

SUBSCRIPTION AGREEMENT OF DISCOVERY COMMUNICATIONS INDIA
("BROADCASTER") FOR DIRECT-TO-HOME ("DTH") FOR INTERCONNECTION
WITH DIRECT-TO-HOME OPERATOR ("OPERATOR") (for HD Channels)

This Subscription Agreement ("Agreement") is entered into between Discovery Communications India, a company incorporated under the laws of India, having its registered office at, 125 – B, Som Datt Chamber – 1, 5 Bhikaji Cama Place, New Delhi – 110066 and corporate office at corporate office at Building No 9, Tower A, 9th Floor, DLF Cyber City, Gurgaon - 122002 (hereinafter referred to as "**Broadcaster**", which expression, unless repugnant to the meaning or context thereof, shall be deemed to mean and include its successors and permitted assigns)

AND

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

Broadcaster and the Operator may singularly be referred to as Party and together as Parties.

RECITALS:

The Parties represent that they have the requisite power and authority to enter into this Agreement and create the mutual rights and obligation that are contractually binding in nature and legally enforceable at law.

This Agreement entered into between the Parties is subject to the interconnection regulations, and tariff orders notified by TRAI and their subsequent amendments notified from time to time and other applicable laws.

AND WHEREAS relying upon Operator's representation, Broadcaster has agreed to provide the Channels to the Operator, subject to the terms and conditions contained herein.

NOW THEREFORE THIS AGREEMENT WITNESSETH AND IN CONSIDERATION OF THE PREMISES, MUTUAL PROMISES, COVENANTS, WARRANTIES SET FORTH HEREINAFTER, IT IS MUTUALLY AGREED AND DECLARED BY AND BETWEEN THE PARTIES AS UNDER: -

I. DEFINITIONS

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

- i. "**Addressable System**" means an electronic device (which includes hardware and its associated software) or more than one electronic device put in an integrated system through which signals of Direct To Home network can be sent in encrypted form, which can be decoded by the device or devices, having an activated CAS at the premises of the subscriber within the limits of

authorization made, through CAS and SMS, on the explicit choice and request of such subscriber, by the Operator to the subscriber

- ii. "**Affiliate**" of a Party (the "**Subject Person**") means (i) in the case of any Subject Person, any other Person that, either directly or indirectly through one or more intermediate Persons, controls, is controlled by or is under common control with the Subject Person, and (ii) in the case of any Subject Person that is a natural Person, his/her parents, spouse or children, or any Person that is owned or controlled by such natural person or any of the aforesaid mentioned Persons. For the purposes of this definition, "**Control**" means (a) having an economic interest of at least 26% of any Person; and/or (b) the power to direct and control the management or policies of a Person, whether through the power to appoint majority of the members on the board of directors or similar governing body of such Person, through contractual arrangements or otherwise.
- iii. "**A-la-carte**" means an offering of the television Channel individually on a standalone basis;
- iv. "**Anti-Piracy Obligations**" shall mean necessary compliances to ensure prevention / curbing of piracy as set out in Clause 17 of this Agreement.
- v. "**Territory**" shall mean such geographical area/location of India.
- vi. "**BIS**" shall mean Bureau of Indian Standards.
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- vii. "**Broadcaster Channels**" shall mean and refer to the linear **High Definition (HD)** satellite channels owned and/or operated by the Broadcaster and offered for subscription only on A-la-carte basis as listed in **Schedule I**, which list may be updated to include any new television HD channel distributed by the Broadcaster from time to time.
- viii. "**CAM**" shall mean conditional access module owned, operated and supplied by the Broadcaster and used in conjunction with a Viewing Card and an IRD in order to facilitate the receipt of the Services by the Operator
- ix. "**CAS**" shall mean the conditional access system maintained by the Operator in accordance with the Interconnection Regulations and the terms of this Agreement, which shall have the ability to authorize, provide and deny specific Channels, data, or information to paying Subscribers and which meets the requirements set out under **Schedule IV** of this Agreement
- x. "**Cable TV Act**" means the Cable Television Act, 1995 and its Amendment Act of 2011.
- xi. "**Channel(s)**" shall mean and refer to one or more of Broadcaster Channels which are subscribed to by the Operator by way of this Agreement, only on A-la-Carte basis, by way of specific selection by the Operator as set out in **Schedule II**. Channel(s) shall exclude those Broadcaster Channels which are not specifically selected by Operator under **Schedule II**.
- xii. "**Channel Marks**" means the trade names, trademarks, logos and service marks used by the Broadcaster and/or its Affiliates from time to time in connection with the Channels including without limitation the trade names, marks or logo specified by the Broadcaster or otherwise notified in writing by the Broadcaster from time to time;
- xiii. "**Commencement Date**" shall mean date specified in this Agreement. .
- xiv. "**Broadcaster Bank Account**" means the bank account of the Broadcaster, details of which have been communicated and notified as such by the Broadcaster (whether as part of the invoice or by way of a separate communication, emails permitted)
- xv. "**Confidential Information**" means: (a) any information concerning the organization, business, technology, trade secrets, know-how, finance, transactions or affairs of a Party or any of its Affiliates, directors, officers or employees (whether conveyed in written, oral or in any other form and whether such information is furnished before, on or after the date hereof) of the Parties, (b) any material or information disclosed to the Operator by the Broadcaster for the

purposes of this Agreement (c) any information or materials prepared by a Party or its representatives that contains or otherwise reflects, or is generated from Confidential Information;

- xvi. "**CPE**" means Customer Premises Equipment to be used
- xvii. "**Consumer**" means any person, who is subscriber of any broadcasting service(s) in the territory of India
- xviii. "**DTH**" means distribution of multi channel TV programmes by using a satellite system by providing TV signals directly to subscriber's premises without passing through an intermediary such as cable operator or any other distributor of TV channels
- xix. "**Disconnection Notice**" means notice by the Broadcaster to discontinue services to operation by means of a disconnection notice
- xx. "**Distribution System**" shall mean the direct to home platform owned and/or operated by the DTHO in order to distribute the Channels in Ku band by using a satellite system directly to a Subscriber within the Territory without passing through an intermediary such as a cable operator or any other distributor of television channels. For the purposes of this definition, Distribution System shall not include distribution on any other digital addressable system, cable television platform, HITS and IPTV platforms.
- xxi. "**Due Date**" the date on which payment for services offered by the Broadcaster are due on the Operator which is decided as per individual agreement
- xxii. "**EPG**" means electronic programming guide.
- xxiii. "**Equipment(s)**" means and includes IRDs, Viewing Card(s) and CAM, as applicable;
- xxiv. "**End Date**" means date of expiry of contract.
- xxv. "**Force Majeure Event**" shall mean any act, cause, contingency or circumstance beyond the control of the Broadcaster, as the case may be, including, without limitation, any governmental action, order or restriction (whether international, national or local), war (whether or not declared), public strike, riot, labour dispute, act of God, flood, fire, public disaster, public transportation dispute, satellite failure or transponder failure
- xxvi. "**Governmental Authority**" means any government authority, statutory authority, government department, agency, commission, board, tribunal or court or other law, rule or regulation making entity having or purporting to have jurisdiction over such Party and shall include without limitation TRAI, MIB, TDSAT or any other body or authority regulating the broadcasting and distribution of channels in India;
- xxvii. "**Intellectual Property**" shall mean and include, without limitation: (i) all rights, title and interest in the programming on the Channels; (ii) the Channel Marks and all trademarks, trade names, service marks, logos, materials, formats, and concepts relating to the Channels; and (ii) any trademarks, trade names, logos, names, titles of the rights holders of any programming exhibited on the Channels
- xxviii. "**Interconnection**" means the technical arrangements under which service providers connect, including through electro-magnetic signals, their equipment, networks and services to enable their customers to have access to the customers, services and /or networks of other service providers
- xxix. "**Interconnect agreement**" for the purpose of these regulations means agreements on interconnection including service contract, memorandum of understanding and all its grammatical variations and cognate expressions providing inter-alia terms and conditions of business including commercial terms between the broadcaster of pay channels and the distributor of TV channel, and also among distributors of TV channels

- xxx. "IRD" or "DSR" shall mean decoder, receiver or integrated receiver-decoders as set out in **Schedule III** hereto, which is owned, operated and supplied by the Broadcaster and which is used in conjunction with a Viewing Card and CAM in order to facilitate the receipt of the Channels by Operator;
- xxxi. "Law" or "**Applicable Law**" shall mean all applicable statutes, enactment, acts of legislative, ordinance, rules, by-laws, regulations, notifications, guidelines, policies, directions, and orders of any Government, Authority, including without limitation (a) the Interconnection Regulations; (b) the Cable TV Act and rules framed thereunder; (c) any rules, directions, regulations, guidelines, and code of conduct of the MIB and TRAI
- xxxii. "**MIB**" shall mean the Ministry of Information and Broadcasting
- xxxiii. "**Person**" means any individual or other entity, whether a corporation, firm, company, joint venture, trust, association, organization, partnership or proprietorship, including any governmental agency or regulatory body
- xxxiv. "**Piracy**" shall have the meaning ascribed to it in clause 17 (Anti-Piracy) in this Agreement.
- xxxv. "**Piracy Event**" an event that fulfills the conditions of piracy.
- xxxvi. "**Platform**" shall mean DTH platform owned and/or operated by the Operator and its sub-operators in the Authorized Area and for purposes of clarity shall exclude any and all other media platforms and means of distribution of content and television channels including, without limitation, analogue cable systems, non-addressable digital cable systems, headend-in-the-sky (HITS) and internet protocol television (IPTV);
- xxxvii. "**Promotional Material**" means such material, information, and merchandise, made available by the Broadcaster to the Operator for the purpose of promoting the Channel, and shall include without limitation flyers, banners, hoardings, stickers, handouts
- xxxviii. "**Rate**" shall mean the rates of the Channels offered by the Broadcaster as set out in **Schedule II**;
- xxxix. "**Security Deposit**" shall have the meaning assigned to it under Clause 9 (Integrated Receiver Decoders and Viewing Cards).
 - xl. "**Security Systems**" shall have the meaning ascribed to it under Clause 17 (Anti Piracy).
 - xli. "**Set Top Box**" or "**STB**" shall mean a device which is connected to or part of a television set and as per requirement described in this agreement, which allows a Subscriber to receive the Channels in descrambled form
 - xl.ii. "**SMS**" shall mean the subscriber management system maintained by Operator in accordance with the Law and as more particularly described in **Clause 12** of this Agreement;
 - xl.iii. "**Subscriber**" shall mean any ordinary subscriber availing the Channel(s) through a single Set Top Box through the Distribution System and who does not further transmit the Service to any other Person and specifically excludes commercial subscribers and commercial establishments.;
 - xl. iv. "**Subscriber Package**" shall include assortment of distinct channels, offered together as a group or as a bundle or as bouquet(s) by the Operator and includes any offering to the Subscriber which comprises, contains, constitutes and is composed of more than one channel shall be construed accordingly
 - xl. v. "**Subscriber Report**" shall mean the report referred to in **Clause 12**.
 - xlvi. "**TDSAT**" shall mean Telecom Disputes Settlement and Appellate Tribunal.
 - xl. vii. "**Technical Audit**" audit conducted by Broadcaster as per given format.
 - xl. viii. "**Term**" shall mean the duration of the contract as set out in Clause 2.
 - xl. ix. "**TRAI**" shall mean the Telecom Regulatory Authority of India
 - l. "**Viewing Card**" means the viewing card as set out hereto, owned, operated and supplied by the Broadcaster and which is to be used in conjunction with the IRD for the Operator to access and decode each Channel(s)

