

**REFERENCE INTERCONNECT OFFER OF DISNEY BROADCASTING (INDIA) LIMITED  
[DIRECT TO HOME PLATFORM]**

**FOR DISNEY BROADCASTING (INDIA) LIMITED**

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

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

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

This Subscription Agreement (“**Agreement**”) is executed by and between:

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

\_\_\_\_\_, a company incorporated under the Companies Act, 1956, and having its registered office at \_\_\_\_\_, represented through its \_\_\_\_\_, \_\_\_\_\_, authorized vide board resolution dated \_\_\_\_\_ [*hereinafter referred to as the “Operator”, which expression shall, unless it be repugnant to the meaning or context thereof, be deemed to include its successors and permitted assigns*].

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

**WHEREAS:**

- A.** The Broadcaster is the owner and/or distributor of the Channel(s) and/or is authorized to retransmit signals of the Channels through the DTH Operators in the Territory, as per the terms of its registration with the MIB.
- B.** The Operator is a DTH Operator providing DTH service through the Operator’s Platform in the Territory.
- C.** The Operator is desirous to subscribe the Subscribed Channel(s) for further retransmission through the Platform to the Subscribers in the Authorized Area(s) with effect from the Effective Date and in this regard has approached the Broadcaster. The Broadcaster, is willing to provide signals of the Subscribed Channel(s) to the Operator for further retransmission through the Platform to the Subscribers in the Authorized Area(s), subject to the terms and conditions of this Agreement.

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

**1. DEFINITIONS:**

In this Agreement, unless the context otherwise requires, the defined terms below shall have such respective meaning as have been assigned to them hereunder and/or as assigned to them under Applicable Law (defined below). Additionally, there are other defined terms in the body of the Agreement which shall have such respective meaning as have been assigned to them in the body of the Agreement.

- 1.1. “**Additional Fees determined by Commercial Audit**” shall mean the additional fees payable to the Broadcaster by the Operator on the basis of the findings arrived on the basis of commercial audit.
- 1.2. “**Additional Fees determined by Technical Audit**” shall mean the additional fees payable to the Broadcaster by the Operator on the basis of the findings arrived on the basis of technical audit.
- 1.3. “**A-la carte**” means offering a television channel individually on a standalone basis by the Broadcaster to the

Operator and set out in **Annexure A**.

- 1.4. **“A-la carte Rate”** means the rate at which a standalone individual Channel is offered by the Broadcaster to the Operator and set out in **Annexure A**.
- 1.5. **“Applicable Law(s)”** means laws, regulations, directions, notifications, policies, guidelines, rules or orders, including amendments thereto, enacted or issued by any constitutional, legislative, judicial, quasi-judicial or administrative authority including the TRAI and the MIB.
- 1.6. **“Auditor(s)”** means the Broadcaster’s authorized representatives who are bound by the confidentiality terms as set out in this Agreement
- 1.7. **“Authorized Area(s)”** means the authorized areas of operation of the Operator as set out in **Annexure A1**.
- 1.8. **“Bouquet”** means an assortment of distinct Channels, offered together as a group or as a bundle by the Broadcaster to the Operator and set out in **Annexure A**.
- 1.9. **“Bouquet Rate”** means the rate at which a group of Channels or bundle of Channels or bouquet of Channels is offered by the Broadcaster to the Operator and set out in **Annexure A**.
- 1.10. **“CAS”** means conditional access system installed to be installed at the Operator’s headend that enables the Subscribers to access and to view the Subscribed Channel(s) and also prevents unauthorized viewers from accessing the Channel(s).
- 1.11. **“Channel(s)”** means the linear feed of satellite television channels listed in **Annexure A** of this Agreement.
- 1.12. <sup>1</sup>**“Commercial Subscribers”** means a subscriber who causes the signals of TV channels to be heard or seen by any person for a specific sum of money to be paid by such person or as amended by TRAI.
- 1.13. **“Confidential Information”** means any confidential information disclosed by the Broadcaster to the Operator while the Operator is participating in the affairs/business of the Broadcaster and any such other confidential and proprietary information, including the terms and conditions of this Agreement, that may be disclosed by the Broadcaster during the Term.
- 1.14. **“Corporate Affiliate”** means and includes all parent, affiliate and subsidiary company(ies) of the Party in reference and shall mean, with regard to either Party, any corporation or other entity that directly or indirectly controls, is controlled by, or is under common control with the Party including but not limited to all parent, affiliate, and subsidiary company(ies) of such Party.
- 1.15. **“DTH Operator”** means an operator licensed by the MIB to provide DTH service to the Subscribers.
- 1.16. **“DTH Platform”/“Platform”** means distribution of multi-channel programs in Ku-band (or any other band as approved by the MIB) by using digital addressable direct to home platform owned and operated by DTH Operator, comprising of 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 the network can be sent in encrypted form and decoded by device(s) having an activated conditional access system at the premises of the Subscriber within the limits of authorization made, through the CAS and the SMS, on the explicit choice and request of such subscriber, without passing through intermediary such as cable operator or any other distributor of TV channels. The DTH Operator shall distribute multi-channel TV programmes directly to the Subscriber only by using a satellite system in accordance with the Telecommunication (Broadcasting and Cable Services) Interconnection Regulations, 2004 (as amended).
- 1.17. **“Default Interest Rate”** shall mean interest applicable on late payment or short payment from the date the payment was due until the realization of full payment and such interest shall be computed at the rate of 2% (two percent) per month on the payment that is due.

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

- 1.18. **“Due Date”** means the date of expiry of the 15 (fifteen) day period commencing on the date of receipt of invoice from the Broadcaster.
- 1.19. **“Effective Date”** means the date mentioned in **Annexure A** of this Agreement.
- 1.20. **“EPG”** also known as Electronic Program Guide, means a list in an electronic format maintained by the Operator with respect to the information of channels, programmes and scheduling thereof and a short summary or commentary for each program. EPG is the electronic format equivalent to a printed television program guide and includes any enhanced facility which allows Subscribers to navigate and select such available channels and programs.
- 1.21. **“EPGN”** means the EPG number for each of the Subscribed Channel(s).
- 1.22. **“Equipment”** means equipment comprising of digital satellite receivers/integrated receiver decoder together with associated VCs and remotes (where applicable) for each of the Subscribed Channel(s), details of which are set forth in **Annexure B** hereto, which enables the Operator to decrypt the encrypted signals of the Subscribed Channel(s).
- 1.23. **“First Invoice Billing Cycle”** for the purpose of raising an invoice towards Monthly Subscription Fee(s), shall mean the first invoice raised by the Broadcaster on the Operator in relation to the Service for the period from the date of the actual commencement of the Service till the date of execution of this Agreement and receipt of the first Report(s) from the Operator as set out in **Annexure C**.
- 1.24. **“Incentive Schemes”** shall mean incentive(s) offered by the Broadcaster to the Cable Operators on the terms and conditions as specified in such incentive scheme and available on the Website of the Broadcaster.
- 1.25. **“Insertion”** means the alteration of content of the Subscribed Channel(s) only in the manner set out in Clause 4.4 below.
- 1.26. **“Intellectual Property”** means all right, title and interest in the programming and all copyright, creative, artistic and literary contents, trademarks, trade names, services marks, logos, materials, formats and concepts relating to the Channel(s)/Subscribed Channel(s), or any mark of the right holders of any programming exhibited on the Channel(s)/Subscribed Channel(s).
- 1.27. **“IRD”** means an integrated receiver cum decoder box;
- 1.28. **“Marks”** mean all Intellectual Property owned or used by the Broadcaster or its affiliates from time to time in connection with the Channel(s)/Subscribed Channel(s), including, without limitation, the trade names and trademarks specified by the Broadcaster or otherwise notified in writing by the Broadcaster from time to time.
- 1.29. **“MIB”** means the Ministry of Information and Broadcasting in India.
- 1.30. **“Month”** for the purposes of this Agreement, shall start from 1st day of each calendar month and end on the last day of such month.
- 1.31. **“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 two.
- 1.32. **“Monthly Subscription Fee”** means the monthly subscription fee payable by the Operator to the Broadcaster in terms of Clause 7 of this Agreement.
- 1.33. **“Packages”** means various packages offered by the Operator to the Subscribers comprising of channels of various broadcasters.
- 1.34. **“Piracy”** means any act or omission including, without limitation, unauthorized retransmission, redistribution or exhibition, copying or duplication of any Channel, in whole or in part, collectively.
- 1.35. **“Reports”** means the monthly Subscriber reports and other monthly reports to be provided by the Operator to the Broadcaster in terms of Clause 12 of this Agreement.
- 1.36. **“Security Deposit”** means a refundable amount paid by the Operator to the Broadcaster as a security for the Equipment.

- 1.37. “**Security Systems**” mean the conditional access delivery and content protection and security systems and related physical security and operational procedures.
- 1.38. “**STB**” also known as Set Top Box, means the Operator provided and/or the Operator authorized set top box (embedded with the Operator designated vendor designed CAS microchip) installed in the premises of the Subscriber and connected to the television of the Subscriber, that allows the Subscriber to receive the Subscribed Channel(s) through the Operator’s Platform.
- 1.39. “**Subscriber**” means each STB within the Authorized Area(s) which receives or is entitled to receive signals of Subscribed Channel(s) from the Operator’s Platform directly. For clarity, the Parties record that once the Operator makes available a Subscribed Channel(s) on a particular STB (for immediate activation or for activation at a later date), then such STB shall be included in the number of Subscribers to be reported for the purposes of payment of Monthly Subscription Fee for the respective Subscribed Channel(s). To illustrate, if the Operator offers a Subscribed Channel in a Package and collects subscription fee for such Subscribed Channel as price of the Package, then payment of subscription fee to the Broadcaster, for such Subscribed Channel, shall be calculated on the basis of subscriber base of the Package in which such Subscribed Channel has been placed. Notwithstanding anything to the contrary, Subscriber specifically excludes Commercial Subscriber.
- 1.40. “**Subscribed Channel(s)**” means the channels from amongst the Channel(s) subscribed or carried by the Operator, as are specifically identified by the Operator by assigning tick marks (✓) against such channels from amongst the Channels listed in **Annexure A** to this Agreement.
- 1.41. “**SMS**” also known as Subscriber Management System, means a system or device which stores the Subscriber records and details with respect to name, address and other information regarding the hardware being utilized by the Subscribers, channels or Package(s) of channels subscribed to by the Subscriber, price of such channels or Package(s) of channels as defined in the system, the activation or deactivation dates and time for any channel or Package(s) of channels, a log of all actions performed on a Subscribers’ record, invoices raised on each Subscriber and the amounts paid and discounts allowed to the Subscribers for each billing period and other related information such as all customer relevant information and be responsible for keeping track of placed orders, credit limits, invoicing and payments, as well as the generation of reports and statistics.
- 1.42. “**TDSAT**” means Telecom Dispute Settlement and Appellate Tribunal.
- 1.43. “**Taxes**” include, without limitation applicable indirect taxes including any and all service taxes, value-added taxes, goods and services taxes, works contract taxes, customs duties, excise duties, entertainment taxes and other such taxes.
- 1.44. “**Technical Audit**” means an technical audit in relation to piracy of the Channel(s).
- 1.45. “**Technical Auditor**” means an independent security technology auditor.
- 1.46. “**Technical Specifications**” means the technical specifications set forth in **Schedule 1** to the Agreement and to which, the STBs, CAS and SMS must comply with.
- 1.47. “**Term**” means the period commencing from the Effective Date and expiring on completion of 12 (twelve) months, unless terminated earlier in accordance with the provisions of the Agreement.
- 1.48. “**Territory**” means whole of India.
- 1.49. “**TRAI**” means the Telecom Regulatory Authority of India.
- 1.50. “**VC**” means a viewing card essential to access the Channel(s) in conjunction with an IRD.
- 1.51. “**Website**” means <http://www.disney.in/>.
- 1.52. “**Withheld Program(s)**” means certain programs on the Channel(s) wherein the Broadcaster does not control the appropriate rights to exhibit the said programs in the Territory.

