Operator shall return to the Broadcaster all documents, Confidential Information, and other material belonging to the Broadcaster then in its possession;
  - 15.1.5. The Operator shall stop representing itself as authorized to distribute the Subscribed Channels;

15.1.6. The Operator shall cease to use the Intellectual Property of the Broadcaster and/or its Corporate Affiliates; and

15.1.7. Those provisions of this Agreement that are explicitly, or by their nature, intended to survive termination or expiry of this Agreement shall survive termination or expiry of this Agreement.

## **16. EQUIPMENT:**

16.1. The Broadcaster shall supply or cause to be supplied the Equipment to the Operator, directly or through suppliers nominated by the Broadcaster which are essential for receiving the Subscribed Channel(s), being non-exclusively given herein, within seven (7) working days after execution of this Agreement.

16.2. The Equipment shall, at all times, remain the sole and exclusive property of the Broadcaster. The Equipment shall be under the control of the Broadcaster and shall never be construed as a sale or rental of the Equipment to the Operator under any circumstances, and accordingly no price is payable by the Operator to the Broadcaster. The Operator undertakes to keep the Equipment in good and serviceable order and condition to the satisfaction of the Broadcaster and to immediately notify the Broadcaster in the event of any mechanical and/or technical fault in the Equipment.

16.3. The Operator shall not use the Equipment for any other purpose at any point of time without the express prior written consent of the Broadcaster. The Operator undertakes not to modify, pledge, charge, encumber or in any way part with the possession of the Equipment without prior written permission of the Broadcaster. The Operator further undertakes that the Equipment shall not be sold, assigned, pledged or otherwise transferred to any party and is not used for any purpose other than receiving the signals of Subscribed Channel(s) in terms of this Agreement.

16.4. Where the Equipment is procured by the Operator directly on its own from the market, the Operator shall ensure that the same meets the technical and other parameters as may be communicated by the Broadcaster and it shall also be responsible for its proper functioning, repairs, replacement or maintenance. The Broadcaster shall not, under any circumstances, be responsible or liable for any malfunctions, repairs, replacement or maintenance of such Equipment.

16.5. If the Operator merges or amalgamates with another Platform or ceases to operate the Operator's Platform, the Equipment supplied by the Broadcaster to the Operator shall be returned forthwith to the Broadcaster.

16.6. If the Equipment is damaged due to negligence of the Operator, the Broadcaster shall be authorized to recover the actual repair cost from the Operator and if the Equipment is beyond repair, the Operator shall be liable to pay to the Broadcaster the cost of such Equipment as on the date it was supplied to the Operator.

16.7. In order to take back possession of the Equipment from the Operator, the Operator shall ensure that the personnel/representative of the Broadcaster is allowed free and unobstructed access to the premises of the Operator where the Equipment is installed and the Operator shall not interfere with such procedure.

16.8. The Operator undertakes to ensure that the Equipment provided by the Broadcaster to the Operator:

16.8.1. shall not be moved or shifted from the installation address, which shall be a secure location or Operator shall not allow anybody else to do the same without prior written permission of the Broadcaster and shall indemnify the Broadcaster against any damage, destruction, theft or loss of the Equipment. The Operator grants the Broadcaster the right at any time to enter the installation address to verify the presence of and to inspect and test the Equipment at the installation address. In the event an IRD and/or VC is missing, the Broadcaster will

be entitled to take any action in law, including under existing criminal laws, to recover the IRD and/or VC. Further, in the event an IRD and/or VC is lost, misplaced, stolen or is in any manner alienated from the Operator's possession, the Operator shall immediately inform the Broadcaster of the same, with a copy of the relevant report lodged with the law enforcement authorities. The Operator shall also immediately initiate all steps that may be possible for the recovery of the IRD and/or VC including, but not limited to, legal action in a court of law. However, it is made abundantly clear that all costs incurred or to be incurred for the recovery of the IRD and/or VC shall be borne solely by the Operator. In case the IRD and/or VC is not recovered, the Broadcaster shall be free to recover the costs of the IRD and/or VC from the Operator.

16.8.2. shall not be opened, misused or tampered with including the seal (paper seal to prevent opening of the Equipment) or any signals emanating therefrom, in a manner that prevents the identification of the Equipment number or interferes with the signals emanating therefrom. In the event that the hologram seal affixed to the IRD is broken while the IRD is in the possession and control of the Operator, the Broadcaster may suspend the signals of the Subscribed Channel(s) (after complying with the Applicable Law(s)) without liability and such signals will be restored only at the Broadcaster's discretion and subject to the Operator paying a non-refundable reactivation fee of INR 5000/- (Rupees Five Thousand only) or higher as per the existing policies of the Broadcaster on each such suspension. The Operator acknowledges that the reactivation fee is not a penalty. Upon such IRD seal being broken, the Broadcaster may take back possession of the IRD. Further, the Broadcaster shall be free to recover the cost of such IRD from the Operator. The Operator agrees to use the IRD and/or VC only in accordance with the technical specifications established by the manufacturer of the IRD and/or VC for the installation and use of the IRDs and/or VCs.

## **17. REPRESENTATIONS AND WARRANTIES OF THE BROADCASTER:**

17.1. The Broadcaster represents to the Operator that:

17.1.1. it has the requisite powers and authority to enter into the Agreement, and to fully perform its obligations hereunder.

17.1.2. as on date of this Agreement, the Channel(s) are registered in the territory with MIB and with any other authority as required under Applicable Law(s).

17.1.3. as on the date of this Agreement the distribution of the Channel(s) as contemplated in this Agreement is allowed in the Territory.

## **18. REPRESENTATIONS, WARRANTIES AND UNDERTAKINGS OF THE OPERATOR:**

18.1. The Operator represents, warrants and undertakes the following to the Broadcaster:

18.1.1. The Operator has requisite power and authority to enter into the Agreement and has taken all action necessary to execute, deliver and exercise its rights and fully perform its obligations hereunder.

18.1.2. By executing this Agreement, the Operator is not in breach of any of the provisions contained in any other agreement executed by the Operator with any third party.

18.1.3. The Operator has and will continue to hold a valid and subsisting license from the applicable statutory authority which permits operation of the Operator's Platform and the Operator undertakes to keep such license valid and subsisting during the Term and provide a copy of the same to the Broadcaster as and when called upon to do so by the Broadcaster. The Operator shall be responsible for obtaining all necessary approvals, licenses and permissions, as may be imposed or required by the government and other authorities, for the distribution of the Subscribed Channel(s) by the Operator in the Authorized Area(s)

through the Operator's Platform.