II. RULES OF INTERPRETATION

Unless the context of this Agreement otherwise requires:

- a. the Schedules shall form an integral part of this Agreement;
- b. the clause, schedule and paragraph headings are included for convenience only and shall not affect the interpretation of this Agreement;
- c. words using the singular or plural number also include the plural or singular number, respectively;
- d. words of any gender are deemed to include the other gender;
- e. the terms "hereof", "herein", "hereby", "hereto" and derivative or similar words refer to this Agreement or specified provisions of this Agreement, as the case may be;
- f. the term "Clause", "Section" or "Schedule" refers to the specified Clause, Section or Schedule of this Agreement;
- g. any reference to a "person" includes natural persons, firms, partnerships, companies, corporations, associations, organizations, governments, states, governmental or state agencies, foundations and trusts (in each case whether or not having separate legal personality and irrespective of the jurisdiction in or under the law of which it was incorporated or exists);
- h. a reference to "writing" includes email, except as expressly provided otherwise;
- i. reference to statutes, regulations or statutory provisions include references to any orders, or regulations made thereunder and references to any statute, provision, regulation, order or regulation include references to that statute, provision order or regulation as amended, modified, re-enacted or replaced from time to time;
- j. the words "including" and "inter alia" shall be deemed to be followed by "without limitation" or "but not limited to" whether or not those words are followed by such phrases; and
- k. the words "directly or indirectly" mean directly, or indirectly through one or more intermediary persons or through contractual or other legal or beneficial arrangements, and "direct or indirect" have the correlative meanings.

III. TERMS

1. Parties	DISCOVERY COMMUNICATIONS INDIA ("DCI/Broadcaster") and Operator
2. Term	<p>The "Term" of the Agreement shall begin from _____ ("Commencement Date"), and continue till _____ ("End Date") set forth in this Agreement, unless terminated earlier in accordance with the terms of the Agreement.</p> <p>The Term of the Agreement may be extended on terms and conditions to be mutually agreed and recorded in writing between the parties. If the Parties wish to renew this Agreement on the expiry of the Term, both Parties shall enter into discussions at least sixty (60) days prior to the expiry of the Term.</p>
3. Territory	For the purpose of this Agreement it shall mean the Territory of India. The Operator shall not extend its operations beyond the Territory. In the event the Operator re-transmits the signals of the Channels beyond the Territory, the same shall amount to breach of the terms of this Agreement; including but not limited to infringement of copyright and broadcast reproduction rights of the Broadcaster, thereby entitling the Broadcaster to terminate this Agreement and suspend the signals of the Channels to the Operator as per the terms of this Agreement. This shall however be without prejudice to any other rights of the Broadcaster..

<p>4. Rights Granted</p>	<p>Broadcaster grants to Operator the non-exclusive right / license to carry / distribute the Channels and the Operator undertakes to retransmit the Channels (as defined herein) during the Term via Ku-band direct-to-home satellite transmission ("DTH") in the Territory on the DTH distribution platform owned and operated by Operator for distribution to Subscribers. Broadcaster shall make available simultaneously to Operator the same feed including additional language feeds (wherever applicable) as it shall make available to other Distribution Platforms in the Territory.</p> <p>All other rights and means of distribution not specifically and expressly granted to Operator are expressly excluded and reserved by Broadcaster, including, but not limited to, transmission via any "Digital Addressable Systems " ("DAS") "Headend-In-The-Sky" ("HITS") platform, analogue cable systems, IPTV systems, Mobile and the Internet.</p> <p>Notwithstanding anything contained in this Agreement, the rights granted by Broadcaster to the Operator under this Agreement shall be limited only to the broadcast reproduction right as set out in the Indian Copyright Act, 1957 (as amended from time to time). Nothing contained in this Agreement shall permit the Operator to provide its Subscribers the right to further communicate, or re-transmit the Channels in any manner whatsoever. For the avoidance of doubt, this also excludes the distribution of any content of the Channels on a non linear basis through the Platform including, but not limited to time shifting/multiplexing [PPV/VOD/SVOD], (or any other technology whether currently existing or that may come into existence in the future). Further, the Operator also agrees to retransmit the Channels without any interruption, editing, interference, recording or alteration and the Operator shall not sub-license the rights and license granted hereunder to any third party without prior permission/approval of Broadcaster.</p> <p>Broadcaster reserves the right at any time during the Term to remove any channel from the list of the Channels if it ceases to distribute such channel(s) in the Territory and terminate the grant of the associated distribution rights to Operator and replace any removed channel with a replacement channel or to add any channel to the list of Broadcaster Channels and to grant the distribution rights to Operator in respect of the replacement or new channel.</p>
<p>5. Authorized Subscriber</p>	<p>Authorized Subscriber means any Subscriber who receives the signals of the Channel(s) from the Operator at a place indicated to the Operator by him without further transmitting it to any other person and includes only ordinary subscribers.</p> <p>Ordinary Subscriber: means a subscriber who is not a commercial subscriber.</p> <p>Commercial Subscriber: 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.</p> <p>It is further agreed that the definition "Commercial Subscribers" and the provisions of the channels to "Commercial Subscribers" or "Commercial Establishments" under this Agreement shall be subject to the directions/orders passed in Appeal No. 4 & 5 (C) of 2015 before TDSAT or any other appeal, review, application pending before any court of law/tribunal. For avoidance of doubt, it is clarified that Commercial Subscribers shall be excluded from the purview of this Agreement, and the same are subject to outcome</p>

	<p>of the petition stated herein above in this para.</p> <p>A-la-Carte Rates of Broadcasters Channels applicable to Ordinary Subscribers are as per Schedule II of this Agreement.</p> <p>The Operator shall not be permitted nor shall be entitled to activate the STB / provide signals of any the Channels to any subscriber(s) who have not submitted Subscriber Application Form (SAF) as per the requirement under the applicable Regulations/ Laws. Non-compliance of this condition shall be termed as a material breach which will entitle Broadcaster to disconnect its Channels by giving prior written Notice. In the event, the Operator is permitted to provide signals to both Ordinary and Commercial Subscribers, then the CAS and SMS system of the Operator must be capable of segregating Ordinary and Commercial Subscribers, whereby two separate and distinct SMS reports would be submitted by the Operator to Broadcaster.</p> <p>Each Set Top Box in a household or unit in a residential multi-unit dwelling or in an establishment shall be treated as a separate Authorized Subscriber. Where an Authorized Subscriber has more than 1 (one) STB (hereinafter "Supplementary Connection") authorized by the Operator to receive the Channels then such Supplementary Connection(s) shall be considered as a separate and distinct "Subscriber" in all respect including License Fee. The Operator shall maintain proper and accurate records of such supplementary connection and would furnish the details thereof as and when required by Broadcaster.</p>
<p>6. Packaging</p>	<p>The Operator shall package the Channels as per applicable Law. The Operator undertakes to ensure that the packaging of Channel(s) will not be disadvantaged or discriminated vis-a-vis the other channel(s) of the same genre or include the Channels in any package or tier that contains any channel with obscene content or with any channel offering gambling services or promoting gambling or betting.</p> <p>The Operator shall give Broadcaster at least three (3) months prior written notice of any changes to the packaging/ tiering of the Channels available on its Platform.</p> <p>The Operator shall continue to offer and shall not remove any Channel(s) or discontinue the exhibition of any Channel(s) offered by it as part of a Subscriber Package for a period of six (6) months from the date of availing such Subscriber Package by a Subscriber or such other higher period for which the subscription charges have been paid by the Subscriber in advance. Further, the Operator shall not offer limited period exhibition of any Channel(s) to Subscribers.</p> <p>Once a Channel(s) has been included in a Subscriber Package, the Operator shall not stop exhibition of any Channel(s) without strictly following the procedure prescribed for changing the composition of the Subscriber Package under "Standards of Quality of Service Regulations".</p>
<p>7. EPG</p>	<p>Before the signing of the Agreement, the Operator shall apprise and make available to Broadcaster the EPG Policy of the Operator's platform.</p> <p>During the entire duration of the Term, the EPG of the Operator shall always contain the information of the programs being shown on all Channels in a manner approved by Broadcaster without any cost or fee to Broadcaster. The Operator shall provide the format in which the said information regarding all the channels shall be furnished by</p>

	<p>Broadcaster.</p> <p>The Logical Channel Numbers "LCNs" for the Channels shall not be changed during the Term.</p> <p>The Operator shall give the Broadcaster at least three (3) months prior written notice of any changes to the LCNs for any other channels on its Platform. All changes will be made in good faith without targeting the Channels for discriminatory treatment vis-à-vis similar channels falling within the same genres.</p>
<p>9. Integrated Receiver Decoders and Viewing Cards</p>	<p>The IRDs used for decoding the Channel, details of which are mentioned in the hardware form, attached herewith as Schedule III (hereinafter referred to as the "Hardware Form") is either provided by Broadcaster to the Operator or procured by the Operator directly from the market.</p> <p>The Viewing Cards (hereinafter referred to as "VC"), if required for the IRD, shall always be provided by Broadcaster to the Operator and shall at all times remain the property of the Broadcaster and not of Operator. "Equipment(s)" as used herein shall mean and include the IRDs and the Viewing Card(s).</p> <p>Where the IRD is procured by the Operator directly on its own from the market, Operator shall ensure that the same meets the technical and other parameters as may be communicated by Broadcaster and it shall also be responsible for its proper functioning, repairs, replacement or maintenance. Broadcaster shall not under any circumstances be responsible or liable for any malfunctions, repairs, replacement or maintenance of such IRD.</p> <p>In the event the Operator requests, Broadcaster may, in terms of its policy, supply or cause to supply the Equipments. At its discretion, Broadcaster may require the Operator to make the following payments against delivery of the Equipments:</p> <ul style="list-style-type: none"> i) Processing Fee: Broadcaster may require the Operator to pay one-time non-refundable processing fee towards the Equipments for each Subscribed Channel as per Broadcaster policy. ii) Replacement Fee: In case the Operator requires replacement of a defective IRD/VC, the Operator shall pay a non-refundable service charge per IRD /box/VC for one time replacement. The service charge amount shall be intimated by Broadcaster based on the nature of defect in the IRD/VC. iii) Courier/Taxes: The Operator shall pay the courier charges, octroi, taxes and other applicable levies and transportation charges for the Equipments. <p>IRD/VCs provided by Broadcaster to the Operator, shall at all times remain the property of the Broadcaster. Broadcaster may require Operator to pay a refundable interest free security deposit (the "Security Deposit") before Broadcaster delivers an IRD/VC to Operator. Upon the return of IRD/VC to Broadcaster, Broadcaster will refund the Security Deposit, subject to deduction of any amounts to cover any damage to the IRD/VC.</p> <p>Broadcaster makes no representation or warranty as to the capabilities of the</p>

IRDs/VCs provided by it to the Operator. Broadcaster shall not under any circumstances be responsible or liable for any malfunctions of such IRDs/VCs. However, in the event such an IRD/VC requires repair or replacement, Operator may send a written request to Broadcaster and Broadcaster shall endeavour to have the IRD/VC repaired or replaced at Broadcaster's sole discretion, subject to the Broadcaster's policies. All IRD's/VCs provided by Broadcaster to the Operator shall be returned to Broadcaster immediately upon expiry or prior termination of the Agreement, or earlier if requested by Broadcaster.