## 2. INTERPRETATION:

In the interpretation of the Agreement, unless the context requires otherwise:

- 2.1. The headings herein are used for convenience only and shall not affect the construction of this Agreement.
- 2.2. The references to Annexure and Schedule are references respectively to the annexure and schedule to this Agreement. The reference to Incentive Scheme available on the Website (as amended from time to time) and all such terms and conditions shall be deemed as incorporated hereunder. The reference to the singular includes reference to plural and vice versa.
- 2.3. The reference to any gender includes a reference to all other genders.
- 2.4. The term “including” shall mean “including without limitation”.
- 2.5. Capitalized Terms: For the purposes of this Agreement, the capitalized terms shall have the meanings ascribed to them in Section 2 (Definitions) of the Incentive Scheme, unless otherwise expressly stated in any provision of the Agreement.

### **3. GRANT OF NON-EXCLUSIVE RIGHTS ('SERVICE'):**

- 3.1. On the basis of the representations, warranties and undertakings given by the Operator, and subject to the Operator paying the Monthly Subscription Fee, the Broadcaster hereby grants non-exclusive right to the Operator to receive the signals of the Subscribed Channel(s) through the Equipment directly from designated satellites and retransmit the signals, only in the Authorized Area(s), in an uninterrupted form on a 24 x 7 x 365(6) basis, of such Subscribed Channel(s) through the Operator's Platform to the Subscribers in a securely encrypted manner during the Term (both to be done at the Operator's sole cost and expense), subject to the Operator complying with all the terms and conditions as set out in this Agreement.
- 3.2. The Operator hereby specifically understands and acknowledges that the Operator shall not have the right to upgrade the standard definition feed of the Subscribed Channel(s) to high definition feed (by using any technology now available or which may become available in future) at the time of re-transmitting the Subscribed Channel(s) through the Operator's Platform. The Operator further understands and agrees that mere possession of the Equipment and/or access to the signals of the Channel(s)/Subscribed Channel(s) does not entitle the Operator to receive and/or retransmit the signals of the Channel(s)/Subscribed Channel(s) and/or use the Equipment in any other manner whatsoever. All distribution rights not specifically and expressly granted to the Operator under this Agreement are deemed to be specifically not granted, withheld and reserved by the Broadcaster, including, without limitation, transmission via Head-end In The Sky (HITS) platforms, cable network (analogue or digital addressable), Internet Protocol Television Service (IPTV) internet or mobile and/or through any non-linear platforms including pay-per-view (PPV), near-video-on-demand (NVOD), subscription-video-on-demand (SVOD), video-on-demand (VOD), personal computer, mobile telephony, and/or any technology now available or which may become available in future are deemed to be specifically not granted hereunder, withheld and are reserved by the Broadcaster.

### **4. DELIVERY AND SECURITY:**

- 4.1 The Operator shall retransmit the signals of the Subscribed Channels to the Subscribers in a securely and encrypted manner. The Operator undertakes to carry the Subscribed Channels in its entirety, in the order and at the time transmitted by the Broadcaster without any editing, delays, alterations, interruptions, picture squeezing or re-sizing, insertion of graphic or animated overlays, pull-through or crawls, deletions or additions, except as authorized in advance in writing by the Broadcaster, including for any electronic program guide as referenced in Clause 6 below. The Operator shall not retransmit any portion of the Subscribed Channels except as specifically authorized by the Broadcaster. Subject to Applicable Laws, the Broadcaster have the right to alter any or all of the Subscribed Channels, including the names, logos of the Subscribed Channels, the programming exhibited on the Subscribed Channels and the mode of offering of the Subscribed Channels.
- 4.2 The uplink specifications, satellite capacity and infrastructure allocated by the Operator in respect of the signal of the Subscribed Channels to its subscribers shall be no worse than that of the signal of any other channel within the same genre on the Operator's DTH Service.
- 4.3 It is expressly agreed that the Operator shall offer all Subscribed Channels at all times during the Term to the Subscribers as a linear television service only on a 24 hour per day, 7 day per week, 365(6) days a year basis, with effect from such Subscribed Channels being activated at the Subscriber's end on account of it being offered in a Package or such Subscribed Channels being availed on a-la-carte basis by the Subscriber, till the

time such Subscriber is switched off by the Operator for being a defaulter or such Subscriber having expressly indicated its intention to discontinue its subscription to such Subscribed Channel(s) or Packages containing such Subscribed Channel(s) in accordance with Applicable Laws/extant regulations. Provided that the Operator shall keep such Subscribed Channel(s) or Packages containing such Subscribed Channel(s) active at the Subscriber's end for a minimum period of six (6) months from the date such Subscriber has subscribed to such Subscribed Channel(s) or Packages containing such Subscribed Channel(s), however, subject to availability of the Subscribed Channel(s) on the DTH Platform of the Operator. It is agreed that no independent advertising shall be inserted by the Operator and the Operator shall not superimpose or otherwise alter any copyright, trademarks, trade names, logos, names on any Channel.

- 4.4 Without prejudice to the foregoing, the Operator is/are allowed to only add or insert their own trademark, logo, name or other insertion of similar nature in the form of translucent watermark, any 'On Screen Display' ("OSD") while transmitting or re-transmitting the signals of the Subscribed Channel(s). The Insertion shall also be subject to the following conditions:

4.4.1 The Insertion shall also be inserted on other channels on the Operator's Platform;

4.4.2 At any point in time, there will only be a single Insertion and it shall not appear more than once on the screen;

4.4.3 The Insertion shall not be more prominent than the respective Channel's logo. Further, the placement and size of Insertion, particularly Operator's logo (on any of the Subscribed Channel(s)) shall not be different from the placement and size of Insertion on any similar channels (i.e. channel(s) having placement of their respective logos similar to the placement of logo(s) of Subscribed Channel(s)); and

4.4.4 The Insertion shall not obscure or overlay the Subscribed Channel(s)' logo or any program that appears on the Subscribed Channel(s).

- 4.5 The Operator shall provide access to the Subscribed Channel(s) on a non-discriminatory basis.

- 4.6 It is clarified that the Operator shall offer the Subscribed Channel(s) to Subscribers on as-is basis and shall not offer any of the Subscribed Channel(s) on the basis of any specific programming event, feature, characteristic or attribute. The Operator shall cause continuous distribution of the Subscribed Channel(s) to all Subscribers during telecast without blacking it out or interfering with it in any manner whatsoever.

- 4.7 In the event the Broadcaster is unable to block or black out the transmission of any Withheld Program(s) from the Subscribed Channel(s), then the Operator agrees not to exhibit or block or black out the transmission of any Withheld Program(s) upon notification from the Broadcaster (emails permitted).

- 4.8 The Operator also agrees and undertakes that it shall not superimpose or otherwise insert any advertisements, promotions, programs, data or content, whatsoever either its own or that of any other channel before, during, after or along with the content of the Subscribed Channel(s).

## **5. PACKAGES:**

- 5.1 The Operator undertakes to the Broadcaster that the Subscribed Channel(s) shall not be disadvantaged or otherwise treated less favorably by the Operator with respect to other channels of similar genre while including the channels in any of its Packages.

- 5.2 The Operator shall package the Subscribed Channel(s) as per Applicable Law. Once a Subscribed Channel has been included in a Package, the said Subscribed Channel shall not be selectively switched off or taken off air by the Operator unless all other channels comprised in the package have been switched off or taken off air. Provided that this provision shall not apply on suspension of signals or on termination or expiry of this instant Agreement whereby the said Subscribed Channel(s) is taken off air or switched off.

- 5.3 The Operator shall obtain the Broadcaster's prior written consent if it intends to package/repackage the Channels or intends to launch a new package (promotional or otherwise).

## **6. ELECTRONIC PROGRAMMING GUIDE:**

- 6.1 If Operator has or creates an EPG, or a printed programming guide for distribution to its Subscribers (a copy of which shall be sent to the Broadcaster, simultaneously with mailings to Subscribers), then the programming schedule of each of the Subscribed Channels shall be prominently featured in them in the order of the EPGN for each of the Subscribed Channel(s). The Operator agrees not to disadvantage any of the Subscribed Channel(s) or otherwise treat any of the Subscribed Channel(s) less favorably with respect to competing channels on a genre basis in arranging the EPGNs.
- 6.2 The Operator shall display, in the EPG of its DTH Service, all the channels offered on its Operator's DTH Platform in the same genre in which a particular channel has been indicated by the Broadcaster and any such channel shall appear only in one genre. The EPGNs for the Subscribed Channel(s) ideally shall not be changed over the Term. Any changes to the EPGN on the Operator's DTH Platform shall be made in good faith without targeting the Subscribed Channels for discriminatory treatment vis-à-vis other channels falling within the same genres and shall be affected only with prior consent of the Broadcaster.
- 6.3 The Operator shall offer all contributory language feeds for a given Subscribed Channel to every Subscriber entitled to access such Subscribed Channel(s).
- 7. MONTHLY SUBSCRIPTION FEES:**
- 7.1 Subject to provisions of Clause 9.2 of this Agreement, the Broadcaster shall raise monthly invoices on the Operator for the Subscribed Channel(s) towards the applicable Monthly Subscription Fee, together with applicable Taxes, for the concerned Month on the Operator within 10 (ten) working days of receipt of the Reports from the Operator.
- 7.2 For each Month or part thereof during the Term of the Agreement, the Operator shall pay to the Broadcaster the Monthly Subscription Fee which shall be calculated in the manner set out in Clause 8 of this Agreement.
- 7.3 The A-la-carte Rate of each Channel per Subscriber and Bouquet Rate per Subscriber is set out in **Annexure A** to this Agreement. The rates mentioned in **Annexure A** are exclusive of all Taxes.
- 8. CALCULATION OF MONTHLY SUBSCRIPTION FEE:**
- 8.1 In case the Operator avails one or more or all Channel(s) of the Broadcaster on A-la carte basis:
- 8.1.1 If the Operator is providing the Subscribed Channel(s) on A-la carte basis to its Subscribers, the Monthly Subscription Fee payable to the Broadcaster for such A-la-carte Subscribed Channel(s) shall be equal to the A-la-carte Rate as set out in the **Annexure A** multiplied by the number of Monthly Average Subscriber Level availing the Subscribed Channel(s) on A-la-carte basis.
- 8.1.2 If the Operator does not offer such opted A-la-carte Subscribed Channel(s) as A-la-carte to its Subscribers but offers the A-la-carte Channel(s) in Packages, then the Monthly Subscription Fee payable to the Broadcaster for each of the A-la-carte Subscribed Channel(s) shall be calculated on the basis of Monthly Average Subscriber Level of the Package in which such opted A-la-carte Channel has been placed.
- 8.2 In case the Operator avails the Bouquet of the Broadcaster:
- 8.2.1 If the Operator is providing the Bouquet as a whole to its Subscribers, the Monthly Subscription Fee for Bouquet shall be equal to the Bouquet Rate as set out in the **Annexure- A** multiplied by the Monthly Average Subscriber Level availing the Bouquet.
- 8.2.2 If the Operator does not offer Bouquet as a whole to its Subscribers but offers only certain Subscribed Channel(s) from the Bouquet or Packages the Subscribed Channel(s) from the Bouquet in a manner resulting in different Monthly Average Subscriber Level for different Subscribed Channel(s), then the payment by the Operator to the Broadcaster for the Bouquet, shall be calculated on the basis of Monthly Average Subscriber Level for the Subscribed Channel which has highest Monthly Average Subscriber Level amongst the Subscribed Channel(s) of the Bouquet.
- 8.3 The A-la-carte Rate and the Bouquet Rate of the Channels shall be subject to amendment or revision by the Broadcaster during the Term in accordance with any change in Applicable Law(s) and such revised rates shall apply from the date such amendment/revision is notified by such authority without any further

intimation or action by either party and/or the pricing policy of the Broadcaster from time to time. Upon such amendment or revision, the Operator agrees to pay the revised Monthly Subscription Fee with immediate effect without raising any dispute. It is further agreed that in case the Operator has paid any fees in advance, the differential amount of the Monthly Subscription Fee, from the effective day of such amendment or revision will be paid by the Operator on a pro-rata basis within a period of 7 (seven) days from the receipt of the notice or invoice of revised subscription fee from the Broadcaster.