- 18.1.4. The Operator is not (directly or through any person for whose acts or defaults it may be liable) engaged whether as a defendant or claimant or otherwise in any litigation or arbitration or prosecution or other legal proceedings nor are any such proceedings pending, anticipated or threatened and there are no facts or circumstances which may give rise to any such proceedings, which may or will restrict the ability of the Operators to consummate the transactions contemplated herein and otherwise perform its obligations under this Agreement.
- 18.1.5. The Operator shall abide, implement and ensure compliance to the Applicable Law(s) including TRAI Regulations relating to Digital Addressable Cable Systems, in particular the Interconnect Regulations and The Telecommunication (Broadcasting And Cable) Services Standards of Quality of Service And Consumer Protection (Addressable Systems) Regulations, 2017 and the Consumers Complaint Redressal (Digital Addressable Cable TV Systems) Regulations, 2012, as amended from time to time.
- 18.1.6. All the documents and information or execution requirements, as listed in **Annexure G** of this Agreement, provided by the Operator to the Broadcaster are true and correct.
- 18.1.7. The STBs, CAS and SMS shall comply with the Technical Specifications and the Operator agrees that the STBs and their installed CAS microchip, used by the Subscribers shall prohibit use of digital outputs.
- 18.1.8. The Operator shall maintain for the Subscribed Channel(s) first-class signal transmission quality in accordance with the highest international industry standards, subject to the Broadcaster delivering the signals of Subscribed Channel(s) to the Operator of a quality sufficient to permit the Operator to reasonably comply with such standards. The Operator shall maintain a service availability (a service free from viewer discernible problems including, without limitation, video with no audio, audio with no video or significant signal distortion) that meets or exceeds 99.95% (ninety nine point nine five percent) reliability per Month (which represents service outages incurred by Subscribers not exceeding approximately 22 (twenty two) minutes per Month) without any interruption or deviation from the daily transmission schedule and shall immediately notify the Broadcaster of any degradation to any of the Subscribed Channel(s)' signals.
- 18.1.9. The Operator shall ensure that EPG functionality, user interface and On Screen Display appears at the Subscriber's option provided such interface does not hamper the viewing experience of the Subscriber.
- 18.1.10. The Operator shall not, either itself or through others, copy, tape or otherwise reproduce any part of the Subscribed Channel(s). The Operator further undertakes that it shall not copy or tape programs for resale or deal in any copied programs and shall immediately notify the Broadcaster of any unauthorized copying, taping or use of any part of the Subscribed Channel(s) and shall fully cooperate with all requests by the Broadcaster to take such steps as are reasonable and appropriate to cause such activities to cease.
- 18.1.11. The Operator shall not push content onto the STBs, there shall not be automatic advertisement skipping function and/or the Operator shall not create a virtual video-on-demand or other on demand service in respect of the Subscribed Channel(s).
- 18.1.12. The Operator undertakes not to place the Subscribed Channel(s) next to any pornographic or gambling channel or included in any Operator bouquet that contains any channel with pornographic content or any gambling Service.

## **19. ADVERTISING AND PROMOTIONS:**

- 19.1. The Broadcaster grants to the Operator the non-exclusive right during the Term to use the Marks solely in connection with the marketing and promotion of the Subscribed Channel(s) and in a manner that has been pre-approved by the Broadcaster, for no additional monetary consideration in this regard. It is expressly understood that such marketing and promotion right to use the Marks is incidental to this Agreement and is only a limited right for marketing and promoting the availability of the Channel(s) on the Operator's Platform, and no other exploitation of the Marks shall be permissible and the Operator shall not be liable to pay the Broadcaster any additional fee for such marketing and promotion.
- 19.2. The Operator undertakes to give:
- 19.2.1. an equivalent amount of marketing support for the Subscribed Channel(s) as it provides to other Channel(s) of the same genre;
  - 19.2.2. similar treatment to all Subscribed Channel(s) in all advertising materials whereby Channel logos and/or names appear with the logos and names of other Channel(s) in terms of size and prominence and page taking into consideration context; and
  - 19.2.3. equal opportunity to the Subscribed Channel(s) for participation in events and promotions that the Operator undertakes subject to commercial agreement for each event.

## **20. INTELLECTUAL PROPERTY RIGHTS:**

- 20.1. It is expressly agreed and understood that the Operator shall not acquire any ownership or other rights with respect to the Subscribed Channel(s), other than those expressly provided in this Agreement.
- 20.2. All Intellectual Property related to the Subscribed Channel(s) shall belong exclusively to the Broadcaster. The Operator shall not acquire any proprietary or other rights in the Intellectual Property to which the Broadcaster asserts proprietary or other rights, which the Broadcaster may notify the Operator from time to time in writing, and the Operator agrees not to use the Intellectual Property in any corporate or trade name. The Operator may use the Intellectual Property solely for the purpose of advertising and promoting the Subscribed Channel(s) only with the prior written consent of the Broadcaster. Marketing materials generated by the Operator may refer to the Intellectual Property only if it is clear that such Intellectual Property represents Marks for the Subscribed Channel(s), which are distributed by the Operator. Such marketing materials shall require the prior written approval of the Broadcaster. The Operator shall not acquire any proprietary or other rights over the Marks and agrees not to use Marks without prior written consent of the Broadcaster. Unless notified to the contrary by the Broadcaster, in all trade references, advertising, promotion and for all other purposes, the Subscribed Channel(s) shall be referred to exclusively as designated herein or as otherwise designated by the Broadcaster. To the extent any of such rights are deemed to accrue to the Operator, the Operator agrees that such rights are the exclusive property of the Broadcaster. The Broadcaster reserves the right to inspect any such material at any time without prior notice. The Operator shall not use any Intellectual Property as part of a corporate name or of a trade name, register or use any name or mark which is the same as, or which contains or which, in the opinion of the Broadcaster, resembles any of the Intellectual Property. The Operator shall include appropriate copyright and other legal notices as the Broadcaster may require and shall promptly call to the attention of the Broadcaster, the use of any Intellectual Property, or of any names or marks that resemble any Intellectual Property by any third party in the Territory. The Operator shall within 10 (ten) days after termination of this Agreement return to the Broadcaster or, at its request, destroy all material containing, and all material used for the purpose of printing or reproducing, any Intellectual Property or any other names or marks that in the opinion of the Broadcaster are similar to any Intellectual Property, and shall transfer or cause to be transferred at no cost to the Broadcaster (or its designee) all interest in and to any graphic representation created by or for Operator of any Intellectual Property. To the extent permissible by law, the Operator

hereby appoints the Broadcaster its lawful attorney-in-fact irrevocably to carry out any legal action required to cancel any registration or application for registration obtained or made by the Operator for the Intellectual Property pertaining to the Broadcaster and the Subscribed Channel(s) as mentioned in this Clause 20 or to cause all of the Operator's interest in such registrations or application to be transferred to the Broadcaster (or its designee), it being acknowledged that such power is a power coupled with an interest.

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

**21. LIMITATION OF LIABILITY:**

21.1. Any and all express and implied warranties including, but not limited to, warranties of merchantability or fitness for any purpose or use, are expressly excluded and disclaimed by the Broadcaster, except as specifically set forth herein.