In the event the Operator fails to pay the License Fees and/ or, upon expiry of, or termination of the Agreement, Broadcaster shall be entitled to take back the possession of the Equipment from the Operator, and deactivate the Viewing Card(s). Upon return of the IRD's/VC in proper working condition by the Operator, the IRD Deposit shall be refunded to the Operator. In the event, the Operator fails to return the Equipment to Broadcaster, the Operator shall be liable to pay a sum of Rs. 1,000/- per day per IRD to Broadcaster for the period during which the default continues. In case the Operator returns the IRD, but the Viewing Card and remote (where applicable) are damaged or missing, then the Operator shall be liable to pay to Broadcaster such charges as may be determined by Broadcaster. Broadcaster shall be authorized to deduct the cost of damages from the IRD Deposit.

In order to recover possession of the IRD's/VC's from the Operator, the Operator shall ensure that the authorized personnel of Broadcaster are allowed free and unobstructed access to the premises of the Operator where the IRD's/VC's are installed and take possession of the same. The Operator shall not interfere with such procedure when such authorized personnel of Broadcaster visit the premises during normal office hours.

It is expressly agreed between the Parties that the Operator's right to receive and distribute the Channels shall be conditional upon the performance by the Operator, its sub-operators and their respective Affiliates of all the obligations arising under this Agreement and mere possession of the IRDs and Viewing Cards and making all payments relating to it, does not guarantee access to the Channels.

Operator covenants and undertakes to ensure the following with respect to each IRD and VC provided by Broadcaster to the Operator:

- (a) the IRD's and VC's shall be installed at a location approved by Broadcaster in writing and the same shall not be moved from the installation address, as specified in Hardware Form (Schedule III), which shall be a secure location. Operator grants Broadcaster the right at any time to enter the installation address to verify the presence of, and to inspect and test, each IRD and VC at the installation address. In the event an IRD/VC is missing, Broadcaster will be entitled to take any action in law, including under existing criminal laws, to recover the IRD/VC. Further, in the event an IRD/VC is lost, misplaced, stolen, or is in any manner alienated from Operator's possession, Operator shall immediately inform Broadcaster of the same, with a copy of the relevant report lodged with the law enforcement authorities. Operator shall also immediately initiate all steps that may be possible for the recovery of the IRD/VC, including but not limited to legal action in a court of law. It is,

	<p>however, made abundantly clear that all costs incurred or to be incurred for the recovery of the IRD/VC shall be borne solely by Operator. In case the IRD/VC is not recovered, the Security Deposit with the Broadcasters shall stand forfeited and the Operator agrees that the Broadcaster shall be free to recover the balance costs of the IRD/VC from the Operator.</p> <p>(b) the IRD is not opened, tampered with or reproduced in any manner whatsoever. In the event that the hologram seal affixed to the IRD is tampered with while the IRD is in the possession of Operator, Broadcaster may suspend the Channels (after complying with the relevant regulations) without liability and such Channels will be restored only at Broadcaster's discretion and subject to Operator paying a non-refundable reactivation fee of Rs. 5000/- (Rs. Five Thousand only) or higher as per the existing policies of Broadcaster on each such suspension. Operator acknowledges that the reactivation fee is not a penalty. Upon such IRD seal being broken, Broadcaster may take back possession of the IRD and Operator's Security Deposit, as made by the Operator, shall stand forfeited. Further, Broadcaster shall be free to recover the balance cost of such IRD from the Operator. Operator agrees to use the IRD/VC only in accordance with the technical specifications established by the manufacturer of the IRD/VC for the installation and use of the IRDs.</p> <p>(c) IRD/VC is not sold, assigned, pledged or otherwise transferred to any party and is not used for any purpose other than receiving the Channel.</p> <p>(d) In the event the Operator merges or amalgamate with another entity or ceases to operate its Platform, the Equipments supplied by Broadcaster to the Operator shall be returned forthwith to Broadcaster. In case the Equipments are damaged due to negligence of the Operator, Broadcaster shall be authorized to recover the actual repair cost from the Operator and in the event the Equipments are beyond repair, the Operator shall be liable to pay to Broadcaster the cost of such Equipments as on the date it was supplied to the Operator.</p>
<p>10. License Fee</p>	<p>For each month or part thereof during the Term, the Operator shall pay to Broadcaster the Monthly License Fee ("License Fee"), which shall be the Rate multiplied by the Monthly Average Subscriber Level. The a-la-carte "Rate" per Subscriber per month of the Broadcaster Channels is as set out in Schedule II hereof. The Rates per Subscriber as set out are exclusive of all taxes and levies.</p> <p>The "Monthly Average Subscriber Level" is equal to the sum of the number of Subscribers on the first and last day of the month in question divided by 2.</p> <p>For the purpose of calculation of the Monthly License Fee payable by the Operator to Broadcaster, "Subscriber" means for any calendar month, each Set Top Box ("STB"), which is availing the Channels through the Operator.</p> <p>Calculation of License Fee:</p>

I. In case an Operator subscribes for one or more of the Channels on a a-la-carte basis:

- (a) If the Operator is providing the channels on an a la carte basis to its Subscribers, the Monthly License Fee for such a la carte channels shall be equal to the a-la -carte rate as set out in the **Schedule II** multiplied by the number of monthly average number of Subscribers availing the channels on a la carte basis.
- (b) if the Operator does not offer such opted a la carte channel(s) as a la carte to its Subscriber but offers the a la carte channel(s) in packages, then the payment to Broadcaster for each of the a la carte channels, shall be calculated on the basis of subscriber base of the package(s) in which such opted a la carte channel have been placed.

For the purposes of this Agreement:

- (a) A-la-carte" with reference to offering of a TV channel means offering the channel individually on a standalone basis.
- (b) "Pack/Package/scheme" shall mean a retail bouquet offered by the Operator to its subscribers that comprises, contains, constitutes and is composed of more than one channels.

Operator shall not use or distribute or otherwise deal with the Channel(s) other than as expressly authorized under this Agreement; more particularly it shall offer the Services/Channel(s) to its subscribers either on a-la-carte basis or as part of the packages.

It is further clarified that if the Operator offers any of the Channels on a-la-carte basis to the Subscribers, it shall be priced as per the Telecommunication (Broadcasting And Cable) Services (Fourth) (Addressable Systems) Tariff (Second Amendment) Order, 2013. The Operator shall not offer any of the Broadcaster Pay Channels free to any Subscriber.

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

The Operator shall not offer any of the Broadcasters Pay Channels free of cost to any of its Subscribers or anybody whatsoever. Non compliance of the same shall be treated as a material breach.

In the event the Operator fails to pay the License Fees and/ or, upon expiry of, or termination of the Agreement, the Broadcaster shall be entitled to take back the possession of the Equipment from the Operator, its sub operators and their respective Affiliates and deactivate the Viewing Card(s). Upon return of the Equipment in proper working condition by the Operator, the IRD Deposit shall be refunded to the Operator. In case the Operator returns the IRD, but the Viewing Card and remote (where applicable) are damaged or missing, then the Operator shall be liable to pay to Broadcaster such charges as may be determined by Broadcaster. Broadcaster shall be authorized to deduct the cost of damages from the IRD Deposit.

	<p>All payments from the Operator to Broadcaster under this Agreement shall be paid either by (i) Demand Draft in favour of Discovery Communications India', payable at its head office or any other place that may be specified by Broadcaster in writing from time to time; or (ii) electronic wire transfer into Broadcasters Bank Account, accompanied by documentary evidence certified by the Operator's bank that the payment has been transferred to Broadcaster's Bank Account.</p>
<p>11. Payment Terms</p>	<p>The Monthly License Fee shall be paid monthly in arrears within fifteen (15) days of receipt of invoice raised ("Due Date") on the basis of report of the Operator by Broadcaster without any deduction except deduction of withholding tax/ TDS as provided in this Agreement. Within seven days of end of each month, the Operator shall provide opening, closing and average number of subscribers for that month, based on which Broadcaster shall raise an invoice on the Operator. In case the Operator fails to send the report within the said period of seven days, Broadcaster shall have the right to raise a provisional invoice and the Operator shall be under an obligation to pay the license fee on the basis of such provisional invoice in accordance with the terms of this clause. However, the provisional invoice shall be for an amount not more than the monthly license fee payable by the Operator for the immediately preceding month. On receipt of the report from the Operator, the parties would conduct reconciliation between the provisional invoice raised by Broadcaster and the report sent by the Operator.</p> <p>The Operator shall be required to make payments by the Due Date in accordance with the terms hereof, and any failure to do so on the part of the Operator shall constitute a material breach hereunder. Late payments shall also attract interest calculated from the date the payment was due until the date the payment is made in full at a pro rata monthly rate of 1.5%. The imposition and collection of interest on late payments does not constitute a waiver of the Operator's obligation to pay the License Fee by the Due Date, and Broadcaster shall retain all of its other rights and remedies under the Agreement.</p> <p>All License Fee payments hereunder are exclusive of all applicable taxes including all and any service taxes, VAT, works contract taxes, customs duties, excise duties, entertainment taxes and other such taxes. All such applicable taxes shall be at Operator's cost and will be charged at the prevailing rates by Broadcaster to the Operator.</p> <p>If payment of the License Fee is subject to deduction of any withholding tax/ TDS in accordance with the provisions of the Indian Income Tax Act 1961, as amended, the Operator shall provide tax withholding certificates to Broadcaster within such period as has been specified in the Income Tax Act/ Rules/ Notifications/ Circulars issued thereunder.</p> <p>If the Operator acquires a competing DTH platform in the Territory (including acquisition of assets or subscribers or any other similar scenario which effectively brings the platforms under common Control), then the incremental license fee payable by Operator to Broadcaster, with respect to subscribers of competing platform, shall be calculated pro rata, on the basis of License Fees payable by Operator under the Agreement. Parties agree that such incremental license fee shall be payable from the effective date of such acquisition of the competing platform, by Operator.</p>