- 8.4 It is hereby agreed that in the event the Operator avails the incentive(s), on A-la care Rate or Bouquet Rate, as per the Incentive Schemes, then the Monthly Subscription Fee shall be subject to the incentive(s) and computed in the manner set out in the Incentive Schemes.
- 8.5 Any discounts or similar offerings made by the Operator to the Subscribers in respect of the Subscribed Channel(s) shall be at the sole cost and expense of the Operator.
- 8.6 The Broadcaster reserves the right to revise the Tariffs of the high definition (HD) Channel(s), if launched by the Broadcaster during the Term.

## **9. PAYMENT TERMS:**

- 9.1 In case the Operator fails to provide the applicable Report(s) within the prescribed period of 7 (seven) days, the Broadcaster shall have the right to raise an invoice on a without prejudice basis, on the Operator (such invoice amount shall not be more than the last invoice raised by the Broadcaster on the Operator and reconciliation shall be undertaken by the Parties once the applicable Report(s) is/are received from the Operator) and the Operator shall be under obligation to pay the Monthly Subscription Fee on the basis of such invoice. The Operator understands and acknowledges that non-receipt of dispatched invoices from the Broadcaster shall not relieve the Operator from its obligation to make the payments of the Monthly Subscription Fee within the Due Date. In the event the Operator does not receive the invoice for a particular Month by the 15th day of such month, then the Operator shall promptly intimate the Broadcaster about the same and request for issuance of duplicate invoice. All such communication shall mandatorily be addressed/marked to the attention of Chief Financial Officer of the Broadcaster. Additionally, the Operator shall make payment of provisional Monthly Subscription Fee (such amount to be not more than the last payment made by the Operator to the Broadcaster towards Monthly Subscription Fee) and reconciliation shall be undertaken by the Parties once the applicable invoice is received by the Operator from the Broadcaster. Notwithstanding anything contained herein, in the event the Operator avails the incentive(s) as per the Incentive Schemes, then the invoicing provisions as set out in the Incentive Schemes shall be applicable.
- 9.2 With regard to the First Invoice Billing Cycle, the invoice shall be raised within thirty (30) days from the end of the First Invoice Billing Cycle and such invoice shall be payable by the Operator to the Broadcaster before or on the Due Date. For avoidance of doubt, it is clarified the First Invoice Billing Cycle can be a Month or more than a Month.
- 9.3 The Operator shall pay to the Broadcaster the Monthly Subscription Fee in arrears by the Due Date, without any deduction except deduction of withholding tax or TDS as provided in this Agreement. Such payment shall be made in the name of "**Disney Broadcasting (India) Limited**" and shall be valid discharge of the Operator's liability to the Broadcaster towards payment of Monthly Subscription Fee for the applicable month. The Monthly Subscription Fee is exclusive of all Taxes. All such Taxes shall be at the Operator's cost and shall be charged at the prevailing rates by the Broadcaster to the Operator.
- 9.4 Failure on the Operator's part to make applicable payment within the applicable Due Date shall constitute a material breach on part of the Operator hereunder, entitling the Broadcaster to initiate legal proceedings against the Operator under Applicable Law(s). Additionally, any due payment from the Operator post expiry of the Due Date shall attract the Default Interest Rate per month until the date the due payment along with the applicable interest is paid in full. The imposition and collection of interest on late payments does not constitute a waiver of the Operator's obligation to pay the Monthly Subscription Fee by the Due Date and the Broadcaster shall retain all of its other rights and remedies under the Agreement and/or Applicable Law(s).
- 9.5 If under applicable Indian tax laws, any payments from Operator to the Broadcaster, are subject to deduction of tax at source, then the Operator shall:

9.5.1 deduct/withhold the applicable amount of income tax deducted at source in the name of the Broadcaster,



9.5.2 remit/deposit such deducted withholding tax amount to the applicable Indian tax authority in the name of the Broadcaster within the due dates prescribed under the applicable Indian tax law, and

9.5.3 within the applicable statutory period as per the applicable Indian tax law, deliver all documents to the Broadcaster evidencing such statutory deductions.

9.6 No cash payments shall be made by the Operator towards the Monthly Subscription Fee or any other dues whatsoever. However in the event a cheque is issued by the Operator and such cheque is dishonored or not approved or returned due to any reason whatsoever, without prejudice to the rights available to the Broadcaster under Applicable Law(s), the Operator shall be liable to pay the Broadcaster, an amount of not less than INR 1,500/- (Rupees One Thousand Five Hundred only) for each such dishonored, disapproved or rejected cheque.

9.7 The Operator shall have no right to withhold or claim adjustment or set off Monthly Subscription Fee under this Agreement for any reason whatsoever (including, but not limited to, by virtue of any alleged loss of Subscribers and counterclaim against the Broadcaster).

#### **10. REPLACEMENT OR CONVERSION OF CHANNEL(S):**

10.1 The Broadcaster reserves the right at any time during the Term to remove and/or delete the Remove Channel(s) and the applicability of this Agreement with respect to the Removed Channel(s) shall stand terminated. The Broadcaster shall have the right to replace any Removed Channel with a replacement channel or to add any channel to the list of Channel(s) and to grant the distribution rights to the Operator in respect of the replacement or new channel. If any channel is removed, replaced or added to the list of Channel(s), the Monthly Subscription Fee payable shall be computed as per Applicable Law(s). For avoidance of doubt, it is hereby clarified that the Broadcaster shall use its best commercial endeavors to provide reasonable notice to the Operator with respect to the removal or replacement of the Subscribed Channel(s), provided however that failure to provide any such notice to the Operator shall not be deemed a breach of the Broadcaster's obligations hereunder. Additionally, the Operator hereby undertakes not to involve the Broadcaster and indemnify the Broadcaster from any claim, damage or legal proceedings that may be brought against the Operator by any of the Subscribers on account of such Removed Channels and/or increase, if any, in the subscription rates that the Operator may choose to levy on the Subscriber.

10.2 It is hereby clarified for the avoidance of doubt that amongst the Channel(s) and/or Subscribed Channel(s), if any Free-to-Air ("FTA") channel is converted as a pay channel or if any pay channel is converted into a FTA channel, as applicable, the Monthly Subscription Fee payable shall be computed as per Applicable Law(s).

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

11.1 In order to prevent 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 Security Systems as per the security specifications set forth in **Schedule 2** of this Agreement and/or may be specified in a non-discriminatory manner in writing, from time to time, by the Broadcaster. The Operator granting access to the Subscribed Channels to its subscribers outside the Territory through the Operator's DTH Platform shall tantamount to the Operator allowing unauthorized access to the Subscribed Channels.

11.2 To ensure the Operator's ongoing compliance with the security requirements set out in the Agreement, the Broadcaster may require Technical Audits conducted by Technical Auditor, approved by the Broadcaster in writing no more than twice during each calendar year during the Term, at the Broadcaster's cost and expense. If the results of any Technical Audit are not found to be satisfactory by either the Operator or the Broadcaster, then the Broadcaster shall work with the Operator in resolving this issue in the next fourteen (14) working days. If a solution is not reached at during the said period, the Broadcaster may, at its sole discretion, suspend the Operator's right to distribute the Subscribed Channel(s) or take other actions as provided under the Agreement, until such systems, procedures and security measures have been corrected to the Broadcaster's satisfaction. The Operator shall bear the cost and expense of any subsequent Technical Audit to verify that the systems, procedures and security measures have been corrected by the Operator to the Broadcaster's satisfaction.

11.3 The Operator shall deploy finger printing mechanisms to detect any Piracy, violation of copyright and unauthorized viewing of the Subscribed Channels, retransmitted by the Operator through its Platform at least every 10 minutes on 24 x 7 x 365(6) basis.

- 11.4 The Operator shall not authorize, cause or suffer any portion of any of the Subscribed Channel(s) to be recorded, duplicated, cablecast, exhibited or otherwise used for any purpose other than for distribution by the Operator at the time the Subscribed Channel(s) are made available. If the Operator becomes aware that any unauthorized third party is recording, duplicating, cablecasting, exhibiting or otherwise using any or all of the Subscribed Channel(s) for any other purpose, the Operator shall within 10 (ten) minutes of so becoming aware of such recording, duplicating, cablecasting, exhibiting or otherwise using any or all of the Subscribed Channel(s) for any other purpose, notify the Broadcaster and the Operator shall also switch off the concerned STB to prevent such unauthorized use. However, use of STB 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 STB is used in accordance with the terms and conditions of the subscription agreement between the Operator and the Subscriber.
- 11.5 If so instructed by 'information' (as described below) by the Broadcaster, the Operator shall shut off or de-authorize the transmission to any unauthorized subscriber or Subscriber indulging in Piracy, within 10 (ten) minutes from the time it receives such instruction from the Broadcaster. Any communication under this clause shall be considered as valid information only if (i) the information is sent through email in a format as mutually agreed by the Parties; and (ii) the information is sent by a person(s) who is/are designated to send such information. However the information may even be provided by the Broadcaster through other means of communications such as telephonic message, fax etc. and the said information shall later be confirmed by the Broadcaster through e-mail and the Operator shall be under obligation to act upon such information.
- 11.6 The Broadcaster plans to actively combat Piracy of the Subscribed Channel(s) in the Territory and the Operator undertakes to work closely and provide all such assistance to the Broadcaster as may be reasonably required by the Broadcaster in such regard. The Operator shall, at its own expense, take all necessary steps to comply with obligations set forth in **Schedule 2**.
- 12. REPORTS:**
- 12.1 The Operator shall maintain at its own expense a Subscriber Management System which should be fully integrated with the CAS. The Operator shall provide to the Broadcaster the Report(s) including complete and accurate opening and closing Subscriber Report(s) for the Subscribed Channel(s) and the Package containing the Subscribed Channel(s) within seven (7) days from the end of each month in such format as is set forth in **Annexure C** attached hereto or in such formats provided by the Broadcaster. Further, in the event the Operator desires to avail any of the incentive(s) offered by the Broadcaster as per the Incentive Schemes applicable on Bouquet Rates or A-la carte Rates, the Operator shall be under an obligation to provide additional Report(s) within seven (7) days from the end of each month in such format as referred to in the Agreement as set out in **Annexure C** of the Agreement.
- 12.2 If any Subscriber has opted for more than one connection from the Operator, all such additional connections must feature in the Subscriber Report(s).
- 12.3 Each Report shall be system generated only through SMS and CAS and the same should be in a pre-defined read only format such as a suitable PDF format which cannot be manually edited and shall specify all information required to calculate the Monthly Average Subscriber Level (including, but not limited to, the number of Subscribers for each Subscribed Channel and each Package in which a Subscribed Channel is included) and the Monthly Subscription Fee payable to the Broadcaster, and shall be signed and attested by an officer of the Operator of a rank not less than Head of Department/Chief Financial Officer who shall certify that all information in the Report(s) is true and correct. Any difference between the SMS and CAS reports shall have to be reconciled to the satisfaction of the Broadcaster. Non-provisioning of such Subscriber Report(s) shall constitute material breach of obligation on the part of the Operator. The Operator shall submit the Report(s) to the office of the Broadcaster located at Mumbai.
- 12.4 The Operator shall also include in its Report(s), comprehensive details of all incidents of piracy and signal theft involving in its network, the names of perpetrators involved in such incidents. The Operator shall provide such information promptly to the Broadcaster and co-operate with the Broadcaster to take such action as per Applicable Law(s). The obligation of Operator to provide the Report(s) shall survive termination of the Agreement until the Broadcaster receives the Report(s) for each relevant month for which any Monthly Subscription Fee is payable.
- 12.5 The Operator shall maintain throughout the Term and for twelve (12) months thereafter (or such longer period as required by law) sufficient records to enable the Broadcaster, to verify and ascertain the (a) veracity of the