**22. CONFIDENTIALITY:**

22.1 The Operator shall keep in strict confidence any Confidential Information received by it from the Broadcaster and shall not disclose the same to any person, not being a party to this Agreement. The Operator shall also bind its employees, officers, advisors, associates, contractors, agents and other similar persons, to whom the Confidential Information may be disclosed, to the obligations of such confidentiality. However, any disclosure of Confidential Information by the Operator to any of its employees, officers, advisors, associates, contractors, agents and other similar persons shall be strictly on a need to know basis. Confidential Information shall, at all times, remain the exclusive property of the Broadcaster and the Operator shall not acquire any rights in the Confidential Information.

**23. FORCE MAJEURE:**

23.1. Broadcaster shall not be responsible for any delay in or failure of performance resulting directly or indirectly from Force Majeure Event including any failure or delay in transmission of Channel(s) by Broadcaster.

23.2. In the event the performance of the Broadcaster's obligation hereunder is affected by a Force Majeure Event, the same shall not relieve Operator from, its obligations under this Agreement, including payment of Monthly Subscription Fee.

**24. RELATIONSHIP BETWEEN THE PARTIES:**

24.1. Nothing contained in this Agreement will be construed as to constitute the Operator and Broadcaster as a joint venture, partners or agents, franchisee nor will any similar relationship be deemed to exist between the Operator and the Broadcaster. The Broadcaster shall not be held responsible or liable to the Operator to any third person for any expense incurred by the Operator unless specifically set forth in this Agreement and/or any Schedule(s), nor will Broadcaster be held responsible or liable to the Operator or to a third person for or on account of any of the Operator's employees or agents. No Subscribers shall be deemed to have any privity of contract or direct contractual or other relationship with the Broadcaster by virtue of this Agreement or by the Broadcaster's delivery of the Subscribed Channel(s) to the Operator. This Agreement between the Broadcaster and the Operator is on principal to principal basis and is terminable in nature.

24.2. Further it is expressly agreed that the Operator is making available the Subscribed Channel(s) in its own right and in the course of its own business and not on behalf of the Broadcaster. It is expressly agreed and understood that the Broadcaster has not given to the Operator any right of representation. Accordingly, any margin earned by the Operator from the Subscribers under this Agreement is not commission paid in any manner to the Operator by the Broadcaster.

**25. NO WAIVER:**

25.1. The failure of either Party to insist, in any one or more instances, upon performance of any of the provisions of this Agreement or to enforce any such provisions shall not result in the relinquishment of any such rights, shall not make such provisions or rights obsolete and such provisions and rights shall continue and remain in full force and effect. No single or partial exercise by either Party of any right or remedy shall preclude any other future exercise thereof or the exercise of any other right or remedy. Waiver by any Party of any breach of any provisions of this Agreement (or the consequences of any such breach as provided for in this Agreement) must be in writing and signed by the Parties hereto and such waiver shall not constitute or be construed as a continuing waiver or as a waiver of any other breach of any other provisions of this Agreement.

**26. ASSIGNMENT:**

26.1. Notwithstanding anything contained in the Agreement, the Operator shall not have the right, without the prior written consent of the Broadcaster, to assign or transfer the Agreement or any of its rights or obligations hereunder to any third Party. Upon any breach, whether actual, potential or threatened, of this Clause 26, the Operator shall be deemed to be unauthorized to retransmit the signals of the Subscribed Channel(s) and in material breach of this Agreement which shall entitle the Broadcaster to terminate the Agreement and deactivate or disconnect the signals of the Subscribed Channel(s) and take any other measures as may be lawfully appropriate.

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

**27. INDEMNITY AND THIRD PARTY CLAIMS:**

27.1. The Operator shall forever keep and hold the Broadcaster and the Broadcaster's Corporate Affiliates, subsidiaries, officers, directors, employees and agents fully indemnified and harmless against all liabilities, claims, costs, damages and expenses (including, without limitation, reasonable attorney's fees) resulting due to any of the Operator's acts, omissions, misstatements, and representations, warranties, undertakings or otherwise set out hereunder or any of its obligations pursuant to the Agreement.

27.2. Except as provided under the Agreement, neither Party shall have any rights against the other Party for claims by third persons or for non-operation of facilities or non-furnishing of the Subscribed Channel(s), if such non-operation or non-furnishing is due to failure of Equipment, satellite action or Force Majeure.

27.3. The Operator hereby agrees and undertakes that the Broadcaster shall not be liable for any claim, damage or legal proceedings that may be brought against the Operator by any of the Subscribers on in relation to the Channel including any addition, discontinuation, change in the nature or genre or the *Al-a-carte* or *Bouquet Rate* of the Channel and shall indemnify the Broadcaster from any such claim, damage or legal proceedings.

27.4. This Clause 27 shall survive termination of the Agreement.

**28. SEVERABILITY:**

28.1. If any provision of this Agreement becomes invalid, illegal or unenforceable, in whole or in part, the validity of the remainder provisions of this Agreement shall not be affected thereby, and the Parties shall agree to a valid substitute provision, which corresponds in its economic effect as closely as legally possible to the invalid or unenforceable provision which it replaces.



**29. NOTICES:**

- 29.1. All notices given hereunder shall be given in writing, by personal delivery, speed post or registered post acknowledgement due, at the correspondence address of the Operator and the Broadcaster set forth in the Agreement, unless either Party at any time or times designates another address for itself by notifying the other Party thereof by speed post or registered post acknowledgement due only, in which case all notices to such Party shall thereafter be given at its most recent address. Notice given by registered post acknowledgement due shall be deemed delivered on the third day from the date of dispatch of such registered post.
- 29.2. All requests for signals of Channels, notices and any other communication to the Broadcaster shall be addressed to the attention of Mr. Charles Jacob and Mr. Saikat Sarkar with a copy to the 'Legal Department', First Floor, Building No. 14, Solitaire Corporate Park, Guru Hargovindji Marg, Chakala, Andheri (East), Mumbai 400 093.

**30. NO USE OF 'DISNEY' NAME**

- 30.1. The Operator will not use the name "Disney" (either alone or in conjunction with or as part of any other words, name, logos or designs) or any trademarks, services marks, logos, fanciful character or design of Broadcaster or its Corporate Affiliate except as expressly permitted under this Agreement or in any way so as to constitute an endorsement, false association or testimonial, express or implied, of any party (including the Operator), or any service or product, and will not to be involved in or authorize any publicity or advertising in relation to a Disney product (except at Broadcaster's request) without Broadcaster's prior written approval. Any breach of the obligations under this Clause 30 shall be deemed a material breach of this Agreement.