	<p>It is clarified that such increased license fees shall be over and above the amounts payable by Operator under the Agreement and shall be paid, by Operator, on the respective Due Dates.</p>
<p>12. Subscriber Management System and Subscriber Reports</p>	<p>Operator shall maintain at its own expense a subscriber management system (“SMS”) which is completely in sync with and is fully integrated with the Conditional Access System (“CAS”) and is capable of at a minimum:</p> <ul style="list-style-type: none"> (i) maintaining a computerised customer database appropriately capturing the adequate details of each Subscriber, including name, address, chosen method of payment and billing; (ii) administering subscriptions of Subscribers by producing and distributing contracts for new Subscribers and setting up and maintaining an infrastructure whereby Subscriber contracts are collected, returned and recorded in the SMS database for ongoing administration; (iii) handling all ongoing administrative functions in relation to Subscribers, including, without limitation, activating and deactivating channel requests, billing and collection of subscription payments, credit control, sales enquiries and handling of complaints; (iv) obtaining and distributing receivers and smart cards, if applicable, to Subscribers, and issue replacement smart cards from time to time in its discretion; and (v) that will enable new Subscribers via the SMS over-the-air addressing system and disable defaulting Subscribers from time to time in its discretion. <p>The Operator shall provide to Broadcaster complete and accurate opening and closing subscriber monthly reports for the Channels and the tier and/or package containing the Channels within seven (7) days from the end of each month in the format provided by Broadcaster (set out in Schedule IX).</p> <p>Such reports shall specify all information required to calculate the Monthly Average Subscriber Level (including but not limited to the number of Subscribers for each Channel and each package in which a Channel is included) and the License Fees payable to Broadcaster and shall be signed and attested by an officer of the Operator of a rank not less than Head of Department/Chief Financial Officer who shall certify that the information in the Report is true and correct.</p> <p>The Subscriber Reports must be generated only through the integrated CAS and SMS systems in a pre-defined read only format, such as a PDF file, not capable of further editing post generation from the system, and sent via email to Broadcaster.</p> <p>Operator shall maintain throughout the Term and for twelve (12) months thereafter (or such period as required by Law) sufficient records to enable Broadcaster to verify and ascertain (i) veracity of the Subscriber Reports supplied by Operator pursuant to this clause, (ii) the payments due to Broadcaster hereunder, and (iii) Operator’s compliance with its anti-piracy obligations as set out in this Agreement.</p> <p>The obligation of Operator to provide to Broadcaster the Subscriber Reports shall survive termination of this Agreement until Broadcaster receives the Subscriber Reports for each relevant month for which any License Fee is payable.</p>

<p>13. Audit</p>	<p>Broadcaster’s representatives (including through an independent auditor) shall have the right, not less than twice in a calendar year, to review and / or audit the subscriber management system, conditional access system, other related systems and records of Subscriber Management System of the Operator relating to the Channel(s) provided by Broadcaster for the purpose of verifying the amounts properly payable to Broadcaster under the Agreement, the information contained in Subscriber Reports and full compliance with the terms and conditions of the Agreement. The scope of the said audit will be as defined in Schedule V to this Agreement.</p> <p>In the event an audit reveals that the Operator has under-reported the number of Subscribers or the Monthly License Fee or has misrepresented any item or has failed to keep accurate and complete records:</p> <ol style="list-style-type: none"> 1. Operator shall make immediate payment of all amounts due plus Late Payment Interest thereon. In the event the audit reveals that the License Fees due for any period exceeds the Monthly License Fee reported by the Operator by 2% or more, the Operator shall in addition also pay Broadcaster, the costs incurred in relation to the Audit and take necessary steps to avoid such errors in future; and 2. Broadcaster shall have the option in its sole discretion (in addition to Broadcaster’s other rights and remedies under law or equity) to suspend delivery of the Channels and/or to terminate this agreement as per applicable law, in the event the Operator fails to make payment of all amounts due Late interest thereon and or fails to take steps to avoid recurrence of errors in reporting. <p>The Operator shall remain the sole owner and holder of all customer databases compiled by the Operator under the Agreement.</p>
<p>14. Marketing</p>	<p>Broadcaster grants to Operator the non-exclusive right during the Term to use the Channel Marks solely in connection with Operator’s marketing and promotion of the Channels as available on its Platform and in a manner that has been pre-approved by Broadcaster. The Operator shall use its best efforts to promote an awareness of the Channel among its Subscribers and potential subscribers.</p> <p>Operator agrees to give:</p> <ol style="list-style-type: none"> 1. an equivalent amount of marketing support for all Channels as it provides to other channels of the same genre; 2. similar treatment to Channels in all advertising material whereby Channel logos and/or names appear with the logos and names of other channels in terms of size and prominence and page taking into consideration context; and equal opportunity to Channels for participation in events and promotions that Operator undertakes subject to commercial agreement for each event. 3. The Operator shall explicitly and in a non-discriminate manner communicate to the subscribers of the Platform in all its publicity and promotional material, the manner in which the Channels are being offered to them. <p>Broadcaster may, from time to time, undertake marketing tests and public polls or</p>

	<p>other research in connection with the Channel(s). Operator shall cooperate with Broadcaster in such research by making available information reasonably requested by Broadcaster.</p>
15. Intellectual Property	<p>Broadcaster shall have the sole right and privilege to determine which events and programmes, advertisements, messages and the like shall be included in the Channels.</p> <p>The Operator acknowledges that all Intellectual Property including Channel Marks and associated marks and names (and the names of programs which appear in the Channels and the content thereof) are and shall remain the exclusive property of Broadcaster. The Operator has not and shall not acquire any proprietary or other rights or interests therein by reason of this Agreement. Broadcaster shall have the sole discretion to approve the use of such Channel Marks by the Operator with respect to the programmes included in the Channels. The Operator shall keep fully confidential and shall not publish or disseminate any material or information which violates any conditions imposed by Broadcaster or its programme suppliers and disclosed to Operator by Broadcaster for the purpose of this Agreement.</p> <p>All rights to the Channels and its contents are specifically reserved to Broadcaster, and Operator shall not have any claim over the same.</p>
16. Delivery & Security	<p>The Operator shall install decoding equipment and all other equipment necessary to receive and distribute the Channels, at its own cost and expense.</p> <p>All Channels must be delivered by Operator to subscribers in a securely encrypted manner and without any alteration, editing, delays interruptions, picture squeezing, pull through or crawls, except as authorized by Broadcaster in advance in writing.</p> <p>It is expressly clarified that that the Operator shall offer all/any subscribed channels at all times as a linear television service only on 24 hours per day, 7 day per week, 365(6) days a year basis. Further the subscribed Channels shall be offered on as-is- basis and shall not be offered on basis of any specific event, sporting event, programming, or specific screening or for specific hours.</p> <p>The transmission specifications and infrastructure allocated by Operator in respect of the broadcast signal of the Broadcaster's Channels by Operator to its subscribers shall be no worse than that of the signal of any other channel within the same genre on its DTH TV system platform.</p> <p>Operator shall ensure that the STBs, Conditional Access System (CAS) and Subscriber Management System ("SMS") used by its subscribers comply with the Specifications.</p>
17. Anti-Piracy	<p>In order to prevent theft, piracy, unauthorized retransmissions, redistribution or exhibition, copying or duplication of any Channel, in whole or in part, (hereinafter collectively referred to as "Piracy"), the Operator shall, prior to the commencement of the Term of the agreement and at all times during such Term, employ, maintain, and enforce fully effective conditional access delivery and content protection and security systems, and related physical security and operational procedures (hereinafter collectively referred to as the "Security Systems") as may be specified (security specifications), in a non-discriminatory manner in writing, from time to time, by Broadcaster.</p> <p>To ensure the Operator's ongoing compliance with the security requirements set out in the Agreement, Broadcaster may require technical audits ("Technical Audits") conducted by an independent security technology auditor approved by Broadcaster in</p>

	<p>writing not less than twice per year during the Term, at Broadcaster’s cost and expense. If the results of any Technical Audit are not found to be satisfactory by either the Operator or Broadcaster, then the Broadcaster shall work with the Operator in resolving this issue in the next fourteen (14) business days. If a solution is not reached at by then, Broadcaster may, in its sole discretion, suspend the Operator’s right to distribute the Channels or take other actions as provided under the Agreement, until such systems, procedures and security measures have been corrected to Broadcaster’s satisfaction. 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 Broadcaster’s satisfaction.</p> <p>The Operator shall deploy finger printing mechanisms to detect any piracy, violation of copyright and unauthorized viewing of the Channels, distributed / transmitted through its Platform at least every 10 minutes on 24 x 7 x 365(6) basis.</p> <p>The Operator shall not authorize, cause or suffer any portion of any of the Channels to be recorded, duplicated, cablecast, exhibited or otherwise used for any purpose other than for distribution by Operator at the time the Channels are made available. If Operator becomes aware that any unauthorized third party is recording, duplicating, cablecasting, exhibiting or otherwise using any or all of the Channels for any other purpose, Operator shall within ten minutes of so becoming aware of such recording, duplicating, cablecasting, exhibiting or otherwise using any or all of the Channels for any other purpose, notify Broadcaster and the Operator shall also switch off the concerned Set Top Box to prevent such unauthorized use.</p> <p>However the use of a Set Top Box with Personal Video Recorder/ Digital Video Recorder facility which has been supplied by the Operator shall not be treated as unauthorized use, as long as such Set Top Box is used in accordance with the terms and conditions of the subscription agreement between the Operator and the Subscriber.</p> <p>If so instructed by Information (as defined below) by Broadcaster, the Operator shall shut off or de-authorize the transmission to any unauthorized subscriber/ subscriber indulging in piracy, within ten minutes from the time it receives such instruction from Broadcaster. Any communication under this clause shall be considered as valid Information only if (i) the information is sent through e mail in a format as mutually agreed by the parties and (ii) the information is sent by a person(s) who is designated to send such information. However the “Information” may even be provided by Broadcaster representatives through other means of communications such as telephonic message, fax etc. and the said “information” shall later be confirmed by Broadcaster through e mail and the Operator shall be under obligation to act upon such information.</p> <p>Operator shall comply with the anti-piracy requirements (“Anti-Piracy Requirements”) set out in Schedule IV and such other anti-piracy requirements as are notified by Broadcaster to Operator in writing from time to time.</p>
<p>18. Broadcaster’s Suspension Rights</p>	<p>Subject to any applicable laws, Broadcaster shall have the right to suspend delivery of the Channels to Operator after giving notice in terms of the applicable Law, in the event of:</p> <ol style="list-style-type: none"> 1. a material breach related to License Fee if the same is not paid by the Operator by the Due Date;