Report(s) supplied by Operator pursuant to this Clause 12, (b) the payments due to the Broadcaster hereunder, and (c) Operator's compliance with its anti-piracy obligations as set out in this Agreement.

**13. AUDIT:**

- 13.1 The Broadcaster shall have the right, not more than twice during each calendar year during the Term, to review and/or audit the SMS, CAS, other related systems and records of SMS of the Operator relating to the Subscribed Channel(s) provided by the Broadcaster for the purpose of verifying the amounts properly payable to Broadcaster under the Agreement, the information contained in Reports and full compliance with the terms and conditions of the Agreement. The scope of such Audit shall be as set out in **Annexure F** attached hereto. If such review and/or audit reveal that the Operator is liable to pay Additional Fees determined by Technical Audit to the Broadcaster by the Operator, the Operator shall immediately pay such Additional Fees determined by Technical Audit, along with the Default Interest Rate. If such Additional Fees is more than two per cent (2%) of the Monthly Subscription Fees for the applicable period already paid by Operator to the Broadcaster, the Operator shall pay all of the Broadcaster's costs incurred in connection with such review and/or audit, and undertake to take any necessary actions to avoid such errors in the future.
- 13.2 The Operator shall remain the sole owner and holder of all customer databases compiled by the Operator under the Agreement.
- 13.3 If such review or audit reveals that the Operator is liable to pay Additional Fees determined by Commercial Audit to the Broadcaster, Operator shall immediately pay such Additional Fees determined by Commercial Audit, along with the Default Interest Rate. If such Additional Fees determined by Commercial Audit is more than five per cent (5%) of the Monthly Subscription Fees for the applicable period already paid by Operator to the Broadcaster, the Operator shall pay all of the Broadcaster's costs incurred in connection with such review and/or audit, and undertake to take any necessary actions to avoid such errors in the future. Further in such a case where there is a discrepancy of 5% or more, as detailed in this clause, the Broadcaster shall be permitted to be undertake such review/audit carried once in every quarter henceforth, however at the Broadcaster's sole discretion. For the sake of clarity, if such quarterly review/audit shows any discrepancy, then the Operator shall be liable to reimburse the Broadcaster's costs incurred in connection with such review and/or audit.
- 13.4 The Operator shall provide full cooperation to the Broadcaster's Auditors in order to carry out the audit including but not limited to granting unfettered, unqualified and unrestricted access to the Operator's facilities and systems including but not limited to SMS, CAS, IT systems and providing documents as may be required by the Auditors. The Operator shall have no objection to Auditors carrying/using their own equipment's, systems including but not limited to laptop, software & hardware for conducting such audit and shall be provided with free ingress and egress from the premises where in such audit is conducted. This shall also apply to Technical Audits. Any breach by or on the part of the Operator with regard to the above covenants shall be construed as material breach of this Agreement.

**14. SUBSCRIBER MANAGEMENT SYSTEM:**

- 14.1 The Operator will maintain throughout the Term and for twelve (12) months thereafter (or such longer period as required by law) sufficient records to enable the Broadcaster to verify the Subscriber Reports and other Reports supplied by Operator, the payments due to the Broadcaster hereunder and Operator's compliance with the Broadcaster's anti-piracy obligations as set out in **Schedule 2** of this Agreement.
- 14.2 The Operator will maintain at its own expense a SMS which should be fully integrated with the CAS capable of, at a minimum:
- 14.2.1 maintaining a computerized customer database capable of recording adequate details of each Subscriber, including name, address, chosen method of payment and billing;
- 14.2.2 administering subscriptions of Subscribers by producing and distributing contracts for new Subscribers and setting up and maintaining an infrastructure whereby Subscriber contracts are collected and recorded in the SMS database for ongoing administration;
- 14.2.3 handling all ongoing administrative functions in relation to Subscribers including, without limitation, billing and collection of subscription payments, credit control, sales enquiries and handling of complaints;

- 14.2.4 administering payments of any commission fees from time to time payable to the Operator's authorized agents for the sale to the Subscribers of programming Packages;
- 14.2.5 obtaining and distributing receivers and smartcards, if applicable, to Subscribers and issuing replacement smartcards from time to time at its discretion; and
- 14.2.6 enabling new Subscribers via the SMS over-the-air addressing system and disable defaulting Subscribers from time to time at its discretion.

## **15. TERM AND TERMINATION:**

- 15.1 This Agreement shall remain valid only for the Term.
- 15.2 Either Party has a right to terminate this Agreement, in the event of:
  - 15.2.1 material breach of this Agreement by the other Party which has not been cured within thirty (30) days (any other period as specified under Applicable Law(s)) from receiving a written notice from the other Party; or
  - 15.2.2 the bankruptcy, insolvency or appointment of receiver over the assets of the other Party; or
  - 15.2.3 the DTH license or any other material license necessary for the Operator to operate the Operator's DTH Platform is revoked at any time other than due to the fault of the Operator; or
  - 15.2.4 in case of winding up proceedings initiated against the Operator;
- 15.3 The Broadcaster shall have the right to terminate this Agreement by a written notice to the Operator and disconnect/deactivate signals of the Subscribed Channel(s) to the Operator and/or take any other action as may be appropriate, upon occurrence of any of the following:
  - 15.3.1 the 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;
  - 15.3.2 the Broadcaster discontinues the Subscribed Channel(s) with respect to all distributors and provides the Operator with at least ninety (90) days prior written notice;
  - 15.3.3 in the event of assignment of the Agreement by the Operator without prior written approval of the Broadcaster;
  - 15.3.4 if the Operator voluntarily or by operation of law loses control of the means to distribute the Subscribed Channel(s) through its DTH Platform (including but not limited to entering into an agreement/arrangement with another broadcaster for operational and/or administrative and/or funding purposes, etc.);
  - 15.3.4 In the event the Broadcaster is subjected to legal, governmental or other adverse action under applicable treaties, tariffs or Applicable Law(s) that restrict the right of the Broadcaster to provide the Subscribed Channel(s) or any part thereof to the Operator or limit the Operator's right or authorization to distribute the Subscribed Channel(s) or in the event of any court order which cannot be reviewed or appealed against, which prevents or restricts the Broadcaster from providing the Subscribed Channel(s) to the Operator under the terms of this Agreement.
- 15.4 The Operator shall have the right to terminate this Agreement on written notice to the Broadcaster, if the Operator discontinues its Platform and provides at least ninety (90) days prior written notice.
- 15.5 The Broadcaster shall have the right to disconnect the Subscribed Channel(s) provided to the Operator at any time by giving a prior written notice of twenty one (21) days, specifying the reasons for such disconnection.
- 15.6 The Broadcaster's rights to terminate the Agreement shall be without prejudice to the Broadcaster's legal and equitable rights to any claims under the Agreement, injunctive relief(s), damages and other remedies available under Applicable Law(s).

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

- 16.1 Upon expiry or termination of the Agreement:

- 16.1.1 The Broadcaster shall disconnect and/or deactivate the signals of the Subscribed Channel(s);
- 16.1.2 The Operator shall within seven (7) days of the expiry or termination of this Agreement, pay to the Broadcaster all outstanding payments and/or other sums (including, but not limited to, costs, charges, fees, damages and claims for rendition of accounts, if any accrued hereunder or prior to the expiration or termination of this Agreement) that may be payable to the Broadcaster under the Agreement as on the date of termination, failing which such outstanding amounts shall be payable together with interest at the Default Interest Rate computed from the period of such outstanding amounts becoming due and payable until the date of payment of such outstanding amounts along with applicable interest, in full.
- 16.1.3 The Operator shall immediately return the Equipment of the Subscribed Channels to the Broadcaster in good working condition failing which the Operator shall be liable to pay compensation and/or damages, equivalent to the market price of the Equipments.
- 16.1.4 Each Party shall return to the other Party all documents, Confidential Information, and other material belonging to the other Party then in its possession.
- 16.1.5 The Operator shall stop representing itself as Operator of the Broadcaster.
- 16.1.6 The Operator shall cease to use the Intellectual Property of the Broadcaster and/or its Corporate Affiliates.
- 16.1.7 Those provisions of this Agreement that are explicitly, or by their nature, intended to survive termination or expiry of this Agreement shall survive termination or expiry of this Agreement.

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

- 17.1 The Broadcaster represents to the Operator that it has the requisite powers and authority to enter into the Agreement, and to fully perform its obligations hereunder.
- 17.2 As on date of this Agreement, the Channel(s) are registered in the territory with MIB and with any other authority as required under Applicable Law(s).
- 17.3 The distribution of the Channel(s) is allowed in the Territory.

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

- 18.1 The Operator represents, warrants and undertakes the following to the Broadcaster:
- 18.1.1 The Operator has requisite power and authority to enter into the Agreement and to fully perform its obligations hereunder.
- 18.1.2 By executing this Agreement, the Operator is not in breach of any of the provisions contained in any other agreement executed by the Operator with any third party.
- 18.1.3 It shall provide the following upon execution of the Agreement:
- (i) complete network diagram;
  - (ii) CAS declaration from the conditional access vendor (CA declaration form enclosed as **Annexure D**); and
  - (iii) SMS declaration from the SMS vendor (SMS declaration form enclosed as **Annexure E**).
- 18.1.4 The Operator has a valid and subsisting license from the applicable statutory authority which permits operation of the Operator's Platform and the Operator undertakes to keep such license valid and subsisting during the Term and provide a copy of the same to the Broadcaster as and when called upon to do so by the Broadcaster.
- 18.1.5 The Operator undertakes that the Subscribed Channel(s) shall not be disadvantaged or otherwise treated less favorably by the Operator in the Packages offered to the Subscriber.
- 18.1.6 The Operator undertakes to carry all language feeds of the Subscribed Channel(s).

