AGREEMENT FOR PROVISIONING OF SET-TOP BOXES

This Memorandum of Agreement (“Agreement”) has been executed on this day at Chennai and shall be effective from the

BETWEEN

Tamil Nadu Arasu Cable TV Corporation Limited, having its registered office at Dugar Towers, 6th Floor, No34 (123), Marshalls Road, Egmore, Chennai-600008, hereinafter referred to as the PARTY OF THE FIRST PART, which expression shall unless it be repugnant to the context or meaning thereof be deemed to mean and include its executors, administrators and assigns;

AND

, a Proprietorship company / Partnership / a company registered under Companies Act 1956 and represented by its Proprietor/ partner / Director hereinafter referred to as the PARTY OF THE SECOND PART, which expression shall unless it be repugnant to the context or meaning thereof be deemed to mean and include its executors administrators and assigns.

WHEREAS the PARTY OF THE FIRST PART is having a Digital Headend System at Chennai and running their business as a Multi System Operator “MSO” by providing digital cable television signal and services to other cable TV operators.

WHEREAS the PARTY OF THE SECOND PART is a Local Cable Operator “LCO” in the area of ------------------- duly registered in terms of the Cable Television Act and Rules having Postal License No ---------- dated ------------.

WHEREAS the PARTY OF THE SECOND PART is availing digital signals of the PARTY OF THE FIRST PART for re-transmission to its customers and has executed as Interconnect Agreement dated ---------- in this regard. The PARTY OF THE SECOND PART is desirous of obtaining Set Top Boxes (hereinafter referred to as ‘STBs’, which shall mean and includes a Set Top Box along with all accessories i.e. AV cord, Adapter and Remote Control, HDMI cable and such other accessories which are provided by the PARTY OF THE FIRST PART to the PARTY OF THE SECOND PART to be provided to its customers.
WHEREAS the present Agreement is in addition to the aforementioned interconnect Agreement executed between the parties and the present Agreement governs the relationship of the parties in respect of STBs provided by the PARTY OF THE FIRST PART to the PARTY OF THE SECOND PART.

NOW, THIS AGREEMENT WITNESSETH AND IN CONSIDERATION OF THE MUTUAL PROMISES AND COVENANTS SET OUT HEREIN, THE PARTIES HAVE AGREED TO TERMS RECORDED HEREUNDER:

1. The PARTY OF THE FIRST PART shall supply to the PARTY OF THE SECOND PART such number of STBs as will be mutually decided by the parties based on the connectivity of the PARTY OF THE SECOND PART against duly acknowledged Delivery Challan’s stamp and seal of the PARTY OF THE SECOND PART.

2. The PARTY OF THE FIRST PART shall Provide STBs under promotional and regular schemes to the PARTY OF THE SECOND PART which will be solely at the discretion of the PARTY OF THE FIRST PART. The PARTY OF THE FIRST PART will issue the STBs to the PARTY OF THE SECOND PART as per the prevalent and applicable scheme on the date such request is made by the PARTY OF THE SECOND PART. The PARTY OF THE SECOND PART shall not have any right to seek issuances of STBs on the basis of any regular or promotional scheme which has expired/changed/modified and/or is no longer being offered by the PARTY OF THE FIRST PART. The details of the scheme chosen by the PARTY OF THE SECOND PART will be specified on the Delivery Challan issued by the PARTY OF THE FIRST PART and the same shall be final and binding upon the parties.

3. The terms and condition i.e., amount of security deposit/one time entry fee/Activation charge etc., of the STBs has decided by the PARTY OF THE FIRST PART issued under the various schemes shall be set forth in the delivery challan which shall be duly acknowledged by the PARTY OF THE SECOND PART shall be final and binding upon the parties.

4. The PARTY OF THE FIRST PART shall be free to change / modify / remove and/ or alter any promotional or regular scheme or any thereof as per its business model / requirement and the PARTY OF THE SECOND PART shall have no objection with regard to the same.

5. The PARTY OF THE SECOND PART undertakes to provide the STBs to the consumer as per the applicable scheme under which the STB has been issued, and the PARTY OF THE SECOND PART shall not charge any amount in excess of the amount mentioned in the delivery challans. In the event, the PARTY OF THE SECOND PART alters/modifies the scheme while providing the STBs to the customers; the same would be considered a material breach of terms of the present agreement.
6. The PARTY OF THE SECOND PART undertakes to activate STBs only after the customer provides a dully filled up Consumer Application Form (CAF) to the PARTY OF THE SECOND PART. The PARTY OF THE SECOND PART is solely responsible for ensuring collection of duly filled up CAFs and the PARTY OF THE FIRST PART shall not be liable for any default committed by the PARTY OF THE SECOND PART and PARTY OF THE SECOND PART agrees to indemnify the PARTY OF THE FIRST PART for any loss/damage/claim which may arise against the PARTY OF THE FIRST PART on account of any default of the PARTY OF THE SECOND PART.