	<p>2. a material breach related to anti-piracy, if such breach is not cured within the initial notice period of two (2) days; or</p> <p>3. a material breach not related to anti-piracy/non-payment of Monthly License Fee, if such breach is not cured within the initial thirty (30) day notice period.</p> <p>Operator shall pay the License Fees during such suspension period; provided however, that if it is later proven that such suspension was in bad faith or not in accordance with the terms of this Agreement then Broadcaster shall reimburse to Operator any amount paid by Operator to Broadcaster during such suspension period.</p>
<p>19. Alteration of Channels</p>	<p>Operator agrees to carry each of the Channel(s) in their entirety, in the order and at the time transmitted by Broadcaster, without any editing, delays, alterations, interruptions, picture squeezing or re-sizing, dubbing, scrolling or ticker tape, insertion of graphic or animated overlays, pull-throughs or crawls, deletions or additions blacking out, substituting or any other modification, except (1) as authorized by Broadcaster hereunder and (2) for any EPG / programme related information, interactive service or platform related functionality.</p> <p>Operator also agrees and undertakes that it shall not superimpose or otherwise insert any advertisements, promotions, programmes, data and content whatsoever either of its own or that of any other channel before/during/after or along with the content of the Channel(s) except as authorized by Broadcaster.</p> <p>Operator shall not reconfigure, combine, alter, edit, manipulate, dub, sub title or repackage the Channel for any purpose whatsoever. Operator undertakes not to copy and / or store any content available on any of the Channel(s) on any storage device in any medium.</p> <p>Operator may, subject to applicable law, insert scrolls or text line messages that shall appear on the bottom of the screen in order to communicate with its Subscribers: -</p> <ul style="list-style-type: none"> (a) where it is so required by any Regulatory or Governmental authority; or (b) any change in its channel offerings or impending disconnection or any disruption in the supply of Channels. <p>Provided that the aforesaid scrolls or text line messages shall also appear on the closest competition channels in the respective genres on a non- discriminatory basis. It is further agreed that Operator shall not insert any independent advertising on the Channels and shall not superimpose or otherwise modify or alter in any manner any trademarks, channel marks, names, logos, or copyright appearing on the Channels. However, subject to the foregoing, Operator is allowed to add/ insert its own trademark, logo, name or other insertion of similar nature in the form of translucent watermark, while transmitting / re-transmitting the signals, provided that any of such insertions do not appear at more than one place in any frame and provided further that such insertions are also made on the closest competitive channels in the respective genres on a non- discriminatory basis as regards their placement, size etc. Operator shall further ensure that the trademark, logo, name, watermark so inserted by it shall not be more prominent than the respective Channel's name, logo, marks etc. and shall not obscure or overlay the Channel(s)' logo, name, marks or any programme appearing on the Channels.</p>

<p>20. Termination</p>	<p>Either Party has a right to terminate this Agreement by a written notice, subject to applicable Law, to the other in the event of:</p> <ol style="list-style-type: none"> 1. Material breach of this Agreement by the other Party which has not been cured within twenty one (21) days of being required in writing to do so; 2. The bankruptcy, insolvency or appointment of receiver over the assets of the other Party; 3. The DTH licence or any other material licence necessary for Operator to operate its DTH TV system service being revoked at anytime other than due to the fault of Operator. <p>Broadcaster shall have the right to terminate this Agreement on written notice to Operator if (i) Operator breaches any of the Anti-Piracy Requirements and fails to cure such breach within ten (10) days of being required in writing to do so or (ii) Broadcaster discontinues the Broadcasters Channels with respect to all distributors in the Territory and provides Operator prior written notice. Operator shall have the right to terminate this Agreement on written notice to Broadcaster if Operator discontinues its business and provides at least ninety (90) days prior written notice.</p> <p>Termination of this Agreement shall not affect any continuing obligations of each of the Parties, including any rights and obligations relating to indemnification and audit.</p>
<p>21. Representations And Warranties</p>	<p>Each Party represents and warrants to the other Party that:</p> <ol style="list-style-type: none"> (a) each of them is a duly incorporated and is a validly existing company under applicable Law and has full authority and all rights (including necessary licenses and approvals from competent authorities) necessary to perform its obligations under this Agreement; (b) upon execution hereof, this Agreement shall be legally binding on such Party and enforceable against such Party and will not result in any violation of any applicable Law; (c) it has obtained, and shall maintain in full force, during the Term of this Agreement, all approvals and consents necessary to perform its obligations under this Agreement and operate the business it is conducting in connection with this Agreement, as applicable and no consent, authorization, license or approval of any Governmental Authority that has not been applied for or obtained is required to authorize the execution, delivery, or performance of this Agreement. <p>The Operator undertakes, represents and warrants to Broadcaster that:</p> <ol style="list-style-type: none"> (a) the Operator has conducted its business at all times in accordance with applicable Laws in all material respects and the terms of each license, registration and permit held by it and has obtained all the licenses, permits, registrations from any Governmental Authority required under applicable Law for the Operator to operate the Distribution System within the Territory. The registration or license to operate the Distribution System within the Territory

and all other necessary supporting documents, including licenses or registrations of all sub-operators are valid and shall continue to remain valid during the Term of this Agreement. The Operator confirms that it shall abide by the Cable TV Act, and Interconnection Regulations and shall duly inform Broadcaster in the event of any changes or termination in its registrations or in the event of a change in names and addresses of sub-operators working under the Operator within 10 (ten) calendar days of such change. Any failure on the part of the Operator to inform Broadcaster in the event of any such change within 10 (ten) calendar days of such change shall be construed as a material breach of this Agreement;

- (b) the Operator has not received any written notice from any Governmental Authority with respect to any violation of any applicable Law and no fact or circumstance exists which is likely to lead to any license, registration or permit which is material to the Distribution System of the Operator being revoked, varied, cancelled, suspended or not renewed.
- (c) the Distribution Systems used by it to exercise the rights under this Agreement meet the requirements of applicable Laws and regulations, as amended from time to time, and this Agreement. The Operator shall not generate or retransmit any unencrypted signals or feeds from its Head End;
- (d) it shall not pledge, charge or encumber or in any way part with the possession of the Equipment without the prior written permission of Broadcaster and shall not remove/shift any equipment used to avail of the Channels from the address referred to in the Schedule, without the prior written consent of the Broadcaster;
- (e) it shall not shift, remove, modify, misuse or tamper with the equipment used to avail of the Channels including the paper seal to prevent opening of the equipment or any signals emanating there from, in a manner that prevents the identification of the equipment number or interferes with the signals emanating there from;
- (f) it shall not distribute the Channels other than by itself or through sub-operators detailed in Schedule hereto or otherwise deal with the Channels except as expressly authorized under this Agreement. It is hereby clarified that the Operator shall offer the Channel(s) to its subscribers either on A-la-carte or within and as part of Subscriber Package;
- (g) it shall not distribute the Channels (i) outside the Territory; (ii) to any other Person other than the Subscriber in a manner specified in the Agreement;
- (h) It has the appropriate net worth, good and paying subscriber base, necessary infrastructure including office, support staff and the equipment for running the Distribution System smoothly and efficiently so as to enable the Operator to discharge all its obligations under this Agreement. The Operator further represents that it is not in breach of any contractual obligation with respect to other service providers with whom it is connected;
- (i) all information provided by the Operator to Broadcaster in connection with

	<p>this Agreement has been provided in good faith. All information which has been provided by the Operator to Broadcaster in connection with this Agreement is true and accurate, and such information does not omit to state a material fact necessary to make the statements therein, in light of the circumstances in which they are made, not misleading.</p> <p>(j) the Operator has not received any petition for, and no order has been made or a resolution been passed for the winding up of the Operator or for the appointment of any provisional liquidator or administrator over any or all the assets of the Operator or the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration or re-organisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of the Operator and no analogous procedure or step is being taken or is pending or threatened in any jurisdiction. No receiver has been appointed in respect of the whole or any part of any of the assets of the Operator.</p> <p>(k) there are no legal proceedings pending against the Operator which would materially affect the ability of the Operator to perform its obligations under this Agreement.</p> <p>(l) the provisions of this Clause shall also apply to sub-operators and Affiliates of the Operator who are distributing the Channels through the Distribution System in the Territory. The breach of any of the above shall constitute a material breach of this Agreement and shall entitle Broadcaster to terminate this Agreement. The rights of Broadcaster under this Clause shall be in addition to and without prejudice to any other rights available to it in Law or under this Agreement.</p>
22. Acquired Systems	<p>If Operator acquires a competing platform in the Territory (including acquisition of assets or subscribers or any other similar scenario which effectively brings the platforms under common Control), then the incremental license fee payable by Operator to Broadcaster, with respect to subscribers of competing platform, shall be calculated pro rata, on the basis of License Fees payable by Operator under this Agreement. Parties agree that such incremental license fee shall be payable from the effective date of such acquisition of the competing platform, by Operator.</p>
23. Indemnity & Limitation of Liability	<p>Each Party shall indemnify, defend and hold harmless the other Party and its parent, officers, directors, employees and agents against and from any and all third party claims, lawsuits, costs, liabilities, judgments, damages and expenses (including but not limited to reasonable attorneys' fees) arising out of any breach by the indemnifying Party of any provision herein. Neither Party shall be liable to the other for any indirect, special or consequential loss or damages arising under this Agreement, except that each Party is indemnified with respect to third party claims. Notwithstanding anything contained herein to the contrary, any liability of Broadcaster to Operator in connection with or arising out of this Agreement shall be limited to the Monthly License Fees for the last month actually paid by Operator to Broadcaster.</p>
24. Assignment	<p>The Operator shall not have the right without the prior written consent of Broadcaster, to assign, transfer, convey, delegate or sub-contract this Agreement or any of its rights or obligations hereunder. Broadcaster may assign or transfer its rights or obligations under the Agreement to any party acquiring all or a substantial portion of its business or to any corporation or entity controlling, controlled by, or under common control with Broadcaster.</p>
25. Governing Law &	<p>The Parties agree that this Agreement shall be governed and construed under the</p>