- 18.1.7 The Operator undertakes to obtain requisite licenses from music societies and/or concerned authorities in India, if required, and shall be liable to pay any license fee and royalty in relation to such licenses.
- 18.1.8 All the execution requirements, as listed in **Annexure G** of this Agreement, provided by the Operator to the Broadcaster are true and correct.
- 18.1.9 The STBs, CAS and SMS shall comply with the Technical Specifications and the Operator agrees that the STBs and their installed CAS microchip, used by the Subscribers shall prohibit use of digital outputs.
- 18.1.10 The Operator shall provide the accurate Reports and pay the accurate Monthly Subscription Fee, together with applicable Taxes in a timely manner, failing which the Operator shall be liable to pay applicable interest along with the due payment and this Agreement may also be terminated by the Broadcaster for not providing the Reports.
- 18.1.11 The Operator shall not retransmit the Subscribed Channel(s) via any medium other than the Operator's Platform.
- 18.1.12 The Operator shall not offer any pay channel(s) from amongst the Subscribed Channel(s) as FTA Channel to the Subscribers.
- 18.1.13 The Operator shall make available to the Broadcaster, every month, logs containing channel wise history of all the activations and de-activations of all the STBs, VCs and smart cards for each month from the CAS and SMS logs and/or databases. These logs and/or Report(s), in electronic form, must be verified and authenticated by the CAS provider personnel of a rank not less than that of Chief Technical Officer, Chief Operating Officer or Head of Department.
- 18.1.14 The Operator shall ensure that no activations or deactivations shall be performed or initiated directly in CAS. All such actions must be routed through SMS only.
- 18.1.15 The Operator shall not distribute the Subscribed Channel(s) to any Commercial Subscribers for which one or more separate agreement(s) shall be executed between the Parties.
- 18.1.16 The Operator shall maintain for the Subscribed Channel(s) first-class signal transmission quality in accordance with the highest international industry standards, subject to the Broadcaster delivering the signals of Subscribed Channel(s) to the Operator of a quality sufficient to permit the Operator to reasonably comply with such standards. The Operator shall maintain a service availability (a service free from viewer discernible problems including, without limitation, video with no audio, audio with no video or significant signal distortion) that meets or exceeds 99.95% (ninety nine point nine five percent) reliability per month (which represents service outages incurred by Subscribers not exceeding approximately 22 (twenty two) minutes per month) without any interruption or deviation from the daily transmission schedule and shall immediately notify the Broadcaster of any degradation to any of the Subscribed Channel(s)' signals.
- 18.1.17 The Operator shall ensure that EPG functionality, user interface and on screen display appears at the Subscriber's option provided such interface appears at the bottom part of the screen and doesn't cover more than 10% (ten percent) of the television screen from bottom.
- 18.1.18 The Operator undertakes that while retransmitting signals of the Subscribed Channel(s) through the Operator's Platform in the manner contemplated under this Agreement, the Operator shall mandatorily use its on-screen visible watermark/logo.
- 18.1.19 The Operator shall not superimpose or otherwise add any third party promotions, programs, data, content, copyright, trademarks, trade name, logos, names and/or licenses on the Subscribed Channel(s) at the time of retransmission, except the Operator's service logo only in watermark form which shall be at least 50% (fifty percent) transparent and appear on the right side corner at the bottom of the screen and shall be of a size which does not cover more than 5% (five percent) of the space on screen from the right and 5% (five percent) from the bottom or shall hamper the visual of the Subscribed Channel(s) in any manner.
- 18.1.20 The Operator undertakes to retransmit the signals of the Subscribed Channel(s) in its entirety without (i) any cutting, editing, dubbing, scrolling or ticker tape, voice-over, sub-titles, substituting or any other modification, alteration, addition, deletion or variation; and (ii) replacing, modifying, deleting,

imposing or superimposing of advertisements or otherwise tampering with the content of the Subscribed Channel(s).

- 18.1.21 The Operator undertakes not to, either itself or through others, copy, tape or otherwise reproduce any part of the Subscribed Channel(s). The Operator further undertakes that it shall not copy or tape programs for resale or deal in any copied programs and shall immediately notify the Broadcaster of any unauthorized copying, taping or use of any part of the Subscribed Channel(s) and shall fully cooperate with all requests by the Broadcaster to take such steps as are reasonable and appropriate to cause such activities to cease. It is understood that this shall not apply to the Subscribers using STBs with PVR/DVR facilities. However, cloud based PVR/DVR facilities is prohibited. Further, the Operator undertakes and ensures that content stored in the DVR and/or external storage device should always be encrypted as a 'Copy Protect' feature and shall be encrypted and not play on any other device(s).
- 18.1.22 The Operator shall not push content onto the STBs, there shall not be automatic advertisement skipping function and/or the Operator shall not create a virtual video-on-demand or other on demand service in respect of the Subscribed Channel(s).
- 18.1.23 The Operator undertakes not to place the Subscribed Channel(s) next to any pornographic or gambling channel or included in any Package that contains any channel with pornographic content or any gambling Service.
- 18.1.24 The Operator shall always encourage the Subscribers to subscribe and/or avail and view all the Subscribed Channel(s). The Operator further undertakes that it shall not act in a manner that would discourage the Subscribers from subscribing, availing and viewing the Subscriber Channel(s). Further, the Operator shall not indulge in any negative publicity or provide incentives, marketing, advertisements etc. which would be detrimental to the interest of the Broadcaster and/or the Subscribed Channel(s).
- 18.1.25 The Operator undertakes not to pledge, charge, encumber or in any way part with the possession of the Equipment without prior written permission of the Broadcaster. Further, the Operator undertakes not to remove or shift or allow removing or shifting, the Equipment from the installation address detailed on the first page of this Agreement or allow anybody else to do the same without prior written permission of the Broadcaster and shall indemnify the Broadcaster against any damage, destruction, theft or loss of the Equipment.
- 18.1.26 The Operator undertakes not to modify, misuse or tamper with the Equipment including the seal (paper seal to prevent opening of the Equipment) or any signals emanating therefrom, in a manner that prevents the identification of the Equipment number or interferes with the signals emanating therefrom.
- 18.1.27 The Operator undertakes to keep the Equipment in good and serviceable order and condition to the satisfaction of the Broadcaster and to immediately notify the Broadcaster in the event of any mechanical and/or technical fault in the Equipment.
- 18.1.28 Upon expiry or termination of the Agreement, the Operator undertakes to return to the Broadcaster the Equipment in good working condition and pay to the Broadcaster all outstanding payments that may be payable under the Agreement on the date of termination.
- 18.1.29 Upon change in the designated satellite of the Subscribed Channel(s), the Operator undertakes to make all necessary arrangements to ensure continued access to the Subscribed Channel(s) at its own expense.
- 18.1.30 The Operator undertakes to promptly intimate the Broadcaster of any change in ownership or sale of the business and/or assets of the Operator.
- 18.1.31 The Operator undertakes to keep accurate and complete records and accounts of billings of the Subscribers and make such records available to the Broadcaster and/or its representatives for inspection and/or audit upon reasonable notice.
- 18.1.32 The Operator undertakes to provide all assistance to the Broadcaster for conducting surveys to determinate the actual subscriber base of the Operator. The Operator undertakes to furnish and

submit to the Broadcaster all information and/or documents as may be required by the Broadcaster from the Operator from time to time.

- 18.1.33 The Operator shall provide the Broadcaster, for anti-piracy monitoring of every Subscribed Channel/Package distributed by the Operator, 10 STBs for which the Broadcaster shall pay applicable charges
- 18.1.34 Whenever any of the Channel(s) are launched in high definition format, the Operator shall arrange for distribution of the high definition format signals of the applicable channels through the Operator's Platform, subject to separate commercial arrangement between the Parties.
- 18.1.35 The Operator shall comply with Applicable Law(s) including timely payment of Taxes. Under no circumstances would the Broadcaster be liable to compensate the Operator for any tax, interest or penalty which the Operator is liable to pay to the appropriate authorities in the Territory.

## **19. EQUIPMENT**

- 19.1 The Broadcaster, shall at the request of the Operator supply or cause to be supplied the Equipment to the Operator or has already supplied such Equipment directly or through suppliers nominated by the Broadcaster which are essential for receiving the Subscribed Channel(s), being non-exclusively given herein, within seven (7) working days after execution of this Agreement. The Equipment shall, at all times, remain the sole and exclusive property of the Broadcaster. The Equipment shall be under the control of the Broadcaster and shall never be construed as a sale of the Equipment to the Operator under any circumstances, and accordingly no price is payable by the Operator to the Broadcaster. The Operator shall not use the Equipment for any other purpose at any point of time without the express prior written consent of the Broadcaster.
- 19.2 If the Operator merges or amalgamates with another entity or ceases to operate its DTH Platform, the Equipment supplied by the Broadcaster to the Operator shall be returned forthwith to the Broadcaster. If the Equipment is damaged due to negligence of the Operator, the Broadcaster shall be authorized to recover the actual repair cost from the Operator and if the Equipment is beyond repair, the Operator shall be liable to pay to the Broadcaster the cost of such Equipment as on the date it was supplied to the Operator.
- 19.3 In order to take back possession of the Equipment from the Operator, the Operator shall ensure that the personnel/representative of the Broadcaster is allowed free and unobstructed access to the premises of the Operator where the Equipment is installed and the Operator shall not interfere with such procedure.
- 19.4 Where Equipment 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 the Broadcaster and it shall also be responsible for its proper functioning, repairs, replacement or maintenance. The Broadcaster shall not, under any circumstances, be responsible or liable for any malfunctions, repairs, replacement or maintenance of such Equipment.

## **20. SECURITY DEPOSIT FOR THE EQUIPMENT:**

- 20.1 At the time of supplying the Equipment to the Operator, the Broadcaster may, at its discretion, require the Operator to pay the Security Deposit against delivery of the Equipment.
- 20.2 The Broadcaster may require the Operator to pay such amount as the Security Deposit as may be determined by the Broadcaster from time to time, for each digital satellite receiver and/or IRD provided by the Broadcaster to the Operator under this Agreement. Such Security Deposit amount shall be refunded by the Broadcaster to the Operator upon expiry or earlier termination of the Agreement, subject to the Operator returning the Equipment in perfect working condition (reasonable wear and tear acceptable) and also subject to the Broadcaster setting off the refundable security deposit amount, or part thereof, with any amount receivable by the Broadcaster from the Operator on such date of expiry or termination of the Agreement.
- 20.3 The Security Deposit shall be collected on a one time basis during the Term for each of the Subscribed Channel(s) or for any new channel introduced by the Broadcaster and subscribed by the Operator. It is expressly agreed between the Parties that if within one (1) month of the request made,



the Operator does not intimate the Broadcaster, of the receipt or non-receipt of the Equipment then it will be deemed that the Operator has received the Equipment.

**21. ADVERTISING AND PROMOTIONS:**

- 21.1 The Broadcaster grants to the Operator the non-exclusive right during the Term to use the Marks solely in connection with the marketing and promotion of the Subscribed Channel(s) and in a manner that has been pre-approved by the Broadcaster, for no additional monetary consideration in this regard.
- 21.2 The Operator undertakes to give:
- 21.2.1 an equivalent amount of marketing support for the Subscribed Channel(s) as it provides to other channels of the same genre;
  - 21.2.2 similar treatment to all Subscribed Channel(s) in all advertising materials whereby Channel logos and/or names appear with the logos and names of other channels in terms of size and prominence and page taking into consideration context; and
  - 21.2.3 equal opportunity to the Subscribed Channel(s) for participation in events and promotions that the Operator undertakes subject to commercial agreement for each event.