**31. DATA PRIVACY**

- 31.1. The Operator authorizes and consents to the use of its personal or sensitive personal information ("Data") by Broadcaster including its Corporate Affiliates, agents, representatives, advisors or sub-contractors ("Authorized Entities"), for such lawful purposes as may be deemed necessary pursuant to this Agreement including for making payments due to the Operator. The Operator understands and acknowledges that (i) the Data is the Operator's personal or sensitive personal information as understood within the meaning of the Applicable Law(s); (ii) the Operator has voluntarily and at its option, agreed to provide the Data to the Authorized Entities for such lawful purposes as may be deemed necessary pursuant to this Agreement; and (iii) the Data will or may be transferred by Broadcaster to another party including its Authorized Entities, for such lawful purposes as may be deemed necessary pursuant to this Agreement. The use of the Data by Broadcaster shall be governed by the provisions of the global privacy policy including its addendum as applicable to Indian residents, available at [www.disney.in](http://www.disney.in). The Operator agrees and accepts to be bound by the terms thereof.

**32. GOVERNING LAW, JURISDICTION AND DISPUTE RESOLUTION:**

- 32.1. The rights and obligations of the Parties under the Agreement shall be governed by and construed in accordance with the laws of India. The TDSAT, to the exclusion of all other courts, shall have exclusive jurisdiction in respect of any dispute between the Parties arising out of or in connection with or as a result of this Agreement.

**33. ENTIRE UNDERSTANDING AND MODIFICATIONS:**

- 33.1. The Agreement contains the entire understanding between the Parties with respect to the subject matter covered herein. It supersedes all prior understandings between the Parties with respect to the subject matter hereof.

**34. BINDING AGREEMENT:**

34.1. The present Agreement has been arrived at between the Parties on their own free will, volition and without any force or coercion of any sort, whatsoever.

**35. OVERRIDING CONDITION**

35.1. Notwithstanding anything to the contrary contained herein, this Agreement is without prejudice to the right to challenge, impugn the Interconnect Regulations. The Broadcaster reserves the right to alter, modify, terminate this Agreement, subject to outcome of any present or future challenge to the Interconnect Regulations.

**IN WITNESS WHEREOF**, the Parties hereunto have set their hands towards execution of the Agreement.

<p><b>For</b> _____</p> <p>Signature: _____</p> <p>Name: _____</p> <p>Designation: _____</p> <p>PAN of the Operator: _____</p>
<p><b>For Disney Broadcasting (India) Limited</b></p> <p>Signature: _____</p> <p>Name: _____</p> <p>Designation: _____</p> <p>PAN of the Broadcaster: _____</p>

## Schedule 1

### Technical Specifications

#### **Specifications for Set-Top-Boxes (STBs), Conditional Access System (CAS) and Subscribers Management System (SMS)**

##### **(A) STB Requirements:**

1. All the STBs should have embedded Conditional Access (CA).
2. The STB should be capable of decrypting the Conditional Access inserted by the head-end of the Operator.
3. The STB should be capable of finger printing. The STB should support both Entitlement Control Message (ECM) and Entitlement Management Message (EMM) based fingerprinting.
4. The STB should be individually addressable from the head-end of the Operator.
5. The STB should be able to receive the messages from the head-end of the Operator.
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 including forced finger printing display.
9. The STB must be Bureau of Indian Standards (BIS) compliant.
10. The STBs should be addressable over the air to facilitate Over the Air (OTA) software upgrade.
11. The STB with facilities for recording the programs shall have a copy protection system.

##### **(B) Fingerprinting Requirements:**

1. The Operator shall ensure that it has systems, processes and controls in place to run finger printing at regular intervals.
2. The STB should support both visible and covert types of finger printing.
3. The finger printing should not be removable by pressing any key on the remote of STB.
4. The finger printing should be on the top most layer of the video.
5. The finger printing should be such that it can identify the unique STB number or the unique VC number.
6. The finger printing should appear on the screens in all scenarios, such as menu, Electronic Programme Guide (EPG), Settings, blank screen, and games etc.
7. The location, font colour and background colour of fingerprint should be changeable from head end and should be random on the viewing device.
8. The finger printing should be able to give the numbers of characters as to identify the unique STB and/or the VC.
9. The finger printing should be possible on global as well as on the individual STB basis.
10. The overt finger printing should be displayed by the Operator without any alteration with regard to the time, location, duration and frequency.
11. Scroll messaging should be only available in the lower part of the screen.
12. The STB should have a provision that finger printing is never disabled.
13. The watermarking network logo for all pay Channel(s) shall be inserted at encoder end only.

##### **(C) CAS and SMS Requirements:**

1. The Operator shall ensure that the current version of the CAS, in use, do not have any history of hacking.
2. The SMS shall be independently capable of generating, recording, and maintaining logs, for the period of at least immediate preceding two consecutive years, corresponding to each command executed in the SMS including but not limited to activation and

deactivation commands.

3. It shall not be possible to alter the data and logs recorded in the CAS and the SMS.
4. The Operator shall validate that the CAS, in use, do not have facility to activate and deactivate a Set Top Box (STB) directly from the CAS terminal. All activation and deactivation of STBs shall be done with the commands of the SMS.
5. The SMS and the CAS should be integrated in such a manner that activation and deactivation of STB happen simultaneously in both the systems.
6. The Operator shall validate that the CAS has the capability of upgrading STBs over-the-air (OTA), so that the connected STBs can be upgraded.
7. The fingerprinting should not get invalidated by use of any device or software.
8. The CAS and the SMS should be able to activate or deactivate services or STBs of at least 10% of the subscriber base of the Operator within 24 hours.
9. The STB and Viewing Card (STB VC) shall be paired from the SMS to ensure security of the channel.
10. The CAS and SMS should be capable of individually addressing subscribers, for the purpose of generating the reports, on channel by channel and STB by STB basis.
11. The SMS should be computerized and capable of recording the vital information and data concerning the subscribers such as:
  - a. Unique customer identification (ID)
  - b. Subscription contract number
  - c. Name of the subscriber
  - d. Billing address
  - e. Installation address
  - f. Landline telephone number
  - g. Mobile telephone number
  - h. E-mail address
  - i. Channel(s), bouquets and services subscribed
  - j. Unique STB number
  - k. Unique VC number.
12. The SMS should be capable of:
  - a. Viewing and printing of historical data in terms of the activations and the deactivations of STBs.
  - b. Locating each and every STB and STB VC installed.
  - c. Generating historical data of changes in the subscriptions for each subscriber and the corresponding source of requests made by the subscriber.
13. The SMS should be capable of generating reports, at any desired time about:
  - i. The total number of registered subscribers.
  - ii. The total number of active subscribers.
  - iii. The total number of temporary suspended subscribers.
  - iv. The total number of deactivated subscribers.
  - v. List of blacklisted STBs in the system.
  - vi. Channel and bouquet wise monthly subscription report in the prescribed format.
  - vii. The names of the Channel(s) forming part of each bouquet.