Jurisdiction	<p>substantive Laws (and not Law of conflicts) of India.</p> <p>The Parties agree that The Telecom Dispute Settlement and Appellate Tribunal (“TDSAT”) shall have the exclusive jurisdiction to entertain any dispute arising out of or in connection with this Agreement.</p>
26. Regulatory Intervention	<p>In the event that there is any change in any applicable Law, statutes, enactments, acts of legislation or parliament, ordinances, rules, bye-laws or regulations of any government or statutory authority in India including but not limited to the Ministry of Information and Broadcasting, The Telecom Regulatory Authority of India, Bureau of Indian Standards etc. or any final un-appealable order of any competent court or tribunal which would have a material effect on the rights and obligations of either of the Parties, as set forth in this Agreement, then the Parties shall discuss and mutually agree to amend the relevant provision of the Agreement so as to give effect to the then prevailing legal and regulatory position, by an amendment to this Agreement duly reduced in writing.</p>
27. Miscellaneous	<p>A. Amendments - Any addition, deletion, amendment or modification to this Agreement must be in writing and signed by the Parties.</p> <p>B. Binding Agreement - This Agreement shall not be binding upon either Party until signed by an authorized representative of both the Parties.</p> <p>C. Confidentiality - The parties agree that they have maintained and will maintain in confidence the Confidential Information and that they have not and will not reveal the same to any persons except: (a) to their employees, officers, directors, Affiliates, attorneys, auditors on a need to know basis for purposes of administering this Agreement and complying with their respective obligations hereunder, (b) at the written direction of the non-disclosing Party; (c) to the extent necessary to comply with the Law or a valid order of a court of competent jurisdiction in which event the disclosing Party shall so notify the other Party as promptly as practicable (and, if possible, prior to making any disclosure) and shall seek confidential treatment of such information; (d) as part of its normal reporting or review procedure to its Affiliates, general partners, auditors, attorneys and other advisors, provided such Affiliates, general partners, auditors, attorneys and advisors agree to be bound by the confidentiality provisions herein; (e) in order to enforce any of its rights pursuant to this Agreement; (f) to potential investors, insurers and financing entities, provided such persons or entities agree to be bound by the confidentiality provisions herein.</p> <p>Without limiting the above, neither Party shall issue any press release or other public statement relating to this Agreement or the other Party without obtaining the prior written consent of the other Party.</p> <p>D. Cooperation - If so requested by the other Party, each Party undertakes to negotiate in good faith and enter into such further agreements as may be necessary for them to implement the terms of this Agreement. Each Party agrees (at its own cost) to do or procure the doing of any act or thing necessary for the performance of its obligations under this Agreement.</p> <p>E. Entire Agreement - This Agreement supersedes all prior agreements and arrangements (whether written or oral) and embodies the entire understanding and all terms agreed between the parties relating to the subject matter of this Agreement.</p>

F. Force Majeure - Neither of the Parties shall, in any manner whatsoever, be liable or otherwise responsible for any delay or default in, or failure of, performance resulting from or arising out of or in connection with any Event of Force Majeure (as defined below) and any such delay, default in, or failure of, performance shall not constitute a breach by such Party hereunder.

As used herein, an "Event of Force Majeure" in respect of a Party hereto shall mean any act, cause, contingency or circumstance beyond the control of such Party, including, without limitation, any governmental action, order or restriction (whether international, national or local), war (whether or not declared), public strike, riot, labour dispute, act of God, flood, public disaster or public transportation dispute, satellite failure or equipment malfunction.

The Party suffering the Event of Force Majeure must promptly notify to the other Party in writing (i.e. within 48 hours) the nature of the force majeure event, its impact and the mitigation plan for such event.

If an Event of Force Majeure which prevents either Party from fully and substantially performing its obligations under this Agreement has continued for more than seventy-five (75) consecutive days, the other Party may terminate this Agreement prior to its expiration by notice in writing to the affected Party.

For the avoidance of doubt, if this Agreement is terminated pursuant to this clause, neither Party shall have any liability to the other as a result of such termination (provided that rights and liabilities which accrued prior to such termination shall continue to subsist).

G. Notices - All notices must be in writing sent, during working hours, by fax or personal delivery or registered post or e-mail to the addresses of Broadcaster and Operator as set forth on the cover page of this Agreement, unless otherwise notified:

Notices given by personal delivery shall be deemed to have been given on delivery and notices sent by registered post shall be deemed to have been given two (2) days after the date of mailing. Notices sent by fax shall be deemed to be delivered on the generation of a fax report confirming the transmission which is followed by any other mode of communication stated in this Clause and similarly notice through e-mail shall be deemed to have been served instantly upon the delivery of the e-mail.

H. No Third Party Beneficiary - The provisions of this Agreement are for the benefit of the parties hereto only and no third Party may seek to enforce or benefit from these provisions; therefore, a person who is not a Party to this Agreement has no right to enforce any provision of this Agreement.

I. Relationship - Nothing contained herein shall be deemed to create any relationship of partnership, joint venture or agency, nor shall any similar relationship be deemed to exist by virtue of this Agreement between any of Operator and its Affiliates on the one hand, and any of Broadcaster or its Affiliates on the other. The Parties are entering into this binding contract as independent contractors on a Principal to Principal basis.

J. Severability - In the event any provision of this Agreement shall be found to be

	<p>contrary to any governmental Law or regulation of any governmental administrative or regulatory agency or body and is held invalid, illegal or unenforceable in whole or in part, the other provisions of this Agreement shall continue to remain in full force and effect.</p> <p>K. Survivability - (License Fee), (Payment Terms), (Audit Rights), (Intellectual Property), (Covenants, Representations and Warranties), (Indemnification), (Governing Law and Jurisdiction), and (Confidentiality), shall survive any termination or expiration of this Agreement.</p> <p>L. Waiver - No waiver by any Party, of any default with respect to any provision, term, condition or requirement hereof shall be deemed to be a waiver of any other provision, condition or requirement hereof. It is clarified that a waiver by either Party of a breach of any provision of this Agreement in any one instance shall be in writing and shall not be deemed to be a continuing waiver or a waiver of any subsequent breach unless the written notice so provides.</p> <p>M. Stamp Duty – Operator and Broadcaster agree to pay the stamp duty applicable on this Agreement in equal proportions.</p>
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IN WITNESS WHEREOF, this Agreement is entered into as of the date first set forth below.

FOR DISCOVERY COMMUNICATIONS INDIA	FOR OPERATOR
Name:	Name:
Title:	Title:

SCHEDULE – I

DISCOVERY COMMUNICATIONS INDIA HIGH DEFINITION (HD) CHANNELS

Channel Name	Genre
DISCOVERY HD WORLD	Infotainment
TLC HD WORLD	Lifestyle
ANIMAL PLANET HD WORLD	Infotainment

SCHEDULE II – VALIDATION FORM

AL- A-CARTE WHOLESALE RATES OF HD CHANNELS FOR ADDRESSABLE PLATFORMS

Channel Name	Rate (in Rs.) per subscriber per month
DISCOVERY HD WORLD	21.00
TLC HD WORLD	24.15
ANIMAL PLANET HD WORLD	24.15

Notes:

- Subscriber” for the purpose of calculation of license fee shall mean for any calendar month, each Set Top Box (“STB”), which is availing the Channels
- A-La-Carte Rates of Channels mentioned herein above are excluding taxes and levies imposed by local and / or the Central Government including but not limited to Service Tax.
- The Broadcaster reserves all rights to change the rate card of its HD channels. Any change would automatically become applicable from the date the revised rates are notified and the operator would be liable to pay the increased license fee from the notification date.

For Discovery Communications India	For Operator
Name:	Name:
Title:	Title:

SCHEDULE III -HARDWARE FORM

Operator Code: _____ Document Number: _____

Operator Name: _____

PAN NO: _____

Installation Address: Same as Correspondence address different from Correspondence address

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

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

Street Name: _____ Landmark: _____

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

Taluk/Tehsil: _____ District: _____ State: _____

Pin code: _____ Telephone: _____ Fax: _____

Technical Contact Person: _____

Mobile: _____ e-mail: _____

Encryption System used by the Operator: _____

Channel wise serial number details of all IRDs of the Services being subscribed by the Operator:

DISCOVERY HD WORLD IRD _____ ANIMAL PLANET HD WORLD IRD _____

TLC HD WORLD IRD _____

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

For Discovery Communications India	For Operator
Name:	Name:
Title:	Title:

SCHEDULE IV - OPERATOR'S ANTI-PIRACY OBLIGATIONS

1. General.
 - 1.1 All Fingerprinting hereunder is compliant with the BIS Specification for Digital Set Top Box ("STB"), both standard definition (SD) and high definition (HD).
 - 1.2 Operator agrees to give Broadcaster on Geo map a marking of its area of operation.
2. STBs, Smart Cards, Systems and Procedures.
 - 2.1 In order to ensure that each STB is capable of being used for Fingerprinting, Operator agrees that the STB supplied to the Subscribers will conform to the BIS standards as provided in BIS Specification for Digital Set Top Box.
 - 2.2 Operator represents and agrees that there are adequate systems, processes and controls in place regarding the distribution of STBs and Smart Cards so that they are only sold within the Territory by Operator or by its authorised dealers and such sales are only made to bona fide Subscribers residing in the Territory and installations are made by Operator or its designees at an address in the Territory. Adequate systems, processes and controls shall include, without limitation, Operator:
 - 2.2.1 collecting and maintaining complete up to date records of each and every residential Subscriber's details, and such Subscriber's STB and Smart Card including, without limitation, the particulars specified in paragraph 2.4;
 - 2.2.2 requiring all residential Subscribers to submit a recent utility bill or bank statement as proof of address, including any residential Subscribers who have been previously de-authorized prior to re-authorization, or otherwise independently verify the address prior to activation of any STB and Smart Card;
 - 2.2.3 investigating any multiple Smart Cards issued under one individual name or address (other than for mirror STB's), including visiting the premises of such individuals or addresses from time to time;
 - 2.2.4 deputing officers to visit and verify the accuracy and veracity of details submitted by Subscribers, in the event Operator becomes aware of any alleged continuing/potential misuse and/or misrepresentation by the Subscribers;
 - 2.2.5 ensuring compliance by dealers including unannounced visits to dealers' premises from time to time;
 - 2.2.6 requiring that for every change of address on the Operator system and therefore re-location of a STB, there is an independent physical verification of the new residential address; and
 - 2.2.7 deauthorizing any STB or Smart Card that is found outside of the Territory or in the possession of a person who is not a bona fide Subscriber.
 - 2.3 Operator agrees that all of its STBs and Smart Cards: (i) are sold and installed together as a pack

only in the Territory and 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 Smart Card is activated, it is paired to a particular STB and that the Channel(s) cannot be viewed if such Smart Card is removed and used with any other STB.