**22. INTELLECTUAL PROPERTY RIGHTS:**

- 22.1 It is expressly agreed and understood that the Operator shall not acquire any ownership or other rights with respect to the Subscribed Channel(s), other than those expressly provided in this Agreement.
- 22.2 All Intellectual Property related to the Subscribed Channel(s) shall belong exclusively to the Broadcaster. The Operator shall not acquire any proprietary or other rights in the Intellectual Property to which the Broadcaster asserts proprietary or other rights, which the Broadcaster may notify the Operator from time to time in writing, and the Operator agrees not to use the Intellectual Property in any corporate or trade name. The Operator may use the Intellectual Property solely for the purpose of advertising and promoting the Subscribed Channel(s) only with the prior written consent of the Broadcaster. Marketing materials generated by the Operator may refer to the Intellectual Property only if it is clear that such Intellectual Property represents Marks for the Subscribed Channel(s), which are distributed by the Operator. Such marketing materials shall require the prior written approval of the Broadcaster. The Operator shall not acquire any proprietary or other rights over the Marks and agrees not to use Marks without prior written consent of the Broadcaster. Unless notified to the contrary by the Broadcaster, in all trade references, advertising, promotion and for all other purposes, the Subscribed Channel(s) shall be referred to exclusively as designated herein or as otherwise designated by the Broadcaster. To the extent any of such rights are deemed to accrue to the Operator, the Operator agrees that such rights are the exclusive property of the Broadcaster. The Broadcaster reserves the right to inspect any such material at any time without prior notice. The Operator shall not use any Intellectual Property as part of a corporate name or of a trade name, register or use any name or mark which is the same as, or which contains or which, in the opinion of the Broadcaster, resembles any of the Intellectual Property. The Operator shall include appropriate copyright and other legal notices as the Broadcaster may require and shall promptly call to the attention of the Broadcaster, the use of any Intellectual Property, or of any names or marks that resemble any Intellectual Property by any third party in the Territory. The Operator shall within 10 (ten) days after termination of this Agreement return to the Broadcaster or, at its request, destroy all material containing, and all material used for the purpose of printing or reproducing, any Intellectual Property or any other names or marks that in the opinion of the Broadcaster are similar to any Intellectual Property, and shall transfer or cause to be transferred at no cost to the Broadcaster (or its designee) all interest in and to any graphic representation created by or for Operator of any Intellectual Property. To the extent permissible by law, the Operator hereby appoints the Broadcaster its lawful attorney-in-fact irrevocably to carry out any legal action required to cancel any registration or application for registration obtained or made by the Operator for the Intellectual Property pertaining to the Broadcaster and the Subscribed Channel(s) as mentioned in this Clause 22 or to cause all of the Operator's interest in such registrations or application to be transferred to the Broadcaster (or its designee), it being acknowledged that such power is a power coupled with an interest.

**23. LIMITATION OF LIABILITY:**

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

**24. CONFIDENTIALITY:**

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

**25. FORCE MAJEURE:**

- 25.1 Neither Party shall be liable for any delay in performing or for failing to perform any or all of its obligations under this Agreement resulting from force majeure conditions including satellite failure, satellite jamming, occurrence of an event over which the affected Party has no control etc., which may affect the retransmission of signals of any of the Subscribed Channel(s) to the Operator and/or Subscribers.

**26. RELATIONSHIP BETWEEN THE PARTIES:**

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

- 26.2 Further it is expressly agreed that the Operator is making available the Subscribed Channel(s) in its own right and in the course of its own business and not on behalf of the Broadcaster. It is expressly agreed and understood that the Broadcaster has not given to the Operator any right of representation. Accordingly, any margin earned by the Operator from the Subscribers in the course of the exercise of the non-exclusive rights granted herein is not commission paid in any manner to the Operator by the Broadcaster.

**27. NO WAIVER:**

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

**28. ASSIGNMENT:**

28.1 Notwithstanding anything contained in the Agreement, the Operator shall not have the right, without the prior written consent of the Broadcaster, to assign or transfer the Agreement or any of its rights or obligations hereunder to any third Party. Upon any breach, whether actual, potential or threatened, of this Clause 28, the Operator shall be deemed to be unauthorized to retransmit the signals of the Subscribed Channel(s), and in material breach of this Agreement which shall entitle the Broadcaster to terminate the Agreement and deactivate or disconnect the signals of the Subscribed Channel(s) and take any other measures as may be lawfully appropriate.

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

## **29. INDEMNITY AND THIRD PARTY CLAIMS:**

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

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

29.3 The Operator shall be responsible for obtaining all necessary approvals, licenses and permissions, as may be imposed or required by the government and other authorities, for the distribution of the Subscribed Channel(s) by the Operator and maintaining those approvals, licenses and permissions throughout the Term.

29.4 The Operator acknowledges and accepts that the Broadcaster shall not be liable in any manner to the Operator as regards any program content or alleged violations of any third party rights, any law or any broadcast standards and practice guidelines, program code or censorship guidelines contained in the Applicable Law(s).

29.5 This Clause 29 shall survive termination of the Agreement.

## **30. SEVERABILITY:**

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

## **31. NOTICES:**

31.1 All notices given hereunder shall be given in writing, by personal delivery, speed post or registered post acknowledgement due, at the correspondence address of the Operator and the Broadcaster set forth in the Agreement, unless either Party at any time or times designates another address for itself by notifying the other Party thereof by speed post or registered post acknowledgement due only, in which case all notices to such Party shall thereafter be given at its most recent address. Notice given by registered post acknowledgement due shall be deemed delivered on the third day from the date of dispatch of such registered post.

31.2 All notices to the Broadcaster shall be addressed in the attention of Mr. Nitin Dadoo, First Floor, Building No. 14, Solitaire Corporate Park, Guru Hargovindji Marg, Chakala, Andheri (East), Mumbai 400 093, .

**32. NO USE OF 'DISNEY' NAME:**

32.1 The Operator will not use the name "Disney" (either alone or in conjunction with or as part of any other words, name, logos or designs) or any trademarks, services marks, logos, fanciful character or design of Broadcaster or its Corporate Affiliate except as expressly permitted under this Agreement or in any way so as to constitute an endorsement, false association or testimonial, express or implied, of any party (including the Operator), or any service or product, and will not to be involved in or authorize any publicity or advertising in relation to a Disney product (except at Broadcaster's request) without Broadcaster's prior written approval. Any breach of the obligations under this Clause 33 shall be deemed a material breach of this Agreement.

**33. DATA PRIVACY:**

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

**34. ANTI-CORRUPTION:**

34.1 The Operator agrees to comply fully with the United States Foreign Corrupt Practices Act of 1977 and any amendments thereto (and any local or foreign equivalent, including the laws of India).

**35. SANCTIONS AND EXPORT CONTROLS:**

35.1 The Operator agrees to comply fully with all applicable sanctions and export control laws, including those of the United States, and those of the jurisdiction(s) where the Agreement will be performed (if different). For the avoidance of doubt it is acknowledged and agreed that Broadcaster shall have the right to withdraw the rights and/or authorization with respect to any country which is subject to a trade embargo or other trade restrictions or prohibitions of the United Nations, the United States, or any other jurisdiction, competent organization or body.

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

35.1 The rights and obligations of the Parties under the Agreement shall be governed by and construed in accordance with the laws of India. The TDSAT, to the exclusion of all other courts, shall have exclusive jurisdiction to entertain any disputes between the Parties arising out of relation to this Agreement.

**37. COUNTERPART:**

37.1 This Agreement may be signed in any number of counterparts, all of which taken together, shall constitute one and the same instrument.

**38. ENTIRE UNDERSTANDING AND MODIFICATIONS:**

- 38.1 The Agreement along with its Schedules and Annexures contains the entire understanding between the Parties with respect to the subject matter covered herein. It supersedes all prior understandings between the Parties with respect to the subject matter hereof. Subject to any new regulations and/or orders stipulated by the TRAI/MIB or any order of the court/tribunal, any modification, variation, alteration and amendment of the provisions of the Agreement shall be mutually agreed in writing and executed by and on behalf of the Parties. In the event the Parties fail to mutually agree upon such amendment, the Broadcaster shall have the right to terminate this Agreement without any further obligation towards the Operator.

**39. BINDING AGREEMENT:**

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

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

**For** \_\_\_\_\_

Signature: \_\_\_\_\_

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

Designation: \_\_\_\_\_

PAN of the Operator: \_\_\_\_\_

**For Disney Broadcasting (India) Limited**

Signature: \_\_\_\_\_

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

Designation: \_\_\_\_\_

PAN of the Broadcaster: \_\_\_\_\_

## **Schedule 1**

### **Technical Specifications**

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

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

1. All the STBs should have embedded Conditional Access (CA).
2. The STB should be capable of decrypting the Conditional Access inserted by the head-end of the Operator.
3. The STB should be capable of doing finger printing. The STB should support both Entitlement Control Message (ECM) and Entitlement Management Message (EMM) based fingerprinting.
4. The STB should be individually addressable from the head-end of the Operator.
5. The STB should be able to take the messaging from the head-end of the Operator.
6. The messaging character length should be minimal 120 characters.
7. There should be provision for the global messaging, group messaging and the individual STB messaging.
8. The STB should have forced messaging capability.
9. The STB must be Bureau of Indian Standards (BIS) compliant.
10. There should be a system in place to secure content between decryption and decompression within the STB.
11. The STBs should be addressable over the air to facilitate Over the Air (OTA) software upgrade.
12. The STB should be compatible with covert finger Printing.
13. The STB should carry Subscribed Channel(s)' finger printing without masking or tampering, with respect to time location, duration and frequency.

##### **(B) HD Set-Top-Box Requirements:**

1. The HD STBs shall be tamper resistant.
2. Security codes must be securely stored in the HD STB.
3. There should not be any testing points or interfaces in the HD STB provided to the Subscribers.
4. Security system in a HD STB or otherwise must have the capability to detect clone devices.
5. HD STB must enforce reasonable usage rules carried by the license.
6. The decryption and decoding processes must be integrated into a single process in the HD STB.
7. The video path from decryption to video outputs must be secured.
8. PVR content is protected. Any STB or HD STB utilizing built-in PVRs shall employ an encryption system for the storage of material that binds the material to that particular set top box or HD STB.
9. HD STB shall have the ability to add finger printing in the video outputs (preferred to track clone/compromised devices).
10. HD STB shall have:
  - (a) CGMS/A capability for analog outputs
  - (b) HDCP capability for DVI and/or HDMI outputs; and
  - (c) DTCP capability for 1394, USB, Ethernet and/or other applicable outputs if provided.

##### **(C) Fingerprinting Requirements:**

1. The finger printing should not be removable by pressing any key on the remote.
2. The finger printing should be on the top most layer of the video.
3. The finger printing should be such that it can identify the unique STB number or the unique VC number.
4. Finger printing should appear on all the screens of the STB, such as Menu, EPG etc.
5. The location of the finger printing should be changeable from the head-end of the Operator and should be random on the viewing device.
6. The finger printing should be able to give the numbers of characters as to identify the unique STB and/or the VC.
7. The finger printing should be possible on global as well as on the individual STB basis.
8. The overt finger printing and 'on-screen display' (OSD) messages of the respective broadcasters should be displayed without any alteration with regard to the time, location, duration and frequency.
9. No common interface Customer Premises Equipment (CPE) to be used.
10. The STB should have a provision that OSD is never disabled.
11. If any piracy is reported by the Broadcaster, the Operator shall deactivate the STB and VC in 10 (ten) to 20 (twenty) minutes of such reporting.