- viii. The total number of active subscribers subscribing to a particular channel or bouquet at a given time.
  - ix. The name of a-la carte channel and bouquet subscribed by a subscriber.
  - x. The ageing report for subscription of a particular channel or bouquet.
14. The CAS shall be independently capable of generating, recording, and maintaining logs, for the period of at least immediate preceding two consecutive years, corresponding to each command executed in the CAS including but not limited to activation and deactivation commands issued by the SMS.
15. The CAS shall be able to tag and blacklist STB VC numbers and STB numbers that have been involved in Piracy in the past to ensure that such STB VC or the STB cannot be re-deployed.
16. It shall be possible to generate the following reports from the logs of the CAS:
- a. STB-STB VC Pairing / De-Pairing
  - b. STB Activation / De-activation
  - c. Channel(s) Assignment to STB
  - d. Report of the activations or the deactivations of a particular channel for a given period.
17. The SMS shall be capable of generating bills for each subscriber with itemized details such as the number of Channel(s) subscribed, the network capacity fee for the Channel(s) subscribed, the rental amount for the customer premises equipment, charges for pay channel and bouquet of pay Channel(s) along with the list and retail price of corresponding pay Channel(s) and bouquet of pay Channel(s), taxes etc.
18. The Operator shall ensure that the CAS and SMS vendors have the technical capability in India to maintain the systems on 24x7 basis throughout the year.
19. The Operator shall declare the details of the CAS and the SMS deployed for distribution of Channel(s). In case of deployment of any additional CAS/ SMS, the same should be notified to the Broadcasters by the Operator.
20. Upon deactivation of any subscriber from the SMS, all programme/ services shall be denied to that Subscriber.
21. The Operator shall preserve unedited data of the CAS and the SMS for at least two years.

## Schedule 2

### THE OPERATOR'S ANTI-PIRACY OBLIGATIONS

#### **1. General**

1.1 The Operator shall take all necessary actions to prevent any unauthorized access to the Channel(s)/Subscribed Channel(s) through the Operator's Platform.

#### **2. STBs, STB VCs, Systems and Procedures**

2.1 In order to ensure that each STB is capable of being used for fingerprinting, the Operator shall ensure that the STBs supplied to Subscribers conform to the Bureau of Indian Standards established under the Bureau of Indian Standards Act, 1986.

2.2 The Operator represents, warrants and undertakes that there are adequate systems, processes and controls in place regarding the distribution of STBs and STB VCs so as to ensure that they are only sold by the Operator or by its authorized dealers and such sales are only made to bona fide Subscribers and installations are made at an applicable residential address. Adequate systems, processes and controls shall include, without limitation, the Operator:

2.2.1 collecting and maintaining complete up to date records of each and every Subscriber's details, and details of the location of every STB and STB VC including, without limitation, the particulars specified in Paragraph 2.4;

2.2.2 requiring all Subscribers to submit a utility bill or bank statement as proof of address, including any Subscribers who have been previously de-authorized prior to re-authorization, or independently physically verify the address by a person other than the dealer/sales unit, prior to activation of any STB and STB VC;

2.2.3 investigating any multiple STB VC issued under one individual name or address, including visiting the premises of such individuals or addresses from time to time;

2.2.4 deploying verification officers on a regular basis to visit and audit the accuracy and veracity of the Subscriber databases on a regular basis;

2.2.5 ensuring compliance by dealers including unannounced visits to dealers' premises from time to time;

2.2.6 requiring that for every change of address on the system and therefore re-location of a STB, there is an independent physical verification of the new residential address; and

2.2.7 de-authorizing any STB or STB VC that is found outside the Authorized Area(s) or in the possession of a person who is not a bona fide Subscriber.

2.3 The Operator represents, warrants and undertakes that all of its STBs and STB VCs: (i) are sold and installed together as a pack only and installed only at the premises of Subscribers whose address has been verified in accordance with Paragraph 2.2.1; and (ii) employ card-pairing technology that ensures once a STB VC is activated and paired to a particular STB, the Channel(s) or Subscribed Channel(s) cannot be viewed if such STB is removed and used with any other STB or used with a set top box of any other operator.

2.4 The Operator represents, warrants and undertakes that all installations of STBs and STB VCs are done directly by the Operator or through its authorized dealers and that the installer for every installation physically checks and ensures before installation and activation of a STB and STB VC that the address where the installation is being done matches with the address as supplied by the Subscriber at the time of purchase, hire purchase or renting of the STB and which is the same as detailed in the SMS. In accordance with Paragraph 2.2.1, the Operator's SMS shall contain all of the following information items for each Subscriber prior to activation of a STB and STB VC for such Subscriber:

2.4.1 Name;

2.4.2 Installation address;

2.4.3 Billing address (if different);

- 2.4.4 Telephone number of the installation address, where applicable;
  - 2.4.5 Subscriber's unique subscriber reference or subscription agreement number;
  - 2.4.6 Channel(s)/Operator bouquet that has been selected;
  - 2.4.7 Name and unique reference number of the dealer who sold the STB to such Subscriber;
  - 2.4.8 Name and unique reference number of the dealer who sold the subscription to such Subscriber (if different);
  - 2.4.9 Name and unique reference number of the installer (if different from the dealer);
  - 2.4.10 STB VC number; and
  - 2.4.11 Unique STB number.
- 2.5 The Operator agrees and undertakes that it shall not activate, or otherwise reactivate, as the case may be, those STB VCs, wherein the Channel(s) or Subscribed Channel(s) can be accessed from addresses which are:
- 2.5.1 not bona fide or do not match the addresses as supplied by the relevant Subscribers as detailed in the SMS; or
  - 2.5.2 outside the Authorized Area(s); or
  - 2.5.3 that of a cable head end or any other distributor of such Channel.
- 2.6 In order to ensure that the STB VC is only activated for bone fide Subscribers, the Operator further represents, warrants and undertakes that there are adequate controls to ensure (a) a STB VC is not activated before installation with its paired STB; and (b) that such STB VC is activated at the address of the Subscriber which matches with the address as supplied by the Subscriber at the time of purchase, hire purchase or renting of the STB and which is the same as detailed in the SMS.
- 2.7 The Operator represents, warrants and undertakes that it's SMS: (a) allows viewing and printing historical data, in terms of total activation, de-activation and re-activation of all Subscribers and all other records required under paragraph 2.4; and (b) enables the location of each and every STB and STB VC to be recorded.