2.4 Operator agrees that all installations of STBs and Smart Cards are done directly by Operator or through its authorized dealers and only within the Territory, and that the installer for every installation physically checks and ensures before installation and activation of a STB and Smart Card that the address where the installation is being done matches with the address as supplied by the Subscriber at the time of purchase of the STB and which is the same as detailed in the subscriber management system ("SMS"). In accordance with paragraph 2.2.1, Operator's SMS shall contain all of the following information items for each residential Subscriber prior to activation of a Smart Card and STB for such residential Subscriber:

- 2.4.1 Name;
- 2.4.2 Installation address;
- 2.4.3 Billing address (if different);
- 2.4.4 Telephone number of the installation address, where applicable;
- 2.4.5 Residential Subscriber's unique subscriber reference or subscription agreement number;
- 2.4.6 Service/Channel(s)/Packages that have been selected;
- 2.4.7 Name and unique reference number of the dealer who sold the STB to such residential Subscriber;
- 2.4.8 Name and unique reference number of the dealer who sold the subscription to such residential Subscriber (if different);
- 2.4.9 Name and unique reference number of the installer (if different from the dealer);
- 2.4.10 Smart Card number; and
- 2.4.11 Unique STB number.

2.5 Operator agrees and undertakes that it shall not knowingly or negligently activate, or otherwise reactivate, as the case may be, those Smart Cards, wherein the Channel(s) can be accessed from addresses, which are:

- 2.5.1 not bona fide or do not match the addresses as supplied by the relevant residential Subscribers as detailed in the SMS;
- 2.5.2 outside of the Territory; or
- 2.5.3 that of a head end or any other distributor of such Channel(s) to residential subscriber.

2.6 In order to ensure that the Smart Card is only activated for bona fide Subscribers, Operator further agrees that there are adequate controls to ensure (a) a Smart Card is not activated before installation with its paired STB; and (b) that such Smart Card is activated at the address notified by the Subscriber and verified by the Operator which matches with the address as supplied by the Subscriber at the time of purchase of the STB and which is the same as detailed in the SMS.

2.7 Operator agrees that its SMS allows viewing and printing historical data, in terms of total activation, de-activation and re-activation of all Subscribers and all other records required under Paragraph 2.4.

2.8 Operator shall ensure that on screen display should support a minimum of 120 characters.

2.9 Operator shall ensure that its watermark logo is inserted on all Channels.

- 2.10 Operator shall submit & confirm the number of MUX's (Multiplexer Units) installed with active TS (Transport Stream) outputs. This should include physical audit of head end and analysis of TS stream from the MUX.
- 2.11 The current version of the CAS should not have any history of hacking. A certificate from the CAS Vendor, to this effect be submitted.
- 2.12 The fingerprinting should not get invalidated by use of any device or software.
- 2.13 The STB & VC should be paired from head-end to ensure security.
- 2.14 The SMS and CAS should be integrated for activation and deactivation process from SMS to be simultaneously done through both the systems. Further, the CAS should be independently capable of generating log of all activation and deactivations.
- 2.15 The CAS vendor/manufacturer should be known to have capability of upgrading the CAS in case of hacking.
- 2.16 Operator to provide the make & version of CAS installed at Headend.
- 2.17 CAS certificate to be provided by Operator.
- 2.18 CAS should be able to generate log of all activities i.e. activation/deactivation/FP/OSD.
- 2.19 CAS should be able to generate active/deactivate report channel wise/package wise.
- 2.20 Operator to declare by undertaking the number of encryptions CAS/SMS he is using at the head end and in future if he is integrating any additional CAS/SMS same should be notified to the Broadcasters by means of a fresh undertaking.
- 2.21 Reconciliation of CAS database (active cards, service wise & package wise) with SMS database to be provided by Operator. CAS vendor must to certify reconciliation of data.
- 2.22 No activation/ deactivation from direct CAS system; it must be routed via SMS client only.
- 2.23 OPERATOR's should provide CAS vendor certified copies of active/inactivate channel wise/product wise report & Package/product report during audit period.
- 2.24 CA system should have the capability of providing history of all actions taken for at least previous 24 months but not later than 1st November 2012.
- 2.25 The SMS & CAS should be capable of individually addressing subscribers, on a channel by channel and STB by STB basis.
- 2.26 The SMS should be computerized and capable of recording the vital information and data concerning Subscribers such as:
 - a) Unique Customer Id

- b) Subscription Contract number
- c) Name of the Subscriber
- d) Billing Address
- e) Installation Address
- f) Landline telephone number
- g) Mobile telephone number
- h) Email Id
- i) Service/Package subscribed to
- j) Unique STB Number
- k) Unique VC Number

2.27 The SMS should be able to undertake the:

- a) Viewing and printing historical data in terms of the activations, deactivations etc
- b) location of each and every STB VC unit
- c) The SMS should be capable of giving the reporting at any desired time about:
 - i. The total no subscribers authorized
 - ii. The total no of subscribers on the network
 - iii. The total no of subscribers subscribing to a particular package or Channel at any particular date.
 - iv. The details of channels opted by subscriber on a-la carte basis.
 - v. The package wise details of the channels in the package.
 - vi. The package wise subscriber numbers.
 - vii. The ageing of the subscriber on the particular channel or package
 - viii. The history of all the above mentioned data for a period of at least 24 months but not earlier than 1st November 2012.

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

2.29 Both CA & SMS systems should be of reputed vendors/suppliers and should have been currently in use by other pay television services that have an aggregate of at least one million subscribers in the global pay TV market.

2.30 The CAS system provider should be able to provide monthly log of the activations on a particular channel or on the particular package.

2.31 The SMS should be able to generate itemized billing such as content cost, rental of the equipments, taxes etc.

2.32 The CAS and/or SMS system suppliers should have the technical capability in India to be able to maintain the system on 24x7 basis throughout the year.

2.33 CAS & SMS should have provision to tag and blacklist VC numbers and STB numbers that have been involved in piracy in the past to ensure that the VC or the STB cannot be redeployed.

2.34 Operator agrees that it shall, at its sole cost, be responsible for ensuring the Channel(s) is distributed via a digital, encrypted format signal receivable through its CA system only by its bona fide Subscribers to the Channel(s).

- 2.35 All the STBs should have embedded CA.
- 2.36 The STB should be capable of decrypting the CA inserted by the Headend.
- 2.37 The STB should be capable of doing Finger printing. The STB should support both Entitlement Control Message (ECM) & Entitlement Management Message (EMM) based fingerprinting.
- 2.38 The STB should be individually addressable from the Headend.
- 2.39 The STB should be able to take the messaging from the Headend.
- 2.40 The messaging character length should be minimal 120 characters.
- 2.41 There should be provision for the global messaging, group messaging and the individual STB messaging.
- 2.42 The STB should have forced messaging capability.
- 2.43 The STB must be BIS compliant.
- 2.44 There should be a system in place to secure content between decryption & decompression within the STB.
- 2.45 The STBs should be addressable over the air to facilitate Over the Air (OTA) software upgrade.
- 2.46 All STB should be individually paired in advance with unique smart card at central warehouse of Operator before handing over to LCO (DAS areas) or down the line distribution.
- 2.47 Operator to provide details of manufacturers of STB's being used/to be used by him (OS/Software, memory capacity, zapping time). All STBs must be secure chipset with chipset pairing mandatory.
- 2.48 Operator should provide one set of all type/model of boxes to Broadcaster, for testing and monitoring purpose.
- 2.49 All STBs used by Operator's should be certified by their CAS vendor.
- 2.50 Forensic watermarking to be implemented on the Operator headend & STBs.
- 2.51 All the STBs should have embedded Conditional Access.
- 2.52 The STB should be capable of doing Finger printing. The STB should support both Entitlements Control Message (ECM) & Entitlement Management Message (EMM) based fingerprinting.
- 2.53 ECM/EMM base forced messaging full screen and ticker mode should be available.
- 2.54 The STB should be individually addressable from the Head end.
- 2.55 The messaging character length should be minimum of 120 characters.
- 2.56 There should be provision for the global messaging, group messaging and the individual STB

messaging.

- 2.57 The STB should have forced messaging capability.
- 2.58 The STB must be BIS compliant.
- 2.59 The STB must not be interoperable.
- 2.60 The STB must have secure chip set with mandatory pairing.
- 2.61 There should be a system in place to secure content between decryption & decompression within the STB.
- 2.62 The STBs should be addressable over the air to facilitate Over the Air (OTA) software upgrade.
- 2.63 The PVR enabled STBs must be such that any recorded content is capable of being replayed only with the use of that STB. Once the Subscriber is disconnected, the Subscriber will not be able to have access to any recorded content.
- 2.64 Types of STB launched/to be launched:
 - a. Vanilla STB
 - b. PVR STB
 - c. Others (please specify)
- 2.65 Operator to furnish STB details as follows:
 - a. Open Standards or Proprietary.
 - b. Audio Video and Data I/O Configuration.
 - c. Local Storage.
 - d. Smarts Card.
 - e. PVR Functionality.
 - f. Tamper Resistance.
 - g. I/O Copy Protection. Please provide the details.
 - h. I/O Interface to Other Devices.
- 2.66 DVR/PVR STB should be compliance of following;
 - a. Content should get recorded along with FP/watermarking/OSD & also should display live FP during play out.
 - b. Recorded content should be encrypted & not play on any other devices.
 - c. Content should get record along with entitlements and play out only if current entitlement of that channel is active.
 - d. User should not have access to install third party application/software.
 - e. Describe if the STB support any type of interactive middleware.

3. Fingerprinting

- 3.1 Operator shall ensure that it has systems, processes and controls in place to run Fingerprinting at regular intervals as reasonably requested from time to time
- 3.2 Operator shall ensure that all STBs should support Fingerprinting and should be compatible for running Fingerprinting.