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

1. The current version of the CAS should not have any history of the hacking.
2. The fingerprinting should not get invalidated by use of any device or software.
3. The STB and VC should be paired from head-end to ensure security.
4. The SMS and CA should be integrated for activation and deactivation process from SMS to be simultaneously done through both the systems. Further, the CA system should be independently capable of generating log of all activations and deactivations.
5. The CA provisioning company should be known to have capability of upgrading the CA in case of a known incidence of the hacking.
6. The SMS and CAS should be capable of individually addressing subscribers, on a channel by channel and STB by STB basis.
7. The SMS should be computerized and capable to record the vital information and data concerning the subscribers such as:
  - (a) Unique Customer Id
  - (b) Subscription Contract no
  - (c) Name of the subscriber
  - (d) Billing Address
  - (e) Installation Address
  - (f) Landline no
  - (g) Mobile No
  - (h) Email-id
  - (i) Service /Package subscribed to
  - (j) Unique STB No
  - (k) Unique VC No
8. The SMS should be able to undertake the:
  - (a) Viewing and printing historical data in terms of the activations, deactivations, etc.
  - (b) Location of each and every 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 service 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 the period of the last 2 years
9. The SMS and CAS should be able to handle at least one million concurrent subscribers on the system.
10. Both CA and SMS systems should be of reputed organization and should have been currently in use by other pay television services that have an aggregate of at least one million subscribers in the global pay TV market.
11. The CAS system provider should be able to provide monthly log of the activations on a particular channel or on the particular package.
12. The SMS should be able to generate itemized billing such as content cost, rental of the equipment, Taxes etc.
13. The CA and SMS system suppliers should have the technical capability in India to be able to maintain the system on 24 x 7 basis throughout the year.
14. CAS and SMS should have provision to tag and blacklist VC numbers and STB numbers that have been involved in piracy in the past to ensure that the VC or the STB cannot be re-deployed.
15. The Operator shall provide a copy of its CAS and SMS certification from the Authorized vendor of such CAS and SMS service.

## **Schedule 2**

### **THE OPERATOR'S ANTI-PIRACY OBLIGATIONS**

*Anti-piracy terms for a company providing services in India ("OPERATOR")*

#### **1. General**

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

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

- 2.1 In order to ensure that each STB is capable of being used for fingerprinting, the Operator shall ensure that the STBs supplied to Subscribers conform to the Bureau of Indian Standards established under the Bureau of Indian Standards Act, 1986.
- 2.2 The Operator represents, warrants and undertakes that there are adequate systems, processes and controls in place regarding the distribution of STBs and VCs so as to ensure that they are only sold within the Authorised Areas by the Operator or by its authorized dealers and such sales are only made to bona fide Subscribers residing in the authorised Areas and installations are made at an applicable residential address. Adequate systems, processes and controls shall include, without limitation, the Operator:
- 2.2.1 collecting and maintaining complete up to date records of each and every Subscriber's details, and details of the location of every STB and VC including, without limitation, the particulars specified in Paragraph 2.4;
  - 2.2.2 requiring all Subscribers to submit a utility bill or bank statement as proof of address, including any Subscribers who have been previously de-authorized prior to re-authorization, or independently physically verify the address by a person other than the dealer/sales unit, prior to activation of any STB and VC;
  - 2.2.3 investigating any multiple VC issued under one individual name or address, including visiting the premises of such individuals or addresses from time to time;
  - 2.2.4 deploying verification officers on a regular basis to visit and audit the accuracy and veracity of the Subscriber databases on a regular basis;
  - 2.2.5 ensuring compliance by dealers including unannounced visits to dealers' premises from time to time;
  - 2.2.6 requiring that for every change of address on the system and therefore re-location of a STB, there is an independent physical verification of the new residential address; and
  - 2.2.7 de-authorizing any STB or VC that is found outside the Authorized Area(s) or in the possession of a person who is not a bona fide Subscriber.
- 2.3 The Operator represents, warrants and undertakes that all of its STBs and VCs: (i) are sold and installed together as a pack only in the Authorised Areas in the Territory and installed only at the premises of Subscribers whose address has been verified in accordance with Paragraph 2.2.1; and (ii) employ card-pairing technology that ensures once a VC is activated and paired to a particular STB, the Channel(s) or Subscribed Channel(s) cannot be viewed if such STB is removed and used with any other STB or used with a set top box of any other operator.
- 2.4 The Operator represents, warrants and undertakes that all installations of STBs and VCs are done directly by the Operator or through its authorized dealers and only within the Authorised Areas within the Territory, and that the installer for every installation physically checks and ensures before installation and activation of a STB and VC that the address where the installation is being done matches with the address as supplied by the Subscriber at the time of purchase, hire purchase or renting of the STB and which is the same as detailed in the SMS. In accordance with Paragraph 2.2.1, the Operator's SMS shall contain all of the following information items for each Subscriber prior to activation of a STB and VC for such Subscriber:
- 2.4.1 Name;
  - 2.4.2 Installation address;
  - 2.4.3 Billing address (if different);
  - 2.4.4 Telephone number of the installation address, where applicable;
  - 2.4.5 Subscriber's unique subscriber reference or subscription agreement number;
  - 2.4.6 Channel(s)/Package that has been selected;
  - 2.4.7 Name and unique reference number of the dealer who sold the STB to such Subscriber;
  - 2.4.8 Name and unique reference number of the dealer who sold the subscription to such Subscriber (if different);



- 2.4.9 Name and unique reference number of the installer (if different from the dealer);
- 2.4.10 VC number; and
- 2.4.11 Unique STB number.

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

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

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

2.7 The Operator represents, warrants and undertakes that its SMS: (a) allows viewing and printing historical data, in terms of total activation, de-activation and re-activation of all Subscribers and all other records required under paragraph 2.4; and (b) enables the location of each and every STB and VC to be recorded.

### **3. Fingerprinting**

3.1 The Operator shall ensure that it has systems, processes and controls in place to run fingerprinting at regular intervals as per the specifications provided by the Broadcaster and as reasonably requested from time to time.

3.2 The Operator shall ensure that all STBs should support both visible and covert types fingerprinting and should be compatible for running fingerprinting whether operated by the Operator or by the Broadcaster.

3.3 The Operator shall ensure that it shall be able to operate the fingerprinting across all Subscribers based on pre-set parameters and such fingerprinting should, apart from the foregoing, be possible and available on global, group and regional bases at all times. On screen display should support a minimum number of characters that preserve uniqueness to that VC and STB and any amendment of those characters will be on a pre-determined, consistent basis.

3.4 The Operator shall ensure that the following processes shall be deployed to keep a check on piracy and misuse of the signals of the Channel(s):

3.4.1 The Channel(s)' fingerprinting should pass through without masking or tampering with respect to time, location, duration and frequency;

3.4.2 Fingerprinting to be provided by the Operator on the Channel(s), as per the scheme provided by the Broadcaster; the Broadcaster shall have a right to give the time, location, duration of fingerprinting at a reasonably short notice (i.e. at least 30 minutes prior notice or more).

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

4.1 The Operator shall ensure that the Subscribed Channel(s) are broadcast in an encrypted form and in a form capable of fingerprinting.

4.2 The Operator represents and warrants that: (a) both the CAS and SMS shall be of a reputed organization and are currently being used by other pay television services that have, in aggregate, at least one (1) million subscribers in the global pay television market outside of the Territory; (b) none of the current versions of the CAS have been hacked; (c) to the best of its knowledge, there are no devices or software available anywhere in the world that is capable of hacking or invalidating the fingerprinting technology; and (d) both its CAS and SMS shall be integrated and any activation/de-activation shall be processed simultaneously through both systems.

4.3 The Operator agrees that it shall, at its sole cost, be responsible for ensuring the Subscribed Channel(s) are distributed via a digital, encrypted format signal receivable only by its bona fide Subscribers.

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

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

**Annexure A**

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

**A-LA-CARTE RATES<sup>##</sup> PER SUBSCRIBER PER MONTH**

Tick here in case the Operator opts for the Subscribed Channel(s) on A-la carte basis	Tick here (✓)	Channels	A-la-carte Rates (in INR)
		bindass PLAY	3.09
		Disney Junior	5.62
		UTV Movies	6.30
		bindass	4.20
		UTV Action	4.20
		Hungama TV	3.51
		Disney Channel	4.00
		Disney XD	4.00

**BOUQUET RATE PER SUBSCRIBER PER STB PER MONTH**

Tick here in case the Operator opts for the Bouquet	Channels	Bouquet Rate per Subscriber per month (in INR)
	bindass PLAY	24
	Disney Junior	
	UTV Movies	
	bindass	
	UTV Action	
	Hungama TV	
	Disney Channel	
	Disney XD	

It is hereby clarified that in addition to the Monthly Subscription Fee, the Operator shall be liable to pay applicable Taxes.

**<sup>##</sup> Note:** The A-la-carte Rates mentioned in Annexure A are in terms of the interim order dated April 18, 2011 of the Hon'ble Supreme Court of India in Civil Appeal No's 2847 to 2854 of 2011 and 3896-3903 of 2011 i.e. 42% of the rates specified for non-addressable analog systems and is under protest and without prejudice to the Broadcaster's right to increase the A-la-carte Rates prescribed for addressable platforms, subject to any regulations/orders of the TRAI and/or judgments/orders of courts/tribunals in India with respect to tariffs for addressable platforms.

The A-la carte Rates mentioned herein are in terms of the Order dated April 28, 2015 of the TDSAT and Order dated August 4, 2015 of the Hon'ble Supreme Court in Civil Appeal Nos. 5159-5164/5289-5294/5352-5357/5283-5288 of 2015 and without prejudice to broadcaster's right to increase the A-la carte Rates prescribed for addressable platforms, subject to any regulations/orders of the TRAI and/or judgment/orders of courts/tribunal in India.

The above A-la carte Rates and Bouquet Rate is subject to inflation related hike or increase in the rates notified by TRAI by way of Tariff Order or otherwise and would become automatically applicable to the Agreement w.e.f. the date of such notification and the Operator would be liable to pay the increased subscription fee from the notification date.