### **3. Fingerprinting**

- 3.1 The Operator shall ensure that it has systems, processes and controls in place to run fingerprinting at regular intervals as per the specifications provided by the Broadcaster and as reasonably requested from time to time.
- 3.2 The Operator shall ensure that all STBs should support both visible and covert types fingerprinting and should be compatible for running fingerprinting whether operated by the Operator or by the Broadcaster.
- 3.3 The Operator shall ensure that it shall be able to operate the fingerprinting across all Subscribers based on pre-set parameters and such fingerprinting should, apart from the foregoing, be possible and available on global, group and regional bases at all times. On Screen Display should support a minimum number of characters that preserve uniqueness to that STB VC and STB and any amendment of those characters will be on a pre-determined, consistent basis.
- 3.4 The Operator shall ensure that the following processes shall be deployed to keep a check on Piracy and misuse of the signals of the Channel(s):
- 3.4.1 The Channel(s)' fingerprinting should pass through without masking or tampering with respect to time, location, duration and frequency;
  - 3.4.2 Fingerprinting to be provided by the Operator on the Channel(s), as per the scheme provided by the Broadcaster; the Broadcaster shall have a right to give the time, location, duration of fingerprinting at a reasonably short notice (i.e. at least 30 minutes prior notice or more).

#### **4. Conditional Access and other systems**

- 4.1 The Operator shall ensure that the Subscribed Channel(s) are broadcast in an encrypted form and in a form capable of fingerprinting.
- 4.2 The Operator represents and warrants that: (a) both the CAS and SMS shall be of a reputed organization and are currently being used by other pay television services that have, in aggregate, at least one (1) million subscribers in the global pay television market; (b) none of the current versions of the CAS have been hacked; (c) to the best of its knowledge, there are no devices or software available anywhere in the world that is capable of hacking or invalidating the fingerprinting technology; and (d) both its CAS and SMS shall be integrated and any activation/de-activation shall be processed simultaneously through both systems.
- 4.3 The Operator agrees that it shall, at its sole cost, be responsible for ensuring the Subscribed Channel(s) are distributed via a digital, encrypted format signal receivable only by its bona fide Subscribers.

#### **5. Piracy, piracy reports and prevention**

- 5.1 Each Party shall immediately notify the other Party if it ascertains or becomes aware that:
- 5.1.1 Any STB VC or STB is being located, supplied or sold outside the Authorized Area(s),
  - 5.1.2 Any of the Channel(s) are being viewed via a STB VC or STB by a third party that is not a Subscriber,
  - 5.1.3 A STB VC is being used for viewing the Channel(s) anywhere other than the registered address of a Subscriber, or
  - 5.1.4 A STB VC and/or STB are being used by a cable operator or other distributor to distribute any of the Channel(s) (each, a **"Piracy Event"**).
- 5.2 If the Broadcaster or the Operator becomes aware of a Piracy Event then the Operator shall take all necessary steps to prevent such unauthorized or illegal use of the Channel(s) or signals thereof.
- 5.2.1 In the event the Broadcaster decides to take legal or other action against any infringing party committing or causing any Piracy Event, the Operator shall provide all reasonable assistance to the Broadcaster to prevent or combat such Piracy Event.
- 5.3 The Operator agrees to change or upgrade its CAS and/or SMS in the event the CAS is shown to be hacked.
- 5.4 The Operator shall investigate and report to the Broadcaster any detected incidents of copying, transmitting, exhibiting or other illegal use of the Channel(s)/Subscribed Channel(s) via a STB and/or STB VC, or any illegal or unauthorized distribution or use of the Equipment that enable access to the Channel(s) or Subscribed Channel(s).



**Annexure A**

Effective Date for the Subscribed Channel(s): \_\_\_\_ day of \_\_\_\_\_, 201\_\_

**SUBSCRIBED CHANNEL(S) ON ALA CARTE RATE**

Tick here in case the Operator opts for the Subscribed Channel(s) on A-la Carte basis (✓)	Channel(s)	Genre	A-la-carte Rates (in INR)
	bindass PLAY	Music	0.50
	Disney Junior	Kids	5.00
	UTV Movies	Movies (Hindi)	1.50
	bindass	General Entertainment Channel (Hindi)	0.80
	UTV Action	Movies (Hindi)	1.00
	Hungama TV	Kids	2.25
	Disney Channel	Kids	2.25
	Disney XD	Kids	1.00

**BOUQUET RATE PER SUBSCRIBER PER MONTH**

Tick here in case the Operator opts for the Subscribed Channel(s) on Bouquet basis (✓)	Channel(s)	Bouquet Rates (in INR)
<b>Bouquet 1</b>	Disney Channel	4.675
	Disney XD	
	Hungama	
<b>Bouquet 2</b>	UTV Movies	3.23
	UTV Action	
	bindass	
	bindass PLAY	

**Annexure A1**

**Authorized Area (s)**

S. No.	Name of the Operator	State	District	Authorized Area(s)

**Installation Address of CAS:**

**Installation Address of SMS:**

**Local headend/Installation Address(es) of Digital Satellite Receiver No. and VC No.:**

S. No.	CRN	Name of cable operator	Address(es)	Authorized Area(s)

**Annexure B**

<b>EQUIPMENT DETAIL</b>			
<b>Channel(s)</b>	<b>Digital Satellite Receiver No. (IRD No.):</b>	<b>VC No.:</b>	<b>Unique Identification No.</b>
Bindass PLAY			
Disney Junior			
UTV Movies			
Bindass			
UTV Action			
Hungama TV			
Disney Channel			
Disney XD			

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**Annexure C**

**Report(s) Formats City wise/District wise.**

**Subscriber Report Format**

**Reported Month:** \_\_\_\_\_ **Year:** \_\_\_\_\_

Average Subscriber Base of a channel or bouquet shall be arrived at, by averaging the number of subscribers subscribing that channel or bouquet, as the case maybe, recorded four times in a month, as provided in table 1, and table 2 respectively. The number of subscribers shall be recorded at any point of time between 19:00 HRS and 23:00 HRS of the day.

**Table 1 – Monthly subscription for a-la carte channels**

Sl. No.	Name of the channel	Number of subscribers of the channel on the 7 <sup>th</sup> day of the month	Number of subscribers of the channel on the 14 <sup>th</sup> day of the month	Number of subscribers of the channel on the 21 <sup>st</sup> day of the month.	Number of subscribers of the channel on the 28 <sup>th</sup> day of the month	Average Subscriber Base of the channel
(1)	(2)	(3)	(4)	(5)	(6)	(7) = $(3)+(4)+(5)+(6)/4$

**Table 2 – Monthly subscription for bouquets of pay channels**

Sl. No.	Name of the bouquet	Name of constituent channel(s) of bouquet	Number of subscribers of the bouquet on the 7 <sup>th</sup> day of the month	Number of subscribers of the bouquet on the 14 <sup>th</sup> day of the month.	Number of subscribers of the bouquet on the 21 <sup>st</sup> day of the month	Number of subscribers of the bouquet on the 28 <sup>th</sup> day of the month	Average Subscriber Base of the bouquet
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8) = $(4)+(5)+(6)+(7)/4$

**Annexure D**

**CA declaration form (On the letterhead of the CAS Company)**

TO WHOMSOEVER IT MAY CONCERN

This is to certify that M/s \_\_\_\_\_, address: \_\_\_\_\_  
\_\_\_\_\_ having its headend at \_\_\_\_\_ has  
installed Conditional Access System (CAS) from our company for its digital addressable cable television  
platform.