- 3.3 Operator shall ensure that the system can generate multi color fingerprinting with coloured background and no background and also font size needs to be variable. Minimum 10 colours for fonts and background strip required
- 3.4 These finger printings should appear on all screens of STBs, such as Menu, EPG and PIP etc.
- 3.5 Operator shall ensure that the CA system can also generate COVERT fingerprinting. Operator should have tools to read such covert fingerprinting at any given time.
- 3.6 Operator ensures that the deployed system has Forced fingerprint capability.
- 3.7 Operator shall ensure that it shall be able to operate the Fingerprinting across all Subscribers or any sub-set of 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.
- 3.8 Operator shall ensure that the Channel(s)'s Fingerprinting should pass through without masking or tampering with respect to time, location, duration and frequency.
- 3.9 Use of any device or software should not invalidate the fingerprinting.
- 3.10 The finger printing should not be removable by pressing any key on the remote.
- 3.11 The Finger printing should be on the top most layer of the video.
- 3.12 The Finger printing should be such that it can identify the unique STB number or the unique Viewing Card (VC) number.
- 3.13 The location of the Finger printing should be changeable from the Headend and should be random on the viewing device.
- 3.14 The Finger printing should be possible on global as well as on the individual STB basis
- 3.15 The Overt finger printing and On screen display (OSD) messages of the respective broadcasters should be displayed by the Operator without any alteration with regard to the time, location, duration and frequency.
- 3.16 No common interface Customer Premises Equipment (CPE) to be used.
- 3.17 The STB should have a provision that OSD is never disabled.
- 3.18 The Finger Printings ("FP"), both covert and overt and on-screen-display messages ("OSD") of Broadcaster should be displayed by Operator without any tampering with regard to time, location, duration, colour and frequency;
4. The FP (both covert and overt) shall be provided by the Operator at the scheduled time, location (by x-y coordinates), duration, colour and on demand specified by Broadcaster and with a notice (either verbal or in writing) of ten (10) minutes from Broadcaster to the Operator. It should be possible to programme the STB or customer premises equipment ("CPE") to display its FP through OSD messaging; Piracy, piracy reports and prevention

- 4.1 The Operator shall immediately notify Broadcaster if it ascertains or becomes aware that:
- 4.1.1 Any Smart Card or STB is being located, supplied or sold outside the Territory,
 - 4.1.2 The Channel(s) is being viewed via a Smart Card or STB by a STB party that is not a residential Subscriber,
 - 4.1.3 A Smart Card is being used for viewing the Channel(s) anywhere other than the registered address of a residential Subscriber in the Territory, or
 - 4.1.4 A Smart Card and/or STB is being used by an operator to distribute the Channel(s), (hereinafter a "Piracy Event").
- 4.2 If Broadcaster becomes aware of a Piracy Event then, at Broadcaster's request, Operator shall take all necessary steps to prevent or to stop such unauthorised or illegal use of the Channel(s) or signals thereof.
- 4.2.1 In the event Broadcaster decides to take legal or other action against any infringing party committing or causing any Piracy Event, Operator shall provide all necessary assistance to Broadcaster to prevent or combat such Piracy Event.
 - 4.2.2 If Operator wishes at its cost to take legal or other action of any kind against any party alleged to be infringing a right of Broadcaster, where Broadcaster shall be one of the parties to such action, it shall notify Broadcaster in writing and seek Broadcaster's prior written consent. Where Broadcaster consents to Operator taking legal or other action on behalf of Broadcaster, Operator shall keep Broadcaster fully informed of the progress of such action. Operator shall not settle, attempt to settle or otherwise compromise the rights of Broadcaster or its Operators without the prior written consent of Broadcaster.
- 4.3 If Operator's Conditional Access is hacked or otherwise compromised, Operator agrees to change or upgrade, within 60 days of Operator becoming aware of such hacking, its CA and/or SMS to ensure that the Conditional Access cannot be hacked or compromised within the Territory. If Operator does not make such change or upgrade within such period of time, Broadcaster shall have the right to suspend or terminate this Agreement in accordance with Clause 17. During such period, Operator shall implement a temporary fix to protect the Channel(s).
- 4.4 Operator shall investigate and report to Broadcaster any incidents of copying, transmitting, exhibiting or other illegal use of the Channel(s) via a STB and/or Smart Card, or any illegal or unauthorized distribution or use of the STBs or Smart Cards or other equipment that enable access to the Channel(s).

For Discovery Communications India	For Operator
Name:	Name:
Title:	Title:

SCHEDULE V SCOPE OF AUDIT

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

- (i) Complete Block Diagram of the head end;
- (ii) Territory i.e. area in which Operator is providing its service;
- (iii) Details of Operators connected with Operator's Platform/network.
- (iv) Following shall be validated during the audit:
 1. Review Complete Network Diagram
 2. Undertaking from Operators for all SMS and CAS installed at Head end - issue of Multiple CAS/SMS
 3. Certificate from CAS provider for details of super CAS ID and version Also confirmation with respect to history of hacking
 4. Check the number of MUX's installed with active TS outputs.
 5. Review whether live diagram / fibre details of network are captured in SMS system
 6. To check if Operator's Finger Printing is available across the network.
 7. Confirm whether watermarking network logo for all Channels is available.
 8. Review the controls deployed to ensure integrity and reliability of the reports such as logs, access controls, time stamp etc.
 9. Review the Subscriber parameters which are captured in the SMS and validate if following parameters are present for subscriber
 - Unique Subscriber ID
 - Subscriber Contract Details - No, Term, Date, Name, Address & contact details
 - Hardware details
 10. Review the subscribers' activation/de-activation history in the SMS system
 11. Validate if the SMS is integrated with the Conditional Access ("CA") system.
 12. Review if all the active and de-active STBs are synchronized in both SMS and CA system.
 13. Validate if independent log/report can be generation for active and de-active VCs with the product/channels active in both SMS & CA systems.
 14. Review if the system supports the Finger Printing and OSD features at Box level, Customer account level as well as Global level.
 15. Validate if all the STBs are individually addressable from the System and are paired with the viewing cards.
 16. Validate if the LCO is attached to a Subscriber
 17. Review the Electronic Programming Guide to check LCN/CDN and genre of all Channels
 18. Review the various packages programmed in the Systems with respect to the subscriber reports submitted to the Broadcasters/Aggregators.
 19. Extraction and Examination of System Generated reports, statistics, data bases, etc. pertaining to the various packages, schemes, channel availability, bouquet composition, rates,
 20. Reviews of the following reports are supported by SMS & CA System.
 - a. Total no of Subscribers - active & de-active separately
 - b. De-active subscribers with ageing report
 - c. Channel wise Subscribers - total
 - d. Channel wise Subscribers - split by package
 - e. Revenue by Package/Channel

- f. Subscriber/Revenue Reports by State/City
- g. No of packages/services offered
- h. List of Channels/rates of each package
- i. Rate Card Options offered/Attached with active Subscribers
- j. Historical data reports i.e. activation/deactivation etc.
- k. Free/demo Subscribers details
- l. Exception cases - active only in SMS or CA system

21. Verify the Customer Life Cycle Management process by performing a walkthrough of the following processes and their underlying systems

- Customer acquisition
- Provisioning of the subscriber in authentication, billing and SMS system
- Scheme/package change request process
- Customer Retention process, if any
- Deactivation and churn process

22. Verify the various schemes/packages being offered to customers

- Obtain details of all approved schemes/packages and add on which are being offered to customers
- Interactions with the Operator's marketing and sales team on how the various channels are being marketed
- Any special marketing schemes or promotions
- Details of the consumers subscribing to the various schemes/packages, including 'demo'/free/complimentary/testing/promotional subscribers

23. Understand the declaration report generation process by performing a walkthrough of processes and underlying systems (to understand completeness and accuracy of subscriber report generation process):

- Generation of reports for subscriber declaration for Channels/bouquets
- Any reconciliations/checks/adjustments carried out before sending the declarations

24. Analyze declaration reports on a sample basis:

- Reconciling the declaration figures with base data from various systems (SMS/ Provisioning/Billing and Authentication systems)
- Analyze the computation of average subscribers

Ascertain the average subscribers for a specific period on a sample basis by generating a sample report for a given period in the presence of the representative/auditors.

25. Analyze the following:

- Input and change controls of customer data into SMS
- SMS user access controls - authentication, authorization and logging
- System logs to identify any significant changes or trail of changes made
- Security controls over key databases and systems including not limiting to SMS, Provisioning, authentication and billing systems
- System logic for the reports which are inputs to Broadcaster declarations
- Channel allocation/fixation to a particular LCN/CDN
- Mapping of subscriber id across the CRM and SMS billing system if the same is different across the Systems.
- Sample of activation and deactivation request logs
- Opening and closing numbers of the active subscribers for sample months (report to be taken in

front of the auditors/rep)

- Confirmation of the numbers on the middle of the month on a random chosen dates (report to be taken in front of the auditors/rep)
- Live demo of the queries being put in to the system to generate different reports.
- In case of multiple CAS being used by Operator, to understand synchronization between multiple CAS and SMS

For Discovery Communications India	For Operator
Name:	Name:
Title:	Title:

SCHEDULE VI - CA DECLARATION FORM

(On CAS Company Letter Head)

TO WHOMSOEVER IT MAY CONCERN

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

Date of CAS Installation: _____ CAS Version: _____

CAS ID: _____, NETWORK ID: _____

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

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

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

Thanking you,

For (CAS company name)

(Signature)

Name: _____

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

Company seal:

SCHEDULE VII - SMS DECLARATION FORM

(On SMS company letterhead)

TO WHOMSOEVER IT MAY CONCERN

This is to certify that M/S Address

Registered Office having its DTH headend at has installed SMS from our Company for its DTH network.

Date of SMS Installation: _____

SMS Version: _____

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

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

Thanking you,

For (SMS company name)

(Signature)

Name: _____

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

-

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SCHEDULE IX – SUBSCRIBER REPORT FORMAT

CHANNELS OFFERED ON A-LA-CARTE BASIS (to be submitted area/phase wise distinctly and separately):

AREA/PHASE:

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

CHANNELS OFFERED AS PART OF BOUQUET / SUBSCRIBER PACKAGE (to be submitted area/phase wise distinctly and separately)

AREA/PHASE:

S.no.	Bouquet/ Subscriber Package Name		Channel(s) contained therein		Opening Subs		Closing Subs		Average Subs	
	As per CAS	As per SMS	As per CAS	As per SMS	As per CAS	As per SMS	As per CAS	As per SMS	As per CAS	As per SMS

TOTAL OFFERING ON A-LA-CARTE/BOUQUET/ SUBSCRIBER PACKAGE BASIS (to be submitted area/phase wise distinctly and separately)

- AREA/PHASE: -

5.

S.no.	Channel Name	Code number of	Code number of	Incremental
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		STB's Deactivated within that month		STB's activated within that month		addition/deletion	
		As per CAS	As per SMS	As per CAS	As per SMS	As per CAS	As per SMS

DETAILS OF MONTHLY ACTIVATION/DE-ACTIVATION:

Month:

Year:

S.no.	Channel Name	Code number of STB's Deactivated within that month		Code number of STB's activated within that month		Incremental addition/deletion	
		As per CAS	As per SMS	As per CAS	As per SMS	As per CAS	As per SMS

Ageing

	STB's activated for less than 3 months	STB's activated for more than 3 months but less than 6 months	STB's activated for more than 6 months

DETAILS OF BOUQUETS / SUBSCRIBER PACKAGES:

Month:

Year:

S. no	Name of the Bouquet/ subscriber	Name of the Bouquets/	Name of the Bouquets/	Name of the Bouquets/