7. The PARTY OF THE SECOND PART further undertakes to maintain a record of the CAF collected from the customers and would provide the same in original to the PARTY OF THE FIRST PART as and when demanded by the PARTY OF THE FIRST PART. The failure on the part of the PARTY OF THE SECOND PART in providing the CAF would be considered a material breach of the terms of the present agreement.

8. In case, a STB issued by the PARTY OF THE FIRST PART to the PARTY OF THE SECOND PART under a promotional scheme is not installed at the customer’s premises within a period of one (1) month, the same shall be returned on expiry of the period of one (1) month by the PARTY OF THE SECOND PART to the PARTY OF THE FIRST PART, failing which the PARTY OF THE SECOND PART shall pay to the PARTY OF THE FIRST PART the entire cost of the STB.

9. In Case, a STB issued by the PARTY OF THE FIRST PART to the PARTY OF THE SECOND PART under a promotional scheme is deactivated for period of 3 consecutive months, the same shall be returned immediately on expiry of the period of 3 months by the PARTY OF THE SECOND PART to the PARTY OF THE FIRST PART Failing which the PARTY OF THE SECOND PART shall pay to the PARTY OF THE FIRST PART the entire cost of the STB along with the subscription charges.

10. It is expressly agreed and acknowledged by the PARTY OF THE SECOND PART that all STB’s issued by the PARTY OF THE FIRST PART to the PARTY OF THE SECOND PART under any promotional, shall continue to remain the sole and exclusive property of the PARTY OF THE FIRST PART and the PARTY OF THE FIRST PART shall retain all rights, title and interest in the STBs issued by it to the PARTY OF THE SECOND PART. The PARTY OF THE SECOND PART shall not have any claim of any nature with regard to the rights, title interest and /or ownership in the STBs issued by the PARTY OF THE FIRST PART to the PARTY OF THE SECOND PART.
11. In case, the PARTY OF THE SECOND PART migrates/ disassociates from the Network of the PARTY OF THE FIRST PART or the PARTY OF THE FIRST PART discontinues supply of signals to the PARTY OF THE SECOND PART in terms of the TRAI Regulations, the PARTY OF THE SECOND PART shall unconditionally and immediately return all STB’s to the PARTY OF THE FIRST PART.

12. In the event, the PARTY OF THE SECOND PART after migrates / disassociates from the Network of the PARTY OF THE FIRST PART or After the PARTY OF THE FIRST PART discontinues supply of signals to the PARTY OF THE SECOND PART in terms of the TRAI Regulations, the PARTY OF THE SECOND PART shall unconditionally and immediately return all STB’s to the PARTY OF THE FIRST PART it shall pay to the PARTY OF THE FIRST PART for the entire cost of the STB’s Provided by the PARTY OF THE FIRST PART to the PARTY OF THE SECOND PART. The PARTY OF THE SECOND PART agrees and acknowledges that the cost of 1 standard Definition STB is Rs.__________ and the cost of High Definition STB is Rs.__________

13. The PARTY OF THE SECOND PART unconditionally agrees and acknowledges that the PARTY OF THE FIRST PART has made a large investment in procuring and providing STB’s to the PARTY OF THE SECOND PART under various Promotional and regular schemes below the actual cost price of the STB’s in view of a long term and ongoing relationship between the Parties. In the event, the PARTY OF THE SECOND PART after migration / disassociation from the Network of the PARTY OF THE FIRST PART or After the PARTY OF THE FIRST PART discontinues supply of signals to the PARTY OF THE SECOND PART in terms of the TRAI Regulations the PARTY OF THE SECOND PART, the PARTY OF THE SECOND PART shall in addition to returning the STB’s to the PARTY OF THE FIRST PART as mentioned above pay to the PARTY OF THE FIRST PART the value of depreciation to the calculated as per TRAI Regulations for the Period of usage in respect of the STB’s issued and returned.

14. In the event, the PARTY OF THE SECOND PART has given any Security Deposit to the PARTY OF THE FIRST PART, the same shall only be refunded after adjustment of all arrears payable by the PARTY OF THE SECOND PART to the PARTY OF THE FIRST PART under the Interconnect Agreement and / or under this Agreement.

15. In the event of any material breach committed by the PARTY OF THE SECOND PART, the PARTY OF THE FIRST PART shall discontinue supply of signals to the PARTY OF THE SECOND PART in terms of the TRAI Regulations and the PARTY OF THE SECOND PART would be liable to return the STB’s in good working condition along with the value of depreciation for the period of usage in respect of the STB’s issued and returned.
16. The PARTY OF THE SECOND PART agrees and acknowledges that the present agreement has been read over and explained to the PARTY OF THE SECOND PART is vernacular by its chosen translator and it has understood each and every clause of the present agreement and it has taken advice from the subject matter experts including but not limited to finance, technical, legal and tax experts, pertaining to the implications of all terms and conditions of the present Agreement. It is agreed and acknowledged by the parties that the Present Agreement has executed out of free will and volition and without any coercion or duress of any kind whatsoever.

In WITNESSETH whereof both the parties herein execute this agreement on this day, month and year mentioned above.

FIRST PART

SECOND PART

WITNESSESS

1.

2.

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