Date of CAS Installation: \_\_\_\_\_ CAS Version: \_\_\_\_\_

CAS ID: \_\_\_\_\_, NETWORK ID: \_\_\_\_\_

With respect to the CAS installed at above mentioned headend, 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 (one) million subscribers in the global pay TV market.
4. The CAS has the capacity to handle at least 1 (one) million subscribers in the system.
5. We, the CAS system provider are able to provide monthly log of activation and deactivation on a particular channel or on a particular bouquet.
6. We have the technical capability in India to maintain this CAS system on 24 x 7 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 STB VC numbers and STB numbers that have been involved in piracy in the past to ensure that the STB 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 history logs of all activations and deactivations for the period of last 2 (two) years for every channel and bouquet.

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

Thanking you,

For (CAS company name)

(Signature)

Name: \_\_\_\_\_

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

Company seal:

**Annexure E**

**SMS declaration form (On the letterhead of the SMS Company)**

TO WHOMSOEVER IT MAY CONCERN

This is to certify that M/s \_\_\_\_\_, Registered Office address \_\_\_\_\_ having its headend at \_\_\_\_\_ has installed SMS from our Company for its digital addressable cable television platform.

Date of SMS Installation: \_\_\_\_\_

SMS Version: \_\_\_\_\_

With respect to the SMS installed at above mentioned headend, we confirm the following:

1. The SMS is currently in use by other pay TV services that have an aggregate of at least 1 (one) million subscribers in the global pay TV market.
2. The SMS has the capacity to handle at least 1 (one) 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 bouquet.
5. This SMS has the provision to tag and blacklist STB VC numbers and STB numbers that have been involved in piracy in the past to ensure that the STB VC or the STB cannot be redeployed.
6. The SMS is capable of individually addressing subscribers, on a channel by channel and STB by STB basis.
7. This SMS is independently capable of generating log of all activations and deactivations.
8. This SMS has the capability to store history logs of all activations and deactivations for the period of last 2 (two) years for every channel.

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

Thanking you,

For (SMS company name)

(Signature)

Name: \_\_\_\_\_

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

Company seal:

## Annexure F

### Scope of Audit

#### **Head End Audit:**

- Operator should provide Complete Accurate Schematic Diagram of their Head End, Earth Stations, Systems and Processes for Audit and Auditing Purpose.
- Operator to submit and 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.
- Operator to ensure that his network watermark logo is inserted on all pay channels at encoder end only.
- All pay channels IRDs to be provided to Operator by the Broadcaster should have SDI/Composite/ SDI output only. The Broadcaster should not give IRDs with ASI/IP output or CAM Module.

#### **CAS Audit:** Operator to provide all below information correctly:

- Make and version of CAS installed at Head End.
- CA system certificate (with version Information) to be provided by Operator.
- CA system must install the previous version update, and road map to install the upcoming update.
- CAS version installed should not have any history of hacking, certificate from CAS vendor required.
- CAS system should support at least 1 (one) million subscribers. CAS vendor should provide certificate.
- CAS should be able to generate log of all activities i.e. activation/deactivation/FP/OSD.
- CAS should be able to generate active/deactivate report channel wise/ bouquet wise.
- STB's SOC and smart cards to be uniquely paired from Operator before distributing box down the line.
- Operator 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 the Broadcaster by means of a fresh undertaking.
- Reconciliation of CAS database (active cards, service wise and bouquet wise) with SMS database to be provided by Operator. CAS vendor required to certified reconciliation of data.
- No activation / deactivation from direct CAS system, it must be routed via SMS client only.
- Operator should provide CAS vendor certified copies of active/deactivate channel wise/product wise report and Operator bouquet/product report during audit period.
- CA system should have the capability of providing history of all actions taken for last 2 (two) years.

#### **SMS Audit:**

- All product authorization must be originated from SMS only. Only after origination from SMS, the CAS should be communicated in this regard.
- SMS and CAS should be fully integrated for all the logics (including but not limited to subscriber provisioning, product entitlements etc.).
- The 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
  - § Service/Operator bouquet subscribed to
  - § Unique STB Number
  - § Unique STB VC Number
- The SMS should be able to undertake the viewing and printing historical data in terms of the activations, deactivations etc. It must also be able to provide this data in digital format (e.g. excel) for

further processing and intelligence.

- Location of each and every set top box STB VC unit
- The SMS should be capable of giving the reporting at any desired time about:
  - § The total no subscribers authorized
  - § The total no of subscribers on the network
  - § The total no of subscribers subscribing to a particular service at any particular date.
  - § The details of channels opted by subscriber on a-la Carte basis.
  - § The bouquet wise details of the channels in the package.
  - § The bouquet wise subscriber numbers.
  - § The ageing of the subscriber on the particular channel or bouquet
  - § Number of STBs activated and deactivated for the same subscriber with date information.
  - § The history of all the above mentioned data for the period of the last 2 years

1. Following parameter should be validated during the audit:

- (i) Review Complete Network Diagram
- (ii) Undertaking from Operators for all SMS and CAS installed at Head end – issue of Multiple CAS / SMS
- (iii) Certificate from CAS provider for details of CA ID, Service ID, N/w ID, version and no. of instances installed. Also confirmation with respect to history of hacking
- (iv) Check the number of MUX's installed with active TS outputs. Also whether all TS from MUX are encrypted.
- (v) Review whether Live diagram / fibre details of network are captured in SMS system
- (vi) To check if Operator specific coding / ID is available for finger printing
- (vii) Confirm whether watermarking network logo for all pay channels are inserted at encoder end only
- (viii) Review the controls deployed to ensure integrity and reliability of the reports such as logs, access controls, time stamp etc.
- (ix) 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 and contact details
  - Hardware details
- (x) Review the subscribers activation/ de-activation history in the SMS system
- (xi) Validate if the SMS is integrated with the Conditional Access (“CA”) system.
- (xii) Review if all the active and de-active STBs are synchronized in both SMS and CA system.
- (xiii) Validate if independent logs/report can be generation for active and de-active STB VCs with the product/channels active in both SMS and CA systems.
- (xiv) Review if the system support the finger printing and OSD features at Box level, Customer account level as well as Global level.
- (xv) Validate if all the STBs are individually addressable from the System and are paired with the STB VCs.
- (xvi) Review the Electronic Programming Guide to check LCN/CDN and genre of all Channel(s)
- (xvii) Review the various bouquet programmed in the Systems with respect to the subscriber reports submitted to the Broadcaster.
- (xviii) Extraction and Examination of System Generated reports, statistics, data bases, etc. pertaining to the various bouquet, schemes, channel availability, bouquet composition, rates,
- (xix) Review of the following reports are supported by SMS and CA System.
  - a. Total no of Subscribers – active and de-active separately
  - b. De-active subscribers with ageing
  - c. Channel wise Subscribers - total
  - d. Channel wise Subscribers – split by bouquet
  - e. Revenue by Operator bouquet / Channel
  - f. Subscriber/Revenue Reports by State/City
  - g. No of bouquet /services offered
  - h. List of Channel(s) / rates of each bouquet
  - 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 CA system