**Annexure A1**

**Authorized Area(s)**

**Installation Address of CAS:**

**Installation Address of SMS:**

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

WEBSITE VERSION - NOT FOR EXECUTION

**Annexure B**

EQUIPMENT DETAIL			
Channels	Digital Satellite Receiver No. (IRD No.):	VC No.:	Unique Identification No.
bindass PLAY			
Disney Junior			
UTV Movies			
bindass			
UTV Action			
Hungama TV			
Disney Channel			
Disney XD			

WEBSITE VERSION - NOT FOR EXECUTION

**Annexure C**

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

**Subscriber Report Format**

**CHANNELS OFFERED ON A-LA-CARTE BASIS**

Sl. No.	Channel Name	Opening Subscriber No.	Closing Subscriber No.	Average Subscriber No.
		As Per SMS	As Per SMS	As Per SMS

**CHANNELS OFFERED AS PART OF PACKAGE**

Sl. No.	Package Name	Channel(s) contained therein	Opening Subscriber No.	Closing Subscriber No.	Average Subscriber No.
	As Per SMS	As Per SMS	As Per SMS	As Per SMS	As Per SMS

**TOTAL OFFERING ON A-LA-CARTE / PACKAGE BASIS**

Sl. No.	Channel Name	Opening Subscriber No.	Closing Subscriber No.	Average Subscriber No.
		As Per SMS	As Per SMS	As Per SMS

**Report for Total Subscriber Base of the Operator (including FTA Channel(s))**

Sl. No.	Opening Subscriber No. for all channels including FTA and Pay Channel(s)	Closing Subscriber No. for all channels including FTA and Pay Channel(s)	Average Subscriber No. for all channels including FTA and Pay Channel(s)

**Network Pay Subscriber Base Report of the Operator**

Sl. No.	Opening Subscriber No. for Pay Channel	Closing Subscriber No. for Pay Channel	Average Subscriber No. for Pay Channel

**LCN Report**

Sl. No.	Channel(s)	Genre	LCN Rank
	bindass PLAY	Music	
	Disney Junior	Kids	
	UTV Movies	Hindi Movies	
	Bindass	General entertainment (Hindi)	
	UTV Action	Hindi Movies	
	Hungama TV	Kids	
	Disney Channel	Kids	

	Disney XD	Kids	
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**Parity Report**

Sl. No.	Name of all retail Packages and Add-on- Package (FTA, Pay, FTA and Pay)	Name of the Channel(s)	Competing Channel(s)	Parity adhered (Yes/No)
		bindass	Star TV, Life Ok, Channel V, Zee TV, Colors, Sony, SAB TV, &TV, Epic, Sahara One, Sony Pal, Zindagi and other similar channels	
		bindass PLAY	ETC Bollywood, Sony Mix, MTV, MTV Indies, 9 X Music and other similar channels	
		UTV Movies	Star Gold, Movies OK, Zee Cinema, Sony MAX, Sony MAX 2, & Pictures, Zee Classic, Zee Action, Filmy and other similar channels	
		UTV Action	Star Gold, Movies OK, Zee Cinema, Sony MAX, Sony MAX 2, & Pictures, Zee Classic, Zee Action, Filmy and other similar channels	
		Disney Channel	Nick, Cartoon Network, Nickelodeon Sonic, Pogo and other similar channels	
		Disney XD	Nick, Cartoon Network, Nickelodeon Sonic, Pogo, Toonami, Discovery Kids and other similar channels	
		Hungama TV	Nick, Cartoon Network, Nickelodeon Sonic, Pogo, Toonami, Discovery Kids and other similar channels	
		Disney Junior	Nick Junior, Baby TV and other similar channels	

**Annexure D**

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

TO WHOMSOEVER IT MAY CONCERN

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

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

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

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

1. The current version of CAS does not have any history of hacking.
2. We have the capability of upgrading of CAS in case it gets hacking.
3. The CAS is currently in use by other pay TV services and it has an aggregate of at least 1 (one) million subscribers in the global pay TV market.
4. The CAS has the capacity to handle at least 1 (one) million subscribers in the system.
5. We, the CAS system provider are able to provide monthly log of activation and deactivation on a particular channel or on a particular package.
6. We have the technical capability in India to maintain this CAS system on 24 x 7 basis through the year.
7. This CAS is independently capable of generating log of all activations and deactivations.
8. This CAS has the provision to tag and blacklist VC numbers and STB numbers that have been involved in piracy in the past to ensure that the VC or the STB cannot be redeployed.
9. The CAS is capable of individually addressing subscribers, on a channel by channel and STB by STB basis.
10. This CAS has the capability to store history logs of all activations and deactivations for the period of last 2 (two) years for every channel and package.

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

Thanking you,

For (CAS company name)

(Signature)

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

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

Company seal:



**Annexure E**

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

TO WHOMSOEVER IT MAY CONCERN

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

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

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

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

1. The SMS is currently in use by other pay TV services that have an aggregate of at least 1 (one) million subscribers in the global pay TV market.
2. The SMS has the capacity to handle at least 1 (one) million subscribers in the system.
3. We have the technical capability in India to be able to maintain their system on 24 x 7 basis through the year.
4. We, the SMS system provider are able to provide monthly log of activation and deactivation on a particular channel or on a particular package.
5. This SMS has the provision to tag and blacklist VC numbers and STB numbers that have been involved in piracy in the past to ensure that the VC or the STB cannot be redeployed.
6. The SMS is capable of individually addressing subscribers, on a channel by channel and STB by STB basis.
7. This SMS is independently capable of generating log of all activations and deactivations.
8. This SMS has the capability to store history logs of all activations and deactivations for the period of last 2 (two) years for every channel.

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

Thanking you,

For (SMS company name)

(Signature)

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

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

Company seal:

## **Annexure F**

### **Scope of Audit**

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

- Operator should provide Complete Accurate Schematic Diagram of their Head End, Earth Stations, Systems and Processes for Audit and Auditing Purpose.
- Operator to submit and confirm the no. of MUX's (Multiplexer Units) installed with active TS (Transport Stream) outputs. This should include physical audit of head end, earth station and analysis of TS stream from the Mux.
- All TS from MUX should be encrypted for the Territory.
- Operator to ensure that his network watermark logo is inserted on all pay channels at encoder end only.
- All pay channels IRDs to be provided to Operator by the Broadcaster should have SDI/Composite/ SDI output only. The Broadcaster should not give IRDs with ASI/IP output or CAM Module.

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

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

#### **SMS Audit:**

- All product authorization must be originated from SMS only. Only after origination from SMS, the CAS should be communicated in this regard.
- SMS and CAS should be fully integrated for all the logics (including but not limited to subscriber provisioning, product entitlements etc.).
- The SMS should be computerized and capable to record the vital information and data concerning the subscribers such as:
  - § Unique Customer Id
  - § Subscription Contract number
  - § Name of the subscriber
  - § Billing Address
  - § Installation Address
  - § Landline telephone number
  - § Mobile telephone number
  - § Email id
  - § Service/Package subscribed to
  - § Unique STB Number
  - § Unique VC Number
- The SMS should be able to undertake the viewing and printing historical data in terms of the activations, deactivations etc. It must also be able to provide this data in digital format (e.g. excel) for further processing and intelligence.
- Location of each and every set top box VC unit
- The SMS should be capable of giving the reporting at any desired time about:
  - § The total no subscribers authorized
  - § The total no of subscribers on the network
  - § The total no of subscribers subscribing to a particular service at any particular date.
  - § The details of channels opted by subscriber on a-la Carte basis.
  - § The package wise details of the channels in the package.

- § The package wise subscriber numbers.
- § The ageing of the subscriber on the particular channel or package
- § Number of STBs activated and deactivated for the same subscriber with date information.
- § The history of all the above mentioned data for the period of the last 2 years

1. Following parameter should be validated during the audit:

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

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

- Operator to provide details of manufacturers of STB's being used / to be used by him (OS/Software, memory capacity, zapping time). All STBs must be secure chipset with chipset pairing mandatory.
- Operator should provide one set of all type/model of boxes for testing and monitoring purpose.
- All STBs used by Operator's should be certified by their CAS vendor.
- Forensic watermarking to be implemented on the Operator headend and STBs.
- ECM/EMM base Forced messaging full screen and ticker mode should be available.
- All the STBs should have embedded Conditional Access.
- The STB should be capable of doing finger printing. The STB should support both Entitlement Control Message (ECM) and Entitlement Management Message (EMM) based fingerprinting.
- The STB should be individually addressable from the Head end.
- The messaging character length should be minimum of 120 characters.

- There should be provision for the global messaging, group messaging and the individual STB messaging.
- The STB should have forced messaging capability.
- The STB must be BIS compliant.
- The STB must have secure chip set with mandatory pairing to smart card.
- There should be a system in place to secure content between decryption and decompression within the STB.
- The STBs should be addressable over the air to facilitate Over The Air (OTA) software upgrade.
- The STB outputs should have the following copy protections
  - (i) Macro vision 7 or better on Composite video output.
  - (ii) Macro vision 7 or better on the Component Video output.
  - (iii) HDCP copy protection on the HDMI and DVI output.
  - (iv) DTCP copy protection on the IP, USB, 1394 ports or any applicable output ports.
- Types of boxes launched / to be launched:
  - § Vanilla STB
  - § DVR STB
  - § Others (please specify)
- Please furnish STB details as following:
  - § Open Standards or Proprietary?
  - § Audio Video and Data I/O Configuration?
  - § Local Storage?
  - § Smarts Card?
  - § PVR Functionality?
  - § Tamper Resistance?
  - § I/O Copy Protection (CGMS-A, HDCP etc.)? Please provide the details.
  - § I/O Interface to Other Devices?
- Are the STB's interoperable?
- DVR / PVR STB should be compliance of following:
  - § Content should get recorded along with FP/watermarking/OSD and also should display live FP during play out.
  - § Recorded content should be encrypted and not play on any other devices.
  - § Recorded content should get automatically deleted once the content license expires.
  - § Content should get record along with entitlements and play out only if current entitlement of that channel is active.
  - § User should not have access to install third party application/software.
- Does the Set Top Box support any type of interactive middleware? Please describe.

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

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

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

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

**Commercial Audit\***

1. Provide system generated channel-wise and package-wise reports of channels for the Platform in a non-editable format.
2. Understand/ Verify the Customer Life Cycle Management process by performing a walkthrough of the following processes and their underlying systems
  - Customer acquisition
  - Provisioning of the subscriber in authentication, billing and SMS system

- Scheme / package change request process
- Customer Retention process, if any
- Deactivation and churn process
- 3. Understand/ 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
- 4. Understand the declaration report generation process by performing a walkthrough of processes and underlying systems (to understand completeness and accuracy of Subscriber Report generation process):
  - Generation of reports for subscriber declaration for Channel(s)/packages containing the Channel(s)
  - Any reconciliations / checks /adjustments carried out before sending the declarations
- 5. Analyze declaration reports on a sample basis:
  - Reconciling the declaration figures with base data from various systems (SMS / Provisioning / Billing and Authentication systems)
  - Analyze the computation of average subscribers
  - Ascertain the average subscribers for a specific period on a sample basis by generating a sample report for a given period in the presence of the representative/auditors
- 6. Analysis of the following - :
  - Input and change controls of customer data into SMS
  - SMS user access controls – authentication, authorization and logging
  - Analyze system logs to identify any significant changes or trail of changes made
  - Security controls over key databases and systems including not limiting to SMS, Provisioning, authentication and billing systems
  - Review the system logic for the reports which are inputs to the Broadcaster declarations
  - Channel allocation/fixation to a particular LCN/CDN
  - Mapping of subscriber id across the CRM and SMS billing system if the same is different across the systems
  - Sample of activation and deactivation request logs
  - Opening and closing numbers of the active subscribers for sample months (report to be taken in front of the auditors/ rep)
  - Confirmation of the numbers on the middle of the month on a random chosen dates (report to be taken in front of the auditors/ representatives of both parties)
  - Live Demo of the queries being put in to the system to generate different reports.
  - List of CAS and SMS used by Operator in its area of operation. Incase more than one CAS and SMS system is used by Operator, then understand and analyze how multiple markets are segregated, controlled, reported and invoiced
  - Similarly, list of head-ends of the operator providing services in its areas of operation and for such head-ends, understand and analyze how the two markets are segregated, controlled, reported and invoiced.
  - In case of multiple CAS being used by Operator, to understand synchronization between multiple CAS and SMS.

**Annexure G**

**EXECUTION REQUIREMENTS**

It is hereby agreed that in the event the Operator opts for the Incentive Scheme, then the Operator shall furnish the following reports at the time of execution of the Agreement set out below:

- (i) Subscriber Report;
- (ii) Report for Total Subscriber Base of the Operator (including FTA Channel(s));
- (iii) Network Pay Subscriber Base Report of the Operator;
- (iv) LCN Report; and
- (v) Parity Report.

WEBSITE VERSION - NOT FOR EXECUTION