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

- Operator to provide details of manufacturers of STB's being used / to be used by him (OS/Software, memory capacity, zapping time). All STBs must be secure chipset with chipset pairing mandatory.
- Operator should provide one set of all type/model of boxes for testing and monitoring purpose.
- All STBs used by Operator's should be certified by their CAS vendor.
- Forensic watermarking to be implemented on the Operator headend and STBs.
- ECM/EMM base Forced messaging full screen and ticker mode should be available.
- All the STBs should have embedded Conditional Access.
- The STB should be capable of doing finger printing. The STB should support both Entitlement Control Message (ECM) and Entitlement Management Message (EMM) based fingerprinting.
- The STB should be individually addressable from the Head end.
- The messaging character length should be minimum of 120 characters.
- 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 to smart card.
- There should be a system in place to secure content between decryption and decompression within the STB.
- The 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 and DVI output.
  - (iv) DTCP 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 (CGMS-A, HDCP etc.)? 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 and also should display live FP during play out.
  - § Recorded content should be encrypted and not play on any other devices.
  - § Recorded content should get automatically deleted once the content license expires.
  - § 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.

**Distribution Network Audit:** Operator should provide below information in detail:

- Fiber network and PIT information on Geo Map.

- Service area to be defined.

**Anti-Piracy Measure:** Use of any device or software should not invalidate the fingerprinting.

- The overt finger printing should not be removable by pressing any key from the remote.
- The overt finger 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 STB 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 broadcaster should be displayed by the Operator 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.

### Commercial Audit

1. Provide system generated channel-wise and bouquet -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
  - Provisioning of the subscriber in authentication, billing and SMS system
  - Scheme / bouquet change request process
  - Customer Retention process, if any
  - Deactivation and churn process
3. Understand/ Verify the various schemes / bouquet being offered to customers
  - Obtain details of all approved schemes / bouquet and add on which are being offered to customers
  - Interactions with the Operator's marketing and sales team on how the various channels are being marketed
  - Any special marketing schemes or promotions
  - Details of the consumers subscribing to the various schemes/ bouquet, 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 Channel(s)/bouquet containing the Channel(s)
  - 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)
  - Analyze the computation of average subscribers
  - Ascertain the average subscribers for a specific period on a sample basis by generating a sample report for a given period in the presence of the representative/auditors
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 the Broadcaster declarations
  - Channel allocation/fixation to a particular LCN/CDN
  - Mapping of subscriber id across the CRM and SMS billing system if the same is different across the systems

- Sample of activation and deactivation request logs
- Opening and closing numbers of the active subscribers for sample months ( report to be taken in front of the auditors/ rep)
- Confirmation of the numbers on the middle of the Month on a random chosen dates ( report to be taken in front of the auditors/ 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 Operator in its area of operation. In case more than one CAS and SMS system is used by Operator, then understand and analyze how multiple markets are segregated, controlled, reported and invoiced
- Similarly, list of head-ends of the operator providing services in its areas of operation and for such head-ends, understand and analyze how the two markets are segregated, controlled, reported and invoiced.
- In case of multiple CAS being used by Operator, to understand synchronization between multiple CAS and SMS.

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## Annexure G

### EXECUTION REQUIREMENTS

#### SECTION A

In addition to the documents set out in Section B below, Operator shall furnish the following on or before the execution of the Agreement:

- (i) copy of the report by auditor in compliance with the Schedule III of the Telecommunication (Broadcasting and Cable) Services Interconnection (Addressable Systems) Regulations, 2017;
- (i) complete network diagram;
- (ii) CAS Declaration; and
- (iii) SMS Declaration

#### SECTION B

Operator shall furnish the following documents, on or before the execution of the Agreement, as may be applicable:

- 1. If the Operator is an individual or a sole proprietor:**
  - (i) Photograph of the proprietor of the Applicant firm.
  - (ii) Proof of residence – Passport / Voter's ID Card/ration card/Electricity bill /Income Tax Returns.
  - (iii) Self-attested copy of Passport / Voters ID / PAN Card / Driving license for signature verification.
  - (iv) Copy each of Postal Registration Number, CAS License together with undertaking provided under Rule 11F of the Cable Rules or DAS License (whichever is applicable), Service Tax Registration, TAN No., Entertainment Tax Registration Number.
- 2. If the Operator is a partnership firm:**
  - (i) Certified true copy of the registered Partnership Deed.
  - (ii) Separate powers of attorney signed by all partners authorizing the signatory to sign this Agreement and any amendment thereto and all related documents on behalf of the Firm.
  - (iii) Photograph of the signatory.
  - (iv) Copy of Passport / Voters ID / PAN Card / Driving license for signature verification attested by the authorized signatory.
  - (v) Copy of Postal Registration Number, CAS License together with undertaking provided under Rule 11F of the Cable Rules or DAS License (whichever is applicable), Service Tax Registration, TAN No., Entertainment Tax Registration Number.
- 3. If the Operator is a company:**
  - (i) The Certificate of Incorporation – certified by the Company Secretary /Director.
  - (ii) Memorandum and Articles of Association of the company.
  - (iii) Board resolution certified by the Company Secretary/Director authorizing the signatory to sign the Agreement and any amendment and all related documents on behalf of the Company.
  - (iv) Copy of Passport / Voters ID / PAN Card / Driving license for signature verification attested by the authorized signatory.
  - (v) Photograph of the signatory.
  - (vi) Copy each of Postal Registration Number, CAS License together with undertaking provided under Rule 11F of the Cable Rules or DAS License (whichever is applicable), Service Tax Registration, TAN No., Entertainment Tax Registration Number.
- 4. If the Operator is a Hindu Undivided Family "HUF"**

- (i) The photograph of the Karta.
- (ii) The Proof of Residence - Voters Identity Card or Passports of Karta or Electricity bill / Income Tax returns.
- (iii) The names of all coparceners and his/her relation with the Karta.
- (iv) Relevant documents, including any Partition Deed, Family Settlement Deed, etc.
- (v) Copy of Passport / Voters ID / PAN Card / Driving License for signature verification attested by the Karta.
- (vi) Copy each of Postal Registration Number, CAS License together with undertaking provided under Rule 11F of the Cable Rules or DAS License (whichever is applicable), Service Tax Registration, TAN No., Entertainment Tax Registration Number.

**5. If the Operator falls into the “Other” category**

- (i) Copy of DAS License, Service Tax Registration, TAN No., Entertainment Tax Registration Number.
- (ii) Such documents as may be required by the Broadcaster.

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